

## **BIRMINGHAM CITY COUNCIL**

### **HEALTH AND ADULT SOCIAL CARE OVERVIEW AND SCRUTINY COMMITTEE**

**TUESDAY, 17 OCTOBER 2023 AT 10:00 HOURS**  
**IN COMMITTEE ROOM 6, COUNCIL HOUSE, VICTORIA SQUARE,**  
**BIRMINGHAM, B1 1BB**

## **A G E N D A**

### **1 NOTICE OF RECORDING/WEBCAST**

The Chair to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's Public-I microsite ([please click this link](#)) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

### **2 DECLARATIONS OF INTERESTS**

Members are reminded they must declare all relevant pecuniary and other registerable interests arising from any business to be discussed at this meeting.

If a disclosable pecuniary interest is declared a Member must not participate in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If other registerable interests are declared a Member may speak on the matter only if members of the public are allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation.

If it is a 'sensitive interest', Members do not have to disclose the nature of the interest, just that they have an interest.

Information on the Local Government Association's Model Councillor Code of Conduct is set out via <http://bit.ly/3WtGQnN>. This includes, at Appendix 1, an interests flowchart which provides a simple guide to declaring interests at meetings.

- 3     **APOLOGIES**
- To receive any apologies.
- 5 - 12**     4     **MINUTES – 19TH SEPTEMBER 2023.**
- To confirm the minutes from the meeting held on 19th September 2023.
- 13 - 14**     5     **COMMISSIONER’S REVIEW AND COMMENTS ON AGENDA (10.06-10.08)**
- For the Committee to note the attached comments on the agenda.
- 15 - 92**     6     **SCRUTINY OF DELIVERY OF 2023/24 BUDGET SAVINGS AND UPDATE ON COUNCIL’S RESPONSE TO S.114 NOTICE AND FINANCIAL RECOVERY PLAN. (10.08-10.27).**
- To receive latest update on the Budget Savings and Recovery Plans.
- 93 - 98**     7     **HEALTH AND ADULT SOCIAL CARE OVERVIEW AND SCRUTINY COMMITTEE ACTION TRACKER. (10.27-10.32).**
- To review and note the actions from the previous Health and Social Care Overview and Scrutiny Committee meeting.
- 99 - 120**     8     **DEVELOPMENT OF THE CREATING AN ACTIVE BIRMINGHAM STRATEGY AND THE SPORTS STRATEGY (10.32-11.02).**
- To receive a report/update on the development of the inclusive Sports Strategy and Activity City Strategy.
- 121 - 146**     9     **ACCESS TO COMMUNITY DENTAL SERVICES IN BIRMINGHAM. (11.02-11.45).**
- To receive a report from the ICB to understand the issues relating to access to dental services in Birmingham and the impact this has on oral health.
- 147 - 170**     10     **HEALTH AND ADULT CARE SCRUTINY COMMITTEE WORK PROGRAMME UPDATE 2023/24. (11.45-11.55).**
- To consider the draft work programme and agree updates / amendments.
- 11     **REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)**
- To consider any request for call in/councillor call for action/petitions (if received).
- 12     **OTHER URGENT BUSINESS**
- To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chair are matters of urgency.

13 **AUTHORITY TO CHAIR AND OFFICERS**

Chair to move:-

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



**BIRMINGHAM CITY COUNCIL**  
**HEALTH AND ADULT SOCIAL CARE O&S COMMITTEE**  
**PUBLIC MEETING**

**Tuesday 19<sup>th</sup> September 2023. Committee Rooms 3 & 4,**  
**Council House, Victoria Square**  
**Minutes.**

**Present**

Councillor Mick Brown (Chair)

Councillors Gareth Moore, Julian Pritchard, Kath Hartley, Shabina Bano, Rob Pocock, Amar Khan and Paul Tilsley

**Also Present:**

Anna Hammond, Director of GP Provider Support, NHS Birmingham/Solihull

Dr Sunando Ghosh, Primary Care Medical Services Board Partner Member, Midlands Medical Partnership

Professor Graeme Betts CBE, Director, Adult and Social Care Directorate

Dr Justin Varney, Director of Public Health.

Janie Berry, City Solicitor

Samantha Bloomfield, Finance Business Partner, Adult & Social Care.

Mohammed Sajid, Interim Head of Financial Strategy.

Harjinder Dool, AD, Financial Performance & Insight.

Fiona Bottrill, Senior Overview and Scrutiny Manager.

Adewale Fashade, Interim Scrutiny Officer.

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**1. NOTICE OF RECORDING/WEBCAST**

The Chair advised that the meeting would be webcast for live or subsequent broadcast via the council's Public-I microsite. Members of the press/public may record and take photographs except where there were confidential or exempt items.

**2. APOLOGIES**

Apologies received from Councillor Miriam Khan and Andy Cave (HealthWatch)

### 3. DECLARATIONS OF INTEREST

Councillor Gareth Moore declared a non-pecuniary interest as trustee of Birmingham LGBT and Citizens Advice.

### 4. MINUTES – 4<sup>TH</sup> JULY 2023.

The minutes of the last Health & Adult Social Care Overview and Scrutiny Committee were approved by members to be correct record of the meeting.

### 5. FINANCIAL CHALLENGES – SCRUTINY CONTRIBUTIONS TO BUDGET SAVINGS AND RECOVERY PLANS.

Mohammed Sajid, Interim Head of Financial Strategy gave an overview of why the Section 114 and plans to meet the Council's financial liabilities relating to Equal Pay. Below are key points highlighted:

- The section 114 notice was issued on 5<sup>th</sup> September due to insufficient resources to meet Equal Pay liabilities by the Section 151 Officer
- The Council's Auditors informed the council on 1<sup>st</sup> September that on looking at the local authority's financial situation, it is in a negative general financial position. In addition, the Council was not able to agree a solution for funding or financing its liabilities. For these reasons the Section 151 Officer was required, in line with their statutory responsibilities, to issue the Section 114 notice.
- In addition to the £760m Equal Pay liabilities, there is a projected overspend of £87m on the 23/24 budget, for which the Council does not have sufficient reserves based on the Equal Pay liability above, which is forecast to grow in the 2024/25 financial year. As a result, urgent action needed to be taken. There are also concerns over the pace and effectiveness of mitigation being put in place to mitigate this negative position.
- All non-essential spending has ceased. Spending Board is now in place which is headed up by the Section 151 officer. All Financial Controls will be exercised by a S151 Spend Control Board. There is a guide to be followed on any spend being proposed to the Board, and it will be deemed unlawful if criteria is not followed.
- A Robust Budget Savings and Recovery Plan has been developed, which is a multi-workstream plan to address both in-year financial challenges and the longer-term transformational changes required to reduce the cost base for delivery of services across the Council.

The following are among the main points made in response to Members' questions:

- It was important to reassure Birmingham citizens that existing commitments to deliver services, all existing spending agreements and supplier contracts will not cease. Section 114 serves as a warning sign to ensure urgent action is taken to mitigate liabilities.
- In response to what should have been happening over the summer to foresee the possibility of a section 114 notice, the Senior Finance Officer said that progress over the summer was to understand and assess pressures on finances and identify new burdens on council and what mitigations steps to take. Inflation was also still high. Savings highlighted were at risk and out under review with a view of how these will be delivered in the context of Equal Pay liabilities. It was then decided that the plans to mitigate negative financial conditions were not sufficiently robust enough hence the issuing of Section 114.
- On the question of whether savings are going to be delivered or not, and whether they are on track, the Senior Finance Officer said that over the next few weeks, the Finance team will be monitoring savings and what can be achieved and delivered. This presents the opportunity for Scrutiny to have a deep dive into savings with the Finance team and identify how these will be delivered. This will also serve as a learning process for all involved on how savings can be better set and planned for delivery.
- From the Adult and Social Care (ASC) Team perspective, Prof. Graeme Betts stated that the ASC is still on course to deliver on planned savings.
- Communication with partners is ongoing. Partners are being briefed and are being made aware of implications pertaining to specific services. Care services and packages of care will continue to be delivered and continuous flows in and out of hospitals will continue to be monitored and managed.
- Savings for ASC for this year were savings that were one-off savings for the previous year which has come back into this year's Q2 savings. This shouldn't have been in there. The team apologise for this.
- The medium-risks savings highlighted is checked monthly on payroll to see what is being achieved. The ASC figures are complex and challenging to forecast. However, this is expected to be delivered over the year.
- The ICB fund is linked to Better Care fund and is expected to be delivered. Although savings against this is showing amber, ASC team expects to deliver on this.
- In terms of income collection, it is acknowledged that Oracle has some reporting issues and there are delays in matching cash book to accounts. Citizens will be receiving letters to inform and reassure them that the situation is been managed in a structured.
- The ASC is reassuring citizens that they will continue to receive services while ensuring we collect monies appropriately.

- In terms of recruitment and staffing, we are reassuring providers that we will continue to pay them so that they can pay their staff and maintain staffing levels.
- On the setting of the RAG ratings, these are discussed when they are planned and are based on a specific cohorts of service users and on historical data and future trend data on what can be achieved. These fluctuates as some overachieve or underachieve. The RAG ratings are looked at monthly to monitor with service teams, with Finance challenging the data sufficiently to ensure reliable forecasts. Ultimately, it's the ASC that determines savings.
- Public health grant is ringfenced. The PH team continue to meet statutory requirements and follow due process. Contracts commitments are continuing to be met.
- On the issue of Oracle, the committee was informed that the Finance & Resources O&S Committee are looking closely at the stabilisation of Oracle. Committee members requested that the F&R Overview & Scrutiny Committee seek assurance that focus is being maintained on ASC payments.
- Members emphasised the need to receive regular updates on ASC savings and details on actions being taken to deliver against these, especially in the context of current financial situation. The Chair confirmed that this Finance will be a regular agenda item for the Committee. Prof Betts confirmed these are just the headlines being presented and that the Team can come back to the Committee with more details as required.

### **RESOLVED**

That the Committee note the verbal report update (attached at Appendix 4) of the Section 151 Officer (the Chief Finance Officer) made under section 114 (3) of the Local Government Act 1988 on 5<sup>th</sup> September 2023, and for the Committee to consider the implications for the scrutiny work programme.

That the Committee note the Medium-Term Financial Plan, agreed by Cabinet in July, and a list of savings agreed as part of the 2023/24 budget setting process with RAG ratings.

That the Committee note the financial issues that are relevant to the Committee's terms of reference (outlined in the Council's Constitution, Part B, section 11.5) and what this means for the scrutiny work programme.

## **6. HEALTH AND ADULT SOCIAL CARE OVERVIEW AND SCRUTINY COMMITTEE ACTION TRACKER.**

The Senior Overview and Scrutiny Manager informed members that all actions from the Action Tracker from the last meeting is for noting.

### **RESOLVED**



That the Committee note completion of actions from the previous Health and Social Care Overview and Scrutiny Committee.

## **7. APPOINTMENT OF MEMBERS OF THE JOINT HEALTH AND ADULT SOCIAL CARE OVERVIEW AND SCRUTINY COMMITTEES (JHOSC) FOR BIRMINGHAM & SANDWELL.**

Members noted there are 2 Labour councillor vacancies that has arisen on both the Joint Sandwell Health and Social Care Overview and Scrutiny Committee. The following appointment for the Birmingham and Sandwell JHOSC was agreed:

- **Birmingham and Sandwell Joint HOSC:** - Councillor Kath Hartley (Labour). The other vacancy will be confirmed in due course.
- Meeting date for the Birmingham and Sandwell Joint HOSC is scheduled Wednesday 27<sup>th</sup> September 2023 at Sandwell Council Offices.

### **RESOLVED:**

- That the Committee note and agree the appointment of above-named Birmingham City Council member for the Birmingham and Sandwell Joint HOSC.

## **8. NHS BIRMINGHAM & SOLIHULL DRAFT ENABLING PRIMARY CARE STRATEGY**

Dr. Sunando Ghosh, Chair, General Practice Partnership Board and Anna Hammond, Director, GP Provider Support presented the NHS B/Sol draft Enabling Primary Care Strategy, setting out the shared vision of the sector. Key highlights are:

- The draft strategy is set in the context of the policy drivers such and the Fuller Stockdale Report which establishes a new vision for Primary Care and the Hewitt Report which highlights the need for a focus on more system-wide enablement.
- A key aspiration is to establish a single operating model going forward.
- There were engagement events with General Practice which resulted in primary care wishing to work as a coherent sector with one voice.
- General practice will work more closely at locality level to deal with emerging challenges and tackling health inequalities and establish a single voice for General Practice .
- Commitment to develop the Trust's Right Access First Time (RAFT) primary care transformation programme and ensuring a system-wide focus and response to improve patient satisfaction and address workload issues for primary care
- 4 key enablers were identified to help improve access to Primary Care; Digital, Estate, Funding and Workforce.
- Nursing capacity has dwindled and is affecting overall position. Numbers of trained GPs have gone up but not translating to extra capacity on the ground

- Community Integrators are being linked with Primary Care and together we are communicating with and involving citizens to be part of the solutions.
- Working towards creating capacity with increased digitalisation
- The new GP Provider support unit has been created , working on behalf of practices in Birmingham and Solihull. Digital transformation, Workforce support, innovation and Clinical Support are all included in the unit. The unit is undertaking development to better meet the needs of general practice and the population they are supporting.
- Access is a significant issue at local levels as set out by citizens and GPs. There is a 2 to 5 year programme in place and actions will be at practice, locality based as well as some initiatives across Birmingham and Solihull

The following are among the main points made in response to Members' questions:

- The GP Provider support unit is looking to build resilience and be proactive in dealing with emerging issues impacting on General Practice. Working with support services providers to ensure services are accessible and targeted appropriately to citizens and patients. Community Integrator models will help identify issues and needs on the ground.
- Improved care navigation will help to ensure appropriate signposting of people to services most appropriate to their needs, and to ensure they see the right people in General Practice.
- The General Practice Partnership Board is in discussion with UHB and ICB to streamline pathways in removing blockages for patients. These include improving direct access to diagnostics
- Recognition of the need to improve digitisation and communication with patients as far as General Practice websites are concerned. Considerations regarding Artificial Intelligence (AI) and how it can help improve information for GPs and patients.
- Working towards better management of people who see GPs when they don't really need to and improvements such as introducing a more improved digitised call-back system.
- The Provider Support Unit are keen to support practices to get more feedback from patients. They are working with organisations such as Healthwatch to help define anonymous text surveys queries for patients who have engaged with the system in the last three to four months, to help check on how the sector is making changes and making a difference.
- There is a pilot looking at real-time data within the GP provider support unit to provide information on how many patients have called GPs and how many were given appointments.
- The transformation programme is exploring ways of flagging up patients who need to see the same GPs.

- In terms of linking with community pharmacies, the Partnership Board and Provider Services in Primary Care are looking closely at improving linkages. This is an area we can expand on in the final draft of the strategy and feedback to the Committee soon.
- There is recognition of the value of wider council member involvement in engaging with the system and process across the 5 localities in the city, in improving communications with communities.
- Health Visitors' role can be part of the system-wide model, working with GPs to help improve early childcare. However, BCHT (Birmingham Community Healthcare Trust) will be in a better position to comment on how the role can be better utilised within the strategy and system. The Chair noted that this can be taken up with Birmingham City Council, who commission the service, as an action.

### **RESOLVED**

That the Committee note the draft NHS Enabling Primary Care strategy.

## **9. HEALTH AND ADULT SOCIAL CARE OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME FOR YEAR 2023/24**

The Overview and Scrutiny Manager presented an update report on the proposed work programme for the Health and Adult Social Care Overview and Scrutiny Committee for 2023-24, based on discussion at the Committee's meeting in July. Key updates and proposals made are:

- For the October meeting, agenda items proposed in work programme is to consider the report on development of the Inclusive Sports and Active City Strategy (as part of the Commonwealth Games Legacy) and Access to Dental Care report from B/Sol NHS. Birmingham Healthcare Community Trust (BHCT) is identified by Committee to help feedback on Access to Dental Care report. Scrutiny officers will follow up.
- It was agreed at the last Coordinating O&S Committee that there will be a standing item on all O&S Committee agenda to look at in year budget savings.
- The Children & Young People Mental health enquiry; to consider draft report at October's meeting before submission at November's full Council meeting.
- Quality Accounts Reports will be more system-based rather than focusing separately on individual organisations. ICB will bring report to the November meeting, from this, Committee may identify organisations working in priority areas and may wish to invite them to future meetings to report on performances in these areas.
- Continuous review of progress of ICB/ICS work in more detail throughout the year will need to be considered.
- Day Opportunities Review update scheduled for November.

- Work Programme to be reviewed for December to check other items that Committee may want to consider at that meeting.

The Committee agreed that it is imperative that officers attending and presenting at meetings are fully aware of the need to be on time at the meeting, and that not been on time is not acceptable. It was also noted that officers shouldn't be reading verbatim from reports as members would have already seen the reports prior to meeting. This allows members more time for questions.

**RESOLVED:**

That the Committee:

- Notes the information set out in Appendix 1 and identifies if any further topics need to be added to the menu of topics for the Committee to explore over the coming year.
- Agrees, subject to further input from the Chair and Deputy Chair, the issues that the Committee will consider during October – November 2023, the proposed aims and objectives and the preferred method of scrutiny.
- Agrees the approach to scrutiny of quality across NHS systems as set out in Sections 4.7 – 4.9.
- Identifies, subject to further input from the Chair and Deputy Chair, the issues that the Committee will consider in December 2023, the proposed aims and objectives and the preferred method of scrutiny.
- Notes, subject to further input from the Chair and Deputy Chair outside of the meeting, its proposed work programme will be submitted to Co-ordinating O&S to enable work to be planned and co-ordinated throughout the year.

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

None.

**11. OTHER URGENT BUSINESS.**

None.

**12. AUTHORITY TO CHAIRMAN AND OFFICERS**

**RESOLVED: -**

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

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The meeting ended at 11.45 hours.

**Birmingham City Council**  
**Health and Adult Social Care OSC**  
**17 October 2023**



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**Commissioner's Review**

All members of the Council are aware of the Council's financial position. It is of significant concern that so many of the current savings proposals are red rated at this stage in the financial year. That can only make the viability and deliverability of the required emergency budget a much harder challenge. The Committee needs to establish, for the projects it has overview, why this is happening and make recommendations for improvement or mitigation so that any shortfall can be recovered.

Comment only on the savings review report.



# Birmingham City Council

## Health and Adult Care Overview and Scrutiny Committee

Date 17 October 2023



**Subject:** Scrutiny of Delivery of 2023/24 Budget Savings and Update on Council's Response to Section 114 Notice and Financial Recovery Plan

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

**Report author:** Fiona Bottrill, Senior Overview and Scrutiny Manager,  
fiona.bottrill@birmingham.gov.uk.  
07395884487

### 1 Purpose

- 1.1 It was agreed at Co-ordinating Overview and Scrutiny Committee on 15 September 2023 that all O&S Committees will continue to scrutinise the delivery of existing 2023/24 savings. Appendix 1 sets out the red, amber, green (RAG) rated savings for 2023/24 by Committee and Directorate at the end of Quarter 1. Appendix 2 sets out the progress on delivery of savings during Quarter 2 and 3.
- 1.2 This agenda item also provides an opportunity for the Committee to consider the following and implications for the Committee's work programme:
  - The report considered at City Council on 25 September on the Council's Response to the Section 114 Notice and Financial Recovery Plan.
  - The announcement made by the Secretary of State for the Department of Levelling Up, Housing and Communities in the House of Commons on 19 September and the Section 5 Notice and supplementary Section 114 Notice issued on 21 September.
- 1.3 To assist with the task above the Scrutiny Team are in the process of contacting other authorities with similar experiences. Feedback on themes identified will be provided at the meeting.

### 2 Recommendations

The Committee:

- 2.1 Notes the Quarter 1 2023/24 savings set out in Appendix 1.

- 2.2 Receives the update for Q2 / Q3 attached as Appendix 2 and examines progress on delivery of the 2023/24 savings within the remit of the Committee's terms of reference (outlined in the [Council's Constitution, Part B, section 11.5](#)) and agrees any comments.
- 2.3 Considers the implications of recent events (highlighted in Section 1) on the scrutiny work programme.

### **3 Any Finance Implications**

- 3.1 Financial implications are set out in the relevant appendices.

### **4 Any Legal Implications**

- 4.1 Legal implications are set out in the relevant appendices.

### **5 Any Equalities Implications**

- 5.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 5.2 The protected characteristics and groups outlined in the Equality Act are: Age; Disability; Gender Reassignment; Marriage and Civil Partnership; Pregnancy and Maternity; Race; Religion and Belief; Sex, and Sexual Orientation.
- 5.3 The Committee should ensure that it addresses these duties by considering them during work programme development, the scoping of work, evidence gathering and making recommendations. This should include considering: How policy issues impact on different groups within the community, particularly those that share a relevant protected characteristic; Whether the impact on particular groups is fair and proportionate; Whether there is equality of access to services and fair representation of all groups within Birmingham; Whether any positive opportunities to advance equality of opportunity and/or good relations between people are being realised.
- 5.4 The Committee should ensure that equalities comments, and any recommendations, are based on evidence. This should include demographic and service level data and evidence of residents/service-users views gathered through consultation.



**6 Appendices**

- 6.1 Appendix 1: 2023/24 Savings Q1 Position by O&S Committee
- 6.2 Appendix 2: Update on Delivery of 2023/24 Savings During Q2 and Q3 by O&S Committee
- 6.3 Appendix 3: Council's Response to the Section 114 Notice and Financial Recovery Plan
- 6.4 Appendix 4: Birmingham City Council, Letter to Chief Executive 19 September
- 6.5 Appendix 5: Section 5 Report - 21 September
- 6.6 Appendix 6: Supplementary Section 114 Notice – 21 September



## 23/24 Savings Q1 Position by O&S Committee

### Summary

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

### List of Savings Projects

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

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

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

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

**Caveats:**

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

**Criteria for determining the RAG status of savings**

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





**Appendix 2: Health & Adult Social Care Committee - 23/24 Savings Position as at Q2****Summary**

This report updates Health & Adult Social Care OSC on the progress in delivering the 23/24 savings agreed in the MTFS 2023/26 that fall under this committee portfolio.

An extensive review process has been undertaken between Q1 and Q2 and the position reported below is as at Q2 (End of September 23).

**Background**

There are six specific areas of savings in 23/24 totalling £9.708m that fall under the committee portfolio and these are listed below on page 2.

Each area has been risk rated to indicate the current level of confidence in achieving each savings target either in-year during 23/24 or over the longer term MTFS period 2023/26. Page 3 of this appendix explains the risk rating criteria.

**Quarter 2 Position**

Of the £9.708m total £1.000m has been delivered (blue), £0.700m is green denoting low risk to delivery and the remaining £8.008m is Amber with medium risk to realising the savings in 23/24.

The Amber items totalling £8.008 relate to vacancy management, additional fees & charges income and savings through the wider Adults Transformation Programme. Currently these savings are rated Amber denoting medium risk partly due to the lack of monitoring information available through Oracle and partly due to the nature of changes being implemented, particularly through the adults transformation programme, which take much longer to realise.

However, work to deliver these savings is progressing and there is some confidence that most if not all of the target will be achieved in year. These Amber areas will need to be managed and monitored carefully throughout the year to ensure the full savings targets are achieved.

**List of 23/24 Savings Projects & RAG status as at Q2**

Directorate	OSC Portfolio	Summary Description	Delivery Risk In-Year 2023/24 (Saving) £'000	Delivery Risk Over MTFS (Saving) £'000
Adult Social Care	Health and Adult Social Care OSC	Looking at ways to enhance ICS/CCG partnership to harness pooled resources more efficiently eg BCF Inflation	(1,000)	(1,000)
		<b>TOTAL</b>	<b>(1,000)</b>	<b>(1,000)</b>
Adult Social Care	Health and Adult Social Care OSC	Special Impact team (SIT) complex case review accelerated and expanded to cover high cost packages	(500)	(500)
Adult Social Care	Health and Adult Social Care OSC	Case load packages Review	(200)	(200)
		<b>TOTAL</b>	<b>(700)</b>	<b>(700)</b>
Adult Social Care	Health and Adult Social Care OSC	3% Turnover factor (Vacancy management)	(2,850)	(2,850)
Adult Social Care	Health and Adult Social Care OSC	Fees & Charges 5%	(1,458)	(1,458)
Adult Social Care	Health and Adult Social Care OSC	Adults Transformation Programme. Savings from reducing demand for care services through building preventative and community models to provide low level, early interventions to help people live independently with minimal statutory support needed. At the programme's core is a strengths-based approach to adult social care provision, focussing on how individuals can lead fulfilling lives and filling in the gaps with support, rather than providing blanket support which invariably results in loss of independence and fulfilment. There are a range of initiatives included, (eg increased use of home adaptations, reenabling, review of complex care packages focusing on preparation for adulthood etc.), to ensure all levels and types of need, and all age groups, can be supported in this new way.	(3,700)	(3,700)
		<b>TOTAL</b>	<b>(8,008)</b>	<b>(8,008)</b>

**Caveats:**

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

**Criteria for determining the RAG status of savings**

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



# Birmingham City Council

## City Council

25<sup>th</sup> September 2023



**Subject:** **Response to Section 114 Notice –  
Financial Recovery Plan**

**Report of:** **Deborah Cadman, Chief Executive**

**Report author:** **Richard Brooks, Director of Strategy, Equality &  
Partnerships**

Does the report contain confidential or exempt information? ☐ Yes ☒ No

### 1 Executive Summary

- 1.1 On 5<sup>th</sup> September, the Section 151 Officer (Interim Director of Finance) issued a notice under Section 114 of the Local Government Finance Act 1988. The Council must now agree and implement a Financial Recovery Plan which balances our expenditure with our income, and funds or finances our liabilities. Our work to address the situation must be urgent, will involve hard choices about what we deliver and how we operate, and will result in a smaller organisation.
- 1.2 This report sets out the elements of our Financial Recovery Plan and how these are being taken forward. Further reports and decisions will be required as the detail is developed, including on savings and a revised Emergency Budget for 2023/24; on asset disposals; on redesigning our organisation to achieve a sustainable Medium Term Financial Plan; and on generating additional income. The Council is likely to require Exceptional Financial Support from government, including agreement to

capitalise some of our revenue liabilities and repay the associated borrowing over a period of time.

