Birmingham City Council

Report to Audit Committee

25 June 2025

Title:	**UPDATE TO STATUTORY RECOMMENDATIONS FROM EXTERNAL AUDITORS GRANT THORNTON**
Lead Cabinet Portfolio:	Councillor Karen McCarthy, Cabinet Member for Finance
Relevant Overview and Scrutiny Committee:	Corporate & Finance Overview and Scrutiny Committee
Report Author:	Carol Culley, Executive Director of Finance and Section 151 Officer Finance Carol.Culley@birmingham.gov.uk
Authorised by:	Carol Culley, Executive Director of Finance and Section 151 Officer Finance
Is this a Key Decision?	No
If this is a Key Decision, is this decision listed on the Forward Plan?	Not Applicable
Reason(s) why not included on the Forward Plan:	Not Applicable
Is this a Late Report?	No
Reason(s) why Late:	Not Applicable
Is this decision eligible for 'call in?'	Not Applicable
If not eligible, please provide reason(s):	Not Applicable
Wards:	All

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:	Not Applicable

1 EXECUTIVE SUMMARY

1.1 The Councils External Auditors Grant Thornton published their Auditor on Friday 29th September 2023, the Council's External Auditors Grant Thornton issued Statutory Recommendations to the Council under Schedule 7 of the Local Audit and Accountability Act 2014.

1.2 This report provides an update on progress against the action plan that was agreed at Cabinet in response to the twelve statutory recommendations contained within the External Auditors report, as of May 2025.

1.3 In addition, this report encompasses an overview of all key and improvement recommendations highlighted from previous Council's External Auditors Grant Thornton including:

- Auditor's Annual Report on Birmingham City Council 2020/21 published 14 January 2024
- Auditor's Annual Report on Birmingham City Council 2021/22 and 2022/23, 2023/24 published 14 November 2024
- Report on the arrangements of securing the Financial Sustainability of Brimingham City Council January 2025

1.4 In future updates the recommendations from the Audit Findings Reports for 2020/21 and 2021/22 will be included and progress against the recommendations will be provided.

1.5 Delivery against these recommendations is crucial for financial sustainability and effective governance for Birmingham City Council. Addressing these recommendations will re-affirm a basis for sound financial management and effective governance within the Council and provide a platform from which we can address the broader challenges facing the Council and City as a whole.

1.6 This aligns to the response, to the external auditor statutory recommendations, presented to City Council on 12th October 2023, at which it was agreed that a regular update would be presented to Audit Committee and follows on from the updates provided on 31st January 2024 and 17th July 2024 and 10th December 2025.

1.7 In total there are 50 recommendations. As of May 2025, there were 10 recommendations open and progress will be reported in December 2025. Of the 40 remaining recommendations, 3 have been transferred for oversight to existing transformation boards and 37 have sufficient evidence of completion to be closed.

2 COMMISSIONERS' REVIEW

2.1 Commissioners note the progress that has been made in responding to the External Auditors formal recommendations. The report correctly identifies that a significant number of these recommendations can be considered as closed. However, this does not mean that a good Best Value authority no longer has activity in those areas. The approved Improvement and Recovery Plan records areas of activity where further significant improvement in process, practice and compliance is underway. Continued demonstrable progress against the short and longer team targets set out in the IRP is the only way out of intervention.

3 RECOMMENDATIONS

That the Committee:

3.1 Note current progress against the agreed action plan for the statutory recommendations.

3.2 Note current progress against improvement and key recommendations relating to the Auditor's Annual Report on Birmingham City Council 2020/21 published 14 January 2024, Auditor's Annual Report on Birmingham City Council 2021/22 and 2022/23, 2023/24 published 14 November 2024 and Report on the arrangements of securing the Financial Sustainability of Brimingham City Council January 2025.

4 KEY INFORMATION

Context

4.1 Statutory Recommendations under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014 refer to formal advice issued by the External Auditor. These recommendations require the Council to discuss and respond publicly to the report.

4.2 Please see Appendix A for an update on progress against the action plan.

4.3 Key and improvement recommendations refer to advice issued by the External Auditor. In the Auditor's Annual Report on Birmingham City Council 2021/22 and 2022/23,2023/24 published 11 November 2024 there is a combined commentary across three years, as the auditor considered that recommendations were "best understood if considered together".

