

Performance and Improvement Summary

Finance and Resources

Overview and Scrutiny Committee

This document provides a high-level summary of:

- The strategic and organisational context, including the Corporate Plan 2022-26, city and citizen outcome indicators, and a summary of external factors impacting on the remit of this Committee.
- A summary of key delivery milestones and performance indicators against Corporate Plan priorities, and directorate priorities for 2023/24 relevant to the remit of this Committee.
- Transformation and improvement activity relevant to the remit of this committee.

Programmes, Performance, and Improvement Division

June 2023



BE BOLD BE BIRMINGHAM

1. STRATEGIC AND ORGANISATIONAL CONTEXT

1A. CORPORATE PLAN 2022-26

An overview of the Corporate Plan 2022-26.

In October 2022, the City Council approved the Corporate Plan 2022-2026 that sets out the organisation's vision and strategic priorities. These priorities are aligned to six themes: Prosperous, Inclusive, Safe, Healthy, Green, and being a Best-in-Class Council. The Plan provides the context for improvement and transformation activity and a framework for the organisation's business planning.

The Corporate Performance and Delivery Plan (CPDP), updated each year, provides a summary of the key delivery milestones and performance measures that are used to demonstrate delivery and performance against the Corporate Plan priorities. The CPDP provides the basis for quarterly reporting to the Corporate Leadership Team (CLT) and Cabinet. The CPDP does not include the totality of the Council's delivery activity but summarises key activity from Directorate Business Plans, delivery strategies, and transformation agendas.

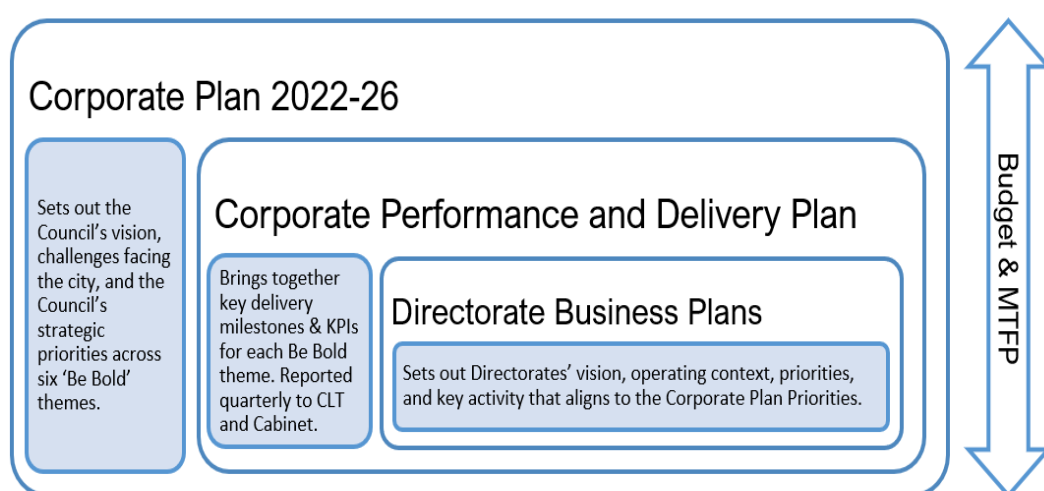


Diagram showing an overview of the Corporate Plan 2022-26:

GRAND CHALLENGES		OUR RESPONSE: BE BOLD OUTCOMES	PRIORITIES
Equality and Inclusion	Unemployment, skills and the local economy	A BOLD PROSPEROUS BIRMINGHAM	1. Support inclusive economic growth 2. Tackle unemployment 3. Attract inward investment and infrastructure 4. Maximise the benefits of the Commonwealth Games
	Opportunities for children and young people	A BOLD INCLUSIVE BIRMINGHAM	5. Tackle poverty and inequalities 6. Empower citizens and enable the citizen voice 7. Promote and champion diversity, civic pride and culture 8. Support and enable all children and young people to thrive
	Community resilience, cohesion and living standards	A BOLD SAFE BIRMINGHAM	9. Make the city safer 10. Protect and safeguard vulnerable citizens 11. Increase affordable, safe, green housing 12. Tackle homelessness
	Health and wellbeing	A BOLD HEALTHY BIRMINGHAM	13. Tackle health inequalities 14. Encourage and enable physical activity and healthy living 15. Champion mental health 16. Improve outcomes for adults with disabilities & older people
	Climate Emergency	A BOLD GREEN BIRMINGHAM	17. Improve street cleanliness 18. Improve air quality 19. Continue on the Route to Net Zero 20. Be a City of Nature
		A BOLD BEST IN CLASS COUNCIL	21. Delivering a Bold Best in Class Council