- 1.3 Developing our full Financial Recovery Plan must proceed quickly. Given the scale of the challenge, implementation is likely to be lengthy and there will need to be an extended period of rigorous spending control and tight financial constraint. We must find the best possible ways of working more effectively with our partners and more efficiently as an organisation. Throughout this we must remain focused above all on our citizens, protecting our vulnerable residents and communities, and must always put their needs first.

## **2 Recommendations**

2.1 Full Council is recommended to:

- I. Agree to accept the Section 114 notice issued on 5<sup>th</sup> September 2023 and the views set out within it, as described in section A below and Appendix 1.
- II. Agree to continue Spending Control measures under the direction of the Section 151 Officer until such date as the Council has passed an approved balanced Budget for 2024/25, as described in section B below and Appendix 2.
- III. Endorse the following activity now underway as part of our Financial Recovery Plan and described in section C below:
  - a. Measures to reduce spending and mitigate budget pressures for 2023/24, leading to a revised Emergency Budget for 2023/24.
  - b. Organisational Redesign work to reshape our services around citizens and within our available resources, to inform the 2024/25 Budget and deliver a balanced MTFP.
  - c. A Capital Strategy and Assets Review to identify options to raise funds and minimise borrowing costs.
  - d. A review of council-controlled companies and traded services to identify options to raise funds, reduce costs and reduce risk.
  - e. An Income Review to maximise sustainable income from all sources, including Business Rates, Council Tax, Grants and other income.

- f. Measures to achieve pay equity and stop the growth of our equal pay liability, including work to reduce the value of the potential liability and fund the actual liability.
  - g. Formal dialogue with DLUHC to explore options for Exceptional Financial Support, including potential capitalisation of revenue liabilities.
- IV. Agree to receive a further report and revised Emergency Budget for 2023/24 at an Extraordinary Council Meeting in late October; to note equalities considerations; to involve Overview & Scrutiny Committees; and to undertake public consultation and engagement as described below in section D below.

### 3 Background, considerations and proposals

#### A. Section 114 Notice

- 3.1 On 5<sup>th</sup> September, the Section 151 Officer (Interim Director of Finance) issued a notice under Section 114 of the Local Government Finance Act 1988. This was on the basis of a potential liability relating to Equal Pay claims in the region of £650m to £760m. The Council does not have sufficient resources to cover this potential liability.
- 3.2 In addition, the Council has also identified a budget shortfall for the current financial year (2023/24) of £87m, which is projected to rise to £165m in 2024/25; £177m in 2025/26, £172m in 2026/27 and £180m in 2027/28. These recurrent budget gaps highlight the seriousness of the underlying financial challenges faced by the council in addition to its potential Equal Pay liability.
- 3.3 Birmingham City Council set a budget for net expenditure of £925m in 2023/34. The scale of our financial challenge, and especially our potential Equal Pay liability, is large relative to the organisation's budget.
- 3.4 At the time the Section 114 notice was issued, the Council had moved into a negative General Fund position. In addition, the Council was not able to agree a solution for funding or financing its liabilities. For these reasons the Section 151 Officer was required in line with their statutory responsibilities to issue the Section 114 notice. **Members are recommended to consider the notice at Appendix 1 and accept it and the views expressed within it.**

- 3.5 Our work to address the situation must be urgent, will involve hard choices about what we deliver, how we operate, and the shape and size of the organisation. The Council acknowledges that the current situation will create uncertainty and in some cases disruption, and unreservedly apologises. It is committed to ensuring that citizens, partners and our own staff are regularly updated on the current situation and its future implications.
- 3.6 These serious challenges will not diminish the Council's ambition in supporting the upward trajectory of the City of Birmingham. Record levels of investment continue to flow into the city, and the Council will work with our partners to ensure this remains the case.
- 3.7 The Council also remains committed to working with key stakeholders in our diverse communities across the city, taking full account of equalities issues, and using all possible means to mitigate the impacts of the current cost of living crisis on our most vulnerable citizens.

***What the Council needs to do, as a result of the Section 114 notice***

- 3.8 Only approve new spending if it is essential during the period in which the restrictions brought in by the Section 114 notice remain in place – the spending controls that have been implemented are described in Section D.
- 3.9 Reduce spending to tackle the current budget gap in the 2023/24 financial year and the forecast budget gap for the 2024/25 financial year – the scope of this Financial Recovery Plan is described in Section E.
- 3.10 To set a balanced budget for the 2024/25 financial year (i.e. in which expenditure is covered by income), the Council must tackle the following financial pressures:
- a. Forecast financial pressures – as laid out in the Medium-Term Financial Plan update to Cabinet on 25<sup>th</sup> July 2023); and
  - b. Equal pay pressures – to quantify and cover the costs of the new Equal Pay claims.
- 3.11 These financial pressures must be tackled in time to enable Full Council to approve a balanced budget for 2024/25 by the end of February 2024.



## B. Spending controls

3.12 Spending controls were already in place prior to the issuance of the Section 114 notice. Since the Notice was issued, these controls have been strengthened in line with the requirements of the law. A Spend Control Board is in place, chaired by the Section 151 Officer, and a rigorous spend control process has been established across the organisation. No new non-essential spending is allowed, and any new essential spending must follow the agreed approval process. All financial delegations have been removed and no new agreements or commitments for expenditure are allowed without the explicit agreement of the Section 151 Officer.

3.13 To be considered essential, spending must meet one of the following criteria:

- a. It delivers a clear and referenced statutory obligation.
- b. It delivers a cashable saving compared to a current spending within a quantified time period.
- c. It is already legally committed.
- d. It is required to safeguard vulnerable citizens.
- e. Or, it is fully funded by an external grant. If partially funded, it must be considered against a-d above.

3.14 The Spending Control Manual, which sets out the full process, is included as Appendix 2. The Manual includes examples and some of the main categories of essential expenditure (version as of 18.09.23). To ensure transparency, the decisions of the Spend Control Board are published on the Council's public website (CMIS).

3.15 Continued Spending Control is an important element of the Council's Financial Recovery Plan, as all new spending creates additional pressures that must be funded. For this reason, **Members are recommended to continue Spending Control measures under the direction of the Section 151 Officer until such date as the Council has passed an approved balanced budget for 2024/25.**

## C. Financial Recovery Plan

3.16 The Council's Financial Recovery Plan will be overseen by a Financial Recovery Board working alongside the Spend Control Board. These will both report to a Strategic Team chaired by the Chief Executive, which will set direction, manage risk and ensure delivery. The Strategic Team will engage with both Elected Members and external partners of the Council. A Communication and Staff Engagement group supporting this structure will ensure that we communicate openly and transparently with all our key stakeholders in a consistent way.

### ***Approach to in-year 2023/24 savings***

3.17 The Cabinet received an update on the Council's Medium Term Financial Plan (MTFP) on 25<sup>th</sup> July 2023, including Quarter 1 of Financial Year 2023/24 (see Appendix 3). The report presented forecast budget pressures and inflation forecasts over the current financial year (2023/24) and the remaining financial years that make up the MTFP. It projected an in-year budget shortfall of £87m in 2023/24, rising to £165m in 2024/25, £177m in 2025/26, £172m in 2026/27 and £180m in 2027/28. These projected budget shortfalls did not reflect any additional costs relating to Equal Pay, including potential future liabilities or the cost of implementing any scheme of job evaluation. A budget of up to £20m for implementing a scheme of job evaluation was agreed by Cabinet on 25<sup>th</sup> July 2023 and will need to be reflected in an updated MTFP.

3.18 Many of the underlying forces driving these overspends are being felt by councils across the country. These include:

- a. **Rising demand and complexity pressures in essential services**, including provision of temporary accommodation; provision of social care and SEND services for children; and provision of adult social care. In total, demand and complexity growth adds £56m to the 2023/24 budget gap.
- b. **Rising costs of inflation**, primarily general inflation on costs of premises, transport, supplies and services costs. In total, inflation adds £21m to the 2023/24 budget gap.
- c. **Undelivered savings** which were agreed as part of the 2023/24 budget process but which are now considered to be at high risk. In total, savings considered to be at high risk add £33m to the 2023/24 budget gap.

- d. **Additional costs of Oracle implementation** have added to the pressures on the Budget and MTFP.

- 3.19 Services are now developing options for the maximum deliverable 2023-24 cashable revenue savings or additional 2023/24 income in their areas of responsibility. These may be one-off for 2023/24 or recurrent, but the more that is recurrent the more we can close the future MTFP gap. Proposals will include delivery timescales, milestones and an assessment of impact on services and citizens. Each proposal will have an identified officer below Director level to lead the development and implementation of the proposal. Savings must impact the General Revenue Fund, but within this we are not excluding any budget or service up front.
- 3.20 On the basis of this work, a revised Emergency Budget for 2023/24 will be presented to a further Extraordinary City Council meeting in late October.

### ***Organisational redesign for 2024/25 onwards***

- 3.21 The Council's expenditure is a consequence of our organisational design. The way we organise our resources to deliver services determines our cost base. Our latest review of our medium-term financial plan – with large imbalances currently forecast for all four years of the plan – demonstrates that our organisational shape and size is now out of balance with our income. We must therefore redesign our organisation around citizen needs in a way that fits our future budgets and delivers a balanced MTFP. We must also meet our Best Value duty under the Local Government Act 1999. We must be able to show that we have arrangements in place to secure continuous improvement and value for money in how we carry out our work, including our use of resources (one of seven themes in the Draft Best Value framework<sup>1</sup>).
- 3.22 There are some key opportunity areas and building blocks for creating a more economical, effective and efficient organisation through organisational redesign. These include:
- a. Leaner corporate services, based on successful implementation of Oracle and associated savings.

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<sup>1</sup> [Best value standards and intervention draft guidance \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

- b. Leaner service structures, cutting out duplication of functions and a focus on what value each role adds.
- c. Greater clarity about our service offers to citizens.
- d. More effective early intervention to reduce demand and cut costs of failure.
- e. More effective partnership with other public, private and community sector orgs, and a reduction in our own service provision.

3.23 In reviewing the design of the organisation, we will apply some key principles:

- a. Use a Values Framework that puts citizens first to guide decisions.
- b. Use evidence about citizen needs, value for money and impact.
- c. Develop a service offer and organisational design that fits the MTFP.
- d. Plan for staff reductions and support our staff through the process.
- e. Avoid crude ring-fencing and salami slicing of budgets.

3.24 Services that are considered statutory, and spending which is considered essential, are within the scope of this work. Even where we are meeting statutory duties, we need to consider how best to do this in the interests of citizens, in the most efficient and effective way. We will put citizen needs at the heart of this process and design our organisation around them, not simply seek to make existing services more efficient. In some cases this is likely to involve transfers of services and assets to other organisations.

3.25 We recognise that this process will result in a smaller organisation that employs fewer people. We have already launched a Mutually Agreed Resignation Scheme (MARS) which allows staff to express an interest in voluntarily resigning and, if this is agreed, receiving a non-negotiable exit payment. In addition, we are identifying a range of potential savings from the use of consultancy, interim and agency staff, which will inform the revised 2023/24 Budget as well as longer term organisational design thinking. To deliver best value for our citizens it is vital that we keep the best people in the organisation and attract the best talent to the Council.

3.26 Organisational Redesign work will be taken forward through the Financial Recovery Board, drawing on all other elements of the wider Financial Recovery Plan outlined in this report. The results will inform the development of a balanced Budget for 2024/25 and the Medium-Term Financial Plan.

### ***Limitation and funding of Equal Pay potential liability***

- 3.27 Our estimated potential equal pay liability was made public in a Council statement on 28 June 2023. That statement gave a range of between £650m and £760m and an accrual rate of £5m to £14m per month. The potential liability of £650-760m is calculated as at 31<sup>st</sup> March 2025. The principal solution to the Council's equal pay issues is the delivery of new terms and conditions of employment following a job evaluation study and a new pay structure that complies with the Equality Act 2010. Once we are paying all our people fairly and in accordance with the law, the liability stops accruing.
- 3.28 On 1st September 2023 the Council Business Management Committee met to consider options for a renewed Pay Equity System (PES) consisting of a job evaluation study and new pay structure, to be delivered by no later than 1st April 2025. This is the date at which the £650-760m potential liability is assumed to end. A new PES removes job inequality and means, from that date, employees should not have a further Equal Pay claim. If our implementation of the new pay structure is delayed beyond then, the potential liability will continue to increase.
- 3.29 There have been extensive discussions between the recognised trade unions and the Council with the intention of ensuring that employee interests are properly represented and protected through this process. It is strongly in the interests of all parties to conclude the job evaluation study and implement the new pay structure without delay, and for the whole process to be robust and fair. Delays will increase financial strain for the Council, which may result in the need for further spending reductions. If the process is not robust and fair, it will be open to challenge and may generate future claims.
- 3.30 Whilst the potential liability has been estimated at £650-760m, we do not yet know with certainty the actual amount the Council will pay to settle claims. An important next stage of work will involve examining whether and how we can reduce the overall liability, for example by agreeing to pay some claims early.
- 3.31 Equal Pay claims are a revenue liability, and normally it is not allowed to use capital receipts or borrowing to fund revenue costs. Given the size of the potential liability relative to our net expenditure budget of £925m in 2023/24, we will need to seek permission from the Department for Levelling Up, Housing and Communities

(DLUHC) to capitalise some or all of the costs. See sub-section below on Exceptional Financial Support arrangements.

### ***Asset sales and capital strategy***

3.32 The Council holds a large portfolio of assets, including extensive land and buildings around the city; ownership or part ownership of companies; and financial assets. The Council holds a large portfolio of liabilities including Gross Loan Debt of £3.3bn at 31<sup>st</sup> March 2023, and budgeted debt servicing costs are £239m for 2023/24.

3.33 A Capital Strategy and Assets Review will develop options for generating capital receipts and to reduce borrowing costs. This will involve reviewing:

- a. Committed capital spend: a review of all current capital programmes to understand what can be paused and what should continue.
- b. Borrowing costs: a review of existing borrowing to assess whether refinancing could reduce interest costs.
- c. Existing reserves: a review of all reserves and capital receipts that are committed to future spending plans.
- d. Assets: a review of all assets to assess which can and should be sold (and estimate the potential sale price). This will likely lead to an assets disposal programme.

3.34 Capital receipts will be necessary to help fund the potential Equal Pay liability (on the assumption that the liability can be fully or partly capitalised). They will also reduce the need for further borrowing and will therefore reduce the strain of debt on the Council's revenue budgets, allowing us to protect services for our citizens.

### ***Maximising income***

3.35 Alongside reducing expenditure and sales of assets, the Council must consider options for maximising income. Our main sources of income are Business Rates, Council Tax, grants and other income including fees and charges. We will need to consider a wide range of options to balance income against expenditure over the period of Medium-Term Financial Plan.

### **Requirement for Exceptional Financial Support**

3.36 Since 2020, the government has agreed to provide a small number of local authorities with support via the Exceptional Financial Support framework, following

requests from these councils for assistance with financial pressures that they considered unmanageable within the normal local government financial arrangements. Such support comes with significant conditions, including:

- a. An external assurance review focused on the council's financial position, and its ability to meet its budget gap without additional borrowing, for example through additional cost reductions.
- b. An effective response by the council to any recommendations from the external review, and regular progress reports (to DLUHC).
- c. An assumption that the council meets its own cost of exceptional financial support over time.

3.37 It is important to recognise that Exceptional Financial Support is almost never provided in the form of grant, but as permission to borrow or to apply capital receipts from asset sales. If Exceptional Financial Support is agreed, this is usually via a Capitalisation Directive from the Secretary of State. Any borrowing will then create future costs of servicing and paying off the debt.

3.38 The Council maintains regular communication with the Department for Levelling Up, Housing and Communities, and has been in discussions about a range of financial matters over recent months. This has included open and transparent discussions about our potential Equal Pay liabilities and wider financial pressures.

3.39 The Council has not up to this point formally sought Exceptional Financial Support. However, given the scale of the Equal Pay liabilities, such support is likely to be required, and this will require agreement with the Secretary of State for the Department for Levelling Up (DLUHC). Agreement of Exceptional Financial Support (EFS; likely a loan from DLUHC) is subject to negotiations. To enable the Council to set a balanced budget for 2024/25, such agreement will need to be in place (at least in principle) by the end of February 2024.

3.40 To get this agreement by end of February 2024, the Council will need to:

- a. Apply for EFS from DLUHC – including final confirmation of the Equal Pay liability, based on latest estimates.
- b. Carry out the work required to obtain an EFS – this will include review of savings, additional income (including potential additional Council Tax increases) and asset sales – to demonstrate to DLUHC that any funding

request would come after BCC had made tough choices and used existing assets.

- c. DLUHC Officials have confirmed that any EFS is only normally offered “for the residual funding amount” once a council has demonstrated a plan to reduce the amount required through savings proposals, asset sales and other activities as part of its Financial Recovery Plan.

#### **D. Engagement with Overview & Scrutiny, public consultation and engagement**

3.41 Overview and Scrutiny (O&S) is a key element of good governance and central to achieving best value for citizens. The Council’s O&S Committees have already held a round of meetings about the Section 114 notice and its implications, and have challenged specific factors contributing to our budget deficit including the non-delivery of savings. Going forward, O&S Committees will continue to have a key role both before and after decision making, challenging and improving proposals, and providing additional accountability for the effective implementation of agreed plans.

3.42 As we further develop and implement our Financial Recovery Plan, we will engage with residents and consult on how we will meet our Best Value Duty. Key opportunities for public engagement at the level of the whole local authority include setting our budgets and the medium-term financial plan. Further details of the Financial Recovery Plan will need to be developed by the end of October, to enable sufficient review and consultation prior to a draft budget for 2024/25 being completed, in time for formal consultation. In addition, there will be individual services where citizen engagement will be important as part of co-designing and changing what we do and how we do it, to best meet our residents’ needs within our available resources.

## **4 Legal Implications**

4.1 Section 114 (3) requires that: “The chief finance officer of a relevant authority shall make a report under this section if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.” The process for issuing a Section 114 report and the effect of it are set out in various sections under the 1988 Act. Subsection 3(A) requires the chief



finance officer to consult, so far as reasonably practicable, the Head of Paid service and the Monitoring Officer.

- 4.2 Section 115 of the 1988 Act requires Full Council to consider and decide on the report made under Section 114 within 21 days beginning on the day the report is issued. Full Council must consider the report at a meeting where it shall decide whether it agrees or disagrees with the views contained in the report and what action (if any) it proposes to take in consequence of it.
- 4.3 Section 115 (6) states that pending consideration of the report by Full Council, there is a prohibition period which runs from the date the report is made to the date of the Full Council meeting. During this period, the Council must not enter into any new agreement which may involve the incurring of expenditure (at any time) by the authority unless the chief finance officer of the authority authorises it to do so. Section 115(6A) states the chief finance officer may only give authority for the purposes of subsection (6) if he considers that the agreement concerned is likely to:
  - a. prevent the situation that led him to make the report from getting worse,
  - b. improve the situation, or
  - c. prevent the situation from recurring.
- 4.4 Section 116 requires the Council to notify its external auditors of the report and the time, date and place of the full Council meeting. The external auditors also need to be informed of the outcome of the meeting as soon as practicable. The external auditors have been kept informed of the emerging financial position and the planned work. The external auditors will need to consider the implications of this report on their statutory functions and the implications for their opinion on the 2019/20 and subsequent accounts which remain unaudited at the date of this report.
- 4.5 The Council's legal duties around budget setting are set out in Section 31A of the Local Government Finance Act 1992, which states:
  - a. In relation to each financial year a billing authority in England must make the calculations required by this section.
  - b. The authority must calculate the aggregate of:
    - i. the expenditure which the authority estimates it will incur in the year in performing its functions and will charge to a revenue account, other than a BID Revenue Account, for the year in accordance with proper practices.

- ii. such allowance as the authority estimates will be appropriate for contingencies in relation to amounts to be charged or credited to a revenue account for the year in accordance with proper practices.
- iii. the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure.
- iv. such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.
- v. any amounts which it estimates will be transferred in the year from its general fund to its collection fund in accordance with regulations under section 97(2B) of the 1988 Act,
- vi. any amounts which it estimates will be transferred in the year from its general fund to its collection fund in accordance with section 97(4) of the 1988 Act; and
- vii. any amounts which it estimates will be transferred from its general fund to its collection fund pursuant to a direction under section 98(5) of the 1988 Act and charged to a revenue account for the year.

## **5 Financial Implications**

5.1 Financial issues are the subject of this report and are addressed in the body text.

## **6 Public Sector Equality Duty**

- 6.1 The Council is strongly committed to equality and has statutory responsibilities to comply with both the Public Sector Equality Duty and the Equality Act 2010. These duties are concurrent with the duties imposed by the Section 114 notice, and we will continue to consider equalities implications in all relevant decision making, including decisions of the Spend Control Board. All spending control decisions are supported by information about the equalities implications of proceeding or not proceeding with the spending.
- 6.2 Birmingham is a superdiverse city with a high level of poverty and deprivation, and poor outcomes for key measures such as health and employment are associated

with specific protected characteristics. We will use the information now available through the City Observatory to inform decision making through our Financial Recovery Plan, including by providing evidence and insight about the pattern of need to allow more accurate targeting of our resources.

## **7 Background Papers / Appendices**

**Appendix 1:** Section 114 Notice issued 5th September 2023

**Appendix 2:** Section 114 Spending Control Manual

**Appendix 3:** Medium Term Financial Plan (MTFP) Refresh – update to Cabinet at Quarter 1 of the 2023/24 Financial Year (25th July 2023)

**Report to all Elected Members of Birmingham City Council**  
**Under**  
**Section 114 (3) of the Local Government Finance Act 1988**  
**By**  
**Fiona Greenway CPFA**  
**Interim Director of Finance (Section 151 Officer), Birmingham City Council**  
**Date of Report: 5<sup>th</sup> September 2023**

**Purpose of Report**

1. Members of the Council are asked to consider this report by the Section 151 Officer (the Chief Finance Officer). The report is made under section 114 (3) of the Local Government Act 1988 because the Section 151 Officer is of the opinion that:
  - a. The Council is currently in a negative General Fund position. That is because of the cost of providing for Equal Pay claims, that the Council is now legally obligated to recognise, will result in exceeding the financial resources available to the Council. This means that spend due within that period exceeded the financial resources available to the Council in that same period.
  - b. The Council has insufficient resources to meet that expenditure and the Council is not currently able to agree a solution that will allow suitable funding or financing to be obtained for this liability.
2. This report is being issued now because of the following individual factors:
  - a. Correspondence from External Audit on 1<sup>st</sup> September 2023 which raises concerns around the provisions for Equal Pay in prior year accounts, 2020/21 and 2021/22, being materially understated which means the Council would have exhausted its General Fund balance on an accounting basis.
  - b. Further confirmation of the historic value of the potential Equal Pay liability impacting prior years, which is becoming more evident that it is unaffordable for the council based on existing available reserves. Since the announcement of the Equal Pay liability we have received additional correspondence to put the Council on notice of further litigation from recognised Trade Unions and claimant lawyers.
  - c. Correspondence from External Audit on 1<sup>st</sup> September 2023 also enquires around the likelihood of the Council being able to generate savings, additional revenue income, and/or capital receipts to mitigate the financial challenges.
  - d. A projected deficit of £87m for the 2023/24 financial year, for which the Council does not have sufficient reserves based on the Equal Pay liability above, which is forecast to grow in the 2024/25 financial year.
  - e. Concerns over the speed and effectiveness of the mitigations which have been put in place to address the in-year budget challenges, and the ability of the Council to address our financial position. We must now make challenging financial decisions and stop non-essential spending.
  - f. Extensive discussions with External Auditors, regulatory stakeholders, and leading Kings Counsel who have confirmed our assessment of our financial position (i.e. liabilities exceeding assets) and statutory position (i.e. the requirement to issue a S114). This advice has confirmed the points raised above and the case for issuing a S114 notice.
3. As a result the Council is unable to finalise the provisions for Equal Pay set out in the 2020/21 and 2021/22 draft accounts, nor can I write the supporting going concern statements for these financial years, nor can I make a Section 25 statement in the Local Government Act 2003, nor

can I approve accounts for three financial years (2020/21, 2021/22, and 2022/23). Following extensive discussions with External Auditors and other regulatory stakeholders over the last few months, I have come to this conclusion.

4. The Section 114 Notice is issued following statutory consultation with both the Chief Executive (Head of Paid Service) and the Monitoring Officer. At the date of this report that consultation has taken place. Following the issuance of the Section 114 Notice the Council has 21 days to hold a meeting of Full Council to consider the report from the Section 151 Officer and decide how it will respond.
5. The purpose of this Section 114 report is to make it clear to Members of the Council that immediate steps must be taken to mitigate the financial consequences of Equal Pay claims. This means agreeing a plan which provides a route to bringing the General Fund back to a positive position and assurance that this will be successfully delivered. This should include:
  - a. An appropriate savings plan;
  - b. Full assessment of the capital programme (including delaying existing projects and reviewing assets for sale); and,
  - c. Engagement with Central Government via the Department for Levelling Up, Housing and Communities (DLUHC), resulting in a formal request for Exceptional Financial Support (EFS).

#### Recommendations

6. That Elected Members of Birmingham City Council must consider this report by Fiona Greenway, Interim Director of Finance (Section 151 Officer/ Chief Finance Officer) issued under Section 114 (3) of the Local Government Finance Act 1988.
7. That this report must be considered at an extraordinary meeting of Full Council, held no later than the end of 21 days (the maximum allowable period set out within the Local Government Finance Act 1988) from the date of issue of this report.
8. That Birmingham City Council (by which this means a meeting of Full Council) must decide whether it agrees or disagrees with the views documented within this report and outline what action it proposes to take because of this report.

#### Summary of key issues

9. This report is being issued now for the following reasons:
  - a. Officers informed Cabinet on 28 June 2023 that the potential cost of new Equal Pay claims (brought about as a result of existing claims of job enrichment and evidence of task and finish practices taking place in some teams) would be between £650 million and £760 million. This advice made clear that the Council does not have sufficient resources to cover this potential liability. It is likely that the Council will need to recognise this liability in the current or previous financial years which will result in a negative General fund balance. This is an unsustainable financial position for the Council to be in.

- b. In Q1 of FY23/24, the Council forecasted an overspend of £87m for the financial year, which was reported to Cabinet on 25<sup>th</sup> July 2023 and sets the context of the gravity and urgency of the Council's financial challenge. In the interim period a series of mandatory 'S114 like' spending controls have been in place across the Council to restrict exceptional spend. Progress made against the projected overspend has started, however pace of delivery needs to increase.
- c. Further, work has been ongoing on developing a savings programme to address the in-year budget gap for FY23/24, which is an issue to the Council regardless of the potential Equal Pay liability.
- d. The council's external auditor has now indicated that it expects the potential EP liability to be recognised in 2020/21 and 21/22. Based on current estimates it is expected there will be a negative General Fund balance. As such the Council's expenditure is now greater than the resources available to it (including reserves).