4.4 Please see Appendix B for an update on progress against these recommendations.

5 RISK MANAGEMENT

5.1 Risks will be managed individually by the Officers responsible for actioning each individual Statutory Recommendation. Audit Committee will be provided with regular updates on progress against the Statutory Recommendations.

6 IMPACT AND IMPLICATIONS

Finance

6.1 The Council will allocate the necessary resources and budgets to execute the recommended actions effectively. The cost implications will be detailed in the updated budget for 2025/26, and future years within the Medium-Term Financial Plan (MTFP).

Legal

6.2 The Council will comply with all relevant legal requirements and obligations in implementing the recommendations, including conducting independent reviews and ensuring transparency in decision-making processes.

Equalities

The Council will ensure that all actions taken in response to these recommendations are in line with the Public Sector Equality Duty, promoting fairness and equality for all residents and employees.

Procurement

6.3 Not applicable.

People Services

6.4 There are no staffing implications arising from the recommendations in this report.

Corporate Parenting

6.5 There are no implications or opportunities in relation to the Corporate Parenting responsibility arising from the recommendations in this report.

Other

6.6 There are no other implications arising from the recommendations in this report.

7 APPENDICES

7.1 Appendix A - Updated Consolidated Action Plan in response to the External Audit report dated May 2025 – Table.

7.2 Appendix B – Progress against outstanding external auditor key and improvement recommendations dated May 2025

8 BACKGROUND PAPERS

8.1 Response to Statutory Recommendations from External Auditors Grant Thornton, City Council, 12th October 2023.

8.2 Updates to Statutory Recommendations from External Auditors Grant Thornton, Audit Committee, 31st January 2024, 17 July 2024 and 10th December 2025.

8.3 Auditor's Annual Report on Birmingham City Council 2020/21 published 14 January 2024, 8.4 Auditor’s Annual Report on Birmingham City Council 2021/22 and 2022/23, 2023/24 published 14 November 2024

8.5 Report on the arrangements of securing the Financial Sustainability of Brimingham City Council January 2025.

Appendix A: Updated Consolidated Action Plan in response to the External Audit report dated Friday 29th September 2023

No.	Statutory Recommendation	Council Response	Officer	Member
1	**The commencement of the job evaluation process should not be further delayed (as this would further undermine the Council's financial sustainability). As the Addendum was not signed by 11 September 2023 the Council should apply the safeguard within the CBMC report and should determine the job evaluation option it intends to follow at the earliest opportunity.**	***December 2024 Update:*** The change protocols and review processes led to a new delivery plan that was approved by the Commissioners led governance process. The programme is on track to deliver contracts by April 2025, as per the previous commitment. The new plan aims to have a Collective agreement in place by mid-January 2025. **Latest Update:** Heads of Terms Collective Agreement was achieved on 31st Jan 25 as per plan and was progressing well to implementation by 1 April 25. The ongoing industrial action with Unite has delayed the planned signing of the Collective Agreement.	Director of People Services, Katy Fox	Leader of the Council, Councillor John Cotton
2	**It is important that the Council reviews its previous equal pay estimates and regularly updates its estimate of the potential future liability (at least on a quarterly basis). This updated position should be reported to members on a quarterly basis.**	***December 2024 Update:*** The 2022/23 accounts will be published in December 2024. As part of these accounts, the Council will provide an updated estimate of the Equal Pay liabilities – this will be included as a post-balance sheet event disclosure, showing the estimated liabilities at the date at which the accounts are laid (i.e. in December 2024).	Executive Director of Finance and Section 151 Officer, Carol Culley	Cabinet Member for Finance, Councillor Karen McCarthy

No.	Statutory Recommendation	Council Response	Officer	Member
		This update will serve as the latest quarterly update. **Latest update** It has not been possible to update the Equal Pay liability while the industrial action is underway and the Collective Agreement has not been signed. The Final Accounts are being progressed on the basis of the previous information which remains the current best estimate.		
3	**The Council should separately report the financial impact of potentially enriched roles to members as a matter of urgency and should prioritise their assessment as part of the job evaluation process. This should include a consideration of the Council's Best Value duty. Similarly, officers should provide monthly updates to members on the Council's identification of roles where task and finish has been in operation and the financial impact of this practice and confirm at the earliest opportunity that these practices are no longer operated. The**	***December 2024 Update:*** The enduring requirement will see a robust governance and controls process for any future job requisitions including full evaluations. This will include the creation of a stand-alone team to deliver both evaluations and compliance activity monitoring. The Council's Pay Compliance Group will continue to monitor and investigate non-compliance with, and non-adherence to, terms and conditions of employment."	Director of People Services, Katy Fox	Leader of the Council, Councillor John Cotton

