Birmingham City Council

Report to the City Council

8 April 2025

Title:	**EXECUTIVE BUSINESS REPORT - Finance & Children, Young People and Families**
Lead Member:	Councillor Karen McCarthy, Cabinet Member for Finance Councillor Mick Brown, Cabinet Member for Children, Young People and Families
Relevant Overview and Scrutiny Committee:	Not Applicable
Has this report been shared with the relevant Overview and Scrutiny Committee Chair?	Not Applicable
Report Authors:	Councillor Karen McCarthy, Cabinet Member for Finance Councillor Mick Brown, Cabinet Member for Children, Young People and Families karen.mccarthy@birmingham.gov.uk mick.brown@birmingham.gov.uk Carol Culley, Executive Director of Finance and Section 151 Officer Dr Sue Harrison, Strategic Director of Children and Families
Authorised by:	Councillor John Cotton, Leader Joanne Roney, Managing Director
Is this a Key Decision?	No
Reason(s) why not included on the Forward Plan and confirm who has authorised it to be considered:	Not Applicable
Is this a Late Report?	No
Reason(s) why Late and confirm who has authorised it to be considered:	Not Applicable
Is this decision eligible for 'call in?'	Not Applicable

If 'call-in' has been dis-applied, please provide reason(s) and confirm who has authorised:	Not Applicable
Wards:	Not Applicable
Does this report contain exempt or confidential information?	No
Has this decision been included on the Notification of Intention to consider Matters in Private?	Not Applicable
Reasons why not included on the Notification and confirm who has authorised it to be considered:	Not Applicable

PLEASE START THIS PART OF THE REPORT AT THE TOP OF A NEW PAGE. REFER TO GUIDANCE FOR TIPS ON FORMATTING THE REPORT.

1 EXECUTIVE SUMMARY

1.1 Refer to Guidance

2 COMMISSIONERS' REVIEW

2.1 Commissioners have no observations on this report.

3 RECOMMENDATIONS

That the City Council:

3.1 Notes this report.

4 KEY INFORMATION

Context

4.1 On 10th September 2019, Full Council accepted the recommendations of the Coordinating O&S Committee review in respect of changes to the Full Council agenda.

4.2 Recommendation 3 of the review requested that the Executive provide an update to Full Council on its work via the provision of an Executive Business Report ('EBR'). EBRs will be provided to Full Council four times per municipal year and will include details of progress made in relation to Council strategic outcomes and priorities linked to two Cabinet Member portfolios.

4.3 This Executive Business Report includes the following two portfolios:

4.3.1 Finance (pp.3-20).

4.3.2 Children, Young People and Families (pp.20-35).

5 CABINET MEMBER FOR FINANCE

5.1 Introduction

5.2 The last Executive Business Report for Finance was brought to Council in 2022. A lot has changed since then, and the last municipal year has been marked by the commitment of this Cabinet to tackle the Council's financial difficulties.

5.3 Since starting my role as Cabinet Member for Finance at the turn of the municipal year, my focus has been on overseeing the delivery of the challenging 2024/25 budget, and also setting a balanced budget for 2025/26. It has not been an easy task, but I firmly believe that we have made real progress.

5.4 That is not to say that there are not challenges to come, and I recognise that delivering the 2025/26 budget will be an equally large task. However, my message has been clear throughout - we as a Council must transform to become the financially sustainable authority that can deliver services that our residents deserve.

5.5 Every week I have attended S151 Spend Control meetings with colleagues from Finance and Legal to scrutinise spend and ensuring we remain focused solely on bringing the Council back on track. I will never apologise for asking the difficult questions across the Council's financial activities.

5.6 In other parts of the portfolio, I have worked with officers to ensure that we work towards changing our services to not only deliver the necessary savings, but also to create a more efficient, well-run Council.

6 CORPORATE FINANCE

6.1 2024/25 Budget Monitoring

6.2 The Council continues to face unprecedented financial challenges, including the issuance of two Section 114 notices in 2023, Commissioner-led intervention over a period of up to five years between 2023 to 2028, and a programme of savings for the 2024/25 financial year that is so vast that every service has been impacted in order to tackle a systemic budget deficit.

6.3 The Council's General Fund Revenue Budget is projected to overspend by £215.0m for the 2024/25 financial year. Against this budget, the Council is on track to spend £10.9m less than expected, hence a £215.0m overspend. This is due to £25.4m projected underspend across Directorates (2.11% of total budgeted Directorate Net Expenditure) partially offset by £14.5m projected overspend against corporate budgets.

6.4 Without Exceptional Financial Support (EFS) from the then Department for Levelling Up, Housing and Communities (DLUHC), the Council would not have been able to set a legal balanced budget for the 2024/25 financial year. Members should be reminded that the EFS regime only provides the ability to capitalise revenue expenditure and is unfunded, requiring capital receipts generated by asset disposals to be realised to pay for it. Reliance on the use of EFS has an impact on the asset base of the Council and its ability to retain operational and income generating sites.

6.5 Medium-Term Financial Plan

6.6 On 4 March 2025, the City Council approved the 2025/26 Budget for the General Fund, Housing Revenue Account, Capital Programme, and Treasury Management Strategy and Policy, along with the 2026/27 medium-term financial planning context. The budget presented in the report was for the next four financial years. The intention for the 2025/26 budget, and the 2026/27 budget, is to stabilise the Council's financial position and enable medium-term financial planning outlook to be set out. It is critical for the Council to demonstrate that it can set – and live within – proposed expenditure budgets over the next two years, particularly with regards to the delivery of the proposed new savings programme.

6.7 The Council could not set a lawfully balanced budget without a “minded-to” letter, issued in response to the Councils formal request to Ministry of Housing, Communities and Local Government (MHCLG) for Exceptional Financial Support.

6.8 The requests for Exceptional Financial Support (EFS) have been two-fold:

- For permission to increase Council Tax above the Government’s current referendum threshold of 4.99%; and
- For a Capitalisation Direction, which enables the Council to treat revenue costs as capital costs, so the Council can use capital receipts to cover this cost and balance the 2025/26 budget. This was requested in order to alter the phasing of the budgeted envelope of £1.255bn, covering the £11m budget gap in 2025/26, recognising the potential Equal Pay liabilities, recognising the costs of delivering redundancies in relation to savings across two financial years (2024/25 and 2025/26), and to retain the potential to utilise the EFS Contingency for items which could not be foreseen as part of the MTFP process.

6.9 This EFS request enabled the City Council to set a balanced budget for 2025/26. A significant programme of check, challenge, and scrutiny had been undertaken to enable the identification of credible savings proposals for 2025/26 and 2026/27 to improve the financial resilience of the Council, including Equality Impact Assessments (EIAs), where required. Delivery of these savings will need to involve significant and sustained work by all council officers, elected members and stakeholders.

6.10 The Council has used various methods to identify, review and propose savings to put forward for the MTFP. Since April 2024 the Council has worked to put forward credible and deliverable savings. This approach has included:

- Savings targets per directorate set at Corporate Leadership Team (CLT) level;
- Star Chambers led by the Cabinet Member for Finance;
- Managing Director budget meetings;
- Budget challenge sessions led by the Cabinet Member for Finance and Cabinet Member for Transformation, Governance and Human Resources;
- Review and challenge by Overview and Scrutiny Committees;

- A joint working group of officers, the Cabinet Members for Finance and Transformation, Governance and HR to review the budget in detail; and
- Commissioner-led budget sessions.

