

BIRMINGHAM CITY COUNCIL

FINANCE AND RESOURCES O&S COMMITTEE – PUBLIC

MEETING

1400 hours on Thursday 29 June 2023, Committee Room 6, Council House

Minutes

Present:

Councillor Jack Deakin (Chair)

Councillors: Alex Aitken and Paul Tilsley

Also Present:

Timothy Bell, Consultant, Corporate Finance

Janie Berry, City Solicitor and Monitoring Officer

Paul Clarke, AD, Programmes, Performance and Improvement Division (PPI), Strategy, Equality and Partnerships Directorate

Fiona Greenway, Interim Director of Finance (S151 Officer)

Richard Lloyd-Bithell, Assistant Director, Financial Strategy (Online)

Steve Sandercock, Assistant Director, Procurement

Christian Scade, Head of Scrutiny and Committee Services

Naomi Todd, Improvement and Change Partner

Jonathan Woodward, Head of Revenues (Online)

Jayne Bowles, Scrutiny Officer

Fiona Bottrill, Senior Overview and Scrutiny Manager

1. NOTICE OF RECORDING/WEBCAST

The Chair advised that this meeting will be webcast for live or subsequent broadcast via the Council's Public-I microsite 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 Raqeeb Aziz, Rashad Mahmood, Meirion Jenkins, Hendrina Quinnen and Ken Wood.

3. DECLARATIONS OF INTERESTS

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

Councillor Alex Aitken declared he was a member of the GMB trade union.

Councillor Paul Tilsley declared he was a Director of Birmingham Airport.

4. MEMBERSHIP OF THE FINANCE AND RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Noted the resolution of the City Council meeting appointing the Committee, Chair and Members to serve on the Committee for the period ending with the Annual General Meeting of the City Council 2024.

5. ELECTION OF DEPUTY CHAIR

The Chair proposed, and it was agreed by the Committee, that this item be deferred to the next meeting.

RESOLVED:

That this item be deferred to the next meeting.

6. FINANCE AND RESOURCES OVERVIEW AND SCRUTINY COMMITTEE'S TERMS OF REFERENCE

(See document No. 1)

The Terms of Reference for the Finance and Resources Overview and Scrutiny Committee were noted.

7. MINUTES

(See document No. 2)

RESOLVED:

That the minutes of the Resources Overview and Scrutiny Committee meeting held on 27 April 2023 were agreed.

8. ACTION TRACKER

(See document No. 3)

There were two outstanding actions and it was agreed that these would be followed up.

RESOLVED:

- That the outstanding actions would be followed up.

- That the action tracker was noted.

9. DELIVERING EFFECTIVE AND FLEXIBLE SCRUTINY

(See document No. 4)

The Chair informed Members that this was about how scrutiny is delivered and valued in the Council.

There was a discussion about how scrutiny can be more flexible and it was suggested that perhaps members of the Committee could go out and see some of the things the Council is doing well or not so well, for example joining staff to see how they use the Oracle system.

RESOLVED:

That the Committee noted the development of a flexible and effective work programme for 2023/24 as developed by members of the Co-ordinating Overview and Scrutiny Committee in the last municipal year 2022/23.

10. DEVELOPING THE FINANCE AND RESOURCES OVERVIEW AND SCRUTINY COMMITTEE'S WORK PROGRAMME 2023/24

(See document No. 5)

Timothy Bell, Consultant, Corporate Finance, Janie Berry, City Solicitor and Monitoring Officer, Paul Clarke, AD, Programmes, Performance and Improvement Division (PPI), Strategy, Equality and Partnerships Directorate, Fiona Greenway, Interim Director of Finance (S151 Officer), Steve Sandercock, Assistant Director, Procurement, Christian Scade, Head of Scrutiny and Committee Services, and Naomi Todd, Improvement and Change Partner, were in attendance for this item.

Richard Lloyd-Bithell, Assistant Director, Financial Strategy, and Jonathan Woodward, Head of Revenues, were in attendance online.

