



Deputy Leader's Update

Co-ordinating O&S Committee

7th September 2018

1 Purpose and Attached Documents

- 1.1 The Deputy Leader has been asked to attend your committee to cover the following items:
1. Performance Framework – a new performance framework is being developed following on from the adoption of the Council Plan, which will focus on the priorities and measure the impact of the work the council does.
 - a. Council Plan with latest measures (attached)
 2. Corporate Governance Plan – following on from the discussion with the Leader at the last meeting about the Birmingham Independent Improvement Panel (BIIP), members have asked to see progress against the Corporate Governance Plan.
 - b. Corporate Governance Plan update – August 2018 (attached)
 3. Citizen engagement – following the review undertaken by the Districts and Public Engagement O&S Committee in 2014, there is still an outstanding action with regards to enhancing citizen engagement and how we conduct consultation.
 - c. Briefing and draft policy on Working Together in Birmingham's Neighbourhoods (attached)
 4. Annual Audit Letter – the auditor has issued a statutory recommendation, most of which refers to financial matters which will be picked up by the Resources O&S Committee. However, the letter also refers to governance issues – in particular the council's lack of transparency in reporting governance failures and emerging issues.
 - d. Extract from the Audit Findings – the statutory recommendations for year ending 31 March 2018 – is attached (the letter of 30 July from the City Council to Grant Thornton, and the Annual Statement of Accounts is available from the Scrutiny Office on request).

2 Recommendations

- 2.1 Members are asked to
- Identify key areas within the performance framework for this and other committees to focus on;
 - Agree how members would like to be kept abreast of progress against the Corporate Governance Plan;



Deputy Leader's Update

- Agree how work on citizen engagement should be taken forward;
- Identify any new areas of work which should inform the work programme for the forthcoming year.

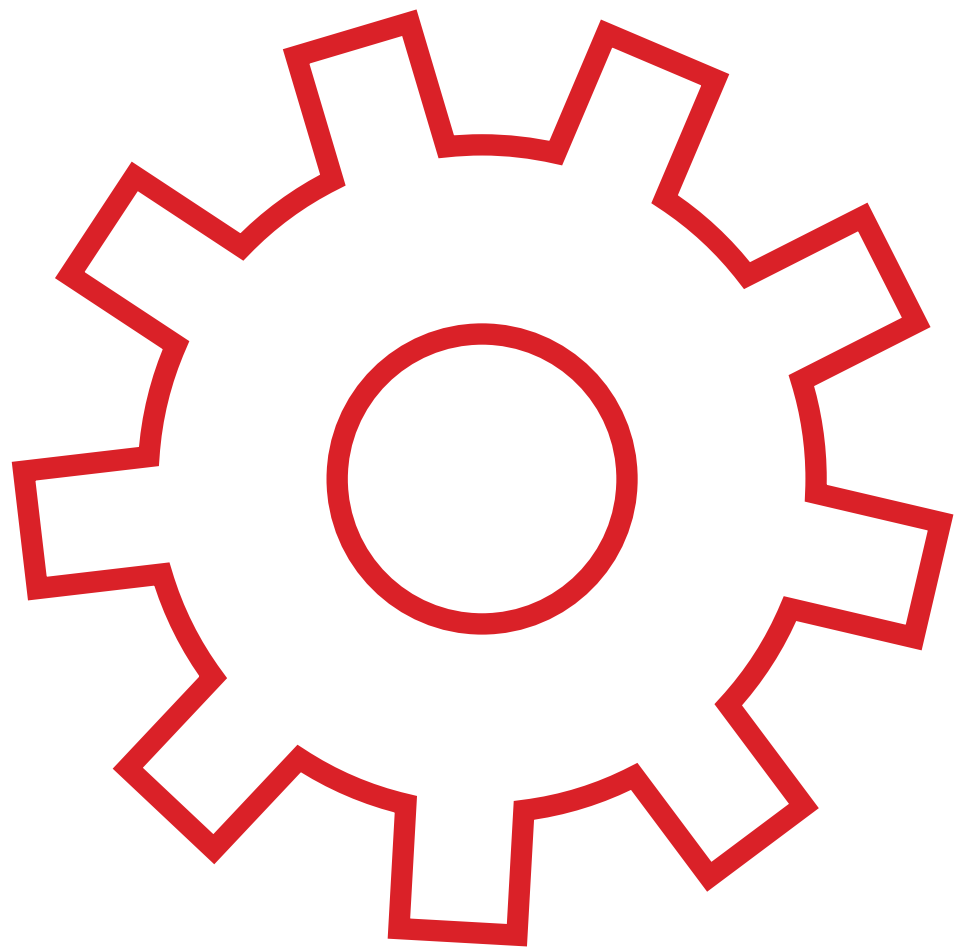
Contact officer:

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Birmingham City Council Plan: 2018-2022

Birmingham – a city of growth where every child, citizen and place matters

What do we want to achieve?



Outcome	Why is this important?
Birmingham is an entrepreneurial city to learn, work and invest in	We want a city that invests in its people so that everyone can have opportunities to realise their potential through lifelong learning, skills and good jobs. We want to invest in the buildings and transport connections of our city to provide better places to live and work and enable businesses to prosper. HS2 will be a key milestone in the city's development and we must make the most of this opportunity to boost our economy and key growth sectors, and enable citizens to access employment.
Birmingham is an aspirational city to grow up in	We want to respond to our unique profile as one of the youngest cities in Europe to give all children from every background and community the best start in life with a clear pathway to achieve success and realise their full potential.
Birmingham is a fulfilling city to age well in	We want citizens to live more active, longer, healthier and independent lives. We want to reduce social isolation so that people can make positive choices and take control of their wellbeing.
Birmingham is a great city to live in	We want Birmingham to be a sustainable city of vibrant culture, flourishing neighbourhoods with good quality housing. A city with clean air, safe and clean streets and green spaces. We want to be a city where our citizens have pride in where they live, have a strong sense of belonging and a voice in how Birmingham is run.
Birmingham residents gain the maximum benefit from hosting the Commonwealth Games	Hosting the Commonwealth Games gives us a global stage to use the transformational power of sport and culture to project a positive image of our city, promote growth and provide a long-lasting legacy to the citizens of our city.

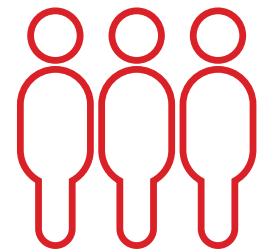
Making a positive difference everyday to people's lives

Birmingham City Council Plan: 2018-2022

Challenges and opportunities

BIRMINGHAM HAS

1,141,000
CITIZENS
46%
UNDER 30



Our population is expected to rise to 1.31million by 2039 (15% rise from now) and 24% predicted rise in adults aged 85+ by 2028.

90
A

DIFFERENT
LANGUAGES
ARE SPOKEN

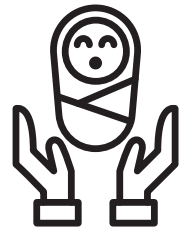
Birmingham has a young and richly diverse population with 25% of the population under-18 and 42% from Black and Minority Ethnic communities.

OUTSIDE OF LONDON

OUR CITY IS THE
MOST
ETHNICALLY &



CULTURALLY
DIVERSE

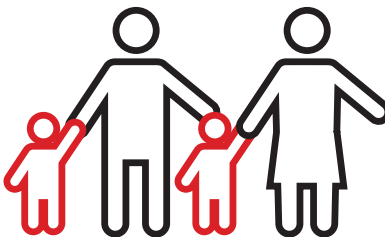


1,789
CHILDREN
IN CARE
(UNDER 18)

1 in 3 children live in poverty and there is a gap in life expectancy between the wealthiest and poorest wards. **English** is not the first language for 42% of school children.

1,836
FAMILIES
SUPPORTED BY
FAMILY SERVICES*

(*THINK FAMILY)

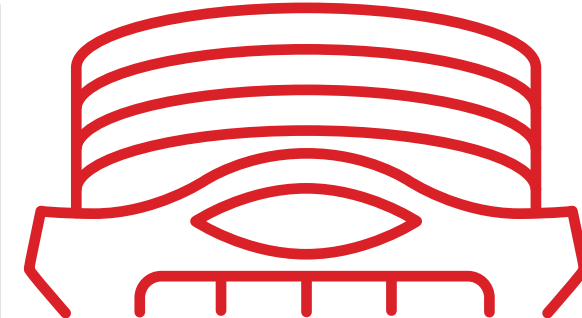
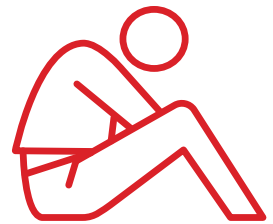


Unemployment is higher than the UK average – 6.4% in Birmingham compared to 2.6% in the UK. **Unequal employment** rates across Birmingham – e.g. Hodge Hill at 46% compared to 78% in Sutton Coldfield. **Air pollution** causes up to 900 premature deaths (deaths before the age of 75) per year.



61,818
COUNCIL HOUSES

89,000 new homes are needed by 2023: street homelessness is on the rise and 1 in 88 people (12,785) are homeless.



MOST RAPIDLY
IMPROVING CITY

to live and work in with exciting new developments in Birmingham city centre, delivering almost 13,000 new homes, over 40,000 jobs and adding £2billion to the local economy.

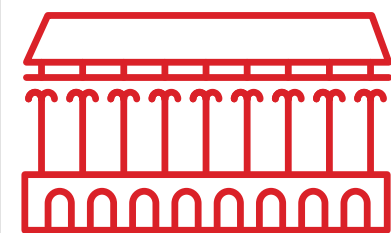
COMMONWEALTH
GAMES

will reposition Birmingham globally,

GENERATING

£526m

for the regional economy and creating **1,000** new homes.



Wide ranging lively cultural offer, including world class theatres, Town Hall and Symphony Hall and a rich tapestry of festivals.

CITIZENS' TOP PRIORITIES

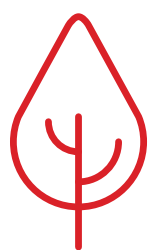
- #1** Clean Streets (57%)
- #2** Refuse Collection (55%)
- #3** Child Protection and Safeguarding (37%)
- #4** Road and Pavement Repairs (37%)
- #5** Care and Support for Older and Disabled People (36%)

HOME TO OVER

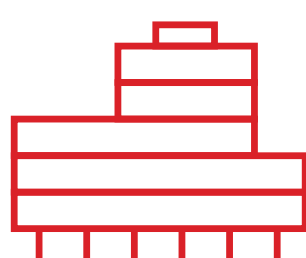
20
MUSEUMS



571
PARKS



More than any other European city.

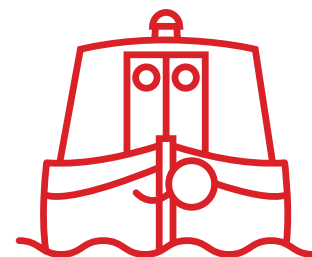


4 MILLION VISITORS TO
CITY'S 37
LIBRARIES
ANNUALLY



12,373
ADULTS (18+)
RECEIVING
LONG-TERM SUPPORT

35 MILES
OF WATERWAYS
MORE CANALS
THAN VENICE



HOME TO

5

UNIVERSITIES
with 87,400 students (aged 16-64).

IN 2017, MORE THAN

12,000
NEW COMPANIES
OPENED THEIR DOORS
FOR NEW BUSINESS
IN BIRMINGHAM



Making a positive difference everyday to people's lives

Birmingham City Council Plan: 2018-2022

What are we going to do?

OUTCOME 1:

Birmingham is an entrepreneurial city to learn, work and invest in.

Priority 1:

We will create opportunities for local people to develop skills and make the best of economic growth.

How will we measure success?

- The number of jobs created.
- The number of Birmingham citizens supported into education, training and employment through employment support activity.
- The number of apprenticeship starts per 1,000.
- The percentage of adults with an NVQ qualification, verses national average.

Priority 2:

We will strive to maximise the investment in the city and engage local employers to create quality jobs and opportunities for citizens.

How will we measure success?

- Birmingham's unemployment rate verses the national average.
- Narrowing the pay gap for citizens across the city.

Priority 3:

We will invest in growth sectors where Birmingham has competitive strengths to diversify the economic base of the city.

How will we measure success?

- Small and Medium Enterprises starts and closures.

Priority 4:

We will develop our transport infrastructure, keep the city moving through walking, cycling and improved public transport.

How will we measure success?

- The percentage of carriageways which should be considered for structural maintenance based on condition surveys.
- Increased percentage of trips taken by bicycles.

OUTCOME 2:

Birmingham is an aspirational city to grow up in.

Priority 1:

We will improve protection of vulnerable children and young people (including those with Special Educational Needs and Disability).

How will we measure success?

- Percentage of new Education Health Care (EHC) plans issued within 20 weeks, excluding exceptions.
- Percentage of pupils with a statement or EHC Plan.
- The Children's Trust meeting or exceeding its performance targets.
- Average length of time from a child entering care and moving in with its adoptive family (in days).
- Percentage of care leavers who are in Education, Employment or Training (EET).
- First time entrants into the youth justice system (per 100,000 population aged 10 to 17).

Priority 2:

We will work with early years services and all schools to improve educational attainment and standards.

How will we measure success?

- The percentage of children making at least expected progress across each stage of their education – Early Years Foundation Stage (good level of development).
- Key Stage Attainment (KS2 and KS4 proportion reaching expected standard in Reading, Writing and Maths.)
- The average progress 8 score of Birmingham pupils compared to National pupils – average progress between Key Stage 2 and Key Stage 4 across eight key subjects.

Priority 3:

We will inspire our children and young people to be ambitious and achieve their full potential.

How will we measure success?

- The proportion of years 12 to 13 not in Employment, Education or Training (NEET).
- Proportion of the population aged 16 to 24 qualified to at least level 3.
- Proportion of the population aged 16 to 24 qualified to at least level 4.
- Children with Special Educational Needs (SEN) – Progress 8 – Average progress between Key Stage 2 and Key Stage 4 for pupils with SEN Support across eight key subjects.
- Children in Care – Progress 8 – Average progress between Key Stage 2 and Key Stage 4 across eight key subjects.

Priority 4:

We will improve early intervention and prevention work to secure healthy lifestyles and behaviours.

How will we measure success?

- Percentage of children overweight or obese at reception and year 6.
- Number of 2 year old children accessing

flexible free entitlement to early education (EEE).

OUTCOME 3:

Birmingham is a fulfilling city to age well in.

Priority 1:

We will work with our citizens to prevent social isolation, loneliness, and develop active citizenship.

How will we measure success?

- The proportion of people who use services who reported that they had as much social contact as they would like.
- The proportion of carers who reported that they had as much social contact as they would like.

Priority 2:

We will improve care for older people.

How will we measure success?

- Reduced number of long term admissions to residential care and nursing care (per 100,000 – 65+).
- Reduced delayed transfers of care.
- Proportion of older people (65 and over) who are still at home 91 days after discharge from hospital into re-enablement/rehabilitation services.

Priority 3:

Citizens and communities will have choice and control over their care and improved resilience and independence.

How will we measure success?

- More people will exercise independence, choice and control over their care.
- Proportion of adults with a learning disability in paid employment.

OUTCOME 4:

Birmingham is a great city to live in.

Priority 1:

We will work with our residents and businesses to improve the cleanliness of our city.

How will we measure success?

- Improved cleanliness – streets and green spaces.
- Increase Recycling, Reuse, and Green waste.
- Residual household waste per household (kg/household).

Priority 2:

We will have the appropriate housing to meet the needs of our citizens.

How will we measure success?