6.11 These savings have gone through the same officer due diligence process as last year. This has included:

- Reviewing how savings deliver for the General Fund, and understanding the potential consequential impact on Capital, Housing Revenue Account and the Dedicated Schools Grant budgets;
- Checking the annual phasing of savings, to ensure recurring savings are prioritised over time-limited savings which defer the problem to later years;
- Understanding cross-directorate consequences of service modifications, to ensure pressures are not encountered which offset proposed savings;
- Checking for double counting of proposed savings across directorates;
- Developing equality impact assessments for all proposals where appropriate; and
- Reviewing and challenging the People Services, Procurement, Legal, Risk, and Digital & Technology Services implications for all proposals.

6.12 These activities led to the removal of any unsuitable initial savings proposals.

6.13 During 2025/26, further work is required to ensure that the budget for 2026/27 is genuinely balanced, without the need for EFS. The Council must commence an extensive transformation of services, as set out in the Budget Report that went to City Council. This programme of work will identify credible savings across the next 4-year medium-term financial plan, to allow the Council to set a balanced budget.

6.14 **Finance Improvement and Recovery Plan**

6.15 The Finance Improvement and Recovery Programme (FIRP) has an established governance and programme structure with nine workstreams delivering against an agreed set of ten priorities, which are the key areas of focus for the next 12-18 months. The majority of high-priority activity is not dependent on the reimplementation of the Oracle system and is therefore being progressed at pace. This includes establishment and communication of a finance service offer,

embedding an improved annual budgeting and in-year monitoring process, and embedding financial policies and controls.

6.16 There is also an Income and Debt Collection workstream which is focusing on maximising income into the Council in both the short and long term, and the Companies and Traded Services workstream is reviewing all existing interests in third parties and trading relationships in order to agree and implement appropriate future arrangements.

6.17 Alongside delivery of the immediate priorities, the finance directorate is gearing up for the new Oracle ERP system, due to be implemented by April 2026. The system will enable further efficiency and enhanced financial management, but will require significant change management support. The finance workstream has been focussed on establishing the future chart of accounts within the Oracle system and providing input to the design of the new income management system. Preparations are ongoing for a shift towards self-service by budget holders and managers, including initial training to be delivered before yearend. The new Oracle System will also enable improvement, standardisation and efficient in transactional finance services, including accounts payable.

6.18 **Finance and Budgetary Risks and Challenges**

6.19 There are a number of specific local risks that need addressing in order to develop a sustainable financial strategy. The below list outlines the financial risks:

6.20 **Financial Planning Risks**

6.21 The potential Equal Pay liabilities, that led to the issuance of a Section 114 (3) report in September 2023. The Council must continue to focus on limiting the growth of any liabilities by implementing a new system of pay and grading to remove any growth of current and new future potential Equal Pay liabilities and do so by the 1 April 2025 (which is the target date assumed by current estimates); and finalise settlement for any potential existing Equal Pay liabilities.

6.22 While the Section 114 (3) report issued in September 2023 was issued as a result of potential Equal Pay liabilities, the Council was already facing a significant in-year budget gap. This budget gap increased during the 2024/25 budget setting exercise as a result of the rebasing work to review and address flaws in the existing budget pressures and budget forecasts for the 2024/25 and 2025/26 financial years. Despite

best efforts, additional pressures have arisen during the 2024/25 financial year which were not included within this rebasing exercise, which once again increased the Council's budget gap, as was outlined in the July 2024 Section 151 Officer Update to Cabinet. To the best of the Council's knowledge, and as confirmed in writing from Directors, all known pressures and issues have been reflected in the budget for 2025/26.

6.23 At present, the Council is still unable to sign off the accounts for the 2020/21, 2021/22, 2022/23 and 2023/24 financial years. This is primarily driven by flawed ERP (Enterprise Resource Planning) system implementation resulting in issues with the integrity of the ledger, and the inability to provide a true and fair view statement in accordance the with Accounts and Audit Regulations 2015. We are in discussions with various stakeholders on how to resolve the open accounts.

6.24 The Council's Net General Fund Budget does not decrease over the period of the MTFP, and Council's budget gap continues to grow. Without demonstrating the ability to deliver savings which fundamentally transform the Council's cost base in order to deliver services to residents, the Council struggles to achieve Best Value for residents. It should be an objective for future years that the Council's Net General Fund Budget should, as a minimum, remain flat across multiple years of the MTFP.

6.25 The Council continues to operate a longstanding PFI funded Contract for Highways Services. A recent variation has triggered a review of the government funding following a successful judicial review challenge last year. It is unclear if government will continue to fund the PFI Contract and a decision is expected shortly. Pending this decision, the Council continues to account on the basis that the funding arrangement is in place.

6.26 **Transformation Risks**

6.27 There continues to be concern around the Council's ability to deliver savings. Though a significant volume of savings has been delivered against the 2024/25 savings programme, the Council's savings delivery position has deteriorated throughout the financial year and has been mitigated by accelerating future year savings. The Council's target was £149.8m, against which the latest forecast is £147.0m, of which £20.4m are one-off mitigations. Further, savings identification continues to be an exercise in extracting resources from an unsustainable situation. The ability to deliver

savings continues to be a significant concern to Officers, Members and Commissioners. However, for the first time we do have an overarching transformation programme, which will be integral to changing the way that the Council operates. There has also been a tendency to rely on savings which will be delivered centrally, without ownership and responsibility from all Directorates to deliver these savings. The risk of slippage across the savings programme remains significant, with delays in delivery compounding future financial pressures and increasing reliance on unsustainable mitigation measures. Any failure to achieve savings on time will directly escalate the budget gap in subsequent years, risking the Council's ability to regain financial stability.

6.28 In relation to the Oracle ERP system, the Section 151 Officer is only able to place assurance on the information produced manually, off system, to provide a sound basis for decision making. More broadly, issues continue to have a wider impact on this budget, similar to prior years. Whilst the finance system is working practically in many instances (e.g. paying staff, suppliers), difficulties remain around the integrity of the finance ledger. At the most basic level, the Section 151 Officer still has limited confidence to place reliance on the most elementary financial information from the system. The flawed ERP implementation has impacted the foundations upon which sound financial management should have been based. This makes it difficult for Leadership and Finance Business Partners to forecast future demand and cost pressures in a live and active manner. There continue to be issues around the financial control environment relating to the Oracle ERP system.

6.29 **Capital Risks**

6.30 As outlined in multiple Section 151 Officer updates to Cabinet, if the Council is to live within this budget, and not require further EFS from Government in future, a critical part of this will be to deliver on the planned programme of asset disposal. Commissioners have been clear that our objective must be to have no new borrowing for the Capital Programme by the end of the 2025/26 financial year, and to live within the means of the EFS settlement agreed in 2024/25.

6.31 The scale of the disposals programme is extremely large and there is a risk, particularly in the current economic environment, that the Council will find it difficult to secure sales at favourable rates.

