

BIRMINGHAM CITY COUNCIL

RESOURCES O&S COMMITTEE – PUBLIC MEETING

**1400 hours on Thursday 22 July 2021, BMI Main Hall, Margaret Street,
Birmingham**

Action Notes

Present:

Councillor Mohammed Aikhlaq (Chair)

Councillors: David Barrie, Meirion Jenkins and Majid Mahmood

Also Present:

Councillor Tristan Chatfield, Cabinet Member, Finance and Resources

Peter Bishop, Director of Digital and Customer Services

Rebecca Hellard, Director of Council Management (Interim)

Alan Layton, Interim Head of Financial Planning

Jayne Bowles, Scrutiny Officer

Emma Williamson, Head of Scrutiny

1. NOTICE OF RECORDING/WEBCAST

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

2. APOLOGIES

Apologies were received from Councillors Barbara Dring, Shafique Shah, Paul Tilsley and Lisa Trickett.

3. APPOINTMENT OF RESOURCES OVERVIEW AND SCRUTINY COMMITTEE CHAIR, DEPUTY CHAIR AND MEMBERS

RESOLVED:

- (i) To note the resolution of the City Council appointing the Committee, Chair and members to serve on the Committee for the period ending with the Annual Meeting of the City Council in 2022:

Labour (5): Cllrs Mohammed Aikhlaq (Chair), Barbara Dring, Majid Mahmood, Shafique Shah and Lisa Trickett

Conservative (2): Cllrs David Barrie and Meirion Jenkins

Liberal Democrat (1): Cllr Paul Tilsley

- (ii) To elect Cllr Barbara Dring as Deputy Chair for the purposes of substitution for the Chair, if absent, for the period ending with the Annual Meeting of the City Council in 2022.

4. DECLARATIONS OF INTERESTS

None.

5. RESOURCES OVERVIEW AND SCRUTINY COMMITTEE TERMS OF REFERENCE

(See document 1)

The Terms of Reference were noted.

6. ACTION NOTES

(See documents 2, 3 and 4)

RESOLVED:-

The action notes of the meetings held on 8 April 2021 and 1 June 2021 were agreed and the action notes of the informal meeting held on 24 June 2021 were noted.

7. FINANCIAL MONITORING 2021/22 – QUARTER 1

(See document 5)

The Chair invited Councillor Tristan Chatfield, Cabinet Member for Finance and Resources, to introduce this item and Rebecca Hellard, Director of Council Management (Interim) took Members through the presentation. In doing so, the following points were highlighted:

- This is the first quarterly report of the year and monthly exception reports will follow;
- There is a forecast overspend, however that is not unusual this early in the year;

- The process has changed - they are now doing a rolling budget for 4 years and the Medium Term Financial Plan is automatically refreshed on a quarterly basis;
- The role of the Star Chamber was emphasised in terms of Cabinet Members engaging in responsibility;
- The importance of the Programme Management Office and Chief Executive's Delivery Unit cannot be understated in terms of delivering what is in the Delivery Plan to close the gaps and deliver the change that is needed.

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

- Disposal of Lancaster Circus - Clarification was sought on the plans to dispose of Lancaster Circus into a property company owned by BCC (PropCo) and Members were told that this delivers better value to the taxpayer than disposing of the building on the open market;
- PropCo - A request was made for a report on the PropCo to be presented to a future meeting and Councillor Chatfield referred to a report which had gone to Cabinet Committee Group Company Governance which could be brought to this committee;
- Sundry Debt – Members were told that sundry debt is everything outside of council tax and business rates and given the circumstances it is not surprising that sundry debt has increased;
- The £5m Workforce Savings classed as “Red” – these have been more difficult to deliver than anticipated and more work needs to be done to find mitigations;
- Reserves – we have the strongest reserve position compared to other core cities as we have quantified all our risks and set reserves accordingly. There are a couple of other core cities finding it difficult to balance their financial position but we are nowhere near that situation and are confident of being able to balance the budget this year;
- SEND – There are challenges around SEND and the plans to address these may have financial implications;
- Housing Developments – it would be useful to have a report around the building programme to see increases in costs and what can be re-couped;
- Empty business properties – what is being done to encourage businesses into empty properties;
- Losses on car parking and impact of Clean Air Zone – the policy is to encourage people to use other forms of transport and that obviously has an effect on income from car parks. Members were told that there is Government funding for a percentage of the losses for the first quarter but it is not yet known whether that will continue and also Inclusive Growth are already doing a strategic review looking at car parks in and around the city;
- Home to School Transport – this continues to be a significant issue in terms of increased demand and costs and is something that has previously been brought to this committee which Members might want to take a look at again;
- Commonwealth Games costs – a query was raised regarding the £160m estimated gap in the Medium Term Financial Plan and whether this included

the worst case scenario in relation to the CWG. Members were told the understanding is that the council's CWG contribution is capped;

- Homelessness – Concern was expressed regarding recent news reports about exempt accommodation possibly resulting in an increase in homelessness and it was acknowledged that homelessness is a serious pressure;
- Public consultation on the budget and what that will look like – the Cabinet Member is keen to have a consultation that asks bigger questions regarding priorities for citizens. Some other councils have done web-based exercises and it would be good to do that to engage more with the electorate, however there is a need to ensure there is comms and officer availability to do that and do the analysis.

RESOLVED:-

- The report was noted.