During the discussion, and in response to queries raised by Members, the main points included:

- At the informal meeting, Members had discussed the items on the draft work programme and had agreed to remove a few items to prioritise others.
- Priorities at that time had included the establishment of a Task & Finish group on Oracle, however the Chair pointed out that the Committee might need to reconsider its priorities following the announcement on Equal Pay and the impact that will have on the budget.
- It was suggested that the Committee keeps the work programme flexible so that anything flagged red on the Risk Register can be picked up – both Oracle and Equal Pay are flagged as red risks.
- The Council's Corporate Risk Register to be provided to Members.

Equal Pay

- Members were told that all the political groups were in the process of being briefed. The figures are significant and there is a need to make sure the authority is seen to be responding positively in terms of resolution.

- In response to a question regarding income streams and the restrictions on the use of capital receipts, it was confirmed that this was primary legislation and it would require primary legislation for the Council to be exempted from that or for specific legislation to support Birmingham.
- The use of reserves was also raised, however access to reserves is quite restricted, with a lot of it ring-fenced, and the amounts left are not enough to support the current position.
- Reference was made to the report on Reserves presented to the Resources O&S Committee in April, which could be shared with Members.
- There will be extra governance put in place and the Committee will have a key role in monitoring mandatory spending controls. Work is currently being done on what those controls will look like and they are pulling together what they have seen other authorities do and will tailor that to Birmingham.
- The Leader has also spoken publicly about the Values Framework which is being developed and the Committee would welcome being involved in developing those values.
- A Budget Recovery Plan will be included as part of the Medium Term Financial Plan Update going to Cabinet in July.
- It was noted that the Council is not in a position where a Section 114 Notice needs to be issued, which would effectively freeze spending with the exception of funding statutory services. However, Members said it would be helpful to know what those statutory responsibilities would be and it was agreed a summary would be provided.
- It was queried on what basis the announcement had been made on 28 June and also whether in light of the announcement the decisions made at Cabinet on 27 June would need to be reviewed. It was agreed that responses would be provided to Members on both points.

Oracle

- The Chair proposed that instead of establishing a Task & Finish group on Oracle, a report should be requested for the July meeting to provide an update on the current position, challenges and deadlines.
- Further regular updates to be programmed.
- Oracle to be one of the two main issues for the Committee to focus on, along with Equal Pay.

Financial Monitoring

- Financial Monitoring reports to continue to be a standing item.

Planned Procurement Activities Reports

- These reports to also continue to be a standing item.

Council-owned Assets Tracking

- Outstanding recommendations to be tracked and list of assets to be provided as soon as possible. This is pertinent in relation to the discussion on Equal Pay.

Progress Report on Procurement Governance Arrangements

- Potential longer term review in view of link with Oracle in terms of delegations to officers and spending controls.

Working from Home

- It was suggested this should be taken off the work programme and included on the menu of items for the future.

Diversity and Inclusion Dashboard

- It was suggested that this be picked up later in the municipal year.

Early Intervention

- Not to be considered as a priority.

Management of Council's Budget Deficit

- This will link into everything already discussed.

Delivering Best in Class Services

- As the focus needs to be on Finance at the moment this would not be an item for consideration at this stage.

Working with Trade Unions

- To be considered at a later stage.

Implementation of Digital Strategy

- To be considered at a later stage.

Use of Consultants

- Although there are links to Oracle and wider, it was suggested that this be pushed back to the end of the municipal year or beyond.

RESOLVED:

- That the following information would be provided to Members:
 - The Council's Corporate Risk Register.
 - List of the Council's statutory functions/responsibilities.
 - Response from the Leader to the Committee's request to be consulted on the work on the Values Framework.
 - Response to the question about what triggered the Equal Pay announcement on 28 June.
 - Response to the question about decisions made at Cabinet on 27 June.
- That the following items would be included on the agenda for the July meeting:
 - Update on Oracle
 - Equal Pay
 - Financial Monitoring
 - Planned Procurement Activities.

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

None.

12. OTHER URGENT BUSINESS

None.

13. SCHEDULE OF MEETING DATES FOR COMMITTEE MEETING AND SCRUTINY WORK

The Chair informed Members that the timing of the meetings - ie two days after Cabinet - would mean an extra meeting being arranged if there was a call-in.

RESOLVED:

That the proposed schedule of dates was noted.

14. AUTHORITY TO CHAIR AND OFFICERS

RESOLVED:

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

The meeting ended at 1523 hours.