

BIRMINGHAM CITY COUNCIL

NEIGHBOURHOODS OVERVIEW AND SCRUTINY COMMITTEE

WEDNESDAY, 06 SEPTEMBER 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.

3 - 10

4 **MINUTES**

To confirm the minutes for the Neighbourhoods Overview and Scrutiny Committee meeting held on 5 July 2023.

11 - 12

5 **ACTION TRACKER**

To note the action tracker.

13 - 50

6 **SCRUTINY CONTRIBUTION TO THE BUDGET SAVINGS AND RECOVERY PLAN**

Craig Cooper, Strategic Director, City Operations in attendance.

51 - 72

7 **WORK PROGRAMME**

To consider the work programme and agree updates / amendments.

8 **DATE AND TIME OF NEXT MEETING**

To note the date of the next meeting on 4 October, 2023 in Committee Room 6..

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 **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

NEIGHBOURHOODS O&S COMMITTEE – PUBLIC MEETING

1400 hours on Wednesday, 5 July 2023, Committee Room 6, Council House
Minutes

Present:

Councillor Shabrana Hussain (Chair)

Councillors: Deirdre Alden, Marcus Bernasconi, Kerry Brewer, Marje Bridle, Ray Goodwin, and Izzy Knowles

Also Present:

Fiona Bottrill, Senior Overview and Scrutiny Manager

Pamela Powis, Acting Head of Partnership, Community Safety Team

Darren Share, Director for Street Scene

Amanda Simcox, Scrutiny Officer

1. NOTICE OF RECORDING/WEBCAST

The Chair advised that this meeting will 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 are confidential or exempt items.

2. APOLOGIES

Apologies were received on behalf of Cllr. Gurdial Singh Atwal.

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, and none were declared.

4. MINUTES

(See document No. 1)

RESOLVED:

That the minutes of the committee meeting held on 7 June 2023 were agreed.

5. ACTION TRACKER

(See document No. 2)

RESOLVED:

That the action tracker was noted.

6. BIRMINGHAM COMMUNITY SAFETY PARTNERSHIP (BCSP) LOCAL OFFER

(See document No. 3)

The Chair informed the Committee that this item replaced the Youth Justice Plan item, which would be discussed under the work programme item.

Pamela Powis, Acting Head of Partnership, Community Safety Team, was in attendance and gave the presentation. She highlighted the background to the Local Partnership Delivery Groups (LPDGs), their purpose, outcomes and what is working well, and not working well, how they were reviewed, feedback from the review – including the groups being renamed as Local Community Safety Partnerships (LCSP), and the next steps.

The Committee discussed the development of the new localities approach, and how ward councillors who are not on the partnerships can become more involved and contribute towards identifying local priorities etc, and the main points included:

- An annual Delivery Plan will be produced with the first draft being available in September 2023. This will be sent to the local Councillors and reviewed quarterly.
- Officers should be reaching out to the ward Councillors if there are targets and work happening in their ward.
- Councillors will get a named local manager for each of the six locations, and Pamela will provide the list to the Committee. These local managers will be attending and contributing to Ward Forums.
- The partnerships cover large areas, so they have to prioritise, and rely on data and intelligence to do this.

- A dashboard is being produced and they are aware that there may be priorities for residents that do not meet the threshold for the partnerships. However, Intervention Officers will be put in place to provide support for these.
- Officers are working with the Cabinet Member for Social Justice, Community Safety and Equalities - Councillor Brennan, on the nominations process for the three councillors that will need to be appointed onto each LCSP.

RESOLVED:

That:

- The presentation was noted, and the Committee was informed on the development of the new localities approach.
- A list of the local managers for the six locations to be provided to the Committee.
- The Delivery Plans together with contact details to be shared with Ward Councillors (September 2023).

7. FLY TIPPING ENFORCEMENT

(See document No. 4)

Darren Share, Director for Street Scene, was in attendance for this item and explained that the presentation provided a position statement and that further details will be provided when they attend again to discuss fly tipping and cleaner streets.

He gave the presentation and highlighted the national increase in fly tipping offences, the initiatives introduced to tackle fly tipping, the Love Your Streets and Love Your Environment initiatives, Keep Britain Tidy, statistics – including Neighbourhood Enforcement Officers statistics and the impact of their work, and the next steps.

During the discussion and in response to queries raised by Members, the main points included:

- They are creating networks as learning from other local authorities is critical and officers were collaborating with colleagues in London to gather information on what is being done in different parts of London, the issues faced by residents that live in flats, and they have assisted with developing the litter bins policy.
- Information was given on the sensor in the camera that can pick up what the 'camera thinks is fly tipping' which it can then highlight in real time, so someone does not have to be continually watching the screen.
- Moving the Six Neighbourhood Enforcement Officers that were introduced to the wards with the highest fly tipping numbers (initial focus on duty of care and trade waste licensing) to other wards if there had been improvement in fly

tipping, could lead to fly tipping increasing again. The officers should have contacted the Ward Councillors and Darren Share will ensure they are engaged.

- It was confirmed that the Grime Watch videos went through a number of stages before they were released on social media, and Pamela Powis provided reassurance that they share the videos with restricted partners before they are released. Darren Share suggested he provide an update on Grime Watch as part of an update on the two outstanding recommendations for the Committee's fly tipping work when he updates the Committee on cleaner streets at the September committee meeting, and this was agreed.
- Trade waste: there are restrictions on vans using the Council's Household Recycling Centres (HRCs) as these are for residential waste. Every legitimate business should have a suitable and appropriate waste contract (duty of care). Officers are concentrating on some of the main high streets and are averaging between 50 and 60 duty of care inspections, with these needing to be increased.
- Licences for waste contractors were managed through the Environment Agency, and it was suggested that the Council could assist with the provision of information about the waste contractors.
- The Council's enforcement approach:
 - There are a number of ongoing cases, and they are concentrating on the professional fly tipper, whilst still trying to do the low level monitoring.
 - Barking and Dagenham has a different risk matrix to Birmingham City Council. The advice from legal services was not to name and shame, so as to not jeopardise future prosecutions. It was suggested that further details are provided as part of the update on the two outstanding recommendations from the Committee's fly tipping work at the next committee meeting, and this was agreed.
 - The difference in the evidence needed for letters of concern and prosecutions was discussed. This included the prosecution being against the person and not a household, and therefore an individual would need to see the crime taking place.
 - The Committee would like to look at Fixed Penalty Notices for commercial and residential.
- There is a need for an analysis of the information to ascertain what is happening across the city with the aim of producing a prevention strategy for fly tipping.
 - The impact of the initiatives: they struggle to get data when fly tipping is picked up as part of the crew's routine work. However, they can provide the Committee with data and the Keep Britain Tidy impact analysis etc.

- Ward maps with cleanliness and fly tipping data and confirmation as to whether the fly tipping data included non-council owned land to be provided.
- A screenshot of the Land Audit Management System Surveys (LAMS) data could be provided and the Committee to agree what information they would want after the committee meeting.
- Darren Share would confirm whether the ward information is, or if not, whether it can be, shared with the City Observatory.

It was suggested that a Task & Finish Group could be set-up for this piece of work and Fiona Bottrill suggested the key points from the detailed discussion could be developed into recommendations and agreed by the Committee following the committee meeting. The Committee agreed that the information and data requested is provided for discussion at the next committee meeting rather than have a separate Task & Finish Group.

RESOLVED:

That the Committee:

- Considered the information within the report.
- The key points from the discussion will be developed into recommendations by Fiona Bottrill and agreed by the Committee following the committee meeting.
- The requested data and information to be provided for discussion at the next committee meeting.
- Darren Share to confirm whether the ward information is, or if not, whether it can be, shared with the City Observatory.

8. WORK PROGRAMME

(See document No. 5)

August 2023

The Chair informed Members that the draft Youth Justice Plan had not been ready in time for this committee meeting and proposed a hybrid briefing takes place on 9 August 2023 at 2-3pm in Committee Room 2. Members of the Education, Children and Young People O&S Committee would also be invited to attend. The Committee agreed to this.

September 2023 Committee Meeting

- Cleaner Streets - implementation of the recommendations.

- Fly Tipping - the requested information and data to be provided to assist with the identification of causes of fly tipping.

Localisation - it was agreed that following the recent announcements, the Leader's priorities would be confirmed, and he would be invited to a committee meeting to ascertain how he plans to take the localisation agenda forward, with his attendance being delayed until October 2023 if necessary.

October 2023 Committee Meeting

- Delays in births and deaths registrations was currently an item for the October committee meeting.
- Bereavement Services - the Co-ordinating O&S Committee are discussing this item at their July committee meeting and following this Members may want to consider this further.

December 2023 Committee Meeting

- The Chair highlighted that the Domestic Abuse Item was currently proposed for the December 2023 committee meeting. However, this may be brought forward to allow for the Committee to input in the early stages of the proposed Domestic Abuse Prevention Strategy.

RESOLVED:

That:

- The work programme was agreed.
- Noted the information set out in Appendix 1 and identified if any further topics need to be added to the menu of topics for the Committee to explore over the coming year.
- Agreed, subject to further input from the Chair and Deputy Chair, the issues that the Committee will consider during August – October 2023, the proposed aims and objectives and the preferred method of scrutiny.
 - A Youth Justice Plan hybrid briefing on 9 August 2023 at 2pm in Committee Room 2.
 - Darren Share to report back on fly tipping as well as cleaner streets at the September committee meeting.
 - The Leader to be invited to attend either the September or October 2023 committee meeting to ascertain how he proposes to take the localisation agenda forward.
 - Delays in Births and Deaths Registrations is currently scheduled for October 2023.
 - Bereavement Services may become an item following the discussion at the Co-ordinating O&S Committee in July 2023.

- The Domestic Abuse Item may be brought forward from December 2023 to allow the Committee to inform the proposed Domestic Abuse Prevention Strategy.
- Noted, subject to further input from the Chair and Deputy Chair outside of the meeting, that the Committee's proposed work programme will be submitted to Co-ordinating O&S to enable work to be planned and co-ordinated throughout the year.

9. DATE OF THE NEXT MEETING

RESOLVED:

The Committee noted that the next formal meeting will be held on 6 September 2023 at 1400 hours in Committee Room 6.

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

None.

11. OTHER URGENT BUSINESS

Cllr. Izzy Knowles asked whether she could raise the issue of BBQs in parks. Fiona Bottrill commented that for anything to be formally considered there needed to be a report. Cllr. Izzy Knowles agreed to discuss this with Darren Share outside the committee meeting.

12. AUTHORITY TO CHAIR AND OFFICERS

RESOLVED:

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

The meeting ended at 15.43 hours.

NEIGHBOURHOODS O&S COMMITTEE
ACTION TRACKER 2023/24

Date	Agenda Item	Action	Notes / Update
7 Jun 2023	Action Trackers	The 'slab in the cab' will be discussed at a committee meeting, with this information then being available to all Members.	TBC.
7 Jun 2023	Developing the Neighbourhoods O&S Committee's Work Programme 2023/24	The following to be provided:	
		<ul style="list-style-type: none"> The cleaner streets paper, and recommendations made to the Cabinet Member to be e-mailed to the Committee. 	E-mailed on 20 June 2023.
		<ul style="list-style-type: none"> Officers to report back on how the Council can measure how localisation is having an impact and is making improvement to services (localisation is an item for the committee meeting on 4 October 2023). 	Awaiting information.
		<ul style="list-style-type: none"> The Commonwealth Games Legacy Framework to be e-mailed to Members. 	E-mailed on 21 June 2023.
		<ul style="list-style-type: none"> A copy of the briefing paper for the Cabinet Member regarding the Community Safety Partnership review day to be e-mailed to the Committee. 	This information was provided in the presentation at the 5 July 2023 committee meeting.
		<ul style="list-style-type: none"> Cleaner Streets and Fly Tipping – a position paper to include an update on the meeting with officers from legal services, and performance on fly tipping. 	Some information was provided in the Fly Tipping Enforcement Position Statement Presentation, and further information to be provided for the October 2023 committee meeting.
5 Jul 2023	Birmingham Community Safety Partnership (BCSP)	A list of the local managers for the six locations to be provided.	