#### Consequences of a Section 114 Notice

10. The issuing of the Section 114 report has the following impact on the work of the Council:

- a. Elected Members must by law agree to cease all non-essential expenditure and reduce the Council's operational and service delivery costs immediately.
- b. Financial Controls will be exercised by a S151 Spend Control Board. Based on this S114 report, from this date this S151 Spend Control Board will be chaired by the Section 151 Officer. The controls will mean that from this date:
  - i. The Council is prevented, without explicit agreement of the Section 151 Officer, from entering into any new agreement or commitment for expenditure until Full Council has met to consider the Section 114 report. These controls may be re-applied after the date of this Full Council meeting.
  - ii. Temporary Measures are now in force such that all non-essential expenditure will now stop with immediate effect without written confirmation from the Section 151 Officer. For avoidance of doubt, non-compliance with this requirement will be considered a disciplinary matter by the Council. This supersedes all previous guidance on non-essential expenditure, with no exclusions or delegations of authority to Corporate Leadership Team (CLT).
  - iii. The controls outlined in (i) and (ii) will apply to all services being delivered through companies controlled by the Council, or where the Council supplies funding to companies that are jointly or partly owned by the Council.
  - iv. The Financial Controls apply to all Council services, including statutory services, services delivered through controlled companies and connected entities. A framework will be set in place to ensure this happens whilst ensuring that key services to children and vulnerable people are not affected because of these controls.
  - v. Spending Controls will now remain in place for the foreseeable future, with a Financial Recovery Plan reported to Full Council on a quarterly basis moving

forwards. This is not a plan that is developed in isolation by Finance, but a plan that is created and owned by all Directorates and Members.

- vi. Due to the significant potential Equal Pay liability, and no route for financing or limiting this liability, the Council's Capital Financing Requirement will need to be reviewed and re-calculated as a potential route to financing the liability. This means that no further loans will be sought from the Public Works Loan Board (PWLb) unless these are to be applied for capital purposes for which the Council is in contract, for the replacement of existing maturing loans, the maintenance of working capital, or other specified matters agreed by the PWLB in conjunction with DLUHC and the Section 151 Officer.
  - vii. Financial controls will generally have an adverse impact on the profit and loss accounts of various accounts and entities in receipt of support from the Council. The boards of these companies may look to the Council to make up for the lost funding from revenue resources. However, based on the current financial position of the Council, and the issuance of a S114 notice, the Council is unlikely to be able to consider provision of such support.
  - viii. If Financial Controls are not adhered to, or do not achieve the required outcomes, a further S114 notice will need to be issued.
- c. The Council has already implemented Financial Controls on spending – these are detailed in the report to Cabinet on 25 July of this year (entitled Medium Term Financial Plan (MTFP) Refresh – update to Cabinet at Quarter 1 of the 2023/24 Financial Year). This report extends these controls, such that, **the Council is prevented, without explicit agreement of the Section 151 Officer, from entering into any new agreement or commitment for expenditure until Full Council has met to consider the Section 114 report.**
  - d. Depending on the outcome of the Full Council meeting, these Financial Controls may need to remain in place until a solution is found to fund the costs of these Equal Pay claims. This is because the Council will lack the resources to maintain spending in all areas moving forward.

#### Financial Situation

- 11. As announced on 28 June 2023, following refreshed analysis it is estimated that as of the 31 March 2023 the Council's current potential Equal Pay liability is in the region of £650-760m. Detailed calculations are now being finalised for inclusion within the accounts for the 2020/21, 2021/22 and 2022/23 financial years, but they are material enough to warrant disclosure now.
- 12. Officers have begun consultation with the Department for Levelling Up, Housing and Communities (DLUHC). Potential support could enable the Council to make local arrangements to finance the cost, but would still require the Council to set a balanced budget and therefore make significant additional savings.
- 13. To enable the Council to cover the costs of any future loans, budget savings would need to be made. To address this challenge the Council has:
  - a. **Implemented Mandatory Spending Controls** for all non-essential expenditure. Mandatory spending controls mean that no new agreements or commitments for all

expenditure (including revenue, workforce, and capital) can be made unless specific criteria are met. Individual Directorate arrangements have acted as a first line of defence for the application of criteria, with a Finance Governance Board (chaired by the Leader with a panel of Members, including Independent Financial Advisor) in place to discuss exceptional spend decisions above £200k. This has now been in place since July, and we have seen additional control over exceptional spend. However, there is still a large value of spend being incurred across the Council in relation to the delivery of services against the criteria outlined as allowable expenditure.

- b. **Developed a Robust Budget Savings and Recovery Plan** which is a multi-workstream plan to address both in-year financial challenges and the longer-term transformational changes required to reduce the cost base for delivery of services across the Council. This plan has a number of identified workstreams and Directors have commenced developing saving opportunities with their teams. However, the savings identified will not be sufficient to address the significant Equal Pay liability.

- 14. This action has not yet been sufficient enough to mitigate Equal Pay pressures or tackle a range of existing budget pressures. These budget pressures are detailed in the report to Cabinet on 25 July of this year (entitled Medium Term Financial Plan (MTFP) Refresh – update to Cabinet at Quarter 1 of the 2023/24 Financial Year).

#### Legal Framework

- 15. Section 114 (3) requires that: “The chief finance officer of a relevant authority shall make a report under this section if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.”
- 16. The process for issuing a Section 114 report and the effect of it are set out in various sections under the 1988 Act. Subsection 3(A) requires the chief finance officer to consult, so far as reasonably practicable, the Head of Paid service and the Monitoring Officer. Both of these statutory officers have been fully briefed and consulted in the preparation of this report.
- 17. Section 115 of the 1988 Act requires Full Council to consider and decide on the report made under Section 114 within 21 days beginning on the day the report is issued. Full Council must consider the report at a meeting where it shall decide whether it agrees or disagrees with the views contained in the report and what action (if any) it proposes to take in consequence of it.
- 18. Section 115 (6) states that pending consideration of the report by Full Council, there is a prohibition period which runs from the date the report is made to the date of the Full Council meeting. During this period, the Council must not enter into any new agreement which may involve the incurring of expenditure (at any time) by the authority unless the chief finance officer of the authority authorises it to do so.
- 19. Subsection (6A) states the chief finance officer may only give authority for the purposes of subsection (6) if he considers that the agreement concerned is likely to: a. prevent the situation that led him to make the report from getting worse, b. improve the situation, or c. prevent the situation from recurring.
- 20. Subsection (6B) requires that authority for the purposes of subsection (6) shall:



- a. be in writing,
  - b. identify the ground on which it is given, and
  - c. explain the chief finance officer's reasons for thinking that the ground applies.
- 21. Subsection (8) states that if subsection (6) is not complied with, the Council shall be taken not to have had power to enter into the agreement (notwithstanding any option to do so under contract or otherwise). Therefore, the Council's actions will be deemed unlawful.
- 22. Section 116 requires the Council to notify its external auditors of the report and the time, date and place of the full Council meeting. The external auditors also need to be informed of the outcome of the meeting as soon as practicable. The external auditors have been kept informed of the emerging financial position and the planned work. The external auditors will need to consider the implications of this report on their statutory functions and the implications for their opinion on the 2019/20 and subsequent accounts which remain unaudited at the date of this report.
- 23. The Council's legal duties around budget setting are set out in Section 31A of the Local Government Finance Act 1992, which states:
  - a. In relation to each financial year a billing authority in England must make the calculations required by this section.
  - b. The authority must calculate the aggregate of:
    - i. the expenditure which the authority estimates it will incur in the year in performing its functions and will charge to a revenue account, other than a BID Revenue Account, for the year in accordance with proper practices.
    - ii. such allowance as the authority estimates will be appropriate for contingencies in relation to amounts to be charged or credited to a revenue account for the year in accordance with proper practices.
    - iii. the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure.
    - iv. such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.
    - v. any amounts which it estimates will be transferred in the year from its general fund to its collection fund in accordance with regulations under section 97(2B) of the 1988 Act,
    - vi. any amounts which it estimates will be transferred in the year from its general fund to its collection fund in accordance with section 97(4) of the 1988 Act; and
    - vii. any amounts which it estimates will be transferred from its general fund to its collection fund pursuant to a direction under section 98(5) of the 1988 Act and charged to a revenue account for the year.

#### Next Steps

- 24. The requirement of this S114 (3) notice is that an Extraordinary Meeting of the Full Council must happen within 21 days at which the Council must agree a response that addresses the issues outlined within this report. Full Council must consider whether it agrees or disagrees with the views contained within this report and determine action (if any) it proposed to take as a consequence. A failure to do so within the 21 days will lead to the issuance of a further s114 report.

25. As mentioned above, the Council needs to resolve funding the existing and accruing Equal Pay liability as well as address the Medium-Term Financial Plan Budget Gap for 2023/24 onwards.
26. The Financial Controls referred to in this report will operate from the date of this report. Elected Members must by law agree to cease all non-essential expenditure and reduce the Council's operational and service delivery costs immediately.
27. The timeline for activity over the coming months is as follows:
  - a. 5<sup>th</sup> September 2023 – Issue S114 Notice
  - b. Extraordinary Full Council Meeting by 26<sup>th</sup> September 2023 latest
  - c. Statutory deadline for Full Council to agree a response to this report by 26<sup>th</sup> September 2023 latest
28. Negotiations with DLUHC will continue over the coming months to determine an approach to financing the liability.

**Fiona Greenway CPFA**

**Interim Director of Finance (Section 151 Officer), Birmingham City Council**

**5<sup>th</sup> September 2023**

# Section 114 Spend Control Manual

*Guidance issued to support the Section 114 Report to all Elected Members of Birmingham City Council under Section 114 (3) of the Local Government Finance Act 1988, by Fiona Greenway CPFA, Interim Director of Finance (Section 151 Officer)*

[S114 Notice](#) [for information]

## Contents:

1. Spending Controls under the Section 114 Notice (page 2)
2. Process for Spending Controls and Approvals (page 3-4)
3. Wider activities to address financial challenges (page 5)

## Appendices:

- i. Examples of essential and non-essential spending (page 6)
- ii. Frequently Asked Questions (page 7)

***Temporary Measures are now in force such that all non-essential expenditure will now stop with immediate effect without written confirmation from the Section 151 Officer. For avoidance of doubt, non-compliance with this requirement will be considered a disciplinary matter by the Council. This supersedes all previous guidance on non-essential expenditure, with no exclusions or delegations of authority to Corporate Leadership Team (CLT).***



## 1. Spending Controls under the Section 114 Notice

*This section relates to new spending requests. Under the Section 114 notice, only essential spending requests will be approved. This means that no new non-essential spending is allowed and any new essential spending is only allowed subject to the approval process outlined in this document.*

### 1.1. What is essential spending?

1.1.1. Is the spend request related to a clear (and referenced) statutory obligation?

a) *This includes regulatory and legal requirements – i.e. essential health and safety*

**AND/OR**

1.1.2. Will this spend request deliver a cashable saving compared to current spending within a quantified time period?

a) *Robust business case with short payback period required, i.e. less than 24 months;*

b) *Business Cases to be reviewed by a group (established by S151 officer);*

c) *Recruitment will only be allowed for posts meeting requirement of 1.1.1 above and where the post is currently being covered by an interim and will therefore deliver cashable savings.*

**AND/OR**

1.1.3. Is this spend already legally committed? This means:

a) *Existing staff **payroll** and **pension** costs;*

b) *Expenditure required through **existing legal agreements and contracts**;*

c) *Payments for goods and services which have **already been received**.*

**AND/OR**

1.1.4. Is this urgent expenditure required to safeguard vulnerable citizens?

**AND/OR**

1.1.5. Does this spend impact the General Fund? If not, it is allowable i.e.:

a) *Is this spend fully funded by external grants (e.g. Dedicated Schools Grant)?*

*If this spend is partly funded by external grants, the S151 board will need to consider the specifics of the request*

b) *Non-BCC funds do not impact the General Fund. Further guidance will follow on this area.*

### 1.2. Consideration can be given to the following spending requests, if quantified:

1.2.1. Prevents requirement for a more expensive statutory service;

1.2.2. Capital decisions that reduce borrowing requirements AND/OR provide a capital receipt;

1.2.3. Prevents the loss of an external funding source (e.g. PFI grant from central government) that is used to pay for a statutory service;

1.2.4. Generates an income stream for the Council;

1.2.5. A contractual obligation which is not required for statutory services, in which exiting the contract will cost more than the proposed spend requested; and

1.2.6. It mitigates additional commercial risk to the Council.

***See Appendix 1 for examples of essential and non-essential spending.***

## 2. Process for Spending Controls and Approval

*This section relates to the process for approval of new spending requests of any value, as detailed in Section 1 (above). This includes setting a new board – the Section 151 Spend Control Board – that supersedes the previous Finance Governance Board.*

**2.1. The Council is prevented, without explicit agreement of the Section 151 Officer,** from entering into any new agreement or commitment for expenditure until Full Council has met to consider the Section 114 report. These controls may be re-applied after the date of this Full Council meeting.

**2.2. In practice, this means that:**

- 2.2.1. The existing scheme of Financial Delegation is superseded by the S114 notice. Only the Section 151 Officer can sign off new spend. This applies to new spend of any value.
- 2.2.2. Relative to existing spending controls in place across the organisation, this means that Directorate Spending Boards (and the Finance Governance Board) do not have the authority to approve new spending. These Boards can recommend spending to the Section 151 Officer only – to be approved via the S151 Spend Control Board
- 2.2.3. Further details of the approval process are in paragraph 2.5 below.

**2.3. S151 Spend Control Board Composition:**

- 2.3.1. Membership:
  - Section 151 Officer
  - Head of Paid Service
  - Deputy Section 151 Officer
  - Assistant Director, Finance & Deputy Section 151 Officer
  - Monitoring Officer
  - Assistant Director, Finance Performance & Insight
  - Assistant Director, Procurement
  - Interim Director of HR
  - Secretariat support provided by Committee Services
  - Observers:
    - Cabinet Member for Finance & Resources
    - Independent Financial Advisor
    - Relevant CLT and Cabinet members for items in their Directorate

*Note: Substitutes can be provided as needed based on availability.*
- 2.3.2. Regularity of meetings:
  - Daily boards
  - Weekly review sessions
- 2.3.3. Outcomes:
  - Decisions published on CMIS as written. These will be published at a set time every week (assume end of Friday).

**2.4. Terms of Reference**

- 2.4.1. To apply the Spend Controls outlined within the Section 114 report issued on 5<sup>th</sup> September 2023, and the guidance outlined within this Spend Control Manual.

## 2.5. Spending Controls Flowchart

Any financial delegations outlined in the Constitution or the scheme of delegation are now superseded by this S114 report. Decision making power has been removed and all financial decisions must be agreed and documented by the S151 Officer:



Note: Spend Form will be shared shortly and mirror the criteria for essential spending outlined in Section 1 of this document.

All approvals and rejections will be documented as evidence of the application of controls.



### 3. Financial Recovery Plan

*This Section relates to work required to address the in-year and future year budget gaps, based on existing and committed spend.*

#### **3.1. Review of existing revenue spend – what should be stopped, based on the criteria in Section 1 above?**

- 3.1.1. This should be part of the scope of work being led by Fiona Greenway and Richard Brooks on the Council's savings programme for current and future financial years

#### **3.2. Review of capital programme – how can the Council reduce the impact of existing borrowing costs? Can the Council free up spending to tackle the Equal Pay liabilities?** A requirement of this work – and likely from Department for Levelling Up, Housing & Communities (DLUHC) in advance of any Exceptional Financial Support (EFS) request – is confirmation of existing Council resources that can be used to mitigate the scale of any EFS request. (In simple terms, how much can the Council free up within existing resources, or what assets can it sell, to reduce the scale of any central government EFS package.) This will include reviews of:

- 3.2.1. Committed capital spend: This should include a review of all current capital programmes to understand what can be paused and what can continue
- 3.2.2. Borrowing costs: a review of existing borrowing to assess whether refinancing might reduce interest costs
- 3.2.3. Existing reserves: this includes a review of all reserves and capital receipts that are committed to future spending plans
- 3.2.4. Assets: the Council must review all assets to assess which can be sold (and estimate the potential sale price). This will likely lead to an assets disposal programme.

#### **3.3. This work should be owned collectively by the Executive Management Team (Cabinet members and Corporate Leadership team members).**

#### **3.4. Section 114 controls will remain in place until a Financial Recovery Plan can be agreed by Full Council to mitigate the budget gaps. This will include:**

- 3.4.1. A clear and actionable savings plan to tackle in-year and future year budget gaps – details in this section; and
- 3.4.2. Resolution on the EFS available from DLUHC.

#### **3.5. Ultimately, it will be the decision of the Section 151 officer as to whether the Financial Recovery Plan is sufficient, delivering (i.e. signs of tangible progress are clear to see), and reported to Scrutiny to enable the lifting of the spending controls laid out in this document.**

## Birmingham City Council – Section 114 Spend Control Manual

### **Appendix (i): Examples of essential and non-essential spending:**

#### **Essential Spending:**

Statutory Services: These are services that the council is legally obligated to provide and are considered essential. They typically include:

- Education (e.g., schools and special educational needs support)
- Social services (e.g., child protection, adult social care)
- Public safety (e.g., police and fire services)
- Waste collection and management
- Public health services (e.g., public health inspections, disease control)
- Debt Servicing: Payments on outstanding loans and debts are essential to maintain the council's financial integrity
- A library service

Staffing for Essential Services: Employee salaries and benefits related to delivering statutory services.

Maintenance and Repairs: Funding for essential infrastructure maintenance and repairs to ensure public safety and service continuity.

Emergency Provisions: Funds set aside for unforeseen emergencies or contingencies that could impact essential services.

#### **Non-Essential Spending:**

Discretionary Services: These services are not legally required but may enhance the quality of life in the community. Examples include:

- Parks and recreational facilities
- Cultural and arts programs
- Leisure centres and sports facilities
- Library Buildings

New Capital Projects: Investments in new infrastructure or construction projects that are not immediately necessary for public safety or statutory obligations.

Consultancy and Professional Services: Spending on external consultants, advisors, or professional services that are not directly tied to essential services or legal requirements.

Marketing and Promotion: Advertising and promotional expenses that are not critical to the delivery of essential services.

Non-Urgent Capital Expenditures: Capital spending on equipment, vehicles, or technology upgrades that are not immediately required for essential services.

Non-Essential Staffing: Hiring or maintaining personnel for roles not directly related to statutory services, which may include administrative or non-essential positions.

Events and Entertainment: Expenses related to hosting events, conferences, or entertainment activities that are not crucial for service delivery.

Non-Critical Travel and Training: Travel expenses and training programs that are not essential for maintaining statutory services.



## Birmingham City Council – Section 114 Spend Control Manual

### Appendix (ii): Frequently Asked Questions

- *Do these spend controls apply to **Birmingham Children's Trust (BCT)**?* – These controls apply to Birmingham Children's Trust (as this impacts Council spending through the General Fund), and the S151 Officer will work with the Director of Finance for the Trust to ensure spending controls mirror the guidance set out within this document.
- *Do these spend controls apply to **Capital spend**?* – These controls apply to all Council spend, including Capital spend. As well as approval at the Directorate Spend Control Board, Capital spend should be approved at the Capital Board prior to being added to the agenda for the S151 Spend Control Board.
- *Do these spend controls apply to **Grants**?* – These controls apply to all Council spend, including Grant and ringfenced spend. To approach Grant and ringfenced spend in the most pragmatic way possible, we are requesting that CLT Directors (or delegates) work with Finance Business Partners to assess Grant and ringfenced spend to identify approvals that are required for high frequency mandatory spend. This will allow a spend decision to be documented for this type of spend, whilst also limiting the need to repeat approvals.
- *What does **Value for Money** mean?* – For all spend requests relating to Value for Money should represent a cashable saving compared to the current spending within a quantified period of time. This means there should be a short payback period, delivering savings or reducing costs in a 24 month period. All business cases should be created in conjunction with Finance Business Partners, and approved prior to submission to the S151 Spend Control Board.
- *Does the S151 Control Board need to **approve everything**?* – Yes, as per the terms of the S114 notice. There needs to be a clear written and published decision for each decision made. That is why all decisions will need to go through this board. All of these decisions will be recorded on CMIS.
  - To approach spend in the most pragmatic way possible, we are requesting that CLT Directors (or delegates) work with Finance Business Partners to identify approvals that are required for high frequency mandatory spend. This will allow a spend decision to be documented for this type of spend, whilst also limiting the need to repeat approvals.
- *Which decisions need to go to **Cabinet or Full Council**?* – All spending decisions need to be approved by the S151 Officer. Once the spending decision is approved, if there is a further policy decision to be made, a request may need to go to Cabinet or Full Council for approval. Guidance will be provided by the Chief Monitoring Officer.
- *Do these spend controls apply to **Accountable Bodies**?* – These spending controls apply to any spending that will go through the General Fund.
- *What is the role of **Scrutiny Committees**?* – It is expected that Scrutiny committees, notably Finance & Resources, will receive a list of spending decisions made for comment and discussion.
- *How should **spending on extraordinary items** be approved?* – This document states that all spending should go through the process outlined in Section 2, namely through Directorate Spend Control Boards and then on to the S151 Spend Control Board. This includes current work to mitigate the issues with the Oracle.

**THIS DOCUMENT WILL BE SUBJECT TO REVISION AS THE SPEND APPROVAL PROCESS EMBEDS AND IS REVIEWED BY THE SECTION 151 SPEND CONTROL BOARD.**

# Birmingham City Council

## Report to Cabinet

25<sup>th</sup> July 2023



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

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

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

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

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

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 011384/2023		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### 1 Executive Summary

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

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

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

## 2 Recommendations

Cabinet is recommended to:

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

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

### 3 Background

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

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

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

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

#### **4 National & Local Financial Context**

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

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

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

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

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

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

## 5 MTFP – updated forecasts

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

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

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



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

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

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

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

**Inflation**

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



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

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

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

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

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

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

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

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

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

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

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

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

- 5.11 The following points should be noted about this savings forecast:
- This assumes that, in addition to the £55.2m of budgeted savings in the MTFP for 2023/24, there will be £9.5m of undelivered savings in 2022/23 that will need to be rolled forward for a total savings target of £64.9m in 2023/24. This will need to be confirmed as part of the outturn report for 2022/23 (and the number of undelivered savings could rise or fall).
  - The projects that are not expected to deliver target savings in 2022/23 include: Workforce savings (£2m); Traded Services (£1.6m); Council Admin Buildings Premises (£1.3m); Automation (£0.85m); Fieldworker / new ways of working (£0.8m); and Customer Services (£0.4m).
  - An initial high-level review of savings projects by the Financial Sustainability Programme Board, as at mid-May, suggests that approximately £33m (50%) of the total £64.9m required in 2023/24 is currently at risk of slippage/non-delivery. Key projects currently at high risk of slippage/non-delivery include: Children's Trust Savings - £6m; Reducing Bed and Breakfast spend - £5.5m; Commercial Investment/Property - £4.7m; Workforce Savings - £4m; CAB Premises - £3.7m; Traded Services - £3.1m; EIP/Localities Hub - £2.5m; Automation - £1.850m; Centres of Excellence - £1.8m; Customer Services - £0.990m; and Fieldworker - £0.8m
  - Work is currently progressing to review the risk levels and options for mitigation. Further information will be provided in subsequent reports to Cabinet on the 2022/23 outturn and the Quarter Two MTFP Refresh in October.
- 5.12 In addition to the savings above, this MTFP includes an additional £1.95m of vacancy factor savings (i.e., holding staff positions vacant as people leave) that

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

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

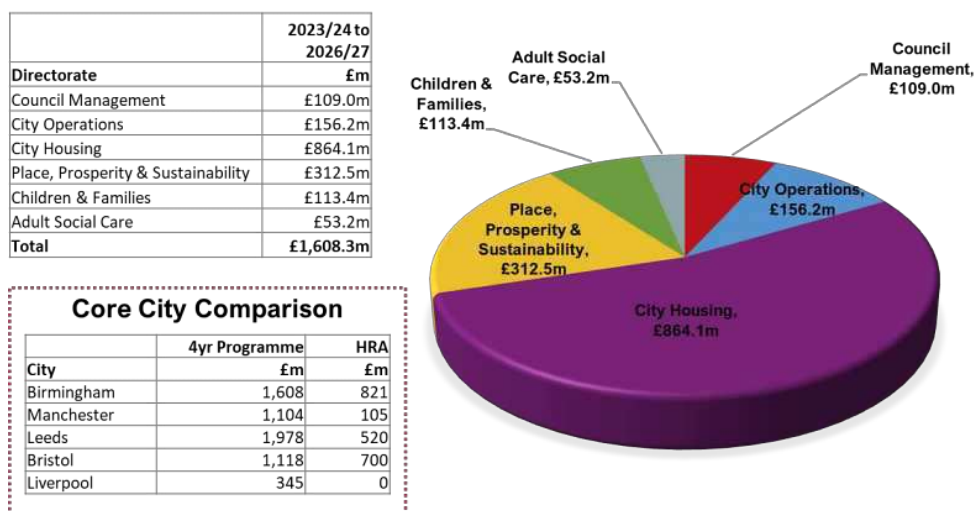
- a. **Business rates** – based on the draft 2022/23 outturn position for the Collection Fund, it is forecast that there is a deficit in business rates income of £27.8m due to a challenging economic environment for businesses (resulting in lower than forecast collection rates), a delay in enforcement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

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

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

### Capital Programme

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



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

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

### Corporate Reserves

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

## **6 Robust Budget Savings & Recovery Plan**

### Background

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

### Mandatory Spending Controls

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

6.4 **Mandatory spending controls mean that:**

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

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

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

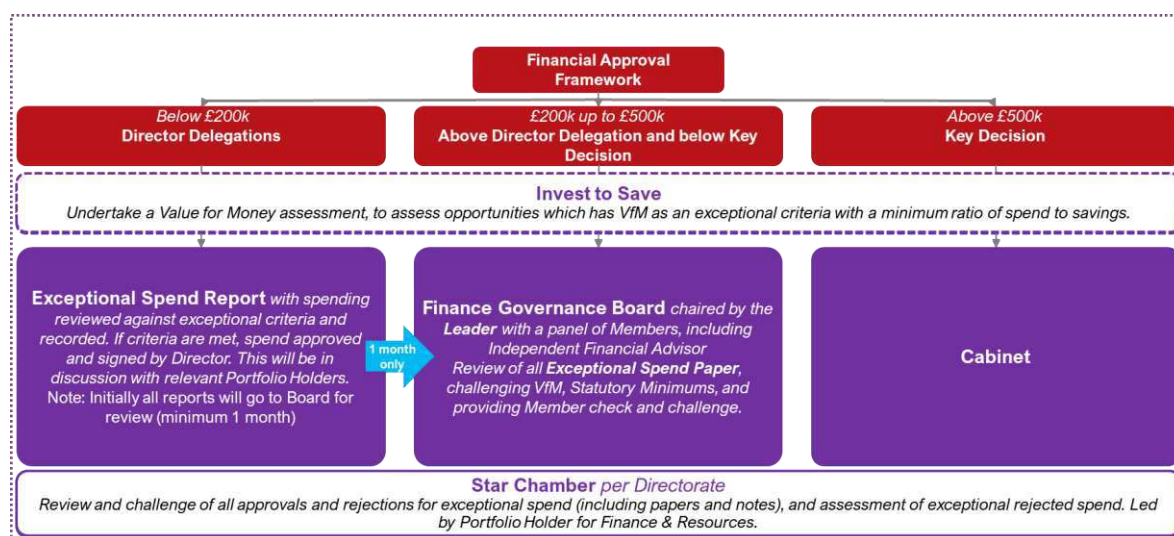
Robust Budget Savings & Recovery Plan

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

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



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



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

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

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

6.10 The Operational work streams are:

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

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

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

## 7 Next Steps

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

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

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



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

## 8 Next Steps

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

## 9 Risk Management

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

## 10 Compliance Issues:

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

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

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

**10.2 Legal Implications**

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

**10.3 Financial Implications**

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

**10.4 Procurement Implications (if required)**

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

**10.5 Human Resources Implications (if required)**

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

**10.6 Public Sector Equality Duty**

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



**Department for Levelling Up,  
Housing & Communities**

**Max Soule**

*Deputy Director, Local Government Stewardship*

**Department for Levelling up, Housing and  
Communities**

Fry Building, 2 Marsham Street  
London SW1P 4DF

[www.gov.uk/dluhc](http://www.gov.uk/dluhc)

Deborah Cadman OBE  
Chief Executive  
Birmingham City Council

*By email*

19 September 2023

Dear Deborah

I am writing to invite your Authority, if it wishes, to make representations to the Secretary of State about the intervention package that he is proposing. This letter will be published on [www.gov.uk](http://www.gov.uk).

