

BIRMINGHAM CITY COUNCIL

ECONOMY AND SKILLS O&S COMMITTEE

1000 hours on 11th October 2023, Committee Room 2, Council House

Present:

Councillor Katherine Iroh (Deputy Chair), Jon Hunt and Richard Parkin

Also Present:

Paul Kitson, Strategic Director, Place, Prosperity, and Sustainability

Azhar Rafiq, Interim Business Partner (online)

Ekbal Hussain, Interim Business Cases Business Partner (online)

Harjinder Dool, Assistant Director, Financial Performance and Insight

Spencer Wilson, Interim Head of Service, Employment and Skills

Hannah Redfern, Acting Head of Service, 14-19 Participation and Skills Team

Amelia Wiltshire, Overview and Scrutiny Manager

Baseema Begum, Scrutiny Officer

The meeting began at 10:08 hours.

1. NOTICE OF RECORDING/WEBCAST

The Chair advised those present that the meeting would be webcast for live and subsequent broadcast and that Members of the press/public may record and take photographs except where there are confidential or exempt items.

2. APOLOGIES

Cllrs Akhlaq Ahmed, Jamie Tennant and Lisa Trickett.

3. DECLARATIONS OF INTEREST

None.

4. MINUTES

(See Item No.5)

The action notes of the last meeting held on 13th September 2023 were approved.

5. ACTION TRACKER

(See Item No.6)

The action tracker was noted.

Cllr Iroh, Deputy Chair explained that due to papers not being submitted on time for Item 8 - Local Skills Improvement Plans (LSIP) and in line with recommendations from the Commissioners this item would be deferred to a future meeting.

A request was made for a change to running order of the agenda so that item 7 was taken first to allow for the Finance representative to arrive for Item 6.

6. IMPLEMENTATION OF RECOMMENDATIONS: EMPLOYMENT AND SKILLS INQUIRY

(See Item No. 7)

Spencer Wilson highlighted the key points in relation to the recommendations as set out in the report and appendices and during a discussion with Members the following were amongst the points made: -

- Those projects funded through the Commonwealth Games legacy should be secured this week following receipt of the contract from the West Midlands Combined Authority (WMCA). The funding is for a period of 2 years all projects. In terms of making these sustainable the Council is looking at future funding models including the Shared Prosperity Fund however the current climate is very uncertain in relation to securing fixed funding long-term.
- Following the Section 114 notice and the challenges the Council faces it was decided that a scoping exercise for the review of the Careers, Youth and 14–19-year-old services would be done to analyse what is currently delivered and what the Council is statutorily required to deliver. This has been finalised and an external provider is being procured to deliver this. It is anticipated that by the end of the calendar year this will be completed and first draft of from the review. These findings should be available to be shared early next year. Relevant Cabinet Members are regularly briefed. Staff, young people and other relevant professionals have been consulted on the scope of the review.
- In relation to tracking performance data it was confirmed that the 14 to 19 Participation Skills team and the Career Service both have a duty to report monthly to the Department for Education (DfE), on the status of young people in employment, education or training. The Council is held to account on an annual basis on the published figures of those young people who are not in employment, education, or training (NEET) and those not known and participation figures.

- The Council is performing reasonably well so far considering the size of the city and having about 13,000 young people in a cohort. The figure for NEET young people is in the third quintile for the DfE, the not-known figure is in the bottom quintile and is below 3% last year and the same is envisaged for this year with an increased cohort. However intensive wrap around support and new ways of addressing and reducing that figure is happening on an ongoing basis. Additionally, targets set for interventions are monitored in relation to specific activity. This data can be shared should the committee wish.
- Signposting and supporting SMEs to enable high quality apprenticeships to be developed as Birmingham has a significant of businesses in this sector and a high unemployment rate amongst its young people was acknowledged. It was outlined that previously this work funded through European Social Funding was supported through the Growth Hub that was part of the GBSLEP however it wasn't as successful as envisaged.
- The Growth Hub is now part of the City Council and is focussing on business support activity. This includes developing a business support package which includes skill support and identification of opportunities for SMEs that is more activity and incentive focused. This will include training and mentoring and support for SMEs to access different skills and opportunities including apprenticeships. A decision has also been made to use an element of the Apprenticeship Levy that the Council to SMEs with more incentive for them to deliver apprenticeships. This work will be monitored closely and the input from Members will be valuable as part of this work.
- It was acknowledged that the apprenticeship offers for young people on the Birmingham Careers Hub needed further work as opportunities were few and not varied and unlikely to attract the attention of young people. Members were told that a key issue is that the City Council has taken on the agreement to deliver the contract is that so it has a strategic overview in how careers supervision is undertaken, and this includes prioritising apprenticeships so there is an alternative to the education pathway after school into employment and available at different levels to ensure that young people have access to a meaningful qualification.
- The Ladder for Greater Birmingham is based at the Library of Birmingham however there was concern on how many young people were likely to see this. It was confirmed as that these are now being based in youth hubs and a Ladder Academy has been set up offering taster sessions to young people to try a trade or other opportunities that would normally be only available through an academic route such as dentistry with emphasis being on offering careers through apprenticeships.
- The National Apprenticeship website is a contractual requirement on the delivery providers to advertise opportunities however the website does require a review to ensure that these are clear and visible to those visiting the site alongside some of the Council's own digital platforms for jobs.
- Further details of the mentoring programme will be shared when available as this is still undergoing approval.
- The importance of careers advice in primary school was raised and not only offering advice to young people aged 14 and over. Currently the Careers

Service works with secondary schools as set out by the Gatsby Benchmarks and this is offered from Year 8 onwards. The Careers Enterprise Company also engages with schools and employers outside of statutory requirements and this is done earlier than the requirement. Information on work with young children sits with the Director for Children and Thriving Families and a request will be made for further information to be reported back at a future meeting.

