



Department for Levelling Up, Housing & Communities

Rt Hon Michael Gove MP
*Secretary of State for Levelling up
Housing & Communities
Minister for Intergovernmental
Relations*
2 Marsham Street
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Max Caller CBE

By email only

22nd February 2024

Dear Max,

Thank you for your letter of 9 January, setting out the initial findings and progress of the Commissioner team in Birmingham City Council.

I would first like to thank you and the Commissioner team for the important work that you have done so far. I recognise that the position of the Council is worse than you initially feared but am encouraged by the early progress made by Commissioners.

I note that a credible savings plan has been presented, but also that this will not be sufficient to meet the gap for 2024/25. I expect Commissioners to oversee the Council to deliver these savings plans through 2024/25 and into 2025/26. I am concerned that the Council does not have a strong track record of delivering savings or introducing innovation. It is essential that the Council approaches the next year with a robust plan, led at both political and officer level, and a strong grip on the delivery milestones. Failure to do so will create an unsustainable budgetary situation. It is vital that the Council continue to listen to, and work with, Commissioners to ensure these plans are delivered to achieve a balanced budget, without which the financial security of the Council remains in doubt.

The governance arrangements in Birmingham City Council need to improve, particularly around the roles and responsibilities of officers and members. It is imperative for residents in Birmingham that these relationships are functional and support effective and efficient ways of working within the Council and I expect to see the Council make speedy progress in this area.

I remain concerned about the financial implications of the failed implementation of the Oracle system and the potential Equal Pay liability and expect to see demonstrable progress from the Council in your next update report in the Spring.

I am pleased to note that children's and adult social care services have each been rated as good and that SEND services are showing signs of improvement; I expect to see this performance maintained throughout the Council's wider improvement efforts.

You have my full support in taking whatever steps are necessary to drive the required improvements and I trust that Council officers and members will continue to engage positively with you. I look forward to your next report. In the meantime, please do not hesitate to contact my officials should there be anything further that you require.

With every good wish,

RT HON MICHAEL GOVE MP

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