NEIGHBOURHOODS O&S COMMITTEE
ACTION TRACKER 2023/24

Date	Agenda Item	Action	Notes / Update
5 Jul 2023	Fly Tipping Enforcement	The key points from the discussion will be developed into recommendations by Fiona Bottrill and agreed by the Committee following the committee meeting.	
		The requested data and information to be provided for discussion at the next committee meeting.	This item has now been moved to the October 2023 committee meeting.
		Darren Share to confirm whether the ward information is, or if not, whether it can be shared with the City Observatory.	

Birmingham City Council

Neighbourhoods Overview and Scrutiny Committee

6 September 2023



Subject: Scrutiny Contribution to Budget Savings and Recovery Plan

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

Report author: Christian Scade, Head of Scrutiny and Committee Services
christian.scade@birmingham.gov.uk
07517 550013

1 Purpose

- 1.1 To update the Committee on the Medium-Term Financial Plan (MTFP), and for the Committee to consider the implications for the Committee's work programme.

2 Recommendations

The Committee:

- 2.1 Notes the Medium-Term Financial Plan report agreed at Cabinet on 25 July 2023 (Appendix 1).
- 2.2 Considers the issues that are relevant to the Committee's terms of reference (outlined in the [Council's Constitution, Part B, section 11.5](#)) as set out in appendices 2 and 3 and agree any recommendations to Cabinet.

3 Any Finance Implications

- 3.1 The financial implications are set out in section 10.3 of the Cabinet report (appendix 1).

4 Any Legal Implications

- 4.1 The legal implications are set out in section 10.2 of the Cabinet Report (appendix 1).

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.

5.5 Section 10.6 in appendix 1 also provides specific information on equalities implications for the Medium-Term Financial Plan.

6 Appendices

6.1 Appendix 1: Medium Term Financial Plan, Q1 2023-24 – Report to Cabinet, 25 July 2023.

6.2 Appendix 2: Slides from Co-ordinating Overview and Scrutiny Committee training session delivered by Fifield Training Ltd, 26 July 2023.

6.3 Appendix 3: Agreed Savings 2023-24, Q1.

Birmingham City Council

Report to Cabinet

25th July 2023



Subject: Medium Term Financial Plan (MTFP) Refresh – update to Cabinet at Quarter 1 of the 2023/24 Financial Year

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

Relevant Cabinet Member: Councillor John Cotton, Leader
Councillor Sharon Thompson, Deputy Leader
Councillor Brigid Jones, Cabinet Member for Finance and Resources

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

Report author: Peter Sebastian
Head of Financial Planning (interim)
Email Address: peter.sebastian@birmingham.gov.uk

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: 011384/2023		
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

1 Executive Summary

- 1.1 As part of the Council's approach to financial management, the Council provides updated forecasts across the Medium Term Financial Plan (MTFP) period to Cabinet three times a year – at Quarter One (this report); Quarter Two (in October) and at

Quarter Three (December/January, in the run up to formal budget-setting for the next financial year).

- 1.2 This report shows forecast budget pressures and inflation forecasts over the current financial year (2023/24) and the remaining financial years that make up the MTFP. It is projected that there is in-year budget shortfall of £87.4m in 2023/24, rising to £164.8m in 2024/25, reflecting the extent to which the costs of current service provision exceed the funding levels. These projected budget shortfalls do not reflect any additional costs relating to Equal Pay, including potential future liabilities as well as the cost of implementing any scheme of job evaluation.
- 1.3 Across the country, many councils are facing significant and similar budget pressures – mainly due to increased demand for services from residents, higher than forecast inflation and difficulty with delivering existing savings programmes in this current economic climate. Therefore, the current MTFP forecasts for Birmingham City Council (BCC), while serious and requiring immediate attention, are not unique.
- 1.4 What is unique, in the BCC context, is the significant and additional forecast liability for Equal Pay claims of between £650m and £760m. The Council has engaged with its External Auditors and is having ongoing discussions with the Department of Levelling-Up, Housing and Communities (DLUHC).
- 1.5 It is for this reason that this report supports the implementation of mandatory spending controls to give the Council time to further review financial pressures (including finalising the details of the Equal Pay liability) and mitigations.
- 1.6 In addition, this report recommends the implementation of a Robust Budget Savings & Recovery Plan to tackle existing budget pressures and the financial implications of the additional Equal Pay liability. This Plan sets out a series of activities that need to be delivered over the next five years to achieve financial stability within the Council, reviewing all aspects of BCC's financial management systems, processes and capability. This Plan will also seek to tackle financial pressures and rebuild corporate reserves over the medium term.

2 Recommendations

Cabinet is recommended to:

- 2.1 Note the MTFP budget pressures (inflation, savings, directorate pressures, Collection Fund update), as well as the Quarter One 2023/24 position (which provides a high-level assessment of a budget gap for this financial year) (**Section 5 of this report**);
- 2.2 Note the wider financial position of the Council, in terms of capital expenditure and available corporate resources, which demonstrate that the additional Equal Pay liability, alongside MTFP budget pressures, cannot be found within existing BCC resources (**Section 5**);

- 2.3 Note the work carried out to date to assess the potential scale of additional Equal Pay liabilities **(Section 4)**;
- 2.4 Endorse the mandatory spending controls which came into effect from 5 July 2023 **(Section 6)**;
- 2.5 Endorse the robust Budget Savings & Recovery Plan – to close the forecast budget gaps in the current financial year and future financial years– as per the timetable included in this report **(Section 6)**; and
- 2.6 Agree the 2024/25 budget-setting timetable, including the dates for the implementation of the recommendations in this report **(Section 7)**

3 Background

- 3.1 Birmingham City Council (BCC) approved its 2023/24 annual budget and Medium Term Financial Plan (MTFP) on 28 February 2023 as part of the annual budget setting cycle. Budgets were balanced up to 2023/24 (and across the MTFP period) on the assumption that:
 - a. £97.1m of savings were to be delivered over the next four years to 2026/27 (assuming no savings are brought forward undelivered from 2022/23);
 - b. Budget managers and budget holders are diligent in working within budgetary envelopes; and
 - c. Council tax was increased by 4.99% (including 2% for social care) with income levels largely returning to pre-Covid levels.
- 3.2 This paper:
 - a. Updates the assumptions (particularly inflation) that were used to set budgets for the 2023/24 financial year and provide an initial high-level

forecast (as at Period 3; Quarter One, April – June 2023) for the 2023/24 financial year;

- b. Updates the budget assessments over the MTFP period (from 2024/25 to 2027/28) based on the most recent forecasts (particularly with regard to inflation);
- c. Provides an update on Directorate spending to identify recent spending pressures, as well as progress against the agreed savings programme within the 2023/24 Financial Plan;
- d. Provides an outline of the Robust Budget Savings & Recovery Plan, including proposals for spending controls and key workstreams;
- e. Outlines the timetable and next steps required for the budget-setting process for the 2024/25 financial year, including budget consultation and engagement;
- f. Outlines the scale of the Council's existing capital programme – including a summary of existing borrowing (a full Capital and Treasury Management will come to Cabinet later this year); and
- g. Provides an initial assessment of potentially available corporate reserves that could be used to cover potential upcoming financial liabilities. It should be noted that these reserves are currently an estimate; a full review of reserves will be completed as part of the 2022/23 outturn report that will come to Cabinet in Autumn 2023.

3.3 This paper does not cover ringfenced revenue funding in the Housing Revenue Account (HRA) or the Dedicated Schools Grant (DSG) – it solely focuses on General Fund revenue budgets. The HRA Business Plan is expected to come to Cabinet in September 2023 for review; the DSG budget position is covered as part of the usual cycle of quarterly reporting to Cabinet.

4 National & Local Financial Context

4.1 Cabinet should note that there are a significant range of challenges that this Authority, and all public bodies, are currently facing. Research by the Special Interest Group of Municipal Authorities (SIGOMA) which represents 47 urban authorities, published on 19 June 2023, found that 55% of respondents were unsure whether they would be able to meet the budgets that were approved in March 2023 for the 2023/24 financial year. Based on the updated MTFP forecasts in Section Four of this report, without immediate and urgent action, BCC is in a similar position. The macroeconomic factors that are causing financial pressures include:

- a. **The impact of inflation** – compared to February 2023 when the budget for the 2023/24 financial year was agreed, inflation looks set to be higher than forecast. This manifests itself in a number of ways, from increased pay and materials budgets to rising energy costs; for example, the 2023/24 Financial Plan included an increased budget allocation of £18 million for the Council's energy bills and a £6 million increase for our schools. Further details on the impact of inflation are detailed in Section Five of this report;
- b. **Impact of Covid** – this continues to impact in a number of ways, from increased support needs for our residents (resulting in additional pressures on public services) to the income collection, as can be seen in the movement in the Collection Fund (most notably for business rates) that is described in Section Five;
- c. **Uncertain central government funding** – the Council's net revenue budget is funded from four main sources: Business Rates, Council Tax, government grants and fees & charges. (Where necessary, corporate reserves may also be used to cover specific expenditure or cover budget shortfalls.) Fees & charges are dependent on activity levels and residents' ability to pay. While Council Tax and Business Rates are also dependent on ratepayers' ability to pay, there are a number of uncertainties over these funding streams in future. Central Government has provided some clarity for the 2024/25 financial year only – namely that current Council Tax threshold levels (i.e., the amount that rates can be increased without the need for a referendum) will remain at 3% for Council tax and 2% for the Adult Social Care precept. Future reforms to the Business Rates system are currently delayed until 2025/26 at the earliest but may have a significant impact on BCC.

4.2 At present, there are also a number of challenges that are specific to BCC:

- a. Oracle finance system implementation – as approved by Cabinet on 27 June, this MTFP refresh includes £33.7m of costs from 2023/24 onwards to fix urgent issues, and to develop a plan that will deliver the Council's vision for an optimised Oracle. The total cost is £46.5m, including £12.8m of costs that had related to the 2022/23 financial year. In addition, the time taken to fix this Oracle system has delayed the completion of the 2022/23 outturn report and final reserves position, which means that this report cannot fully consider the impact on reserves of future cost pressures. This will be done at the Quarter Two MTFP refresh report due to come to Cabinet in October.
- b. Equal Pay challenges – the additional forecast Equal Pay liability is a key driver for the recommendations in this report. As noted above, initial estimates of the potential additional Equal Pay liability are between £650m and £760m.

4.3 Before the financial implications of this Equal Pay liability can be fully quantified for the MTFP, a more detailed calculation, using individual time-series data, to assess the full extent of the Equal Pay liability is being carried out. The results of this work are expected in August.

- 4.4 The overall scale of the liability needs to be quantified to assess total costs and enable BCC to explore all options for payment. A provision for Equal Pay liability will also need to be made within all accounts that are not currently signed off by auditors – this includes the 2020/21, 2021/22 and 2022/23 financial years – to demonstrate the scale of the issue at that point in time. This provision cannot be made until a financial solution is agreed with national government and stakeholders. At that point, the accounts can be reviewed and signed off by auditors.