6.32 To date, the Council is working towards sales of the quantum required, and there must be focus on delivering the remainder of the programme to generate sufficient capital receipts. The current size of the Council's asset base for the proposed sale of assets, to generate the required capital receipts to fund EFS, is limited by the size of the operational asset base. This means that operational assets, such as schools, parks, and highways, cannot be sold to generate receipts. As such, concentrated Council activity is required to minimise the value of the capitalised expenditure through: delivery of all identified savings for the 2025/26 and 2026/27 financial years; identification of new savings to close the current budget gap in 2026/27; implementing a new pay and grading structure as soon as possible; and, delivering a negotiated settlement which delivers Best Value in relation to potential Equal Pay liabilities.

6.33 The Council's 25/26 capital programme will require further development, particularly in terms of detailed project planning.

6.34 **Organisation and Culture Risks**

6.35 As a result of the range of issues faced by the Finance team in recent months, as highlighted in this report, the current finance team remains heavily dependent on interim support, particularly at the senior level, which is unsustainable in the medium-term. Whilst a restructure of the Directorate is underway, this reliance on interims will continue, at least in the short term, in 2025/26, however should be addressed through permanent recruitment as soon as feasibly possible.

6.36 The Council faces a critical risk of organisational fatigue and a lack of discipline in delivering programmes and achieving budgets on time. Despite the ongoing scale and intensity of challenges, the absence of a disciplined approach to meeting Budget deadlines, coupled with a lack of effective performance management, continues to undermine progress. The delays in implementing key programmes demonstrate this persistent issue and divert resources from addressing other critical priorities. Without stronger mechanisms to enforce accountability, this lack of discipline risks knock-on delays, missed savings targets, and prolonged financial instability. The decisions and savings required in 2025/26 and beyond are significantly more complex and transformational than those achieved so far, raising questions around capacity to sustain momentum and deliver results.

6.37 Late changes to the budget must be avoided in the future.

6.38 The current disruption in the waste service is increasing costs, and further jeopardises the delivery of waste transformation savings.

6.39 **External Reviews and Assessments**

6.40 Ongoing Value for Money reviews conducted by External Auditor Grant Thornton are examining critical areas including Oracle, Equal Pay, and the Council's Financial Sustainability. Some of these reviews have been published and identify significant findings that the Council needs to act on. We will need to ensure that when all Value for Money reviews are published, we act on further recommendations that may be made.

6.41 The Council must be responsive to key governance and oversight reports. The Council has been and continues to be subject of a range of critical oversight documents, including Statutory Recommendations, the Auditor's Annual Reports, Commissioner Intervention Updates, and the Annual Governance Statement. These reports often identify significant risks that were not, or could not have been, foreseen at the time of writing budget reports. Failure to respond effectively and in a timely manner to these findings increases the risk of financial mismanagement, governance failures, and further intervention. The cumulative impact of unresolved recommendations could severely hinder the Council's recovery and undermine efforts to restore financial stability and public confidence.

7 PROCUREMENT AND COMMERCIAL

7.1 **Context**

7.2 In March 2024, after the Commissioners had undertaken their first review and issued their interim report, they had identified that the Council did not have a best practice approach to its complex commercial business. This work spans an enormous breadth and diversity of activity, supporting every aspect of the delivery by Council of services to residents.

7.3 Commissioners and elected members are fully aware of the critical nature of these commercial processes in leveraging Council's considerable market power to deliver value for money for residents. The Council also has a role in enabling environmental

sustainability, innovation, SME and social enterprise access to our Council contracts and fair labour protections.

7.4 Delivery on these requirements needs to be embedded into clear policy for strategic direction and continued focus. This work also needs to be underpinned by strong and effective governance arrangements across the Council to ensure that these activities are managed in a way that is compliant not just with legal requirements such as the Procurement Act 2023 and Local Government Transparency Code, but also in line with our City Vision, new Corporate Plan and our policy framework.

7.5 In order to achieve this, we need to undertake substantial work with our sectoral partners and stakeholders in developing commercial and procurement solutions, and framework agreements in particular, which deliver value for money and support broader Council policies. A strong, cross-sectoral governance framework supports the promotion and take up of these arrangements, which leverages the Councils buying power to best effect.

7.6 Another underdeveloped aspect is digital transformation and the digital economy which should be key policy to improve residents access to services. There is much more scope to improve commercial, procurement and contract management efficiency and transparency through digital processes. Specifically, we need to commence a process to procure a new national electronic tendering platform which will update the Council's capabilities. This new platform will be an important pillar in delivering enhanced digital capability in years to come.

7.7 The appointment of a new, permanent Director of Commercial and Procurement in late September 2024 marked an important step for the service. His focus is to oversee the commercial and procurement reform programme by integrating commercial & procurement policy, strategy and operations in one office; strengthen spend analytics and data management, and, like other senior leadership in the Council, secure sustainable savings for the department.

7.8 **Contract Management**

7.9 As part of the integration of commercial & procurement, a strategic approach to its contract management is being developed. It will ensure that we have the right policies in place to enable us to meet our objectives. As we begin to develop the contract strategy, we will undertake a complete review that will include looking at the size and

complexity of our contracts, as well as our delivery methods and contract administration. Importantly, our contract strategy will align with the wider commercial strategy including procurement, and it will be fundamental to the new commercial function to be established across the Council. This will ensure we manage our own responsibilities better during a contract, ensure the supplier meets the minimum performance criteria, and allows the achievement of both short- and long-term supplier performance objectives.

7.10 **Commercialisation**

7.11 For Birmingham, a commercial approach should deliver a wide range of benefits. Again, much like with our contract strategy, our approach to commercial activity should be driven by clear objectives.

7.12 To support this approach, we will develop a Commercial Capability Transformation Programme to improve the improve the Council's commercial performance. The programme will replicate and integrate with the highly successful model developed by the Government Commercial Function (GCF) to transform the existing procurement organisation into a single, high performing commercial function.

7.13 **Birmingham Business Charter for Social Responsibility**

7.14 We will undertake a comprehensive review of the Birmingham Business Charter for Social Responsibility looking at wider aspects of social value and wellbeing which can be engaged.

7.15 This will enable Birmingham City Council to show clear, joined up leadership on the role of how commerciality can be used as a lever to deliver city wide well-being goals which will complement the 'City Vision' well-being objectives. A key element will be to demonstrate leadership that supports a strategic approach to procurement, recognising the 'power of purchase'. This will include the development of comprehensive guidance and a framework that supports all supply chain partners.

7.16 **Procurement**

7.17 To be able to deliver against the new national Procurement Regulations 2024 and the accompanying National Procurement Policy Statement (NPPS), the Council's Procurement service will be restructured to a new target operating model that allows it to transform its approach. It will become a strategic and enabling partner, committed

to delivering value for money and enhanced outcomes for our citizens using innovative procurement practices and collaborative partnerships.

7.18 We will also look to build a comprehensive contract register which can then be operated through a digital platform enabling us to track contracts, launch timely procurements and to comply with the new legislation. This will also allow us to develop a forward-looking procurement pipeline utilising data within the contract register to streamline procurement forecasting and comply with the publishing requirements of the Procurement Act 2023 legislation.