1B. CITY OBSERVATORY SNAPSHOT

A snapshot of key city and citizen outcome data from the City Observatory that is relevant to the remit of this Committee (data extracted May 2023): www.cityobservatory.birmingham.gov.uk.

Given its primary focus on internal functions of the Council, there is currently limited City Observatory data available that is pertinent to the remit of the committee.

However, the wide range of external contextual and outcome data that is available on the City Observatory may be useful in relation to various elements of the Committee's work programme, for example linked to households in receipt of housing benefits, and this can be provided as required.

1C. EXTERNAL ENVIRONMENT

A summary of key events and changes to the external operating environment that is relevant to the remit of this Committee, including changes in national policy or regulatory frameworks.

Autumn Statement 2022

The 2022 Autumn Statement outlined the Government's spending plans by setting budgets for each central government department. This included extra funding for adult social care, compensation for local authorities from the freezing of business rates, and additional funding for schools. The Government also announced further flexibility for local authorities in England to set Council Tax by increasing the referendum limit to 3 per cent per year from April 2023. It is also announced that local authorities with social care responsibilities would be given the ability to increase the adult social care precept by up to 2 per cent per year.

These announcements were set within the overall context of the cost-of-living crisis – a significant fall in 'real' disposable incomes that the UK has experienced since late 2021. The cost-of-living crisis is the latest in a decade-long series of events, including Brexit, the Coronavirus pandemic, and the war in Ukraine, which continue to have an impact on the financial sustainability of local public services.

Cost-of-Living

In response to the cost-of-living crisis the Council declared a 'Cost of Living Emergency' in September 2022 to prepare the organisation for a rapid deployment of resources to assist individuals, households, and our business community, including through our Help in Brum campaign.

Levelling Up Fund

A significant reshaping of the landscape of regional funding for regeneration is underway, as EU funding and the Local Growth Fund comes to an end to be replaced by the new Levelling Up Fund and the Shared Prosperity Fund which is being phased in. Birmingham has already been successful in securing over £50m from the Levelling Up Fund but will need to collaborate across the West Midlands to gain the most from the new arrangements, as part of the West Midlands Combined Authority (WMCA).

Devolution Deal

The latest devolution deal, announced at the March 2023 Budget, will bring changes to the way that the Council works with the WMCA and delivers its own functions. Some of the most important changes include:

- A single pot of funding for the region covering transport, housing, regeneration, skills, and housing retrofit – to be negotiated by 2025
- Potential to create a Levelling Up Zone in East Birmingham and the power to use business rates to invest in the area over the long term
- More local control over investment in affordable housing
- Local control of grants to bus companies to improve bus services

Net Zero Strategy

A national Net Zero Strategy has been published to begin to tackle the climate emergency, with specific funds made available for investment in electric vehicle charging points.

Procurement Bill

The Procurement Bill promises greater freedoms for contracting authorities in return for enhanced transparency. The Bill is anticipated to receive Royal Assent in spring/summer 2023, followed by secondary legislation and guidance

before implementation from early 2024. This will impact on the Council's procurement approach and will require careful planning to ensure we are prepared for the changes.

2. PERFORMANCE AND DELIVERY

2A. 2022-23 PERFORMANCE FOR KEY DELIVERY MILESTONES

An overview of 2022-23 performance for key delivery activity (from the CPDP) that is relevant to this Committee (as reported Cabinet on a quarterly basis).

