

BIRMINGHAM CITY COUNCIL

FINANCE AND RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

THURSDAY, 14 DECEMBER 2023 AT 14:00 HOURS
IN COMMITTEE ROOM 6, COUNCIL HOUSE, VICTORIA SQUARE,
BIRMINGHAM, B1 1BB

A G E N D A

1 NOTICE OF RECORDING/WEBCAST

The Chair to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's Public-I microsite ([please click this link](#)) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

2 APOLOGIES

To receive any apologies.

3 DECLARATIONS OF INTERESTS

Members are reminded they must declare all relevant pecuniary and other registerable interests arising from any business to be discussed at this meeting.

If a disclosable pecuniary interest is declared a Member must not participate in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If other registerable interests are declared a Member may speak on the matter only if members of the public are allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If it is a 'sensitive interest', Members do not have to disclose the nature of the interest, just that they have an interest.

Information on the Local Government Association's Model Councillor Code of Conduct is set out via <http://bit.ly/3WtGQnN>. This includes, at Appendix 1, an interests flowchart which provides a simple guide to declaring interests at meetings.

5 - 14

4 **MINUTES**

To confirm the minutes of the Finance and Resources Overview and Scrutiny Committee meeting held on 16 November 2023.

15 - 20

5 **ACTION TRACKER**

To note the action tracker.

6 **COMMISSIONER'S REVIEW AND COMMENTS ON THE AGENDA**

To note that the papers for this meeting have been cleared by the Commissioner.

21 - 48

7 **SECTION 151 OFFICER UPDATE ON THE FINANCIAL POSITION OF THE COUNCIL - DECEMBER 2023**

To update the Committee on the Council's Financial Position as reported to Cabinet on 12 December 2023.

Fiona Greenway, Interim Director of Finance (S151 Officer), and Mohammed Sajid, Interim Head of Financial Strategy, in attendance.

49 - 68

8 **WORK PROGRAMME**

To consider the Committee's work programme and agree any updates/amendments.

9 **REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)**

To consider any request for call in/councillor call for action/petitions (if received).

10 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chair are matters of urgency.

11 **DATE OF THE NEXT MEETING**

To note the date of the next meeting on Thursday 18 January 2024 at 1400 hours in Committee Room 6.

12 **AUTHORITY TO CHAIR AND OFFICERS**

Chair to move:-

'In an urgent situation between meetings, the Chair jointly with the relevant Chief Officer has authority to act on behalf of the Committee'.

BIRMINGHAM CITY COUNCIL**FINANCE AND RESOURCES O&S COMMITTEE – PUBLIC
MEETING**

**1400 hours on Thursday 16 November 2023, Committee Room 6, Council
House
Minutes**

Present:

Councillor Jack Deakin (Chair)

Councillors: Raqeeb Aziz, Meirion Jenkins, Hendrina Quinnen, Paul Tilsley and Ken Wood

Also Present:

Timothy Bell, Advisor, Finance (Online)

Fiona Bottrill, Senior Overview and Scrutiny Manager

Jayne Bowles, Scrutiny Officer

Craig Buckley, Oracle Programme Director

Richard Fitzjohn, Equal Pay Programme Lead

Fiona Greenway, Interim Director of Finance (S151 Officer)

Ekbal Hussain, Interim Business Cases Business Partner (Online)

Mohammed Sajid, Interim Head of Financial Strategy

Steve Sandercock, Assistant Director, Procurement

Peter Sebastian, Interim Head of Financial Planning (Online)

1. NOTICE OF RECORDING/WEBCAST

The Chair advised that this meeting would be webcast for live or subsequent broadcast via the Council's Public-I microsite and that members of the press/public may record and take photographs except where there were confidential or exempt items.

2. APOLOGIES

Apologies were received from Councillors Alex Aitken and Rashad Mahmood and an apology for lateness from Councillor Raqeeb Aziz.

3. DECLARATIONS OF INTERESTS

Members were reminded they must declare all relevant pecuniary and other registerable interests arising from any business to be discussed at this meeting.

Councillor Paul Tilsley referred to his standing declaration as a Non-Executive Director of Birmingham Airport.

Councillor Ken Wood referred to his standing declaration as a Non-Executive Director of Acivico.

Under item 9, Councillor Raqeeb Aziz declared a non-pecuniary interest as a member of Unite the Union. As no dispensation had been sought or granted Councillor Aziz did not participate in the discussion on this item and left the meeting at 14.58.

4. MINUTES

There were no matters arising from the minutes.

RESOLVED:

That the minutes of the public meeting held on 7 September 2023 and the public and private minutes of the meeting held on 29 September 2023 be confirmed as correct and signed by the Chair.

5. ACTION TRACKER

It was agreed that the Chair and scrutiny officers would review the action tracker with a view to removing any actions which are no longer relevant and that an updated version would be circulated to committee members.

Following discussion, it was also suggested that the work programme aims and objectives be reviewed to avoid duplication of work across this committee, Audit Committee, the Budget Scrutiny Task & Finish Group and the Finance Board.

RESOLVED:

- That the action tracker be reviewed, and an updated version circulated to committee members.
- That the action tracker be noted.

6. COMMISSIONER'S REVIEW AND COMMENTS ON THE AGENDA

The Committee noted that there were no comments from the Commissioner on the agenda.

7. PLANNED PROCUREMENT ACTIVITIES

The Chair informed the Committee that there was provision to go into private session if there were any comments on the exempt appendices.

The Assistant Director, Procurement, introduced the reports and drew the Committee's attention to the planned procurement activities included in the Key

Decision and Non-Key Decision reports considered at Cabinet in October and November.

It was noted that there had been a clear reduction in the number of decisions as a direct consequence of the spend controls.

Corporate Mobile Phone Services: In response to a question regarding any potential reduction in the number of devices, eg mobile phones, across the Council, the Committee was informed that officers in Digital and Customer Services were looking at this as part of the rationalisation programme. It was agreed a more detailed response would be provided to the Committee on how numbers of mobile phones and other devices would be controlled.

There were no comments on the exempt appendices.

RESOLVED:

- That a more detailed response be provided to Committee on how the numbers of mobile phones and other devices would be controlled.
- That the reports be noted.

8. SCRUTINY OF DELIVERY OF 2023/24 BUDGET SAVINGS AND UPDATE ON THE COUNCIL'S RESPONSE TO S114 NOTICE AND FINANCIAL RECOVERY PLAN

The Interim Director of Finance (\$151 Officer) and Interim Head of Financial Strategy introduced the report and provided the Committee with a brief overview, including the background to the scrutiny of the 2023/24 budget savings.

The individual Overview and Scrutiny (O&S) Committees had received Quarter 2 updates, with Service Directors in attendance as they had responsibility for the savings.

There was now a question as to how to take this forward and whether Quarter 3 updates would be provided to Committees or whether they should now be concentrating on 2024/25.

During the discussion, and in response to Members' questions, the main points included:

Scrutiny of the Budget and Savings: The Interim Head of Financial Strategy explained this was the first time a detailed breakdown of savings had been provided to O&S and individual committees had called in service directors who were responsible for delivering those savings, resulting in greater accountability. In the past, it had been finance officers presenting the information in a reporting environment.

The Interim Director of Finance added that she hoped Elected Members were starting to see a change. Over the past four or five years, Members had not had sight of the base budget when making decisions, having only seen variations. It was important to look at the base budget to make informed decisions. It was noted that there was potential for duplication across the work of the Finance and Resources OSC and Audit Committee.

Members were told that this year there would be a business case behind every line of a saving and every line of a pressure.

The Chair referred to the work that had been done by the Chair of Co-ordinating O&S Committee and the Interim Director of Finance to develop the process for scrutinising the budget and savings proposals.

The Interim Director of Finance referred to the slides that had been presented to Cabinet and would also be presented to the Budget Scrutiny Task & Finish Group and the Chair suggested that an opportunity could be identified in the future to go through those slides with the Committee.

Mutually Agreed Resignation Scheme (MARS): An update on the process and likely impact of the scheme was requested and the Interim Director of Finance referred to a statement made by the Chief Executive the previous week stating that the position was being reviewed in discussion with the Commissioners.

Managing Vacancies: The Committee was informed that there had been a full review, looking at overtime, staff structures, vacancies and turnover factors and this was being done as part of the review of 2024/25.

It was suggested that in the future where vacancy management is included as part of savings, there was a need to ensure there were mitigations in place where those savings cannot be achieved.

There were some areas where it was difficult to recruit, for example social work, and reference was made to “golden welcomes”. It was thought that the pay structure was looked at a couple of years ago and it was agreed that would be checked and a response provided to the Committee.

Fees and Charges: It was queried why there was difficulty in achieving the 5% target and the Committee was informed that would need to be picked up with the relevant director(s), noting that it was about activity levels and take-up and what assumptions were based on.

Personal Assistant Allocation: It was queried what the difficulty was in achieving this saving and that would also have to be picked up with the relevant director(s).

Savings Risk Ratings: It was confirmed that the criteria for the risk ratings was included in the report. At Quarter 2 a fourth risk rating had been added “Black – Undeliverable”.

The Chair proposed that the individual O&S committees review the Black rated savings within their remits and what the alternatives were for achieving savings.

Maximising Use of Grant Funding: The Interim Head of Financial Strategy informed the Committee that it was hoped the Council was claiming every grant it could. Sometimes grant money was spent on new activity whereas there could be an opportunity to fund what the Council was currently doing provided it was a legitimate use of the grant. There was a potential role for O&S in challenging departments on the level of grant funding and whether it was being allocated in the most efficient way.

The Interim Director of Finance added that the Council had a Grants Register which could be considered as part of the base budget review in the Budget Scrutiny Task & Finish Group.

RESOLVED:

That:

- Information on pay structure be provided to the Committee.
- The report be noted.

9. JOB EVALUATION AND PAY EQUITY SYSTEM

Councillor Raqeeb Aziz declared a non-pecuniary interest as a member of Unite the Union. As no dispensation had been sought or granted Councillor Aziz did not participate in the discussion on this item and left the meeting at 14.58.

The Equal Pay Programme Lead introduced the report and highlighted the key successes since the last meeting. The following further updates were also provided:

- About 2200 Job Description and Person Specifications had now been uploaded to RoleMapper.
- Close to 500 of the target audience of 535 managers had now been trained.
- Meetings had been held with Trade Union colleagues in relation to the Job Description Questionnaire.
- Seven of the nine applicants selected for secondment had been released, with the aim to get the other two released quickly.
- Further recruitment was being pursued, to identify other people who could potentially provide support.
- Meetings had been arranged with the Trade Unions who were to form part of the Operational Steering Group, which would be the decision-making body.
- Any final remaining questions regarding process would be signed off by that group.
- The importance of engagement with managers was noted, to ensure they understood what the expectation would be of them.