The Secretary of State has carefully considered the evidence available. He is satisfied that your Authority is failing to comply with the requirements of Part I of the Local Government Act 1999 (the “1999 Act”), namely failing to comply with the Best Value duty, due to the Authority’s handling of its significant equal pay liabilities, governance concerns and systematic service weakness.

On that basis, he is considering exercising the powers of direction sections 15(5) and (6) of the 1999 in relation to your Authority to secure its compliance with the Best Value duty. The proposed intervention package is formed of two complementary parts: the first is a series of Directions which are set out at Annex A accompanied by a summary of the evidence that has led the Secretary of State to conclude that intervention is necessary and expedient to secure compliance with the best value duty. The proposed Directions provide Commissioners with the Authority’s functions concerning governance and scrutiny of strategic decision making, all functions associated with the strategic financial management of the Authority, all functions relating to the appointment, designation and dismissal of persons to positions as statutory officers, all functions associated with the Authority’s operating model and all functions pertaining to the performance management framework for officers holding senior positions and their recruitment. As well as this the Directions require the Authority to prepare an improvement plan within 6 months and report to Commissioners on said plan.

The second part is that the Secretary of State proposes to direct a local inquiry, which could consider the more fundamental questions around how Birmingham got to this position, assessing the Authority’s ongoing management of issues identified in the Kerslake review of the Authority in 2014 and the subsequent non-statutory intervention, and considering options for how it can become a sustainable organisation moving forward that secures best value for its residents.

Both parts share a common goal, which is to protect the interests and services of the people of Birmingham.

Your Authority is now invited to make such representations as it wishes about the Secretary of State's proposals. All such representations should be sent to [interventions@levellingup.gov.uk](mailto:interventions@levellingup.gov.uk), or in hard copy to the postal address above marked for my attention, to be received on or before **Tuesday 26 September 2023**. They will then be carefully considered by the Secretary of State. The Secretary of State considers the exceptional level of financial issues, significant governance concerns and the risks that these pose to your Authority's services and stability to be sufficiently urgent to carry out a shorter representations period than standard.

I am copying this letter to your Authority's Interim Section 151 Officer and Monitoring Officer.

Yours sincerely,

Maxwell Soule  
Deputy Director, Local Government Stewardship

## ANNEX

**PROPOSED INTERVENTION PACKAGE**

1. The Secretary of State is considering exercising his powers of direction under section 15 of the Local Government Act 1999 (“the 1999 Act”) in relation to Birmingham City Council (“the Authority”) to secure its compliance with the best value duty. He has considered the evidence, including the serious governance and service delivery concerns raised by three independent sources (the Local Government and Social Care Ombudsman, the Housing Ombudsman and the Department for Education’s Commissioner for Special Educational Needs and Disability at the Council); the flawed implementation of a new financial ledger system, Oracle; and the Authority’s handling of its significant equal pay liabilities, alongside the Section 114 notice issued on 5 September 2023.

2. The Authority has been beset by systemic failings over several years including poor culture, weak governance, a challenging relationship with trade unions and ineffective service delivery. These failings have been exacerbated by instability and churn at senior officer level. The Authority was in non-statutory intervention from 2015-2019 with an Advisory Panel, following the Kerslake report into the Trojan Horse affair. This found failings in governance, transparency, and financial management. The evidence from independent sources outlined above, alongside the Section 114 notice, highlight failings of great seriousness and provide evidence of significant and systemic best value failure. In light of this evidence, the Secretary of State is minded to implement the intervention package set out below. The Secretary of State believes the proposed intervention is necessary and expedient to secure compliance with the best value duty.

3. The Secretary of State has set out his proposals in order to assist the Authority to formulate any representations it may choose to make. He acknowledges that, save in cases of urgency, the Authority has a statutory right to make representations if the Secretary of State is considering making a direction. The Secretary of State considers the exceptional level of financial issues, significant governance concerns and the risk that these pose to the Authority’s services and stability to be sufficiently urgent to carry out a shorter representations period than standard. He will carefully consider those representations in deciding whether to make any and if so what Directions. He specifically reserves his ability to make further or revised Directions after implementing this, or any, intervention package (if that is what he decides to do).

*Overall purpose and approach*

4. The starting point is the evidence which highlight serious financial and governance concerns:

- On governance, whilst the Authority have commissioned an independent review which is due to report in the next few weeks, the seriousness and scale of the Equal Pay liabilities and failed implementation of the Oracle financial ledger system (estimated to be up to £100 million) highlight critical weaknesses in the Council’s broader internal control environment. There are also media reports of an internal report by the Labour Party that found a ‘dysfunctional’ climate amongst members, with associated implications for good governance and effective scrutiny.

- On financial governance, concerns have been present since the original intervention in 2015 and have been recently precipitated by the Authority's handling of the issues relating to Equal Pay and Oracle. The Section 114 notice was issued due to several factors, including correspondence from the external auditors Grant Thornton raising concerns around the provisions for Equal Pay in prior year accounts. Their assessment was that the size of the revised estimated Equal Pay (which the Authority currently estimates to be up to £760 million) means that the 2020/21 and 2021/22 accounts were materially misstated, and that the Authority did not have sufficient reserves to mitigate the cost of the liability due for these years. In addition to the acute financial position stemming from equal pay, the Authority is dealing with other difficulties. These include the costs of resolving the Oracle implementation, estimated at £100m, and the Authority's lack of progress in delivering planned savings – and that is before accounting for the potential liability relating to equal pay.
- On culture and leadership, the Authority has experienced extremely high levels of churn of senior staff in recent years. In the eight years prior to 2022, and following the 2014 Kerslake report, there had been nine chief executives and nine directors of children services. The Kerslake review also highlighted a culture of sweeping problems under the carpet or blaming them on others, rather than tackling them head-on.
- On services, the Authority has historic issues with its waste services as shown in the non-statutory intervention and recent cases considered by the Local Government and Social Care Ombudsman; a Department for Education Special Educational Needs and Disabilities intervention is in place; and the Local Government Social Care Ombudsman and Regulator of Social Housing have recently raised significant concerns with the Council about service delivery. The ongoing Equal Pay dispute is also causing continued friction with Trade Unions and there are risks of industrial action and impacts to service delivery.
- On capacity or capability to improve, the Kerslake review found that successive administrations had failed the City. It warned that the Authority lacked a clear vision, had failed to tackle deep-rooted problems such as low skills and was not doing enough to provide consistently good quality services. These problems have endured as highlighted by the Equal Pay liability issue and failed implementation of the Oracle financial ledger system.

5. The Secretary of State considers that given the evidence of financial and governance concerns, and the scale of the equal pay liabilities, intervention is necessary and expedient to address the circumstances of the Authority.

#### *Draft Directions*

6. The proposed package is centred on the appointment of Commissioners who would assume functions, as described in the enclosed draft Directions. The Commissioners will be backed by Directions, also enclosed in draft, issued to the Authority requiring them to take specific actions as a necessary and expedient action to secure compliance with their Best Value Duty.

7. Ministers will reflect on Commissioner appointments during the 'minded to' period to ensure they are fit for purpose to support the Authority moving forward. Given the scale of the issues the Secretary of State proposes that Directions to the Authority should be in place for five years, noting that the Authority's situation is severe, and the improvement and recovery journey is likely to take a number of years. If the Secretary of State considers at any time that it would be appropriate to change Directions or withdraw them, then he will do so. His concern will be to ensure that the Directions operate for as long, but only as long, and only in the form, as he considers it should operate in order to secure the objectives set out above.

## **ACTION THE AUTHORITY IS REQUIRED TO TAKE**

In this Annex, the following expressions have the following meanings –

“the Authority” includes the Leader of the Council, Cabinet Members, any committee or sub-committee; and any other person who has responsibility for the matter in question.

The actions to be taken by the Authority are:

1. Prepare and agree an Improvement Plan, which considers actions to secure continuous improvement and restore public trust across all the Authority’s functions with a particular focus on housing, waste, finance, HR, governance and corporate services; to the satisfaction of the Commissioners (which may include or draw upon improvement or action plans prepared before the date of these Directions), within 6 months, with resource allocated accordingly.
2. In the first 12 months to review the provision and operation of corporate services, (including HR, legal, internal audit, risk management, IT and systems, procurement and the PMO), to enable and support the effective delivery of front-line services and the smooth running of the authority, and to implement any required changes thereafter to the satisfaction of Commissioners.
3. To secure as soon as practicable that all the Authority’s functions are exercised in conformity with the best value duty thereby delivering improvements in services and outcomes for the people of Birmingham.
4. To report to the Commissioners on the delivery of the Improvement Plan at 6 monthly intervals, or at such intervals as Commissioners may direct.
5. To undertake in the exercise of any of its functions any action that the Commissioners may reasonably require to avoid so far as practicable incidents of poor governance, poor financial governance or financial mismanagement that would, in the reasonable opinion of the Commissioners, give rise to the risk of further failures by the Authority to comply with the best value duty.
6. To allow the Commissioners at all reasonable times, such access as appears to the Commissioners to be necessary:
  - a. to any premises of the Authority;
  - b. to any document relating to the Authority; and
  - c. to any employee or member of the Authority.
7. To provide the Commissioners, at the expense of the Authority, with such reasonable amenities and services and administrative support as the Commissioners may reasonably require from time to time to carry out their functions and responsibilities under these Directions.



8. To pay the Commissioners reasonable expenses, and such fees as the Secretary of State determines are to be paid to them.
9. To provide the Commissioners with such assistance and information, including any views of the Authority on any matter, as the Commissioners may reasonably request.
10. To co-operate with the Secretary of State for Levelling Up, Housing and Communities in relation to implementing the terms of these Directions.

## **FUNCTIONS OF THE AUTHORITY TO BE EXERCISED BY THE COMMISSIONERS**

In this Annex –

“The Authority” includes the Leader, Cabinet Members, any committee or subcommittee; and any other person who has responsibility for the matter in question.

“Statutory Officer” means any of: the Head of Paid Service designated under section 4(1) of the Local Government and Housing Act 1989; the Chief Financial Officer designated as having responsibility for the administration of the Authority’s financial affairs under section 151 of the Local Government Act 1972; the Monitoring Officer designated under section 5(1) of the Local Government and Housing Act 1989; and the Scrutiny Officer designated under section 9FB of the Local Government Act 2000 (and the expressions “statutory officer” and “statutory office” are to be construed accordingly).

“Senior positions” are defined as the Chief Executive, direct reports to the Chief Executive and their direct reports – tiers one, two and three.

The Commissioners shall exercise:

1. All functions associated with the governance and scrutiny of strategic decision making by the Authority.
2. All functions associated with the financial governance and scrutiny of strategic financial decision making by the Authority.
3. The requirement from section 151 of the Local Government Act 1972 to make arrangements for the proper administration of the Authority’s financial affairs, and all functions associated with the strategic financial management of the Authority, to include:
  - a. providing advice and challenge to the Authority on the preparation and implementation of a detailed action plan to achieve financial sustainability and to close any short and long-term budget gaps identified by the Authority across the period of its medium-term financial strategy (MTFS), including a robust multi-year savings plan;
  - b. providing advice and challenge to the Authority in the setting of annual budgets and a robust medium term financial strategy (MTFS) for the Authority, strictly limiting future borrowing and capital spending;
  - c. scrutiny of all in-year amendments to annual budgets;

- d. the power to propose amendments to budgets where Commissioners consider that those budgets constitute a risk to the Authority's ability to fulfil its best value duty;
  - e. providing advice and challenge to the Authority on the preparation of sustainable and affordable capital, investment and treasury management strategies; a strict debt reduction plan; and a revised minimum revenue provision (MRP) policy;
  - f. providing advice and challenge to the Authority on a suitable scheme of delegations for financial decision-making; and
  - g. ensuring compliance with all relevant rules and guidelines relating to the financial management of the Authority.
4. All functions relating to the appointment and dismissal of persons to positions the holders of which are to be designated as statutory officers, and the designation of those persons as statutory officers, to include:
- a. The functions of designating a person as a statutory officer and removing a person from a statutory office;
  - b. The functions under section 112 of the Local Government Act 1972 of –
    - i. Appointing and determining the terms and conditions of employment of an officer of the Authority, insofar as those functions are exercised for the purpose of appointing a person as an officer of the Authority principally in order for that person to be designated as a statutory officer; and
    - ii. Dismissing any person who has been designated as a statutory officer from his or her position as an officer of the Authority.
5. All functions to define the officer structure for the senior positions, to determine the recruitment processes and then to recruit the relevant staff to those positions.
6. All functions associated with the Authority's operating model and redesign of services to achieve value for money and financial sustainability.
7. All functions pertaining to the development, oversight and operation of an enhanced performance management framework for officers holding senior positions.



**Report to all Elected Members of Birmingham City Council**  
**Under**  
**Section 5 of the Local Government and Housing Act 1989**  
**By**

**Janie Berry, City Solicitor and Monitoring Officer, Birmingham City Council**

**Date of Report: 21<sup>st</sup> September 2023**

Purpose of Report

1. Members of the Council are asked to consider this Report prepared by the Monitoring Officer. This Report is prepared under Section 5 of the Local Government and Housing Act 1989. I am concerned that the Council has, at the date of this Report, failed to secure a decision relating to the implementation of a job evaluation programme (also known as Pay Equity System [PES]).
2. It is my duty as the Monitoring Officer to prepare a Report to the authority, if at any time it appears to them that:
  - a. *“any proposal, decision or omission by the authority, has given rise to or is likely to or would give rise to a contravention of any enactment or rule of law or of any code of practice made or approved by or under any enactment.”*
3. This includes the proposals, decisions or omissions by any committee or subcommittee of the authority, by any person holding any office or employment under the authority or by any joint committee on which the authority is represented.
4. This Report is published following statutory consultation with both the Chief Executive (Head of Paid Service) and the Interim Director of Finance and s151 Officer.
5. The purpose of this Report issued by the Monitoring Officer is to make it clear to Members of the Council that immediate steps must be taken to secure a robust PES which:
  - a. Is objective, robust and can be consistently applied and be Equality Act 2010 complaint so as to remove the risks of job enrichment, sex discrimination and cannot be open to legal challenge and thus incur future potential equal pay liability; and
  - b. Can mitigate the accruing potential equal pay liability published in June 2023, in the region of £650m-£760m with a monthly accruing liability of between £5m-£14m.

Recommendations

6. That Elected Members of Birmingham City Council consider this Report by Janie Berry, City Solicitor and Monitoring Officer issued under Section 5 Local Government and Housing Act 1989.
7. That this Report be considered at a meeting of Full Council, held no later than the end of 21 days (the maximum allowable period set out within the Local Government and Housing Act 1989) from the date of issue of this Report.
8. That Birmingham City Council (by which this means a meeting of Full Council) decide whether it agrees or disagrees with the views documented within this Report and outline what action it proposes to take because of this Report.

### Summary of key issues

9. A number of issues have arisen over an extended timeline:

#### *Context*

- a. The context to the decision around a PES can be found within the Council Business Management Committee papers, dated 1<sup>st</sup> September 2023. The decision of this committee was to agree to proceed with Option 2 as outlined within the appendices to this Report.
- b. The decision by the Council Business Management Committee was required in order to limit the ongoing accrual of a potential liability in relation to Equal Pay which is current estimates to be £650m-£760m, and is accruing at a rate of between £5m-£14m per month after the 1<sup>st</sup> April 2025. Any extension to the timeline to deliver a PES by this date would incur additional liability.
- c. The quantum of this estimated liability was first shared in February 2023. This demonstrates the significant time period over which this issue has been known.

#### *Timeline*

- d. Following a Cabinet Meeting on the 25<sup>th</sup> July 2023 the funding envelope for a PES was agreed, with the delegated decision for a new PES given to Council Business Management Committee to be agreed at the earliest date.
- e. Council Business Management Committee were initially due to meet on the 17<sup>th</sup> August 2023. This was reconvened due to a delay in the publishing of papers for this committee, which was driven by the involvement of the Local Government Association in delivery of additional negotiations between Officers and Elected Members.
- f. Council Business Management Committee were subsequently due to meet on 29<sup>th</sup> August 2023 at an extraordinary meeting. This was opened and adjourned due to the receipt of a letter from Minister Rowley informing the Council of the need to ensure Best Value considerations were suitably included within any decision made by the Council.
- g. Council Business Management Committee met on 1<sup>st</sup> September 2023, and the Report to be considered excluded two of the four options on the grounds of unlawfulness as a conclusion and under the Council's Best Value duty.

#### *Decision*

- h. The decision made on 1<sup>st</sup> September 2023 to proceed with Option 2, as outlined within the appendices of this Report, was conditional on the agreement of the addendum by the three recognised Trade Unions by 09:00 on Monday 11<sup>th</sup> September 2023.
- i. At the time of writing this Report, two of the recognised Trade Unions have responded confirming that they are unwilling to accept the proposed addendum and the third has not responded in the time allowed or at all.
- j. I have as such notified the Leader of the Council (and Chair of the Council Business Management Committee) of the potential options to progress a subsequent decision by the committee. Notifications had been made on 11<sup>th</sup> September 2023 and 12<sup>th</sup> September 2023.
- k. Following consultation with the Leader on Friday 15<sup>th</sup> September 2023, the Leader agreed that a Council Business Management Committee would be scheduled to propose approval of Option 4 by the Committee.
- l. I have since received a request on Wednesday 20<sup>th</sup> September 2023 from the Leader of the Council that Council Business Management Committee does not meet at this time.

- m. As a result of this, currently there is an omission to act or make a decision on the part of the Chair of the Committee.

#### Consequences of a Section 5 Report

- 10. The effect of a Report issued by the Monitoring Officer is that the decision in question shall be suspended until the end of the first business day following consideration of the Report by an Extraordinary Meeting of Full Council.
- 11. During the period between issuing of the Report and the Extraordinary Meeting of Full Council no steps can be taken which give effect to any proposal or decision relating to the issue in question.

#### Legal Framework

- 12. In preparation of this Report and pursuant to the Local Government and Housing Act 1989, the Monitoring Officer is required to consult with the Head of Paid Service and the S151 Officer and has done so.
- 13. Section 5 of the Local Government and Housing Act 1989 requires an extraordinary meeting of Full Council to consider and decide on the contents of this Report within 21 days beginning on the day the of the Report being issued.
- 14. Further legal implications can be found within the Cabinet and Council Business Management Committee papers which are appended to this Report.

#### Next Steps

- 15. The requirement of this S5 Report is that an Extraordinary Meeting of the Full Council must happen within 21 days at which the Council must agree a response that addresses the issues outlined within this Report. Full Council must consider whether it agrees or disagrees with the views contained within this Report and determine action it proposes to take as a consequence.
- 16. As mentioned above, the Council must make a lawful decision such that a process commences to deliver a Pay Equity Scheme that concludes by 1<sup>st</sup> April 2025.
- 17. The timeline for activity over the coming months is as follows:
  - a. 21<sup>st</sup> September 2023 – Issue S5 Report
  - b. Extraordinary Full Council Meeting by 12<sup>th</sup> October 2023 latest
  - c. Statutory deadline for Full Council to agree a response to this Report by 12<sup>th</sup> October 2023 latest

#### Appendices

- i. Cabinet Report – 25<sup>th</sup> July 2023
- ii. Council Business Management Committee Report – 1<sup>st</sup> September 2023
- iii. S114 Report – 5<sup>th</sup> September 2023

**Janie Berry**

**City Solicitor and Monitoring Officer, Birmingham City Council**

**21<sup>st</sup> September 2023**





**Report to all Elected Members of Birmingham City Council**  
**Under**  
**Section 114 (2) of the Local Government Finance Act 1988**  
**By**  
**Fiona Greenway CPFA**  
**Interim Director of Finance (Section 151 Officer), Birmingham City Council**  
**Date of Report: 21<sup>st</sup> September 2023**

Purpose of Report

1. Members of the Council are asked to consider this Report by the Section 151 Officer (the Chief Finance Officer). The Report is made under section 114 (2) of the Local Government Act 1988 because the Section 151 Officer is of the opinion that:
  - a. The omission of a decision by the Council Business Management Committee has resulted in (a) a decision which involves the authority incurring additional expenditure which is unlawful, and (b) the course of action (i.e. inaction) if pursued to conclusion would be unlawful and cause a loss or deficiency on the authority.
2. This Report is being issued alongside a Section 5 Report from the Monitoring Officer, dated 21<sup>st</sup> September 2023, because:
  - a. The Council Business Management Committee agreed, on Friday 1<sup>st</sup> September 2023, to proceed with Option 2, on the basis that a signed addendum would be returned to the Council by the three recognised Trade Unions by 09:00 on Monday 11<sup>th</sup> September 2023.
  - b. On Monday 11<sup>th</sup> September 2023 two of the recognised Trade Unions responded confirming that they are unwilling to accept the proposed addendum, and the third has not responded to date.
  - c. As a result, the decision made by Council Business Management Committee on Friday 1<sup>st</sup> September 2023 is no longer valid.
  - d. The Monitoring Officer has since informed the Leader of the Council and Chair of the Council Business Management Committee of the options to move forwards, on Monday 11<sup>th</sup> September 2023 and Tuesday 12<sup>th</sup> September 2023.
  - e. A date for the Council Business Management Committee has not been agreed, with no intention to set a date or make a decision as a result.
  - f. There is currently no methodology proposed to resolve the Equal Pay challenges facing the Council, and hence no process to limit the accrual of additional liability past 1<sup>st</sup> April 2025 (as the current estimates of potential liability of £650m to £760m assume that a new Pay Equity System is implemented on 1<sup>st</sup> April 2025; at present, the potential liability is accruing at a range of £5m-£14m per month).
  - g. Further details of this omission can be found within the Section 5 Report from the Monitoring Officer dated 21<sup>st</sup> September 2023.
3. As a result of the omission of a decision by the Council Business Management Committee, and since the liability will now continue to accrue, it is my opinion that the Council is now (a) accruing additional unlawful expenditure in the form of a growing liability, and (b) making a decision (by omitting a decision) that will result in a loss or deficiency for the Council and council tax payers. As such this triggers a notice under section 114 (2) of the Local Government Finance Act 1988.
4. The Section 114 Notice is issued following consultation with both the Chief Executive (Head of Paid Service) and the Monitoring Officer. Following the issuance of the Section 114 Notice the

Council has 21 days to hold a meeting of Full Council to consider the Report from the Section 151 Officer and decide how it will respond.

5. The purpose of this Section 114 Report is to make it clear to Members of the Council that immediate steps must be taken to mitigate the additional liability being accrued in relation to Equal Pay after the 1<sup>st</sup> April 2025. This means a suitable decision must be made such that a process commences to deliver a job evaluation programme (also known as Pay Equity System [PES]) that concludes by 1<sup>st</sup> April 2025.

#### Recommendations

6. That Elected Members of Birmingham City Council must consider this Report by Fiona Greenway, Interim Director of Finance (Section 151 Officer/ Chief Finance Officer) issued under Section 114 (2) of the Local Government Finance Act 1988.
7. That this Report must be considered at an extraordinary meeting of Full Council, held no later than the end of 21 days (the maximum allowable period set out within the Local Government Finance Act 1988) from the date of issue of this Report.
8. That Birmingham City Council (by which this means a meeting of Full Council) must decide whether it agrees or disagrees with the views documented within this Report and outline what action it proposes to take because of this Report.

#### Summary of key issues

9. Regarding the potential Equal Pay liabilities, there are two significant issues that the Council has to address:
  - a. The scale of the potential Equal Pay liabilities – this requires a Financial Recovery Plan to ensure the Council can pay for these liabilities. This was the subject of the S114 Report issued on the 5<sup>th</sup> September 2023 under section 114 (3) of the Local Government Finance Act 1988.
  - b. Ending the liabilities – by implementing a PES which would prevent the financial liability continuing to grow in the future. This is the subject of this S114 Report, issued as a supplementary document on the date shown, under section 114 (2) of the Local Government Finance Act 1988.

