

**BIRMINGHAM CITY COUNCIL**

**RESOURCES O&S COMMITTEE – PUBLIC MEETING**

**1400 hours on Thursday 8 September 2022, Committee Room 6, Council House, Victoria Square, B1 1BB**

**Action Notes**

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**Present:**

Councillor Aikhlaq Ahmed (Chair)

Councillors: Meirion Jenkins and Paul Tilsley

**Also Present:**

Councillor Yvonne Mosquito, Cabinet Member, Finance and Resources

Fiona Bottrill, Senior Overview and Scrutiny Manager

Richard Peirce, Finance Manager, Financial Strategy (on-line)

Mohammed Sajid, Interim Head of Financial Strategy

Steve Sandercock, Interim AD, Procurement (on-line)

Lisa Taylor, Interim Head of Financial Planning (on-line)

Amanda Simcox, Scrutiny Officer (on-line)

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**1. NOTICE OF RECORDING/WEBCAST**

The Chair advised the meeting to note that this meeting will be webcast for live and subsequent broadcast via the Council's meeting You Tube site ([www.youtube.com/channel/UCT2kT7ZRPFCXq6\\_5dnVnYlw](http://www.youtube.com/channel/UCT2kT7ZRPFCXq6_5dnVnYlw)) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

**2. APOLOGIES**

Apologies for non-attendance were received on behalf of Councillors Bushra Bi, Hendrina Quinnen, Rashad Mahmood and Ken Wood.

**3. DECLARATIONS OF INTERESTS**

None.

#### **4. ACTION NOTES**

(See documents No 1 and 2)

The Chair advised that the outstanding actions have been chased.

#### **RESOLVED:-**

The action notes of the meeting held on 28 July 2022 were agreed and the action tracker was noted.

#### **5. CABINET MEMBER FOR FINANCE AND RESOURCES – PORTFOLIO PRIORITIES**

(See document No 3)

Councillor Yvonne Mosquito, Cabinet Member, Finance and Resources was in attendance and presented her report and highlighted that she would like to create more financial literacy, so councillors and citizens can better understand the council's finances and therefore more inclusive. The Cabinet Member also praised the work of officers in the Directorate.

Lisa Taylor, Interim Head of Financial Planning was in attendance on behalf of Sara Pitt, Director of Finance (Deputy Section 151 Officer), and Mohammed Sajid, Interim Head of Financial Strategy was also in attendance.

In the course of the discussion, and in response to Members' questions, the following were among the main points raised:

- The 3 star rating was awarded in 2021, and officers are working towards a 4 star rating, continuing to demonstrate to CIPFA that the Council has good financial management in place.
- Cllr Merion Jenkins commented that there was a minority opinion on the Procurement Governance Arrangements report, as the Conservative Group believed the level of officer delegation is in excess of any core city and is detrimental to the Council.
- The Cabinet Member's priority to 'promote Fair Tax Accreditation to encourage companies to pay their fair share and we will promote businesses contracted by the Council that are matching pay parity with local government' was queried in relation to public sector pay and disadvantaging those companies where pay is not comparable. It was agreed this would be raised with Steve Sandercock later in the meeting.
- It was suggested that the Council can assist families who are struggling by working with the voluntary sector to help those hardest to reach in the community.
- The Council needs to simplify procurement for the voluntary sector and SME's, as they have not got the resources to compete with large organisations, due to the complexity and the lack of specialist knowledge.
- It was felt that the tender document seeks to minimise risk for the purchaser, which disadvantages smaller companies, and it was suggested that the council could have indemnities in place to mitigate risks.
- Concerns were raised regarding S106 and Community Infrastructure Levy (CIL) funds going into a central pot rather than the appropriate ward. Members were informed that officers are undertaking a thorough review of

S106 and CIL at the moment. Also, S106 and CIL have criteria attached to them which must be adhered to. Any changes to the criteria need to be in agreement with the developer. It was suggested that an officer from the Planning Department attends to explain the policy and procedure. Fiona Bottrill highlighted that this would be in relation to clarifying policy decisions and not individual planning applications.

The Cabinet Member thanked Members for the discussion, she had taken onboard the comments, and agreed to incorporate CIL and S106, and working with SME's, so it is less bureaucratic, into her priorities.

**RESOLVED:**

- Steve Sandercock to provide clarification in relation to promoting businesses contracted by the Council that are matching pay parity with local government.
- There will be a meeting with officers to discuss S106 and CIL, and the best way going forward.
- The update was noted.