7.19 **Internal Trading Operations**

7.20 We are undertaking a full review of the 160 or more companies, arm's length, trading and charitable entities with the view to consolidating these structures by determining relevance, performance and developing clear direction and purpose for them.

7.21 **Commissioning**

7.22 We will develop a strategic approach to commissioning in line with the Council's objectives which focuses on identifying local needs and defining these as commissioning outcomes, and the duties of 'Social Value' and 'Best Value', which require closer involvement of local voluntary and community groups, and local businesses, with the commissioning process as a whole.

7.23 Looking ahead for the 25/26 financial year, the focus will be on a full reform of the Procurement Service. This reform will enable the service to be efficiently structured, invested in and equipped with the skills it needs to manage the £1.5 billion annual spend of the Council. This will include the implementation of policies, templates and framework agreements to support this model.

8 REVENUES, BENEFITS AND RENTS

8.1 **Revenues**

8.2 The Revenues Service (Council Tax, Business Rates and Business Improvement District – billings and collection), has made good progress on all the significant challenges over the last 12 months. The key issues are listed under the headings below.

8.3 **Income collection**

8.4 By the end of February 2025, the Service had billed an additional £58.7 million of Council Tax compared to 2023/24 (up from £526 million to over £584 million). This not only included the 9.99% increase, but also the general ongoing growth in the number of properties in the City. There are also an additional 4,352 properties on the taxbase compared to last year.

8.5 We have so far collected £52.98 million of Council Tax (as of the end February 2025). Furthermore, an additional £37 million was billed for Business Rates (up from £426 million to £463 million), with an extra £40.5 million collected by the end of February 2025.

8.6 **Income generation initiatives**

8.7 The service put forward a number of initiatives which have helped to generate additional funding for the Council. These include:

- A review of single person discounts – this work helped to generate an additional £2.2 million due to the cancelation of accounts which had failed to notify the Council of changes.
- An exercise to maximise the 'New Homes Bonus' – the service works closely with planning to identify new properties being built and occupied across the City. The Government has awarded around £2,200 per property which is bought back to use having previously been unoccupied. An external company was commissioned to help identify such properties and as a result of the work, the Council received an additional sum of around £1.9m from the Government.
- Additional staff in Revenues to focus on arrears collection – the service employed additional staff to assist collection of the older debt and thus helped the reduction in bad debt provision by 0.3% - generating an additional £3.8 million per annum.
- Insourcing of Enforcement Agent work – a project has been undertaken to bring the enforcement work for Council Tax and Business Rates 'in house'. This has been a complex project with many legal, financial, IT and procedural issues to consider. Plans are now in place to commence live work in this area from April 2025. The work is expected to generate around £400,000 of additional income to the Council – as well as providing a more responsive service with improved identification of vulnerable cases.

8.8 **Income and Debt project**

8.9 Following approval at CLT in April 2024, this significant exercise has already identified many opportunities for improvements across the Council. The associated £1.85 million target for 2025/26 is expected to be exceeded and it is likely that a recommendation will be made to continue the work into the new financial year.

8.10 **Benefits**

8.11 The Benefit Service has continued to provide effective support for financially vulnerable households. It is responsible for payments to around 65,000 tenants of around £600 million of Housing Benefit (HB). Council Tax Support (CTS) is claimed by around 115,000 households in the City and helps to reduce the bill for those in need of financial support.

8.12 **Performance**

8.13 Comparative data consistently shows very strong performance on the two key DWP performance indicators for speed of processing. New claims processing on average in January 2025 took 13.3 days and changes of circumstances 5.3 days. The national averages in the latest published data from DWP was 22 days and 8 days respectively. Across both indicators, the service is the best performing Council in both the Core Cities and West Midlands.

8.14 Overpayment collection has remained good and above the service target at the end of January 2025. The service had collected £14.8 million against a target of £14.7 million. This debt is becoming more difficult to collect as more people of working age move from Housing Benefit to Universal Credit (UC) – meaning the Council HB debt is recovered through UC deductions. It therefore is in a ‘queue’ of other debts before deductions can be made.

8.15 **DWP financial resilience visit**

8.16 The DWP undertook the above visit to Birmingham in January 2025. The visit was to assess (around 25 Councils) the impact of UC rollout on HB processing times and other aspects of performance. Whilst there has been no formal feedback at this stage, the informal feedback was very positive. The DWP team were also very interested in the issues impacting the City around Supported and Exempt Accommodation claims – as well as Temporary Accommodation activity.

8.17 **Supported and exempt accommodation (SEA) claims**

8.18 The Councils caseload for SEA claims has continued to rise throughout the last 12 months. The nature of these claims means a very high turnover, and typically the average number is well over 3,000 new claims per month. The number of live claims has continued to rise and is now around 27,300 – an increase of 3,000 since January 2024. The DWP has commenced national consultation on changes to the law in relation to these claims. This work is being led by Housing and the legislation will be welcomed by local authorities.

8.19 **Savings initiatives**

8.20 The Benefit service contributed to two significant savings since April 2024. The Local Welfare Provision scheme has ceased, and the Benefit Advice Team has been disbanded. This has resulted in a contribution of around £1 million towards the Councils overall savings plan for this financial year (2024/25).

8.21 **Rent simplification project**

8.22 The Benefit Service played a lead role in helping to pilot the above initiative to support young people back to work when they live in supported accommodation.

8.23 The Benefit Service worked with St Basil's and West Midlands Combined Authority to help design a scheme to reduce the complexities of navigating the benefit system for young people living in supported accommodation (when moving into work). The scheme was developed in conjunction with the DWP and was adopted across the combined authority for a pilot period.

8.24 This pilot has now come to an end and independent evaluation has commenced.

8.25 Whilst the scheme was not expected to have a large uptake (due to the limited numbers of young people in this type of accommodation), there were 22 successful applications. This would have made a significant difference and given them an opportunity to work and remain in supported accommodation.

8.26 Feedback to date from young people involved in the project was that it fulfilled our aims in making their experience much more straightforward. The full report is awaited.

8.27 **Rents**

8.28 The Rent Service is responsible for the annual collection of £300m housing rents (2024/25) and the recovery of £27m housing rental debt.

8.29 At the end of February 2024, rent arrears were £16.8m. This is £2m lower than at the same point in 2023/24. This improvement has been achieved following rent arrears rising each year since the COVID-19 pandemic and the Cost of Living Crisis, as well as UC migration.

8.30 There remain specific additional challenges facing tenants' ability to pay their rent at the current time and the service has put in place a number of mitigations to help and support tenants.

8.31 Challenges for the Rents service include:

- The Cost of Living Crisis continues to impact on households.
- UC migration is continuing at a faster pace. This means that tenants moving to UC face a delay at the start of their claim when they transfer from Housing Benefit. There are now around 30,000 of our tenants in receipt of UC.
- There is a 53-week year for rent payments in 2024/25 – but Universal Credit rules mean that housing costs are only paid for 52 weeks.
- There was a 7.7% rent increase in 2024/25 – coupled with a 9.99% increase in Council Tax.