5 MTFP – updated forecasts

- 5.1 The key movements from the MTFP position since BCC approved the budget for 2023/24 (and forecasts for future years) in February 2023 are shown in the table below. The projections identify a significant in-year budget shortfall of £87.4m in 2023/24, rising to £164.8m in 24/25, reflecting the extent to which the costs of current service provision exceed the funding levels:

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Total Net Expenditure (as per 2023/24 Financial Plan)	925,078	1,018,314	1,035,612	1,049,934	1,083,206
Total Resources (as per 2023/24 Financial Plan)	(925,078)	(1,018,314)	(1,035,612)	(1,049,934)	(1,079,093)
Budget gap as (as per 2023/24 Financial Plan)	-	-	-	-	4,113
Expenditure					
Budget Pressures					
Staffing	3,844	3,973	4,070	4,170	4,273
Demand/Complexity Growth	55,586	37,736	44,027	42,240	39,840
Statutory Requirement	-	-	-	-	-
Borrowing costs, investment etc	-	-	-	-	-
Budget Pressures Subtotal	59,430	41,709	48,097	46,410	44,113
Corporately Managed Budgets	(4,240)	(4,097)	(3,935)	(4,154)	(5,461)
Pay Inflation	-	-	(2,532)	(5,178)	(7,943)
Contract Inflation	1,042	27,346	51,904	55,348	58,666
Other Inflation	19,875	28,352	35,367	42,593	50,063
Fees and Charges Inflation	-	(357)	(365)	(372)	(378)
Inflation Sub-total	20,917	55,341	84,374	92,391	100,408
Savings					
High Risk Savings	35,141	56,274	75,374	75,374	75,374
Savings Subtotal	35,141	56,274	75,374	75,374	75,374
Total Net Expenditure Movements	111,248	149,227	203,910	210,021	214,434
Resources					
Business Rates	-	14,100	(27,677)	(40,165)	(41,052)
Council Tax	-	2,019	-	-	-
Other Grants Excl DSG & ABG	-	-	-	-	-
Top Up Grant	-	-	-	-	-
Other income	5,044	2,589	2,589	2,589	2,589
Net Payment to/(from) Reserves	(28,907)	(3,096)	(1,687)	-	-
Total Resources Movement	(23,863)	15,612	(26,775)	(37,576)	(38,463)
MTFP Budget Gap at July 2023	87,385	164,838	177,135	172,445	180,084

- 5.2 These projected budget shortfalls do not reflect any additional costs relating to Equal Pay, including potential future liabilities as well as the cost of implementing

any scheme of job evaluation. Full detail on these projections is included in paragraphs 5.3 – 5.15 below.

5.3 **Budget Pressures & Policy Choices** – this is made up of two elements:

- a. **Staffing** – this includes the correction of a previous budget issue that relates to the 1.25% planned increase in National Insurance contributions (and therefore pay costs) which was subsequently scrapped in September 2022. This planned increase was removed from base budgets, leaving a shortfall (£3.4m in 2023/24) to cover the forecast pay award.
- b. **Demand / Complexity** – this covers a range of directorate-specific spending pressures. The four largest areas of cost pressures are:
 - i. Oracle costs (assumed £33m from 2023/24 to 2025/26);
 - ii. Temporary Accommodation (assumed pressure of £8.6m in 2023/24, rising to £18.2m in 2024/25; based on the recent proposal to June Cabinet to purchase additional temporary accommodation which was approved);
 - iii. Children & Families pressures (£6.7m in 2023/24 and £3.9m in 2024/25), driven by demographic pressures requiring care (particularly in Unaccompanied Asylum Seeking Children) and home-to-school transport support, as well as an additional liability relating to Birmingham's Children's Trust pension liabilities for 2023/24 only (all of which will be further reviewed at Quarter Two); and
 - iv. Adult Social Care demand pressures (forecast £6.2m in 2023/24 and £8.9m in 2024/25) relating to increased numbers seeking care and increased placement costs (i.e. additional demand for more expensive residential care).

5.4 **Corporately Managed Budgets** – this includes a forecast reduction in borrowing costs of £3.9m in 2023/24 and £2.3m in 2024/25, as delays in the capital programme have led to lower than forecast loan debt (and therefore lower Treasury costs).

Inflation

5.5 **Other inflation** – this line covers General Price inflation on premises, transport, and supplies and services costs. The assumptions used in the 2023/24 Financial Plan have been reviewed in light of the latest Bank of England Consumer Price Index (CPI) forecasts from May 2023. The updated forecasts are based on the following assumptions:

	2023/24	2024/25	2025/26
Apr-Jun	8.2%	3.4%	1.1%
Jul-Sep	7.0%	2.9%	1.0%
Oct-Dec	5.1%	2.3%	1.0%
Jan-Mar	4.4%	1.5%	1.1%
Average CPI Inflation	6.2%	2.5%	1.1%
MTFP refresh assumptions used:	6.2%	2.5%	2.0%
Assumptions used in 2023/24 Financial Plan:	0.0%	0.0%	0.0%

Source for MTFP refresh assumptions: Bank of England CPI forecasts, May 2023

Note: for the 2025/26 financial year and future financial years, MTFP forecasts are assumed to be 2.0% - a slight increase from Bank of England forecasts to ensure the MTFP is calculated on a prudent basis

5.6 As noted above, the increase in forecast inflation is due to the increase compared to the 2023/24 Financial Plan, in which assumptions were made that Directorates would not receive any inflationary uplift for premises, transport and supplies & services costs and would need to manage pressures within existing budgets.

5.7 **Contract inflation** – this relates to areas of spend which are tied to specific contracts, and so require specific inflation assumptions. The largest area of spend – and therefore the largest impact on the MTFP – relates to Adult Social Care (packages of care; estimated £18.6m increase in inflation forecasts in 2024/25) and Children's Social Care (third party payments to the Birmingham Children's Trust for care packages; estimated £7.3m increase in inflation forecasts in 2024/25). This is based on the following assumptions:

	2023/24	2024/25	2025/26
<u>Adult Social Care packages</u>			
Assumptions used in the 2023/24 Financial Plan:	7.5%	0.6%	0.0%
MTFP refresh assumptions used:	8.7%	6.5%	4.9%
<u>Children's Social Care third party payments</u>			
Assumptions used in the 2023/24 Financial Plan:	7.4%	0.6%	0.0%
MTFP refresh assumptions used:	7.4%	6.5%	4.9%

Source for MTFP refresh assumptions: Analysis of future ASC care package costs as at end of May 2023

Note: for Children's third-party payments, it is assumed that they will track ASC inflation movements in 2024/25 and 2025/26. The 2023/24 figures have not yet been updated and will form part of the next MTFP Refresh paper to Cabinet in October

5.8 **Pay inflation** – at present, pay inflation budgets look broadly accurate. The Financial Plan 2023/24 assumed 5.0% increase in 2023/24, 2.5% in 2024/25 and in future years. Based on Bank of England forecasts, this update revises this forecast to 2.0% from 2025/26 onwards.

5.9 **Savings** – progress against the savings agreed in the 2023/24 Financial Plan has been reviewed. Based on the table below, it is estimated that a total of £35.1m of savings are at high risk (i.e., assessed as unlikely to deliver). These are described in paragraphs 5.10-5.11 (£33.2m of savings at risk within the agreed corporate savings programme) and 5.12 (an additional £1.9m of savings that had been incorrectly applied).

- 5.10 From the agreed corporate savings programme, as laid out in the 2023/24 Financial Plan approved by Cabinet in February, the Financial Sustainability Programme Board is currently forecasting that £33.2m of savings are at high risk (i.e., assessed as unlikely to deliver) in 2023/24 with a further £21.1m unlikely to be delivered in 2024/25:

£'000	2023/24	2024/25	2025/26	Total	% of Target
MTFP Target 23/24 to 25/26	(55,165)	(28,137)	(19,544)	(102,846)	92%
Previous Undelivered Savings	(9,454)			(9,454)	8%
Total Target	(64,619)	(28,137)	(19,544)	(112,300)	100%
Delivered					
Low Risk	(2,623)	(1,116)	(84)	(3,823)	3%
Medium Risk	(28,517)	(5,888)	(360)	(34,765)	31%
High Risk	(33,479)	(21,133)	(19,100)	(73,712)	66%
To Be Confirmed					
Potential Write-Off					
Total Forecast	(64,619)	(28,137)	(19,544)	(112,300)	100%

- 5.11 The following points should be noted about this savings forecast:

- This assumes that, in addition to the £55.2m of budgeted savings in the MTFP for 2023/24, there will be £9.5m of undelivered savings in 2022/23 that will need to be rolled forward for a total savings target of £64.9m in 2023/24. This will need to be confirmed as part of the outturn report for 2022/23 (and the number of undelivered savings could rise or fall).
- The projects that are not expected to deliver target savings in 2022/23 include: Workforce savings (£2m); Traded Services (£1.6m); Council Admin Buildings Premises (£1.3m); Automation (£0.85m); Fieldworker / new ways of working (£0.8m); and Customer Services (£0.4m).
- An initial high-level review of savings projects by the Financial Sustainability Programme Board, as at mid-May, suggests that approximately £33m (50%) of the total £64.9m required in 2023/24 is currently at risk of slippage/non-delivery. Key projects currently at high risk of slippage/non-delivery include: Children's Trust Savings - £6m; Reducing Bed and Breakfast spend - £5.5m; Commercial Investment/Property - £4.7m; Workforce Savings - £4m; CAB Premises - £3.7m; Traded Services - £3.1m; EIP/Localities Hub - £2.5m; Automation - £1.850m; Centres of Excellence - £1.8m; Customer Services - £0.990m; and Fieldworker - £0.8m
- Work is currently progressing to review the risk levels and options for mitigation. Further information will be provided in subsequent reports to Cabinet on the 2022/23 outturn and the Quarter Two MTFP Refresh in October.

- 5.12 In addition to the savings above, this MTFP includes an additional £1.95m of vacancy factor savings (i.e., holding staff positions vacant as people leave) that

had been incorrectly applied to Children & Families and City Operations. These had been applied on top of existing 3% savings across all Directorates.

5.13 **Resources** – this paper also considers a range of factors affecting future income. These include:

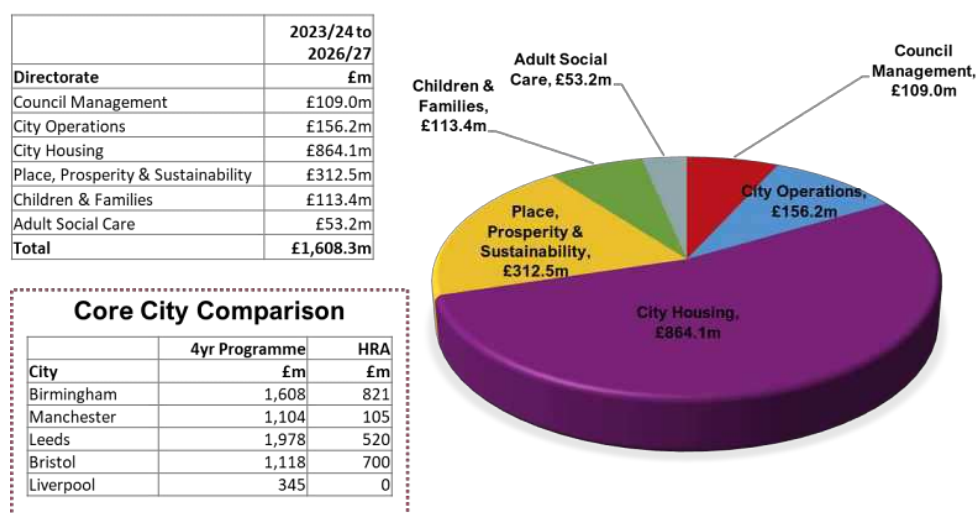
- a. **Business rates** – based on the draft 2022/23 outturn position for the Collection Fund, it is forecast that there is a deficit in business rates income of £27.8m due to a challenging economic environment for businesses (resulting in lower than forecast collection rates), a delay in enforcement activity (due to Oracle implementation issues) and an increase in business rates appeals (as this is the last year of the six year period in which businesses can query the latest set of rateable valuations (i.e. tax due) which were carried out in 2017).
- b. Under statutory guidance, the 2022/23 Collection Fund deficit will be charged to the General Fund for the next financial year (i.e. in 2024/25). However, this is offset by additional forecast income from business rates of £13.8m in 2024/25 and in subsequent years. Business rates are calculated by multiplying the rateable value of the property by the “non-domestic multiplier” which is adjusted to reflect the Consumer Price Index inflation figure for the September prior to the billing year. As Bank of England forecasts for CPI are expected to be higher than the forecasts used in the Financial Plan for 2023/24, this could result in additional income for the Council in future years.
- c. **Council tax** – as with Business Rates, there is projected to be a £2.0m deficit for 2022/23 in Council Tax income due to a reduction in collection rates. This will also be charged to the General Fund for 2024/25. It is worth noting that collection rates across Council Tax and Business rates fell in 2022/23, relative to 2021/22. For Council Tax, in year collection fell from 92.9% to 90.2%; for Business Rates, in year collection fell from 95.8% to 90.1%.
- d. **Grants** – there are two main categories of grant: 1) those used to fund wider Council services (e.g., Top Up Grant, Business-rates related Section 31 grants); and 2) those ringfenced to fund specific services (e.g., the Social Care Grant). At present, there is not sufficient information from central government to update forecasts for grant funding in 2024/25 and beyond. Further information is expected later in the 2023/24 financial year.
- e. **Other income** – this includes a range of pressures including a pressure of £1.5m on parking income (due to reduced demand with the city) and £1.5m on business waste collection income (again likely due to reduced office usage across the city).
- f. **Reserves** – at present, the only use of reserves assumed is to cover the additional expenditure required to support the remediation of the Oracle

finance system. A further review of reserves will be provided to Cabinet as part of the 2022/23 outturn report in the Autumn.