- Information for young people on careers and opportunities is provided in a variety of settings. This includes visiting settings where young people gather, cascading information through the weekly newsletters that are disseminated out every Thursday from the City Council. There is also a visible presence at Library of Birmingham and youth centres where Personal Advisors drop in and give impartial advice and guidance. Information is also shared as much as possible across all services across all the directorates. Further information is also listed on websites where the facilities are for young people to be able to go and see what's on offer. If funding allows at the opportunity for some more mobile and provision to access communities is also being looked at.
- There is more incentive in terms of achieving the social value aspect for those employers to support young people with additional vulnerabilities (such as care leavers or those with special educational needs).
In respect of the letter to Government (DWP and DfE) as highlighted in Recommendation 4 there are discussions taking place on this with the WMCA and officers will expediate this.
- The opportunity to speak to the relevant Cabinet Member about some of the issues raised would be helpful in future.

RESOLVED: -

1. The report was noted.
2. Financial information including live information will be provided at the next update.
3. A letter to government has been drafted in relation to matters raised by young people during the Employment & Skills Inquiry with reference to education, careers advice and guidance and employment support. This is awaiting comment from the Cabinet Member and will be followed up.
4. A request for Cabinet Member attendance for future monitoring reports will be made.
5. The Committee agreed that the next report would be in 6 months' time and added to the work programme for April.

7. FINANCIAL CHALLENGES - SCRUTINY CONTRIBUTION TO THE BUDGET SAVINGS AND RECOVERY PLAN

(See Item No.6)

Harjinder Dool, Assistant Director, Financial Performance and Insight and Paul Kitson, Strategic Director, Place, Prosperity, and Sustainability were present for this item.

Harjinder Dool outlined the key points from the Appendix 2 Q2 report detailing the proposed savings until the end of September. There are approximately £10.5m worth of savings identified in relation to the Economy & Skills portfolio. £0.7m are at a low risk of delivery and highlighted green. £0.8m of savings currently shown in amber relate to staffing costs and specifically vacancy management. It is anticipated that this will be re-categorised as low risk once the data from Oracle is available. Most of the identified savings of about £9m are at risk of not being achieved in the current financial year. However, mitigation work is ongoing in respect of this sum.

In response to queries raised by Members Paul Kitson, Strategic Director, Place, Prosperity and Sustainability made the following points: -

- Further information will be provided on the process undertaken by CLT considering the new budget recognition challenge (in year budget savings) and the overall balancing of the budget (and the original budget forecast savings) at next month's meeting. In addition, a delivery plan tracking fortnightly/monthly performance will be shared to ensure that the directorate and Council is operating within its means.
- The Committee will be provided with the progress made against the savings targets for 4 categories:
 - Staffing costs (vacancy management);
 - What pieces of work can be paused and stopped;
 - In respect of third-party payments – what can be paused and stopped and;
 - Income optimisation (what can the directorate do to generate more).
- The Corporate Landlord programme is underway, and it may achieve some savings in the current year however this is not certain, and it has been highlighted as high risk and identified as slippage. There is a similar situation for savings on CAB premises where savings have not been achieved due to delays.
- An outline strategy and rationalisation of the CAB estate will be shared so that Members can understand the occupancy rates and usage trends over the past 12 months as a significant number of staff continue to work from home with people coming in for meetings as and when necessary.
- Options are also being considered in relation to arms-length companies and what learning can be achieved from peers in respect of this.
- Significant in-year proposed savings won't be made this year however these are being worked on to close the gap as far as possible this year. An asset strategy and review will be taking place with input from the commissioners in relation to asset sales. It is imperative that consideration is given to making sure the right resources are in the right place as part of this.
- In respect of smaller commercial properties and a disposal programme this work is ongoing and further information will be shared on what can be delivered realistically this year.

- In relation to commercial property the cost of borrowing has increased to 6% on average and it is currently unviable to invest.

RESOLVED: -

1. The report was noted.
2. Further information will be provided on the process undertaken by CLT considering the new budget recognition challenge and the overall balancing of the budget and this will be presented at the next meeting.
3. A delivery plan will be shared tracking fortnightly/monthly performance to ensure that the directorate and Council is operating within its means.
4. There are 4 categories to be reported back on in terms of progress made against savings targets: -
 - a. Staffing costs (vacancy management),
 - b. What pieces of work can be paused and stopped,
 - c. In respect of third-party payments – what can be paused and stopped here,
 - d. Income optimisation (what can we do to generate more).
5. An outline the strategy and rationalisation on the CAB estate including occupancy rates in CAB building over the past 12 months to be shared with Members.
6. Asset strategy and review with respect to smaller commercial properties and the disposal programme actual figures on what can be delivered realistically this year will be shared with Committee.

8. LSIP

This item was deferred due to paperwork not being submitted and this will be scheduled to a future meeting.

9. WORK PROGRAMME

(See Item No. 9)

Amelia Wiltshire, Overview and Scrutiny Manager talked Members through the work programme noting that requests made to update the work programme with suggestions made were noted.

CLlr Iroh stated that the committee had the option to meet informally in place of formal meetings should it wish to do so.

The opportunity to meet with employers and young people was highlighted and it was confirmed that the Birmingham Chamber of Commerce had highlighted possible events in the Spring that Members could attend. Further details these will be shared in due course.

In relation to meeting with young people who are part of the Youth City Board this information would be shared with officers who attended today's meeting.

RESOLVED: -

1. The report was noted.

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

None.

11. OTHER URGENT BUSINESS

None.

12. AUTHORITY TO CHAIR AND OFFICERS

Agreed.

The meeting ended at 11:33 hours