No.	Statutory Recommendation	Council Response	Officer	Member
	Council should undertake a review of all working practices within the Council and ensure that all employees comply with their terms and conditions, including working their full contractual hours.	**Latest Update:** The above activities are progressing well as per plan.		
4	**The Council should commission an independent review of the process for receiving and considering legal advice, including consideration of whether the Monitoring Officer's advice was appropriately taken into account and followed, and whether access to legally privileged information was appropriately safeguarded. If the local inquiry outlined by the Secretary of State does proceed this should be part of the wider inquiry.**	***December 2024 Update:*** Anthony Cox: Director of Governance and Monitoring Officer at Walsall Council was appointed in April 2024 to carry out the Independent Review of Legal Services required by Recommendation 4. Mr Cox has now completed the evidence gathering stage of the review. The final report will be presented to Audit Committee on the 29 January 2025 with a summary of his findings and recommendations. A Monitoring Officer Protocol will be agreed at Full Council following this Report setting out the roles and responsibilities of the Monitoring Officer including details of the working arrangements necessary to ensure that Members and Officers work together to promote the corporate health of the Council. The Protocol will govern: 1. The process for receiving and considering legal advice and	Interim Monitoring Officer, Marie Rosenthal	Leader of the Council, Councillor John Cotton

No.	Statutory Recommendation	Council Response	Officer	Member
		Arrangements for the security and safeguarding of legally privileged material.		
		Latest Update: Anthony Cox: Director of Governance and Monitoring Officer at Walsall Council was appointed in April 2024 to carry out the Independent Review of Legal Services required by Recommendation 4. Mr Cox has now completed the evidence gathering stage of the review. The final report was presented to Audit Committee on the 15 May 2025 with a summary of his findings and recommendations. This recommendation is now closed and will not be reported to in future action plan updates.		
5	**The Council should set a target date for the completion of the 'safe and compliant' phase. We consider that this should be completed by 30 November 2023.**	***December 2024 Update:*** This Phase of the programme has fully transitioned into the Oracle re-implementation programme scope.	Oracle Programme Lead, Philip Macpherson	Cabinet Member for Digital, Culture, Heritage & Tourism, Councillor Saima Suleman
		Latest Update: This recommendation is now closed and will not be reported to in future action plan updates.		

No.	Statutory Recommendation	Council Response	Officer	Member
6	**The Council should report its outturn for 2022/23 and its current financial position by 30 November 2023. It should provide financial statements for 2022/23 for audit by 31 January 2024.**	***December 2024 Update:*** The 2022/23 Outturn was reported to Cabinet in May 2023. The Provisional Outturn for 2023/24 will be taken to Cabinet in January 2025.	Executive Director of Finance and Section 151 Officer, Carol Culley	Cabinet Member for Finance, Councillor Karen McCarthy
		Latest Update: The financial outturn was taken to Cabinet 14 May 2024. Provisional Financial Outturn was taken to Cabinet 21 January 2025. The Final Outturn position will be reported to Cabinet in June 2025. This recommendation is now closed and will not be reported to in future action plan updates.		
7	**The Council should consider the capacity of its senior staff to deal with the Oracle 'safe and compliant' and 're-implementation' phases alongside the other competing pressures. Additional resources should be provided to ensure that this critical project is completed at the earliest opportunity. This may include additional internal or external IT capacity and capability. In the longer term, the Council will need to ensure that it rebuilds its own IT capacity and capability.**	***December 2024 Update:*** Progress on this is being monitored at each exit/entry gate assessment as part of the Oracle programme. Risk being tracked as level 3 programme (top Level) risk to Programme Board and IRP.	Oracle Programme Lead, Philip Macpherson	Cabinet Member for Digital, Culture, Heritage & Tourism, Councillor Saima Suleman
		Latest Update: This action has now fully transitioned into the Brindley Programme and is monitored within the IRP Programme. The future requirements to support Brindley Oracle are being considered as		