- Number of new homes completed in the city across a range of tenures.
- Number of properties improved in the Private Rented Sector as a result of Local Authority intervention.
- Number (and percentage) of homes built that are affordable.
- Minimising the number (and percentage) of households living in temporary accommodation.

Priority 3:

We will work with partners to tackle rough sleeping and homelessness.

How will we measure success?

- Reducing the number of rough sleepers across the city.
- The number (and percentage) of households where homelessness is prevented or relieved.

Birmingham City Council Plan: 2018-2022

What are we going to do?

Priority 4:

We will improve the environment and tackle air pollution.

How will we measure success?

- Reduce Nitrogen Oxide emissions (CAZ) levels in the city's air quality management areas (Ug/M3).
- Reduce Particulate Matter levels in the city's air quality management areas.

Priority 5:

We will work with partners to ensure everyone feels safe in their daily lives.

How will we measure success?

- Citizens' perception – feeling of safety outside in local area during the day.
- Citizens' perception – feeling of safety outside in local area after dark.
- Number (and percentage) of completed safeguarding enquiries which involved concerns about domestic abuse.

Priority 6:

We will foster local influence and involvement to ensure that local people have a voice in how their area is run.

How will we measure success?

- Citizens' perception – able to influence decisions that affect the local area.
- Citizens' perception – able to influence decisions about public services that affect the local area.

Priority 7:

We will work with our partners to build a fair and inclusive city for all.

How will we measure success?

- Reduce inequalities between wards e.g. health, unemployment, educational achievement.

- Percentage of gap reduction of people living in the city and working in the city.
- A new residents' survey measure about citizens' pride in the city.

Priority 8:

We will enhance our status as a city of culture, sports and events.

How will we measure success?

- Increased number of international, sporting, cultural and major events in our landmark venues, shared spaces, communities and libraries.

OUTCOME 5:

Birmingham residents gain the maximum benefit from hosting the Commonwealth Games.

Priority 1:

We will seek to maximise the opportunities for Birmingham businesses and the Birmingham economy as a result of the Games to stimulate economic and employment growth.

How will we measure success?

- Volume of Games contracts awarded to Birmingham/West Midlands companies.
- Volume of development of sustainable business on the back of the Games.

Priority 2:

We will encourage citizens of all abilities and ages to engage in physical activity and improve their health and wellbeing.

How will we measure success?

- Creation and use of health and well-being initiatives.
- Percentage rise in young people and adults engaged in physical activity.

Priority 3:

We will deliver high quality housing, sporting facilities and transport infrastructure for the benefit of our citizens.

How will we measure success?

- Delivery of the transport and sporting infrastructure on time and on budget.
- Community use of sporting infrastructure – making the master plans a reality.

Priority 4:

We will use the Games as a catalyst for the development and promotion of apprenticeships, volunteering and leadership opportunities to enhance the skills of our workforce.

How will we measure success?

- Apprenticeships/skills courses/entry level employment offered to unemployed Birmingham citizens across core Games related industries – security, catering, cleaning, technology etc.
- Internships and skills development as a result offered and delivered by Games partners and/or supporting businesses.

Priority 5:

We will work with our diverse communities to ensure that we deliver a Games for Birmingham that connects our citizens and fosters civic pride.

How will we measure success?

- Community volunteer projects delivered as a result of the Games (e.g. 'spring clean' of streets).
- Use the Games to create/foster active citizenship projects and ensure those volunteers play a role in the Games.
- Citizen engagement with the cultural programme.
- New residents' survey measure to link

active life-styles, culture and wellbeing with cohesion impact.

HOW WILL WE WORK?

We want to proactively strengthen our partnerships with key institutions and businesses to create a strong civic family to lead the city. As part of this family, we will endorse a 'Made in Birmingham' approach with the city council playing a stronger role in directly delivering services, enabling partners and leading the community.

We want everyone to benefit from the city's success and have therefore set out a long-term approach to achieve our priorities. This includes improving our services by promoting innovation, learning from good practice and collaborating with our partners across all sectors and all communities.

Improving the way we work:

- Greater Efficiency – we are committed to a culture of continuous improvement.
- More Transparency – we will work openly and publish information on decisions and spending.
- Greater Equality – we will promote the needs of all of our citizens; tackle disparities between neighbourhoods; and ensure our workforce reflects the diversity of our city.

Achieving the outcomes set out in this plan requires a wide range of resources and funding, which extends beyond the council's net revenue budget. However, by having a clear set of priorities we are able to work effectively in partnership to

maximise the city's resources for the citizens of Birmingham.

The Council's budget:

NET BUDGET FOR 2018/19

£855.2m

ANNUAL BUDGET REDUCTIONS OF

£642m
OVER 7 YEARS TO 2017/18



FURTHER ANNUAL CUTS OF

£123m
BY 2021/22 ARE ANTICIPATED

THIS MEANS

TOTAL ANNUAL SAVINGS OF £765m
OVER 11 YEAR PERIOD

It is important to note that a significant proportion of this budget is not within the Council's control. For example, the educational funding goes directly to schools.

We are changing the way we work to ensure we are making best use of our resources whilst continuing to deliver improved outcomes for citizens:

- We will develop a sustainable financial plan which does not rely on the use of reserves.
- We will focus on priority-based budgeting to ensure our resources are used where they are most needed.
- We will seek to use innovative models to deliver better outcomes at lower cost.
- We will make better use of our assets.

BIRMINGHAM CITY COUNCIL CORPORATE GOVERNANCE IMPROVEMENT PLAN

August Update 2018 (Final)

1 Political leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i>					
	Improvement Aim	Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track) <i>Latest Update in Bold</i>
1.1	Well-organised, stable and effective political groups.	<p>The four year political window provides a crucial opportunity for a new way of working within and between political groups.</p> <p>The INLOGOV report (2017) provides a baseline of issues for political groups to consider and subsequently tackle, including:</p> <ul style="list-style-type: none"> - The need to look beyond the BCC ‘bubble’ to understand emerging best practice around public service reform. - Hierarchies within BCC can impede the development of effective working relationships between officers, Members and partners. - A tension is developing between the new and more traditional ways of working. - There is a call for more collaborative approaches. - A blurring of officer, elected Member and partner roles is taking place. - A softer set of skills will be needed in future, including listening, learning from others and engaging with residents in a variety of ways. <p>Group Leaders meet regularly with the CEO and ACE; providing a positive forum to take forward this work. Group leaders dealing with any breaches and risks of breaches of member/officer protocols, the Council’s constitution and agreed ways of more modern mutually respectful working</p>	<p>Formal self-assessments required by all political groups – with process and developmental changes formally captured and reported against. ACE to coordinate with Leader, Deputy Leader and Group Leaders.</p> <p>Collate summary of changes that have been made by political groups.</p> <p>Update to INLOGOV report to be commissioned in-year 2018.</p>	<p>Formal updates against self-assessment action plans to follow on a monthly basis. Commencing in August 2018.</p> <p>INLOGOV update report as a year 1 stock-take evaluation in September 2018. Subsequent actions for years 2-4 to be identified.</p> <p>Discipline for social media and actions – Member protocols consistently understood and adhered to, learning from previous investigations.</p>	<p><u>ACE with Group Leaders / Deputy Leader</u> All three group leaders have agreed to undertake self-assessment processes and feedback changes. Labour Group has already undertaken a review with 18 changes to Group ways of working agreed – including extending terms of office for Cabinet members to 4 years. (July 2018). ACE to update further in September.</p> <p>A formal specification is being developed with INLOGOV and the New Local Government Network regarding re-commissioning of the stock-take report and an extension of the work into peer-engagement networks on areas of required improvement (August 2018 update).</p> <p>LGA and INLOGOV agreement for BCC to be one of four national pilots regarding a kitemark process for 21st Century leadership (August 2018 update)</p> <p><u>City Solicitor and Chief Whip</u> May and June 2018 member induction processes included detailed briefing on code of conduct (including social media protocols) (August update).</p>
1.2	<p>Effective, timely and balanced communication and engagement of all political groups.</p> <p>Effective and timely officer support into all political groups of the Council.</p>	<p>There are currently inconsistencies about expectations and protocols about officer briefings of political groups, with ad-hoc briefings on topics and a lack of equity / balance in information provision to all groups.</p> <p>Much improved cross-party leaders’ meetings with good tone, level of honesty and support.</p>	<p>A structured briefing programme to be offered for all political groups based on a robust, published forward plan.</p> <p>Formalise senior officer discussions with Group Leaders through monthly CEO 1-1 briefings with group leaders, ACE co-ordination of agenda and briefing pattern for joint group leaders and regular consideration at CMT.</p> <p>More emphasis on all-member sessions as part</p>	<p>Annual survey of councillors to establish satisfaction with connectivity with Council and briefing arrangements. October 2018.</p> <p>Actions and changes to group leaders meetings effective from July 2018.</p>	<p><u>City Solicitor / ACE in concert with Group Leaders / Deputy Leader</u> Survey underway (August Update)</p> <p>Revised group leaders meeting cycle in place with structured agenda (July 2018 Update)</p> <p>Member induction and development of on-</p>

1 Political leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i>					
	Improvement Aim	Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track) <i>Latest Update in Bold</i>
		<p>The role of Council Business Management Committee (CBM) does confuse this consistency and clarity across groups – with topics deferred to CBM rather than group leaders and inconsistency in representation.</p> <p>A Members’ newsletter exists, but the extent of clear and consistent messaging for Members (at Council and ward level) could be substantially improved.</p>	<p>of / following medium-term induction plan.</p> <p>Review of role and terms of reference of CBM as part of constitutional review.</p> <p>Ongoing training for members around social media and internal communications networks to enable more agile provision of information.</p>		<p>going programme underway (August Update).</p> <p>This will take place as part of LEAN review, on track for constitution revisions for November (August update).</p> <p>Guidance for members on social media being developed, training to follow (August Update).</p>
1.3	<p>Effective, modern governance and decision-making processes at Full Council and Cabinet in line with accepted best practice (learning from good practice and guidance identified by Solace and CIPFA)¹</p> <p>Guidance of decision-making through a modern constitution, coherent Council Plan and robust policy framework.</p> <p>Modern and effective support functions to underpin the decision-making process.</p>	<p>The four year political window provides a crucial opportunity for a new, robust 4 year Council Plan, policy framework and delivery programme.</p> <p>The Council has previously had a vision statement, delivery plan (alongside the budget) and policy framework within the constitution. It is clear, however, that these are not owned or adhered to within the organisation as demonstrated by examples of weak delivery and lack of policy refresh.</p> <p>The constitution and policy framework is in need of modernisation. Bench-marking with sector leading peer required as part of this review.</p> <p>The standard report structure requires revision.</p> <p>The processes that sit ‘behind’ decision-making are unduly complicated and lead to confusion and regular late reports.</p>	<p>Extensive joint working between the new Cabinet and CMT to agree a new Council Plan and Performance Framework (June 2018)</p> <p>Changes to the policy framework to be agreed at Cabinet / CBM with a programme of policy review undertaken against the revised framework (ongoing 2018-19).</p> <p>Complete the constitutional review</p> <p>Complete the report structure review (July 2018)</p> <p>Complete the LEAN review of Council and Cabinet decision-making cycle and implement changes.</p>	<p>Actions to be implemented and monitored monthly within municipal year 2018 / 19.</p> <p>New Council Plan and Performance Framework (June 2018)</p> <p>Changes to the policy framework to be agreed at Cabinet / CBM (July 2018.) Gap analysis against policy framework (reviews) to be undertaken quarterly</p> <p>Complete the constitutional review (September 2018)</p> <p>Complete the report structure review (July 2018)</p> <p>Complete the LEAN review of Council and Cabinet decision-making cycle and implement changes (September 2018)</p>	<p><u>Assistant CEO</u></p> <p>Council Plan and associated measures agreed at June 2018 Cabinet meeting. EMT workshops in advance helped to build wider understanding, collaboration and ownership across Cabinet</p> <p><u>City Solicitor</u> Policy framework agreed at Full Council in May 2018.</p> <p><u>City Solicitor</u> New Constitution under review; for Group Leaders/Committee Review September 2018. Draft report structure completed; guidance developed and tested with officers. Implementation: September 2018. (August Update).</p> <p><u>City Solicitor</u> New process for Cabinet designed, agreed by CMT on 23.07.18. Training sessions being set up; communication of new process is underway via directorate team</p>

¹ [Delivering Good Governance in Local Government \(Solace and CIPFA\)](#)

1 Political leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i>					
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		<p>The staffing structures that support governance and decision-making are fragmented and have not been reviewed formally for many years.</p> <p>Very limited presentation of reports and strategies to Full Council</p> <p>High cost of use of paper for publication of papers at every council meeting</p>	<p>Complete service reviews of the Democratic Services and Cabinet / Leader support functions to ensure modern and effective ways of working (September 2018)</p> <p>Cross-party and pan-committee agreement on the nature of business to be brought to Council.</p> <p>Agreement to paper free arrangements except for visitors. Committee Services to stop using blank pages. Only print the agenda and reports, not the minutes of the last meeting.</p>	<p>Monitoring of reduced late reports (monthly)</p> <p>Annual survey of councillors to establish satisfaction with decision-making processes.</p> <p>External audit letter to highlight no material concerns re timeliness and probity of decision-making (March 2019).</p> <p>Report to CBM mapping out proposed nature of business to Full Council (September 2018) in line with O&S work programme, policy framework and Council Plan</p> <p>Reduced paper arrangements in place (November 2018)</p>	<p>meetings. (August Update).</p> <p><u>City Solicitor</u> Underway; New Cabinet process will make late reports a real exception. (complete)</p> <p><u>City Solicitor</u> Group Leader agreement to survey, and design of survey underway with a view to roll-out in September 2018. (August 2018 update)</p> <p><u>City Solicitor / Assistant Chief Executive</u> Consultation has closed for the review of Leader / Cabinet Office with agreement from all parties. Implementation planned for September 2018. (August 2018 update)</p> <p>The draft 2017/18 Annual Audit findings letter has not highlighted any issues of concern in respect of the timeliness and probity of decision making. (July Update)</p> <p><u>City Solicitor</u> Tracker and monitoring of Full Council decisions and Cabinet decision now in use. City Council/CBM Forward Plan now in use; work to further populate with policy framework on-going. (July Update)</p> <p><u>City Solicitor</u> EMT agreement for all meetings to be paperless from 01 November. Report to CBM scheduled for 28th August, report to be sent out on Friday 17 August. (August Update)</p>

1 Political leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i>					
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1.4	An effective and proactive Scrutiny function / work programme in line with national best practice (informed by the expertise of Centre for Public Scrutiny) ²	<p>O&S undertook a strategic review during 2017-18 with recommendations agreed by Full Council around a new committee structure and improvements to ways of working.</p> <p>There is a legacy of a lack of genuine cross-party agreement regarding proportionality of scrutiny chairs and vice-chairs. For 2018-22 it has been agreed that all vice-chairs will be from opposition groups. Whilst not yet delivering on opposition aspirations re chairs, this represents a degree of progress and is comparable to peer core cities.</p> <p>There has historically been a lack of synergy in forward planning of agendas between the Executive and O&S.</p>	<p>Implementation of O&S changes</p> <p>Forward planning workshops for the new O&S oversight committee (chairs committee) with formal engagement with all group Leaders.</p> <p>Utilisation of O&S for policy development purposes.</p> <p>Each committee to engage peer councils in elements of work programme during 2018</p>	<p>O&S review actions undertaken and / or report back to Full Council (September 2018.)</p> <p>Genuinely integrated O&S work planning in light of the Council Plan and priorities (September 2018).</p> <p>Robust programme of Scrutiny activity with flexibility for well-organised topical work (September 2018 onwards)</p> <p>Scrutiny members with strong links into Local Government Association, peers and able to access advisory resources outside the Council, e.g. Think Tanks.</p>	<p><u>City Solicitor</u> The Leader reported to the Co-ordinating O&S Committee on 27th July along with tracker of progress against recommendations. The recommendations are on track. The next update is to CMT in September 2018. (August Update)</p> <p><u>City Solicitor</u> The O&S Committees have developed work programmes following meetings with Cabinet Members and following Council Plan adoption in July. Focusing on key priorities. (August Update).</p> <p>Session held with the co-ordinating committee in June 2018 (along with private chair briefing) to ensure alignment between Council Plan / Improvement plans and the activities of committee(s). Leader and Deputy to regularly engage committee to ensure alignment. Summary of priorities arising from scrutiny co-ordination being prepared for BIIP (August 2018 update)</p> <p>Negotiations on-going with LGA regarding peer mentoring arrangements. Scrutiny work engaging with other councils to understand best practice, e.g. Resources O&S Committee will do some work on the LTTP as part of which they will look at best practice elsewhere. (August Update).</p>