During the discussion, and in response to Members' questions, the main points included:

Analyst Recruitment: It was queried whether the Council had considered secondments from other large organisations who had experience of going through a job evaluation process. The Committee was informed that West Midlands Employers had supported other programmes of this type, the main one being Glasgow, who it was understood had been contacted. The Equal Pay Programme Lead said he would check if there were others and provide a response to the Committee.

Timescale: The Committee was assured that the objective was still to reach the deadline of April 2025 and there was a two month stop and check to determine whether the programme was on target or whether more radical action was needed. Options being explored included using business managers rather than fully qualified analysts to support the Job Description Questionnaires.

The possibility of industrial action was raised and the importance of engagement with the Trade Unions, managers and staff to deliver the programme was stressed.

It was queried whether the Trade Union involvement now would have any impact on the Council's legal position in terms of defending current and future Equal Pay claims. The Chair suggested that would be a question for the new City Solicitor and Monitoring Officer outside of the meeting.

The Committee noted the importance of having a plan in place for “business as usual” to deal with job evaluation in the future and the inevitable challenges when new posts were created.

The Chair proposed that the next update to Committee be scheduled for the New Year with the caveat that any significant changes in the shorter term be communicated to the Scrutiny Office.

RESOLVED:

That:

- A response be provided to the Committee on the question relating to secondments from other organisations who had been through the job evaluation process.
- The report be noted.

Councillor Raqeeb Aziz returned to the meeting at 15.22.

10. ORACLE STABILISATION UPDATE

The Oracle Programme Director presented the Committee with a progress update, including:

- Oracle Stabilisation and Key Strategic Risks
- Finance
- Customisations
- Optimisation Timescale

The Committee was informed there would be a report to Cabinet in December to provide an update on the remaining essential fixes to close down the safe and compliant phase, with a second report scheduled for January to confirm the end plan and costs for the optimisation phase.

During the discussion, and in response to Members’ questions, the main points included:

Optimisation: The requirement was for the system to be good and fit for purpose to meet business need. The expectation was that it would take 18 months to get to that point.

The Committee noted that automatic upgrades on a quarterly basis were included as part of purchasing the software. Those upgrades would not necessarily be available to access in the short term due to the customisations, but the optimised solution would remove those customisations.

Financial Position: It was queried whether there was confidence that the £100m was sufficient to get the system to base functionality. The Committee was advised that the second Cabinet report would confirm that figure but there was currently no evidence to suggest it would be hugely different.

Spend was being carefully tracked with all expenditure going through a rigorous process and as of 29th September the contingency had not been used.

It was noted that the forecast at present was showing an underspend, however it was expected all that money would be spent in the future, if not in the current financial year.

Licence Costs: The licence contract with Oracle was confirmed as five years plus two optional years and the potential for increased licence costs after that was discussed. The Committee was informed that would be a conversation with Oracle as part of the migration to optimisation.

Bank Reconciliation System: The need to replace the bank reconciliation system was discussed. The Committee was told that the manual workarounds were costing over £0.5m a month and had an impact on being able to close the accounts.

The industry standard for that type of system was 12 months and the Interim Director of Finance was working closely with the Oracle Programme Director to bring that forward, ideally to March but it was acknowledged that would not be achievable.

Mobilisation of teams to address Right to Remain: Progress with regard to the ability of the system to assist with Right to Remain was queried and the Committee was informed technical changes were now complete to enable tracking and reporting within Oracle. As part of that a manual exercise had been set up with additional dedicated resources.

School Workforce Census: Reference was made to the risk of not being able to produce and upload the School Workforce Census report to DfE to meet the statutory deadline and the date of 25th December was queried. The Committee was informed that discussion was taking place with DfE to confirm the deadline – last year it had been extended to January - and the Chair requested that confirmation of the deadline be provided to the Committee.

In response to a specific question as to whether there was a cost consequence of not meeting the deadline, it was confirmed that there had been no cost consequence last year.

It was also confirmed that where there are gaps in the data provided there were no financial consequences to schools, with the caveat that where the DfE used the numbers to inform the setting of the Dedicated Schools Grant, that data was important. It was agreed that this would be clarified and a written response provided to the Committee.

Council Invoices and Payments: The Chair referred to a recommendation from the Health and Adult Social Care O&S Committee that assurance be sought regarding the systems in place to ensure that the Council is invoicing and receiving payments on time, whether it was being tracked and the impact on the Council's finances. It was agreed a written response would be provided to the Chair of the Health and Adult Social Care O&S Committee.

The Chair proposed the next update be brought to Committee in January, subject to confirmation as to how that would tie in with Cabinet reporting dates, as well as further discussion on work programme timings.

RESOLVED:

That:

- Confirmation of the deadline for the School Workforce Census be provided to the Committee.

- A written response on the position with regard to Council invoices and payments be provided to the Chair of the Health and Adult Social Care O&S Committee.
- The report be noted.

Councillors Meirion Jenkins and Hendrina Quinnen left the meeting at 16.00.

11. WORK PROGRAMME

The following items were suggested for the December and January meetings:

14 December meeting – Financial Outturn and Financial Monitoring Quarter 2 (timing to be confirmed) and Planned Procurement Activities.

18 January meeting – Scrutiny of 2024/25 Budget Proposals and Delivery of 2023/24 Savings Quarter 3 Update, Job Evaluation Update, Oracle Update and Planned Procurement Activities.

The Terms of Reference for the Budget Scrutiny Task & Finish Group were discussed and agreed.

RESOLVED:

- That the work programme be agreed.
- That the Terms of Reference for the Budget Scrutiny Task & Finish Group be agreed.

12. REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)

None.

13. OTHER URGENT BUSINESS

None.

14. DATE OF THE NEXT MEETING

The date of the next scheduled meeting on Thursday 14 December 2023 at 1400 hours was noted.

15. AUTHORITY TO CHAIR AND OFFICERS

RESOLVED:

That in an urgent situation between meetings, the Chair jointly with the relevant Chief Officer, had authority to act on behalf of the Committee.

16. EXCLUSION OF THE PUBLIC

The Committee did not go into private session to consider the exempt appendix on the Planned Procurement Activities report.

PRIVATE AGENDA

17. PLANNED PROCUREMENT ACTIVITIES REPORT EXEMPT APPENDIX 3

Members had raised no questions on the exempt appendix under item 7.

The meeting ended at 1623 hours.

FINANCE AND RESOURCES O&S COMMITTEE
ACTION TRACKER 2023/24

Date	Agenda Item	Action	Update
16-Nov-23	Planned Procurement Activities	Corporate Mobile Phone Services: A more detailed response to be provided to Committee on how the numbers of mobile phones and other devices would be controlled.	Completed – circulated on 6 th December.
	Scrutiny of Delivery of 2023/24 Budget Savings and Update on the Council's Response to S114 Notice and Financial Recovery Plan	Managing Vacancies: Information on pay structure to be provided to the Committee.	
	Job Evaluation and Pay Equity System	A response to be provided to the Committee on the question relating to whether secondments were being considered from other organisations who had been through the job evaluation process.	
	Oracle Stabilisation Update	Confirmation of the deadline for the School Workforce Census to be provided to the Committee.	
		A written response to be provided to the Chair of the Health and Adult Social Care O&S Committee on the position regarding Council invoices and payments – is the Council invoicing and receiving payments on time, are they being tracked, and what is the impact on the Council's finances?).	
29-Sep-23	Council Response to Section 114 Notice and Financial Recovery Plan	List of assets to be provided to the Committee (this links with previous requests made for a list of property assets and planned disposals).	Completed - circulated on 15 th November.

FINANCE AND RESOURCES O&S COMMITTEE
ACTION TRACKER 2023/24

Date	Agenda Item	Action	Update
		Written response to be provided on the impact of the Oracle issues on schools.	To be included in the January report to Committee.
		Summary of the current position on Reserves to be provided.	To be included in the work of the Budget Scrutiny Task & Finish Group.
07-Sep-23	Update on Budget Recovery Plan and MTFP and Scrutiny Contribution to Budget Savings	Risk assessment methodology for 2023/24 RAG rated savings and definition of risk levels (this links with a request from the July meeting – see below).	Completed in discussion in subsequent meetings.
	Oracle Stabilisation Update	All reports relating to Oracle (external auditors’ review, CfGS wider governance review and management review) to be shared with Chair of Finance & Resources OSC (this links with the request from the July meeting - see below).	Ongoing – to be included in work programme. CfGS Governance Review published for Cabinet on 12 December.
		Next report to Committee to include a detailed breakdown of what money is being spent and a definition of customisation – what it is and what it looks like.	Completed – included in report to November meeting.
	Job Evaluation – Permanent Pay Equity	The specific number of potential Equal Pay claimants within the scope of the estimate, as at 31 st March 2023 to be provided.	Completed in discussion in the 29 September meeting.
		A request was made for the document prepared by Legal detailing the chronology of how the Equal Pay issue has manifested itself over	To be followed up with the Monitoring Officer.

FINANCE AND RESOURCES O&S COMMITTEE
ACTION TRACKER 2023/24

Date	Agenda Item	Action	Update
		a period of years, to be shared with Committee members. It was agreed this would be picked up with the Monitoring Officer.	
27-Jul-23	Action Tracker	<p>The following additional requests were made:</p> <ol style="list-style-type: none"> 1. List of the Council's statutory functions/responsibilities (action from 29 June) – the Council's interpretation of those responsibilities to also be provided. 2. The Council's Corporate Risk Register (action from 29 June) to be brought to Committee on a regular basis and to be a standing item on the agenda. 3. Accounting list of assets to be provided. 4. List of regalia and artefacts to be provided. 	<ol style="list-style-type: none"> 1. Completed - discussed at the 7 September meeting – difficult to define and will be an evolving list. 2. Completed - report on Managing Council Risk presented to 29 September meeting. 3. Completed - list circulated on 15 November. 4. A follow-up request has been made.
	Medium Term Financial Plan Update and Implications of Equal Pay	<p>The following information to be provided:</p> <ol style="list-style-type: none"> 1. The definition of what can and cannot be capitalised for IT. 2. Savings identified for all directorates and departments – and each individual scrutiny committee to be provided with the savings identified for the directorates and departments relevant to their remits. 3. The definition of medium risk savings. 4. A breakdown of the updated forecast by service area to show where inflation is applied. 	<ol style="list-style-type: none"> 1. To be followed up. 2. Completed for Q1 and Q2. 3. Completed in discussion in subsequent meetings.