No.	Statistical Recommendation	Council Response	Officer	Member
		part of the Operating work to be concluded before September 2025. Separate workstreams have also been established to oversee the change management and data quality actions.		
8	**The Council should provide an updated budget for 2023/24 that takes account of the 2022/23 outturn, its current financial position for 2023/24, its progress on delivering savings plans in 2023/24, and the other financial pressures impacting on the Council.**	***December 2024 Update:*** The 2022/23 Outturn was reported to Cabinet in May 2023. The Provisional Outturn for 2023/24 will be taken to Cabinet in January 2025. **Latest Update:** The financial outturn was taken to Cabinet 14 May 2024. Provisional Financial Outturn was taken to Cabinet 21 January 2025 This recommendation is now closed and will not be reported to in future action plan updates.	Executive Director of Finance and Section 151 Officer, Carol Culley	Cabinet Member for Finance, Councillor Karen McCarthy
9	**The Council must now, as a matter of urgency fully support the Section 151 Officer in effectively responding to the s114 report and, specifically:** **give full support to the development of the mandatory spending controls and savings and recovery plan.**	***December 2024 Update*** *Mandatory Spending Controls and Savings Plan:* Spend Controls continue to be in place and spend continues to be scrutinised. *Asset Disposal Plan:* Since the initial Section 114 notice the Property Team have continued to identify a wide range of assets which should be sold to meet the capital target of £750m across 2024/25 and 2025/26. £614M has been	Executive Director of Finance and Section 151 Officer, Carol Culley	Cabinet Member for Finance, Councillor Karen McCarthy

No.	Statistical Recommendation	Council Response	Officer	Member
	identify and implement a suitable asset disposal plan; and **continue to work with the Department for Levelling Up, Housing and Communities over the extent and timing of support that will then be required to secure the ongoing financial viability of the Council.**	identified and work is progressing on closing the £136M gap. Some of the Council's largest and most valuable assets were already planned for disposal (e.g. Perry Barr) since that formed part of their original investment strategy, approved by Cabinet. Again, these have been accelerated. In addition to the Commercial Portfolio which continues to be reviewed (albeit with consideration given to minimising the loss of sustainable income), the Council have identified certain buildings within the Central Administration Estate and wider operational estate which are now considered surplus to requirements, and the Corporate Landlord and Property Teams has been working on a disposal strategy (this is set out in the Corporate Landlord Update paper considered at Cabinet in Oct 24, the area based review being one facet). As of November 2004, we are reporting receipted completions at £123,607,793 achieved. *Collaboration with the Department:* Discussions with the Department for Levelling Up, Housing, and Communities (DLUHC) happened, and confirmation was received on 27 February 2024 that DLUCH were minded to approve the Exceptional Financial Support request and we		

No.	Statutory Recommendation	Council Response	Officer	Member
		are working to meet the conditions set out in the letter outlining the Exceptional Financial support.		
		Latest Update: Spend control is now fully implemented and been put in place. The PPS Directorate are now reporting a cumulative total of receipts (May 2025) at £266,152,939 in respect of the Property Asset Disposal Programme. The overall programme to identify additional assets has been accelerated and the Potential Value Forecast for all property assets now either sold or in the programme to be sold stands at £665m. The Property and Corporate Landlord teams are prioritising closing the remaining £85m gap to meet the £750m total for delivery by a target date of 31 March 2026. In order to continue to identify surplus land and property suitable for disposal, all options are being explored. A new scorecard mechanism and progress with an outcome focused Corporate Asset Strategy is being utilised as a mechanism to assist the ongoing rationalisation of the operational estate, alongside this the area-based review continues to highlight underutilised land and buildings, that would produce benefits to their localities and the wider		

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		economy through a changed and/or enhanced use. The Council's property Investment Estate is undergoing a further review to identify assets that do not meet hurdle rates in terms of income and/or may not be perceived as sustainable for a long term investment hold and finally land identified for a pipeline of future housing development is being assessed to understand where disposals can be expedited whilst ensuring optimum housing and growth outcomes can still be realised. In addition to identifying land and property to be disposed of to meet the £750m target, additional assets are being identified that could be called on to deliver additional receipts of up to £250m by 31 March 2027 if required and provided further positive economic and housing outcomes can be realised through their disposal.		
10	**Officers should put in place a formal and detailed cashflow model that focusses on when the payment of the Council's liabilities will fall due against the timing of its other cash outgoings and inflows (including the estimated funds produced from asset sales). This cashflow model should predict at what point, without Government support, the Council will exhaust its usable reserves and will no longer have sufficient finances to be**	***December 2024 Update:*** Cashflow modelling has been undertaken and various scenarios have been modelled. The cashflow model continues to be regularly updated as the MTFP develops and with the significant input from the modelling of the potential equal pay liability. **Latest Update:**	Executive Director of Finance and Section 151 Officer, Carol Culley	Cabinet Member for Finance, Councillor Karen McCarthy