² [Realising the Potential of Scrutiny \(CfPS\)](#)

1 Political leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i>					
	Improvement Aim	Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track) <i>Latest Update in Bold</i>
1.5	Depth of understanding of governance rules and standards, including financial regulations across all Elected Members (learning from good practice and guidance identified by Solace and CIPFA) ³	<p>Variable understanding by elected members of rules governing local authorities depending on experience and background.</p> <p>Reviews of governance arrangements and 'lessons learnt' regarding induction process pre-election, with positive engagement from Cabinet, group leaders and scrutiny chairs.</p> <p>INLOGOV research in 2017 found issues in terms of barriers and hierarchies within political groups based on age / experience.</p>	<p>Extensive, ongoing new member development programme required including:</p> <ul style="list-style-type: none"> • Induction • Information • Guidance • Peer support <p>Elected Member mentoring programme and evaluation of its impact.</p> <p>Ongoing LGA, professional body and peer working required challenging and assuring the BCC governance arrangements for / throughout the 4-year term.</p>	<p>Member Induction and Development Programme on offer for all Members (May 2018), including dedicated sessions on 'governance'.</p> <p>Rolling-programme of induction and briefings (June – September 2018).</p> <p>INLOGOV update report as a year 1 stock-take evaluation (September 2018) to identify that members have a good understanding of the governance rules and standards.</p> <p>Reduced standards committee referrals. (March 2019)</p>	<p><u>HR Director / LGA Principal Advisor (WM)</u></p> <p>A 3 day induction over May and June has been provided to new and previous elected members as welcome/welcome back. This has been really well received with feedback provided. Elected Members had made reference to the checklists provided being a great aid memoire and that the planning and layouts of the events has been well thought through. Market places are in the calendar to occur before Full Council meetings to provide updates on a more informal basis throughout the year. A calendar of training and learning events is being planned and underway. (July Update).</p> <p>We have taken a new approach to Member Development and introduced a tri approach. Legal Services are the lead supported by ACE and HR Director so that policy, training and governance are linked. (July Update).</p> <p>Formal specification being developed with INLOGOV and the New Local Government Network regarding re-commissioning of stock-take report and extension of work into peer-engagement networks on areas of required improvement (August 2018 update)</p> <p>LGA and INLOGOV agreement for BCC to be one of four national pilots regarding a kitemark process for 21st Century leadership (August 2018 update)</p> <p><u>City Solicitor</u> New revised Code of Conduct and Procedure currently circulated for consultation. All Group Leaders advised that complaints must be allowed to be</p>

³ [Delivering Good Governance in Local Government \(Solace and CIPFA\)](#)

1 Political leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i>					
	Improvement Aim	Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track) <i><u>Latest Update in Bold</u></i>
				Structured LGA partnering programme in place for all key political post-holders	handled in Group (27.06.18) Negotiations on-going with LGA regarding peer mentoring arrangements.
1.6	Appointments to outside bodies (working with the LGA principal advisor to assess effective national exemplars)	Current approach lacks structure, clear rationale and exposes individuals / council to risk.	Deputy Leader guiding a process of review with support from City Solicitor - reviewing what Council appoints to and why, how we manage relationships and degree of support & training to mitigate risk for councillors and officers sitting on third party boards.	Initial AGM appointments confirmed (June 2018) Wider representational roles amended (September 2018) Third-party training in place (September 2018) External audit letter to highlight no material concerns re probity of third party decision-making (March 2019) .	<u>City Solicitor / Deputy Leader</u> Two 'third-party' workshops have recently taken place - identifying more to take this issue further. (July Update) The draft 2017/18 Annual Audit findings letter has not highlighted any issues of concern in respect of the timeliness and probity of third party decision making. (July Update).

1 Political leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i>					
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1.7	Effective joint working between senior members and officers, with clarity of roles and responsibilities (as identified in the 21 st Century Public Servant ⁴ and 21 st Century Public Councillor ⁵ research)	<p>The Council has had three leaders and three Chief Executives in two years – in part due to serious disagreements about the role definition of senior members and officers. These issues came to the fore during the waste dispute of 2017 when the high court judge presiding expressed that, “neither party [officers or members] comes out of this sorry saga with any credit at all.”</p> <p>An INLOGOV review in 2017 found blurring of officer, elected member and partner roles to be taking place.</p> <p>Low staff survey response rates indicated significant silo-working, detachment of senior management and a lack of effective communication. It is accepted that internal communications has not always been cross-directorate, strategic and timely and there are ongoing improvements being made to establish a consistent one-council approach.</p> <p>Some very positive work, however, has been undertaken through engagement with the University of Birmingham (21st Century leadership) and latterly through review / engagement around member induction 2017. This identified a BRUM Leader model which can be applied for staff and member development purposes.</p> <p>Use of Forward Plan for planning for future Cabinet agendas not used consistently</p>	<p>A comprehensive and transparent view of the Council’s improvement journey needs to be understood and ‘owned’ by the new administration and the new senior officer team.</p> <p>An independent review on governance of waste services is underway.</p> <p>Member and officer development programme on the range of roles of a councillor:</p> <ul style="list-style-type: none"> • What the Council is and does • What being on outside bodies means • Other appointments • Community roles • Partnership roles • Strategic governance and scrutiny roles <p>Regular meetings of Leader and Deputy Leader and Chief Executive</p> <p>Structured programme of joint EMT & CMT workshops to generate the four year council plan, performance framework and budget.</p>	<p>All Members and officers clear as to roles and responsibilities. Robust and consistent induction and ‘line in the sand’ for all members post-election. (May 2018)</p> <p>Waste review findings implemented</p> <p>INLOGOV update report as a year 1 stock-take evaluation (September 2018) to identify improvements in role definition.</p> <p>Refreshed staff survey and improved results (September 2018)</p>	<p><u>Chief Executive and Leader</u> Initial induction processes complete with particular emphasis on standards, governance and roles / responsibilities. Follow-up sessions on 21st Century Public Servant and role of ward-members to follow. (July Update) <u>Chief Executive and Leader</u> Third-party independent waste review nearing completion. Date of publication to be agreed between Leader / Chief Executive and BIIP.</p> <p><u>Assistant Chief Executive</u> Formal specification being developed with INLOGOV and the New Local Government Network regarding re-commissioning of stock-take report and extension of work into peer-engagement networks on areas of required improvement (August 2018 update)</p> <p>LGA and INLOGOV agreement for BCC to be one of four national pilots regarding a kitemark process for 21st Century leadership (August 2018 update)</p> <p><u>HR Director</u> Staff Survey went live as planned on 3 July 2018 and closed on the 20 July, with paper returns received up to 27 July. 26% of the workforce responded (significant increase from 12.5% in 2016). Early results shared w/c 6 August with CMT and all staff. An ELT session is scheduled for 15 August and staff workshops will run during Aug/Sept to explore further and to develop “involved” solutions. Headline report attached. (August Update)</p>

⁴ [21st Century Public Servant](#)

⁵ [21st Century Councillor](#)

1 Political leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i>					
	Improvement Aim	Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track) <i>Latest Update in Bold</i>
		<p>Cross-party Member Steering Group was set up, which Deputy Leader chairs. The Steering Group have designed the Member Induction as Welcome/Welcome Back and the Deputy Leader created a member relationships map which has been well received.</p> <p>A councillor profile was produced to outline the expectations of the role and an A5 leaflet was designed to assist candidates and provide advance warning of dates. This was uploaded onto the website.</p>	<p>Restating of importance of Forward Plan process in order to inform EMT preparation around key cabinet decisions</p> <p>The Deputy Leader will continue to undertake exit interviews and gather information from previous members of what went well and what can we learn from. Similar such processes are required for senior/non-senior staff exits and interim officer feedback.</p> <p>Work programme with INLOGOV and University of Birmingham to ensure that we are developing 21st Century Councillors and Officers – including a session purely on this as part of the Member Development Programme</p>	<p>Efficient and effective forward planning process with appropriate preparation / quality assurance of report risks / implications in good time – in line with the formal Forward Plan (July 2018 onwards)</p> <p>We will continue to obtain feedback from our stakeholders and partners and build this into our learning and improvements.</p> <p>On-going member development programme for Elected Members, co-ordinated by the Member Steering Group. (July 2018 onwards). Evaluation findings from the programme to demonstrate whether new approaches have added value / had an impact. (September 2018)</p> <p>On-going development programme for officers, co-ordinated by OD team on behalf of Council Management</p>	<p>May / June workshops in advance of June Cabinet complete, culminating in agreement of a Council Plan and associated measures. Budget workshops planned for 16th and 17th July (including BIIP representation). (July Update)</p> <p>New Forward Planning arrangements in place for CMT and EMT, with weekly review through a new integrated officer group. (July Update).</p> <p>Review of partnership activity undertaken March – June with specific implications for H&WB, CSP and Safeguarding Boards. Proposed City Board in train for September 2018. (July Update)</p> <p>Deputy Leader member development / review process on-going. Member development update provided above. (July Update)</p> <p>Development programme is being discussed between the Chief Executive and HR Director. Activity is being planned to address this. (July Update).</p>

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				Team. (July 2018 onwards)	
1.8	True reflection of the city's population in the governance of the Council (Fawcett Society and LGiU; ⁶ Councillors Commission) ⁷	<p>Despite the changes to political leadership and officer governance over the last three years, the make-up of Cabinet and senior committee / scrutiny roles did not substantially change.</p> <p>Strong piece of policy work undertaken by the Deputy Leader around Women's Leadership – in concert with the 100th anniversary of the Representation of the People Act.</p> <p>WMCA Leadership Commission underway.</p>	<p>Strategic review of equality and diversity across all levels of the Council's operations – learning from good practice from across the country (e.g. Coventry) – and benchmarking the degree to which the Council is representative in terms of characteristic groups, 'place' and social mobility / cohesion.</p> <p>Implementation of Women's Leadership actions.</p> <p>Constructive response to the WMCA Leadership Commission findings.</p>	<p>Clear equality plan for the Council in place, and actions underway (October 2018)</p> <p>A more representative Cabinet and engaged body of councillors in consideration of wider diversity and equality around different political groups. (June 2018)</p> <p>Implementation of Women's Leadership actions. (September 2018) Evaluation against criteria for success agreed at the start.</p> <p>Constructive response to the WMCA Leadership Commission findings. (July 2018)</p>	<p><u>Chief Executive and Leader</u> A project group has been established (across HR, Policy and staff representative networks) to assess best-practice in relation to E&D with a workshop planned for ELT in September. Equality strand of workforce strategy needs to be in place by October 2018. (July Update)</p> <p>Cabinet is now more representative from a gender and BAME perspective. (July Update).</p> <p><u>Assistant Chief Executive and Deputy Leader</u> Awaiting publication of the Leadership Commission findings following which shared activity with WMCA will commence. Group Leaders agreed future consideration of Fawcett findings at Full Council. Special EMT session and Full Council debate planned around women's leadership actions (August 2018 update)</p>
1.9	<p>The Council should prioritise local leadership and neighbourhood empowerment.</p> <p>Redefinition of the Community Councillors' role with emphasis on neighbourhood convening and local leadership (for example, taking learning from leading practice as identified by the LGA to involve and understand residents)⁸</p>	<p>All-out elections and changes to ward boundaries in May 2018 mean newly elected Councillors are representing different areas and people.</p> <p>Historically, the 'distance' between Council and community has been extensive in Birmingham, and the district committee model (now removed) failed to alleviate this problem. The council has failed to establish an empowering and devolved model of</p>	<p>The Council should develop a compelling policy response to the O&S review into local leadership.</p> <p>A new model of local support arrangements to ward members should be put in place, with an emphasis on ward forums and ward plans as a 'minimum' offer to communities – extending up to more sophisticated arrangements pending</p>	<p>'Green Paper' Working Together in Neighbourhoods (July 2018)</p> <p>White Paper' Working Together in Neighbourhoods (October 2018) and implementation plan (ongoing).</p>	<p><u>ACE and Place</u> Green Paper endorsed by Cabinet in March 2018 and 'summer of engagement' underway to derive feedback and inform development of a new localism model. Process being actively led by the new Cabinet member with proactive officer and project management support. Member briefings on-going through July 2018. (July Update)</p>

⁶ [Does local government work for women? \(Fawcett Society and LGiU\)](#)

⁷ [Representing the future \(Councillors Commission\)](#)

⁸ [New Conversations - LGA guide to engagement](#)

1 Political leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i>					
	Improvement Aim	Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track) <i>Latest Update in Bold</i>
		<p>governance. O&S undertook an extensive piece of work to consider appropriate peer models for local leadership.</p> <p>The route for Members to resolve enquiries and case work has been confused and inefficient.</p> <p>The INLOGOV review found a range of skills and competencies across the range of elected members.</p>	<p>the capacity and interest of local residents. . We need a specific action on this –wording needs to come from Chris Jordan as it's his area.</p> <p>Implementation of a new case management system</p> <p>Member and officer development programme on the range of roles of a councillor</p>	<p>Green paper covers the development of new town and parish councils and establishment of neighbourhood charters and mini-devolution deals (2019-2020)</p> <p>Implementation of a new case management system (September 2018)</p> <p>On-going development programme for Cabinet Members over the next four years. (July 2018 onwards)</p>	<p>Operational and strategic working groups in place with RB Sutton Town Council. Cross-party members' group also endorsed by Cabinet in July (including non-execs from NALC and community bodies) (July Update).</p> <p>The new case management system has gone live on a pilot basis 14 members across two parties now using the case management system. Learning from the pilot will be used to inform the wider roll out in the Autumn. (August Update)</p> <p>See 1.7</p>
1.10	A need to focus on priorities and outcomes – explicitly putting residents at the centre of improvement planning and decision-making.	<p>The Council is taking steps to ensure citizens are at the centre of improvement planning and decision-making - e.g. 'Be Heard' database of consultations open to the public and used to inform planning, annual budget consultations take place to inform resource allocation – but these mechanisms are at an early stage of maturity. Residents survey results presented to Members for planning.</p> <p>Key areas for improvement have been identified – Corporate Governance, Education, Children's, Waste and Adults.</p>	<p>Key milestones for all improvement areas will be mapped out to ensure the Council is making continuous progress.</p> <p>Post-elections, a new Council Plan is being developed in collaboration with Councillors and officers that focusses on outcomes for citizens of Birmingham.</p> <p>The Council's performance framework will be extensively reviewed. Something needs to be said about the existing framework not being sufficiently self-challenging or sufficiently priority focused and outcome focused. There has been a tendency in the past toward highlighting positive progress while under-reporting and inadequately owning and addressing poor performance, BCC's extensive challenges and significant risks.</p>	<p>Council Plan for 2018-2022 will identify key priorities and outcomes based on the needs of the City's citizens. (June 2018)</p> <p>The Council will make improvements in key priority areas. (Monitored monthly)</p> <p>Early and comprehensive engagement process for the MTFP and 2019-2020 budget (October 2018)</p>	<p><u>Chief Executive and Leader</u> Council Plan agreed by Cabinet in June 2018 and improvement planning arrangements published in June 2018. (July Update). (Complete).</p> <p><u>Deputy Leader and CMT</u> Improvement plans integrated into monthly performance and finance monitoring cycles. Performance workshops planned with BIIP following first 'cut' of Council Plan performance framework to August CMT. (August Update).</p> <p>Budget workshops help with the Extended Leadership Team and monthly meetings in place with all Directors and Cabinet Members to track delivery of spending plans in-year within agreed financial envelope. (July Update)</p> <p>Successful two-day intensive priority based budget planning at EMT away days on 16 and 17 July. Considerable outputs being evaluated for 2 further sessions in September. (July Update).</p>

1 Political leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i>					
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			Data from resident surveys are used in our early priority planning in the summer so that residents’ priorities are reflected.		Data from the residents’ survey, plus detailed demographic analysis informed the planning stages for the council plan in June. (July Update).