RAG Rating	RAG Definition
	Action has been achieved (and cannot be reversed)
	Action on course to be delivered as originally planned or at revised scope/scale agreed with CLT and Cabinet Member
	Risk of action not being delivered as planned. Root causes of delivery risk have been identified and mitigating actions are in place to resolve
	Risk of action not being achieved as planned. Root causes of delivery risk are not clear and/or mitigating actions are not in place to resolve
	RAG not applicable

			2022-23 BRAG status			
Corporate Plan Theme	Directorate	Activity	Q1	Q2	Q3	Q4
Prosperous	Council Management	Positively leverage contract spend to enhance diversity within supply chain; create opportunities for local / SME business; drive social value outcomes aimed at retaining wealth, employment, and tackle inequality; demonstrate ethical leadership				
Best in Class	Council Management	Lead the development of the strategy to achieve medium-term financial stability aligned to strategic priorities through: (a) Rolling budget activity to continue to establish a balanced budget for 2023/24, 2024/25 and 2025/26.				
		(b) Further promote the financial accountability framework through mandatory training in financial awareness and increased roll out of accountability letters.				
Best in Class	Council Management	Development of a high performing workforce including action to: (a) achieve our Workforce Transition Programme				
		(b) implement best in class resourcing and recruitment services				
		(c) initiate job evaluation project				
		(d) delivery and embed a strong Performance Management Framework for staff across the organisation				
Best in Class	Council Management	Develop, implement, and embed a robust and proportional Council-wide contract management				

			2022-23 BRAG status			
Corporate Plan Theme	Directorate	Activity	Q1	Q2	Q3	Q4
		framework to drive effective management of commercial arrangements across the council				
Best in Class	Council Management	Develop and lead implementation of Commercial Strategy for the Council.				
Best in Class	Council Management	Deliver existing programmes aimed at improving the efficiency and effectiveness of service operating models to better meet customer needs and best execute the organisation's strategic priorities. a) Finance Target Operating Model				
Best in Class	Council Management	b) People Services Target Operating Model				
Best in Class	Council Management	c) Procurement Target Operating Model				
Best in Class	Council Management	e) IT & D TOM				

2B. 2022-23 PERFORMANCE FOR CORPORATE PLAN KPIS

An overview of 2022-23 performance for Corporate Plan key performance indicators (KPIs) that are relevant to the remit of this Committee (as reported to Cabinet on a quarterly basis).

RAG Rating	RAG Definition
	Performance is equal to or better than target
	Performance is lower than target but better or equal to tolerance
	Performance is below tolerance
	RAG not applicable

			2022-23 RAG status			
Corporate Plan Theme	Directorate	Measure Title	Q1	Q2	Q3	Q4
Best in Class	Council Management	Council tax collection rate				
Best in Class	Council Management	Business rates collection rate (as % of due in entire year)				
Best in Class	Council Management	Percentage of housing rents collected				
Best in Class	Council Management	Level of borrowing (this is the amount of the Council's budget that funds debt per annum, the aim is to reduce this percentage)				

2C. DIRECTORATE PRIORITIES FOR 2023-24

An overview of Directorate delivery priorities for 2023-24 that are relevant to the remit of this Committee.

COUNCIL MANAGEMENT

Relevant Directorate Priorities

- Ensure *best in class* services within Council Management and to lead *best in class* across the Council
- A highly performing workforce representative of our citizens
- Deliver commercial excellence through robust, efficient, and effective commercial governance
- Lead the approach to medium term financial stability

2D. KEY DELIVERY MILESTONES FOR 2023-24

An overview of 2023-24 key delivery activity (from the CPDP) that is relevant to the remit of this Committee.