- 5.14 **Additional risks** – there are a range of other possible service pressures that are being reviewed by officers. For the purposes of this paper, only pressures that are 1) viewed as more than 50% likely to take place and 2) can be quantified are included in this report. Others will be reviewed and may be quantified as part of the Quarter Two refresh of the MTFP for Cabinet in October. This could include the potential cost implications relating to the current Private Finance Initiative (PFI) contract between the Council and Birmingham Highways Limited – a procurement exercise for a new sub-contractor is currently ongoing, so it is not possible to quantify any additional costs at this stage.
- 5.15 **Equal Pay** – further to the description in Section Four of this report, and for the purposes of this paper, a high level estimate of the potential financing costs has been made for information purposes. It is not yet included in the MTFP forecasts in this paper, as the work to finalise the figures is ongoing.

Capital Programme

- 5.16 **Size** – a review of the Capital programme is needed in light of the current financial situation with a view to add, reprioritise, accelerate, defer and descope the programme. This will need to be looked at across all Directorates within scope of the Capital Programme.
- 5.17 The current approved capital programme is for £1.6 billion of spending over this MTFP period:



- 5.18 The capital spend by Directorate includes:
- City Housing includes £820m for the Housing Revenue Account: investment in current housing stock as well as new social housing;
 - Council Management includes £54m transformation projects and £30m Corporate Contingency over four years;

- c. The above figures do not include the proposed £400m investment in the Council's Temporary Accommodation strategy, approved by Cabinet on 25 June; and
- d. Place, Prosperity & Sustainability includes £52.9m Enterprise Zone funded by borrowing to be repaid by the retention of future Enterprise Zone business rates.

Corporate Reserves

- 5.19 At present, officers are reviewing corporate reserves to finalise the outturn position for the 2022/23 financial year. These will need to be compared to the MTFP budget gap included in this paper and additional costs as a result of additional Equal Pay claims.
- 5.20 Using corporate reserves will, of course, significantly reduce the financial resilience of the council against future pressures. Once reserves have been used, they need to be rebuilt from existing budgets (i.e., through future savings that can be contributed to reserves). Once reserves have been spent, they are no longer available. That is why it is worth pursuing a savings programme first and retaining reserves to enable the authority to have some protection against future budget pressures. The method for pursuing these savings will be the Robust Budget Savings & Recovery Plan – outlined in the next Section of this report.

6 Robust Budget Savings & Recovery Plan

Background

- 6.1 The financial challenges being faced by the Council are of a sufficient size that they require immediate and sustained action to control. There is no doubting the scale of the financial challenge. There is a significant budgetary challenge arising, which includes:
 - a. The sizeable MTFP budget gaps identified in Section Five of this report; and
 - b. Additional financing costs for any future Equal Pay costs.
- 6.2 The Robust **Budget Savings & Recovery Plan** is made up of:
 - a. **Mandatory spending controls** – to enable the Authority to pause non-essential spending and to enable time to tackle the budget gap; and
 - b. **Detailed workstreams** – including Oracle Remediation, MTFP and Budget, and Workforce.

Mandatory Spending Controls

- 6.3 Based on the rationale in this report, **Mandatory Spending Controls** were implemented on 5 July.

6.4 **Mandatory spending controls mean that:**

- a. ***No new agreements or commitments for expenditure can be made, without engagement with the three statutory officers.***
- b. Temporary measures will be brought in to ensure all **new** non-essential expenditure will stop with immediate effect.

6.5 **The only allowable expenditure permitted under an emergency protocol includes the following categories:**

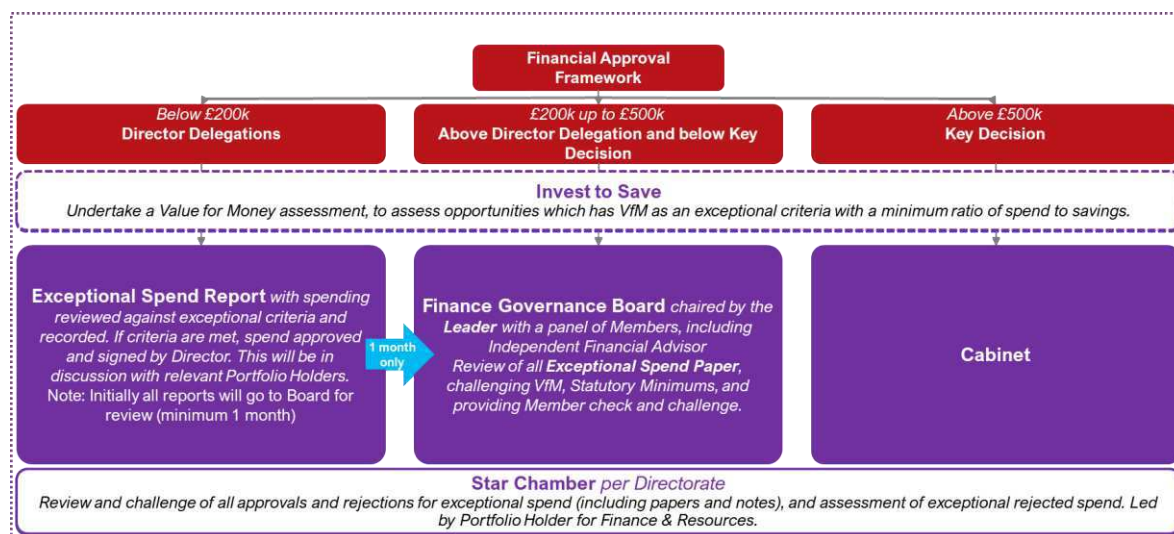
- a. Existing staff **payroll** and **pension** costs
- b. Expenditure required through **existing legal agreements and contracts**
- c. Expenditure on **goods and services** which have **already been received**
- d. Expenditure required to deliver the council's **provision of statutory services**
- e. Urgent expenditure required to **safeguard vulnerable citizens**
- f. Expenditure to address **services** which are **under regulation**
- g. Expenditure funded through **ring-fenced grants**
- h. Expenditure necessary to achieve **value for money** and / or **mitigate additional in year costs**
- i. Expenditure necessary to achieve **value for money** and / or **mitigate additional in year costs**
 - i. *Robust business case with short payback period required, i.e., less than 24 months;*
 - ii. *Value-for-Money Framework to be developed; and*
 - iii. *Business Cases to be reviewed by a group (to be established by Chief Executive)*

Robust Budget Savings & Recovery Plan

6.6 **Governance Arrangements – *three governance forums will be used to challenge spend within the Council:***

- a. **Director Delegations with Exceptional Spend Report** – To review spend against exceptional criteria and take delegated decisions against spend thresholds. In discussion with relevant Portfolio Holder.
- b. **Finance Governance Board** – To review spend above certain thresholds based on exceptional criteria, utilising senior stakeholders to challenge spend, and regularly review Director delegated decisions.
- c. **Star Chamber** – To review and challenge all approved exceptional spend (including papers and notes) and an assessment of exceptional rejected spend.

- 6.7 This will be implemented in line with a temporary scheme of delegation, aligned to the Finance, Procurement and Contract Governance Rules in Part D of the constitution:



*Notes: All forums will occur on a weekly basis to ensure spend is agile and responses to Directorate needs. This will apply to all spend over £500 as a de-minimus level. All spend must adhere to Council Procurement Governance. This includes spend and call-offs from frameworks. This includes **Capital and Ring-Fenced Grant Spend**. Consideration will be given to the volume of reports, needs to split by General Fund and Housing Revenue Account spend, and the timeliness of reporting and governance. This covers increase in spend **and** decrease in income.*

- 6.8 **Work plan** – this plan will inform the roadmap of activities that need to be delivered over the next five years to achieve financial stability within the Council.
- 6.9 There are nine activities which form this plan, split into Strategic and Operational Activities. The Strategic work streams are:
- Organisational Spending Review** – Review all spending for Value for Money and Outcome Focus across all services and budgets, including General Fund, Housing Revenue Account, Capital and external funding, Companies, Traded Services (i.e. Schools);
 - Equal Pay Resolution** – Roadmap of activities to understand and resolve the Equal Pay challenges, including detailing the potential costs over the next 5 years;
 - MTFP and Budget** – Quantification and remediation of the budget gap, revising the MTFP (next four financial years, Long-Term Financial Plan (next ten financial years), and Budget setting process. This will include the identification and delivery of savings, to be owned by the Corporate Leadership Team and Cabinet; and

- d. **Workforce** – Ensuring recruitment and retention is not at risk within the workforce, and developing contingency, creating capacity and flexibility, and exploring staff and people costs, including agency and interim costs.

6.10 The Operational work streams are:

- a. **Mandatory Spend Controls** – Implementation of mandatory spend controls, as outlined above, and the delivery of in-year spending savings through these controls, including Collection/Recovery of Income, balance sheet controls and use of Minimum Revenue Provision;
- b. **Oracle Remediation** – Activities to achieve Safe and Compliant, Stabilisation, and Optimisation of the Oracle Fusion implementation;
- c. **Governance and Controls Framework** – Review and remediation of governance and key financial controls, including but not limited to Internal Audit, Procurement, Value-for-money, Risk Management, Annual Governance Statement;
- d. **Closure of the Accounts** – Activities to deliver accounts for the Council across all financial years that remain open with External Auditors, including any further investigations and assessments; and
- e. **Finance and Governance Capacity and Capability** – Strengthened finance and governance knowledge, capability and capacity to deliver the planned improvements, including development of a Service Improvement Programme.

6.11 Work is already underway against a number of these areas. Each of the nine pillars above has a detailed plan of activities with responsible owners, risks, timelines, and allocated resources against each step.

6.12 The Robust Budget Savings & Recovery Plan will be reported to, and monitored by, the Finance Governance Board.

7 Next Steps

7.1 Significant work is required over the next few weeks to deliver on the proposed Budget Savings & Recovery Plan. A further update will come to Cabinet in October to update the MTFP position and assumptions over the medium term, in advance of the formal budget-setting process for 2024/25.

7.2 The timetable for the 2024/25 budget-setting process is as follows:

Activities	Date
Spending Controls implementation	5 July 2023
Implementation of Budget Savings & Recovery Plan	25 July 2023
Quarter Two Update on MTFP assumptions, budget position to Cabinet	10 October 2023

Budget engagement on resource prioritisation	Mid October – December 2023
Scrutiny of budget development proposals and Scrutiny review of Budget Savings & Recovery Plan for 2024/25 budget	November/December 2023
Provisional Local Government Settlement	Mid December 2023 (TBC)
Cabinet – setting of council tax and business rate tax base	16 January 2024
Final Local Government Settlement	January/February 2024 (TBC)
Cabinet consideration of the 2023/24 budget and Financial Plan	13 February 2024
Full Council approval of 2023/24 budget and setting of Council tax	28 February 2024

8 Next Steps

- 8.1 The Council believes that it is important that it engages with citizens and business when planning activity and the financial implications of those plans. An engagement plan is currently in development, focusing on gathering the views of Council Tax and Business Rates payers to feed into the 2024/25 budget setting process.