8.32 Mitigation and campaigns to support and sustain tenancies include:

- The service has conducted a 'UC campaign' to encourage tenants to agree to having their housing costs paid direct to the Council. The campaign has generated nearly £1m housing costs paid directly to the HRA.
- Static arrears – the service has invoiced 2,164 'static arrears' (accounts where there has been no significant change in arrears) cases with under £500 in arrears. A result of this campaign has seen an overall decrease in the arrears of the cases contacted from £510,974 to £458,168 – a reduction of £52,806.
- Payment Holidays – the service contacted low level arrears cases before the December and March payment holidays to encourage them to clear their arrears

and benefit from the payment holidays. The result of the December 'holiday' was a total reduction of over £900,000.

- Eviction Prevention Panel – the panel brings together officers from across the Council. This was set up to ensure all relevant actions and interventions have taken place prior to warrant application to evict a tenant. It also considers whether any further support is needed to help sustain the tenancy and whether or not the eviction should proceed.

8.33 **Tenant Support**

8.34 The service has six Welfare Co-ordinators, and four Debt Advisers located at DWP Jobcentre Plus offices across the city working alongside the DWP's Work Coaches to offer early intervention support. The service works closely with housing colleagues, and the staff offer face-to-face appointments and interview ad-hoc tenants who need assistance at the Jobcentre. The aim is to assist tenants to reduce arrears, sustain tenancies, prevent homelessness and offer advice and support to our tenants, some of whom are at their most vulnerable.

9 CONCLUSION

9.1 There has been a lot of progress across the portfolio, but still, there is much more to do. I want to thank officers for their work over the last year. It has been challenging, but it is vital to improving our services for the future.

9.2 Crucially, we are on track to deliver the 24/25 budget, and we have set the 25/26 budget. Going forward, my focus will be on overseeing the delivery of the budget we have just set, as well as preparing for our 26/27 budget.

9.3 I am pleased that we have continued our Council Tax Support scheme, continuing to protect our most vulnerable.

9.4 There has been some early progress in Procurement, and I look forward to bringing more information about this work and results in my next Executive Business Report.

9.5 Finally, we have made a huge step in the right direction with the appointment of Carol Culley as our new, permanent Section 151 officer. I look forward to working with her going forward, and I know her experience will be invaluable in continuing our recovery journey.

10 CABINET MEMBER FOR CHILDREN, YOUNG PEOPLE & FAMILIES

10.1 **Context**

10.2 Birmingham City Council is Europe's largest local authority and one of the youngest cities in the United Kingdom, with just under 40% of our 1.16m residents aged under 25. Birmingham is a superdiverse city, with 187 different nationalities living here, speaking 90 main languages other than English.

10.3 As both a city and a Council, we have a duty to ensure that all our children and young people get a good start in life, with equal opportunities to aspire, succeed and thrive. Birmingham is a place of extremely high child poverty, ranked the 7th most deprived local authority and 3rd most deprived core city in England. 43% of the population and 51% of children (under 16) live in the 10% most deprived neighbourhoods and approximately 1 in 2 of Birmingham's pupils are entitled to free school meals.

10.4 In addition, the impact of the cost-of-living crisis has been profound, resulting in a significant rise in the levels of need - placing pressure across all agencies.

10.5 This report provides an update on progress made in the Children, Young People and Families portfolio over the last year.

11 SERVICES FOR CHILDREN IN BIRMINGHAM

11.1 The Council is committed to delivering services for children, young people and families so that every Birmingham child and young person can thrive. Young people should be safe, healthy, included and confident. They should be able to achieve the best educational outcomes and reach adulthood well prepared to contribute to their community. Services for Birmingham children and families are delivered through its Children and Families Directorate, led by the statutory (Executive) Director for Children's Services (DCS). The Children and Families Directorate has four core service divisions: SEND and Inclusion, Thriving Children and Families, Commissioning and Performance and Schools and Employability. The Directorate delivers services such as Education Safeguarding, Early Years and Childcare Support, School Improvement, services for children with Special Educational Needs and Disabilities (SEND), Children and Young People's Travel Service (CYPTS), Youth Services and Career and Employability Services. The Cabinet Member provides political leadership on these strategic and statutory duties, as well as maintaining oversight of the Dedicated Schools Grant (DSG).

12 BIRMINGHAM CHILDREN'S TRUST

12.1 The DCS commissions children's social care services from Birmingham Children's Trust (BCT).

12.2 The Trust is owned by, but operationally independent from, Birmingham City Council. A detailed contract which includes finance, performance and governance is in place and is regularly reviewed, with KPIs discussed in monthly Operational Commissioning Group (OCG) and quarterly Partnership Governance Group (PGG) meetings.

12.3 Colleagues from the Council and Trust work collaboratively in partnership to support children, young people and families at a strategic and operational level, and work is underpinned by robust governance arrangements that ensure the Council maintains appropriate line of sight.

12.4 The Birmingham Children's Trust is a Community Interest Company (CIC), governed by an independent board chaired by Andy Couldrick and is made up of seven independent Non-Executive Directors, one Non-Executive Director appointed by the Council (Helen Ellis, Director SEND and Inclusion), and the Trust's Executive team (Chief Executive and Directors).

12.5 The Executive Director of Children and Families (DCS) and the Birmingham Children's Trust Chief Executive Officer work collaboratively to provide joint leadership across the provision of services for children, young people and families through the Safeguarding Children's Partnership, and the Children & Young People's Partnership. Birmingham Children's Services have been judged to be 'Good' by Ofsted following a full Ofsted inspection undertaken in 2023.

12.6 **Birmingham Children and Young People's Partnership**

12.7 The Birmingham Children and Young People's Partnership is a collaboration between Birmingham City Council, Birmingham Children's Trust, Birmingham and Solihull Integrated Care Board, West Midlands Police and Crime Commissioner, West Midlands Police, and the Birmingham Voluntary Services Council. The partnership works together as one, with a shared set of priorities and strategic vision. In early 2022, the partnership agreed to produce a 5-year plan to forge and sustain the collaboration and commitment to coproduction.

13 CABINET MEMBER PRIORITIES

13.1 Cabinet Member priorities are being revised to better align with the new Corporate Plan. As part of that work, existing priorities around working with the Trust, other partners and DfE to provide children, young people and families with the support they need to thrive will continue, alongside new initiatives such as the auto-enrolment for free school meals announced earlier this year.

13.2 The Cabinet Member decision to auto-enrol eligible pupils for free school meals (FSM) was taken as we believe there is a substantial number of children who qualify but are not currently claiming them for a number of reasons. Provision of FSM's supports tackling child poverty and so can decrease economic inequality.

13.3 According to the UK Charity, the Food Foundation, eating a school meal is also shown to be the best lunch option associated with good mental wellbeing. Children from families who are food insecure are more likely to suffer with mental health problems, including hyperactivity, inattention, suicidal thoughts, and mood and anxiety disorders.

14 Financial Position

14.1 In 2024/25 the Children & Families Directorate forecast its budget position accurately. This financial position includes planned in-year savings totalling £52.2m being delivered across the Directorate and the Birmingham Children's Trust whilst the improvement journey continues at pace.

14.2 A contract sum of £305.3m has been agreed for 2025/26 for Birmingham Children's Trust. The Council has funded the Trust for increases in demand for services, inflation, national insurance contribution increases for staff and the pay award. Frontline services to families have been protected.