8. ERP UPDATE

(See document 6)

Rebecca Hellard, Director of Council Management (Interim) took Members through the presentation and together with Peter Bishop, Director of Digital and Customer Services, the following points were highlighted;

- They are 58% complete, with a go-live date as previously stated of April 2022;
- There are still some ambers, although some have converted to green;
- Integrations were red last month, so showing some improvement;
- There is a downward trend in open risks (down by 44) and open issues (down by 19);
- There are delays in areas of configuration sign-off with services themselves wanting to ensure sign-off is correct;
- There is also the impact of an additional cycle of data migration;
- They are working through integration issues;
- More work is being done to see if there are more benefits that can be achieved out of implementation of the system;
- There is clearly a need to focus on configuration items, making sure change is not added to the process and they are trying to limit down the number of changes;
- Payroll is key – they need to get that right and it goes through a number of phases of testing;
- Data migration remains a risk as they have to use real data to do testing, otherwise it is not an effective test, but there are mitigations to protect security;
- User acceptance starts in August;
- They are working hard on invoice scanning – as there is such a high volume this has to be effective;
- There are a number of mitigations in place to manage the impact of Covid on the integration partner, Evosys;

- The overall position is that there are some risks and issues but they are managing within the overall envelope and the financial position remains positive.

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

- There are about 370 integrations of various types, sizes and risks;
- They are working hard to reduce the impact if risks do materialise;
- Officers to provide a response to the questions raised around the licence fee – did we negotiate a discount, is it a one-off cost or an annual fee and what is the cost?
- It was noted there is a danger if requirements emerge which we are not currently aware of and the effect they might have on the system we have built. Members were told that a review of every requirement was undertaken in the autumn period and they are pushing down on any further minor changes coming through as complexities could result in further costs;
- They have had to bring in extra people to help with the project and this is a mix of agency and permanent staff;
- A request was made for a section on lessons learnt to be included in future monthly reports.

RESOLVED:-

- The report was noted.

9. NEW WAYS OF WORKING

(See document 7)

Petr Bishop, Director of Digital and Customer Services, took Members through the presentation and highlighted the following points:

- Over the last year or so there have been some important lessons for many organisations about how they can work;
- An outline business case was taken to Cabinet in January, with a further report in March relating to Lancaster Circus and Margaret Street and an enhanced business case will be going to the next Cabinet meeting;
- There will be significant organisational benefits and personal benefits.

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

- There was a general view expressed that this way of working is an obvious step forward and allows flexibility, however it was pointed out that staff can feel isolated working from home and there is a loss of inexperienced staff being able to talk to experienced staff, as well as the social aspect of working in an office environment;
- There was some concern around the PropCo proposal and the request for a report on this was welcomed;
- A request was made for further information regarding the cost in terms of new laptops and whether Covid funding had been secured for that;

- There were concerns around health and safety and a query as to whether there are any stats in relation to injuries sustained at home – for example, eye strain, carpal tunnel syndrome, etc – and are we providing items that mitigate any illnesses and injuries;
- Members were told that health and well-being surveys had been undertaken and that there have been some mental health issues, with some people feeling remote, and actions have been taken to improve contact with managers and colleagues;
- A request was made for the health and well-being surveys and stats in terms of injuries sustained since the first lockdown to be provided;
- There have been no significant injuries, equipment is being provided where possible and staff wanting to be permanent home workers would need to go through risk assessments;
- There was a view that legal advice should be taken on these issues and Members were told that a legal opinion has not been taken but certainly from data and work around health and well-being, mental health first aiders and online resources, there are no significant worries;
- They are working closely with Trade Union colleagues to prepare for 2nd August, to help shape how it will work, and a joint statement has been issued;
- A live on-line event had been held, with over 250 questions being asked, and there are people who want to be in an office environment, and staff are able to make a choice in line with their role;
- They are investing in officers whose role will be to help people adapt and change and signpost help with different ways of working and this is helped by being able to start physically opening buildings now;

RESOLVED:-

- The report was noted.

10. PLANNED PROCUREMENT ACTIVITIES REPORT

(See document 8)

Councillor Chatfield introduced the report, stating that this is an opportunity for Members to flag any issues before the report goes to Cabinet.

The following matters were raised:

- The Organisation and Delivery of the Great Birmingham 10k Run and the Great Birmingham Half Marathon – Members were concerned that there was no reason why this should be a Single Contractor Negotiation and were of the view that there were other suppliers who could deliver this contract.

Councillor Chatfield told Members that he had asked the same question and had been reassured that, given the scale of the event, this is the only provider who can deliver the required level of support.

Reference was also made to the statement that there had been a contract in place prior to 2020 and it was queried whether this was the same company and if so had they signed up to the BBC4SR.

- Concrete Liners for Burials – Members raised concerns about the costs and it was suggested that it might be worth talking to neighbouring authorities to see if working together could bring the costs down.
- Estate Agency Service for BMHT – it was queried why we cannot have an in-house property service to include an estate agency and whether this was something which we should be doing going forward.

Councillor Chatfield undertook to take another look at these matters and provide responses.

RESOLVED:-

- The report was noted.

11. WORK PROGRAMME

(See document 9)

The work programme was noted.

12. DATES OF MEETINGS 2021/22

The dates of meetings for the 2021/22 municipal year were noted, however following a suggestion from the Chair it was agreed that the November meeting would be moved to later in the month and the December meeting would be cancelled.

It was agreed the revised schedule of dates would be circulated and invites sent out.

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

None.

14. OTHER URGENT BUSINESS

None.

15. AUTHORITY TO CHAIRMAN AND OFFICERS

RESOLVED:

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

The meeting ended at 1600 hours.