Finance and Resources O&S Committee – December 2023

FINANCE AND RESOURCES O&S COMMITTEE
ACTION TRACKER 2023/24

Date	Agenda Item	Action	Update
			4. To be picked up by the Budget Scrutiny Task & Finish Group.
		The Internal Audit report on how the process for the Spend Control Boards and Finance Governance Board is working to be shared with Committee when available.	Completed through the work of the Task & Finish Group.
		The timescales for the whistleblowing investigation, management review, Governance Review and the two pieces of work being done by External Audit around value for money on Oracle and Equal Pay to be provided to the Chair and that when they conclude the reports be brought to Committee.	CfGS Governance Review published for Cabinet on 12 December.
	Oracle Stabilisation Update	Key strategic risks to be included in future Oracle reports.	Ongoing.
		Once the management review is concluded, the report to be brought to Committee.	To be programmed – date to be confirmed.

FINANCE AND RESOURCES O&S COMMITTEE
ACTION TRACKER 2023/24

29-Jun-23	Developing the Finance and Resources Overview and Scrutiny Committee's Work Programme 2023/24	<p>Discussion on Equal Pay - the following information to be provided:</p> <ol style="list-style-type: none"> 1. List of the Council's Statutory functions / responsibilities. 2. The Council's Corporate Risk Register. 3. Response from the Leader to the Committee's request to be consulted on the work on Values Framework. 4. Response to the question about what triggered the Equal Pay announcement on 28 June. 5. Response to the question about decisions made at Cabinet on 27 June. 	<p>1 & 2 – see update under 27 July meeting above.</p> <p>3. Values Framework still in progress.</p> <p>4 & 5 – responses provided at the 27 July Committee.</p>
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Birmingham City Council

Finance and Resources Overview and Scrutiny Committee

Date 14 December 2023



Subject: Section 151 Officer Update on the Financial Position of the Council – December 2023

Report of: Fiona Greenway, Interim Director of Finance (S151 Officer)

Report author: Fiona Greenway, Interim Director of Finance (S151 Officer) fiona.greenway@birmingham.gov.uk

1 Purpose

- 1.1 To update the Committee on the Council's Financial Position as reported to Cabinet on 12 December 2023.

2 Recommendations

- 2.1 The Committee receives and notes the Cabinet Financial Position Report attached as Appendix 1.

3 Any Finance Implications

- 3.1 Financial implications are set out in the appendix attached.

4 Any Legal Implications

- 4.1 Legal implications are set out in the appendix attached.

5 Any Equalities Implications

- 5.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

- 5.2 The protected characteristics and groups outlined in the Equality Act are: Age; Disability; Gender Reassignment; Marriage and Civil Partnership; Pregnancy and Maternity; Race; Religion and Belief; Sex, and Sexual Orientation.
- 5.3 The Committee should ensure that it addresses these duties by considering them during work programme development, the scoping of work, evidence gathering and making recommendations. This should include considering: How policy issues impact on different groups within the community, particularly those that share a relevant protected characteristic; Whether the impact on particular groups is fair and proportionate; Whether there is equality of access to services and fair representation of all groups within Birmingham; Whether any positive opportunities to advance equality of opportunity and/or good relations between people are being realised.
- 5.4 The Committee should ensure that equalities comments, and any recommendations, are based on evidence. This should include demographic and service level data and evidence of residents/service-users views gathered through consultation.

6 Appendices

- 6.1 Appendix 1: Cabinet Report, Section 151 Officer Update on the Financial Position of the Council – December 2023

Birmingham City Council

Cabinet

12 December 2023



Subject: Section 151 Officer Update on Financial Position of the Council

Commissioner Review

- 1 The BCC financial position remains extremely serious and challenging.
- 2 The Council has made some progress identifying savings to address what is expected to be a c£300m budget gap by 2025/26, however, there remains a huge amount of work to do to both identify robust savings and establish a savings delivery process that is credible. This will need to be undertaken at pace and with a step change in the level of organisational focus and grip.
- 3 The Commissioners accept that given the lack of any early budget work it will not be possible to find savings to fully address the 2024/25 gap, however, Commissioners have requested that by the 7th January the Council has a credible plan to meet the c£300m two year savings target. This is achievable.
- 4 As the report states an approval is required from DLUHC to capitalise expenditure to address the 2024/25 budget cap, redundancy costs and equal pay costs. Capitalisation is not a solution to the financial crises. The bigger the budget gap and thus required capitalisation the more assets the Council will need to sell. The Council is between a rock and a hard place where the only sensible course of action is to balance the revenue budget as quickly as it can.
- 5 Commissioners support the need to rebuild useable balances. Going forward, every budget-holding officer must not overspend without reporting a viable compensating saving. If this is not possible, delegated authority to spend will need to be withdrawn.

Birmingham City Council

Report to Cabinet

12 December 2023



Subject: Section 151 Officer Update on the Financial Position of the Council – December 2023

Report of: Leader, Councillor John Cotton

Relevant Cabinet Member: Cabinet Member for Finance & Resources, Councillor Brigid Jones

Relevant O&S Chair(s): Chair of Finance & Resources Overview & Scrutiny, Councillor Jack Deakin

Report author: Fiona Greenway, Interim Director of Finance and Section 151 Officer

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 checked="" type="checkbox"/> Yes	<input 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, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential: N/A		

1. Executive Summary

- 1.1 This report outlines the financial situation of Birmingham City Council as 1st December 2023. As outlined in the report to Cabinet on 14th November 2023, the City Council faces very significant structural financial challenges. This is the second report in a series of the regular updates on the financial position of the City Council.
- 1.2 This report will focus on:
- a) An update on the 2023/24 savings programme;

- b) An update on the financial position for 2024/25 and 2025/26;
- c) An update on progress against the budget setting timetable for 2024/25;
- d) Commencement of processes in respect of Statutory and Non-Statutory Employment Consultation;
- e) A position on additional activities and resources required to identify and deliver the savings proposals for 2024/25 and 2025/26; and
- f) Proposal in relation to a new Cabinet Committee to accelerate property decisions.

1.3 As outlined within the Section 114 subsection 3 notice issued under the Local Government Finance Act 1988 on 5th September 2023, the Council is facing a challenging financial situation. The Council has insufficient resources to meet the expenditure required in relation to the costs of providing for Equal Pay claims.

1.4 As a result of our current situation, the Section 151 Officer is unable to write a supporting going concern statement for prior year draft accounts for 2020/21 and 2021/22. She is also unable to make a Section 25 statement under the Local Government Act 2003 in relation to the robustness of estimates and adequacy of reserves.

1.5 This leaves the Council in a precarious financial situation. Due to the extended timeline over which these issues have arisen, the overspend for 2022/23, the forecast overspend for 2023/24, and budget gaps for 2024/25 and 2025/26 create a financial challenge, so significant, that it cannot be addressed in one year.

1.6 As reports on 25th July 2023, Cabinet was advised of a forecast General Fund overspend against budget of £87.4m. Due to confirmed non-delivery of savings in the current year, 2023/24, there is a total of £39.9m being effectively written off. In addition, due to a lack of expediency in delivery of new savings to address this in-year budget gap, the Council is left with little option but to address the overspend through the use of one-offs. This further deteriorates the medium term financial stability of Council finances, by depleting reserves.

1.7 The position in this report, and associated savings proposals, will have a profound impact on the way the Council works going forward. The budget gaps for 2024/25 and 2025/26 cannot be addressed through one-off savings, and the savings being proposed must be robust to satisfy the statutory duties of the Section 151 Officer.

- 1.8 Further to this, there will be a financial impact on all capital programmes not fully funded by external resources. The Council is reviewing the existing capital programme and preparing an asset strategy that reflects the current financial situation. This report outlines the governance arrangements to facilitate an orderly targeted approach to asset disposals, commencing as soon as possible to generate capital receipts.
- 1.9 At the time of writing this report, the current two year savings target for the Council is circa £300m following a re-basing exercise of the 2023/24 budget. Corporate Leadership Team has been working towards a £215m savings target for the 2024/25 financial year. To date the Council has identified £149.8m of savings, which continue to go through due diligence due to the delivery risks flagged within these proposals.
- 1.10 With a savings programme which has historically underdelivered, this means that the Council is building a new savings programme from a standing start. Every effort must be made to commence delivery of savings as soon as possible.
- 1.11 Any undelivered savings in any area of the Council will need to be compensated for immediately through equivalent savings. This requires every budget holder to take ownership and responsibility for delivering their savings, and recognise that failure to deliver their savings will undoubtedly lead to reductions in other services including further redundancies.
- 1.12 The Council is currently in a position where it is unable to set a lawfully balanced budget, and as such further consultation is now required with the Department of Levelling Up, Housing and Communities (DLUHC) to explore additional Exceptional Financial Support (EFS) to enable the setting of a balanced budget for 2024/25.
- 1.13 The precise value of a 'minded to' capitalisation from DLUHC is to be confirmed later in the budget setting process following assurance of the savings programme. This would need to be large enough to cover provisions for Equal Pay, capitalisation costs involved in a redundancy scheme, and the forecast budget deficit 2024/25. The precise amount that will actually be capitalised will only be determined at year-end such that if the Council overdelivers then the capitalisation value will reduce.

2. Recommendation(s)

- 2.1 Cabinet is recommended to:

- a) Note the update on the **2023/24 financial position**;
- b) Note the current status of budget setting for the **2024/25 and 2025/26 financial years**;
- c) Delegate authority to the Corporate Leadership Team (CLT) to complete all **preparatory work necessary to deliver the savings programme for the 2024/25** financial year. This is to include, but is not limited to, commencement of employment consultation, developing detail for the delivery of the proposed savings, and engaging with the public, stakeholders and service users;

This is with the acknowledgement that the proposed savings are subject to consideration as part of the Council Tax setting process, due to be presented to Cabinet on 13th February 2024 and City Council on 27th February 2024.