9 Risk Management

- 9.1 There remains significant uncertainty in respect of public spending levels and the level of funding for local government and therefore the assumptions outlined in this report will be subject to continual review over the coming months to ensure that the Council's short term and medium term financial stability can be protected and critical services delivered.

10 Compliance Issues:

10.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- a. The Robust Budget Savings and Recovery Plan is an essential part of the Medium Term financial planning process. This will be informed by the priorities that led to its implementation, namely to provide a stable footing for the future financial position of the Council. In doing so, the Robust Budget Savings and Recovery Plan will seek to support the delivery of the Council's priorities, as laid out in the Council Plan, wherever possible within current and potential financial constraints. The

MTFP must remain focused on social justice, frontline services and the needs of residents and communities of the city.

10.2 Legal Implications

- a. A local authority is required under the Local Government Finance Act 1992 to produce a balanced budget.

10.3 Financial Implications

- a. The detailed financial implications have been covered throughout the report.

10.4 Procurement Implications (if required)

- a. There are no procurement issues arising directly from the contents of this report. Any procurement implications will be identified as specific budgets are developed.

10.5 Human Resources Implications (if required)

- a. There are no specific human resources implications arising from this report. Any Human resource implication will be identified as specific budgets are developed.

10.6 Public Sector Equality Duty

- a. In compliance with the Council's duties on equality, changes in the budget that impact on the provision of services will need to be properly assessed. An Equalities Impact Assessment will be undertaken on proposals as they are developed where this is considered necessary to do so.

FINANCE SCRUTINY WORKSHOP

Birmingham City Council
26th July 2023

Ian Fifield

Objectives



- To ensure that everyone understands the nature and depth of the financial challenge faced by the Council
- To plan Scrutiny's approach and contribution to the Council's overall approach in meeting the challenge
- To develop a timetable and action plan for Scrutiny, especially over the autumn period

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Total Net Expenditure (as per 2023/24 Financial Plan)	925,078	1,018,314	1,035,612	1,049,934	1,083,206
Total Resources (as per 2023/24 Financial Plan)	(925,078)	(1,018,314)	(1,035,612)	(1,049,934)	(1,079,093)
Budget gap as (as per 2023/24 Financial Plan)	-	-	-	-	4,113
Expenditure					
Budget Pressures					
Staffing	3,844	3,973	4,070	4,170	4,273
Demand/Complexity Growth	55,586	37,736	44,027	42,240	39,840
Statutory Requirement	-	-	-	-	-
Borrowing costs, investment etc	-	-	-	-	-
Budget Pressures Subtotal	59,430	41,709	48,097	46,410	44,113
Corporately Managed Budgets	(4,240)	(4,097)	(3,935)	(4,154)	(5,461)
Pay Inflation	-	-	(2,532)	(5,178)	(7,943)
Contract Inflation	1,042	27,346	51,904	55,348	58,666
Other Inflation	19,875	28,352	35,367	42,593	50,063
Fees and Charges Inflation	-	(357)	(365)	(372)	(378)
Inflation Sub-total	20,917	55,341	84,374	92,391	100,408
Savings					
High Risk Savings	35,141	56,274	75,374	75,374	75,374
Savings Subtotal	35,141	56,274	75,374	75,374	75,374
Total Net Expenditure Movements	111,248	149,227	203,910	210,021	214,434
Resources					
Business Rates	-	14,100	(27,677)	(40,165)	(41,052)
Council Tax	-	2,019	-	-	-
Other Grants Excl DSG & ABG	-	-	-	-	-
Top Up Grant	-	-	-	-	-
Other income	5,044	2,589	2,589	2,589	2,589
Net Payment to/(from) Reserves	(28,907)	(3,096)	(1,687)	-	-
Total Resources Movement	(23,863)	15,612	(26,775)	(37,576)	(38,463)
MTFP Budget Gap at July 2023	87,385	164,838	177,135	172,445	180,084

Additional issues

- 2023/24 agreed budget savings - £33.479m out of £64.619m are “high risk” (i.e. unlikely to be delivered)
- Equal pay - £650 - £760m not currently included in the MTFS
- Oracle implementation – impact on reserves

My thoughts.....

- Both capital and revenue budgets require fundamental review to generate savings
- Work to be done on the deliverability of savings
- Much work is underway – including a “star chamber” process
- The end point is a scrutiny review of the Budget Savings and Recovery Plan for the 24/25 budget – November/December 2023

But....

- Should Scrutiny just wait for the results of the review and scrutinize the saving list?
- How can Scrutiny engage with the star chamber process?

How can Scrutiny be proactive and add value to this process, avoiding duplication?

Workshop

Generating Scrutiny Questions

“The important and most difficult job is never to find the right answers, it is to find the right questions” (Peter Drucker)

The Challenge

What questions can scrutiny ask and explore in order to make a positive contribution to the savings identification process?

Questions and Key Lines of Enquiry Discussed at the Workshop

- All scrutiny committees need to review their work programme and identify what can be delayed to give space to this work.
- Information required on:
 - What and who the “star chamber process” is, including what they will be reviewing to ensure there is no duplication.
- Are there any previous scrutiny recommendations that suggested ways that savings / efficiency could be achieved that have not yet been implemented? Can these be taken forward?

Cont'd

- Officers to be asked for the current list of agreed savings to be broken down per committee so that scrutiny committees can;
 - Undertake a reality check of how / when / how much can now be delivered.
 - Understand why these savings were put forward and agreed as part of the budget process but are now considered high and medium risk.
 - Ensure that all further savings proposals can be implemented on time and that they deliver the savings identified.
- Resources scrutiny committee to:
 - Review the various assumptions in the MTFP
 - Request other scrutiny committees review the assumptions made in lines such as “demand and complex growth”

Cont'd

- Potential more detailed reviews:
 - Duplication between departments.
 - Income generation possibilities e.g. commercial rental income
 - Invest to save possibilities in the capital programme
- Timescale
 - Much work needs to be completed over the next few weeks to ensure that recommendations are formally discussed and approved in the September scrutiny meetings
 - Scrutiny review of the Budget Savings & Recovery Plan need to be timetabled for later in the autumn (November/ December)

23/24 Savings Q1 Position by O&S Committee**Summary**

Savings by OSC Portfolio	Delivered	Low Risk	Medium Risk	High Risk	TOTAL
Co-ordinating OSC				(14,851)	(14,851)
Economy and Skills OSC		(133)	(816)	(9,595)	(10,544)
Education, Children and Young People OSC			(4,465)	(6,000)	(10,465)
Finance and Resources OSC		(1,269)	(8,799)	1,457	(8,611)
Health and Adult Social Care OSC		(700)	(9,008)	2,000	(7,708)
Homes OSC		(502)	(592)	(5,500)	(6,594)
Neighbourhoods OSC		(19)	(4,837)	(990)	(5,846)
Sustainability and Transport OSC					
TOTAL		(2,623)	(28,517)	(33,479)	(64,619)

List of Savings Projects

Directorate	O&S Committee	Savings Description	2023/24 (Saving) £'000
Adult Social Care	Health and Adult Social Care OSC	Adults Transformation Programme.	(3,700)
Adult Social Care	Health and Adult Social Care OSC	Adult Packages of Care (Reversal of previous year one-off savings)	1,000
Adult Social Care	Health and Adult Social Care OSC	Income Collection (Reversal of previous year one-off savings)	1,000
Adult Social Care	Health and Adult Social Care OSC	3% Turnover factor (Vacancy management)	(2,850)
Adult Social Care	Health and Adult Social Care OSC	Special Impact team (SIT) complex case review accelerated and expanded to cover high cost packages	(500)
Adult Social Care	Health and Adult Social Care OSC	Case load packages Review	(200)
Adult Social Care	Health and Adult Social Care OSC	Looking at ways to enhance ICS/CCG partnership to harness pooled resources more efficiently eg BCF Inflation	(1,000)
BCT	Education, Children and Young People	Children's Trust - Family and Friends Cars	(2,000)
BCT	Education, Children and Young People	Children's Trust - Stronger Families Programme	(3,000)
BCT	Education, Children and Young People	Children's Trust - Tackling Domestic Abuse to Support Families	(1,000)
Children & Families	Education, Children and Young People	Schools Balances	(328)
Children & Families	Education, Children and Young People	Education and Skill Early Retirement	(210)

Children & Families	Education, Children and Young People	3% Turnover factor (Vacancy management)	(1,921)
City Housing	Homes OSC	Reducing / Eradicating B&B Accommodation	(5,500)
City Housing	Homes OSC	3% Turnover factor (Vacancy management)	(502)
City Ops	Sustainability and Transport OSC	Street Work Permits	(100)
City Ops	Neighbourhoods OSC	Removal of Universal Superloos	(19)
City Ops	Co-ordinating OSC	Capitalise Salaries of Alexander Stadium Build (Reversal of previous year one-off savings)	40
City Ops	Co-ordinating OSC	Revenue Benefit from Capitalising the Cost of Indoor Track at Arena (Reversal of previous year one-off savings)	150
City Ops	Neighbourhoods OSC	3% Turnover factor (Vacancy management)	(3,307)
Corporate Items	Co-ordinating OSC	Localities / Public Hub (Savings from implementation of EIP Model)	(2,500)
Corporate Items	Co-ordinating OSC	BCC Target Operating Model Design Principles - Voluntary Workforce Savings Programme	(2,000)
Corporate Items	Co-ordinating OSC	B/F_BCC Target Operating Model Design Principles - Voluntary Workforce Savings Programme	(2,000)
Corporate Items	Finance and Resources OSC	Maximise the Use of Grant Funding – Identifying opportunities to use grant funding to fund existing GF spend releasing GF budgets for savings.	(1,000)
Corporate Items	Finance and Resources OSC	B/F_Maximise the Use of Grant Funding - Identifying opportunities to use grant funding to fund existing GF spend releasing GF budgets for savings.	(1,000)
Corporate Items	Finance and Resources OSC	Improvements in Debt Management – Review Debt Management Process with a view to improving collection and reducing bad debt.	(900)
Corporate Items	Finance and Resources OSC	B/F_Improvements in Debt Management – Review Debt Management Process with a view to improving collection and reducing bad debt.	(1,000)
Corporate Items	Co-ordinating OSC	Traded Services – Review of traded services with a view to greater commercialisation and reduced GF subsidy)	(1,500)
Corporate Items	Co-ordinating OSC	B/F_Traded Services - Review of traded services with a view to greater commercialisation and reduced GF subsidy)	(1,600)
Corporate Items	Finance and Resources OSC	Repayment of Borrowing Following Asset Disposal Resulting in Reduced Debt Management Costs (Reversal of one-off savings from previous years)	4,500
Corporate Items	Finance and Resources OSC	Release Highways policy contingency for one year – Accounting Adjustment (Reversal of one-off savings from previous years)	800
Corporate Items	Economy and Skills OSC	B/F_Corporate Landlord (Efficiencies in Asset Management through Consolidation and Rationalisation of Council Assets/ Buildings)	(500)
Corporate Items	Co-ordinating OSC	Automation – Use of Robotic Process Automation Technology to automate manual processes and reduce manual handling, leading to efficiencies in process and savings on time/resource required to deliver services.	(1,000)
Corporate Items	Co-ordinating OSC	B/F_Automation - Use of Robotic Process Automation Technology to automate manual processes and reduce manual handling, leading to efficiencies in process and savings on time/resource required to deliver services.	(850)
Corporate Items	Co-ordinating OSC	Reducing Workforce (Centres of Excellence) – Consolidation of similar roles and teams to reduce duplication of effort and achieve efficiency in resource/process	(1,791)