#### Consequences of a Section 114 (2) Notice

10. The issuing of the Section 114 (2) Report has the following impact on the work of the Council:
  - a. During the 21 day prohibition period the course of conduct which led to the Report being made shall not be pursued.

#### Legal Framework

11. Section 114 (2) requires that: “The chief finance officer of a relevant authority shall make a Report under this section if it appears to him that the authority, a committee or a joint committee on which the authority is represented—:
  - a. has made or is about to make a decision which involves or would involve the authority incurring expenditure which is unlawful,

- b. has taken or is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the authority, or
- c. is about to enter an item of account the entry of which is unlawful.”

#### Next Steps

12. The requirement of this S114 (2) Report is that an Extraordinary Meeting of the Full Council must happen within 21 days at which the Council must agree a response that addresses the issues outlined within this Report. Full Council must consider whether it agrees or disagrees with the views contained within this Report and determine action it proposed to take as a consequence. A failure to do so within the 21 days will lead to the issuance of a further S114 Report.
13. As mentioned above, the Council must make a lawful decision such that a process commences to deliver a PES that concludes by 1<sup>st</sup> April 2025. A failure to do so will lead to the issuance of a further S114 Report.
14. The timeline for activity over the coming months is as follows:
  - a. 21<sup>st</sup> September 2023 – Issue S114 Report
  - b. Extraordinary Full Council Meeting by 12<sup>th</sup> October 2023 latest
  - c. Statutory deadline for Full Council to agree a response to this Report by 12<sup>th</sup> October 2023 latest

**Fiona Greenway CPFA**

**Interim Director of Finance (Section 151 Officer), Birmingham City Council**

**21<sup>st</sup> September 2023**



# **HEALTH & ADULT SOCIAL CARE OVERVIEW & SCRUTINY COMMITTEE ACTION TRACKER – 2023/24.**

<b>Date of Meeting</b>	<b>AGENDA ITEM</b>	<b>ACTIONS</b>	<b>Officer lead</b>	<b>Update</b>
06/06/2023.	<b>Develop the HASC Overview &amp; Scrutiny Work Programme for year 23/24.</b>	<ul style="list-style-type: none"> <li>- To work with City Observatory who will provide information, data, and update in line with the Committee's Work Programme objectives and needs.</li> <li>- CQC approaches and priorities, and timescales for inspections: Performance information on Adult &amp; Social Care services.</li> <li>- Task and Finish work activities will need to be incorporated within the O&amp;S Committee calendar for the year.</li> <li>- Update from the Independent Care home sector to the Committee on Adult and Social Care homes contract performance.</li> <li>- The Chair, Deputy Chair, Scrutiny Team and Officers from the Strategy, Equality and Partnerships (SEP) Directorate will meet to draw up an outline work programme based on discussions on</li> </ul>	<p>Scrutiny Offices/City Observatory officers;</p> <p>Maria Gavin</p>	<p>City Observatory officers attended June meeting to provide update on ASC performance scorecard. To provide regular updates (dates TBC).</p> <p>Maria Gavin, AD, ASC to attend July meeting to provide information. Prof. Betts provided update at the July meeting on her behalf.</p> <p>Scrutiny Officers – Dates for T&amp;F groups agreed. Update in September meeting.</p> <p>As part of the Committee's remit across all Adult Social Care and NHS Services (including the 5 main NHS Trusts), as part of its Health Scrutiny function.</p>

		<p>issues from 6<sup>th</sup> June meeting and come back with this at the next meeting.</p> <ul style="list-style-type: none"> <li>- HASC OSC Members to consider looking at key priorities not just over the year, but over a two- or three-year period to get a fuller picture of key NHS functions such as Quality Accounts and Complaints procedure to inform service improvement</li> </ul>		Refer to work programme. To incorporate as part of Health Scrutiny function.
04/07/2023	ICB Governance: Place-Based Committees and Decision-making powers.	<p><b><u>Key recommendations agreed at HASC meeting of 4<sup>th</sup> July for action.</u></b></p> <ol style="list-style-type: none"> <li><b>1. Place-Based Board:</b> The ICB provides clarity on the decision-making powers at Board, Place, Neighbourhood and Locality levels and the degree to which powers and decisions will be delegated to Neighbourhood and Locality level. The ICB sets out the timescales and milestones to achieve the delegated powers to neighbourhood and locality level.</li> <li><b>2.</b> The ICB sets out the timescales and milestones to achieve the delegated powers to neighbourhood and locality level. The Committee recognises that the ICS is an evolving system however, members want to understand: <ul style="list-style-type: none"> <li>• The timescales to establish fully devolved powers and the key milestones to achieve this.</li> </ul> </li> </ol>	David Melbourne CEO, ICB.	<p>.</p> <p><b>Feedback received from B/Sol ICB and forwarded to members 6<sup>th</sup> Sept.</b></p>

		<ul style="list-style-type: none"> <li>• The resources and infrastructure that will be put in place to enable meaningful engagement and co-ordination at neighbourhood and locality level with local people and existing arrangements e.g. Community Navigators and Community Connectors</li> </ul> <p>3. The ICB sets out how elected members will be engaged in the neighbourhood and locality levels. The ICB sets out how elected members will be engaged in the neighbourhood and locality levels. The Committee recommend that the ICB explores how locality Team and Primary Care Networks engage with ward forums. This could initially be tested in the accelerator localities.</p> <p><b><u>Recommendations to the Director of Adult Social Care to raise with the CQC:</u></b></p> <p>4. That the CQC takes the opportunity of the pilot inspection of Birmingham City Council to explore how to best apply and adapt an inspection process to super diverse city with very large population. Members we particularly keen to understand how the inspection will engage with service</p>	Maria Gavin, AD ASC.	<p><b>(Recommendations 4-6: Feedback received from AD ASC, Maria Gavin and sent to HASC Members 6<sup>th</sup> Sept).</b></p>
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		<p>users from different communities to understand the lived experience of the diverse population.</p> <ol style="list-style-type: none"> <li>5. The ICB sets out the timescales and milestones to achieve the delegated powers to neighbourhood and locality level. The Committee recognises that the ICS is an evolving system however, members want to understand:</li> <li>6. That the findings and report from the pilot inspection is shared with the Committee to inform the work programme and enable members to add value to the service improvement journey for Adult Social Care.</li> </ol> <p><b><u>Other Actions to come back to HASC:</u></b></p> <p><b>CQC Inspection on Adult &amp; Social Care:</b> Findings and report from the pilot inspection is shared with the Committee to inform the work programme and enable members to add value to the service improvement journey for Adult Social Care</p> <p><b>Community Integrator Model:</b> Share copy of Birmingham Community Healthcare Trust (BCHC) paper from ICB on options for Community Integrator Model.</p>		<p>Pilot inspection held mid-August 2023. Awaiting CQC report.</p> <p><b>Report received from ICB and shared with HASC members (sent 25.8)</b></p>
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04/07/2023.	<b>Commissioning Services contracts.</b>	<b>Substance misuse recommissioning process:</b> Committee to have input in proposals to cabinet	Karl Beese, Commissioning Manager, ASC.	<b>HASC feedback sent to Karl Beese to include in commissioning proposals to cabinet on 31/7.</b>
19/09/2023	<b>Scrutiny of delivery of 23/24 budget savings; response to Section 114 update &amp; Financial Recovery plans</b>	Standing item on meeting agenda until further notice. To receive update on progress.	Mohammed Sajid, Head of Financial Strategy	Regular progress update from Finance Team on budget savings and implications for Adult & Social Care
19/09/2023	<b>Enabling Primary Care Strategy</b>	Community pharmacies, the Partnership Board and Provider Services in Primary Care are looking closely at improving linkages – work on this to be highlighted in Final Draft of strategy.	Anna Hammond, Director of GP Provider Support, NHS Birmingham/Solihull & Suando Ghosh, Primary Care Medical Services Board Partner Member.	To update committee on final strategy when published.



# Birmingham City Council

## Health, Adult and Social Care Overview and Scrutiny Committee

Date 17<sup>th</sup> October 2023



**Subject:** Development of the Creating an Active Birmingham Strategy and the Sports Strategy

**Report of:** Humera Sultan (Consultant in Public Health), Lynda Bradford (Interim Physical Activity Service Lead) and Dave Wagg (Head of Sports and Physical Activity)

**Report author:** Lynda Bradford and Helen Corrigan

### 1 Purpose

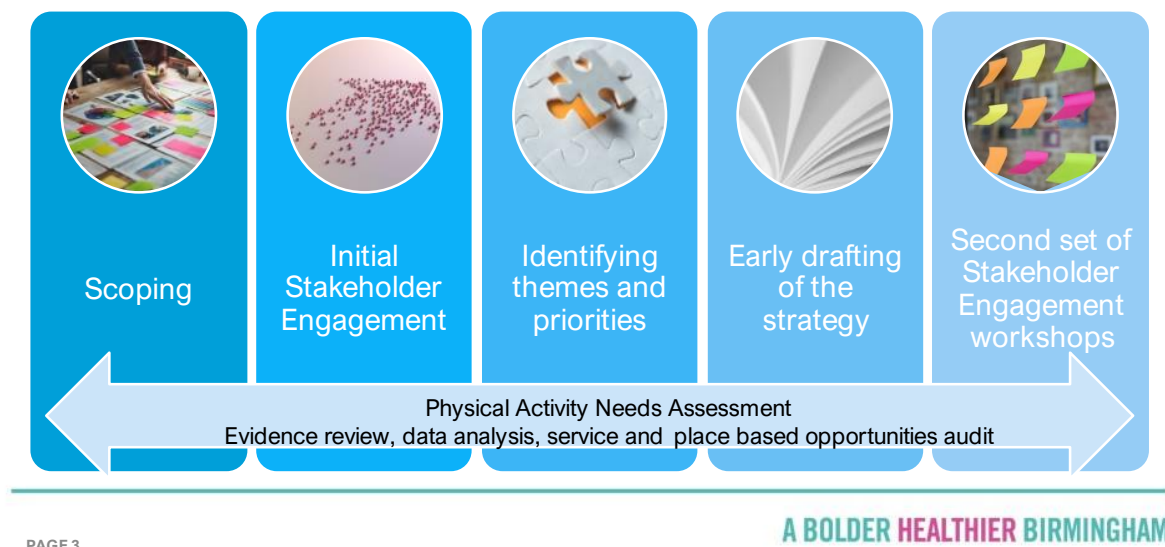
- 1.1 The Commonwealth Games held in Birmingham in 2023 brought people from diverse backgrounds across business, sport, leisure, and wider communities together to enjoy a spectacular event. It raised the profile of Birmingham and provided the city with economic and social benefits. It introduced different types of sports to people who have gone on to continue spectating or partaking in them, as well as hosting the biggest programme of para-sports ever at a Commonwealth Games.
- 1.2 The Commonwealth Games, Culture and Physical Activity O&S Committee and the Health and Social Care O&S Committee carried out a review in 2023 titled 'The Promoting Health and Wellbeing: A Commonwealth Games Legacy' review in which one of the recommendations was to develop and adopt a new inclusive Sports Strategy and a Physical Activity Strategy.
- 1.3 This report informs the Health, Adult and Social Care Overview and Scrutiny Committee of progress on the development of a Physical Activity Strategy for Birmingham 'Creating an Active Birmingham' and a Sports Strategy for Birmingham.

#### Creating an Active Birmingham Strategy

- 1.4 In November 2022, Public Health brought stakeholders together to scope what a Physical Activity Strategy for Birmingham could look like.
- 1.5 In January 2023 a Physical Activity Needs Assessment was commenced and a review of data both national and local: policy both national and international;

evidence base and research led to a set of recommendations. These recommendations along with stakeholder engagement have informed the draft 'Creating an Active Birmingham Strategy' which goes to Cabinet for permission to consult with the public in November this year.

### Creating an Active City Strategy so far..



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1.6 There are five emerging Themes for the strategy: Active People; Active Society; Active Environment; Active System; and Closing the Gap. Each of these priorities aim to support the factors that enable people in Birmingham to be active and tackle the factors which prevent people being active.

- Active People - Creating and promoting access to opportunities taking a life course approach across multiple settings to enable people to engage in regular physical activity.
- Active Society - changing the narrative around physical activity across the city building insight and evidence into policy, commissioning, planning decisions and communication messages and marketing campaigns.
- Active Environment - creating and protecting the places and spaces that promote and engage people of all ages and abilities in activity.
- Active System - creating a more integrated and interconnected system by strengthening our local leadership, governance, partnerships and workforce capabilities.
- Closing the Gap – continuing to develop a better understanding of local barriers and enablers to increase activity across the city and ensure we focus on the least active groups as identified in the Physical Activity Needs Assessment.

- 1.7 There are many physical activity inequalities within Birmingham, not least in those with a physical or psychological impairment. The strategy is all age and inclusive and theme five Closing the Gap prioritises programmes of work that target communities with the lowest levels of inactivity.
- 1.8 The next stage of Strategy Development is to consult with the people of Birmingham about the themes and the vision for the strategy which is:
- 'We will create a bold, healthy, and active city where people have access to a wide range of opportunities and a supportive environment to enable them to become more active. Birmingham will be a city where physical activity improves people's lives and the places in which they live. By working collaboratively with partners from across Birmingham we will inspire, motivate, and make it easier for everyone to be active at every age and ability'.*
- 1.9 A consultation plan has been prepared, and once Cabinet has given permission to consult with the community, the consultation will run from the 20<sup>th</sup> November 2023 to the 15<sup>th</sup> January 2024.

#### Sports Strategy

- 1.10 Knight, Kavanagh & Page, (KKP), were appointed in April 2023 and commissioned to carry out consultation and gathering of insight in the development of a Birmingham Sports Strategy and action plan.
- 1.11 A multi stakeholder steering group has been established to guide, check, challenge, and advocate for the strategy, with representation from the Sports Service, Sport England, Sport Birmingham, The Active Wellbeing Society, Public Health, the Events Team, West Midlands Combined Authority, and the education sector.
- 1.12 The role of the steering board has been to agree the scope and structure of stakeholder engagement and ensure the right groups and organisations are consulted with, ensuring appropriate representation particularly across disabled groups, ethnically diverse groups, all age groups, and genders.
- 1.13 An outline framework in respect of key principles, themes and measurement has been drafted and is being developed and updated as consultation takes places.
- 1.14 KKP, have carried out consultation with sports clubs, community groups and National Governing Bodies of sport, in the form of semi-structured online interviews, and face to face meetings. These interviews have explored issues and challenges in terms of growing and sustaining participation and relationships with key institutions including the Council, Sport England, Sport Birmingham, and The Active Wellbeing Society.
- 1.15 Desktop research has been undertaken to understand emerging linked research, such as the legacy impact of the Birmingham 2022 Commonwealth Games, and interpretation of learning and outcomes of existing sports and physical activity

programmes in the city including the Local Delivery Pilot and the Commonwealth Active Communities programme, to transfer knowledge and understand best practice principles to adopt.

- 1.16 The next steps in the development of the Sports Strategy are to engage with the education sector and conduct a high-level facility audit across the city's facilities, ranging from Council operated wellbeing and community centres to community owned hubs and private sports sites.
- 1.17 A key issues paper will be prepared in November to summarise the findings from all consultation and stakeholder engagement, and the facility audit, for consideration by the steering board. This will lead into the next stage of strategy development of identifying key themes and the development of an outline strategic framework to be tested and consulted via resident level engagement.

#### Alignment between the Creating an Active Birmingham Strategy and the Sports Strategy

- 1.18 Public Health and the Sports Service are working together to align their strategies as the effective development of both will help the people of Birmingham become more active and reduce the impact of health inequalities.
- 1.19 The permission to consult with the public for the PAS is going to the HWB and Cabinet in November and the Sports Strategy early 2024.
- 1.20 The timelines for development of the PAS and Sports Strategy are slightly different but the implementation of plans to deliver change will come together in 2024
- 1.21 By May 2024 both strategies will have plans to implement change.

## **2 Recommendations**

To note the work being carried out to create both Strategies and the alignment between the two.

## **3 Any Finance Implications**

### Creating an Active Birmingham Strategy

- 3.1 Due to the council's current financial situation, the cost of producing the strategy is solely that of Officer time. The consultation to be commenced in November 2023 will use alternative means of advertising rather than the traditionally paid routes.
- 3.2 Implementation of the Strategy in May 2024 will largely be via partner organisations who have key roles in delivering the aspirations of the strategy, whilst Public Health will support data analysis, administration of the Creating an Active City Forum and key projects over the 10 years of the strategy using ring fenced money.

### Sports Strategy

- 3.3 An award report was approved under delegated authority of the Head of Sport & Physical Activity in May 2023. The total of the sports strategy commission is £75,198.00.

## **4 Any Legal and Financial Implications**

### Creating an Active Birmingham Strategy

- 4.1 No legal issues are anticipated.

### Birmingham Sports Strategy

A 12-month contract is in place, until May 2024, with Knight, Kavanagh & Page Limited to develop the Sports Strategy.

## **5 Any Equalities Implications**

- 5.1 Both Strategies are focused on being all age and inclusive and an EIA will be prepared for each.
- 5.2 Appendix 1 show details of the Draft Creating an Active Birmingham Strategy EIA which is to be ratified by the EIA panel in October 2023.
- 5.3 An EIA will be drafted for the Sports Strategy upon taking the draft strategy to cabinet for approval.

**6 Appendices**

- 6.1 Appendix 1: Draft Creating an Active City EIA
- 6.2 Appendix 2: Presentation: Development of the Creating an Active Birmingham Strategy and the Sports Strategy



## Appendix 1: Draft Creating an Active City EIA

<b>Title of proposed EIA</b>	Creating an Active Birmingham Strategy EIA
<b>Reference No</b>	
<b>EA is in support of</b>	A new physical activity strategy for Birmingham
<b>Review Frequency</b>	Once every 3 years
<b>Date of first review</b>	March 2027
<b>Directorate</b>	SEP
<b>Division</b>	Public Health
<b>Service Area</b>	Physical Activity
<b>Responsible Officer(s)</b>	Justin Varney
<b>Quality Control Officer(s)</b>	
<b>Accountable Officer(s)</b>	
<b>Purpose of proposal</b>	To ensure our strategy minimises the risk of inequalities being widened
<b>Data sources</b>	<ol style="list-style-type: none"> <li>1.Active Lives Adult Survey Nov 21-22 (Sport England, 2023)</li> <li>2.Physical activity: applying All Our Health Updated (Office for Health Improvement and Disparities (OHID, March 2022)</li> <li>3.Initial findings from Covid19 Health &amp; Wellbeing Impact Survey (J. Varney, August 2020)</li> <li>4.Physical activity: exercise referral schemes (National institute for Health and Care Excellence, 2014)</li> <li>5.Physical activity referral standards (Public Health Scotland, 2022)</li> <li>6.Behaviour change: digital and mobile health interventions (National Institute for Health and Clinical Excellence, 2020)</li> <li>7.Healthy Communities: place-based built environment interventions to reduce health inequalities by increasing physical activity (Cambridge Centre for Housing &amp; Planning Research, 2022)</li> <li>8.Moving Matters – interventions to increase physical activity (National Institute for Health Research, 2019)</li> <li>9.Physical Activity: encouraging activity in the community [QS183] (National Institute for Health and Care Excellence, 2019)</li> <li>10.Place-based approaches for reducing health inequalities: main report (Public Health England, 2021)</li> <li>11.Understanding and addressing inequalities in physical activity (Public Health England, 2021)</li> <li>12. <a href="#">Pregnancy And Exercise - StatPearls - NCBI Bookshelf (nih.gov)</a></li> </ol>

<b>Please include any other sources of data</b>	Local data from the Canal Trust, Road Traffic Accidents, Sustrans, and The Active Wellbeing Service
<b>Initial impact assessment</b>	The level of inactivity in some groups in Birmingham are significantly lower than others and these inequalities exist because of a range of factors including access to services and resources that support people to be physically active. In recognition of this, the strategy has a key priority called 'Reducing the gap' which aims to carefully consider how to prevent physical activity inequalities widening.
<b>Protected characteristic: Age</b>	
<b>Age details:</b>	38% of children and young in Birmingham are inactive. 39% of adults 55+ are inactive.
<b>Protected characteristic: Disability</b>	
<b>Disability details:</b>	People living with a disability or long term condition are a third more likely to be inactive compared to people without (44% v 28%). Those with disabilities report having fewer access to opportunities for physical activity.
<b>Protected characteristic: Gender</b>	
<b>Gender details:</b>	35% of women are inactive compared to 28% of men. 35% of girls are meeting the CMO guidelines for PA compared to 47% boys Women and girls report feelings of lack of safety when walking and cycling which impacts on their levels of physical activity. Other factors such as, sexism from coaches, concerns about sweating, and looking unattractive when hot impact on activity levels.
<b>Protected characteristics: Gender Reassignment</b>	

<b>Gender reassignment details:</b>	Trans people report engaging in less physical activity than non-trans people – this is related to issues around body image concerns and access to adequate changing facilities.
<b>Protected characteristics: Marriage and Civil Partnership</b>	
<b>Marriage and civil partnership details:</b>	No issues identified.
<b>Protected characteristics: Pregnancy and Maternity</b>	
<b>Pregnancy and maternity details:</b>	Research suggests that only 40% of pregnant women exercise.
<b>Protected characteristics: Race</b>	
<b>Race details:</b>	People from an Asian (excl. Chinese) background are nearly twice as likely to be inactive compared to a white British background (43.1% compared to 26.5%).
<b>Protected characteristics: Religion or Beliefs</b>	
<b>Religion or beliefs details:</b>	Belonging to a particular religion or belief can help support increasing levels of physical activity.
<b>Protected characteristics: Sexual Orientation</b>	
<b>Sexual orientation details:</b>	Mental health is cited as a key barrier to physical activity alongside other unique and substantial barriers such as homophobia, transphobia, exclusion, and discrimination.
<b>Socio-economic impacts:</b>	
<b>Please indicate any actions arising from completing this screening exercise</b>	Twice as many people living in the most deprived areas of Birmingham are inactive compared to those living in the least deprived areas of Birmingham. 39% of adults living in IMD1 localities in Birmingham are inactive compared to only 21% of adults living in IMD 10 localities in Birmingham.
<b>Please indicate whether a full impact assessment is recommended</b>	No
<b>What data has been collected to facilitate the assessment of this policy/proposal?</b>	Local intelligence has been gathered from focus groups of those with seldom heard voices. National data sources and research has been

	interrogated to collect the data necessary for this EIA too.
<b>Consultation analysis</b>	To be determined post Cabinet in November 2023. Pre cabinet consultation with a range of seldom heard voices suggests that there are lots of opportunities to reduce the inequalities associated with physical activity.
<b>Adverse impact on any people with protected characteristics</b>	None identified – the strategy clearly recognises the need for targeted action in these groups within ‘closing the gap’. The strategy is an inclusive population level initiative and supports all the needs of people with protected characteristics.
<b>Could the policy/proposal be modified to reduce or eliminate any adverse impact?</b>	No – already the strategy pays high regard to tackling inequalities. All the way through development and delivery there has been a consideration of the protected characteristics and some of the delivery plan will be targeted to decrease inequalities between different communities.
<b>How will the effect(s) of this policy/proposal on equality be monitored?</b>	A creating a physically active city (CPAC) dashboard is being developed and will have some equality metrics Data collection from local services will continue and grow, as well as review of data from national surveys.
<b>What data is required in the future?</b>	Focus groups with seldom heard voices of Birmingham residents should be repeated to understand changes being made within particular groups. Also need to develop processes to collect local physical activity data about children and young people.
<b>Are there any adverse impacts on any particular group(s)</b>	No
<b>If yes, please explain your reasons for going ahead</b>	NA
<b>Initial equality impact assessment of your proposal</b>	This strategy will have a positive impact on equalities for Birmingham residents.
<b>Consulted People or Groups</b>	Formal consultation to be completed post Cabinet. Seldom heard voices focus groups held with: <ul style="list-style-type: none"> <li>• Deaf and hard of hearing</li> <li>• Older People</li> </ul>

	<ul style="list-style-type: none"> <li>• LGBTQ+</li> <li>• Long Term Conditions</li> <li>• Asylum seekers and refugees</li> <li>• Young Women</li> <li>• Adults of Working Age with Mental Health Conditions</li> <li>• Teenagers</li> <li>• 3rd/4th Generation Migrants</li> <li>• First Generation Migrants</li> <li>• Unemployed</li> <li>• Chinese, Vietnamese, Korean Migrants</li> <li>• Individuals with autism</li> <li>• Pregnant and post natal women</li> <li>• Unpaid Carers</li> <li>• People with a Physical or mobility disability</li> <li>• People with Learning Disability</li> </ul>
<b>Informed People or Groups</b>	
<b>Summary and evidence of findings from your EIA</b>	Nearly all protected characteristics show some inequality with respect to physical activity. The strategy put forward is cognisant of this and includes a particular theme around closing this gap. This strategy will have a positive impact on equalities for Birmingham residents.
<b>Submit to the Quality Control Officer for reviewing?</b>	
<b>Quality Control Officer comments</b>	
<b>Decision by Quality Control Officer</b>	
<b>Submit draft to Accountable Officer?</b>	
<b>Decision by Accountable Officer</b>	
<b>Date approved / rejected by the Accountable Officer</b>	
<b>Reasons for approval or rejection</b>	



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# Development of the Creating an Active Birmingham Strategy and the Sports Strategy

Health, Adult and Social Care Overview  
and Scrutiny Committee

17<sup>th</sup> October 2023

Humera Sultan (Consultant in Public Health)

Lynda Bradford (Interim Physical Activity Service Lead) and

Dave Wagg (Head of Sports and Physical Activity)



# Creating an Active Birmingham Strategy





# Creating an Active City Strategy so far..



### **Draft Vision**

*We will create a bold, healthy, and active city where people have access to a wide range of opportunities and a supportive environment to enable them to become more active. Birmingham will be a city where physical activity improves people's lives and the places in which they live. By working collaboratively with partners from across Birmingham we will inspire, motivate, and make it easier for everyone to be active at every age and ability.*

### **Draft Priorities**

Priority 1 - **Active People** Creating and promoting access to opportunities taking a life course approach across multiple settings to enable people to engage in regular physical activity.

