

Public Report

Birmingham City Council

Report to Cabinet Committee – Group Company Governance

25 January 2024



Subject: B:Music - Company Pen Portrait
Report of: Fiona Greenway, Interim Director of Finance, s151 Officer
Relevant Cabinet Member: Councillor Brigid Jones
Relevant O & S Chair(s): Councillor Akhlaq Ahmed
Report author: Alison Jarrett Director Group & Capital Finance, Deputy s151

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential :		

1 Executive Summary

B:Music Ltd is to present to Members on the private agenda. This report provides Members with a pen portrait of the company.

2 Recommendations

2.1 Members are asked to note the information provided

3 Background

3.1 B:Music is a company incorporated in 1996 by the National Exhibition Centre (NEC) and limited by guarantee by Birmingham City Council as sole guarantor from 1997. The organisation's objectives are:

- To promote and present concert performances of classical, popular, and contemporary music, complementary to those of the City of Birmingham Symphony Orchestra (CBSO), and of world-class calibre; and
- To educate the public by promoting, fostering, and encouraging the knowledge, understanding, and appreciation of the arts, particularly music, providing an education programme for this purpose.

3.2 The company receives a revenue support grant from the council as shown in the table below:

	2022/23	2023/24
BCC Core Grant	£1.388m	£1.388m

During 2022/23 B:Music had 393 employees on full, part-time and variable contracts (2021/22 421), and an average number of core employees of 60 (2021/22 49). At 31 March 2023 (audited) the charity held net assets of £14.5m (2022 £14.2m).

Recent financial performance is summarised below:

	Consolidated Income & Expenditure Account £'000 (loss)/surplus		Group Balance Sheet – Total Charity Funds £'000	
	Restricted (imposed by donors)	Unrestricted	Restricted (imposed by donors)	Unrestricted
31 March 2023	(652)	(27)	12,235	2,259
31 March 2022	286	11	12,887	2,286
31 March 2021	3,744	607	12,601	2,275
31 March 2020	6,697	(197)*	8,857	1,668

* - £200k was transferred from restricted to unrestricted after net expenditure

3.3 B:Music manages and operates Symphony Hall which is one of the finest concert halls in the world. Presenting a world-class programme of music and education, it is

a major cultural draw for Birmingham and is the home of the City of Birmingham Symphony Orchestra (CBSO).

- 3.4 B:Music completed its major capital construction project, "Making an Entrance" during 2020/21. This construction project extended and re-modelled Symphony Hall's public spaces and was funded through a combination of fund-raising and grant awards and a BCC commercial loan facility of up to £3m, this was not fully required, £0.7m was drawn down at a commercial rate over a term of 20 years..

3.5 Key personnel and board (to include):

Mr Nick Reed – CEO

Ms Anita Bhalla OBE DL - Chair of the Board

Councillor Ewan Mackey - Director

Councillor Sir Albert Bore - Director

4 Options considered and Recommended Proposal

- 4.1 This report provides information to Members on B:Music and will assist in the exchanges and discussion on the presentation within the private agenda.

5 Consultation

- 5.1 The Chair of the Committee has been consulted on the attendance of B:Music.

6 Risk Management

- 6.1 This report provides an outline of the company and background for discussion of company performance with the company representatives.

7 Compliance Issues:

- 7.1 **How are the recommended decisions consistent with the City Council's priorities, plans and strategies?**

The Council provides services to community through a number of different vehicles. This report provides information on B:Music, a major provider of cultural services and events within the city.

The recommended decision supports the Birmingham City Council Plan 2018-2022, outcome 4: Birmingham is a great city to live in through priority 8, we will enhance our status as a city of culture, sports and events.

7.2 Legal Implications

The Council's Section 151 Officer has a duty to ensure the proper administration of the Council's financial affairs. The Accounts and Audit Regulations 2015, requires the Council to have effective arrangements for the management of risk.

7.3 Financial Implications

There are no financial implications directly arising from this report but Members should consider any questions or considerations arising from this report for discussion during the private agenda.

7.4 Procurement Implications

There are no procurement implications directly arising from this report.

7.5 Human Resources Implications

There are no human resources implications directly arising from this report.

7.6 Public Sector Equality Duty

There are no equality duty or equality analysis issues relating to the proposals set out in this report.

8 Background Documents

CIPFA Code of Practice on Local Authority Accounting