**6. FINANCIAL MONITORING 2022/23 – MONTH 4**

(See documents No 4 and 5)

Lisa Taylor, Interim Head of Financial Planning (on-line), and Mohammed Sajid, Interim Head of Financial Strategy were in attendance. Lisa Taylor gave the presentation and highlighted that the financial challenges are changing all the time, the Council is in a robust position and has strong reserves and balances, and they are working to close the £33m gap, and are working to mitigate high level risks.

In the course of the discussion, and in response to Members' questions, the following were among the main points raised:

- Paragraph 2.1: capital spend is weighted towards the later end of the year and it was suggested that officers need to look at the capital programme and profile with is known rather than wait for slippages. Officers do try and look at the profiling throughout the year and they will continue to improve on this.
- Paragraph 2.3: it was felt that risks to delivery, particularly relating to Brexit and HS2, which has affected labour shortages and materials should not be underestimated.
- Paragraph 5.2: they try and keep liquidity at £40m.
- Paragraph 6.10: Adult Social Care is 34% of the budget and Cllr Paul Tilsley highlighted that there is a need to work with health colleagues, as he was at a meeting last week with senior officers at UHB Hospitals, which has 160 patients that could be in the community if there was capacity. Officers agreed to take this back to the Adults Social Care Team.
- Paragraph 6.14 Energy Costs: Steve Sandercock has an outstanding action to provide Members with information on the length of electricity and fuel contracts. He will verify the information and send an e-mail on this.
- Paragraph 8.2: the amount of high risk savings have been reduced and officers hope the next report will show a continued reduction.

- Fiona Bottrill asked Steve Sandercock the question raised under the previous item regarding promoting business contracted by the Council matching pay parity with local government, and it was agreed that there would be a formal response post meeting.

**RESOLVED:-**

The update was noted and:

- Officers to report to the Adults Social Care Team the issue of 160 patients awaiting discharge from UHB Hospitals and lack of capacity in the community.
- Steve Sandercock to provide Members with information on the length of electricity and fuel contracts as previously agreed.

## **7. LONG TERM DEBT STRATEGY**

(See documents No 6 and 7)

Mohammed Sajid, Interim Head of Financial Strategy, gave the presentation and highlighted why the Council borrows, financing of capital expenditure, capital programme and borrowing, debt statistics, how the Council borrows, cost of borrowing/debt, budgeted debt costs, and strategies to reduce debt costs,

Information regarding the purchasing of retail in Sutton and 9 Colmore Row was requested and it was agreed that the Cabinet reports would be shared

**RESOLVED:-**

- The update was noted and the Cabinet Reports to be shared with Members.

Cllr Merion Jenkins left the committee meeting at this point, therefore the meeting was no longer quorate and therefore the Committee did not make decisions in relation to the following agenda items.

## **8. PLANNED PROCUREMENT ACTIVITIES REPORT**

(See documents No 4 and No 5)

Steve Sandercock, Interim AD, Procurement was in attendance on-line for this item. Members were told that the reports went to Cabinet on Tuesday 6 September 2022: Key Decision Planned Procurement Activities (October 2022 – December 2022), and Non-Key Decision Planned Procurement Activities (October 2022 – December 2022),

**RESOLVED:-**

The reports were noted.

## **9. WORK PROGRAMME**

(See document No 9)

The following points were raised:

- Fiona Bottrill, Senior Overview and Scrutiny Manager, provided an update on the October meeting and confirmed that the Council Assets inquiry recommendations would be tracked at the November meeting.
- The best way forward in terms of the suggestion for an item on S106 and CIL will be discussed with officers.
- As the Cabinet Member for Environment will probably be attending a future meeting of Housing and Neighbourhoods OSC, members of this committee could be invited to that meeting to join this up, rather than having two separate meetings.

**RESOLVED:-**

The work programme was noted.

**10. DATE OF THE NEXT MEETING**

Noted.

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

None.

**12. OTHER URGENT BUSINESS**

None.

**13. AUTHORITY TO CHAIR AND OFFICERS**

**RESOLVED:**

The decision that in an urgent situation between meetings, the Chair jointly with the relevant Chief Officer has authority to act on behalf of the Committee will be rolled over from the last committee meeting due to not being quorate for this item.

**14. EXCLUSION OF THE PUBLIC**

N/A

**PRIVATE AGENDA**

**15. PLANNED PROCUREMENT ACTIVITIES EXEMPT APPENDIX 3**

N/A

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The meeting ended at 15.48 hours.