No.	Statutory Recommendation	Council Response	Officer	Member
	able to continue to operate or would be unable to meet its financial obligations when they become due.	This is now embedded as normal Treasury Management to ensure the Council's liquidity. Cashflow management is part of the Treasury Management Strategy and Policy included in the budget papers taken to Cabinet 11 February 2025. This recommendation is now closed and will not be reported to in future action plan updates.		
11	**Given the significant risks facing the Council it should ensure that it cooperates with external audit in a timely and appropriate manner, and in accordance with legal requirements.**	***December 2024 Update:*** *Timely Cooperation:* Co-operation with external audit is continuing with regular communication by email and in-person at various levels of management.	Managing Director, Joanne Roney	Leader of the Council, Councillor John Cotton
		Latest Update: Timely cooperation with external auditors continues and oversight has transitioned to the Governance Board as part of the IRP to ensure appropriate and timely communication. This recommendation is now closed and will not be reported to in future action plan updates.		
12	**The EP liability model should be completed, and the 2020/21 and 2021/22 accounts should be closed by 30 November 2023.**	***December 2024 Update:*** Equal Pay liability model has been shared with external audit. And the finalised model has informed the disclosure in the 2022/23 accounts.	Executive Director of Finance and Section 151	Cabinet Member for Finance,

No.	Statutory Recommendation	Council Response	Officer	Member
		When the 2022/23 accounts are published in December 2024 part of these accounts will provide an updated estimate of the Equal Pay liabilities – this will be included as a post-balance sheet event disclosure, showing the estimated liabilities at the date at which the accounts are laid (i.e. in December 2024). **Latest Update:** Pay liability model has been finalised and shared with external audit. The latest update to the model will inform the disclosure in the accounts. The 2020/21 and 2021/22 Accounts were approved at Audit Committee on 15 May 2025. This recommendation is now closed and will not be reported to in future action plan updates.	Officer, Carol Culley	Councillor Karen McCarthy

Appendix B: Updated Consolidated Report on Key and Improvement Actions.

REPORT	TOTAL	OPEN	CLOSED
Financial Sustainability of Brimingham City Council January 2025	7	1	6

RECOMMENDATIONS	MANAGEMENT RESPONSE	STATUS
R1.Management arrangements report - Inflation	The Budget Papers taken to Cabinet 11 February 2025 include a Section (9) on Inflation and Pay Award assumptions. General Price Inflation is based on the most recent Bank of England forecasts.	Closed
R2.Budget Planning	A budget timetable has been drafted and will be shared with Members and CLT for agreement. This timetable will be shared publicly as part of the Medium-Term Financial Plan (MTFP) update given to Cabinet in July 2025. Regular updates will be provided to key stakeholders to ensure the timetable is met. Approach to the MTFP has been agreed with Members and CLT. The Budget Task & Finish Group will continue to scrutinise the MTFP.	Closed
R3.Reporting Savings	The savings delivery process now includes regular reviews and assurance checks, with clear RAG (Red, Amber, Green) ratings to monitor progress. We have introduced a rigorous tracking system for savings, which includes monthly highlight reports and assurance meetings. This then feeds on to Directorate Boards to sign off on their latest position before this then is turned into a consolidated report to CLT, EMT, Commissioners and Scrutiny Committees.(ii) Accurate Reporting of Savings. This increased engagement and buy in to the need and delivery of savings. There is transparent reporting through the year and in the 2025/26 budget setting process. Our updated savings delivery reports provide a clear overview of the progress and any risks associated with the delivery of savings, which is then reported to CLT, EMT, Commissioners and Scrutiny Committees.	Closed
R4. Setting 2023/24 budget (Risks)	Threat/ opportunity reporting approach being adopted and linked into Cabinet Portfolios supported by accredited risk management training/ risk champions.	Open