2 A Modern and Progressive Organisational Culture <i>Effective political and managerial must be underpinned by an organisational culture that promotes shared working across Directorates, encourages transparency and honesty, and supports leaders to take personal responsibility of issues and challenges.</i>					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
		The components of a new organisational culture programme will be developed internally through staff, member and partner engagement. ‘Best in class’ examples in the sector will be assessed (for example, from guidance developed by the Young Foundation) ⁹ and the 21 st century public leadership model ¹⁰ will be a template for role definition and development.		A new strategic Workforce Plan will define a new ‘culture dashboard’ with appropriate timelines for monitoring improvements in years 1, 2, 3 & 4. This will include staff, member and stakeholder feedback. (September 2018)	
2.1	Tackling defensiveness	This corporate governance plan represents a ‘line in the sand’ in terms of the Council confronting the degree of honesty and rigour required in order to tackle historic weaknesses in organisational culture.	Identify where the defensiveness emanates from in the organisation and why it occurs and how things might change.	We will have a genuine understanding of where we are and what needs to change (June 2018) and we are willing to be consistently explicit and honest about this with residents and other stakeholders	Chief Executive and Leader Publication of stocktake report and corporate governance improvement plan (alongside 2017-18 out-turn and monthly finance reports) sets a new tone of openness and transparency around areas for improvement and the culture / political changes required. (July Update).
2.2	<p>Taking personal responsibility and owning any problems, challenges and poor performance</p> <p>Embedding a Learning Organisation approach – i.e. proactively seek out challenging comparisons and new ways of working to continuously improve effectiveness and efficiency</p> <p>Building the capability and capacity across the organisation to enable the Council to continuously adapt so that it is equipped to effectively address not only its existing challenges but is shaped so that it can meet future new challenges and effectively embrace new opportunities</p>	Dedicated sessions as Extended Leadership Team have taken place regarding management grip; ownership; accountability; housekeeping and our aspiration to be top quartile.	<p>Workforce Strategy will be developed to continue to encourage a culture of lead officers taking responsibility and demonstrating? accountability for the results of the organisation</p> <p>Accountability frameworks in place Learning and feedback? Constructively challenging each other and listening to challenge from elsewhere Responses to external reviews and inspections and audits – embrace and learn from the criticism rather than seeking to rebut it or excuse it</p>	<p>The council won’t operate on a ‘blame culture’ basis and officers will instead be confident owning problems, challenges and poor performance.</p> <p>The Council’s values and behaviours are part of the Members’ everyday working [Culture dashboard – September 2018]</p> <p>The absence of, or rare occurrence of, Member behaviour that has the risk of bringing the Council into disrepute</p>	HR Director Work in-train with Chief Executive, HR Director and Acting Assistant Director Organisational Development. The current People Strategy 2017-2020 is being updated to enable the delivery of the newly approved Council Plan. Work continues in preparation for the launch of the renamed Workforce Strategy 2018-2022 and associated Workforce Plans which will be on schedule to be completed by mid-September (August Update).
2.3	Role modelling of BCC values, new culture and new ways of working	Currently there is a People Strategy which incorporates some components we intend to include in the new Workforce Strategy.	<p>The values and behaviours are key components that will be included in the new Workforce Strategy.</p> <p>The new CEO will drive forward changes to culture and new ways of working, which will underpin the new Workforce Strategy.</p>	<p>All BCC staff are confident in their understanding of the Council’s values and behaviours.</p> <p>Lead officers are good role models of the Council’s values and behaviours, and the new culture and ways of</p>	HR Director Council Management Team, Elected Members Team and Extended Leadership Team are championing the role of culture change. There is a growing understanding that Culture Change is part of everyone’s responsibilities rather than something that

⁹ [What is an empowering authority? \(The Young Foundation\)](#)

¹⁰ [21st Century Public Servant](#)

2 A Modern and Progressive Organisational Culture <i>Effective political and managerial must be underpinned by an organisational culture that promotes shared working across Directorates, encourages transparency and honesty, and supports leaders to take personal responsibility of issues and challenges.</i>					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
		The components of a new organisational culture programme will be developed internally through staff, member and partner engagement. ‘Best in class’ examples in the sector will be assessed (for example, from guidance developed by the Young Foundation) ⁹ and the 21 st century public leadership model ¹⁰ will be a template for role definition and development.		A new strategic Workforce Plan will define a new ‘culture dashboard’ with appropriate timelines for monitoring improvements in years 1, 2, 3 & 4. This will include staff, member and stakeholder feedback. (September 2018)	
				working. Clear expectations of leadership, culture, ways of working, etc. will be informed by robust data and set out in the Workforce Strategy. [Culture dashboard – September 2018]	the OD team does and this is refreshing. Our workforce, through our recent staff survey have indicated they feel that our values and behaviours need to be renewed following the Council Plan being approved and this will now be taken forward as an action. (August Update).
2.4	Tackling avoiding making difficult decisions and having challenging conversations	Some difficult decisions have been taken over the last eight years. Challenging conversations have been had around, for example, Equal Pay, Air Quality and the bin strikes. The new CEX commenced work with the senior leadership teams on making difficult decisions and having challenging conversations but further work needs to be done to support staff in making difficult decisions	Workforce Strategy will include continuing to promote a culture of resilience and transparency, especially in challenging contexts.	Councillors and officers will be confident in making difficult decisions and having challenging conversations. [Culture dashboard – September 2018]	Chief Executive and Leader In train. Evidence in the EMT priority based budget workshops and baseline provided through staff survey findings. Cabinet decisions regarding re-ablement and in-year budget management evidence willingness to take difficult decisions (August 2018)
2.5	Collegial working – a one-council approach is needed.	Changes to CMT by new CEO will support cross-directorate working and cement team-working. Regular briefings to CMT.	CEO and CMT to develop a joint, overarching approach. Effective communication and engagement plan	Directorates will no longer work in silos and activity across directorates will complement rather than duplicate. [Culture dashboard – September 2018]	CMT In train. Evidence in the EMT priority based budget workshops. (July Update)
2.6	Using insight and intelligence to drive and shape improvement, and to track which strategies and plans are working.	Council’s insight teams produce excellent data and intelligence. The team is used council-wide to inform planning, e.g. Member Induction sessions post-elections.	Effective use of data in planning 4 year Council Plan.	Regular insight, intelligence and policy ‘products’ that provide purposeful <i>analysis</i> to inform CMT and EMT decision-making to enable and support continuous improvement. (July 2018 onwards)	Assistant Chief Executive and Chief Operating Officer Data and insight on the state of the city and residents’ views were used to develop the council plan priorities. A similar product is being used for the city partnership board in September. Functional changes proposed in CEO restructure to strengthen this functionality. (August Update).
2.7	Optimistic staff attitude	Driving lasting improvement has been challenging given the state of flux the council has experienced over recent years	Development and training Continue to promote a positive culture	Councillors and officers have a positive and enthusiastic attitude to achieving lasting improvement.	Chief Executive and CMT Workforce strategy / culture dashboard in

2 A Modern and Progressive Organisational Culture <i>Effective political and managerial must be underpinned by an organisational culture that promotes shared working across Directorates, encourages transparency and honesty, and supports leaders to take personal responsibility of issues and challenges.</i>					
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		The components of a new organisational culture programme will be developed internally through staff, member and partner engagement. ‘Best in class’ examples in the sector will be assessed (for example, from guidance developed by the Young Foundation) ⁹ and the 21 st century public leadership model ¹⁰ will be a template for role definition and development.		A new strategic Workforce Plan will define a new ‘culture dashboard’ with appropriate timelines for monitoring improvements in years 1, 2, 3 & 4. This will include staff, member and stakeholder feedback. (September 2018)	
		<p>(e.g. changes to political and managerial leadership).</p> <p>The arrival of new permanent CEO, assistant CEO and CFO, and political stability from the new 4-year term, means driving long lasting change is more feasible.</p>	<p>Regular dedicated sessions at CMT, ELT and engagement with the whole workforce.</p> <p>The new CEO provides weekly bulletin to all staff and members.</p>	<p>[Culture dashboard – September 2018]</p> <p>CMT will have visibility across all locations and not just the central administration buildings – as evidenced by staff survey results in year 1 2018-19.</p> <p>More personal touch to staff awards by CEX and Leader and this will be done on site at the employee’s place of work for recognition of job</p>	train. (July Update).

3 Managerial leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i> Note that a number of the improvement aims in section 1 – political leadership – involve dual actions for both officers and elected members. For brevity, these actions are not duplicated below.					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
3.1	ELT with good knowledge and understanding of Council constitution, standing orders and financial regulations and a commitment to the council's corporate agenda	<p>ELT has variable understanding of Birmingham's current governance arrangements due to mix of experience and recent turnover in senior posts, changes to documentation and reliance on support services roles.</p> <p>INLOGOV's report highlighted the need to look beyond the BCC 'bubble' to understand emerging best practice around public service reform.</p>	<p>Senior officer development programme including:</p> <ul style="list-style-type: none"> • Induction • Information • Guidance • Peer support <p>Dedicated ELT development sessions on good governance and new, structured approach to strategic ELT topics with emphasis on peer learning.</p>	<p>Revised induction and development programme underway (by October 2018).</p> <p>External audit letter to highlight no material concerns re paucity of officer advice on good governance issues. (March 2019)</p>	<p>Chief Executive and CMT</p> <p>In train</p> <p>The draft 2017/18 Annual Audit findings letter has not highlighted any issues of concern in respect of any paucity of officer advice on good governance.</p>
3.2	Chief Officers' communication, engagement and collegial working (for example, LGA's recommendations for improving internal communications will be used to inform our approach) ¹¹	<p>The Council's recent history has seen a high degree of turnover in critical senior positions, a high proportion of interim post-holders and extensive, unfilled vacancies.</p> <p>Staff survey results were underwhelming in terms of response rate, and highlight significant silos, detachment of senior management and a lack of effective communication.</p> <p>There has been variable attendance and at past CMTs and other meetings. Attendance at CMT and ELT is being addressed personally by the Chief Executive</p> <p>A further staff survey is about to be launched.</p>	<p>Review of CMT arrangements underway - weekly CMTs, standing agenda with a balance between standing items (e.g. budget, forward plan) and business / strategy items.</p> <p>ELT to be made more strategic with structured approach to strategic workshop topics and transparency / inclusivity about strategic direction.</p> <p>Improved policy and communication products at CMT & ELT.</p> <p>Improved use of technology to break down staff barriers – Yammer, social media and blogging / CEO updates.</p>	<p>CMT and ELT actions underway by July 2018</p> <p>Directorates will no longer work in silos and activity across directorates will complement rather than duplicate. (on-going)</p> <p>Improved staff survey response rate (September 2018) and steady increase in staff morale and engagement measures (Yr2,3&4)</p>	<p>Chief Executive and CMT</p> <p>CMT structure and ways of working reviewed in April 2018. Standing forward plan, standing agenda items and new ways of working (through SharePoint) up and running. Attendance and rigour of review/ decision making improved, but maturity and more grip required. (July Update).</p>
3.3	Comprehensive and transparent advice to Elected Members to support effective decision-making	<p>Historically, advice given to Elected Members prior to decision-making has been variable and there have been failures to implement the difficult decisions that Elected Members have taken.</p> <p>Many such examples have been conducted without requisite transparency for the benefit of Elected Members or the citizens of Birmingham.</p>	<p>Establishment of forward plan and rigorous application of renewed CMT discipline – with cross-functional debate and risk / professional assessment prior to advice being formally provided to elected members (through Cabinet portfolio briefings or EMT.)</p> <p>Implementation of a revised budget and performance board, with monthly updates provided with transparency around any changes / decisions required.</p> <p>More proactive senior officer involvement in O&S processes –including engagement in</p>	<p>Improved timeliness, grip and informed decisions in line with the Council Plan and Forward Plan / changes to CMT ways of working. (July 2018)</p> <p>Improved transparency of Budget and Performance Board updates and decisions. (July 2018)</p>	<p>Chief Executive and CMT</p> <p>CMT, EMT and groups / scrutiny forward plan in place and reviewed weekly. Monthly performance / budget board(s) in place for CMT and relevant Cabinet members. (July Update).</p> <p>August performance / finance CMT and EMT and Budget Board processes in-train and shared with BIIP. Performance workshop planned with BIIP in September. (August Update)</p> <p>O&S cycles of meetings complete with pro-</p>

¹¹ [LGA - Top 10 tips for better internal communications](#)

3 Managerial leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i> Note that a number of the improvement aims in section 1 – political leadership – involve dual actions for both officers and elected members. For brevity, these actions are not duplicated below.					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
			<p>development of O&S work programme, and then senior officer support to O&S chairs to challenge policy development and advice / scrutiny of policy implementation.</p> <p>Complete the LEAN review of Council and Cabinet decision-making cycle and implement changes.</p> <p>Improved evidence and insight underpinning officer advice and options / implications presented to elected members.</p>	<p>Actions arising from O&S review to be implemented. (September 2018)</p> <p>LEAN review of Council and Cabinet decision-making cycle and implement changes (September 2018).</p> <p>Review of insight and intelligence functions and products to CMT and EMT (September 2018)</p>	<p>active Cabinet and CMT member involvement in all sessions.</p> <p>Lean review and insight functional review in-train</p> <p>Restructure proposal out to consultation with proposed integration of policy, Public Health analytical capacity and performance / insight functions. New Head of Research and Programmes appointed in June 2018. (August Update).</p>
3.4	Robust, thorough and consistently applied staff induction processes (drawing on guidance from CIDP ¹² and building on good practice from Barnet Council ¹³ and Nottinghamshire County Council ¹⁴)	<p>There is a recent history in the Council of some formal staff induction meetings, a consistent ‘pack’ and relatively sophisticated compulsory online training portal.</p> <p>There are recent examples, however, of staff not being on induction, and a history of staff not systematically enabling or coordinating the kind of induction that addresses the organisation cultural issues, role-modelling opportunities or consistent ‘One-Council’ messaging.</p>	<p>Corporate inductions will be refreshed to reflect recent political, managerial and structural changes to the council.</p> <p>There will be a focus on corporate obedience regarding managers inducting their staff and having the relevant tools to do so.</p> <p>The new CEX is keen to run regular face to face sessions with the Leader as a welcome and introduction to BCC – this is work in progress.</p>	<p>All staff will receive a full induction to the council within 2 months of starting. (As of September 2018)</p> <p>Staff report (as part of survey) increased visibility of senior management</p>	<p>Chief Executive and HR Director The Chief Executive and HR Director have met to discuss Employee Induction, with the new Chief Executive sharing ideas that she has observed have worked well in other authorities and combining this with the experience of the HR Director – a new approach will be introduced which will be much more personal and provide a combination of learning, i.e. mixture of face to face; e-modules and networking opportunities to learn. (July Update)</p> <p>Learning from other Local Authorities through on-site visits has begun. (August Update).</p>
3.5	A modern and fit-for-purpose workforce	<p>Whilst an extensive and varied workforce, generally the workforce statistics are typified by a lack of turn-over, new skill-sets and experience outside of Birmingham.</p> <p>Recent examples of industrial disputes and archaic processes also highlight a culture of protectionism and lack of customer-focus.</p>	<p>A new workforce plan will replace the current People Strategy and oversee a dramatic and sustained change to: -</p> <ul style="list-style-type: none"> - Recruitment - Retention and talent management - Assessment of skills and competency gaps - Appraisal and staff performance management processes - Apprenticeships and graduate development - Industrial relations processes and engagement 	<p>Completion of workforce plan (September 2018)</p> <p>Monthly monitoring of a new basket</p>	<p>HR Director Work in-train with Chief Executive, HR Director and Acting Assistant Director Organisational Development. The current People Strategy 2017-2020 will be updated to enable the newly approved Council Plan. (July Update) Work has begun on the production of the renamed Workforce Strategy 2018-2020 and associated plans. (August Update).</p> <p>Organisational Health measures will be</p>