14.3 The Children's Trust will be delivering savings of £35.4m in 25/26, the vast majority of which be delivered through work across the partnership to support families earlier, reducing spend on placement costs for children in care and enabling more children to remain with their families. This new way of working will mean that the Trust will be able to invest in more staff at the frontline working directly with children and families, particularly within Early Help to strengthen the support provided to families.

15 Continuous Improvement Approach

15.1 The Improving Services for Children and Families Plan was launched in November 2022 to align all the Directorate's improvement work into one plan. The objectives of the plan and associated activity align with those set out within the City Council's Corporate Plan, Improvement and Recovery Plan (IRP), our partnership Change for Children and Young People Plan 2023-2028 and across the UNICEF Child Friendly City commitments.

15.2 Through extensive improvement activity, the Directorate is in a markedly improved position. The Directorate has secured continued growth, recruited to key roles, and continues to draw on the experience, skills, and knowledge of existing and incoming staff to improve outcomes for children and families. However, we recognise that there is still much work to be done in order for us to deliver consistently good services across every team in the Directorate and this is set out in our Continuous Improvement Plan, monitored by our Children and Families Improvement Board, which is jointly chaired by the Best Value and SEND Commissioner John Coughlan, and external Chair Sally Rowe.

15.3 The CIP key workstreams and activities are presented across four areas of priority, with Financial Sustainability as a cross-cutting theme:

15.4 **Priority Area A**

15.5 **Priority Area B**

15.6 **Priority Area C**

15.7 **Priority Area D**

15.8 The Directorate and Birmingham Children's Trust have both strengthened our internal approach to continuous improvement, with a more structured and systematic framework through a formal improvement plan overseen by a monthly improvement board, as well as increased capacity for quality assurance. The Trust's leadership team has undergone a restructure providing a more balanced model of portfolios and a more diverse leadership group. A permanent leadership team is now in place in the Children's Services Directorate.

15.9 Birmingham Children's Trust and the Children and Families Directorate have sustained good performance and improved outcomes as measured through the comprehensive accountability framework for the delivery of children's social care in Birmingham, including both the Council's established governance arrangements and external regulatory inspections by Ofsted.

15.10 **Transformation**

15.11 Our partnership transformation programme, Birmingham Families First, is joined up through the design of a refreshed whole system locality delivery model in which all partners are joined up to the benefit of children and families - a whole system transformation which encompasses:

- 0 to 19 Universal Services Transformation (including Health Visiting, School Nursing and Children's Centres).
- Young People's Services, this to include the review and roll out of review outcomes
- Focus on the design and outcomes of our Creating an Inclusive City agenda
- BCT Trust 25

15.12 Each of these programmes have been designed to establish new operating models for delivery, providing financial benefits via improvements to culture, practice, systems, structures, processes and the workforce.

15.13 The Trust's transformation programme, Trust 2025, seeks to refresh the operating model in order to deliver whole system shift towards earlier support for families. This involves both a shift of the core of our services to a district operating model along with our partners, as well as a focus upon the key enablers for effective early support. The Trust has commenced these changes with an initial pilot focused on the Hodge Hill district.

15.14 The principal challenges for the Trust remain the longstanding ones in relation to:

15.15 Demand pressures remain high in the context of the longstanding prevalence of child poverty, exacerbated by the impact of Covid and the cost-of-living crisis

15.16 Workforce challenges continue in relation to the recruitment and retention of qualified social workers and lawyers

15.17 Consistency of practice standards will always be a challenge when delivering at the scale required in Birmingham

15.18 **Inspection Outcomes**

15.19 Ofsted undertook a focused visit in September 2024 which looked at arrangements for children in care. Inspectors' feedback following this visit was positive and gave a clear sense of continued improvement since children's services were judged as Good in 2023 in a full Ofsted inspection.

15.20 Ofsted undertook an inspection of the Trust's Fostering Agency in October 2024 and found the good status had been maintained. Ofsted found the service had improved since the last inspection in 2021, noting improvements in areas such as the recruitment of mainstream foster carers, the timeliness of assessments and the number of special guardianship orders and early permanence placements.

15.21 **Youth Justice Service**

15.22 Birmingham's Youth Justice Service (YJS) is the country's largest and sits within Birmingham Children's Trust. The Strategic Youth Justice Plan 2023-2028 set eight priorities for the service. Progress is being made against these priorities, as reported in the most recent annual update to that Plan. The service is also providing quarterly progress updates to the Education, Children and Young People Overview and Scrutiny Committee.

16 SEND AND INCLUSION

16.1 **Background and context**

16.2 In September 2018, as a result of an Ofsted/CQC Inspection of SEND services, Birmingham received a Written Statement of Action (WSOA) outlining 13 areas of significant weakness. The local area was judged unable to meet the needs of children with additional needs/SEND through appropriate provision.

16.3 A re-inspection by Ofsted and CQC from 24th to 27th May 2021 looked at Birmingham's provision (for children with additional needs/SEND) and found “The area has not made sufficient progress in addressing 12 significant weaknesses."

16.4 Since 2021, Birmingham has been under a DfE statutory direction with John Coughlan as independent Commissioner appointed by the Minister. The SEND Improvement Board (SIB) has been in place since December 2021, drawing together the most senior strategic leaders from all relevant stakeholders across Birmingham. John Coughlan chairs this group and is accountable to Ministers for the progress made by the local area to address the areas of significant weakness and to monitor the performance against the outcomes required.

16.5 **Accelerated Progress Plan**

16.6 Birmingham’s SEND partnership, consisting of council, local and national health partners and school leaders, developed the Accelerated Progress Plan (APP) to address the areas of significant weakness.

16.7 All the elements of the plan were grouped together into four objectives:

- System Leadership (Objective 1)
- Getting the Basics Right (Objective 2)
- Working Together Well (Objective 3)
- Pathways (Objective 4)

16.8 SEND and AP improvement activity is monitored through the SEND and AP Improvement board. DfE stock takes in 24/25 have seen sufficient evidence of improvement to remove the areas of significant weakness in leadership, working with parents and our published Local Offer.

16.9 The Local Area Partnership looks forwards to the anticipated SEND and AP Ofsted/CQC inspection which is due this year.

16.10 **Progress against our SEND and AP Plan**

16.11 Since January 2024 the performance against two areas within the APP have been signed off and no longer require formal monitoring. At the December 2023 stocktake ‘Strategic Leadership’ was signed off and at the July 2024 stocktake, ‘Local Offer’

was signed off. In the February 2025 stocktake, ‘Engagement with Parents/Carers’ was signed off.

16.12 We have also seen significant and impactful changes through successfully recruiting permanent staff to the SENAR teams. We have moved from c. 90% agency staffing to c. 30% agency staffing. Notably, the permanent Head of SEND commenced in post in September 2024 and by the end of March 2025 successful onboarding will result in less than 20% agency staff in the SENAR team.

16.13 We have ensured that our SENDIASS service has a fit-for-purpose structure and recruitment has commenced for the most senior post. We can then move onto recruiting the other leadership and delivery posts, planning to have posts advertised and filled before the end of August 2025.

16.14 Our engagement with parents and carers with the support and challenge of the Birmingham Parent Carer Forum (BPCF) has improved dramatically and we have excellent foundations for the future. Partners have been actively collaborating with BPCF to deliver several different events and ensuring that we reach other parental representative groups with the support of the BPCF. Membership of the BPCF has increased and we have better reach and engagement with parents and carers as a result.