R5. Setting 2023/24 budget (member Information)	Regular MTFP updates have been provided during the 2024/25 financial year in relation to the budget, the 2025/26 budget report, and a lengthy Section 25 report in relation to this budget setting process. This information has all been through scrutiny, to provide assurance on the latest budget setting round.	Closed
R6. Culture and Governance (recognise specific challenge)	All Council members fully briefed on the principles that will ensure a rule based, governance culture. This will support changing the expected standards and how members engage and interact with stakeholders and how ensure that all know what's acceptable. Create confidence for people to challenge behaviours across the Council that do not align with the principles. Auditable numbers of line managers trained. Numbers of people that have received briefings and watched the supported videos to launch the princepes. Line managers commitments audited with CLT/ECLT that materials have been cascaded and launched	Closed
R7. Culture and Governance (commit to long term programme)	Links Directorates to the overall Council Programme and ensures Directorate leaders commit to using the guiding principles to embed a rules-based governance culture. Identifies areas that require cultural improvement and creates an open dialogue and agile plan to sponsor calling these out across the Directorate and facing these cultural obstacles head on creating better standards and governance. A new system that sets standards required against clear sets of behaviours and skills to enable the embedding of clear standards and develop skills to meet BCC requirements	Closed

REPORT		TOTAL	OPEN	TRANSFER	CLOSED
Auditors Annual Report on Birmingham City Council 2021/22 and 2022/23,2023/24 Published 14.11.25 (combined commentary)		8	2	3	3
RECOMMENDATIONS	**MANAGEMENT RESPONSE**				**STATUS**
Relationship between officers & members	The IRP has a dedicated workstream to organisational culture				Closed
New risk management arrangements & reporting 'bad news'	Accredited Risk Management Training underwritten by the Institute of Risk Management (IRM) has been arranged and booked for multiple leadership layers extending from Cabinet down to ECLT (including Audit Committee Members and OSC Chairs). This will be followed by the development of an online training module following similar principles, and which every effort will be made to include in the mandatory training catalogue. Risk Champions have been identified and included in the above training for 4 of 8 Directorates, and work is ongoing to identify the remainder and the subsequent framework for engagement and support as part of a wider Risk Champion Programme. Training for Executive Directors and all JNC level users in the newly launched digital risk management platform (Resolver) as services are brought onto the platform includes easy/rapid identification of emerging risks and sending for triage by the risk team.				Open

Revised approach to internal audit	Regular reporting to Audit Committee now takes place. The format of the update reports has been revised to provide clear information. The format of the reports will be continually reviewed and developed to ensure relevant information continues to be provided. The Principal Group Audit was designated the Head of Internal Audit following the deletion of the Assistant Director post. The ongoing Internal Audit restructure formally establishes the Head of Internal Audit and Counter Fraud role together with assimilation rules. The audit plan is driven from the current principal, corporate and directorate risks together with feedback on key issues from Directors and CLT and Internal Audit own assessment. The Resolver GRC solution has recently been implement (Risk Management and Internal Audit) this will be used to drive an integrated approach to risk and assurance (2nd and 3rd line).Follow up reviews are completed on no and limited assurance reports. Action tracking will also be implemented as part of Resolver allowing action owners to provide assurance that they have completed the agreed tasks. Follow up reports are reported through to the Audit Committee. The Audit Committee can then choose to call managers to attend where limited progress has been made. The Head of Audit reports to the Executive Director of Finance but has the ability to report to the Managing Director, Monitoring officer or Audit Committee when necessary.	Open
Consideration of the findings of the Oracle fusion ERP	Encompassed in IRP Brindley programme	Closed
Revision to cover keys risks areas and programme delivery	Transferred into IRP monitoring and internal audit action plan	Transfer