- d) Approve the **increase in garden waste charges from £50 to £60**, with effect from 1st April 2024;
- e) Note that the Chief Executive, as Head of Paid Service, will be **issuing necessary statutory and non-statutory employment consultation** in respect to the staffing implications of savings proposals for the 2024/25 financial year. This will include the issuance of Section 188 Notices under the Trade Union and Labour Relations (Consolidation) Act 1992;
- f) Approve the **creation of a ‘Cabinet Committee – Property’** in order to expedite asset sales to support the delivery of the Council-wide strategy for the 2024/25 financial year, with the terms of reference set out in paragraphs 3.39 to 3.45 below;
- g) Delegate authority to the Leader of the Council and the Chief Executive, together with the Section 151 Officer, to **submit a formal written request to the DLUHC for EFS** to allow the Council to deliver a balanced budget for the 2024/25 financial year, as set out in paragraph 3.26, to include:
 - i. Permission to increase the Council Tax level above the referendum limit, and to support this, the Council will review and revise the Council Tax Support Scheme to offset the potential impact to citizens;
 - ii. A formal application for a Capitalisation Direction (figure to be confirmed) and ‘minded to’ letter to cover the Equal Pay accounting liability, the costs involved in the redundancy scheme, and support to deliver a balanced budget for the 2024/25 financial year.

3. Background

- 3.1 As outlined in the Cabinet Report presented to Cabinet on 14th November 2023, and in the supporting Commissioner Review comments, the Council faces significant financial challenges. Pace is required to identify viable savings options for both 2024/25 and 2025/26, and a timetable for this was agreed at the last Cabinet meeting.
- 3.2 Regular reporting on the financial position is required to ensure Cabinet are informed of the current financial situation. In order to expedite the delivery of savings, this report outlines the delegations required to demonstrate progress against additional in-year 2023/24 savings, and to get buy-in for 2024/25 and 2025/26 proposed savings, and the resources required to achieve this in line with the budget setting timetable.

2023/24 Savings Programme

- 3.3 On 25th July 2023, Cabinet was advised of a forecast General Fund overspend against budget of £87.4m for the 2023/24 financial year, for the Council's General Fund. Of this overspend, £35m was due to savings that were rated as Red Risk – i.e. highly unlikely to be delivered within the financial year.
- 3.4 Officers have continued to carry out extensive reviews of savings in recent months. This review has highlighted a total of £39.9m of savings to be written off for the 2023/24 financial year, with additional impacts for future financial years. Table 1 below refers:

Table 1 – Summary of Savings proposed to be written off

<i>All figures in £m</i>	2023/24 Savings	2024/25 Savings	2025/26 Savings
Birmingham Children's Trust	(6.0)		
Children & Families	(1.6)	(3.7)	
City Housing	(5.5)	(3.4)	
Council Management	(2.1)	(1.3)	(0.8)
Place, Prosperity & Sustainability	(4.8)	(5.3)	(9.9)
Corporate Items	(19.9)	(7.7)	(8.5)
Total	(39.9)	(21.4)	(19.2)

- 3.5 Given the position on non-delivery of savings in-year, the only option left to the Council is to address the in-year financial position through the one-off use of reserves. This, by its very nature, has a direct impact on resolving the 2024/25

budget and undermines one of the fundamental core elements of the Section 25 statement on adequacy of reserves.

2024/25 and 2025/26 Financial Position Update

- 3.6 During November 2023, the Financial Planning team performed a 're-basing' exercise on the 2023/24 budget. This included a full review of the key assumptions upon which the 2023/24 incremental budget was based, including:
- a) Inflation;
 - b) Pressures/growth;
 - c) Savings;
 - d) Use of, and contributions to, reserves and provisions.
- 3.7 On 14th November 2023, Cabinet received an update on the financial position for the next two financial years, including savings targets of over £200m. This meant delivering £165m of savings in the 2024/25 financial year, and delivering an additional £35m of savings in the 2025/26 financial year.
- 3.8 During November, Corporate Leadership Team (CLT) presented draft savings proposals for 2024/25 financial year. The value of these savings did not meet the savings target for 2024/25.
- 3.9 These draft savings proposals were presented for discussions at Executive Management Team (EMT), which comprises Cabinet and CLT, on 9th November 2023 and subsequent discussion on 16th November 2023.
- 3.10 In line with the budget-setting timetable, during 7th – 16th November 2023, due diligence has been completed on these savings proposals. This included:
- a) Checking for double counting of proposed savings across Directorates;
 - b) Ensuring savings deliver for the General Fund, and understanding the potential consequential impact on Capital, Housing Revenue Account (HRA), and the Dedicated Schools Grant (DSG) budgets;
 - c) Checking the annual phasing of savings, to ensure recurring savings are prioritised over one-off or two-off savings which defer the problem to later years of the Medium Term Financial Plan (MTFP);

- d) Understanding cross-directorate consequences of service modifications, to ensure pressures are not encountered which offset proposed savings;
- e) Developing Equality Impact Assessments for all proposals; and
- f) Reviewing and challenging the People Services, Procurement, Legal, Risk, and Digital & Technology Services implications for all proposals.

3.11 Some of the above items have impacted the total savings proposals being put forward so far, that is:

- a) Removing savings proposals due to one of the above factors;
- b) Increasing the savings targets due to one of the above factors.

3.12 Further, the first session of the Budget Scrutiny Task and Finish Group took place on the 20th November 2023. Part of the remit of this group will be to challenge the potential benefits and consequences of savings proposals, to feed into the budget setting process.

3.13 Section 25 of the Local Government Act 2003 stipulates that the Section 151 Officer must report on the following matters in line with budget calculations:

- a) the robustness of the estimates made for the purposes of the calculations, and
- b) the adequacy of the proposed financial reserves.

3.14 As a result of inadequacy of reserves, the Section 151 Officer is currently unable to prepare a Section 25 Statement under The Local Government Act 2003.

3.15 In order to mitigate this risk, significant further effort was required to develop additional savings proposals for 2024/25 and 2025/26. Not only to ensure the calculations are robust, but also to return Council reserves to an adequate level.

3.16 This included, but was not limited to:

- a) Exploring asset sales to deliver capital receipts;
- b) A review of the Capital programme;
- c) Opportunities for additional income generation;
- d) Mitigation of pressures;
- e) Service redesign;
- f) Further service reductions of discretionary and non-statutory services.

Additional Activities Required to Identify 2024/25 and 2025/26 Savings

Monday 20th November 2023 to Friday 24th November 2023

3.17 On Monday 20th November 2023, the Chief Executive and Section 151 Officer extended the timeline for development of further savings proposals, to Friday 24th November 2023, in order to support the Section 151 Officer in being able to sign off a lawful budget. This included an additional savings target of an extra £50m due to the above re-basing exercise.

3.18 To achieve this, the following activities were delivered during the week commencing 20th November 2023:

3.19 Due Diligence of Savings/Pressures – In order to develop and challenge the currently presented savings proposals, a team of Director and Assistant Director level Officers across corporate specialisms provided challenge to savings proposals across the week commencing 20th November 2023 to assure the robustness and credibility of presented savings:

- a) Finance
- b) HR
- c) Legal
- d) Procurement
- e) Digital
- f) Risk Management
- g) Equalities Impact Assessments

3.20 Development of Robust Savings Proposals – Corporate Leadership Team Directors scrutinised their savings against the following key areas ahead of Friday 24th November 2023:

- a) Additional Savings Proposals – Savings proposals were cross referenced against the following items, identified through joint Officer and Member engagement, to ensure they are full and complete:
 - i. Early Intervention and Prevention
 - ii. Corporate Services
 - iii. Customer Services

- iv. Cost of Service Failure
 - v. Spending Controls
 - vi. Trading Accounts and Traded Services
 - vii. Agency and Interim Staff
 - viii. Partnership Working
 - ix. Transformation leveraging Oracle
 - x. Maximising Grant Funding
 - xi. Savings via Procurement
- b) Service Review Sessions – Review and challenge sessions, undertaken by a cross-service panel of experts of Assistant Directors across all services in the Council were delivered to challenge the deliverability of savings. This included challenge on –
- i. The basis of the saving, whether it is an efficiency, service reduction, or income generation;
 - ii. The focus of the Directorate on efficiency savings or service cuts;
 - iii. The credibility of each saving for delivery;
 - iv. The consideration given to cross-cutting savings;
 - v. The identification of a Senior Responsible Officer (SRO) for delivery and accountability;
 - vi. The savings profile and timeline over which delivery is achieved.
- c) Cross-Cutting Savings Development – A Director led group developed cross-cutting savings opportunities. As the target is increasing for the next two financial years, cross-cutting savings were considered to be additional to the savings identified to date. The target for this work was £50m deliverable from the 2024/25 financial year on a recurring basis.

3.21 As a result of this work, on Friday 24th November 2023 new savings proposals were submitted to the Section 151 Officer, Chief Executive, and Commissioners. These savings proposals totalled £106m for the 2024/25 financial year and an additional £31m of savings in the 2025/26 financial year.

3.22 These savings figures still fell short of the savings targets for 2024/25 and 2025/26. Consequently, further work was undertaken up to Friday 1st December 2023 (inclusive) to develop further savings for the 2024/25 financial year.

3.23 To do this, Directorates sought to bring forward further cross-cutting savings, options to address further non-statutory spend, revise inflation assumptions, and replace proposals previously rejected as not robust or deliverable. These savings areas are:

- a) **Additional cross-cutting savings**, there has been insufficient time for the necessary due diligence to add these to the savings figure at this stage. Work was done to assure their robustness before adding to the total savings figure. These cross-cutting savings will need to be accepted and owned by Directorates, who will be responsible for delivery and realisation within the 2024/25 and 2025/26 financial years.
- b) **Public Health Grant savings**, through a one-off release of reserves over three financial years, between 2024/25, 2025/26 and 2026/27. Reserves have been identified with Directorates needing to allocate budget to the identified grants to realise savings. This still requires further due diligence and sign off from the Director of Public Health
- c) Opportunities identified via a **Member Led Review of budget lines**. The lines identified provided a list of items to cross-reference against savings opportunities, to ensure all budget lines were reviewed as part of the savings process.
- d) Opportunities identified via an **Officer Led Review of Statutory and Non-Statutory Services**. Non-statutory services led to a list of potential additional services to be explored in the savings process.
- e) Opportunities identified through a **Review of Spend Control Board Rejections**. All items rejected in the 2023/24 financial year were reviewed and provided a list of further savings opportunities to cross reference against submissions.