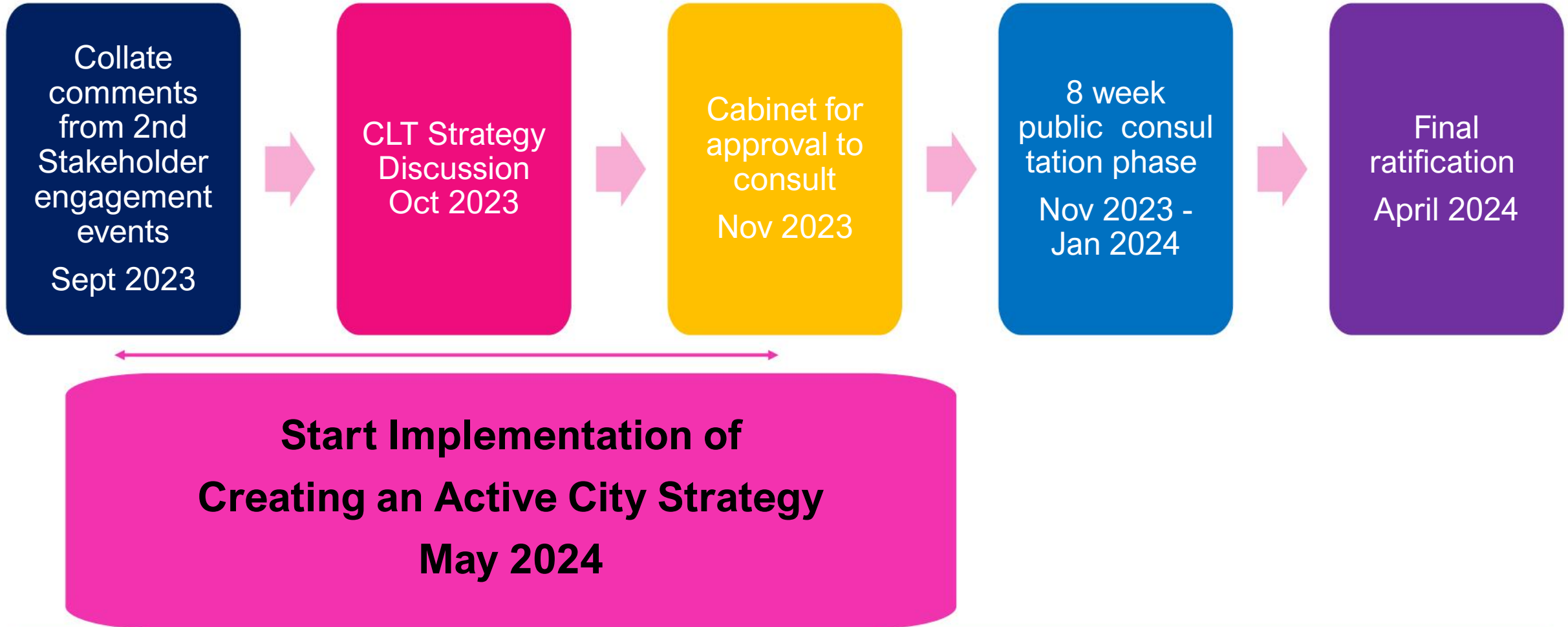
Priority 2 – **Active Environments** creating and protecting the places and spaces that promote and engage people of all ages and abilities in activity

Priority 3 - **Active Society** changing the narrative around physical activity across the city building insight and evidence into policy, commissioning, planning decisions and communication messages and marketing campaigns.

Priority 4 - **Active System** creating a more integrated and interconnected system by strengthening our local leadership, governance, partnerships and workforce capabilities.

Priority 5 – **Closing the gap** continuing to develop a better understanding of local barriers and enablers to increase activity across the city and ensure we focus on the least active groups as identified in the Physical Activity Needs Assessment.

# Next Steps for Creating an Active City



# Sports Strategy



# Creating the Sports Strategy



KKP appointed to develop the Sport Strategy for Birmingham April 2023



Multi stakeholder Steering Group established



Thirteen consultations with sports clubs and community groups



Consultations with other stakeholders and desktop analysis



# Next Steps for the Sports Strategy



MS Teams based consultations with seventeen NGBs



Engagement with Primary and Secondary Education Sector



Prepare key issues paper in autumn 2023

# Alignment of the Creating an Active City Strategy and the Sports Strategy



Public Health and Sports Service are working together to align their strategies as the effective development of both will help the people of Birmingham become more active and reduce the impact of health inequalities.



The timelines for development of the PAS and Sports Strategy are slightly different but the implementation of plans to deliver change will come together in 2024



The permission to consult with the public for the PAS is going to the HWB and Cabinet in November and the Sports Strategy early 2024



By May 2024 both strategies will have plans to implement change





# Birmingham City Council

## Health, Adult and Social Care Overview and Scrutiny Committee

Date 17 October 2023



**Subject:** Dental Access

**Report of:** Paul Sherriff, Chief Officer Partnerships and Integration,  
NHS Birmingham and Solihull ICB

**Report author:** Rebecca Woods, Tracey Harvey,  
Office of the West Midlands ICBs

### 1 Purpose

- 1.1 To provide an update on demand and access to dental services in Birmingham and to provide assurance on the actions being taken to address.

### 2 Recommendations

- 2.1 The Committee is asked to note the report.

### 3 Any Finance Implications

- 3.1 Improving Access to dentistry will require additional investment and changes to the national contract.

### 4 Any Legal and Financial Implications

- 4.1 None identified in the report

### 5 Any Equalities Implications

- 5.1 For the NHS reducing health inequalities is an important priority. As commissioning recommendations are made, the impact on accessibility and qualities is a factor in decision making

### 6 Appendices

Appendix 1: Dental Access Presentation Birmingham HASC 171023



# Dental Access

Data Month: July 2023 (Month 4)

**Birmingham City Council**

**Health, Adult and Social Care Overview and Scrutiny Committee**

**17<sup>th</sup> October 2023**

Presenters : Rebecca Woods, Head of Primary Care Commissioning,  
Tracy Harvey, Senior Commissioning Manager,  
Office of the West Midlands - Partnership of West Midlands ICBs  
And  
Paul Sherriff, Chief Officer for Partnerships and Integration, NHS BSOL ICB

In August 22 the 6 West Midlands ICBs agreed there was benefit in working at scale across the six West Midlands ICBs covering: Birmingham and Solihull ICB; Black Country ICB; Coventry & Warwickshire ICB; Hereford & Worcestershire ICB; Shropshire & Telford & Wrekin ICB; Staffordshire and Stoke ICB

The Office of the West Midlands now works :

To manage the mobilisation and commissioning of delegated functions from NHS England (NHSE) with regard to Direct Commissioning

- Community Pharmacy, Optometry & Dentistry, GMaST, Complaints (responsibility from April 2023 with staff transferred on 01 July 2023)
- a sub-set of specialised services (responsibility for April 2024) with Immunisations and Screening (expected from April 2025) with all staff transfers on 01.04.2025

An agreed West Midlands work programme for the ICBs where working together would add value and benefit for the population and the systems.

To jointly consider other functions and services that NHSE may be reviewing for either delegation or transfer of hosting responsibility as part of their future design – e.g. West Midlands Cancer Alliance.

## Vision and Purpose

### VISION:

***Through at scale collaboration and distributive leadership the Office of WM will add value and benefit to a shared set of common goals and priorities for West Midlands citizens and patients.***

### Purpose:

The core purpose is to :

- To commission a set of agreed functions at a West Midlands level on behalf of 6 ICBs through shared leadership and joint decision making
- To identify shared priorities and goals and clear projects and work programmes to deliver them
- To bring together in a single host ICB the shared teams and staff supporting the Office of the West Midlands and their ICBs.
- To develop distributive leadership and expertise across an agreed range of functions/teams for the benefit of all ICBs
- To provide a single coherent voice for the West Midlands ICBs where appropriate /a single point of contact/shared voice for change
- To share learning and support improvement across the ICBs
- To achieve best value and efficiency by working at scale where appropriate

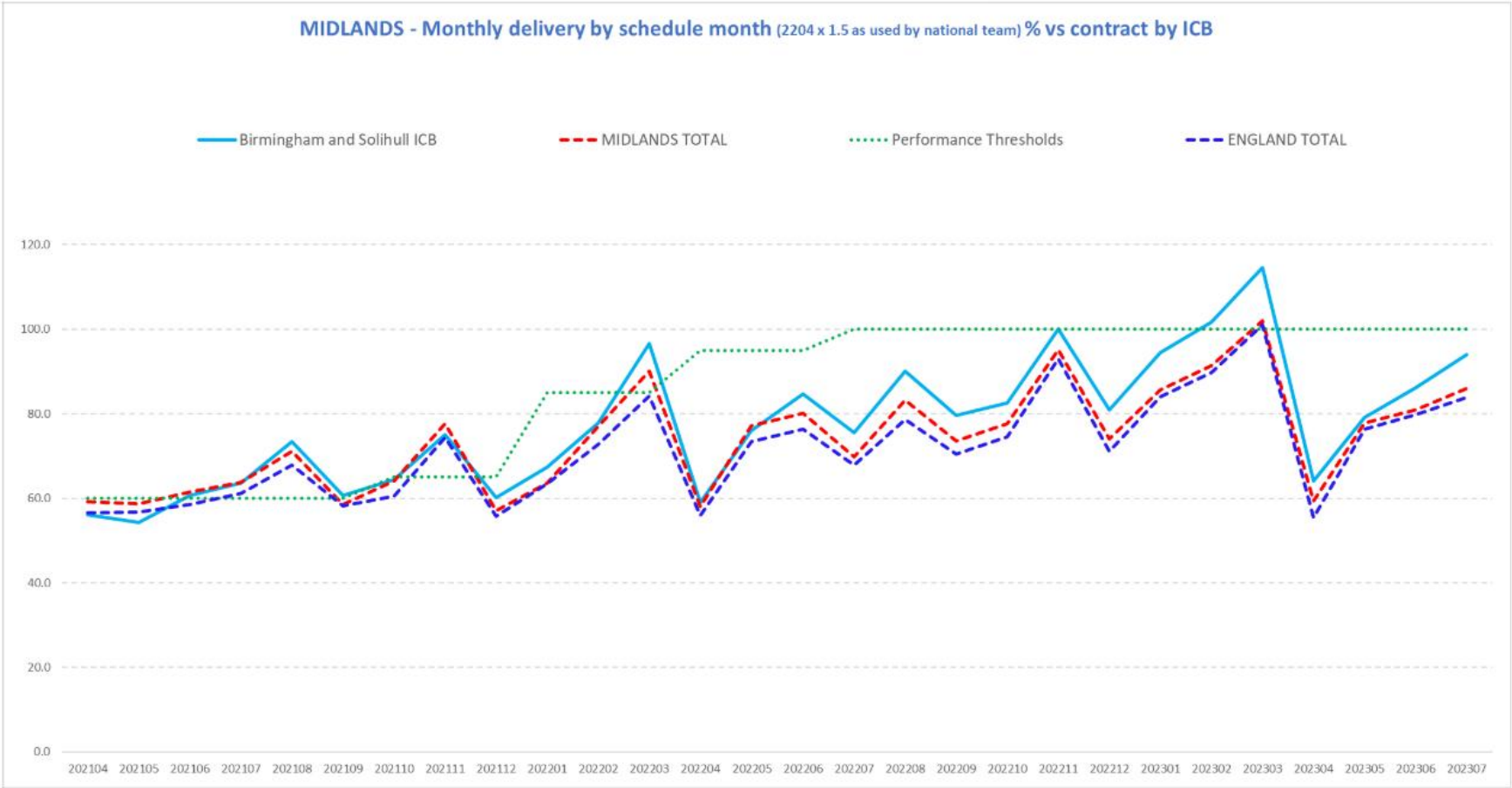
# Caveats to the data presented

1. It is difficult to disaggregate all data into Birmingham and Solihull separately
2. Complicated by the West Birmingham/ now Black Country boundary changes
3. Over time data and reporting will improve
4. Our overarching strategy is in development and will be agreed by the 6 ICBs, each ICB will have it's local priorities.....we don't yet have this available, but as a minimum our aim is to return to pre pandemic levels of activity.

# Delivery of UDA activity – trends and comparison to Regional and National

Delivery trend for the ICB compared to regional and national performance. This shows the percentage delivery of commissioned UDA, derived by dividing the actual UDA scheduled this month by one twelfth of the annual total commissioned at this time.

BSol generally delivers a slightly greater % of activity than Regional or National levels.



## Delivery of UDA activity – underlying data

The underlying UDA commissioned and scheduled (delivered) – this data is taken directly from NHS Business Services Authority (BSA) Dental Quality Assurance (DQA) reports (eDEN). Commissioned (contracted) levels may fluctuate in relation to changes in contracted activity such as contractor hand-backs or new activity commissioned.

Note: activity is lower in April and May as the cycle of activity recommences

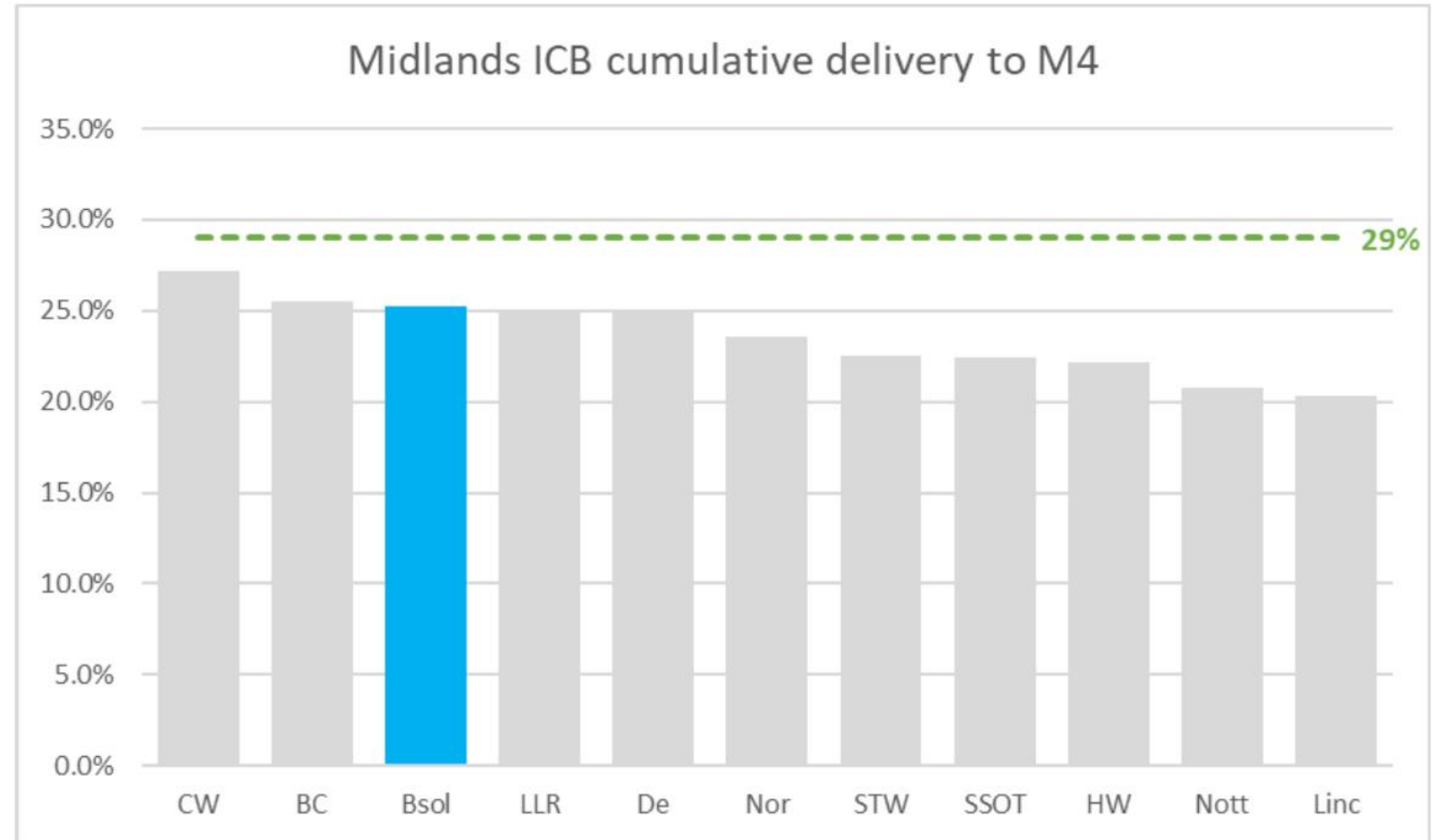
Period	Contracted UDA	Scheduled UDA	Percent
April 2023	172,136	73,552	42.7%
May 2023	172,136	136,154	79.1%
June 2023	171,887	147,993	86.1%
July 2023	172,078	161,769	94.0%



## Delivery of UDA activity – cumulative position relative to Midlands ICBs

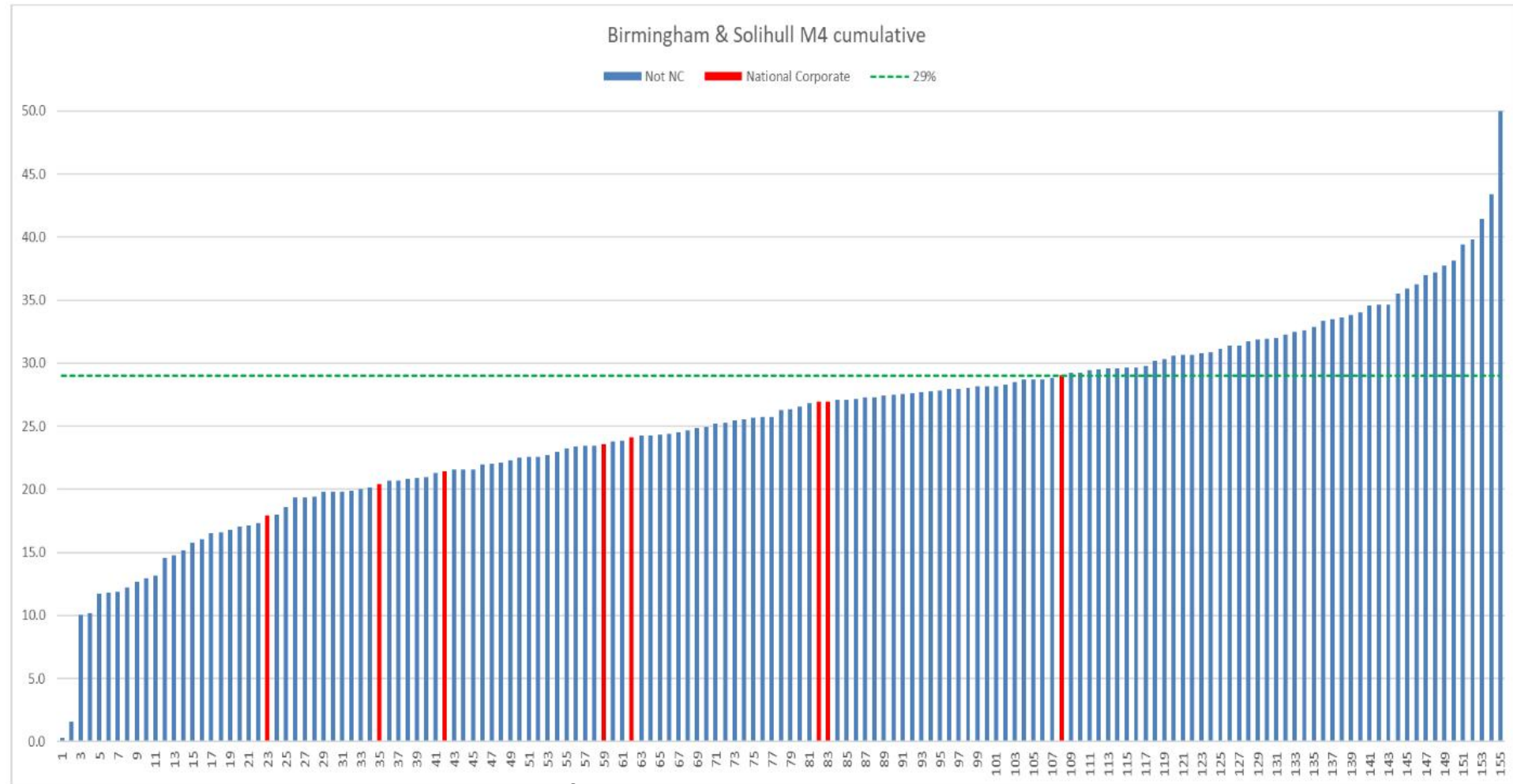
This chart shows the relative position of this ICB compared to the other 10 Midlands ICBs, for cumulative delivery year to date and with a model threshold shown.

For Month 4, as this is approx. 3½ months of reported activity a model threshold of 29% cumulative equates to being on track to deliver 100% by year end.



## Contract level delivery

A histogram chart showing all contracts cumulative performance in the ICB versus the model threshold, with national corporates differentiated. **Note** – this chart is based on percentage cumulative delivery irrespective of contract size.



# Contracts of greatest negative impact (shortfall year to date versus 29%)

The 4 Birmingham contracts with the greatest shortfall in UDA up to Month 4 (anticipated most impact on access). This is derived by taking 29% of annual target minus the actual delivery with the shortfall ranked in descending size order.

Contract	Location	UDA value	UDA Annual Target	UDA C/F	UDA Delivered to M4	Total Annual UDA Delivered %	Short vs. 29%
1	Kitts Green	Min UDA value	28,686	0	2,932.0	10.2	5,387
2	Small Heath	Average UDA value	44,400	0	7,950.8	17.9	4,925
3	Selly Oak	Average UDA value	15,657	0	242.0	1.5	4,299
4	Acocks Green	Average UDA value	22,662	0	2,979.4	13.1	3,593

## Narrative

- 1 we are aware of recruitment issues for this group.
  - 2 contractor has significant recruitment challenges
  - 3 contractor has ill health affecting ability to work.
  - 4 has a shortfall from Q1 but is increasing delivery to meet target in M4 & M5
- Note: total under delivery currently equates to 2 full time dentists/other practices are over delivering

# Overall trend for ICB 24-month patient count changes



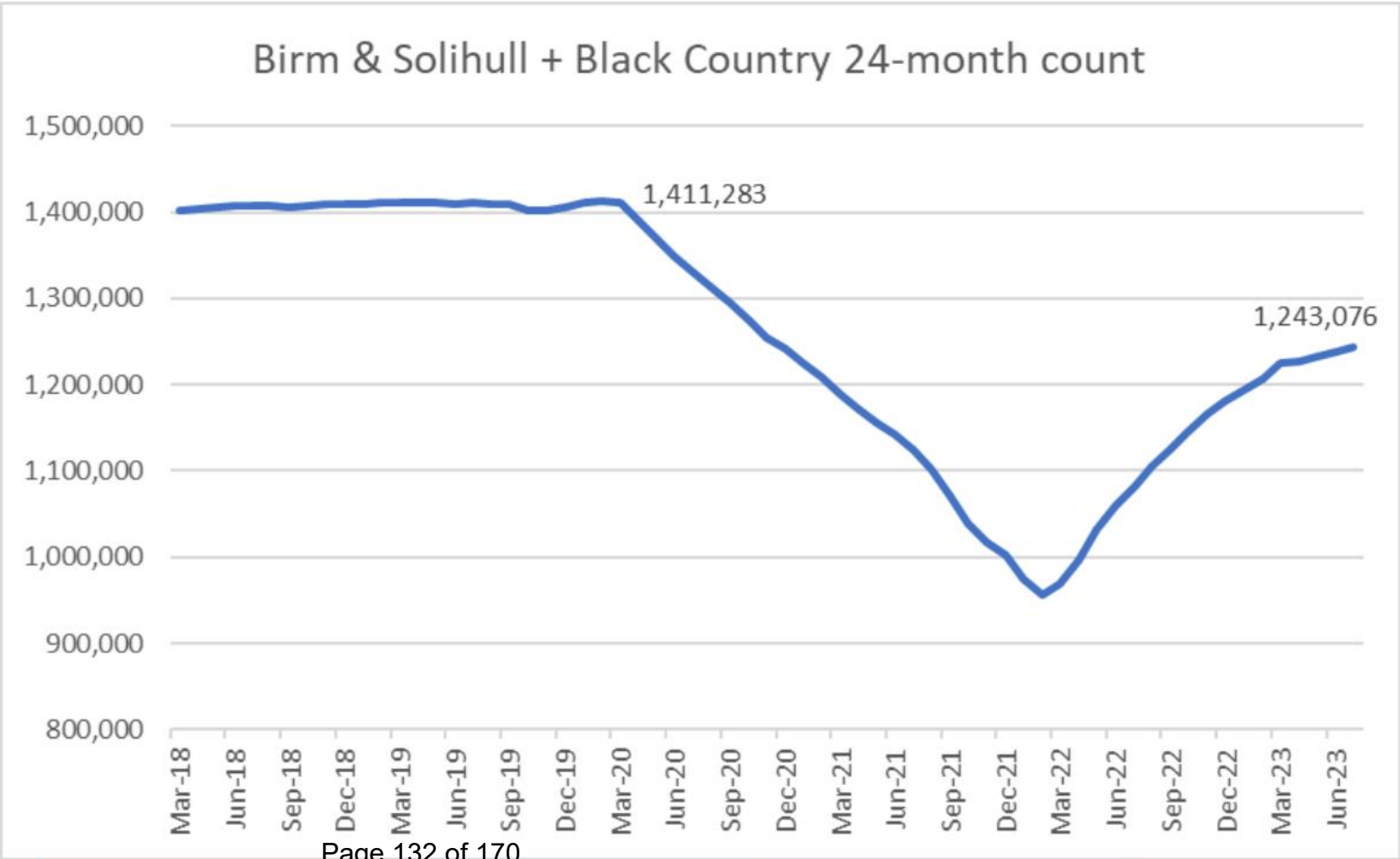
The two Birmingham systems are presented together as 24 practices moved ICB in July 2022

Office of the West Midlands  
Partnership of Integrated Care Boards

The 24-month unique patient count for the ICBs – since 2008 this has been used as a guide to overall access to NHS primary care dental services.

All patients within the preceding 24 months are counted once – on the NHS contract last treated under.

The impact of Covid from March 2020 is evident with the low point occurring in Feb 2022.