¹² [Induction Factsheet - CIDP](#)

¹³ [Barnet Council - Employee Handbook and Induction Checklist](#)

¹⁴ [Nottinghamshire County Council - Employee Induction Guide](#)

3 Managerial leadership <i>Effective political leadership and managerial leadership, working as a constructive partnership.</i> Note that a number of the improvement aims in section 1 – political leadership – involve dual actions for both officers and elected members. For brevity, these actions are not duplicated below.					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
			Staff survey as baseline for council improvement. The key indicators from the survey to be used and the trend analysis and the most recent baselines TBA	<p>of internal ‘organisational health’ workforce measures (October 2018 onwards)</p> <p>Staff survey (September 2018) Most important measures</p> <p>Improved employee engagement and confidence.</p> <p>Improved sickness absence.</p> <p>Changed workforce demography. To better reflect the demography of the city</p> <p>Improved motivation and morale in employees.</p> <p>Leaders and employees are advocates for BCC.</p>	<p>developed once the Workforce Strategy is agreed.</p> <p>Staff survey has been completed with a 26% return providing a baseline position. (Headlines attached).</p> <p>The free text boxes utilised during the survey included the opportunity to comment on values and behaviours and providing a message to the new Chief Executive. 2,500 messages were submitted. (August Update)</p>

4 Strategic planning, financial and performance management <i>Effective corporate and financial framework to ensure strategic focus, transparency and governance.</i>					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
4.1	An agreed City Vision and clear lines of accountability for areas of partnership activity.	<p>Historical failings in strategic and statutory partnerships are evident. For example, disintegration of relationships and pooled funding models in the STP; the failure of the H&WB to publish an annual public health report or domestic homicide reviews; lack of regular / active engagement in Local Resilience and Community Safety fora; lack of and over-arching strategic forum for Children and Young People's issues.</p> <p>There is no accountability and performance framework for outcomes delivered with partners.</p> <p>Initial discussions with partners 17 January 2018 embedded vision themes, secured a commitment to a shared outcomes framework and partnership structural review.</p> <p>Pre-election thematic discussions with partners developed an action plan for implementation of partnership changes.</p> <p>No formal city-wide partnership framework / adopted structure and no 'over-arching' partnership guiding activity strategically.</p>	<p>Further work with Partners implementing agreed review of partnership structures, priorities and aligned work programme towards owned partnership KPIs in support of the achievement of a shared vision.</p> <p>Creation of a City Board to enable strategic partners to maximise opportunities in the city and anticipate changing trends / challenges.</p> <p>Shared clarity about the mission, objectives and purpose of individual partnerships and how they will judge their performance against a shared outcomes / accountability framework.</p> <p>Shared process of monitoring, measuring and learning by seeking and acting on feedback on the council's performance from our partners and being transparent about the results.</p>	<p>Officer engagement with partners March-June 2018</p> <p>Political review, engagement and launch of proposed new partnership model June – July 2018.</p> <p>Implementation of changes following summer of engagement (September 2018)</p> <p>Formal adoption of a new partnership outcome and accountability framework (April 2019)</p> <p>Evaluation with partners required – consideration of independent evaluation (potentially through INLOGOV refresh or peer review) – January / February 2019.</p>	<p>Chief Executive and CMT</p> <p>Interviews held with partners throughout March – June and precise actions being addressed around statutory partnerships. Chief Executive and Assistant Chief Executive leading this process in concert with Chief Officers. (July Update)</p> <p>Joint signatures committed to a letter from the LoC in order to launch a Partner board in September 2018. Reaction to the letter has been very positive, and agencies across the city are actively working to nominate representatives to that Board. (July Update)</p> <p>Formal specification being developed with INLOGOV and the New Local Government Network regarding re-commissioning of stock-take report and extension of work into peer-engagement networks on areas of required improvement (August 2018 update)</p> <p>LGA and INLOGOV agreement for BCC to be one of four national pilots regarding a kitemark process for 21st Century leadership (August 2018 update)</p>
4.2	A revised Vision and Priorities for the Council	<p>A new vision, priorities and values statement was developed for the Council in 2016-17, however, this lost traction within the organisation due to turnover in Leader(s) and Chief Executive(s).</p> <p>For the 2018-19 budget, a delivery plan was created that loosely echoed the former vision and priorities statement.</p>	<p>Integrated planning, priority-setting and budgeting planned with CMT and EMT post-election – based on insight, the administration's manifesto and advice regarding service priorities / demand pressures.</p> <p>Following elections, Cabinet portfolios are changing to correspond with the new priorities.</p> <p>New Vision and Council Plan to be agreed by Cabinet.</p>	<p>Clear priorities that reflect the needs of Birmingham's citizens and are agreed by members and lead officers. (June 2018)</p> <p>Clarity with officers and members around where accountability lies in portfolio and chief officer leadership roles (July 2018 onwards).</p>	<p>Chief Executive and Leader</p> <p>Council Plan in place and new Cabinet portfolios confirmed. (July Update).</p> <p>Chief Officer restructure proposals progressed through JNC and due to be consulted with staff in July 2018. (July Update).</p> <p>Restructure proposals out to consultation (August Update).</p>
4.3	Effective strategic performance management	<p>There is regular performance reporting to Cabinet which has informed the Council's key priority areas for improvement.</p> <p>All KPIs are mapped back to the legacy Council vision and priorities. It is apparent, however, that the suite of KPIs currently in</p>	<p>Strategic review of performance framework required, in concert with production of Council Plan 2018-2022.</p> <p>This refreshed performance management framework will integrate priority outcomes and measures; service outcomes and measures; and</p>	<p>Revised strategic framework in place by July 2018.</p> <p>Monthly finance and performance reporting to CMT, EMT, and Cabinet commencing July 2018.</p>	<p>CMT</p> <p>Monthly performance and finance sessions underway – having begun in June 2018 – and reports shared with MHCLG and BIIP. (July Update)</p>

4 Strategic planning, financial and performance management <i>Effective corporate and financial framework to ensure strategic focus, transparency and governance.</i>					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
		<p>use are not all outcome-focussed or comparable to core city or leading council norms and therefore it is not apparent how effective Council services / outcomes are or whether targets are challenging enough. This leads to a lack of peer learning, self-critique and performance stretch.</p> <p>Similarly, the Council's extensive improvement journey is not evident in the current performance framework – with a lack of proportionate actions that are aimed at shaping and driving change at an appropriate pace.</p> <p>The Council's plans and performance management processes do not overtly embed insight and intelligence, and nor does the performance cycle appear to be adaptable enough to inform in-year decisions, strategies, plans or resource deployment where adjustments are required.</p>	<p>governance / improvement plans with key priority areas for improvement along with milestones to monitor progress to be included in the new Council Plan 2018-2022.</p> <p>Future KPIs will be mapped back to the new vision and priorities. Monthly CMT and EMT will review reports and take action to address resource or performance-led interventions.</p> <p>Improvement block included in Council Plan.</p> <p>Revised Council-wide performance toolkit to provide peer examples, a culture of learning and clarity on definitions / standards (on issues such as data quality and reporting protocols.)</p>	<p>Integration of revised approach into business as usual and improvement plans (September 2018)</p> <p>Improved feedback from inspectorates and external auditor regarding efficacy of strategic and service performance management (April 2019)</p> <p>Annual review of framework to ensure timely reviews to show to what extent any strategies are achieving the set goals. (April 2019)</p>	<p>Finance monthly reporting now refined and cycle in place for future reporting to <u>CMT, EMT and Budget Board</u>.</p> <p>Performance report being refined for July following agreement of measures in the Council Plan with first formal challenge in August 2018. Meeting on 13 August (August Update).</p> <p>Other actions in train (July Update).</p>
4.4	Effective 'people performance' appraisal framework ¹⁵	Currently misaligned and inconsistently applied performance appraisal system. Despite historically leading to performance-related pay increments, the model has limited quality assurance and no peer-validation or strategic talent management arrangements.	<p>Strategic review of current appraisal system assessing 'best in class' public and private examples.</p> <p>Revised performance appraisal system in place, embedded, used purposefully and delivering improved performance.</p>	<p>Strategic review of current appraisal system assessing 'best in class' public and private examples. (October 2018)</p> <p>Revised performance appraisal system in place, embedded and delivering improved performance. (April 2019, 2020 and 2021 trajectory)</p>	<p>HR Director and CMT: CMT and HR Director have been discussing suitable performance measures at recent meetings.</p> <p>The new Chief Executive is keen that we benchmark with others outside of the West Midlands and this is something that we are keen to explore.</p> <p>A new performance appraisal is due to be developed this year, following the feedback that has been received both on PDR and current appraisal process. (July Update).</p>
4.5	Effective Medium Term Financial Strategy (see CIPFA's report on medium-term financial strategies) ¹⁶	Although core MTFS and budget documentation has been in place, the last three financial years have been typified by late / partial advice regarding options; lack of rigorous consultation; and failed implementation. This has led to a 2017-18 out-turn report drawing on substantial	<p>Priority based budget approach to be deployed in early summer as part of the council planning process.</p> <p>Integrated preparation underway for Council plan, MTFS and budget cycle.</p>	<p>First cut of MTFS and budget in August 2018</p> <p>Final draft MTFS and budget / Early budget consultation October 2018 – Feb 2019</p>	<p>Chief Finance Officer and CMT On track (July Update)</p> <p>On target for early budget proposals by end of August, for member workshop in early Sept and final sign off late Sept for consultation (July Update)</p>

¹⁵ [Performance appraisal factsheet \(CIPD\)](#)

¹⁶ [Looking forward - Medium-term financial strategies in the UK public sector \(CIPFA\)](#)

4 Strategic planning, financial and performance management <i>Effective corporate and financial framework to ensure strategic focus, transparency and governance.</i>					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
		levels of reserves in order to balance the Council's budget – thereby undermining the efficacy of the Council's MTFS.	<p>Robust MTFS and priority-led covering 2019-22.</p> <p>Monthly reporting to CMT and EMT of the fully integrated financial management, performance management and risk/opportunity management position.</p> <p>Clear trajectory as part of a renewed MTFS, as to how the Council reduces reliance on reserves.</p> <p>A 'total' view of revenue and capital reporting on a monthly basis to inform accurate, timely and transparent decision-making.</p>	<p>Improved rigour of reporting September 2018 onwards</p> <p>Improved trajectory of use of reserves in 2018-19 out-turn report</p> <p>No material concerns in external audit report April 2019.</p>	<p>Reporting is undergoing continual development to ensure that it is timely, accurate and transparent. Quarterly reports will go to Cabinet; other monthly reports to EMT and on to opposition leaders and scrutiny. (July Update)</p> <p>Expectations on the use of reserves are clear – not permissible to mitigate base budget or non-delivery of savings. Any strategic use (e.g. PFS or Invest-to-save), if approved, would be documented and pre-agreed. (July Update)</p> <p>Audit Findings Report for 2017/18 included S24 Statutory Recommendations and a qualified VfM opinion (August Update).</p>
4.6	Effective Capital Strategy (outlined by CIPFA) ¹⁷	Linked to above MTFS and to revised Property Strategy	<p>A 'total' view of revenue and capital reporting on a monthly basis to inform accurate, timely and transparent decision-making.</p> <p>A 'total view' of Council investment and Treasury management risk associated with legacy and new capital investments</p>	Fully integrated Capital Strategy (April 2019)	<p>Chief Finance Officer and Economy Director.</p> <p>Capital Board is established and is meeting monthly with clear ToRs and M3 reporting has begun to report on capital and investment but needed further developing. (July Update)</p>
4.7	Effective risk management strategy and implementation (learning from good practice and guidance identified by Solace and CIPFA) ¹⁸	<p>Risk registers exist for individual directorates and for the corporate organisation but need to be refreshed and more consistently applied for real-time management purposes</p> <p>Risk registers in the past have been perhaps too 'optimistic' in outlook – downplaying the risks and the challenges in managing and mitigating BCC's key risks and in effecting change</p>	<p>Co-ordinated revision of corporate and directorate risk registers and associated processes</p> <p>Reestablishment of Corporate Governance Group to oversee high risk workforce issues</p>	<p>Revised structure and content of corporate risk register (October 2018)</p> <p>Revised structure and content of Directorate risk structures (April 2019)</p>	<p>Chief Finance Officer and CMT</p> <p>This work is at the early stages of definition focussed around understanding best practice from similar authorities. A future serve will need to incorporate a mature approach to assurance and risk which embeds the culture of risk and sees the process as 'dynamic' (July Update)</p>
4.8	A fit-for-purpose and modern Industrial Relations Framework	<p>Wholesale review of the Council's industrial relations framework in concert with workforce plan and HR service review</p> <p>The learning from the Investigation and the Waste dispute costs, processes and impacts will be key here. The Equal Pay risks relate</p>	<p>a) Logistics and support</p> <p>b) Governance and meetings frameworks</p> <p>c) Style and culture</p> <p>d) Corporate management with members</p>	<p>Discussion paper for discussion with Elected Members and proposals for discussion with trades unions (July 2018)</p> <p>An industrial relations framework that enables the delivery of the</p>	<p>Chief Executive and Leader</p> <p>In train – to discuss with BIIP and MHCLG (July Update)</p>

¹⁷ [Capital Strategies and Programming - Summary \(CIPFA\)](#)

¹⁸ [Delivering Good Governance in Local Government \(Solace and CIPFA\)](#)