3.24 As of Friday 1st December 2023, the Council has identified £149.8m savings for the 2024/25 financial year. The savings target over the two financial years is now close to £300m. Table 2 below outlines the main categories of savings:

Table 2 – 2024/25 Savings Categories

Category	Total
Efficiency	£ 50.6m
Income Generation	£ 16.2m
Pressure Reduction	£ 7.1m
Service Reduction	£ 72.8m
Other	£ 3.0m
Total	£149.8m

3.25 In order to deliver a full year-impact, specific work is required to prepare for delivery of savings in the 2024/25 financial year. One specific saving requiring Cabinet approval is the approval to increase Garden Waste charges, from the current levels of £50 to £60, which represents a 20% increase. Historically income has been above targets, and it is anticipated that this increase in fee will not affect the take up of the service. This will deliver £1.2m of additional income in 2024/25, which is £700k through increases in the charges and £500k through uplifting the base budget to actual income levels. If increases in charges are delayed the £700k additional income will be unachievable for 2024/25.

3.26 The Council must now explore EFS from the DLUHC after Cabinet on 12th December 2023, following the extended savings exercise above. This will include a request for permission to increase the Council Tax level above the referendum limit, capitalisation of costs involved in a redundancy scheme, and provision of a 'minded to' letter for capitalisation to support delivery of a balanced budget for the 2024/25 financial year. Further non-delivery of savings may increase the final requirements for EFS, as there is no flexibility in the budget to mitigate any shortfalls. It is critical therefore that savings are delivered on time, and to the scale and quantum as laid out in the proposals.

Commencement of processes in respect of Statutory and Non-Statutory Employment Consultation

- 3.27 Following legal advice and as a result of the due diligence exercise, it is recommended that the Chief Executive as Head of Paid Service commences the necessary processes in respect of statutory and non-statutory employment consultation relating to the serious staffing implications of the proposals. That is, the delivery of Section S188 Notices under the Trade Union and Labour Relations (Consolidation) Act 1992.
- 3.28 This is to allow consultation with trade union representatives about ways to avoid any consequential dismissals, to reduce the number of employees to be dismissed and to mitigate the consequences of the dismissals.
- 3.29 This includes, but is not limited to, the commencement of Voluntary Redundancy (VR) and Compulsory Redundancy (CR) schemes. The results of any employment consultation process will be considered in the preparation and agreement of the final budget proposals for 2024/25, and as part of the agreement of savings proposals.
- 3.30 As part of this process, the Chief Executive, as Head of Paid Service, must begin engagement in employment consultation with Trade Unions, to support employees with discussions around redundancies. This should include support to employees at risk of redundancy once savings proposals are agreed as part of the 2024/25 budget setting process.

2024/25 Budget Setting Timetable

3.31 The latest revised timetable and status is as per Appendix 1 attached.

3.32 The key updates following the November Cabinet Report are:

- a) Deadlines to 30th November 2023 have been achieved, including a rebase of the 2023/24 budget and initial savings options returned and presented to Finance as outlined above;
- b) Additional engagement with CLT and EMT has also been conducted, to commence briefing on proposed savings and feasibility;
- c) Further dates have been added to the timeline for additional detail, such as DSG and HRA implications as part of the timeline.

3.33 The most significant element of the timeline is now ensuring the savings proposals presented have sufficient due diligence to ensure the robustness of the estimates. There is a requirement to ensure the savings presented are sufficiently robust such that a lawful budget can be presented for 2024/25 alongside a Section 25 statement.

3.34 The timeline within the Appendix outlines two additional weeks of activities to identify savings proposals as a result of the challenges above to achieve savings targets.

Additional Resources and Capacity Required to Deliver 2024/25 and 2025/26 Savings

- 3.35 Consideration needs to be given to resources and capacity required to deliver the programme of work once agreed for the 2024/25 budget and future financial years. This is required in order to both enable and ensure the deliverability of savings and must commence this calendar year (2023) in order to achieve the full financial year impact of (2024/25) savings from 1st April 2024.
- 3.36 Two key strands of resource must be secured. This will be sourced through a mix of internal capacity (e.g., secondment, placements, re-deployment), short term interim capacity and specific expertise, and the appointment of a delivery partner to support the wider change and improvement activities in the Improvement and Recovery Plan. The capacity will be required to help:
- a) Manage and Monitor the Savings Initiatives – Check, chase, and challenge the delivery of the 2024/25 and 2025/26 savings proposals. These resources will support the escalation of risks and issues to ensure delivery of savings in the respective financial years.
 - b) Deliver the Savings Initiatives – Delivery capacity and resources that can be deployed to Directorates to deliver the savings initiatives themselves and help realise the corporate cross-cutting savings initiatives with a high level of complexity or multiple Directorate delivery. The resource and capacity required will include programme and project management, analyst capacity and additional specialist external resource for specific programmes.
- 3.37 These resources should be scaled based on the deliverability of the savings programme and respond to the needs of the organisation.
- 3.38 The successful development of a lawful balanced budget for the 2024/25 financial year is now the number one corporate priority, and as such a step change in pace of delivery of this programme of work is supported by the Section 151 Officer.

New Cabinet Committee for Property Decisions

- 3.39 A key element of financial recovery, outside of the Revenue savings above, will be a review and assessment of the capital programme and assets within the Council. This is with the intention of developing capital receipts for the Council in order to support the formal application for a Capitalisation Direction the Council's potential Equal Pay accounting liability; the costs involved in the redundancy scheme; and support to deliver a balanced budget for the 2024/25 financial years.
- 3.40 Birmingham City Council is the single largest owner of property in Birmingham and holds the largest land estate of any UK local authority, extending to 26,000 acres. The portfolio, excluding residential homes, infrastructure and schools has an asset value of over £2.4 billion. Income generating assets attract on average £34 million revenue per annum. There are more than 6,500 property assets (land and buildings) in the portfolio and over 300 of these have historic interest.
- 3.41 To support this approach, a programme of rationalisation and re-gearing of its investment property portfolio has been agreed. The portfolio in scope for the Strategy is comprised of development sites and strategic assets, industrial premises, retail premises and miscellaneous assets located across the city.
- 3.42 The terms of reference of the new Cabinet Property Committee is to approve proposed sales of council property and assets as part of the Council wide Asset Strategy. The Committee will have delegated powers from the Cabinet to declare land and property surplus to requirements. It will have the power to determine high value property sales, the means of disposal and the acceptance of offers. The Property Committees main purpose will be to deliver the capital receipts programme without delays. It will have these powers for both General Fund Assets and Housing Revenue Account Assets.
- 3.43 The Council's existing Scheme of Delegation to Officers in relation to lower value Property Transactions will remain in place.
- 3.44 The Cabinet Property Committee's Terms of Reference will include:
- a) To exercise full delegated executive powers to consider and make decisions on:

- b) All land and property transactions including the Investment Property portfolio where the City Council has an interest;
- c) The acquisition and disposal of leasehold interests for rent (including the granting and surrendering of any rights over such land and property);
- d) The acquisition and disposal of freehold and leasehold interests at a premium;
- e) The management of all of the Council's land and properties, including the authorising and payment of discretionary contributions towards trade/loss and or removal expenses and all payments due under an approved Compulsory Purchase Order.
- f) To report to Cabinet setting out progress on delivery of the receipts target.

3.45 Cabinet Property Committee decisions shall only be taken based on written report(s) from Chief Officers and after any appropriate advice from the Head of Paid Service, Monitoring Officer, and Section 151 Officer.

4. Public Consultation and Engagement

- 4.1 This report has been written in consultation of CLT members and has been discussed with EMT. The content of this report is also based on presentations to the Commissioner led Finance Sub-Board.
- 4.2 A public communications and engagement strategy has been developed to that will start on the 13th December 2023. This public consultation will help to inform ongoing decisions and provide extra citizen insight.
- 4.3 The full 2024/25 budget will be subject to legal advice and guidance regarding statutory consultation, at that point specific plans will be developed to ensure all relevant groups and communities are appropriately and meaningfully consulted with.
- 4.4 A statutory business rate payers consultation meeting will be held in January 2024.

5. Risk Management

- 5.1 All savings presented against the 2024/25 and 2025/26 savings targets will be fully risk assessed and will fully risk assessed. This will ensure all savings are presented with a robust risk assessment prior to approval as part of the 2024/25 budget setting process.

6. Compliance issues

- 6.1 **How are the recommended decisions consistent with the City Council's priorities, plans and strategies?** All implications and priorities will be considered in the development of savings proposals alongside CLT and Cabinet Members. EMT engagement sessions ensure that there is alignment of proposals with City Council priorities, plans and strategies.
- 6.2 **Legal Implications:** Members have a duty to ensure that the Council acts lawfully. The Council must set and maintain a balanced budget and must take steps to deal with any projected overspends and identify savings or other measures to bring budget pressures under control. Cabinet is responsible for preparing the annual Council budget in good time for the Council budget meeting on 28 February 2024.

- 6.3 Members are reminded in this context of their fiduciary duty to the Council Taxpayer, effectively to act as trustee of the Council's resources and to ensure proper custodianship of the Council's resources.
- 6.4 The Council must comply with all relevant legal requirements to complete Council Tax Setting in February 2024, including employment consultation and consultation with the public where appropriate on the implications of proposals as part of this process. The Council will make sure that Equality Impact Assessments and all appropriate statutory consultation takes place in the development of savings proposals. This will be referenced in future reports to Cabinet and City Council.
- 6.5 **Financial Implications:** Financial implications will be considered as part of the process of the budget setting process. This report also includes the request to align resources to the delivery of the 2024/25 and 2025/26 savings programme. Future requests for financing of resources to deliver this programme will be presented in line with the scheme of delegation, having been taken through the Section 151 Office Spend Control Board.
- 6.6 **Public Sector Equality Duty:** The Council will ensure that all actions taken in response to these recommendations are in line with the Public Sector Equality Duty, this includes aligning to Equality Impact Assessments completed in the development of savings proposals, and ensuring the impact of savings proposals are aligned to the Public Sector Equality Duty.