Corporate Items	Co-ordinating OSC	Automation (Voice Automation) – Use of voice automation technology to reduce volume of manual call handling, leading efficiencies and better customer services.	(1,000)
Corporate Items	Finance and Resources OSC	Automation (Oracle Optimisation) – Use of new oracle system to generate process efficiencies	(500)
Council Management	Finance and Resources OSC	Digital advertising on key assets to generate additional income	(200)
Council Management	Finance and Resources OSC	Operational Hub Programme – rationalisation of assets.	(161)
Council Management	Finance and Resources OSC	Application platform modernisation.	(11)
Council Management	Finance and Resources OSC	3% Turnover factor (Vacancy management)	(4,265)
Council Management	Finance and Resources OSC	Review all BCC leased properties and reduce cost of lease payments for assets	(460)
Council Management	Finance and Resources OSC	System Efficiencies	(600)
Council Management	Neighbourhoods OSC	Customer Services – Bereavement. Improvements in service design to deliver efficiencies	(460)
Council Management	Neighbourhoods OSC	B/F_Customer Services - Bereavement. Improvements in service design to deliver efficiencies	(250)
Council Management	Neighbourhoods OSC	Customer Services - Garden Waste. Introduce autorenewal and other process improvements to maximise levels of annual subscriptions.	(40)
Council Management	Neighbourhoods OSC	B/F_Customer Services - Garden Waste. Introduce autorenewal and other process improvements to maximise levels of annual subscriptions.	(40)
Council Management	Neighbourhoods OSC	Customer Services - Markets	(50)
Council Management	Neighbourhoods OSC	B/F_Customer Services - Markets	(50)
Council Management	Neighbourhoods OSC	Customer Services - Pest Control	(50)
Council Management	Neighbourhoods OSC	B/F_Customer Services - Pest Control	(50)
Council Management	Finance and Resources OSC	Development & Commercial - Digital advertising income and offer up of growth	(60)
Council Management	Finance and Resources OSC	Procurement - 2020/21 Expenditure Budget covered by funding	(106)
Council Management	Finance and Resources OSC	Audit - increase trading opportunities with Police, Housing Associations and Acivico	(60)
Council Management	Finance and Resources OSC	Finance - refinancing legacy systems	(700)
Council Management	Finance and Resources OSC	Personal Assistant Allocation - review use of Personal Assistant Support	(200)
Council Management	Finance and Resources OSC	Business Support Efficiencies	(50)

Council Management	Finance and Resources OSC	Customer Services Efficiencies	(50)
Council Management	Finance and Resources OSC	Review Human Resources Target Operating Model - reduce posts that are vacant	(170)
Council Management	Finance and Resources OSC	Human Resources reduce growth request in Medium Term Financial Plan (MTFP)	(113)
Place, Prosperity & Sustainability	Economy and Skills OSC	B/F_CAB Premises - excluding Council House. Reduced costs associated with Council Admin Buildings	(1,314)
Place, Prosperity & Sustainability	Economy and Skills OSC	CAB Premises - excluding Council House. Reduced costs associated with Council Admin Buildings	(2,431)
Place, Prosperity & Sustainability	Economy and Skills OSC	CAB Premises - Council House Commercialisation Income generation through improved commercial offer including banqueting and events.	(50)
Place, Prosperity & Sustainability	Economy and Skills OSC	Commercial Property - Lease Event Opportunities Review of commercial property leases – includes rent reviews and extension options	(600)
Place, Prosperity & Sustainability	Economy and Skills OSC	Commercial Property - Active Investment Additional income through investment in Public Works Loan Board (PWLb) compliant commercial property	(2,250)
Place, Prosperity & Sustainability	Economy and Skills OSC	Commercial Property - Blended Approach Investment and Lease Events Additional income generated through a combination of lease reviews and investment	(2,500)
Place, Prosperity & Sustainability	Sustainability and Transport OSC	Street Work Permits - moved directorate	100
Place, Prosperity & Sustainability	Economy and Skills OSC	3% Turnover factor (Vacancy management)	(666)
Place, Prosperity & Sustainability	Economy and Skills OSC	Review all £5-10k leases – with a view to optimising lease income.	(150)
Strategic Equals & Partnership	Finance and Resources OSC	3% Turnover factor (Vacancy management)	(116)
Strategic Equals & Partnership	Finance and Resources OSC	Efficiencies amongst non-staffing budgets	(116)
Corporate Items	Co-ordinating OSC	B/F_New Ways of Working_Fieldworker. Rolling out field worker module to allow staff working in the field to update host systems directly rather than returning to office to update	(800)
Adult Social Care	Health and Adult Social Care OSC	Fees & Charges 5%	(1,458)
Children & Families	Education, Children and Young People	Fees & Charges 5%	(2,006)
Council Management	Finance and Resources OSC	Fees & Charges 5%	(2,073)
City Ops	Neighbourhoods OSC	Fees & Charges 5%	(1,530)
City Housing	Homes OSC	Fees & Charges 5%	(592)
Place, Prosperity & Sustainability	Economy and Skills OSC	Fees & Charges 5%	(83)
		Total	(64,619)

Caveats:

- Many targets fit into multiple O&S portfolio, such as Fees & Charges, vacancy factor, thus for simplicity we have allocated to the O&S Committee where most of the target is more likely to fall.
- Some services also fall into more than one O&S portfolio – we have allocated the full target for these to the committee of higher alignment rather than split amounts.
- The total savings that need to be delivered in the 23/24 financial year may increase. Finance is currently working to close the 22/23 financial year accounts – this includes final assessment of savings delivery for the last financial year. Any further undelivered savings in 22/23 will need to be brought forward and found in 23/24 thereby increasing the overall target for 23/24.

Criteria for determining the RAG status of savings

Assessment Criteria	Delivered	Low Risk	Medium Risk	High Risk
Savings RAG	Saving or income realised and evidence provided that costs have been reduced or income increased.	Saving or income detail documented and robust plan in place to deliver agreed targets, showing when and who is responsible. - and / or - Saving / income will be delivered within agreed timeframes.	Saving or income lacks some clarity and / or not detailed at an adequately granular level, or at risk, but agreed plan in place to resolve and being actively managed. - and / or - Some risk of not delivering saving within agreed timeframe, leading to cost of slippage.	Limited confidence in agreed saving / income being delivered - and / or - Saving / income unclear and / or not specified at adequate granular level. - and / or - Inadequate plan / no plan agreed. - and / or - <i>Saving not yet agreed by Directorate / Service Manager</i> - and / or - Major risk of not delivering saving / income within agreed timeframe, leading to cost of slippage.
Headcount Example	Officer has departed, budget has been reduced and posts have been deleted from the approved establishment.	Timescales and the specific posts to be vacated / deleted have been agreed.	Budget Manager has confirmed that posts (to agreed value and timing) will be vacated and deleted from budget.	Headcount saving proposed, but no clarity RE timescales/ posts.

Birmingham City Council

Neighbourhoods Overview and Scrutiny Committee

6 September 2023



Subject: Neighbourhoods Overview and Scrutiny Committee's Work Programme

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

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1 Purpose

- 1.1 This report sets out the proposed work programme for the Neighbourhoods Overview and Scrutiny Committee for 2023-24, based on the Committee's meetings to date. 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.
 - Agrees, subject to further input from the Chair and Deputy Chair, the issues that the Committee will consider during October 2023 – November 2023, the proposed aims and objectives and the preferred method of scrutiny.
 - Agrees how it intends to follow any further action required to ensure that the identified end-to-end customer service improvements are implemented for Waste and Bereavement Services (Appendix 2).
 - 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.

Neighbourhoods 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:
- The collection and removal of waste from residential and other properties within the city.
 - Pest control.
 - Street cleansing, litter prevention, fly tipping/ placarding removal and enforcement, graffiti removal, scrap yard and motor salvage operator enforcement.
 - Parks and allotments.

- Local events held in parks.
- Cemeteries and crematoria, mortuary and Coroners Court services, Register Office services.
- Local Development Plans, Neighbourhood Plans, Development briefs, localisation.
- Commonwealth Games Legacy framework.

3.10 This Committee shall be the Crime and Disorder Committee (Police and Justice Act 2006) as referred to in the [Council Constitution](#). The [Crime and Disorder \(Overview and Scrutiny\) Regulations 2009](#) provides information to Local Authorities about how this function should be carried out. In fulfilling this function, the Committee will fulfil its functions as it relates to:

- Community safety, anti-social behaviour, fear of crime, support for victims of crime.
- Relationships with the Police and Crime Commissioner and West Midlands Police.
- Youth offending.
- Domestic abuse.

3.11 The Committee is chaired by Cllr Shabrana Hussain, and its membership comprises Cllrs. Deirdre Alden, Gurdial Singh Atwal, Marcus Bernasconi, Kerry Brewer, Marje Bridle, Ray Goodwin and Izzy Knowles.

4 Work Programme 2023-24

- 4.1 Appendix 1 sets out the topics the Committee will consider over the next few months, 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, 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
011525/2023	P0403 Package 4: Processing of Dry Mixed Recycling (DMR)	05 Sep 23

- 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 programme, as set out in Appendix 1, also cross references the work of the Committee with the Council's Corporate Priorities 2022-26. During the period June – December 2023 the work of this Committee will contribute to 7 Corporate Priorities.

5 Customer Services Programme

- 5.1 Appendix 2 sets out the Customer Service programme and the work undertaken by the Co-ordinating Overview and Scrutiny Committee to review the recommendations submitted to the Highways, Waste, Bereavement Services and Housing Repairs services leads, and the further action to ensure the identified end-to-end customer service improvements are implemented. This work commenced in 2022-23 with a first review completed by January 2023. The review was undertaken by a Task and Finish group comprising Co-ordinating Overview and Scrutiny Committee members.
- 5.2 Following a further review in June and July 2023, the Co-ordinating Overview and Scrutiny Committee agreed that service owner committees will follow up any further action required to ensure that the identified end-to-end customer service improvements are implemented. The relevant service owner committees are:
- Homes: Housing Repairs
 - Neighbourhoods: Waste and Bereavement Services
 - Sustainability and Transport: Highways Repairs
- 5.3 During the June and July review, the Chairs for the relevant service owner committees were invited to attend to enable an effective transition and provide continuity.

6 Any Finance Implications

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

7 Any Legal Implications

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

8 Any Equalities Implications

- 8.1 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.

- 8.2 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.
- 8.3 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.
- 8.4 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.

9 Appendices

- 9.1 Appendix 1: Work Programme 2023-24 – September
- 9.2 Appendix 2: Customer Service Programme Task and Finish Group - Report to Coordinating Overview and Scrutiny Committee, 14 July 2023

10 Background Papers

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

Neighbourhoods Overview and Scrutiny Committee Work Programme 2023/24

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
July	Fly Tipping Enforcement Corporate Priorities: 17	<p>To outline the current position in relation to fly-tipping with specific regard to:</p> <ul style="list-style-type: none"> Identifying dedicated resources and which wards they are deployed in; Enforcement approach and how this is developing; How cameras are being used, and the specific impact of Grime Watch. <p>Understand if/ how this approach is making a difference to reduce fly tipping.</p> <p>Outline progress towards Cleaner Streets recommendations.</p>	<p>Committee Meeting single item: 5 July 2023 at 2pm</p> <p>Venue: Committee Room 6, Council House</p> <p>Deadline for Papers: 22 June 2023</p>	Darren Share, Director, Street Scene		<p>The Committee will review this information with a view to considering whether they wish to undertake a more detailed inquiry.</p> <p>Related work from 2022-23: Reducing Fly tipping (April 2023)</p> <p>Cleaner Streets (April 2023)</p> <p>Performance Information (presented to Neighbourhoods O&S Committee, June 2023 by Programmes, Performance and Improvement)</p> <p>Co-ordinating O&S Customer Services (waste)</p>
July	Community Safety Localities Approach Corporate Priorities: 9	To inform the development of a new localities approach with particular focus on how ward councillors can contribute towards identifying local priorities, problem solving and reviewing impact	<p>Committee Meeting single item: 5 July 2023 at 2pm</p> <p>Venue: Committee Room 6, Council House</p>	Pamela Powis, Acting Head of Partnership, Community Safety Team		<p>This refers to the Local Partnership Delivery Groups which operate across the city.</p> <p>An all-day partnership event took place on 22 May 2023 to inform this new approach. Members were invited to attend.</p>

