

Birmingham City Council

Report to Economy, Skills and Culture Overview and Scrutiny Committee

8th January 2025



Title:	IRP AND SAVINGS PROGRESS REPORT SEPTEMBER DATA
Lead Member:	Councillor John Cotton, Leader & Councillor Karen McCarthy, Cabinet Member for Finance. Councillor Robert Pocock, Cabinet Member for Transformation, Governance & HR
Relevant Overview and Scrutiny Committee:	Economy, Skills & Culture Overview and Scrutiny Committee
Has this report been shared with the relevant Overview and Scrutiny Committee Chair?	Not Applicable
Report Author:	Ekbal Hussain – Corporate Finance Business Partner Finance Directorate Gemma Malhi – Head of CPMO Deputy Chief Executive Directorate
Authorised by:	Steve Muldoon – Interim Business Partnering Lead, Deputy S151 Finance Directorate Rishi Shori – Deputy Chief Executive
Is this a Key Decision?	Not Applicable
Reason(s) why not included on the Forward Plan and confirm who has authorised it to be considered:	Not Applicable
Is this a Late Report?	No
Reason(s) why Late and confirm who has authorised it to be considered:	Not Applicable
Is this decision eligible for ‘call in?’	Not Applicable Not Applicable

**If 'call-in' has been dis-applied,
please provide reason(s) and confirm
who has authorised:**

Wards:

All

**Does this report contain exempt or confidential
information?**

No

**Has this decision been included on the
Notification of Intention to consider
Matters in Private?**

Not Applicable

**Reasons why not included on the
Notification and confirm who has
authorised it to be considered:**

Not Applicable

1 EXECUTIVE SUMMARY

- 1.1 This report provides the committee with an update on progress to date with delivering savings agreed for 2024/25 and Improvement & Recovery Plan (IRP) Priority Programmes.
- 1.2 The information is based on the position as at the end of September 2024 and is as reported to Cabinet Members in early November as part of the assurance process conducted in October 2024.

2 COMMISSIONERS' REVIEW

- 2.1 Commissioners note that the data provided is up to the end of September 24 and therefore not reflective of the current position as at the end of December 2024.

3 RECOMMENDATIONS

That the Committee:

- 3.1 Notes the contents of the appendices to this report and the progress to date with delivering Savings and IRP Priority Programmes for 2024/25.

4 KEY INFORMATION

Context

- 4.1 The Council has approved 166 specific savings projects that were projected to deliver £149.8m in 24/25 and a further £76.3m 25/26.
- 4.2 This report provides an update on progress to date, as at the end of September 2024, with delivering these savings. Appendix 1 contains a summary of the overall position and includes summary information on all 166 savings projects with the latest RAG rating.
- 4.3 There are 14 specific savings totalling £10.248m in 2024/25 that fall under the remit of the Economy & Skills Scrutiny Committee. There are no savings currently RAG'd red or amber. There are 8 classified as green and on track to be delivered (£8.621m) and 6 blue and fully delivered (£1.627m). The key movement since the last report is that one additional saving, ref.57 – Generate increased income from commercial events, is now reported as delivered.
- 4.4 This information was presented to EMT (Cabinet Members and CLT) in November as part of the Council's assurance and governance process.
- 4.5 Currently across the Council wide portfolio there are approximately £10.609m worth of savings that will not deliver fully during 2024/25.
- 4.6 £7.872m of this has been mitigated through additional savings from other approved projects within the relevant directorates, vacancy management or early delivery of savings from 2025/26, leaving £2.737m that is being mitigated through wider directorate underspends.

- 4.7 Slide 8-9 of Appendix 1 sets out the areas that have been flagged as not able to deliver the full target and comments on the status of mitigating actions.

IRP Priority Programmes

- 4.8 Following approval of the Improvement and Recovery Plan (IRP) at Full Council on 16th April 2024, work was mobilised on the IRP priority programmes that weren't already in flight and progress continues to be made on those already established across all three aims: A Financially Sustainable Council; A Well-Run Council; and Delivering Good Services.
- 4.9 There are now 19 IRP priority programmes reporting this month, of those 1 is red (Review of Companies and Traded Services), there are 13 amber programmes and 5 green programmes. Appendix 2 includes further information on each of these programmes.
- 4.10 Of the total activities/ milestones within the IRP, 67% are either completed or on track. 2% are currently off track this month.
- 4.11 Resources are continually monitored across delivery of the IRP programmes with 48% reporting as red or amber – high level themes relate to recruitment, scoping and identification of appropriate resources.

5 RISK MANAGEMENT

- 5.1 This report is for noting. There are no specific implications arising from this report.

6 CONSULTATION

- 6.1 Not Applicable

7 MEMBER ENGAGEMENT

Ward Councillor(s)

- 7.1 Not Applicable

Overview and Scrutiny

- 7.2 Not Applicable

8 IMPACT AND IMPLICATIONS

Finance and Best Value

- 8.1 This report provides an update on the progress of the delivery of savings agreed for 2024/25. The non-delivery of any savings agreed for 2024/25 leads to a budgetary pressure and must be mitigated in year to avoid depleting Council reserves.

- 8.2 There are no specific financial implications arising from the recommendations of this report, but the appendices to this report clearly set out those savings initiatives which are perceived as presenting potential risk in delivering the Council's 2024/25 budget. This position is under regular review with monthly assurance meetings on those 'Priority 1' savings which are perceived to be of greatest risk and/or materiality, and the priority levels of savings are kept under constant review and revised as necessary.

Legal

- 8.3 There are no specific legal implications arising from the recommendations of this report. Some delay in delivery may be due to legal compliance duties. Individual savings initiatives may require public consultation, where the Council is subject to a duty to consult. If it is decided to not proceed with a particular savings initiative, or the extent of the initiative changes (for example following conclusion of consultation), then the Directorate concerned will need to identify suitable alternatives. There is sufficient flexibility for the location of savings to change in the final decision.

Equalities

- 8.4 The equalities impact of specific savings proposals were considered as part of the budget approval process. This is a noting report and thus there are no specific equalities impact arising from this report.

Procurement

- 8.5 There are no procurement implications arising from this report.

People Services

- 8.6 This is a noting report and thus there are no specific people service implications.

Climate Change, Nature and Net Zero

- 8.7 There are no specific implications.

Corporate Parenting

- 8.8 There are no specific implications.

9 APPENDICES

- 9.1 Appendix 1 – Savings Delivery 2024/25 - Progress Report
Appendix 2 – IRP Priority Programmes Update 2024/25

10 BACKGROUND PAPERS

- 10.1 No background papers.