7. Appendices

- 7.1 Appendix 1 – Budget Timeline for 2024/25 and 2025/26 as of December 2023
- 7.2 Appendix 2 – High level savings proposals for 2024/25 **(to follow)**

Appendix 1 - Budget Timeline for 2024/25 and 2025/26 as of December 2023

Week	Status	Date	Milestone
1	Completed	26 th October 2023	Issue 2024/25 and 2025/26 savings targets to CLT
2	Completed	1 st November 2023	Commissioner Finance Board
2	Completed	3 rd November 2023	Draft communications plan for budget
3	Completed	w/c 6 th November 2023	Review and update inflation model
3	Completed	w/c 6 th November 2023	Review pressures and growth for 2024/25 and 2025/26
3	Completed	w/c 6 th November 2023	Review and rebase 23/24 budget
3	Completed	w/c 6 th November 2023	List of assets and potential capital receipts available
3	Completed	w/c 6 th November 2023	Review of Capital Programme available
3	Completed	7 th November 2023	Saving options return to finance
3	Completed	7 th November 2023	CLT discussion on savings options – Presentation by each Director
3	Completed	9 th November 2023	EMT discussion on savings options
3	Completed	10 th November 2023	Initial meeting with Trade Unions
4	Completed	14 th November 2023	CLT session to work through budget
4	Completed	14 th November 2023	Cabinet - position statement on 24/25 and 25/26 budgets
3-4	Completed	7 th – 16 th November 2023	Due diligence of initial savings options
4	Completed	15 th November 2023	Commissioner Finance Board
5	Completed	w/c 20 th November 2023	O&S Task & Finish Group Phase 1 – Budget gap and timeline
5	Completed	w/c 20 th November 2023	CLT and EMT to discuss savings – Fully developed proposals
5	Completed	22 nd November 2023	Autumn Statement
4-5	Completed	17 th – 23 rd November 2023	Corporate diligence of savings options
5	Completed	20 th – 23 rd November 2023	Development of additional robust savings proposals
5	Completed	20 th – 23 rd November 2023	Service review sessions with a cross-directorate challenge group
5	Completed	20 th – 23 rd November 2023	Development of initial cross-cutting savings.
5	Completed	24 th November 2023	Presentation of updated credible savings figure

Appendix 1 - Budget Timeline for 2024/25 and 2025/26 as of December 2023

Week	Status	Date	Milestone
6	Completed	27 th – 29 th November 2023	Due diligence of newly presented savings proposals
6	Completed	27 th – 29 th November 2023	Exploration of additional savings across: Cross cutting, Public Health Grant, Budget Line Review, Statutory vs Non-Statutory, Spend Control Rejections
6	Completed	27 th – 29 th November 2023	Chief Executive, S151 Officer, and CLT savings challenge sessions
6	Completed	30 th November 2023	EMT budget challenge session
6	Ongoing	w/c 27 th November 2023	Commence drafting of report (General Fund, HRA, Capital, Treasury Management Strategy)
7	Completed	4 th December 2023	O&S Task & Finish Group Phase 2 – Draft proposals
7	Scheduled	w/c 4 th December 2023	CLT and EMT
8		13 th December 2023	Commissioner Finance Board
9		w/c 18 th December 2023	CLT and EMT – Lock in of budget
9		w/c 18 th December 2023	Determination of rent increase under current policy
9		20 th December 2023	Dedicated Schools Grant (DSG) allocations announced
9		TBC December 2023	2024/25 Provisional Local Government Finance Settlement and EFS Discussion
-		TBC December 2023	Budget Consultation
11		w/c 1 st January 2024	Commissioner Finance Board
12		w/c 8 th January 2024	All member briefing post-settlement
12		w/c 8 th January 2024	Political group briefings
12		w/c 8 th January 2024	O&S Task & Finish Group Phase 3 – Final Budget
13		w/c 15 th January 2023	Commissioner Finance Board
13		16 th January 2024	Cabinet Meeting – Council Tax Base 2024/25
13		16 th January 2024	Cabinet Meeting – HRA Rent Setting report
14		w/c 22 nd January 2024	2024/25 Final Local Government Finance Settlement
14		w/c 22 nd January 2024	Business Rates consultation
14		w/c 22 nd January 2024	Finalise budget reports

Appendix 1 - Budget Timeline for 202425 and 202526 as of December 2023

Week	Status	Date	Milestone
15		w/c 29 th January 2024	Commissioner Finance Board – Final budget
15		31 st January 2023	Treasury Management Strategy to Audit Committee
-		TBC January/February 2024	Exceptional Financial Support 'minded to' letter from DLUHC / Council tax discussion with DLUHC and internally
17		13 th February 2024	Cabinet – Receives budget
19		27 th February 2024	Full Council – Council tax setting
20		TBC March 2024	Issuance of School Budgets post Council decision

Appendix 2 – High level savings proposals for 2024/25

The savings proposed for 2024/25, totalling £149.8m, are illustrated by Directorate as follows. This does not constitute the full and final list of savings expected to come forward for delivery in 2024/25 and the proposals and their values therein may be subject to further potential change up until the overall budget is signed off by full Council in February 2024:

Directorate	Services within this Directorate	Savings in 2024/25 £000	Net Budget (Adjusted for controllable income) £000	Savings as a percentage of Net Budget %
Adult Social Care	Social Care, Principal Social Work	21,903	437,738	5.0%
Children & Families	Education & Early Years, SEND, Social Care.	57,041	428,801	13.3%
City Operations	Regulation & Enforcement, Street Scene & Neighbourhoods, Highways & Infrastructure.	29,210	206,198	14.2%
City Housing	Housing Management, Homelessness.	5,816	24,457	23.8%
Places, Prosperity and Sustainability	Corporate Landlord, Transport & Connectivity, Sustainability, Planning.	9,075	54,736	16.6%
Strategy, Equalities and Partnerships	Public Health, Communications, Chief Executive Office, Cabinet Office, City Observatory.	2,597	8,195	31.7%
Council Management	People Services, Digital & Customer Services, Legal & Democratic Services, Finance, Customer Services, Business Support, Revenues and Benefits.	15,630	31,363	49.8%
Cross-cutting savings*	Contract savings, consolidation, digital tools, and automation	8,500	N/A	N/A
TOTAL		149,772	1,191,487	12.6%

*Cross-Cutting savings will need to be allocated to each Directorate, such that delivery of these savings is accepted and owned at a Directorate level prior to consolidation into the budget.

Birmingham City Council

Finance and Resources Overview and Scrutiny Committee

14 December 2023



Subject: Finance and Resources Overview and Scrutiny Committee's Work Programme

Report of: Christian Scade, Head of Scrutiny and Committee Services

Report author: Fiona Bottrill, Senior Overview and Scrutiny Manager
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1 Purpose

- 1.1 This report sets out the proposed work programme for the Finance and Resources Overview and Scrutiny Committee for 2023-24, based on the Committee's meetings in 2023. Appendix 1 outlines the topics identified, aims and objectives and the preferred method of scrutiny to achieve these objectives.
- 1.2 The report also refers to other topics, which the Committee has identified, for future consideration, and this will be continuously updated during the year.

2 Recommendations

- 2.1 That the Committee:
 - Notes the information set out in Appendix 1 and identifies if any further topics need to be added to the menu of topics for the Committee to explore over the coming year to support the Council's improvement journey.
 - Agrees, subject to further input from the Chair and Deputy Chair, the issues that the Committee will consider during January 2023 –February 2024, the proposed aims and objectives and the preferred method of scrutiny.
 - Identifies, subject to further input from the Chair and Deputy Chair, the issues that the Committee will consider in March 2024, the proposed aims and objectives and the preferred method of scrutiny.
 - Notes, subject to further input from the Chair and Deputy Chair outside of the meeting, its proposed work programme will be submitted to Co-

ordinating O&S to enable work to be planned and co-ordinated throughout the year.

3 Background

3.1 The [statutory guidance for local government overview and scrutiny](#) sets out the role it can play in holding an authority's decision makers to account. This makes it fundamentally important to the successful functioning of local democracy.

3.2 Effective Overview and Scrutiny should:

- Provide constructive 'critical friend' challenge.
- Amplify the voices and concerns of the public.
- Be led by independent people who take responsibility for their role.
- Drive improvements in public services.

3.3 The role and functions of Overview and Scrutiny Committees are outlined in [The City Council's Constitution | Birmingham City Council](#) They will:

- Make reports and/or recommendations to the full Council, the Executive and/or other organisations in connection with the discharge of the functions specified in their terms of reference.
- Consider any matter covered in their terms of reference that may affect or be likely to have an effect on the citizens of Birmingham; relevant to the Council's strategic objectives; relevant to major issues faced by officers in managing a function of the Council; and likely to make contribution to moving the Council forward and achieving key performance targets.

3.4 Effective scrutiny needs to add value. A well planned and timely work programme enables Overview and Scrutiny Committees to be involved at the right time and in the right way, and ensure their involvement is meaningful and can influence the outcome.

3.5 Members often have a number of topics suggested to them and are therefore required to **prioritise** matters for consideration. The Scrutiny Framework sets out the following factors to be considered:

- Public interest: concerns of local people should influence the issues chosen.
- Ability to change: priority should be given to issues that the Committee can realistically influence.
- Performance: priority should be given to areas in which the Council and Partners are not performing well.
- Extent: priority should be given to issues that are relevant to all or a large part of the city.
- Replication: work programme must take account of what else is happening to avoid duplication.

Looking Ahead

- 3.6 Overview and Scrutiny Committees will identify a 'menu' of issues (including policy development, policy review, issues of accountability and statutory functions) at the start of the year. Each Committee should then regularly review their 'menu' and decide which issues need to be examined further, and how that work would be undertaken. Scrutiny activities should be thorough and undertaken in a timely manner.

Scrutiny Methods

- 3.7 There are a range of ways to undertake scrutiny. The approach for 2023-24 enables flexible scrutiny and outlines a shift from monthly formal meetings to a combination of approaches. The Committee will choose the most effective scrutiny method to achieve the desired aims and objectives for each topic.
- 3.8 Based on Statutory Guidance published in 2019, different scrutiny methods include (but are not limited to):
- A single item, or items, on a committee agenda – this method fits more closely with the “overview” aspect of the Scrutiny function and provides limited opportunity for effective scrutiny. It is most appropriate for specific issues where the committee wants to maintain a watching brief.
 - A single item meeting, either as the committee or a more limited number of Members. It has the capacity to enhance the previous option by taking evidence from a number of witnesses.
 - A task and finish day - provided that these are properly focused, they ensure Councillors can swiftly reach conclusions and make recommendations and are effective even for complex topics.
 - A task and finish review – this is an enhancement of the previous option being held over four or six meetings spread over a limited number of months.

