

Birmingham City Council



Report to Corporate and Finance Overview and Scrutiny Committee

7 November 2024

Title:	COMMISSIONERS' FIRST REPORT
Report of:	Commissioners: Max Caller CBE, John Coughlan CBE, Chris Tambini, Pam Parkes FCIPD, Jackie Belton, Myron Hrycyk, Lord John Hutton, John Biggs
Relevant Overview and Scrutiny Committee:	Not Applicable
Has this report been shared with the relevant Overview and Scrutiny Committee Chair?	Not Applicable
Report Author:	Fiona Bottrill, Senior Overview and Scrutiny Committee, Legal and Governance fiona.bottrill@birmingham.gov.uk
Authorised by:	Marie Rosenthal Interim City Solicitor and Monitoring Officer, Legal and Governance
Is this a Key Decision?	Not Applicable
Reason(s) why not included on the Forward Plan and confirm who has authorised it to be considered:	Not Applicable
Is this a Late Report?	No
Reason(s) why Late and confirm who has authorised it to be considered:	Not Applicable
Is this decision eligible for 'call in?'	Not Applicable
If 'call-in' has been dis-applied, please provide reason(s) and confirm who has authorised:	Not Applicable
Wards:	Not Applicable

Does this report contain exempt or confidential information?

No

Has this decision been included on the Notification of Intention to consider Matters in Private?

Not Applicable

Reasons why not included on the Notification and confirm who has authorised it to be considered:

Not Applicable

1 EXECUTIVE SUMMARY

- 1.1 Max Caller CBE, the Lead Commissioner and Chris Tambini the Finance Commissioner will attend an extraordinary meeting of the Corporate and Finance Overview and Scrutiny Committee to engage with members and provide an update following the publication of the Commissioners' First Report.

2 COMMISSIONERS' REVIEW

- 2.1 Commissioners support the proposals.

3 RECOMMENDATIONS

That the Committee:

- 3.1 Considers and notes the report.

4 KEY INFORMATION

Context

- 4.1 The former Secretary of State for the Department of Levelling Up, Housing and Communities issued Directions in October 2023 that Commissioners were appointed to Birmingham City Council from 5 October 2023. The Directions that set out the powers of the Commissioners are available from Birmingham City Council: [Birmingham City Council: Directions made under the Local Government Act 1999 - GOV.UK](#)
- 4.2 The Commissioners First Report to the Secretary of State was published on 22 October 2024. This report and the Ministerial Response are attached as Appendix A and B.

5 RISK MANAGEMENT

- 5.1 See Appendices A and B.

6 MEMBER ENGAGEMENT

- 6.1 Not Applicable

7 IMPACT AND IMPLICATIONS

Finance and Best Value

- 7.1 There are no financial implications arising as a direct result of this report, however the Council's financial predicament is germane to the Directions issued in October, the appointment of Commissioners and central to many of the points raised in their report. These matters are laid out in detail in Appendix A.

Legal

- 7.2 When issuing the Directions in October 2023 the former Secretary of State was satisfied that the Authority was failing to comply with the requirements of Part I of the Local Government Act 1999 (“the 1999 Act”).
- 7.3 The Secretary of State, having considered the representations made by the Authority as required by section 15(9) of the 1999 Act considered it necessary and expedient, in accordance with his powers under section 15(5) and (6) of the 1999 Act, to direct the Authority to secure the Authority’s compliance with the requirements of Part I of the 1999 Act, in particular:
- a. To address systemic weaknesses in the Authority’s governance function, to secure improvements in transparency and formal decision making.
 - b. To deliver financial sustainability, including by closing any short or longterm budget gaps - which should include taking action to expediate the closure of the equal pay liability.
 - c. To ensure compliance with all relevant rules and guidelines relating to the financial management of the Authority.
 - d. To agree as necessary any changes needed to the Authority’s operating model and redesign of council services to achieve value for money and financial sustainability.
 - e. To achieve improvements in relation to the proper functioning of the Authority’s IT.
 - f. To address the serious failings and ensure conformity with the best value duty, thereby delivering improvements in services and outcomes for the people of Birmingham.

Equalities

- 7.4 See Appendices A and B.

Procurement

- 7.5 See Appendices A and B.

People Services

- 7.6 See Appendices A and B.

Climate Change, Nature and Net Zero

- 7.7 See Appendices A and B.

Corporate Parenting

- 7.8 See Appendices A and B.

8 APPENDICES

8.1 Appendix A: Commissioners' First Report

8.2 Appendix B: Ministerial Response to the Commissioners First Response

9 BACKGROUND PAPERS

9.1 None