Work with Commissioner to address June 2018 Ofsted weaknesses	The SEND Improvement Board was established November 2021. The Board is chaired by John Coughlan with representation from all key stakeholders including parents and carers and representatives from all phases and types of education settings. In June 2024, the SEND Improvement Board developed into the SEND and Alternative Provision Improvement Board. From June 2024 the Board has responsibility for overseeing the SEND and AP Improvement Plan (which includes the APP). We have a clear strategic governance model overseeing the operational activity. Improvement of SEND provision, outcomes and impact, feature within the Council's IRP Self-Evaluation Framework (SEF) co-produced across the partnership with professionals and families and delivered in Spring 2024.SEF informed the SEND & AP Improvement Plan and our 12 priorities. We have strong programme management with defined milestones, progress RAG rating and regular priority leader reviews. DfE stock takes in 24/25 have seen sufficient evidence of improvement to remove the areas of significant weakness in leadership, working with parents and our published Local Offer. We have also seen significant and impactful changes through successfully recruiting permanent staff to the SENAR teams. We have moved from c. 90% agency staffing to c. 30% agency staffing. The Local Area Partnership looks forwards to the anticipated SEND and AP Ofsted/CQC inspection which is due this year. To transfer to the SEND and Alternative Provision Improvement Board.	Transfer
City Operations	Implementation of Councils transformation plan is overseen by the City Operations Transformation Board.	Transfer
Procurement	External review of procurement 2023 - implement recommendations	Closed

REPORT		TOTAL	OPEN	CLOSED
Auditor's Annual Report on BCC 2020-21 Published 14 January 2025		**23**	**2**	**21**
RECOMMENDATIONS	**MANAGEMENT RESPONSE**			**STATUS**
R1. Clearer distinction between statutory and discretionary spending.	As part of prior budget setting rounds, a clear list of statutory and non-statutory services were considered by Corporate Leadership Team in savings identification, as well as being considered by scrutiny.			Closed
R2.Check COVID Payments to businesses to personally related parties	Publicly available on the website under the register of members interests			Closed
R3.Framework to capture non-compliance with constitution	Council will approve an updated Officer Scheme of Delegation in June 2025 to reflect the MD and new EDr structure			Open
R4.Consider central on-line register of Member interests	Central register in place			Closed
R5.Training to employees to reduce risk of significant data breaches	Now part of annual mandatory training			Closed
R6. Birmingham Audit should undertake a review of the data quality of KPIs as part of the 2022/23 internal audit plan	A review of the Corporate Performance Framework, including the progress in establishing KPI's, was undertaken as part of the 2024/25 Internal Audit plan. Further work, with a directorate focus, is planned within the 2025/26 Internal Audit plan. This will include assessing the quality of data and calculation of a sample of key KPI's.			Open
R7.The Council implement its plans to utilise the LGA Plus benchmarking tool to inform its budget processes.	On a Directorate-by-Directorate basis, appropriate benchmarking has been used in the form of specific benchmarking groups and forums. As above, LG Inform has been used for publicly available benchmarking, and within Adults and Children's benchmarking of packages of care has been completed on an individual basis. Where appropriate benchmarking will continue to inform the budget and savings.			Closed

R8.Working with partners is a key theme throughout Councils updated 2018-22 Plan. Recommend plan is amended to provide greater clarity on partnership working	A new Corporate Plan is in the final stages of development, for approval in June 2025. This Corporate Plan sets out Birmingham City Council's priorities for the period 2025–2028. It is the first such plan published since the Government's statutory intervention in October 2023.The Corporate Plan brings together, for the first time in a single document, two interrelated agendas: the council's contribution to the new City Vision and its own Improvement and Recovery Plan (IRP). The IRP forms the foundation of this Plan, acting as its engine room - providing the essential reforms and capabilities that will enable the Council to deliver on its wider ambitions. The Shaping Birmingham's Future Together partnership has defined a set of key behaviours and values that will underpin how we work in partnership to deliver the shared City Vision - known as the Birmingham Promise. Effective collaboration with partners will be essential to achieving the scale of change required for the City. This is reflected throughout the new Corporate Plan and now addresses the original recommendation. Additionally, a succeeding in partnership toolkit has been launched to support more effective partnerships. The toolkit has been shared with the members of the City Partnership Board and is being used as part of work to refresh and relaunch that partnership to take forward the City Vision and its five missions.	Closed
R9.Prioritisation of a Procurement strategy	This action should be closed as it has been superseded by intervention and commissioner appointments resulting in a major strategic re-set for the Council's commercial and procurement functions. With the development of the 'City Vision' it is intended that a comprehensive procurement strategy will be drafted by late 2025 to focus on delivery against the five long-term missions.	Closed
R10.IT Audit Findings - General Ledger appropriate training access rights	Superseded by Brindley Oracle Programme	Closed
R11. General Ledger Planned changes -	In August 2021 recommended that Council avoids further delays to procurement decisions relating to the new general ledger, whilst ensuring mitigation plans are in place should solutions not be operational at the planned 'Go-Live date. Superseded by Brindley Oracle Programme.	Closed
R12.General Ledger-	In August 2021 recommended focus on designing and testing critical reports for new general ledger system to be delivered by November 2021 in order to be assessed during user acceptance testing. Superseded by Brindley Oracle Programme.	Closed
R13. General Ledger	In August 2021 recommended that the Council limit further changes to the design of the new ledger to only those that are considered essential. Superseded by Brindley Oracle Programme.	Closed