Finance and Resources Overview and Scrutiny Committee

- 3.9 The Committee's Terms of Reference is to fulfil its functions as they relate to any policies, services and activities concerning:
- Council Business Plan and Medium Term Financial Plan/Budget
 - Oversight of Council-owned land and property facilities, amenities and services including markets
 - Overall financial direction within the Financial Strategy developed by the Leader, including Best Value and appropriate financial accounting and audit controls and procedures
 - Business Charter for Social Responsibility
 - Commercial opportunities available to the Council

- Revenues and Benefits service
- Procurement management
- Contract management policy
- Management of all internal trading operations
- Commissioning approach that supports the Council's wider social objectives
- Collection of rent/recovery of rents from Council tenants/former tenants and overpayments of Housing Benefit from Council tenants
- Organisational development function for shaping the future workforce of the Council
- Change/transformational programmes deployed corporately
- Member development programmes
- Processes and procedures to support good staff performance and equality objectives
- Human resources, staffing structures at JNC level and personnel procedures
- Oversight of the use of consultants with particular focus on their duration, renewal and cost.

3.10 The Committee is chaired by Cllr Jack Deakin, and its membership comprises Cllrs Alex Aitken, Raqeeb Aziz, Meirion Jenkins, Rashad Mahmood, Hendrina Quinnen, Paul Tilsley and Ken Wood.

4 Work Programme 2023-24

- 4.1 Appendix 1 sets out work of the Committee over the next few months including the Budget Scrutiny Task and Finish Group, and also outlines future items for consideration.
- 4.2 The Committee may decide to add further items to the work programme during the course of the year. When considering this, the Committee is advised to consider where it can best add value through scrutiny aligning to the Council's priorities and improvement journey, and how it can prioritise topics for consideration based on the Scrutiny Framework referred to in 3.5.
- 4.3 The Council's latest [Forward Plan](#) may assist Members in identifying future topics. The following reports are of particular relevance to this Overview and Scrutiny Committee:

ID Number	Title	Proposed Date of Decision
010948/2023	Effective Commissioning of Debt	12 Dec 23
011240/2023	Grant Funding from Government – Standing Item	12 Dec 23

012148/2023	Oracle Programme Update	12 Dec 23
012002/2023	Resources for Birmingham City Council – Standing Item	12 Dec 23
0102151/2023	Section 151 Officer Update on the Financial Position of the Council – December 2023	12 Dec 23
010840/2023	Asset Management Strategy	16 Jan 24
011739/2024	Business Rates Income 2024/25	16 Jan 24
011738/2024	Council Tax Base 2024/25	16 Jan 24
011734/2024	Financial Monitoring Report 2023/24 Quarter 2	16 Jan 24
011740/2023	Provisional Financial Outturn 2023/23	16 Jan 24
011735/2024	Financial Monitoring Report 2023/24 Month 8	4 Feb 24
011742/2024	Draft Financial Plan 2024-2028	13 Feb 24
009483/2022	Disposal of Surplus Properties	13 Feb 23
011524/2023	The Supply of Print and Print Management Services	13 Feb 24
011743/2024	Financial Plan 2024-2028	27 Feb 24
011736/2024	Financial Monitoring Report 2023/24 Quarter 3	19 Mar 24
011737/2024	Financial Monitoring Report 2023/24 Month 10	23 Apr 24

4.4 Overview and Scrutiny Chairs are advised to maintain regular engagement with Cabinet Members to enable flexibility to be built into the Overview and Scrutiny work programme, so as to respond to the Council's policy priorities in a timely way.

4.5 The work of the Finance and Resources Overview and Scrutiny Committee underpins the delivery of all the priorities in the Council's Corporate Plan 2022 – 26. Details of the priorities have been included in Appendix 1 for reference.

5 Any Finance Implications

5.1 There are no financial implications arising from the recommendations set out in this report.

6 Any Legal Implications

6.1 There are no legal implications arising from the recommendations set out in this report.

7 Any Equalities Implications

- 7.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 7.2 The protected characteristics and groups outlined in the Equality Act are Age; Disability; Gender Reassignment; Marriage and Civil Partnership; Pregnancy and Maternity; Race; Religion and Belief; Sex, and Sexual Orientation.
- 7.3 The Committee should ensure that it addresses these duties by considering them during work programme development, the scoping of work, evidence gathering and making recommendations. This should include considering how policy issues impact on different groups within the community, particularly those that share a relevant protected characteristic; whether the impact on particular groups is fair and proportionate; whether there is equality of access to services and fair representation of all groups within Birmingham; and whether any positive opportunities to advance equality of opportunity and/or good relations between people are being realised.
- 7.4 The Committee should ensure that equalities comments, and any recommendations, are based on evidence. This should include demographic and service level data and evidence of residents/service-users views gathered through consultation.

8 Appendices

- 8.1 Appendix 1: Work Programme 2023-24 – November.

9 Background Papers

- 9.1 [Birmingham City Council Constitution](#)
- 9.2 Birmingham City Council Overview and Scrutiny Framework April 2021

Finance and Resources Overview and Scrutiny Committee Work Programme 2023 / 24

The work of the Finance and Resources Overview and Scrutiny Committee underpins the delivery of all Corporate Priorities in the Corporate Plan 2022-26.

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
July 23	Planned Procurement Activities Report	To consider the Planned Procurement Activities report and scrutinise the governance and spend of Council contracts. The Committee to make any recommendations.	Committee meeting - single item 27 July 2023 Council House Committee Room 6 Deadline for reports: 18 July	Steve Sandercock, Assistant Director, Procurement		Outcome: Assurance of planned procurement activities.
July 23	Update on Stabilisation of the Oracle Financial and HR Management system	To provide the Committee with: Update on the background to the issues with the Oracle system and current challenges Work to address the challenges including governance, risk and timescales Work to learn lessons including governance, risk and timescales Progress on End of Year Accounts including timescales and risks.	Committee meeting - single item 27 July 2023 Council House Committee Room 6 Deadline for reports: 18 July	Fiona Greenway, Interim Director of Finance (S151 Officer)	Meena Kishinani, Director of Transformation	Outcome: Update on Stabilization of Oracle

		The Committee to make any recommendations.				
July 23	Implication of Equal Pay	<p>To provide background to the Equal Pay liabilities for the Council</p> <p>To report on the values work that will underpin the budget recovery plan.</p> <p>Update on the Budget Recovery Plan and the Medium Term Financial Plan.</p> <p>Learning from Local Authority Best Value Intervention Reports</p> <p>The Committee to make any recommendations.</p>	<p>Committee meeting - single item</p> <p>27 July 2023</p> <p>Council House Committee Room 6</p> <p>Deadline for reports: 18 July</p>	Fiona Greenway, Interim Director of Finance (S151 Officer)		Outcome: Update on implications of Equal Pay
July 23	Work Programme	<p>To review the Committee's work programme, agree work to be undertaken during August – November and issues for future consideration</p> <p>To consider the Council's Corporate Risk Register to inform the Committee's work programme.</p>	<p>Committee meeting - single item</p> <p>27 July 2023</p> <p>Council House Committee Room 6</p> <p>Deadline for reports: 18 July</p>	Fiona Bottrill, Senior Overview and Scrutiny Manager		

September 23	Planned Procurement Activities Report	To consider the Planned Procurement Activities (to be considered at Cabinet on 5 th September) report and scrutinise the governance and spend of Council contracts. The Committee to make any recommendations.	Committee meeting - single item 7 September 2023 Council House Committee Room 6 Deadline for reports: 29 August	Steve Sandercock, Assistant Director, Procurement		Outcome: No questions relating to PPAR
September 23	Managing Council Risk including the Strategic Risk Register, Budget Risk and Savings Risks	Update members on risk management to inform Committee work programme	Committee meeting - single item 7 September 2023 Council House Committee Room 6 Deadline for reports: 29 August	Fiona Greenway, Interim Director of Finance (S151 Officer) Sarah Dunlavy, Assistant Director, Audit & Risk Management		It was requested at the July Committee Meeting that the Corporate Risk Register is included as a standing item. Outcome: Item deferred
September 23	Update on Budget Recovery Plan and MTFP and Scrutiny Contribution to Budget Savings	To provide the Committee with an update on the current position with regard to the implications of Equal Pay, the Budget Recovery Plan and Values Framework. To consider the Corporate Savings Programme.	Committee meeting - single item 7 September 2023 Council House Committee Room 6	Fiona Greenway, Interim Director of Finance (S151 Officer)		Outcome: Clarification provided on statutory requirement of regarding S114 Notice process. Assurance provided regarding risk management control framework around Equal Pay.

		The Committee to make any recommendations.	Deadline for reports: 29 August			Additional meeting to be held to further consider Section 114 Notice, Financial Recovery Plan and delivery of savings
September 23	Oracle Stabilisation Update	<p>To provide the Committee with an update, to include:</p> <ul style="list-style-type: none"> • Update on 'Safe and Compliant' • Update on Optimisation High Level Design • Oracle financial position • Key strategic risks from within the Oracle RAID log • Update on Oracle Management Review – including anticipated completion date. <p>The Committee to make any recommendations.</p>	<p>Committee meeting - single item</p> <p>7 September 2023</p> <p>Council House Committee Room 6</p> <p>Deadline for reports: 29 August</p>	<p>Meena Kishinani, Interim Director of Transformation</p> <p>Craig Buckley, Oracle Programme Director</p>		Outcome: Information provided regarding safe and compliant timescales
September 23	Job Evaluation – Permanent Pay Equity	To consider the report on Permanent Pay Equity presented to Cabinet on 25 July.	<p>Committee meeting - single item</p> <p>7 September 2023</p>	Deborah Cadman Chief Executive and Head of Paid Service		Outcome: Information provided on background and timescales for job evaluation and pay equity.

