Birmingham City Council

Report to Corporate and Finance Overview and Scrutiny Committee

24 January 2025

Title:	**REPORT OF THE 2025/26 BUDGET SCRUTINY TASK AND FINISH GROUP**
Lead Member:	Councillor Sir Albert Bore
Relevant Overview and Scrutiny Committee:	Not Applicable
Has this report been shared with the relevant Overview and Scrutiny Committee Chair?	Not Applicable
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Authorised by:	Marie Rosenthal, Interim Monitoring Officer and City Solicitor Legal and Governance
Is this a Key Decision?	No
Reason(s) why not included on the Forward Plan and confirm who has authorised it to be considered:	Not Applicable
Is this a Late Report?	No
Reason(s) why Late and confirm who has authorised it to be considered:	Not Applicable
Is this decision eligible for 'call in?'	Not Applicable
If 'call-in' has been dis-applied, please provide reason(s) and confirm who has authorised:	Not Applicable

Wards: Not Applicable

Does this report contain exempt or confidential information?	Yes

Please delete both the section ‘Exempt Information’ and ‘Confidential Information’ if answered ‘No’ above. If only completing one of the sections below, please delete the other.

Exempt Information

The recommendations section of the report is exempt from disclosure by virtue of the following Paragraphs of schedule 12A to the Local Government Act, 1972 as amended:

3. Information relating to the financial or business affairs of a particular person (including the authority holding that information).
4. Information relating to any consultation or negotiations, or contemplated consultations or negotiations, in connections with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holder under, the authority.

Has this decision been included on the Notification of Intention to consider Matters in Private?	No Applicable
Reasons why not included on the Notification and confirm who has authorised it to be considered:	Not Applicable

1 EXECUTIVE SUMMARY

1.1 The Corporate and Finance Overview and Scrutiny Committee agreed the terms of reference for the Budget Scrutiny Task and Finish Group at the Committee meeting on 22 November 2024. The Task and Finish Group met on 3 occasions during November, December and January to consider the Council's financial position, Directorate Savings Proposals, Treasury Management and the Capital Programme. The recommendations agreed by the Task and Finish Group are attached as Appendix A (Exempt) for agreement by the Corporate and Finance Overview and Scrutiny Committee for consideration by Cabinet and City Council as part of the budget setting process.

1.2 The work undertaken by the Task and Finish Group and presented in this report was carried out in good faith and in no way should be considered as an endorsement of the budget or any specific options by members of the T&F Group, individually or collectively and where members have not commented on a savings proposal this does not imply that the saving is endorsed.

2 COMMISSIONERS' REVIEW

2.1 Commissioners support the recommendations.

3 RECOMMENDATIONS

That the Committee:

3.1 Agrees the recommendations set out in Appendix A (Exempt) to be considered by Cabinet and City Council as part of the budget setting process.

4 KEY INFORMATION

Context

4.1 Following the work of the Budget Scrutiny Task and Finish Group during 2023/24 the Corporate and Finance Overview and Scrutiny Committee agreed the terms of reference for the budget Scrutiny Task and Finish Group that would consider the development of the 2025/26 Budget and Medium Term Financial Plan.

4.2 The cross party Task and Finish Group met on 22 November 2024, 20 December 2024 and 7 January 2025 and considered:

- The Council's Financial position and update on the provisional Local Government Settlement
- Directorate Savings Proposals
- Capital Programme
- Treasury Management

4.3 The Task and Finish Group built on the experience of the 2024/25 Budget Scrutiny process and with the support of officers from Directorates across the Council the work was completed in just over 10 hours of detailed scrutiny.

4.4 The 2025/26 budget and savings proposals will be considered at Cabinet on 11 February 2025. Until this Cabinet report has been published the recommendations from the Budget Scrutiny Task and Finish Group will remain exempt. The recommendations and the Executive response will be considered by Cabinet and City Council.

5 RISK MANAGEMENT

5.1 Risks relating to the 2025/26 budget and savings proposals and are set out in Appendix A (Exempt).

6 MEMBER ENGAGEMENT

6.1 Not Applicable.

7 IMPACT AND IMPLICATIONS

Finance and Best Value

7.1 The analysis of the budget and savings proposed to deliver the budget in 2025/26 will be contained in the main budget report going to Cabinet and then full Council in February 2025. All of the savings to be included therein have been through the Budget Scrutiny Task and Finish Group for comment and discussion.

7.2 The Council implemented a monitoring system in 2024/25 to regularly track the progress of each savings proposal and will review the effectiveness of this and refine it accordingly for 2025/26, such as to increase the focus and attention on savings which are cross-cutting in nature and inherently more challenging to deliver.

7.3 As was the case last year, the financial implications of the Budget Scrutiny Task Group Report's recommendations extend beyond the immediate budgetary effects which are considered within the budget setting process and as part of specific savings proposals. They reflect the importance of how the Council handles partnership working with both internal and external stakeholders, demonstrates strong governance, considers different options for implementation and mitigates risks that may potentially arise from the savings, and ensures effective communication and engagement. These recommendations will ensure that the savings proposals are effectively managed and aligned with the broader financial strategy of Birmingham City Council, thereby supporting the Council's commitment to fiscal responsibility and sustainable service delivery.

Legal

7.4 Local Government Finance Act 1992 requires the Council to set a budget and Council Tax precept by 11th March each year.

Equalities

7.5 Any equalities implications relating to the 2025/26 budget and savings proposals are set out in Appendix A (Exempt).

Procurement

7.6 Any procurement issues relating to the 2025/26 budget and savings proposals are set out in Appendix A (Exempt).

People Services

7.7 Any People Service implications relating to the 2025/26 budget and savings proposals are set out in Appendix A (Exempt).

Climate Change, Nature and Net Zero

7.8 Any climate change, nature and net zero implications are set out in Appendix A (Exempt).

Corporate Parenting

7.9 Any corporate parenting implications are set out in Appendix A (Exempt).

Other

7.10 Any other implications are set out in Appendix A (Exempt).

8 APPENDICES

8.1 Appendix A Recommendations of the Budget Scrutiny Task and Finish Group (Exempt)

9 BACKGROUND PAPERS

9.1 Savings Delivery Plans (Exempt)