16.15 Our co-production with parents and carers, listening to their voices and the delivery of the Working Together to Improve Engagement and Participation guidance for all partners has been well received. This has enhanced the co-production awards scheme. We know we need to improve with ‘Voice of the child’ and the Working Together will be used as a template for driving those improvements.

16.16 There is ongoing work to improve the outcomes for children and young people with SEND such as improving the provision available in education settings through the best use of the High Needs Block funding and more cohesive relationships between Birmingham settings and the local leadership of SEND, Social Care and Health teams.

17 <u>Birmingham Context</u>

17.1 Education, Health and Care Plans (EHCPs)

17.2 According to SEN2 data, there were 11,040 total EHCPs active within Birmingham at the end of 2023, this is compared with 10,610 in 2022 and 10,489 in 2021.

17.3 EHCP figures increased by 4% between 2023 and 2024 (SEN 2) in Birmingham. Nationally, the total number of EHCPs increased 11.4% in the same period.

17.4 Total EHCPs reached 11,926 by the end of November 2024, exhibiting a monthly increase of 1% when compared to the previous month, and an annual increase of 8.9%.

17.5 **School Census**

17.6 According to school census data, 8,563 Birmingham Pupils have an EHCP and 32,038 are on SEN Support.

17.7 63% of children and young people with SEN Support are male and 37% are female.

17.8 The most common ethnicity on SEN Support is White British (33%), followed by Pakistani (22%) and Black African (7%).

17.9 **Needs are identified and assessed early and accurately**

17.10 % of EHCPs issued within 20 weeks: The 12-month rolling average as of November 2024 is 27.8%. Although this indicator is based on a 12-month rolling average, the monthly rate for November 2024 was 21.3%.

17.11 The % of EHCPS rated as good or outstanding quality was 57.1% in December 2024 (increased from 37% in December 2023)

17.12 The number of Annual reviews actioned within 4 weeks of the meeting in November 2024 is 66% (was 69% in November2023).

17.13 In November 2024 there were 37 mediation sessions (47 in November 2023) held, and 11 outcomes overturned (17 in November 2023)

17.14 **Attainment**

17.15 The % of children with EHCP achieving a good level of development was up 0.6% this year moving us up the LA ranking by 8 places

17.16 The % of children in Year 1 SEN all pupils achieving the expected phonics standard is up 0.7% - an upwards 3-year trend.

17.17 The % of children in Year 2 SEN all pupils achieving the expected phonics standard is up 1.2% - an upwards 3-year trend.

17.18 The % of children in Year 2 with an EHCP achieving the expected phonics standard is up 5.4% this year moving us up the LA ranking by 3 places

17.19 The % of SEN all children achieving at least the expected standards in Reading, Writing and math at the end of Key Stage 2 is up 0.8% - an upwards 3-year trend and is above our pre 2019 covid levels by 4.3%

17.20 The % of SEN all young people achieving 9-5 in Eng and Maths is up 1.1% placing us first in the 152 LA rankings

17.21 The % of pupils with EHCP entered for EBACC was up 0.6% and those with EHCP achieving a 9-5 in EBACC was up 0.6% ranking us 2nd as an LA

17.22 **Attendance**

17.23 This is based on public data and we have a task and finish group in progress to improve data quality to allow for reporting from operational/School Census data.

17.24 SEND all Overall absence August 2024 was 9.8%. Our gap to national has decreased by 0.2% and we have reduced overall absence by 1% compared to Autumn Term 2023. For pupils with EHCP it has decreased by 0.7% compared to 13.2% Autumn 2023

17.25 SEND all Persistent Absence August 2024 was 29.2%. Our gap to national has decreased by 0.6% and we have reduced persistent absence by 5.4% compared to Autumn Term 2023. For pupils with EHCP it has decreased by 4.6% to 36.4.% compared to Autumn 2023

17.26 SEND all Severe Absence August 2024 was 6.1%. Our gap to national has decreased by 0.2% but our severe absence has increased by 0.1% compared to Autumn Term 2023. Likewise for pupils with EHCP this has also risen by 0.1% to 6.7%

17.27 Our suspension rates and permanent exclusion rates have not reduced. Our gap to national has increased for SEND all, SEN Support and EHCP pupils. We recognise that there is still more work required.

17.28 **Governance and Monitoring Arrangements**

17.29 Chaired by John Coughlan, in June 2024 the SEND Improvement Board developed into the SEND and Alternative Provision Improvement Board. There is representation from all key stakeholders including parents and carers and representatives from all phases and types of education.

17.30 From June 2024 the Board has responsibility for overseeing the SEND and AP Improvement Plan (which includes the APP)

18 Corporate Parenting

18.1 The Council has a statutory duty to support and protect children in care and care experienced young people (Children Act 1989 and Social Work Act 2017). Birmingham City Council, its elected members and its partners should consider our children in care and care experienced young people as a priority and ensure services and opportunities are shaped around them.

18.2 The Corporate Parenting Board worked with children and young people to co-produce the Birmingham Corporate Parenting Strategy and the Board is responsible for ensuring the Strategy is delivered.

18.3 In March 2025, a report was taken to Cabinet which set out the progress that had been made and set out a series of proposals to further embed the Council's corporate responsibilities to children in care and care leavers. Following Cabinet's agreement, work has commenced, and I look forward to sharing more information with Members about corporate parenting, including how we can all get involved, in the coming months.

18.4 Corporate Safeguarding

18.5 There have been several notable developments in the Corporate Safeguarding area, with the Corporate Safeguarding Network making significant progress over the past two years. There is consistent evidence of strong Directorate leadership in driving safeguarding improvements. Some examples of this progress include:

18.6 **Safeguarding Training and Awareness**

18.7 Completion of online Safeguarding Awareness training is now mandatory for all BCC employees, with annual reviews and updates by the Corporate Safeguarding Lead.

The introduction of SMART online essential learning in 2024 received positive feedback, and the L&D team regularly reports completion rates to the Corporate Safeguarding Network.

18.8 There is a Safeguarding section in the BCC New Starter Handbook and on the BCC career pages website.

18.9 **Safeguarding Leadership and Support**

18.10 BCC now has a permanent Corporate Safeguarding Lead, a unique role reporting to both the Assistant Director for People Services and the Director of Thriving Children and Families, with direct communication with senior safeguarding leads across children and adult services

18.11 Safeguarding Leads are appointed for each service area across the council, with their details available on the intranet. They are required to complete advanced safeguarding training modules and serve as the first point of contact for staff concerns, ensuring these are reported to the relevant statutory agency. BCC Safeguarding Leads 2025 | Birmingham City Council Portal

18.12 All new Strategic Directors receive a briefing from the Corporate Safeguarding Lead on the Council's safeguarding approach and arrangements.

18.13 **S11 Audit and Action Plans**

18.14 Following the completion of Directorate Section 11 Safeguarding Audits to inform 2023 BCC Corporate Composite Section 11 Audit Report, all Directorates have been addressing identified areas for improvement.

18.15 Progress is monitored through the Corporate Safeguarding Network "Shine a Spotlight on Section 11 Actions" slot for each Directorate to report on their action plans.