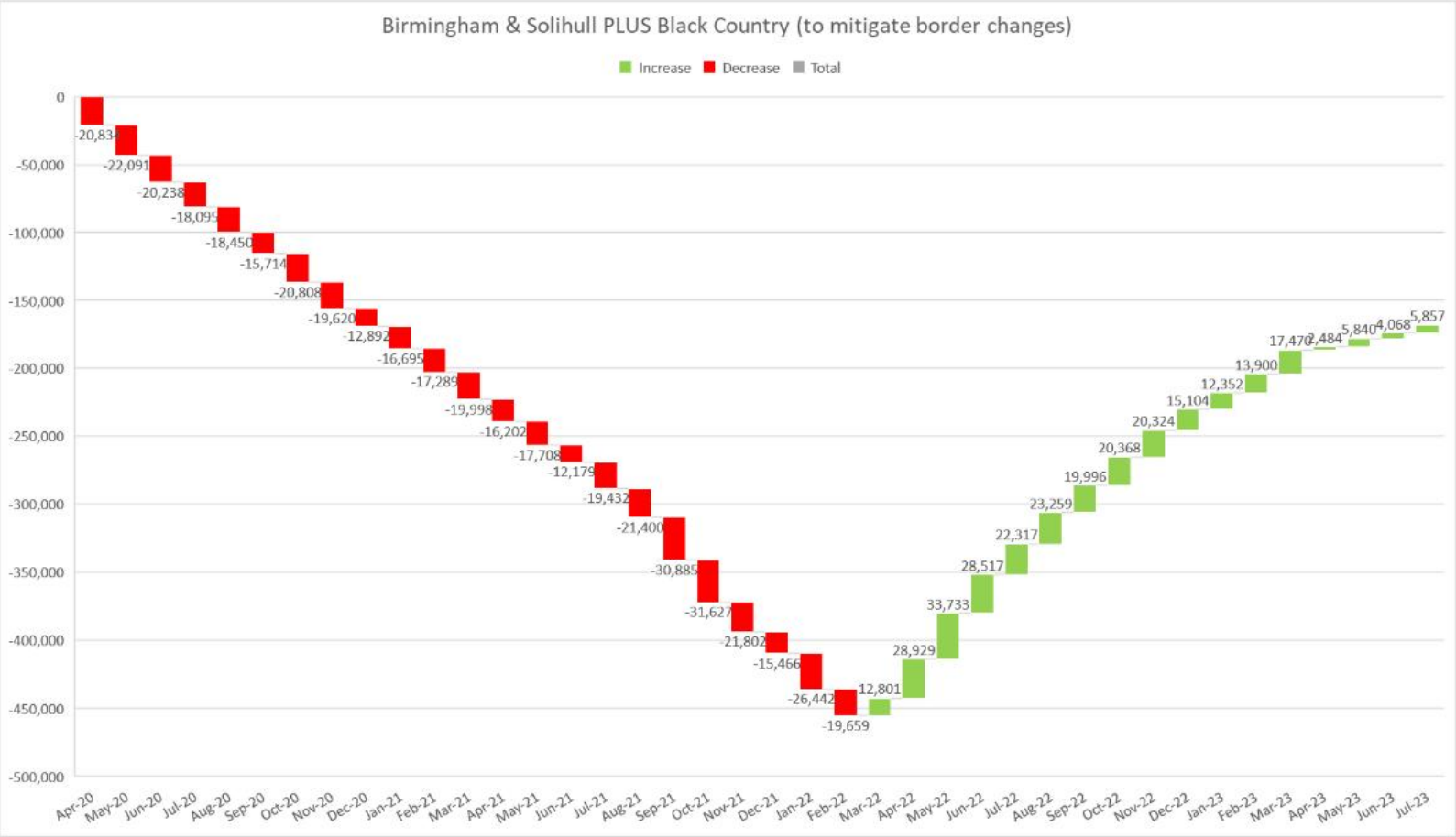


# Changes in ICB level 24-month patient count

Whilst similar to the chart on the preceding page, this chart shows the actual number lost or gained each month since the start of Covid.

It shows more clearly the relative slow-down in recovery of this metric in recent months.

This is thought to relate to practices not returning to pre-pandemic levels of delivery.

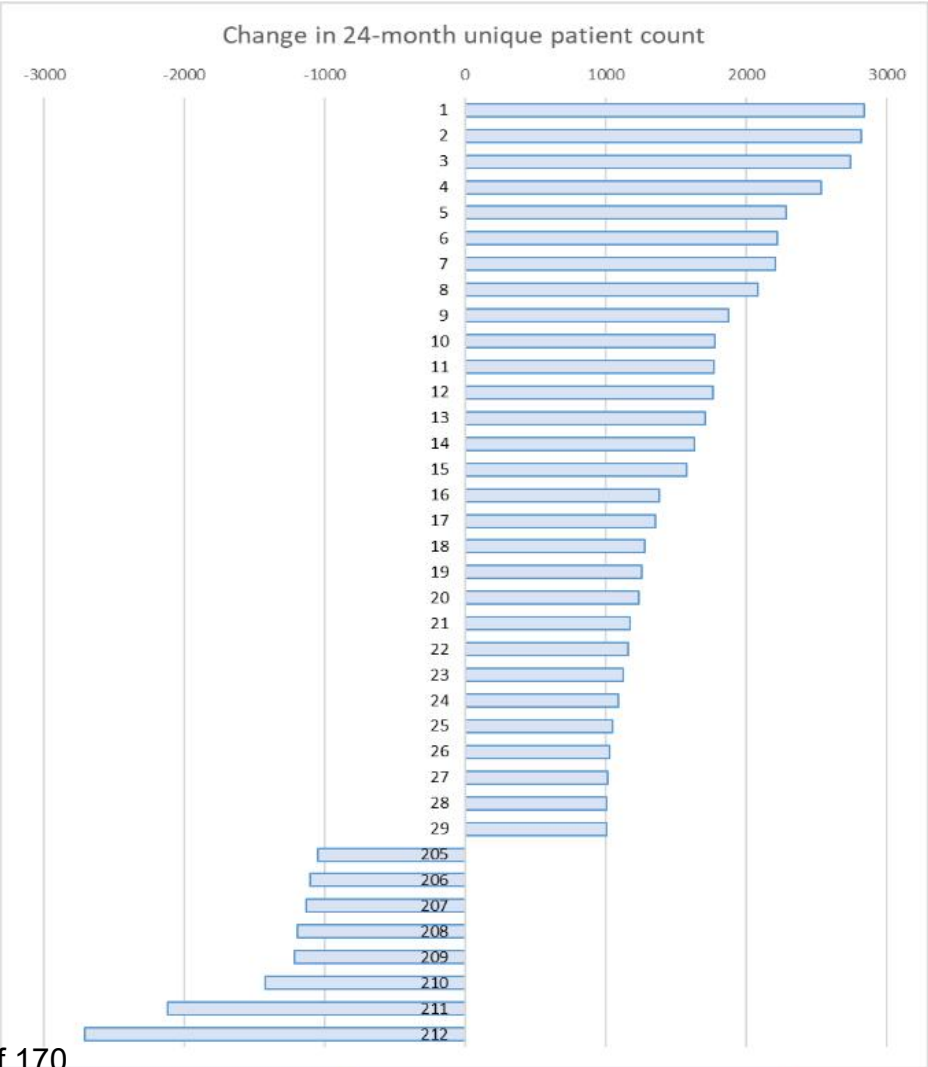


Access changes over two years at contract level (Bsol only)  
(Changes by < 1,000 up or down are omitted for clarity)

Changes in the 24-month unique patient count at contract level.

The figures in the charts on the previous two pages are a total net effect of all the individual contract counts.

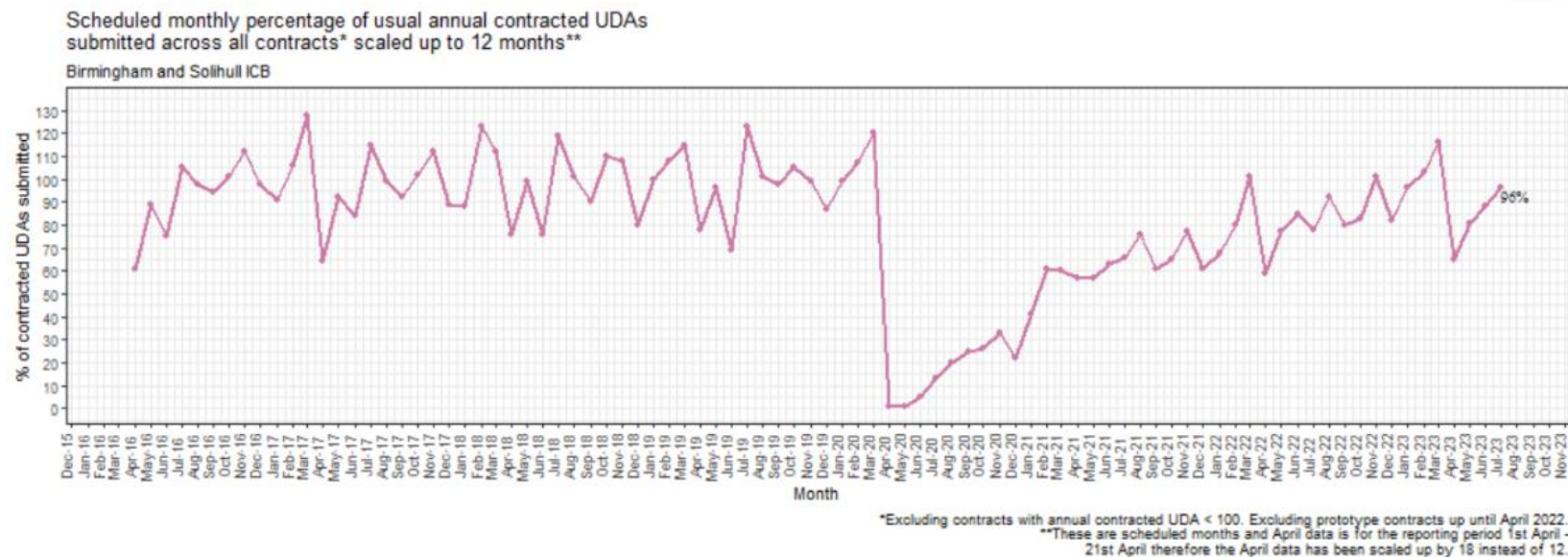
Note – sometimes a change of contract number (for example, following incorporation or merger) may result in a positive and negative contract outcome that mitigate each other.





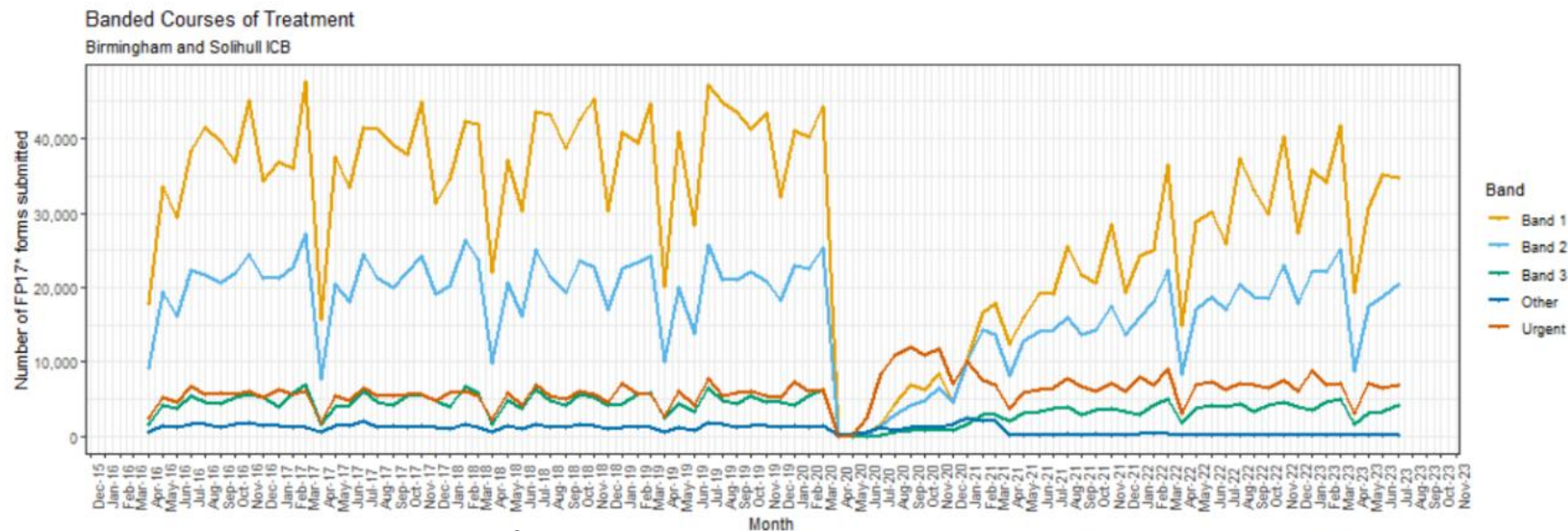
## Long term (7-year) delivery trends

Data provided nationally shows the long-term delivery pattern by ICB



## 7-year trend by treatment band

This chart shows the activity levels by treatment band. Patterns such as more urgent care during Covid year 1 are evident. Band 1,2 & 3 activity remains below pre-Covid levels, whilst urgent care is still slightly higher.



# Variation

- Recovery towards pre pandemic access is stronger in BSol than neighbouring ICBs though there is variation across and within ICBs and a way to go
- Patient and public feedback has been negative despite the relatively strong recovery position
- Recruitment and retention of dentists and nurses is a hot issue locally and nationally
- Unit of activity prices may have some effect on R&R but not only a financial issue
- The Health Equity Audit will tell us very specifically where we should target access and activity in future procurements and schemes
- Recent redistribution of freed up activity has been targeted at Hodge Hill and Ladywood practices as known to be most deprived/ highest caries rates in the city
- Need to determine where we want to be as recovering to pre pandemic access is the starting point



# Challenges

- National Dental contract refresh is ongoing with more amendments anticipated this and next year.
- Contract handbacks in Birmingham to date are very small especially compared to other ICBs and activity has been recommissioned in Hodge Hill and Ladywood areas.
- The volume of activity in the slides that follow represents the work of approximately 1 dentist – it has been reallocated
- This means the small short term drop in activity has been replaced in the system.

# Challenges

- Nationally NHS dentistry is in a very challenged position
- National shortage of performers (dentists are choosing not to work in the NHS).
- Difficulty in recruiting other staff too – therapists, hygienists, and nursing staff.
- Contract hand backs by providers unwilling to continue provide NHS services for a variety of reasons such as recruitment to all roles
- UDA under delivery; commissioners are currently working with providers on the formal “mid year process” to drive up activity levels where provides are below nationally accepted threshold
- Some dentists have not fully implemented the national Dental Recall Guidelines resulting in routine clinically unnecessary checkups being undertaken rather than ensuring population coverage

# Challenges: general dental services

Contracts handed back/reduced,  
activity reallocated

Forthcoming Retirement from  
December 2023

Provider & Location	Activity Handed Back	Reason
Kings Heath	5,536	Privatised
Boldmere	1,000	Partial hand back
Northfield	2,236	Partial hand back
<b>TOTAL</b>	<b>8,772</b>	
<i>Total activity redistributed at average rate</i>	<i>7,511</i>	

Provider & Location	Activity Handed Back	Reason
Erdington (from 1/12/23)	16,997	Retirement
<i>Total activity to be redistributed at average rate of £28.88</i>	15,048	
Plan		ICB considering options

# Challenges: orthodontic services

Provider & Location	Activity Handed Back UOA	Reason
Selly Oak	3,469	Contract Handback 30/6/2022
Selly Park	8,345	Contract Handback 30/9/2022
<i>TOTAL</i>	1184.00	
		<i>Activity was commissioned 22/23 to ensure children commenced their treatment and is currently being allocated for 23/24</i>

# Actions being taken to address challenges and improve access

OWM and commissioners are:

- Working collaboratively with national colleagues regarding the national dental contract
- Liaison with ICB colleagues where activity is handed back re decision making and local knowledge
- Recommissioning UDAs where activity is handed back in areas known to be deprived
- Waiting for further national contract amendments; details not yet available but targeted to driving up access
- Actively challenging the myth of registration with dentists, public and stakeholders
- Actively challenging routine 6 monthly recalls where no clinical reason is apparent
- Pursuing local schemes using available investment including incentivising improved access/ rewarding those who have lower levels of unnecessary recalls

# Actions being taken to address challenges and improve access

- Supporting the prevention agenda by investing in Oral Health Improvement schemes
- Procuring a new practice to pick up orthodontic care where contractors terminated their contracts
- Criteria for practices wishing to take on additional schemes or work has been drafted to ensure providers are already taking on new patients, have low antibiotic prescribing and have been able to deliver previous years activity levels
- 12 week patient and public engagement exercise in advance of an orthodontic procurement
- Market engagement with providers re orthodontic services
- Interim solution to provide orthodontic case starts to those on waiting lists where the provider has terminated its contract
- Working with the LDN developing a care navigator pilot working with third sector to engage hard to reach groups

# New Investments – Birmingham

Type of Investment Scheme	No. of Providers	Detail of the Scheme
Vulnerable Groups including refugees and migrants	2	Price per patient enhanced UDA rates in recognition of higher treatment needs local average UDA rate across the full range of NHS dental services. Local authority and third sector colleagues may refer people
Child Access Schemes	3	Funding allocated across the 3 providers for children initially referred to Community Dental services, children of migrants and refugees as well as looked after children unable to access dental care. Enhanced training for staff
Oral Health Promotion	1	Investment in addition to contract value to provide supervised toothbrushing in early years settings, training health and social care staff to improve the oral health of care home residents
Toothbrushes etc	Via foodbanks	
In hours Urgent Access	4	Enhanced UDA rate per urgent patient for patients triaged and referred by NHS111. The definition of “urgent” has been relaxed to ensure people can access care sooner
Homeless People	1 charity	Support from the Local Dental Network to support the charity to deliver dental care to homeless people using its mobile van and building links with community clinics for complex dental work

# Questions from the room



## For more info:

- For further information or to raise a query please contact the Office of the West Midlands team on:
- Email: [England.dental-westmidlands@nhs.net](mailto:England.dental-westmidlands@nhs.net)
- We propose to return in 6 months once the proposed contractual changes have been implemented and local schemes in development have had time to have an impact.



# Birmingham City Council

## Health and Adult Social Care Overview and Scrutiny Committee

Date: 17 October 2023



**Subject:** Health and Adult Social Care Overview and Scrutiny Committee's Work Programme

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

**Report author:** Fiona Bottrill, Senior Overview and Scrutiny Manager  
[fiona.bottrill@birmingham.gov.uk](mailto:fiona.bottrill@birmingham.gov.uk)  
 07395884487

### 1 Purpose

- 1.1 This report sets out the proposed work programme for the Health and Adult Social Care Overview and Scrutiny Committee for 2023-24, based on the Committee's meeting in June. Appendix 1 outlines the topics identified, aims and objectives and the preferred method of scrutiny to achieve these objectives.
- 1.2 The report also refers to other topics, which the Committee has identified, for future consideration, and this will be continuously updated during the year.

### 2 Recommendations

- 2.1 That the Committee:
  - Notes the information set out in Appendix 1 and identifies if any further topics need to be added to the menu of topics for the Committee to explore over the coming year.
  - Agrees, subject to further input from the Chair and Deputy Chair, the issues that the Committee will consider during November – December 2023, the proposed aims and objectives and the preferred method of scrutiny.
  - Identifies, subject to further input from the Chair and Deputy Chair, the issues that the Committee will consider in January 2024, the proposed aims and objectives and the preferred method of scrutiny.
  - Notes, subject to further input from the Chair and Deputy Chair outside of the meeting, its proposed work programme will be submitted to Co-ordinating O&S to enable work to be planned and co-ordinated throughout the year.

### 3 Background

- 3.1 The [statutory guidance for local government overview and scrutiny](#) sets out the role it can play in holding an authority's decision makers to account. This makes it fundamentally important to the successful functioning of local democracy.
- 3.2 Effective Overview and Scrutiny should:
- Provide constructive 'critical friend' challenge.
  - Amplify the voices and concerns of the public.
  - Be led by independent people who take responsibility for their role.
  - Drive improvements in public services.
- 3.3 The role and functions of Overview and Scrutiny Committees are outlined in [The City Council's Constitution | Birmingham City Council](#) They will:
- Make reports and/or recommendations to the full Council, the Executive and/or other organisations in connection with the discharge of the functions specified in their terms of reference.
  - Consider any matter covered in their terms of reference that may affect or be likely to have an effect on the citizens of Birmingham; relevant to the Council's strategic objectives; relevant to major issues faced by officers in managing a function of the Council; and likely to make contribution to moving the Council forward and achieving key performance targets.
- 3.4 Effective scrutiny needs to add value. A well planned and timely work programme enables Overview and Scrutiny Committees to be involved at the right time and in the right way, and ensure their involvement is meaningful and can influence the outcome.
- 3.5 Members often have a number of topics suggested to them and are therefore required to **prioritise** matters for consideration. The Scrutiny Framework sets out the following factors to be considered:
- Public interest: concerns of local people should influence the issues chosen.
  - Ability to change: priority should be given to issues that the Committee can realistically influence.
  - Performance: priority should be given to areas in which the Council and Partners are not performing well.
  - Extent: priority should be given to issues that are relevant to all or a large part of the city.
  - Replication: work programme must take account of what else is happening to avoid duplication.

### *Looking Ahead*

- 3.6 Overview and Scrutiny Committees will identify a 'menu' of issues (including policy development, policy review, issues of accountability and statutory functions) at the start of the year. Each Committee should then regularly review their 'menu' and decide which issues need to be examined further, and how that work would be undertaken. Scrutiny activities should be thorough and undertaken in a timely manner.

### ***Scrutiny Methods***

- 3.7 There are a range of ways to undertake scrutiny. The approach for 2023-24 enables flexible scrutiny and outlines a shift from monthly formal meetings to a combination of approaches. The Committee will choose the most effective scrutiny method to achieve the desired aims and objectives for each topic.
- 3.8 Based on Statutory Guidance published in 2019, different scrutiny methods include (but are not limited to):
- A single item, or items, on a committee agenda – this method fits more closely with the “overview” aspect of the Scrutiny function and provides limited opportunity for effective scrutiny. It is most appropriate for specific issues where the committee wants to maintain a watching brief.
  - A single item meeting, either as the committee or a more limited number of Members. It has the capacity to enhance the previous option by taking evidence from a number of witnesses.
  - A task and finish day - provided that these are properly focused, they ensure Councillors can swiftly reach conclusions and make recommendations and are effective even for complex topics.
  - A task and finish review – this is an enhancement of the previous option being held over four or six meetings spread over a limited number of months.

### ***Health and Adult Social Care Overview and Scrutiny Committee***

- 3.9 The Committee's Terms of Reference is to fulfil its functions as they relate to any policies, services and activities concerning the development of Health and Wellbeing Board and relationship with NHS and private providers; social care services and safeguarding for adults; public health services; healthy living, and discharge of the relevant overview and scrutiny role set out in the National Health Service Act (2006) as amended by the Health and Social Care Act (2012) including:
- The appointment of Joint Overview and Scrutiny Committees with neighbouring authorities
  - The exercise of the power to make referrals of contested service reconfigurations to the Secretary of State as previously delegated to the Health and Social Care Overview and Scrutiny Committee by the Council.

3.10 The Committee is chaired by Cllr Mick Brown, and its membership comprises Cllrs Cllrs Shabina Bano, Kath Hartley, Amar Khan, Gareth Moore; Rob Pocock, Julien Pritchard and Paul Tilsey.

#### 4 Work Programme 2023-24

- 4.1 Appendix 1 sets out the topics the Committee will consider over the next few months, and also outlines future items for consideration.
- 4.2 The Committee may decide to add further items to the work programme during the course of the year. When considering this, the Committee is advised to consider where it can best add value through scrutiny, and how it can prioritise topics for consideration based on the Scrutiny Framework referred to in 3.5.
- 4.3 The Council's latest Forward Plan: [October 2023 Forward Plan \(cmis.uk.com\)](https://cmis.uk.com) may assist Members in identifying future topics. The following reports are of particular relevance to this Overview and Scrutiny Committee:

ID Number	Title	Proposed Date of Decision
011875/2023	<a href="#">Allocation of the Market Sustainability and Improvement Fund, Market Sustainability and Improvement Workforce Fund and Adult Social Care Discharge Fund</a>	17/10/23
011741/2023	<a href="#">Medium Term Financial Plan (MTFP) Refresh Update at Quarter 2 of the 2023/24 Financial Year</a>	17/10/23

- 4.4 Overview and Scrutiny Chairs are advised to maintain regular engagement with Cabinet Members to enable flexibility to be built into the Overview and Scrutiny work programme, so as to respond to the Council's policy priorities in a timely way.
- 4.5 The work programme attached as Appendix 1 also cross references the work of the Scrutiny Committee with the Council's Corporate Priorities 2022-26. During the June 2023 – January 2024 the work of the Health and Adult Care Overview and Scrutiny Committee will contribute to 9 Corporate Priorities.
- 4.6 The work of the Children and Young People's Mental Health Task and Finish Group has progressed. The Task and Finish Group has requested that the Inquiry is reported to City Council on 5 December 2023.

#### 5 Any Finance Implications

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

## **6 Any Legal Implications**

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

## **7 Any Equalities Implications**

- 7.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 7.2 The protected characteristics and groups outlined in the Equality Act are Age; Disability; Gender Reassignment; Marriage and Civil Partnership; Pregnancy and Maternity; Race; Religion and Belief; Sex, and Sexual Orientation.
- 7.3 The Committee should ensure that it addresses these duties by considering them during work programme development, the scoping of work, evidence gathering and making recommendations. This should include considering how policy issues impact on different groups within the community, particularly those that share a relevant protected characteristic; whether the impact on particular groups is fair and proportionate; whether there is equality of access to services and fair representation of all groups within Birmingham; and whether any positive opportunities to advance equality of opportunity and/or good relations between people are being realised.
- 7.4 The Committee should ensure that equalities comments, and any recommendations, are based on evidence. This should include demographic and service level data and evidence of residents/service-users views gathered through consultation.