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
			Deadline for Papers: 22 June 2023			<p>The Neighbourhoods O&S Committee is the designated Crime and Disorder Committee for Birmingham. This will contribute towards discharging its duties.</p> <p>The statutory requirements, as Crime and Disorder Committee, are outlined here.</p> <p>Outcome: A list of the local managers for the six locations to be provided to the Committee.</p> <p>The Delivery Plans together with contact details to be shared with Ward Councillors.</p>
August	Youth Justice Corporate Priorities: 8 and 9	To inform the annual Youth Justice Plan	<p>Other - Briefing: 9 August 2023 at 2pm</p> <p>Venue: Committee Room 2 and on-line (hybrid)</p>	Janine Saleh, Head of Birmingham Youth Offending Service, Birmingham Children's Trust	Dionne McAndrew, Assistant Director Vulnerable Young People, Birmingham Children's Trust	<p>This is an annual report. The most recent report was approved by Council in October 2022.</p> <p>The intention is to bring this report to pre-decision Scrutiny when the draft report is available. As there were no Committee meetings scheduled in August, the Chair requested a hybrid briefing. Members of the Education, Children and Young People's O&S Committee were also invited.</p>

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
						Outcome: Annual Plan updated.
September	Scrutiny Contribution to Budget Savings and Recovery	For the Committee to consider a report on current and future Budget Savings and Recovery Plans and implications for Neighbourhoods Overview and Scrutiny Committee	<p>Committee Meeting single item: Agenda at Neighbourhoods OSC Committee Meeting on 6 September 2023</p> <p>Venue: Committee Room 6, Council House</p> <p>Deadline: 25 August 2023</p>	Craig Cooper, Strategic Director, City Operations, Neighbourhoods		It was agreed at Co-ordinating Overview and Scrutiny Committee in July that all Scrutiny Committees would consider the implications of the Medium Term Financial Plan at the September Committee meetings.
October	Localisation Corporate Priorities: 6, 7, 9, 17 and 21	To ascertain how the Leader proposes to take forward the localisation agenda	<p>Committee Meeting single item: 4 October 2023</p> <p>Venue: Committee Room 6, Council House</p> <p>Deadline: 26 September 2023</p>	Cllr John Cotton, Leader		<p>The Housing and Neighbourhoods O&S Committee discussed this item in April 2023.</p> <p>Related strategies, policies and plans can be found here.</p>
October	Cleaner Streets	Outline progress towards the Cleaner Streets recommendations, and impact to date.	Committee Meeting single	Cllr Majid Mahmood,	Darren Share, Director, Street Scene	In February 2023, the Housing and Neighbourhoods O&S Committee agreed key findings and

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
	Corporate Priorities: 17		<p>item: 4 October 2023</p> <p>Venue: Committee Room 6, Council House</p> <p>Deadline: 26 September 2023</p>	Cabinet Member for Environment		<p>recommendations for Cleaner Streets. This had followed informal best practice sessions with Derby, Rochdale and Wigan Local Authorities.</p> <p>In April 2023, Cabinet Member for Environment, Cllr Majid Mahmood attended O&S Committee to provide a formal response to the recommendations, and agreed to report progress to future committees.</p>
October	<p>Fly Tipping Enforcement</p> <p>Corporate Priorities: 17</p>	<p>Provide further information on how the Grimewatch initiative is progressing, and its impact</p> <p>Provide further information on the enforcement approach (with specific regard to legal interventions)</p> <p>Analyse locality based data and intelligence for flytipping (as per recommendation 1 arising from the July O&S Committee)</p> <p>Share a snapshot of the Land Audit Management System (LAMS) ward information (as per</p>	<p>Committee Meeting single item: 4 October 2023</p> <p>Venue: Committee Room 6, Council House</p> <p>Deadline: 26 September 2023</p>	Darren Share, Director, Street Scene		The recommendations will be shared with the report author once they have been confirmed by the Chair.

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
		recommendation 2 arising from the July O&S Committee)				
November	Domestic Abuse Corporate Priorities: 10	Consider the proposed Domestic Abuse Prevention Strategy	Committee Meeting single item: 1 November 2023 Venue: Committee Room 6, Council House Deadline: 23 October 2023	Kalvinder Kohli, Assistant Director	Shirin Marashi, Senior Commissioning Officer, Adult Social Care Revinder Johal, Commissioning Manager	A new Domestic Abuse Strategy is scheduled to be discussed at Cabinet for approval in January-February 2024. This had initially been earmarked for December, but this will be too late as the strategy will be nearly complete. Therefore, the proposed timeline to present to O&S Committee is September – October 2023. Co-ordinating O&S Committee held a single theme meeting in February to review the previous strategy and input in the early stages of this strategy's development. A summary is provided here . A roundtable with service providers had also taken place to inform this review.
November	Delays in Births and Deaths Registrations	Provide an overview of, and demonstrate the impact of, the current engagement and work undertaken with the Coroner, partners and communities on steps to eliminate delays within the service.	Committee Meeting single item: 1 November 2023 Venue: Committee Room 6, Council House	Sajeela Naseer, Director of Regulation and Enforcement	Bev Nash, Head of Service will be attending on behalf of Sajeela Naseer	Following Council Resolution on 14 June 2022, a report responding to the Motion was presented to Housing and Neighbourhoods O&S Committee on 26 September 2022. A summary of the discussion is here . The Committee requested a further update in 4-6 months' time.

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
		Outline the current progress towards developing a new mortuary facility for the city, including a permanent digital autopsy scanner.	Deadline: 23 October 2023			
December	Birmingham Community Safety Partnership Annual Report Corporate Priorities: 8, 9 and 10	Review the annual Birmingham Community Safety Partnership annual report **The Committee may identify specific areas they wish to consider at future meetings**	Committee Meeting single item: 6 December 2023 Venue: Committee Room 6, Council House Deadline: 27 November 2023	To be confirmed following BCSP Executive Board July	To be confirmed following BCSP Executive Board July	The Neighbourhoods O&S Committee is the designated Crime and Disorder Committee for Birmingham. The statutory requirements, as Crime and Disorder Committee, are outlined here .

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

Menu of Options for Future 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
Customer Services – Bereavement Services	Monitor the progress and impact of the recommendations from the Customers Services programme (as previously	To be confirmed in September 2023	Co-ordinating O&S Committee convened Task and Finish groups to identify, and monitor progress of,

Item/ Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
	undertaken by Co-ordinating O&S Committee)		<p>recommendations to improve customer services in 4 areas including Bereavement Services.</p> <p>A final Task and Finish group took place on 12 June 2023, and a report presented to Co-ordinating O&S in July. It was agreed that Neighbourhoods O&S Committee takes forward this work for Bereavement Services in the future.</p>
Customer Services – Waste	Monitor the progress and impact of the recommendations from the Customers Services O&S programme	To be confirmed in September 2023	<p>Co-ordinating O&S Committee convened Task and Finish groups to identify, and monitor progress of, recommendations to improve customer services in 4 areas including Waste.</p> <p>A final Task and Finish group took place on 9 June 2023, and report presented to Co-ordinating O&S in July. It was agreed that Neighbourhoods O&S Committee takes forward this work for Waste in the future.</p>

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 the Neighbourhoods Overview and Scrutiny Committee OSC in June 2023: [Document.ashx \(cmis.uk.com\)](https://cmis.uk.com/document/ashx)

Birmingham City Council

Coordinating Overview and Scrutiny Committee

Date: Friday 14th July 2023



Subject: Customer Service Programme Task & Finish Group

Report of: Councillor Sir Albert Bore
Chair Co-ordinating Overview & Scrutiny

Report author: Nikki Spencer
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1. Purpose

- 1.1. The purpose of this report is to provide an update to the 9th December and supplementary 27th January report on the actions of the Co-ordinating Overview & Scrutiny Committee Task and Finish Group, established following the Customer Service Programme update report to Co-ordinating Overview & Scrutiny Committee in September 2022.

2. Recommendations

Co-ordinating O&S Committee:

- 2.1. Notes that the Task & Finish Group has completed its review of the recommendations submitted to service leads for Bereavement Services, Housing Repairs, Waste Management and Highway Repairs
- 2.2. Agrees that the Task & Finish Group should ask service owner Committees to follow up any further action required to ensure that the identified end-to-end customer service improvements are implemented.
- **Neighbourhoods:** Waste and Bereavement Services
 - **Sustainability & Transport:** Highway Repairs
 - **Homes:** Housing Repairs
- 2.4. Supports the further work of the Task & Finish Group to scrutinise how senior managers are responding to feedback from the Customer Standards Workshops to embed the Customer Service Strategy.

3. Background

- 3.1. Following approval of the Customer Service Strategy by Cabinet in December 2021, the Customer Service Programme was established in January 2021 for an initial 12-month period, to implement the Strategy deliverables and 'Fix the Basics'.
- 3.2. Phase 1 saw the programme deliver a number of customer benefits' from the creation of an [easy-read Customer Service Strategy](#), co-creating Our [Customer Charter](#), establishing the Customer Panel; to the cleanse and improvement of 948 web pages and counting; roll out of products such as the Landlord's Portal and features for automated advanced payments.
- 3.3. The user research the programme conducted of four high volume, high priority service areas for the Council resulted in a set of service improvement recommendations which highlighted opportunities for services to improve the customer experience and increase customer satisfaction.
- 3.4. This report follows the Task & Finish Group's first review of the recommendations submitted to the Highways, Waste, Bereavement Services and Housing Repairs service leads, reported to Co-ordinating Overview & Scrutiny Committee in January 2023; and the further action to ensure the identified end-to-end customer service improvement are implemented.
- 3.5. This round of Task & Finish Groups was also attended by Committee Chairs for Neighbourhoods, Homes and Sustainability and Transport to enable an effective transition of the responsibility of these committees and provide continuity in what we've done, where we've got to, and what is outstanding and still needs to be done.

4. Update on Customer Service Programme Task & Finish Group

- 4.1. Appendix A provides the outcomes of all Task & Finish Group meetings with the service area sponsor/leads for improving the customer experience and details the recommended opportunities for improvement.
- 4.2. Feedback was previously submitted to the committee (9 December 2022) on Bereavement Services, Housing Repairs and Waste Management; and a supplementary update (27 January) on Highway Repairs.
- 4.3. In this second review, it was noted the overall positive progress has been achieved in implementation by service leads of the Customer Service Programme service improvement recommendations but more still needs to be done to achieve 'Best in Class' customer service and ensure the best customer journey for our users to improve satisfaction levels and reduce complaints.

4.4. Highway Repairs

- 4.4.1. The Task & Finish Group is due to meet on 7th July 2023 with the Assistant Director for Inclusive Growth also to be attended by Customer Service Programme Operational Sponsor, Strategic Product Manager and Delivery Manager. A supplementary report will be issued following the meeting on the review of previous recommendations and a status update provided.
- 4.4.2. In summary, a total of 10 service improvement recommendations were presented to Highway Repairs, and all 10 retain an implementation status of 'to do'.