		To provide the Committee with an update on activity since that date. The Committee to agree how it will provide monitoring and oversight of the delivery of the programme. The Committee to make any recommendations.	Council House Committee Room 6 Deadline for reports: 29 August	Janie Berry, City Solicitor and Monitoring Officer Fiona Greenway, Interim Director of Finance (S151 Officer) Darren Hockaday, Interim Director of People and Corporate Services		
Sept 23	Equal Pay Liability and Job Evaluation	To receive a verbal report from the Chief Executive	Committee meeting - single item 29 September 2023 Council House Committee Room 3 &4 Deadline for reports: 20 Sept	Deborah Cadman Chief Executive and Head of Paid Service Darren Hockaday, Interim Director of People and Corporate Services		Outcome: Update provided on Pay Equity Scheme
Sept 23	Council Response to Section 114 Notice and Financial Recovery	To provide the Committee with an update on the current position with regard to the implications of Equal Pay, the Budget Recovery Plan and Values Framework.	Committee meeting - single item 29 September 2023	Deborah Cadman Chief Executive and Head of Paid Service		Outcome: Committee updated on the Council's response to the Section 114 Notice and financial recovery

		To consider the Corporate Savings Programme. The Committee to make any recommendations.	Council House Committee Room 3 &4 Deadline for reports: 20 Sept	Janie Berry, City Solicitor and Monitoring Officer Fiona Greenway, Interim Director of Finance (S151 Officer)		
Sept 23	Managing Council Risk including Strategic Risk Register, Budget Risks and Savings Risks	Item deferred from 7 September meeting. Update members on risk management to inform Committee work programme	Committee meeting - single item 29 September 2023 Council House Committee Room 3 &4 Deadline for reports: 20 Sept	Fiona Greenway, Interim Director of Finance (S151 Officer) Sarah Dunlavey, Assistant Director, Audit & Risk Management		Outcome: Committee updated on risk management processes
October 23			12 October 2023 Council House Committee Room 6			October Finance and Resources OSC cancelled due to Extra-ordinary Meetings of City Council on 12 October 23.
November 23	Planned Procurement Activities (standing item)	To consider the Planned Procurement Activities report and scrutinise the governance and spend of Council contracts.	Committee meeting 16 November 2023	Steve Sandercock, Assistant Director, Procurement		Outcome: The Committee noted forthcoming planned procurement activities.

		The Committee to make any recommendations.	Council House Committee Room 6 Deadline for reports: 1 November			
November 23	Scrutiny of Delivery of 2023/24 Budget Savings and Update on the Council's Response to s144 Notice and Financial Recovery Plan	To consider the implications of Equal Pay and the Medium-Term Financial Plan for the Committee's work programme including agreed savings for 2023/24.	Committee meeting 16 November 2023 Council House Committee Room 6 Deadline for reports: 1 November			The Finance and Resources OSC will consider 2023/24 in year savings across all council services. Outcome: The Committee reviewed the delivery of savings across the Council as at Quarter 2.
November 23	Job Evaluation and Pay Equity System	To update on the Pay Equity System agreed with the 3 trade unions and timescales for implementation to meet the deadline of End March 2025.	Committee meeting 16 November 2023 Council House Committee Room 6 Deadline for reports: 1 November	Deborah Cadman, Chief Executive Katy Fox, Director of People Services		Outcome: Update on implementation of the Pay Equity System. Next update requested for January 24.

November 23	Oracle Update (standing item)	<p>To update members on the implementation of Stabilisation of Oracle including strategic risks reported to September OSC meeting.</p> <p>To provide a detailed breakdown of what money is being spent and a definition of customisation – what it is and what it looks like.</p> <p>To update on timescales for Optimisation.</p>	<p>Committee meeting</p> <p>16 November 2023</p> <p>Council House Committee Room 6</p> <p>Deadline for reports: 1 November</p>	<p>Meena Kishinani, Interim Director of Transformation</p> <p>Craig Buckley, Oracle Programme Director</p>		<p>The Health and Adult Social Care OSC has recommended that the Finance and Resources OSC seeks assurance regarding the systems on place to ensure that the Council is invoicing and receiving payments.</p> <p>Outcome: Update on Oracle Stabilisation. Next update requested for January 24.</p> <p>Response to be provided on invoicing and receipt of payments.</p>
November 23	Budget Scrutiny Task and Finish Group	Terms of Reference to be considered as part of Finance and Resources OSC Work Programme Report 16 November 23.	Task and Finish Group meeting: 20 November	Fiona Greenway, Interim Director of Finance (S151 Officer)		
December 23	Budget Scrutiny Task and Finish Group	Consider savings proposals	Task and Finish Group meeting: 4 December	Fiona Greenway, Interim Director of Finance (S151 Officer)		
December 23	Budget Scrutiny Task and Finish Group	Consider savings proposals	Task and Finish Group meeting: 6 December	Fiona Greenway, Interim Director of		

				Finance (S151 Officer)		
December 23	Budget Scrutiny Task and Finish Group	Consider savings proposals	Task and Finish Group meeting: 7 December	Fiona Greenway, Interim Director of Finance (S151 Officer)		
December 23	Financial Position Update	To update members on the Council's current financial position.	Committee meeting 14 December 2023 Council House Committee Room 6 Deadline for reports: 29 November 23	Fiona Greenway, Interim Director of Finance (S151 Officer)		The report will be presented to Cabinet on 12 December.
January 24	Budget Scrutiny Task and Finish Group	Scrutiny of 2024/25 Budget Proposals	Task and Finish Group meeting: 8 January	Fiona Greenway, Interim Director of Finance (S151 Officer)		
January 24	Budget Scrutiny Task and Finish Group	Scrutiny of 2024/25 Budget Proposals	Task and Finish Group meeting: 10 January	Fiona Greenway, Interim Director of Finance (S151 Officer)		

January 24	Consider recommendations and comments from Budget Scrutiny Task and Finish Group	Agree recommendations and comments to be reported to Cabinet to inform 2024/25 budget	Committee meeting January 24 Date TBC Council House Committee Room 6 Deadline for reports: TBC	Fiona Greenway, Interim Director of Finance (S151 Officer)		
January 24	End of Year Outturn	To inform the Committee of the end of year outturn and Committee to agree any comments / recommendations.	Committee meeting January 24 Date TBC Council House Committee Room 6 Deadline for reports: TBC	Fiona Greenway, Interim Director of Finance (S151 Officer)		
January 24	Q2 Financial Monitoring	To inform the Committee of the Q2 financial monitoring and the Committee to agree any comments / recommendations.	Committee meeting January 24 Date TBC Council House Committee Room 6	Fiona Greenway, Interim Director of Finance (S151 Officer)		

			Deadline for reports: TBC			
January 24	Oracle Update	<p>To update members on progress, to include Key Strategic Risks, Finance and Optimisation timescales.</p> <p>The Committee has also requested an update on the impact of the Oracle issues on schools.</p>	<p>Committee meeting</p> <p>January 24 Date TBC</p> <p>Council House Committee Room 6</p> <p>Deadline for reports: TBC</p>	<p>Meena Kishinani, Interim Director of Transformation</p> <p>Craig Buckley, Oracle Programme Director</p>		The previous update was presented to Committee in November 23.
January 24	Job Evaluation and Pay Equity System Update	To receive an update on activities and timescales to meet the April 2025 deadline for the implementation of the Pay Equity System.	<p>Committee meeting</p> <p>January 24 Date TBC</p> <p>Council House Committee Room 6</p>	Katy Fox, Director of People Services		The previous update was presented to Committee in November 23.

*Outcome: This will be populated once the item/topic has been completed. It will identify the added value and impact.

Menu of Issues for Consideration

The following items had been identified as potential topics for future consideration. This approach enables the Overview and Scrutiny Committee to remain flexible and respond in a timely manner to emerging issues.

This is a live work programme work programme. New items may be added, or items removed during the course of the year. Proposed aims and objectives as well as scrutiny methodology may also be subject to change.

Item/ Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
Monitoring recommendations of the Procurement Governance Scrutiny Report	To receive an update on the new Procurement and Contract Governance rules	Committee meeting - single item	
Progress Report on Implementation: Council-owned Assets	To track progress on implementation of the recommendations R01 and R02.	Committee meeting - single item	Recommendations R03-R06 were signed off as completed in November 2022.
Diversity and Inclusion Dashboard	Role for O&S in looking at specific aspects of the data and monitoring progress including: <ul style="list-style-type: none"> • Work force planning in relation to age profile of staff. • Disability disclosure and. reasonable adjustments • Governance of Everyone's Battle, Everyone's Business (EBEB) and what impact this has made. 	TBC	Possible key questions: How do we acquire new talent? How do we ensure we're attractive to potential new employees? Are we open, accessible, inclusive and do our job descriptions and requirements reflect the needs of the business, but also the reality of life and experience of work for applicants? When is it appropriate to use consultants and how are these decisions made?
Working from Home	To understand the impact on productivity and workforce costs.	TBC	This may be looked at flexibly. Important to note that this item isn't about stopping working from home, but looking at where it is appropriate and whether it works for the needs of the council and its residents.
Visits to inform the work of the Committee			

Council Assets	Scrutiny of Asset Strategy as part of Financial Recovery Plan		
Treasury Management	Scrutiny of the Council's Treasury Management		
Impact of Spend Control Board	Understand the savings made through the implementation of spend controls		This work has been incorporated into the Budget Scrutiny Task and Finish Group
Mutually Agreed Resignation Scheme (MARS)	Understand the savings identified through the MARS scheme and potential service implications.		MARS scheme is not being taken forward.
Strategic Risk Register	To understand the management of risk across the organisation.	Committee meeting single item	The Strategic Risk Register, Budget Risks and Savings Risks were previously considered at Committee in September 23.
External auditors' review, CfGS wider governance review and management review	To be briefed on the findings and recommendations of the various reviews being undertaken.	TBC	

Scrutiny Method Options:

Committee meeting - single item

Committee meeting - single theme

Task and Finish Group (outline number of meetings)

On location

Other - (describe)

Corporate Priorities, Performance and Outcomes

Corporate Priorities 2022 – 26:

- | | |
|--------------------------------------------------------------|-------------------------------------------------------------------|
| 1 Support inclusive economic growth | 11 Increase affordable, safe, green housing |
| 2 Tackle unemployment | 12 Tackle homelessness |
| 3 Attract inward investment and infrastructure | 13 Tackle health inequalities |
| 4 Maximise the benefits of the Commonwealth Games | 14 Encourage and enable physical activity and healthy living |
| 5 Tackle poverty and inequalities | 15 Champion mental health |
| 6 Empower citizens and enable citizen voice | 16 Improve outcomes for adults with disabilities and older people |
| 7 Promote and champion diversity, civic pride and culture | 17 Improve street cleanliness |
| 8 Support and enable all children and young people to thrive | 18 Improve air quality |
| 9 Make the city safer | 19 Continue on the Route to Zero |
| 10 Protect and safeguard vulnerable citizens | 20 Be a City of Nature |
| | 21 Delivering a Bold Best in Class Council |

Information on the Corporate Priorities, Performance and City Outcomes was reported to Finance and Resources OSC in June 23: [Document.ashx \(cmis.uk.com\)](https://cmis.uk.com)