4 Strategic planning, financial and performance management <i>Effective corporate and financial framework to ensure strategic focus, transparency and governance.</i>					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
				Council Plan and MTFS (September 2018)	
4.9	Effective Legal and Governance Services	<p>Need for different financial model to provide Legal Services.</p> <p>Very high expenditure on counsels' opinion and agency staff.</p> <p>Governance of mixed effectiveness – current review of Committee Services.</p> <p>Current review of Scrutiny</p> <p>Review of structure and setting new standards and functions currently underway.</p>	Revised model for provision of Legal Services ready for consultation.	<p>Model ready for consultation with a view to implement. (September 2018)</p> <p>Setting new standards and effective delivery of governance function, for example, reduced external costs, improved stability of staff body and improved organisational performance measures (e.g. successful legal cases, reduced late reports.) [April 2019]</p>	City Solicitor CMT and EMT have been consulted and new model in operation from 01 August (August Update).
4.10	Effective Financial Services	<p>Need for more strategic approach to long-term financial planning</p> <p>Need for different culture and approach to day to day financial management and collaboration between corporate and service finance</p> <p>Structural review already undertaken and consulted on</p>	<p>Setting of new style and standards for financial management by finance officers</p> <p>Setting of new standards for financial management by service senior managers and training in them</p> <p>Putting in place of more reliable and more transparent financial reporting mechanisms</p> <p>Implementation to be undertaken</p>	<p>Finance officers reporting direct to S151 Officer with clear understanding of their role and part of managing the corporate whole. [July 2018]</p> <p>Service managers operating at higher level of financial management, meeting budgets and prioritising and re-prioritising [April 2019]</p> <p>Evident levels of transparency and plain English clarity in financial reporting</p> <p>Clear financial implications in all relevant report</p>	<p>Chief Finance Officer</p> <p>The Finance redesign is largely complete in terms of structure. 4 senior staff will leave the Council as they could not demonstrate the skills and standards needed. (July Update)</p> <p>A new operating model has been agreed by CMT and is being embedded. An experienced interim AD has been engaged to deliver this pending the appointment of a permanent member of staff. (July Update)</p> <p>Reporting cycles and content have been reviewed and improvements made but this process will continue (July Update).</p>
4.11	Effective Human Resources	<p>Implementation of revised operating model for HR/OD in completion phase</p> <p>Next phase of the whole HR system redesign commenced 1 May 2018.</p> <p>Staff exits commenced in autumn 2017, with over 1/3 of the team reduced.</p>	<p>Workforce Strategy needed and overhaul of how the Council does JNC recruitment</p> <p>Embedding and review of efficacy of new model</p>	<p>New model fully effective from September 2018.</p> <p>Continuous systems and process reviews [April 2019 onwards]</p>	<p>Director of HR/OD</p> <p>The new operating model for Human Resources became live on 1st March 2018, with spans and de-layering and a new organisational structure. The teams are now c70 head count less than last year.</p> <p>A whole service redesign commencing on 1st May 2018 to review all current processes</p>

¹⁹ [Changing HR Operating Models \(CIPD\)](#)

4 Strategic planning, financial and performance management <i>Effective corporate and financial framework to ensure strategic focus, transparency and governance.</i>					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
					<p>and practices. This will include strengthening the customer experience. This includes examining purpose; adding value; understanding capability and capacity and barriers to change. It is a redesign end to end following system thinking principles. There will be on-going continual improvement and skills transfer into the HR & OD teams so that they can be self-sufficient in the methodology used.</p> <p>Show and Tell sessions have taken place with the HR Leadership Team and managers with more planned regularly and throughout the summer. (July Update).</p> <p>Director of HR now reports directly to the CX. (August Update)</p>
4.12	Effective ICT Service	<p>Relatively new AD ICT</p> <p>Joint Venture with Capita in process of being dissolved</p> <p>New ICT management arrangements to be put in place</p>	<p>Council framework for prioritisation of ICT needs to be agreed by CMT with input from elected members</p> <p>Elected Members and CMT to confirm whether transition plan will continue in current format (as part of 2019-20 budget process)</p> <p>Deliver 2018-19 savings</p>	<p>Corporate framework for prioritisation of ICT needs to be agreed by CMT with input from elected members (September 2018)</p> <p>First Phase Transition from Capita to the Council for April 2019</p> <p>2019-20 savings target to be confirmed</p>	<p><u>Chief Operating Officer, Assistant Director ICT</u></p> <p>New service “Information, Technology and Digital Services formed” and new ICT management arrangements are in place</p> <p>Joint Venture with Capita has been dissolved</p> <p>New ICT Governance framework implemented</p> <p>Overall roadmap agreed for the implementation of the ICT strategy (now in second cycle of review and alignment to business priorities)</p> <p>New Contract governance with Capita Implemented</p> <p>Business Case for the Transition of services from Capita agreed at March 27th 2018 Cabinet</p> <p>Transition programme now established and resourced</p> <p>2017-18 savings delivered (July Update)</p>

4 Strategic planning, financial and performance management					
Effective corporate and financial framework to ensure strategic focus, transparency and governance.					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
					August Update: 2018-19 Transition plan currently - on track Corporate ICT project Prioritisation - off track (focus on 2019-20 budget)
4.13	Effective Procurement and commissioning	<p>The current service is functional, but offers an opportunity for more savings through contract negotiation and a strategic commissioning approach.</p> <p>The Council is also seeking to deliver on ambitions around social value and enhancing the influencing role of the Council in shaping public and private sector spend across the city.</p>	<p>Service review to be undertaken in-year as part of budget and functional planning 2018-22.</p> <p>Quarterly Commissioning and Contract Management Board to be supporting in driving continual efficiency and improvement.</p> <p>A forward plan of procurement activity with each directorate in place and continually challenged by the relevant Cabinet Member, CMT and Commissioning and Contracting Board.</p>	<p>Improved savings accrued from contracting and strategic commissioning processes.</p> <p>Improved Council performance in relation to 'social value' and local spend.</p>	<p>Chief Operating Officer, AD procurement A review of the BBC4SR is being carried out to improve the process, enable improved achievement of relevant social value that delivers policy objectives and to provide greater transparency of the social value achieved. (August Update) Opportunity assessment to identify further savings is being concluded and a list of potential options to save money across directorates will be shared by 24th August. Development of Procurement Plans continues. (August Update)</p>

5 Key Corporate Policies to enable effective corporate governance					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
5.1	Community Cohesion	<p>Partner seminar held on 4 December 2017</p> <p>Community Cohesion network being formed</p> <p>Proactive engagement with local partners / city exemplars taking place</p> <p>Hosted MHCLG working session and follow-up engagement on alignment between national, WMCA and local strategy</p> <p>New Community Cohesion Strategy being taken to Cabinet in May 2018</p>	<p>Continuing work on network</p> <p>Convening of Youth Seminar on cohesion</p> <p>Finalise strategy, engage group representatives and consult on draft strategy</p> <p>Ongoing engagement with MHCLG and WMCA</p>	<p>Draft strategy for May 2018 with final strategy in place for September 2018</p> <p>Implementation dates to be agreed.</p> <p>Approach to community dialogues and conference approach to learning / practice sharing to be in place by November 2018 and then repeated on an annual basis thereafter.</p> <p>Suite of performance measures in development through research and national / local research (Sept 2018)</p>	<p>Cabinet Member Community Safety and Cohesion and ACE Draft strategy out for consultation. Engagement and consultation is underway prior to 'white paper' being brought back in October. (August Update) Birmingham Partners facilitation group tasked with supporting a facilitation plan for the November 'summit'. (August Update)</p>
5.2	Equalities and Diversity	<p>Equalities function now very small but transitioned into Policy to mainstream / embed support across the Council</p>	<p>Production of a new Equalities Policy for discussion</p> <p>Proactive review of impact around budget and other decisions – in concert with legal colleagues</p>	<p>Revised equality policy and associated evaluation framework to be in place by December 2018; alongside whole-system review of Council systems and processes.</p>	<p>Assistant Chief Executive Council project group underway and reviewing best-practice and self-assessing against LGA framework. Dedicated SLT session planned for September 2018</p>

5 Key Corporate Policies to enable effective corporate governance					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
					followed by policy / process review. Alignment ensured for new workforce strategy. (August Update)
5.3	Equal Pay	<p>Council has paid out £millions in compensation for Equal Pay</p> <p>Council in discussion about future strategy on Equal Pay</p> <p>Cabinet recently approved Equal Pay Sub-Committee to take strategic decisions regarding the Equal Pay Strategy.</p> <p>The Corporate Governance Group has been re-established following the new Corporate Director Finance and Governance commencing in post.</p>	Actions to be co-ordinated through established governance arrangements to alleviate risk associated with the Equal Pay challenge.	<p>Agreement of a strategic way forward to deal with current and prevent future claims – endorsed by Cabinet (private) in August 2018.</p> <p>Managed spend against strategy on existing claims and improvement to spend profile over 2018-22 period.</p>	<p><u>City Solicitor</u></p> <p>Mitigating strategy has developed and will be consulted o. Will be in further consultation with the Equal Pay Executive Sub-Group in August 2018. (July Update)</p>

6 City Partnerships <i>Partnerships and key stakeholders</i>					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
6.1	City-wide Partnership Framework	<p>No formal city-wide partnership framework / adopted structure and no ‘over-arching’ partnership guiding activity strategically</p> <p>Analysis of developing partnership situation in reports to Improvement Panel 2015 onwards.</p> <p>Robust statutory partnerships in place</p> <p>Leader’s partnership summit 17th January 2018 has begun discussion with partners and clarified next steps.</p>	<p>Further engagement with Partners implementing agreed review of partnership structures.</p> <p>Discussion about focus on city-wide objectives and shared values</p> <p>Consideration with key partners about way forward, based on shared accountability for achieving shared goals</p> <p>Shared accountability framework to be worked on with partners Priorities to be discussed or explored for joint delivery planning.</p>	<p>Establishment of over-arching partnership framework through the Leader of the Council’s convening role with key partners (August 2018).</p> <p>Shared clarity about the mission, objectives and purpose of individual partnerships and how they will judge their performance. (October 2018)</p> <p>Shared process of monitoring, measuring and learning by seeking and acting on feedback on the council’s performance from our partners and being transparent about the results. (October 2018)</p>	<p><u>Leader, Assistant Chief Executive</u> Interviews held with partners throughout March – June and precise actions being addressed around statutory partnerships. Chief Executive and Assistant Chief Executive leading this process in concert with Chief Officers. (July Update)</p> <p>Joint signatures committed to a letter from the LoC in order to launch a Partner board in September 2018. Reaction to the letter has been very positive, and agencies across the city are actively working to nominate representatives to that Board. (July Update)</p> <p>Other activity in train in advance of deadlines (July Update)</p>
	Statement of partnership values of openness, transparency, learning, collaboration, and safe and constructive challenge	<p>Work started by new CEO</p> <p>Timetable to be added</p>	Statement to be produced with partners and communicated and applied across the organisation and externally.	Building trust between the council and all our partners as tested by monthly ‘temperature take’ evaluation framework (July 2018 onwards) and 6 monthly partner survey (January 2019) .	<p><u>Assistant Chief Exec.</u> Monthly temperature takes have commenced and will continue throughout the coming months. (July Update) Monthly temperature takes continue during August (August Update).</p>
6.2	Children and Young People’s Partnership	Currently no over-arching CYPP but preliminary work done on Partnership set-up.	<p>Development of partnership options and consultation on model. Timescales TBA</p> <p>Agreement on how children at heart of Council strategy. Timescales TBA</p> <p>Completion of a CYP Plan to link into overall council strategies. Timescales TBA</p>	Creation of a strategic ‘home’ for Children and Young People’s issues in partnership and improved trust / joint working / risk and practice sharing across the CYP landscape.	<u>Director of Children’s Services</u>
6.3	Community Safety Partnership	<p>Partnership in process of being strengthened.</p> <p>Need for higher profile.</p>	<p>More consideration with partners of current strategy.</p> <p>Emphasis on Domestic Homicide reviews and linkages with other statutory partnerships.</p> <p>No further update required</p>	<p>Delivery of statutory responsibilities and improved outcomes against agreed performance framework.</p> <p>No further update required</p>	<p><u>Place Director</u> Chief Executive, Assistant Chief Executive, Acting Corporate Director Place, Chair of Community Safety Partnership, Police representative and Chair of Children’s’ Safeguarding Board met on 10 July 2018 – governance and structure being reviewed and strengthened; arrangements for Domestic Homicide Reviews being reviewed. (July Update)</p> <p>A later meeting with the Chair, police and</p>

6 City Partnerships <i>Partnerships and key stakeholders</i>					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
					council representatives has taken place where it was agreed to review the governance strategy for Birmingham's Community Safety Partnership. At the same some other work continues, for example the New Street Intervention Team is helping to build up a robust picture of the challenges facing the city over the next few years. It is looking at where future partnership working will be required to address problems such as: increasing use of psychoactive substances (e.g. Mamba) amongst the street community. Workshop planned in August reviewing DHRs. (August Update). See separate partnership report.
6.4	Health and Well-being Board	<p>Challenging CQC feedback around the functionality and governance of the H&WB</p> <p>A current clear agenda but needing to have work programme for health and social care improvement linked in more closely.</p> <p>Need for strengthening of profile and corporate attention.</p> <p>Need for stronger links to peer statutory partnerships and safeguarding leads</p>	<p>Concerted corporate direction with whole Cabinet about HWBB and STP.</p> <p>Delivery against CQC action plan.</p> <p>Revisions to membership, agenda and ways of working for H&WB</p>	<p>Delivery of statutory responsibilities and improved outcomes against agreed performance framework</p> <p>Evaluation of actions and improved outcomes against CQC action plan</p>	<p><u>Corporate Director Adult Social Care and Health</u></p> <p>Membership has been enhanced with a wider range of partners now engaging with it. There is a forward plan for the HWB which ensures that the Health and Wellbeing Strategy priorities continue to be addressed as well as other key areas of development across the care and health economy.</p> <p>All partners are aware of the importance of increasing the link to the CYP Directorate. The HWB has requested regular reports on the development of services for children and young people and promoted the development of work on Adverse Childhood Experiences. (August Update). See separate partnerships report.</p>
6.5	Birmingham and Solihull STP Board	<p>Board established and meeting regularly. Cabinet Member for Health and Social Care and the Corporate Director for Adult Social Care and Health have membership.</p> <p>STP priorities undergoing a refresh – Completion date TBA</p>	<p>Need to maintain engagement to promote integrated approach to health and social care services across BSol.</p> <p>Need to ensure appropriate links to Council's governance processes, Corporate and Directorate Business Plans and Budget setting processes.</p> <p>Need to increase link to CYP Directorate</p>	Improved performance in line with agreed STP outcomes and evaluation frameworks.	<p><u>Corporate Director Adult Social Care and Health</u></p> <p>Progress is being made on an integrated approach to health and social care services across Birmingham and Solihull. The project boards for prevention, early intervention and on-going personalised support are all meeting regularly. (August Update). See separate partnership report.</p>

7 Communications and transparency					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
7.1	Community engagement – a consistent and fair approach to whole-city engagement.	Good progress being made in this area, e.g. ASCH currently undertaking coproduction to redevelop the model for day care provision for adults – with over 700 stakeholders participating to date; plans to consult on the new Cohesion Strategy as well as Localism green paper ‘Working Together in Neighbourhoods’.	<p>The new Council Plan will outline our commitment to genuine community engagement.</p> <p>Workforce Strategy will be developed to include a plan for genuine community engagement.</p> <p>Regular engagement with communities will include face-to-face and online communication about our progress against the corporate plan to reach citizens in all areas of the city.</p>	<p>Council staff and the public will have a shared understanding of our approach to genuine community engagement.</p> <p>Engaging meaningfully and genuinely with communities across the whole of the city will become part of our everyday practice.</p> <p>Improved residents survey measures (March 2019 results)</p>	<p><u>Director of Place and Assistant Chief Executive.</u></p> <p>Summer/Autumn of engagement on Green paper on Working Together in Neighbourhoods. Consultation on the Community Cohesion Strategy begun. Cabinet Members’ roadshows in train. (July Update).</p> <p>First roadshow on 19 July at the Bournville Gardens retirement home.</p> <p>Paulette Hamilton, Tristan Chatfield, Jayne Francis and Sharon Thompson and the Leader attended.</p> <p>This was an informal drop in session with four whiteboards set up which covered the following areas:</p> <ul style="list-style-type: none"> • What the city offers older residents in terms of opportunity and engagement • How the city responds to issues of social isolation and loneliness • How the council communicates and could communicate better with older residents • Concerns relating to funding and quality of social care <p>These were used as prompts for the various conversations that took place.</p> <p>All of the feedback received in the form of post it notes. This has been shared with Cabinet Members. Further roadshows planned post-holiday season. These will focus more on a wider conversation about how the council spends the money it has and how it prioritises those decisions. (August Update)</p>
7.2	Communications that is strategic and consistent, and supports the	Centralisation of communications completed and new way of working and	Finalise strategic review of communications to support Council Plan priorities and clearer	Specific outcomes to be finalised with conclusion of review – to be	<u>Assistant Director Communications</u> <u>Chief Operating Officer</u>