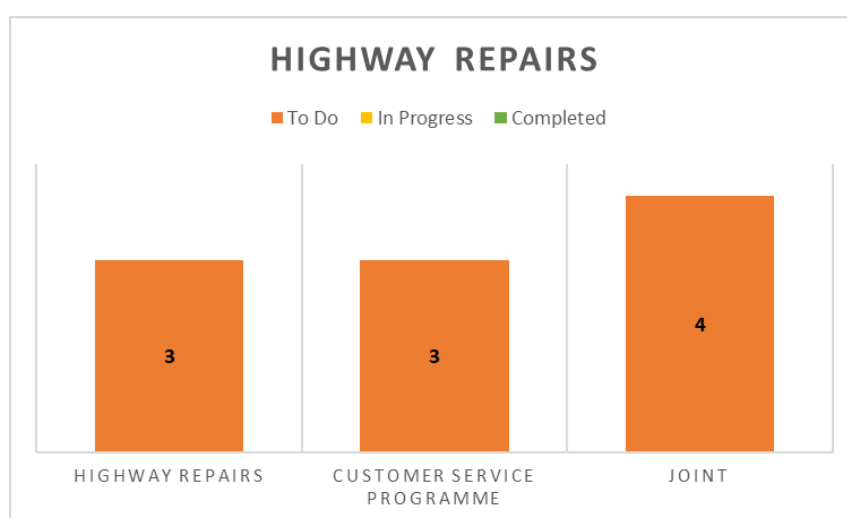


Figure 1 - Highway Repairs Status Overview

4.5. Bereavement Services

- 4.5.1. The Task and Finish Group met on 12th June 2023 with Assistant Director, Regulation and Enforcement, Head of Bereavement Services, Customer Service Programme Operational Sponsor and Strategic Product Manager, Lead Delivery Manager in attendance. All recommendations were reviewed, and status updates provided and clarified by the service leads.
- 4.5.2. Clear guidance has been created and improved content published on 'What to do when someone dies', and also clearly communicating to relatives' grave ownership and responsibilities in grave maintenance. Further work is required to include Coroners Service in online guidance and progress a small print run of the offline guidance.
- 4.5.3. A review of all onsite signage will be completed.
- 4.5.4. The top 20 paper forms have been prioritised for redesign and digitisation and will include automated advanced payment features, eliminating manual paperwork and enabling customers to complete requests in an easy and efficient way.
- 4.5.5. Exploration of technical options is underway to inform user need requirements for a new bereavement system / funeral directors' portal to support online

burial bookings, giving Funeral Directors' the ability to view, book and be updated.

- 4.5.6. A partial manual/mechanical back fill option is available to relatives on request where the resources to enable this are available. Resources to increase availability will be considered as part of any future operating model.
- 4.5.7. There are standardised processes, based upon best practice, in place across all sites. There are also individual standardised processes for particular sites which are based upon the specific needs of the site.
- 4.5.8. Recruitment of staff remains an issue within the service. There also needs to be a corporate response to more easily recruit agency staff as permanent staff.
- 4.5.9. In summary, a total of 28 service improvement recommendations were presented to Bereavement Services, and to date 10 have been implemented and 18 have an implementation status of 'in progress'.

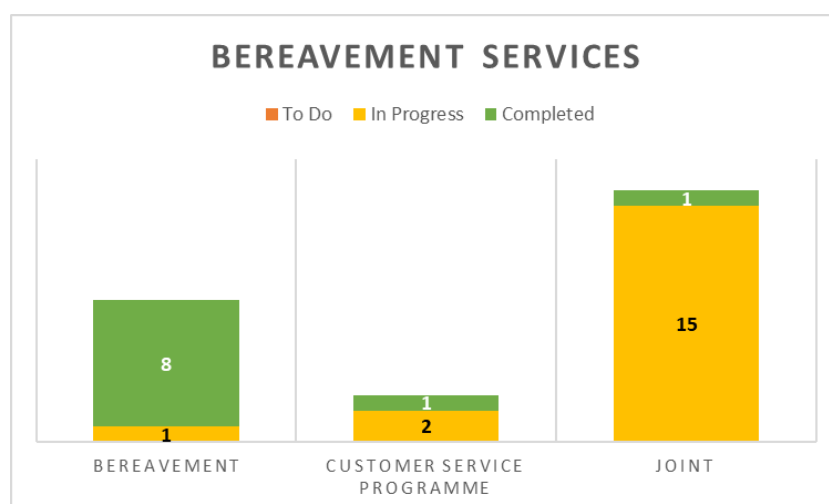


Figure 2 - Bereavement Services Status Overview

4.6. Waste Management

- 4.6.1. The Task and Finish Group met on 9th June 2023 with the Assistant Director, Street Scene and the Customer Service Programme Operational Sponsor and Strategic Product Manager, Lead Delivery Manager in attendance. All recommendations were reviewed, and status updates provided and clarified by the service leads.
- 4.6.2. The in-cab technology has been in place and in use in all vehicles since late January 2023 and addresses a number of the recommendations, although there are separate issues regarding provision of in-cab technology in rented vehicles. Work was undertaken to cleanse the data and the crews are monitored on their usage and reports are produced showing any problems; and work can be reallocated in real time to minimise missed collections, which is monitored by Service Managers.

- 4.6.3. A session with Neighbourhoods Overview and Scrutiny is being planned to provide a more in-depth view of the in-cab technology.
- 4.6.4. Missed collections are tracked, monitored and reported on a daily and weekly basis. The reports are showing an improvement in missed collections (alongside a significant reduction in missed collection complaints - down by 41% this April compared to April 2022). However, it is fully accepted that things are still not right, and more work is needed - particularly for the now vacated Montague Street (relocated to new Atlas depot in May 2023), and Lifford Lane depots where missed collections remain off target.
- 4.6.5. HMO's / Exempt accommodation continue to be an issue but work is underway to ensure that, where these properties are licenced, the appropriate bins are provided and the correct use of bins is monitored.
- 4.6.6. The service has a stable workforce (previously, the level of agency staff covering full time posts was approximately 30%). The service still operates with 23% agency cover for sickness and leave but teams are kept together where possible.
- 4.6.7. Over 70 of the older vehicles have been replaced, providing a more reliable service with a planned procurement to replace the remaining vehicles.
- 4.6.8. Working with Corporate Communications to develop simple comms for residents when there has been a need to remove their broken bin or pod.
- 4.6.9. In summary, a total of 12 service improvement recommendations were presented to Waste Management, and to date 6 have been implemented, 3 are 'in progress', and 1 retains an implementation status of 'to do'.

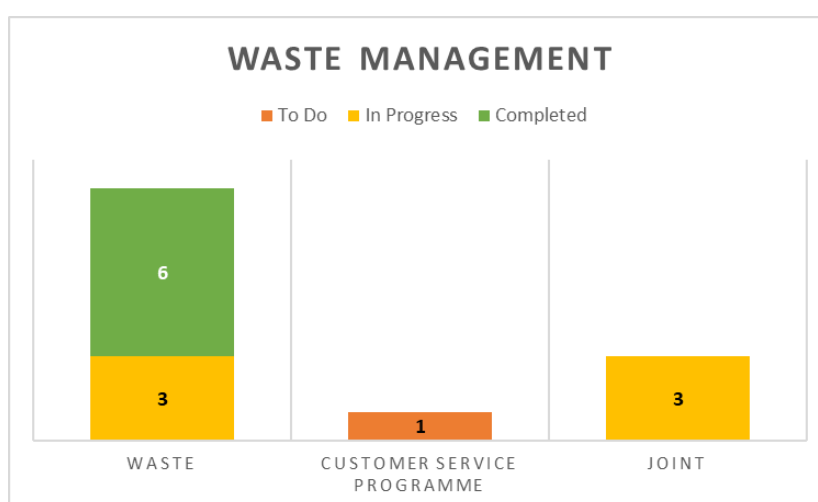


Figure 3 - Waste Management Status Overview

4.7. Housing Repairs

- 4.7.1. The Task and Finish Group met on 14th June with the Director, Asset Management Housing, Interim Head, Housing Repairs with the Customer

Service Programme Operational Sponsor, Strategic Product Manager and Lead Delivery Manager in attendance. All recommendations were reviewed, and status updates provided and clarified by the service leads.

- 4.7.2. The BRUM account process to report 'track a repair' has been end to end tested and issues highlighted, for example, some of the information submitted was not getting passed on to the contractor. The new functionality is now confidently expected for end August / early Sept. The delay was due to a dependency on the pending NEC (Housing Management software) Upgrade. Work is also in process into the quality of repairs and repeat calls about the same issue.
- 4.7.3. An option for tenants to book / manage their own repair appointments will be delivered as part of the changes to the Brum account. There is also ongoing work by repairs teams to look into and maximise appointment availability which has diminished. This work is expected to conclude by the end of September 2023.
- 4.7.4. Live updates to keep customers informed about changes regarding a repair, for example notifying a tenant that a contractor is running late, has been included in the Repairs Contract 2024, allowing text communication between operative and customer and live tracking.
- 4.7.5. Analysis of missed appointments due to no access is being carried out, to identify trends / customer profiles and check if our comms processes are working or need improvement. Findings to date are that process are not always being followed. Many customers say they were not aware of appointments, so focus is on the evidence around text and phone ahead which is part of the current process. This analysis is expected to conclude by December 2023.
- 4.7.6. Customer satisfaction on call handling is measured for randomly sampled calls – satisfaction levels are routinely around 80% for the way the agent handled call. Feedback is provided to service area and agents as appropriate.
- 4.7.7. The [Birmingham Choice](#) site is currently being reviewed and updated to make information more available to our customers. In addition there is a link on the front page of Birmingham Choice to a '[Housing Advice Pack](#)'. This gives customers information on numbers on the Housing Register, numbers of lets completed, waiting times, other housing options, etc.
- 4.7.8. The online information, advice and guidance on damp, condensation and mould has been reviewed and was updated 27 February on birmingham.gov.uk.
- 4.7.9. In summary, a total of 13 service improvement recommendations were presented to Housing Repairs, and to date 4 have been implemented and 9 have an implementation status of 'in progress'.

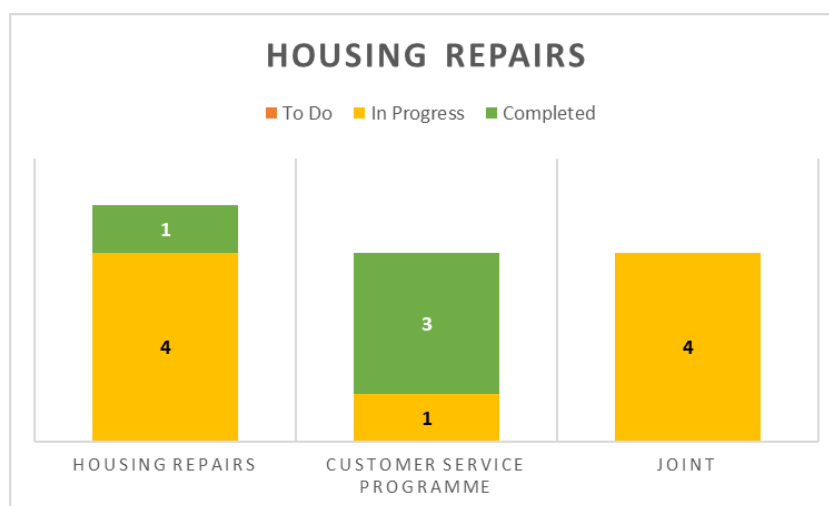


Figure 4 - Housing Repairs Status Overview

5. Any Financial Implications

- 5.1. The original Enhanced Business Case sought and approved total funding of £1.7m for Year 1 in December 2021. The Customer Service resource profile forecasts budget spend at the identified £ 1.7m costs allocated to the programme in final Quarter of 2021/22 and 2022/23.
- 5.2. The savings that are currently set out in the MTFP increase by £600k in 2023/2024, and phase 2 of the programme will help to deliver these and also identify future potential savings of over the next 2 years.
- 5.3. There are no procurement implications or financial implications of the recommendations in this report.

6. Any Legal Implications

- 6.1. The Council is under a duty under Section 3 of the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness.
- 6.2. The City Council will carry out this work under the General Powers of Competence Section 1 of the Localism Act 2011.

7. Any Equalities Implications

- 7.1. Overall, implementation of the Customer Service Strategy and therefore the activities of the Task and Finish Group may impact a number of the nine protected characteristics (specifically Age, Disability and Race) with the channel shift to self-serve; however the vision of the Strategy is clear and will endeavour to ensure a high quality, consistent and efficient approach to the customer journey across all channels by ensuring our customers access the right information at the right time and content is accurate and up to date regardless of the channel.

8. Background Documents

8.1. [Customer Service Strategy](#)

8.2. [Our Customer Charter](#)

9. Appendices

9.1. A: Status overview of the Customer Service Programme recommendations