## **8 Appendices**

- 8.1 Appendix 1: Health and Adult Social Care Overview and Scrutiny Committee Work Programme 2023-24 - October

## **9 Background Papers**

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





### Health and Adult Social Care Overview and Scrutiny Committee Work Programme 2023 / 24

Month	Item/Topic Link with Corporate Priorities	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
July 2023	CQC Pilot Inspection  <b>Corporate Priorities: 16</b>	<p>To update the Scrutiny Committee on the pilot CQC Inspection of Adult Social Care Services including Adult Social Care performance.</p> <p>To enable the Committee to provide assurance / recommendations to inform the preparation for the pilot inspection.</p> <p>To understand how the performance of adult social care will be overseen in future and how the role of the HASC relates to the work of the CQC to inform the Committee's work programme</p>	<p>Committee Meeting single item: Agenda item for OSC meeting on <b>4 July 2023. 10.00am</b></p> <p>Deadline for reports: <b>23 June</b></p> <p>Venue: Council House, Committee Rooms 3 and 4</p>	Professor Graeme Betts CBE Strategic Director Adult Social Care	Andy Cave, Chief Executive, Healthwatch Birmingham	<p><b>Outcomes:</b> 3 recommendations were made to Strategic Director Adult Social Care following discussion at Committee.</p> <p>The recommendations are captured in the Committee Action Tracker</p> <p>HASC Chair contributed to CQC pilot inspection</p>
July 2023	Integrated Care System Governance: Place Committee and decision-making powers.  <b>Corporate Priorities: 16</b>	To inform the Committee of the Governance arrangements of the ICS and the role and responsibilities of the Birmingham Place Board.	Committee Meeting single item: Agenda item for OSC meeting on <b>4 July 2023. 10.00am</b>	Professor Graeme Betts CBE Strategic Director Adult Social Care	Andy Cave, Chief Executive, Healthwatch Birmingham	<p><b>Outcomes:</b> 3 recommendations were made the Chief Executive of the ICS following discussion at Committee.</p>

		<p>This will include how the principle of subsidiarity will be implemented in practice, the governance arrangements and how this links with Primary Care Networks and Local Authority locality working.</p> <p>The Committee to agree any comments / recommendations.</p>	<p>Deadline for reports: <b>23 June</b></p> <p>Venue: Council House, Committee Rooms 3 and 4</p>			<p>The recommendations are captured in the Committee Action Tracker.</p> <p>Response to recommendation has been circulated to Committee members.</p>
July 2023	<p>Scrutiny Work Programme</p> <p><b>Statutory Health Scrutiny Function</b></p>	<p>To review the Committee's work programme, agree work to be undertaken during August – November and issues for future consideration.</p> <p>To consider the Council's Corporate Risk Register to inform the Committee's work programme.</p>	<p>Committee Meeting single item: Agenda item for OSC meeting on <b>4 July 2023. 10.00am</b></p> <p>Deadline for reports: <b>23 June</b></p> <p>Venue: Council House, Committee Rooms 3 and 4</p>	Fiona Bottrill Senior Overview and Scrutiny Manager		<p><b>Outcome:</b></p> <p>Comments submitted to inform commissioning of sexual health services based on report and discussion at HASC meeting February 23.</p>
July 2023	<p>Inquiry: Children and young people's mental health</p> <p><b>Corporate Priorities: 15</b></p>	Review evidence and develop draft recommendations	Task and Finish Group meeting w/c 18 July	Fiona Bottrill, Senior Overview and Scrutiny Manager		<p><b>Outcome:</b></p> <p>Draft recommendations agreed</p>

July 2023	Inquiry: Children and young people's mental health  <b>Corporate Priorities: 15</b>	Meeting with key partners to discuss draft recommendations	Task and Finish Group meeting 26 July	Fiona Bottrill, Senior Overview and Scrutiny Manager		<b>Outcome:</b> Draft recommendations discussed.
September 2023	Inquiry: Children and young people's mental health  <b>Corporate Priorities: 15</b>	Sign off draft Inquiry report	Task and Finish Group meeting 6 September	Fiona Bottrill, Senior Overview and Scrutiny Manager		<b>Outcome:</b> Draft report agreed
September 2023	Primary Care Enabling Strategy  <b>Corporate Priorities: 8, 13, 16</b>	To receive a report on the NHS/ICB Primary Care Enabling Strategy setting out how primary care will be prioritised in the delivery of health and social care in Birmingham	Committee Meeting single item: Agenda item for OSC meeting on <b>19 September 10.00am</b>  Deadline for reports: 8 <sup>th</sup> <b>September</b>  Venue: Council House, Committee Rooms 3 and 4	Anna Hammond, Director of GP Provider Support and Dr Sunando Ghosh, Primary Care Medical Services Board Partner Member		<b>Outcome:</b> Issues identified by Committee to be considered by ICB in further development of the strategy.  Requested by ICB to come to September Committee Meeting
September 2023	Scrutiny Contribution to the Budget Savings and Recovery Plan  <b>Corporate Priorities: 16</b>	To consider the implications of Equal Pay and the Medium-Term Financial Plan for the Committee's work programme including agreed savings for 2023/24.	Committee Meeting single item: Agenda item for OSC meeting on <b>19 September 10.00am.</b>	Cllr. Khan, Cabinet Member, Adult Social Care  Professor Graeme Betts CBE Strategic Director Adult Social Care	TBC	<b>Outcome:</b> Recommendation to Finance and Resources OSC regarding council income and invoicing on Oracle finance system.

			<p>Deadline for reports: <b>8 September.</b></p> <p>Venue: Council House, Committee Rooms 3 and 4.</p>			<p>It was agreed at Co-ordinating in July that all Scrutiny Committees would consider the implications of Equal Pay and the Medium Term Financial Plan at the September Committee Meetings.</p>
September 2023	<p>Work Programme report to include Health and Adult Social Care OSC and Joint Health Overview and Scrutiny Committee role in NHS quality assurance.</p> <p><b>Statutory Health Scrutiny Function</b></p>	<p>To agree a 2-3 year schedule of reports from NHS Trust based in / serving Birmingham and Joint HOSC areas including:</p> <p>CQC report Quality Account Analysis of complaints and how this has driven service improvement. Key risks / issues for the Trust and plans to address these.</p> <p>The Committee to agree any comments / recommendations.</p>	<p>Agenda at HASC OSC Committee Meeting <b>19 September 10.00am</b></p> <p>Deadline for reports: <b>8 September.</b></p> <p>Venue: Council House, Committee Rooms 3 and 4.</p>	Fiona Bottrill, Senior Overview and Scrutiny Manager		<p><b>Outcome:</b> Committee agreed approach to scrutiny of healthcare systems to be reported to the HASC.</p> <p>NHS Trusts based in / serving Birmingham: UHB BWCT NHS FT Sandwell and West Birmingham Birmingham CHT BSMHFT Royal Orthopaedic NHS FT WMAS</p>
October 2023	<p>Inquiry: Children and young people's mental health</p> <p><b>Corporate Priorities: 15</b></p>	<p>Task and Finish Group to agree consider comments received on draft report</p>	<p>Task and Finish Group meeting on 4<sup>th</sup> October.</p>	Fiona Bottrill, Senior Overview and Scrutiny Manager		<p>All Members of the Committee will be invited to this meeting to be informed of issues and recommendations.</p>

October 2023	<p>Scrutiny Contribution to the Budget Savings and Recovery Plan</p> <p><b>Corporate Priorities: 16</b></p>	<p>To consider the implications of Equal Pay and the Medium-Term Financial Plan for the Committee's work programme including agreed savings for 2023/24.</p>	<p>Committee Meeting single item: Agenda item for OSC meeting on <b>17<sup>th</sup> October 10.00am.</b></p> <p>Deadline for reports: <b>5<sup>th</sup> October.</b></p> <p>Venue: Council House, Committee Rooms 3 and 4.</p>	<p>S.151 Officer or senior member from Finance Dept (Mohammed Sajid TBC)</p> <p>Cabinet Member TBC</p> <p>Adult Social Care- Prof. Graeme Betts or Senior member of ASC team (TBC).</p>	TBC	<p>It was agreed at Co-ordinating in July that all Scrutiny Committees would have this item on agenda for all meetings until further notice. To be a standing agenda item all HASC meetings going forward.</p>
October 2023	<p>Monitoring implementation recommendation R01 from Scrutiny Inquiry on Legacy of Commonwealth Games</p> <p><b>Corporate Priorities: 4 &amp; 14</b></p>	<p>To update on the development of the inclusive Sports Strategy and Activity City Strategy.</p> <p>The Committee to agree any comments / recommendations.</p>	<p>Committee Meeting single item: Agenda at HASC OSC Committee Meeting <b>17 October, 10.00am.</b></p> <p>Deadline for reports: <b>5<sup>th</sup> October.</b></p> <p>Venue: Council House, Committee Rooms 3 and 4, 10am.</p>	<p>Lynda Bradford, Interim Service Lead, Physical Activity, and Dave Wagg, Head of Sport &amp; Physical Activity.</p>		<p>Inquiry report available from: <a href="https://document.ashx(cmis.uk.com)">Document.ashx (cmis.uk.com)</a></p> <p>Recommendations to be completed by October 2024 R01: b) Provide an outline of how the insight and experience of disabled citizens will inform the new Sport and Physical Activity strategies.</p> <p>d) Continue to build upon the new partnerships developed through the CWG, and work with the Birmingham Disability Sports Forum to maximise</p>

						<p>the impact of the strategy and understanding the range of activity on-going in the city</p> <p>Corporate Performance and Delivery Plan milestones City Operations Sport Strategy to be concluded by Mar 24. Public Health Physical Activity milestone delivery date of Dec 23</p>
October 2023	<p>Access to community dental services.</p> <p><b>Corporate Priorities: 13, 14</b></p>	<p>To receive a report from the ICS to understand the issues relating to access to dental services in Birmingham and the impact this has on oral health.</p> <p>Based on this information the Committee may decide to undertake further work through a Task and Finish Group.</p> <p>The Committee to agree any comments / recommendations.</p>	<p>Committee Meeting single item: Agenda at HASC OSC Committee Meeting <b>17 October, 10.00am</b></p> <p>Deadline for reports: 5<sup>th</sup> <b>October</b></p> <p>Venue: Council House, Committee Rooms 3 and 4.</p>	<p>Paul Sherriff, Chief Officer, Partnerships &amp; Integration, B/Sol ICB and Alastair McIntyre, Managing Director, Office of the West Midlands.</p>	<p>Andy Cave, Healthwatch (TBC)</p>	<p>This is regional service and timescale dependent on ongoing work at BSOL and regional level.</p> <p>Link to Healthwatch report on accessing dentistry services: <a href="#">Impact report: Changes to accessing NHS dentistry in Birmingham and Solihull - Healthwatch Birmingham</a></p> <p>Following this report the Committee may wish to undertake further work through a Task and Finish Group.</p>

November 2023	Day Review Opportunities update.  <b>Corporate Priorities: 16</b>	To update the Committee on the policy development on the Day Opportunities Service to enable Scrutiny to inform the Cabinet decision.  The Committee to agree any comments / recommendations.	Committee Meeting single item: Agenda at HASC OSC Committee <b>21<sup>st</sup> November 2023 10.00am</b>  Deadline for reports: <b>7<sup>th</sup> Nov</b>  Venue: Council House, Committee Rooms 3 and 4	Dr Temitope Ademosu Assistant Director - Adult Social Care (Community services and EDI)	The EPT (Empowerment Team)	City Observatory: Request demographics information to understand future demand for services.
November 23	Quality Report from ICB  <b>Corporate Priorities: 13,15,16</b>	To inform the Committee of the quality assurance processes across the ICB systems and enable the Committee to prioritise system focussed quality reports to future meetings.	Committee Meeting single item: Agenda at HASC OSC Committee <b>21<sup>st</sup> November 2023 10.00am</b>  Deadline for reports: <b>7<sup>th</sup> Nov</b>  Venue: Council House, Committee Rooms 3 and 4	Paul Sherriff, Director of Partnerships and Integration NHS Birmingham and Solihull.		
December 2023.	Adult & Social Care Q2 Performance Monitoring	Report on red rated performance indicators; 5 performance indicators	Committee Meeting single item: Agenda at	Maria Gavin, AD, ASC (TBC)		

	<b>Corporate Priorities: 16</b>	chosen by HOSC for in-depth examination and the complete set of Adult Social Care performance indicators	HASC OSC Committee <b>19<sup>th</sup> December 2023 10.00am</b>  Deadline for reports: <b>7<sup>th</sup> Dec.</b>  Venue: Council House, Committee Rooms 3 and 4			
December 2023	Scrutiny Inquiry on Children and Young People's Mental Health  <b>Corporate Priorities: 15</b>	To approve the report and agree the recommendations of the Children's and Young People's Scrutiny Inquiry and note any recommendations to go to City Council on 7 <sup>th</sup> November	Committee Meeting single item: Agenda at HASC OSC Committee <b>19<sup>th</sup> December 2023 10.00am</b>  Deadline for reports: <b>7<sup>th</sup> Dec.</b>  Venue: Council House, Committee Rooms 3 and 4	Cllr. Mick Brown, Chair of Inquiry Task and Finish Group	Fiona Bottrill, Senior Overview and Scrutiny Committee Manager.	The Health and Adult Care OSC has the delegated Health Scrutiny power to make recommendations to NHS organisations.
Jan 2024.	Birmingham Safeguarding Adult Board (BSAB) Annual Report 2022/23  <b>Corporate Priorities 10.</b>	To update the Committee on the children's safeguarding arrangements in the city.	Committee meeting single item: <b>24 January 2024.</b>  Presentation/Paper	Dr Carolyn Kus, BSAB Chair <a href="http://www.bsab.org">www.bsab.org</a>		Birmingham Safeguarding Adult Board (SAB) Annual Report 2022/23  Recommendation from Co-ordinating OSC that all OSCs



			<p>Deadline: <b>11<sup>th</sup> January 2024</b></p> <p>Venue: Council House, Committee Rooms 3 and 4 at 10am</p>			<p>consider relevant aspects of Domestic Abuse in the work programme. To consider Adult Safeguarding Issues related to Domestic Abuse.</p> <p>The Neighbourhoods OSC work programme includes informing the development of the new Domestic Abuse Prevention Strategy</p>
January 2024.	<p>Birmingham and Lewisham African and Caribbean Health Inequalities Review (BLACHIR)</p> <p><b>Corporate Priority 13</b></p>		<p>Committee meeting single item: <b>24 January 2024.</b></p> <p>Presentation/Paper Deadline: <b>11<sup>th</sup> Jan 2024</b></p> <p>Venue: Council House, Committee Rooms 3 and 4 at 10am</p>	Nonso Nwaiwu Senior Public Health Officer (BLACHIR)		

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

**Birmingham and Sandwell Joint Health Overview and Scrutiny Committee**

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
Sept 2023	Midland Metropolitan Hospital update  <b>Statutory Health Scrutiny Function</b>	To receive an update on the development of the Midland Metropolitan University Hospital (MMUH)	Committee meeting single item: <b>27<sup>th</sup> Sept.</b>  Venue: Council House, Sandwell Council, Oldbury.		Jayne Ilic Director of Communication and Engagement, MMUH Programme Company.	
Sept 2023	Update on Changes to Day Surgery at Sandwell and West Birmingham Hospitals NHS Trust	To provide an update to the Committee on the ongoing work to implement the changes from the formal conversation to Changes to Day Surgery held between March 2022 and April 2022.	Committee meeting single item: <b>27<sup>th</sup> Sept.</b>  Venue: Council House, Sandwell Council, Oldbury.	Jayne Salter-Scott, Head of Public and Community Engagement, Sandwell and West Birmingham Hospitals NHS Trust.		
Sept 23	Patient Experience at Sandwell and West Birmingham Hospitals NHS Trust	To update the Committee about Sandwell and West Birmingham Hospitals NHS Trust's (SWB) approach to patient experience	Committee meeting single item: <b>27<sup>th</sup> Sept.</b>  Venue: Council House, Sandwell Council, Oldbury.	Jamie Emery, Patient Insight, and Involvement		
TBC	Scrutiny and Quality Assurance.  <b>Statutory Health Scrutiny Function.</b>	To agree a 2–3-year schedule of reports on services within the Joint HOSC area including: CQC report Quality Account	TBC			

		Analysis of complaints and how this has driven service improvement Key risks / issues for the Trust.				
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\*Outcome: This will be populated once the item/topic has been completed. It will identify the added value and impact.

#### Birmingham and Solihull Joint Health Overview and Scrutiny Committee

Month	Item/Topic	Aims and Objectives	Scrutiny Method	Cabinet Member/ Lead Officer	Other Witnesses	Additional Information and Outcome*
July 2023	Report on 3 Independent Reviews of University Hospital Birmingham NHS Foundation Trust: Patient Safety Review Culture Review Well Led Review of Leadership and Governance  <b>Statutory Health Scrutiny Function</b>	To provide assurance to the Committee on the outcome of the Well Led and progress on the Culture review and timescales and implementation of the recommendations of the Patient Safety Review.  To consider the Healthwatch ground rules for the 3 Reviews and if these have been met.	Committee Meeting single item: Agenda item at Joint HOSC meeting <b>25<sup>th</sup> July 23</b>  Deadline for reports <b>14<sup>th</sup> July 23</b>  Venue: Council House, Committee Rooms 3 and 4	David Melbourne, BSOL ICB Chief Executive.	Prof. Mike Bewick, IQ4U Consultants  Jonathan Brotherton, CEO UHB.  Andy Cave, Healthwatch Birmingham.	Information requested on April 23 Joint HOSC: To receive a copy of the ICS analysis of the UHB Trust's <i>Standardised Hospital Mortality Ratio</i> (SHMR);  To receive an annual summary of the learning that had taken place over the course of the year across UHB be brought forward and submitted to the JHOSC in future;  To receive a roadmap for the remaining reviews in terms of how they will report,

						<p>expected dates/timescales/milestones.</p> <p><b>Outcomes:</b></p> <p>Update provided on reviews</p> <p>Public Engagement / Citizen voice: Engagement between patients families and UHB following deputation at meeting</p> <p>Assurance provided regarding Healthwatch ground rules.</p>
July 2023	<p>BSol ICS update on performance against finance and recovery plans</p> <p><b>Corporate Priority 8, 13 &amp; 16</b></p>	To update the members on the ICS financial position and recovery of healthcare services following the impact of the covid pandemic.	<p>Committee Meeting single item: Agenda item at Joint HOSC meeting <b>25 July 23</b></p> <p>Deadline for reports <b>14 July 23</b></p> <p>Venue: Council House, Committee Rooms 3 and 4</p>	Paul Athey, BSOL ICS Chief Finance Officer		<p><b>Outcomes:</b></p> <p>Update provided on ICS financial position and recovery of healthcare services.</p>

October 2023	Maternity Services at Heartlands Hospital  <b>Corporate Priority 13</b>	To consider the CQC report findings and actions to be taken by the Trust.	Committee Meeting: Agenda item at Joint HOSC meeting <b>5<sup>th</sup> October '23.</b>  Venue: Council House, Solihull	Lisa Stanley-Green; ICB Chief Nurse/Deputy CEO.  Angela Hughes: BSOL ICB Senior Quality Lead Maternity	,	
October 2023.	Birmingham and Solihull ICS Performance on Finance & Recovery plans.  <b>Corporate Priority 8, 13 &amp; 16</b>	To provide a summary of key performance and deliverables (as at end of July).	Committee Meeting: Standard agenda item at Joint HOSC meetings. <b>5<sup>th</sup> October '23.</b>  Venue: Council House, Solihull	Paul Athey, Chief Finance Officer		
Oct. 2023	West Midlands Ambulance Service Delivery  <b>Corporate Priority 8, 13 &amp; 16</b>	To consider the West Midlands Ambulance Service activities such as conveyance to hospitals, lost hours to handover delays, response time by call category, profile of Serious Incidents, actions taken by WMAS, high impact actions to make a difference, outcomes from a WMAS perspective	Committee Meeting: Agenda item at Joint HOSC meeting 5 <sup>th</sup> October '23.  Venue: Council House, Solihull	Vivek Khashu: Strategy and Engagement Director, West Midlands Ambulance Service		
Oct. 2023	Winter Pressure Update  <b>Corporate Priorities 8, 13 &amp; 16</b>	To discuss the wider topic of winter pressures as part of A&E pressures and ambulance issues to be	Committee Meeting : Agenda item at Joint HOSC	Mandy Nagra, Integrated Care Board/ ICS Executive Chief		

		considered by Committee. A&E pressures were a perennial problem in winter. To discuss at October meeting ahead of winter.	meeting 5th October '23.  Venue: Council House, Solihull	Delivery Officer, BSol ICB.  Alan Butler, Associate Director of Delivery, Improvement and UEC, BSol ICB.		
Jan.2024	ICS Work Force Planning.  <b>Statutory Health Scrutiny Function.</b>	Update on ICS workforce planning in health and care sectors.	Committee Meeting: Agenda item at JHOSC meeting in January (Date TBC)	Senior ICB/ICS rep (TBC)		
Jan. 2024.	Scrutiny and Quality Assurance.  <b>Statutory Health Scrutiny Function.</b>	To agree a 2–3-year schedule of reports on services within the Joint HOSC area including CQC report. Quality Account. Analysis of complaints and how this has driven service improvement. Key risks / issues for the Trust.	Committee Meeting: Agenda item at JHOSC meeting in January (Date TBC).  Venue: BCC Council Offices.			
Jan 2024	Monitoring of implementation of Recommendations from UHB Reviews.  <b>Statutory Health Scrutiny Function.</b>	The ICS and UHB to report on the implementation of the recommendations from the UHB reviews.	Committee Meeting: Agenda item at JHOSC meeting in January (Date TBC).  Venue: BCC Council Offices.			

TBC	Update on post-covid syndrome / Long covid and rehabilitation.  <b>Corporate Priorities 13 &amp; 16</b>	To understand the impact of post covid syndrome / long covid and the services / support that is available.	TBC			
TBC	CQC report Birmingham & Solihull Mental Health Trust (BSMHST)  <b>Corporate Priorities 8 &amp; 16.</b>	To update the Scrutiny Committee on the CQC Inspection of BSMHST performance, including any progress on recommendations for action.	TBC			

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

### Menu of Issues for Consideration

The following items had been identified as potential topics for future consideration. This approach enables the Overview and Scrutiny Committee to remain flexible and respond in a timely manner to emerging issues.

This is a live work programme work programme. New items may be added, or items removed during the course of the year. Proposed aims and objectives as well as scrutiny methodology may also be subject to change.

Item/ Topic	Proposed Aims and Objectives	Proposed Scrutiny Method	Additional Information
Immunisation and vaccinations.  <b>Corporate Priorities 13 &amp; 16</b>	Immunisations and vaccinations for children under 5 Implications of covid immunisations rates for health and care staff	Task and Finish Group	This work could commence following the completion of the CYP mental health Inquiry.
Primary Care Access  <b>Corporate Priorities 13 &amp; 14</b>	To report back on Final Draft of the Enabling Primary Care strategy	HASC.	Follow-up from presentation of draft strategy at September HASC meeting.  Link to National GP recovery plan

			Suggested timescales to update on plan TBC.
ICS 10-year strategy.  <b>Corporate Priorities 8, 13 &amp; 16</b>	Highlights vision for the future and the conditions we need for change, so that people who live, work and receive care in Birmingham and Solihull can live longer, happier and healthier lives by 2033.	HASC/JHOSC.	Annual review of key strategic priorities. Suggested timescale April 24
CQC Pilot Inspection update  <b>Corporate Priorities: 10, 16</b>	To update members on outcomes of CQC pilot inspection.	HASC	Pilot inspection carried out in August 2023. Awaiting report from CQC.
Birmingham City Council Commissioned Services: <ul style="list-style-type: none"> <li>• Birmingham Sexual Health Services</li> <li>• Birmingham Substance Misuse Services</li> <li>• Forward Thinking Birmingham</li> </ul> <b>Corporate Priorities 8, 13, &amp; 15</b>	Report to come to Health and Adult Care OSC prior to recommissioning of the service to enable the Committee to inform Cabinet decisions.	HASC.	Comments submitted to Commissioners to inform tendering of Sexual Health Services during Autumn. Contract to start service in January 23.  Contract for Substance Misuse Service to end March 2025. Health and Adult Social Care OSC to engage in process July 2024 to inform commissioning of service.
Birmingham Safeguarding Adults Board Annual report and priorities.  <b>Corporate Priorities 10, 13, 16</b>	To update the Committee on the work of the Birmingham SAB such as: <i>Implementation of Strategic Priorities.</i> <i>Adult Safeguarding Data.</i> <i>Learning from Safeguarding Adult Reviews.</i> <i>Adult Safeguarding Issues related to Domestic Abuse.</i>	BASB to attend the Jan 23, 2024 HASC meeting.	Recommendation from Co-ordinating OSC that OSCs consider relevant aspects of Domestic Abuse in the work programme.  The Neighbourhoods OSC work programme includes: Informing the development of the new Domestic Abuse Prevention Strategy



Engaging with Third Sector providers of Adult Social Care <b>Corporate Priorities 16</b>	TBC	TBC	
Obesity and Food Strategy <b>Corporate Priorities 8, 14 &amp; 16</b>	What actions have been implemented as part of the Food Strategy and what impact have these had? How will the medium and long terms impact be demonstrated? How has the strategy helped to reduce inequalities and food poverty?	TBC	Link to Food Strategy:  <a href="#">Birmingham Food System Strategy   Birmingham City Council</a>
Population health and inequalities <b>Corporate Priority 13</b>		Task and Finish Group	<a href="#">How health has changed in your area - Office for National Statistics (ons.gov.uk)</a>

**Scrutiny Method Options:**

Committee meeting - single item

Committee meeting - single theme

Task and Finish Group (outline number of meetings)

On location

Other - (describe)

**Corporate Priorities, Performance and Outcomes**

**Corporate Priorities 2022 – 26:**

- |  |   |
|--|---|
| 1 Support inclusive economic growth                          | 11 Increase affordable, safe, green housing                       |
| 2 Tackle unemployment  | 12 Tackle homelessness  |
| 3 Attract inward investment and infrastructure               | 13 Tackle health inequalities                                     |
| 4 Maximise the benefits of the Commonwealth Games            | 14 Encourage and enable physical activity and healthy living      |
| 5 Tackle poverty and inequalities                            | 15 Champion mental health   |
| 6 Empower citizens and enable citizen voice                  | 16 Improve outcomes for adults with disabilities and older people |
| 7 Promote and champion diversity, civic pride and culture    | 17 Improve street cleanliness                                     |
| 8 Support and enable all children and young people to thrive | 18 Improve air quality  |
| 9 Make the city safer  | 19 Continue on the Route to Zero                                  |
| 10 Protect and safeguard vulnerable citizens                 | 20 Be a City of Nature  |
|  | 21 Delivering a Bold Best in Class Council                        |

Information on the Corporate Priorities, Performance and City Outcomes was reported to the Health and Adult Social Care OSC in June 23: [Document.ashx \(cmis.uk.com\)](https://cmis.uk.com)