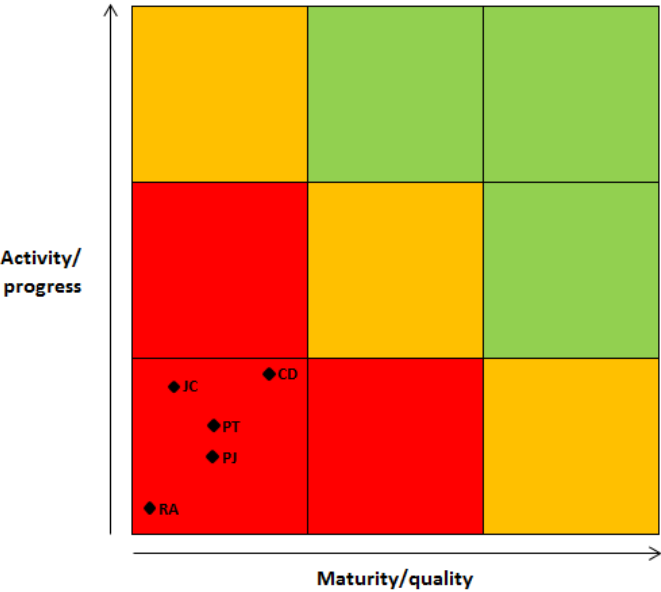
7 Communications and transparency					
	Improvement Aim	Current Status / Relevant Background	Required Action	Outputs/Outcomes	Lead / RAG status (Green – complete / evaluated; Amber – on track; Red – off track)
	council's priorities	<p>structure has been signed off by CLT and the Leader/DL, engagement with Trade Unions is the next phase before formal launch of consultation with staff. Alongside the restructure a new communications strategy is being developed to align with the work being done on the corporate plan.</p> <p>A specific internal communications strategy is in the final stages of completion and will be shared with CMT after discussions with the CEO.</p>	<p>'added value' of communications to service demand management and prevention</p> <p>Start the formal functional consultation</p> <p>Work with the development of the corporate plan to align the communications strategy</p> <p>Meet with CEO to agree draft internal comms strategy</p>	monitored monthly thereafter. (August 2018)	Final design required regarding inclusion of 2022 staff in the new structure. All JDs evaluated and business case ready to go – just need clarity on budget for staffing Comms support for the CWG and if this will be with the central communications team. (July Update).
7.3	Effective Communications and Marketing	<p>Communications functions in process of being consolidated with restructuring</p> <p>Previous peer analysis brought forward recommendations for improved digital engagement, social media policy and implementation.</p> <p>No agreed Communications and Marketing Strategy</p>	<p>Finalise Communications and Marketing strategy alongside strategic review of communications to support Council Plan priorities and clearer 'added value' of communications to service demand management and prevention</p> <p>Restructuring to be completed</p> <p>Draft framework for Strategy to be discussed at CMT. Public elements of Strategy for Cabinet</p> <p>Implementation headlines and key milestones to be agreed</p> <p>Measures of success and evaluation proposals to be agreed</p>		<p>Assistant Director Communications Chief Operating Officer</p> <p>Draft Comms strategy being finalised now that the Council Plan has been agreed. Outline overview of key campaigns is ready to share with CEX and Leader, including suggested timelines and budget. (July Update)</p> <p>Research completed on citizen perceptions and insight being used to shape the channels suggested to support the key campaigns. (July Update)</p> <p>Separate work being done on 2022 activity including tender for branding and visual identity. (July Update).</p> <p>Review of communications offer taking into account budget and 2022 requirements (August Update 2018)</p>

Temperature Take – 15.08.18

Précis

From the second ‘temperature take’ with key audiences, the general feeling at present is that the Council is still early in its improvement journey with a long way to go. Common themes to come out of these conversations included the feeling that, although the Council is beginning to listen, it is not always rigorous, planned or transparent in how it runs its business.

However, while accepting these challenges that were posed by the initial starting point and current temperature, there was also a sense of optimism that things are moving in the right direction, and a sense that the conditions are right for the Council to make the most of current and future opportunities. As mentioned in the July temperature check, recent changes in roles and personnel (political and senior officer), tone, and honesty regarding the scale of the challenge were seen as highly encouraging. Similarly the enhancement of the Health and Wellbeing Board and the sense that suggestions from statutory partners would be listened to and acted upon are also encouraging.



Phil Jones – 09.08.18

- Overall – it does feel that ‘the Council has turned a corner’; there is some optimism and regular meetings are taking place.
- The Council does need to recognise and take responsibility for its actions and importantly frame its communications accordingly.
- When taking the audit report to council it is important that the context and recommendations are fully considered.
- The recently published stocktake report gives assurance that things have/ are changing under the new regime and moving in the right direction.

Penny Thompson – 09.08.18

- Pleased that the work around Community Safety Partnership and Domestic Homicide Review has been taken forward and that the feedback was taken seriously and acted upon – “some good things have happened”.
- “Now I feel that if I say something it is listened to”.
- Can see the beginning of a learning culture but Communications and OD internally and externally are going to be key to new ways of working.

Cherry Dale – 10.08.18

- The Council feels more open than it has done in the last 30 years; key people including councillors are far more accessible and ready to listen and engage.
- Feels like adult safeguarding is in a more prominent position. There has been “a sea change for the better”.
- DHR review – how do we ensure that recommendations turn into meaningful change for people? It is imperative that we make a real difference to women and men.
- Put together an overall “vulnerable people’s strategy” rather than incrementally adding on strategies for different groups. This would pull things together, cover people of all ages and we could go for higher impact. “Do something more dramatic and courageous rather than adding more limpets on to the rock”. The new City Partnerships Board could hold the ring on this.

Cllr. Robert Alden – 10.08.18

- Ongoing concern about the council’s finances. Although it wasn’t unknown, the contents of the Audit letter were depressing and it is too early to say if this year will be any different.
- Need to return to the practice of Scrutiny playing a role in policy development.
- Continued confidence in the new officer team and the development of the four year policy framework.

Councillor John Cotton – 17.10.18

- Little difference felt because we are in the holiday period. Some concern about the Elected Member engagement over the findings in the recent Audit letter. There should have been a bespoke communication to elected Members so that they understood the issues.
- The O&S review is bedding down. Most of the committees are working well at the moment.
- In the autumn, Councillor Cotton wants a clear view of what the role of Scrutiny in policy development will be. He wants Scrutiny to be more proactive, engaged at the outset, helping the Executive to narrow down policy options.

Working Together in Birmingham's Neighbourhoods

General Briefing, July 2018



Working Together in Birmingham's Neighbourhoods

Birmingham already has an enormous diversity of community organisations and active citizens making a great contribution to their city.

We want to work more effectively with citizens and community groups to make services more responsive to local needs and to get more local people involved in their neighbourhoods

- Based on the O&S report of December 2017, this consultation is about how we can organise to do that better and whether parish or neighbourhood councils will help
- There are two parish councils in Birmingham. We have reviewed how we work with them and identified how to improve this
- There are many other ways in which residents can organise to have more influence and control – we also welcome views on how these can be strengthened and how we can support this better.

What would be best for your area?

Every part of the city is different and we now have 69 wards (and many more neighbourhoods) which will have different priorities for how they organise themselves. In addition to the green paper questions we want to see a broad conversation in every local area about different ways of working together.

- Ward Forum meetings and Ward Planning – partnership working with key stakeholders such as the Police and a range of services
- Community Development Trusts focused on regeneration
- Social enterprises delivering local services
- Neighbourhood Forums and Neighbourhood Planning
- Parish or neighbourhood councils

Working Together in our Neighbourhoods

A wide range of organisations and activities deliver local services and enable people to get together and make improvements in their neighbourhoods

- There are a wide diversity of neighbourhood-based organisations – formal and informal - with different strengths and all are assets to their area
- The City Council recognises and values the role of all these bodies
- Participation is as important as representation
- Parishes are the lowest level of formal representative local government and have elected members
- Parish councils can be town, neighbourhood or community councils
- Links to wider policy: Policy Statement: Localism in Birmingham
- *Consultation question: What do you think of the overall approach to working with neighbourhoods?*

Creating new parish, town or neighbourhood councils

We value our existing parish councils and we recognise the enormous potential to create more parish councils across the city

- The City Council's approach: we will provide information about what parish councils do and their benefits, encourage debate and respond positively when communities want to set one up
- We will aim to complete the process in six months not twelve
- The process is set out in law, but we are consulting on some details
- *Consultation questions: Are you in favour of having more parish, town or neighbourhood councils in Birmingham? Do you think having a parish, town or neighbourhood council would benefit your particular local area? Do you agree there should be a consultative ballot as part of the process of setting up a parish, town or neighbourhood council? Do you think a minimum response rate or vote percentage should be set (and if so what should they be)?*

A “Framework for Relationships”

Neighbourhoods may adopt a range of approaches on a scale from influence to joint delivery or the devolution of services and other matters to the lower level

- Mechanisms can include: influence through various organisations; joint delivery or service enhancement; agency agreements, licences or sponsorship; delegation of service delivery; transfer of service
- *Consultation questions: What other options for greater local involvement would you like to see in the “Framework for Relationships”?*

Charter agreements with the City Council

Getting relationships right between the City Council and local neighbourhoods needs action on service management and delivery, governance and relationships between people

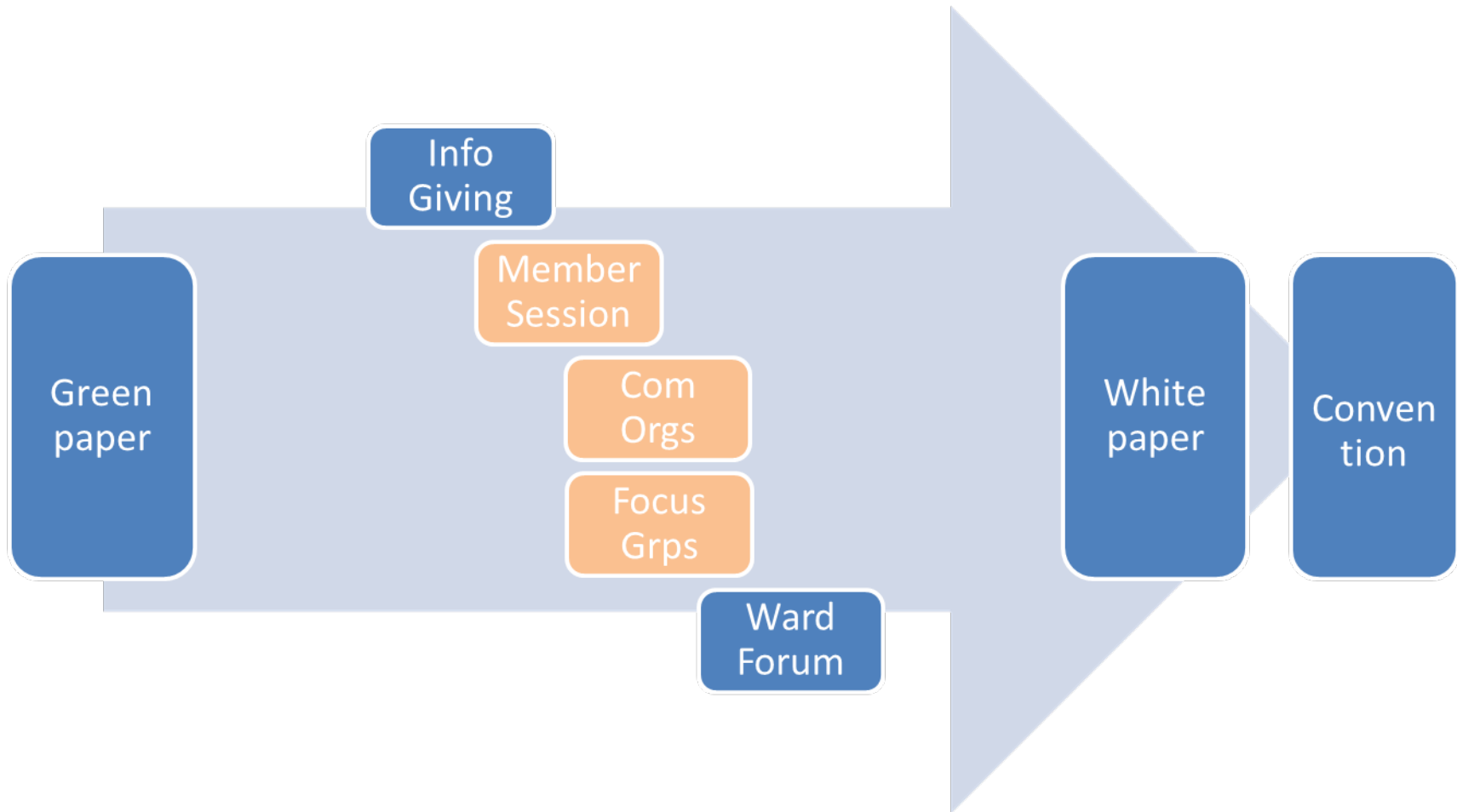
- The City Council will adopt charters that set out a positive working relationship between the City Council and parish councils and other bodies and change the way we work
- The charters will set out a flexible, realistic and sustainable approach with clarity of responsibilities and communication and processes for addressing issues
- *Consultation questions: Do you think that Charter Agreements are a good idea? What other areas do you think Charter Agreements should cover?*

Local Devolution Deals

We are proposing to offer all parish, town or neighbourhood councils their own Local Devolution Deal – an agreement on what services and assets they will take on

- Principles of Local Devolution Deals
- Process of agreeing a Deal
- *Consultation questions: What do you think about Local Devolution Deals? Do you think the paper sets out the right principles for Local Devolution Deals? What other steps should be included in this process for Local Devolution Deals?*
- *General question: What else would you like to see introduced or changed so that you have more influence over priority setting, decision making and service delivery in your local area?*

Process in coming months



Process

- Information giving
 - Summary paper
 - Supporting paper on parishes and other approaches
 - Using services (libraries, housing officers etc)
- Member sessions
 - 27th and 30th July
- Community Conversations
 - 16th August and 5th Sept
 - Sessions to engage with community organisations
 - Informed and can respond
 - Informed and can cascade
- Ward Forums or other local engagement
 - Opportunities to be defined by members
 - Information and facilitation questions to be sent to ward members

Guidance on Local Conversations

- There is the formal consultation and questions around Parishing and Charters but best to start with conversations on the more informal local organising, influencing and networks going forward - acknowledging and celebrating the good stuff that community groups already do
- Best done informally as conversations and participative than the more formal “top table” approach
- No one prescriptive way but flexible approach- you know your ward best and what works
- Enable people to respond in whatever format they are comfortable with - all are equally valid ie Formal BeHeard response, e-mail, record of discussions, individual comment sheets