R14 ISC approved on a timely basis to avoid risks to service delivery	The Council ensured that any necessary extensions to the ISC are approved on a timely basis to avoid risks to service delivery	Closed
R15.Contractual Arrangements	The Council has strengthened arrangements to ensure appropriate formal approval is provided for key decisions before any necessary submissions to significant third parties, including Government, Previously, accepted & approved.	Closed
R16. Contractual arrangements relating to specific PFI	The Council has implemented a more formal process to ensure that its understanding is consistent with Government Departments, to reduce the risk of setbacks caused by a difference in expectations. Expired.	Closed
R17.The Council should develop its business case training to key officers to enhance the Council's ability to strengthen its arrangements for preparing business cases.	All DFT business cases were written by external advisors using the required business case templates approved by DFT. Any BCC staff involved in the process were given appropriate resources to do this. Within BCC the CPMO has a business case templates commensurate to the level of funding required. These are held within the CPMO repository.	Closed
R18.The Council should consider including some scenario planning on changes in road use	An extensive piece of benchmarking and scenario planning has been carried out with the PFI Technical Advisors, Arup, to assess the impact of changes in road classification and usage of the highway network covered by the project on the resulting cost and risk profile	Closed
R19.Formal arrangements for Chief Executive and CLT to ensure a clear framework to support the development of positive relationship with the political leadership.	Member Officer Protocol agreed by Council in September 2025	Closed

R20.The Council to identify key individuals and ensure appropriate succession planning.	Delivered through the IRP Target Operating Model programme	Closed
R21.The Council to work effectively with Wood to develop a new Waste Service Delivery model as soon as the Governments' requirements for the future collection programmes have been finalised.	The Council has a very detailed waste transformation programme in place. This addresses a whole range of service delivery changes required to comply with the Environment Act (2021) and will implement revised / improved ways of working across the service. Recommendations from the Wood report in 2020 are all picked up as part of the ongoing waste transformation approach. Current industrial action in the waste service has meant that the introduction of key service delivery changes is currently paused. This will be recommenced as soon as the industrial action has been resolved. Transfer to Waste Transformation Programme and Board.	Closed

KR1/2 2020/21Home to School Transport: Prioritise implementing recommendations for the independent report commissioned by the Council .	We have further developed our Children and Young Persons' Travel Service with a robust eligibility process that identifies the needs of the young people we support, ensuring that transport is suitable for their needs and encourages their development. This will include development of a travel menu that will include promotion of personal transport budgets, and a Travel Training service to support development towards independent travel. Service redesigned with particular focus on the Transport Passenger Guides, this included a review of job descriptions, working hours, broader range of responsibilities and recruitment to generate 600 part-time staff and job opportunities for local people. The refreshed approach will reduce risk and offer greater value for money. Service re-assessed the needs of children and young people and where appropriate an alternative option to taxis and minibuses such as independent travel training, bus pass or personal transport budget have been implemented. This approach meets the needs of children and young people and offers value for money. The service has successfully rationalised routes. The service is exploring development opportunities such as stakeholder engagement, to expand efforts to gather feedback to shape service improvement, technology integration to explore digital tools to streamline process and enhance user experience, training programs. The Senior Management Team (SMT) are working on the development of a Behaviour Policy. The aim is to create a comprehensive and consulted Behaviour Policy that CYPTS can use to establish a code of conduct for passengers, parents, and employees. In 2025, the SMT in CYPTS will take the lead on September mobilisation, marking a significant shift from previous years when consultants managed this process. The Service actively working with Admissions and SENAR Teams, and Partner Agencies to ensure decisions, are based on the needs of children and families, while aligning with placement planning.	Closed
KR4 2020/21IT Control Environment: 2021	The Council has reviewed roles and users in SAP to ensure capacity to manage user roles and identify segregation of duty breaches.	Closed