18.16 **Partnerships and Networking**

18.17 Robust links now exist between the Corporate Safeguarding Network and the Birmingham Safeguarding Children Partnership. BSCP training is regularly promoted in Corporate Safeguarding Network meetings.

19 YOUTH SERVICE

19.1 Birmingham Youth Service has undergone a comprehensive review to ensure that services provided to young people are delivered with the best possible outcomes within the allocated financial envelope.

19.2 The objective was to develop a sustainable model that allows for growth. The new model was formally agreed upon at the end of January 2025, and the service is now in the implementation phase.

19.3 The new youth service model includes the following components:

1 **Area Delivery**: The Youth Service will retain four dedicated Youth Centres and continue to deliver services from other sites through partnership arrangements. This approach will enable the service to maintain open access provision, responding to the needs of young people in the localities.

2 **Youth Voice and Influence**: Ensuring that the youth voice is embedded in all aspects of the youth service delivery and influences the wider directorate. This includes a focus on young people with SEND (Special Educational Needs and Disabilities).

3 **Young People with SEND**: Strengthening the voice and influence of SEND young people, ensuring they have the support and space to be heard and influence services. Additionally, leading the creation of apprenticeships for three young people to provide real employment opportunities within the sector.

4 **Alternative Provision**: Developing close partnerships with Alternative Provision (AP) providers to ensure that the most vulnerable young people receive tailored support from professionally qualified youth workers who can address their social and emotional needs.

5 **Care Experience**: Supporting young people to succeed in their education by helping them effectively communicate their needs through their

Personal Education Plans (PEPs). Additionally, supporting young people with care experience in their transition to adulthood.

6 **Digital Presence**: Ensuring that the youth service has a digital presence that reflects and is influenced by young people. Leading the development of a young person apprentice programme, linking with additional young people apprentices to enhance this offering.

7 **Health and Equalities**: Improving health and well-being and reducing inequalities among young people. Delivering programmes aimed at enhancing emotional well-being and resilience**, reducing substance misuse, improving sexual health, and increasing physical activity.**

19.4 Birmingham Youth Service's new model is designed to provide a holistic and inclusive approach to youth services. By focusing on area delivery, youth voice and influence, support for young people with SEND, alternative provision, care experience, digital presence, and health and equalities, the service aims to create a positive and supportive environment for all young people in Birmingham. The implementation of this model will ensure that the youth offer remains responsive to the needs of young people and continues to deliver high-quality services that promote their well-being and development.

20 ELECTIVE HOME EDUCATION (EHE)

20.1 The Elective Home Education (EHE) Team plays a crucial role in fulfilling the Council's obligation to ensure that home-educated children receive suitable full-time education. This responsibility is mandated under section 7 of The Education Act (1996) and sections 10 and 11 of the Children Act 2004. The EHE service area is currently on an improvement journey, with governance and oversight provided by the Birmingham Safeguarding Children's Partnership.

20.2 At the time of writing this report, there are approximately 3,500 children known to be home-educated in Birmingham. Among these children, some are extremely vulnerable and require special attention. To ensure that each child receives a suitable education, an annual assessment of home education is necessary. As part of the

Thriving Children and Families redesign, the EHE team will increase in number, with new staff in place over the next three months.

20.3 Processes have been developed that align with the forthcoming Children's Wellbeing and Schools Bill concerning Children Missing Education and those who are home educated.

20.4 These efforts are part of the ongoing commitment to ensure that all children in Birmingham receive a suitable education and are safeguarded.

21 CHILDREN AND YOUNG PEOPLE TRAVEL SERVICE (CYPTS) POLICY REFORM: IMPACT AND OUTCOMES

21.1 The Children & Young People's Travel Service remains committed to continuous improvement, prioritising the needs of children, young people and their families. The key area of focus includes improved communication by ensuring all communications with stakeholders are clear, accessible and tailored to the intended audience, establishing systems and processes to ensure proper documentation and alignment with DfE guidelines and Ombudsman expectations.

21.2 Collaborative decision-making is another key focus. This involves actively working with Admissions and SENAR Teams, and Partner Agencies to ensure decisions are based on the needs of children and families, while aligning with placement planning. Additionally, it aims to support children's placements and avoid disappointment when families are informed of ineligibility for transport post-placement.

21.3 The service is exploring development opportunities such as stakeholder engagement to expand efforts to gather feedback to shape service improvement, technology integration to explore digital tools to streamline process and enhance user experience, and training programmes. The Passenger Assistant service redesign was signed off on 4th December 2024.The Senior Management Team (SMT) are working on the development of a Behaviour Policy.

21.4 The aim is to create a comprehensive and consulted Behaviour Policy that CYPTS can use to establish a code of conduct for passengers, parents and employees. This policy will serve as a cornerstone for fostering positive interactions and ensuring accountability across all levels of engagement.

21.5 In 2025, the SMT in the Children and Young People's Travel Service will take the lead on September mobilisation, marking a significant shift from previous years when consultants managed this process. Mobilisation for September 2025 is a critical period for CYPTS, and this year's approach underscores our dedication to delivering a more efficient and effective service for children and families.

22 CONCLUSION

22.1 This has been my first Executive Business Report to City Council since taking on the role of Cabinet Member for Children, Young People and Families in May last year.

22.2 I fully endorse the Strategic Director's commitment to the Directorate in continuing to put Birmingham's children, young people and families first, ensuring that we have fit for purpose and safe service provision.

22.3 Dr Harrison is correct in saying that we are exactly where we need to be at this point in our improvement journey and that we are beginning to experience real meaningful traction across the partnership and ownership from partners of the inclusion agenda. However, it right to recognise that we have still got a long way to go before we are consistently delivering a good service to everyone.

22.4 I agree with her that the keys to this success are the continued appointment of high calibre experienced officers whilst drawing on existing expertise across the workforce, continuing to focus on our quality assurance frameworks driving assurance-seeking practice and impact measurement across all that we do and continuing to work together to develop an inclusive city.

22.5 Finally, I want to put on record my sincere thanks to officers under the leadership of Dr Sue Harrison within the Children and Families Directorate, and James Thomas within Birmingham Children's Trust for all their hard work in putting the needs of the children of Birmingham first and foremost against the difficult backdrop of savings targets and new ways of working.

23 Proposal and Reasons for Recommendations

23.1 Not Applicable

Other Options Considered

23.2 Not Applicable

24 RISK MANAGEMENT

24.1 Not Applicable

25 CONSULTATION

25.1 Not Applicable

26 MEMBER ENGAGEMENT

Ward Councillor(s)

26.1 Not Applicable

Overview and Scrutiny

26.2 Not Applicable

Other

26.3 Not Applicable

27 IMPACT AND IMPLICATIONS

Finance and Best Value

27.1 Not Applicable

Legal

27.2 Not Applicable

Equalities

27.3 Not Applicable

Procurement

27.4 Not Applicable

People Services

27.5 Not Applicable

Climate Change, Nature and Net Zero

27.6 Not Applicable

Corporate Parenting

27.7 Not Applicable

Other

27.8 Not Applicable

28 APPENDICES

28.1 None

29 BACKGROUND PAPERS

29.1 None