Corporate Plan Theme	Lead Directorate	Delivery Activity/Milestone
Prosperous	Council Management	Further harness and develop Birmingham's Council's Charter for Social Responsibility to use BCC procurement to: a) Further retain wealth by supporting local businesses including social enterprises, boost employment of local people, enhance diversity within BCC's supply chain, support employee voice including freedom of association and treat the supply chain fairly including prompt payment b) Support BCC's cost of living programme c) Explore expanding the principles of the Charter into the planning system and demonstrate ethical leadership by collaborating with the Birmingham Anchor Network
Best in Class	Council Management	Deliver commercial excellence through robust, efficient, and effective commercial governance, including action to: a) Embed a Category Management approach looking to maximise value from similar spend across the Council b) Further embed the Contract Management Framework to drive effective management of commercial arrangements c) Review tender documents to promote supply chain diversity d) Proactively tackle Modern Slavery in the supply chain e) create a Commercial and Investment Centre of Excellence
Best in Class	Council Management	Lead development of strategy to achieve Medium-term financial stability
Best in Class	Council Management	Delivery of the Bold People Service Plan
Best in Class	Council Management	Development of a high performing workforce including action to: implement best in class resourcing and recruitment services and job evaluation project

3. IMPROVEMENT AND CHANGE

3A. TRANSFORMATION PROGRAMMES

An overview of major change and transformation programmes that are relevant to the remit of this Committee.

CROSS-DIRECTORATE

- **Oracle** - This programme is now focused on stabilising the Oracle Fusion Cloud based implementation, through phases of 1) Safe and Compliant and 2) Optimisation.
- **Workforce Transition** - The aims of the Workforce Transition programme are to create a nimbler and more flexible workforce. In addition to rely less on contingent workers and reduce the costs of the workforce.
- **Job Evaluation / Pay and Grading** - The programme will review the grade/ pay structures and implement a fit for purpose / future-proofed pay model.
- **Centres of Expertise** - Building on progress made to date with consolidating business support roles and taking into account the size and complexity of the organisation, there are pockets of duplicated functions across the organisation which could benefit from consolidation into Centres of Expertise.
- **Review of all the Council's Leased Assets** - A review of leased property assets to determine potential revenue savings from the viable termination of each lease.
- **Robotic Process Automation** - Robotic Process Automation will be utilised to reduce the amount of effort spent on delivering manual, repetitive processes across 18 service areas in the Council.
- **Turnover Factor** - Aim is to reduce staffing budgets across directorates by reviewing and implementing vacancy factors across budgets
- **Review of 5-10K Leases and Rentals** - This project will perform rent reviews on lease renewals of leases between £5k and £10k in value
- **Voice Automation** - Application of Voice Automation technology in the Council's Contact Centres, reducing the volume of calls currently taken by a customer service agent.
- **Review of Fees and Charges** - Review non statutory fees and charges to identify opportunities to increase income'

3C. OVERVIEW AND SCRUTINY RECOMMENDATIONS

A summary of recent Overview and Scrutiny Committee recommendations that are relevant to the remit of this Committee.

Procurement Governance Arrangements

During Winter 2021/ Spring 2022 Overview and Scrutiny Committee undertook a cross party review of the existing rules (Procurement Governance Arrangements – PGAs) and a list of 22 recommendations were approved for carry forward into the new Procurement and Contract Governance Rules and the accompanying guidance documents.

A full review of Part D2 of the Council's Constitution has been undertaken and this was approved at Full Council in July 2022. In line with the recommendation of the July Cabinet further minor amendments to Part D2 of the Council's Constitution were approved in August 2022 which included sign off around the Waiver Procedure, Breach Procedure, and minor amendments to the Rules themselves.

The updated Part D2 of the Council's Constitution was uploaded to the Council's Constitution in August 2022, along with links to the new Waiver and Breach Procedures which were uploaded to Procurement Procedures.

Council-Owned Assets

During 2020-2022 the Economy and Skills Overview and Scrutiny Committee undertook a review into Council-owned assets. This inquiry came about following cases raised amongst members of the Committee and their colleagues about the experiences of people or organisations seeking to buy or rent from the Council.

The Committee considered what strategies form the basis of decisions taken by Birmingham Property Services (BPS) in managing the Council's assets and asked what improvements could be made to the service for the benefit of the Council, its tenants, and prospective buyers.

Furthermore, the inquiry sought to ask what more could the Council do, through the use and management of its property estate, to ensure small and medium-sized businesses, community organisations and enterprises can play a full part in the city's economic development and regeneration.

In particular it sought to explore the weighting of social value as against financial gain applied by the Council in decisions taken regarding the Council's assets and estate management, both historically and in a post-Covid-19 economy.