Examples of How

- Using Ward Forum Meetings Aug - Sept. Either separately or joining up with other wards
- Incorporate discussion at other local meetings that may already be organised
- Include details in any leaflets/ newsletters that you may be already doing over the summer period
- Encourage local infrastructure organisations to run their own sessions - Some support to cover costs of room hire/ refreshments may be available.
- There will be 2 Information Sessions for Groups
 - 16 Aug 6.30-8pm Stirchley Baths
 - 5 September 6.30-8 pm Alexander Stadium
- NDSU available for support and guidance

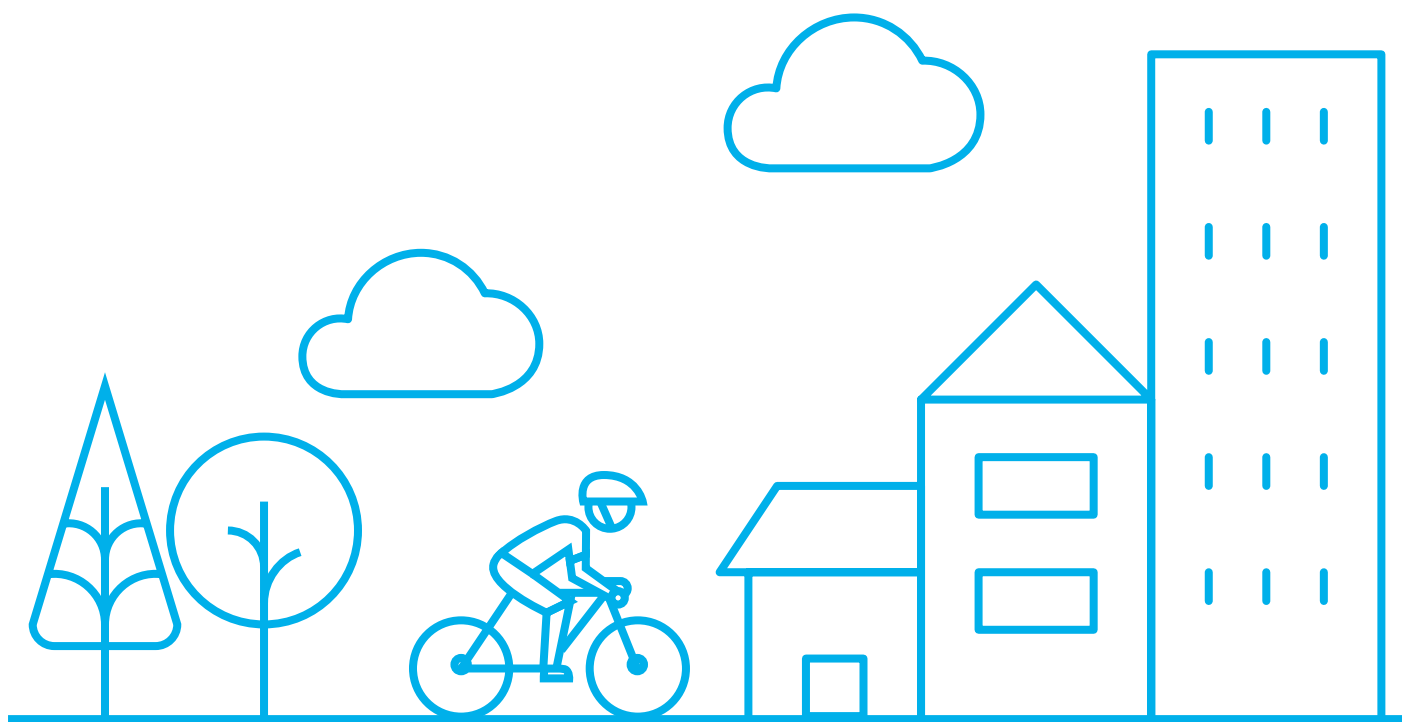
Summary/Key issues

- The consultation asks some very specific questions via the 'BirminghamBeHeard.org.uk website
- This is also an opportunity for both individuals and groups to set out their ideas on options/changes needed for greater local involvement
- Responses and comments can also be e-mailed direct to CommunityGovernanceViews@birmingham.gov.uk and this will enable more general comments to be sent in
- We are keen to hear of any specific groups to contact with regard to the two community conversations sessions
- The options available to you as to how you engage in your wards are flexible (we will provide some materials/guidance) and contact the NDSU for support
- All responses are needed by 28th September to enable the policy on this to be further developed for November.

Draft Policy Statement

Working Together in Birmingham's Neighbourhoods

July 2018



CONSULTATION

Working Together in Birmingham's Neighbourhoods

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CONSULTATION

Working Together in Birmingham's Neighbourhoods

Introduction



Councillor Sharon Thompson
Cabinet Member:
Homes and Neighbourhoods

Birmingham is a big city with dozens of diverse neighbourhoods and hundreds of community organisations. **We want to work in partnership with people in their local area to make services more responsive to local needs and preferences and to improve local neighbourhoods.** We recognise that this is one way that the City Council can avoid being remote from people's everyday concerns and lives.

The City Council has worked over many years to find ways of working more closely with residents and community organisations. These have ranged from Neighbourhood Offices, the Local Involvement Local Action initiative of the 1990s, the setting up of ward committees and support to neighbourhood forums, to the devolution of services to District Committees in 2004.

In recent years we have had to rethink how we do this, due to resource constraints. The governance of the city is also changing with the re-drawing of ward boundaries, creating smaller wards and increasing their number from 40 to 69. Another important change came with the creation of Sutton Coldfield Town Council, the largest urban parish council in the country. Having more parish or neighbourhood councils across the city is now recognised as one important option for the way ahead.

Councillors on the Corporate Resources and Governance Overview and Scrutiny Committee carried out an inquiry into how we work with the parish councils and reported to the City Council in December 2017. We now need to take forward their recommendations through this paper.

This paper sets out a draft policy statement on how the City Council will work with local neighbourhoods in the years ahead. It has been written to help open up a conversation across the city about how we can achieve these aims more effectively. This includes how we intend to work better with the existing parish and town councils in the city and to enable further such councils to be set up in the future.

Despite the resource constraints, we are determined to explore new ways of bringing about a more localised city and make the most of all our assets, financial, physical and human.

The Statement is intended to be an evolving summary of the Birmingham position on neighbourhood governance and we hope it will be supported widely across the communities and organisations of the city. It is not set in stone.

We intend to engage stakeholders widely as the statement is developed during 2018, with a view to publishing a further update (a "white paper") in the autumn. However, there are some key principles of our approach that we are already clear about and these are indicated in this document.

Councillor Sharon Thompson
July 2018



CONSULTATION

Working Together in Birmingham's Neighbourhoods

SECTION 1

Background

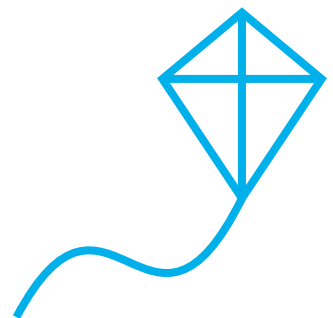
A wide range of organisations and activities determine how services are delivered and how improvements are made in our local neighbourhoods, enabling active citizens to make a difference. This includes the local ward councillors and city council decision making about its services, but also the community organisations, the local businesses and the many other public agencies that have an impact on local areas.

More formal decision making arrangements can include city council committees and elected parish or town councils (the lowest level of formal local government in the UK). But a range of community organisations such as neighbourhood forums, residents associations, community development trusts and other social enterprises also make an important contribution to the life of our neighbourhoods and enable people to come together, discuss the future of their area and take action to improve it.

Elected councillors (be they city councillors or parish councillors) and the City Council's decision making system are the core of our system of "representative democracy". But a healthy local democracy also requires "participatory democracy" – ways in which local residents can get directly involved in decision making and in activities that improve the city and our local services. These two forms of democracy need to be well balanced and work well together.

Parish councils

The term "parish council" refers to a range of different types of local council, from the smallest local area up to town councils such as the one recently created in Sutton Coldfield. Just like the City Council, they are elected councils which can take on a range of powers and local services and raise a "precept" or Council Tax to spend in their area (although they can clearly decide not to raise a precept). Parish councils are not related to Church of England parishes and they can now be called "Neighbourhood" or "Community" councils to reflect a more modern, diverse community.



CONSULTATION

Working Together in Birmingham's Neighbourhoods

The table below sets out some examples of ways of organising locally and the activities that they are particularly strong at. It illustrates the diversity of ways in which we can work together to improve our local area.

Examples of the range of neighbourhood organisations

Type of organisation	What they're good at
Neighbourhood (Parish) Council	<ul style="list-style-type: none">• Providing some local services• Power to raise local Council Tax precept• A further representative voice for the area
Ward Forum or Partnership	<ul style="list-style-type: none">• Bringing together local councillor(s), residents and other public agencies to focus on how to solve problems in the area. The police also organise local 'tasking meetings'.
Neighbourhood Forum	<ul style="list-style-type: none">• Resident led organisations which may have elections to a committee• Power to initiate a Neighbourhood Planning process, setting out a physical plan for the future of the area which becomes a legal policy if supported by residents.• Some Forums provide additional voluntary services
Community Development Trust	<ul style="list-style-type: none">• Focused on the regeneration and improvement of the local area.• Can raise money from trusts and foundations and apply for grants for specific projects.
Residents Association	<ul style="list-style-type: none">• Similar to a Neighbourhood Forum but without the legal powers for neighbourhood planning.• Many associations work closely with local services and the police, for example running neighbourhood watch schemes.
Social Enterprise	<ul style="list-style-type: none">• Take a variety of forms and are set up to provide a variety of services (such as leisure, retail, social care or health related) but all are not-for-profit businesses that re-invest income in the local community.
Local groups and charities with a specific interest	<ul style="list-style-type: none">• A wide diversity of informal groups provide additional local services, support particular groups in the community and campaign on specific issues. They may also raise money as charities.
Faith groups and religious centres	<ul style="list-style-type: none">• Religious communities, leaders and places of worship also make a major contribution to many communities and raise money for charitable activities.

CONSULTATION

Working Together in Birmingham's Neighbourhoods

The role of different local organisations

The City Council values the role and contribution made by all these types of organisation and our aim is to support an increasing diversity of groups in the future. As the table left shows, different organisations have different strengths and the aim should be to create the right mix for the needs of each area, not to impose a single approach.

Neighbourhood (parish) councils do have particular strengths as the lowest level of representative, elected local government they are well placed to provide additional local services and to take on some services provided by the City Council. We are therefore particularly keen to help interested neighbourhoods to develop proposals for more neighbourhood councils in the city.

How this statement fits within our wider approach to localism

The policies in this paper are just part of our wider approach to local services, local democracy and engagement in the city. A separate statement is available on the overall direction of change and the principles and objectives we have set. In summary, our focus is to improve local neighbourhoods and the local services that everyone benefits from every day. We will do this by:

1. Making key services more responsive to local needs and priorities, through senior management engagement in local areas and dedicated staff in each service whose role is to ensure that local issues are quickly dealt with. This will aim to cut through 'red tape' and bureaucracy.

2. Redesigning jobs so that staff are free to work with residents and colleagues in different services to make a difference in local areas, without waiting for permission.
3. Supporting ward councillors to focus on local issues and represent their residents more effectively and giving citizens more power to improve their area and get things done.
4. Having effective Ward Forums and Ward Plans drawn up with local residents.
5. Continuing to modernise key local services such as refuse collection.
6. Investing in tackling priority issues such as jobs, health and housing and working together across wider areas of the city.

As set out above, we see parish, town and neighbourhood councils as one very positive way to deliver on these objectives, but they are only one option available to local communities. Our wider strategic approach will ensure that there is a framework for communities to engage in tackling local issues, whatever form of local democracy they choose to have.



CONSULTATION

Working Together in Birmingham's Neighbourhoods

SECTION 2

Setting the future direction

We want to engage local stakeholders widely as this statement is developed, but we also want to set a clear sense of direction.

As set out above, we are committed to working with neighbourhoods through a diversity of local organisations – we will not impose a one size fits all approach across the city.

We will seek to develop stronger partnerships and networks in each of the new wards, building on the diverse range of community organisations and enterprises that are already in place. We want to see councillors and residents working as a team to get things done in every ward of the city.

We will work with neighbourhoods in several different ways to strengthen local arrangements:

1. Every new ward will have a Ward Plan, setting out the priorities for improving the neighbourhood and its services. This will enable the council as a whole to influence the allocation of resources where they are needed and local councillors to work in partnership to secure resources from other public agencies and the private and voluntary sectors.
2. By agreeing Charters with different neighbourhoods, setting out the service standards and local improvements we will work towards, as set out below.

3. By agreeing Local Devolution Deals with specific areas that have adopted parish, town or neighbourhood councils or perhaps other forms of governance suitable for this purpose. This means we will agree, where appropriate that some services and powers can be delivered locally. Further details on this idea are also set out below.
4. By working with every ward to ensure that residents are aware of the range of local organisations they can set up, according to their local priorities and helping them to create new organisations or strengthen existing ones.
5. By promoting and supporting the creation of new parish, town or neighbourhood councils where residents want them.

Q1: What do you think of our overall approach to working with neighbourhoods?



CONSULTATION

Working Together in Birmingham's Neighbourhoods

Creating new parish, town or neighbourhood councils

We value the role that parish, town or neighbourhood councils can play in running Birmingham and we are proud that the city now has the largest urban parish council in the country in the Royal Borough of Sutton Coldfield Town Council. Parishes can deliver services more locally, but they can also bring more people into local civic leadership and heighten the sense of pride in a local area.

We also recognise the enormous potential to create more parish councils across the city, given that outside Sutton Coldfield only Frankley currently benefits from one. One of the main reasons for producing this paper is to set out how we will do this and to consult widely to find out how much interest in parishes there is across the city.

There are many different positions the City Council could take on parish councils, ranging from a neutral approach of simply waiting for residents to propose a new council and then carrying out the required legal process, to giving residents more information about the benefits of parish councils and the process of creating one, to proposing a new parish council for every area of the city. The first option would not be in line with our positive approach to parishes and the opportunities they provide, whilst the last would create a top-down approach which would not be acceptable either. So, our policy reflects our principle of responding to the wishes of residents in different parts of the city.

The City Council's position will be as follows:

1. We will provide information about parish councils, what they can do and how they are created and work with partners in the community to ensure this is accessible to all residents, whilst working with the National Association of Local Councils (NALC) to test and advise on our approach.
2. We will undertake a discussion in every ward of the city, outside Sutton Coldfield, to find out what residents want and identify the strengths and weaknesses of current arrangements and whether a parish council might work well.

3. Where groups of residents or community organisations express an interest in having a parish council we will carry out the necessary Community Governance Review and then put any proposal to a postal consultative ballot, as we did in Sutton Coldfield.

As stated above, our approach to parish councils will not sit in isolation from other ways in which residents can secure more control and influence over local services or their neighbourhood.

We set out in this paper a Framework of Relationships to guide our approach to neighbourhood organisations. As detailed below, the various options will each deliver different benefits and each will have different limitations. For example, parish councils are legally able to take on service delivery functions and to raise additional public money within their area, but other options such as neighbourhood forums, residents associations, community development trusts or tenant management organisations may be better suited to the needs of a neighbourhood and what it wants to achieve.

We will work with community organisations, through Ward Forums to ensure that they are able to communicate effectively with the local community about the options for governance arrangements and to assess all options for improving the capacity of the community to respond to issues and influence decision making.

Areas that establish a parish council will then be able to enter discussions with the City Council about a Local Devolution Deal for the area, setting out the funding and services that will be provided locally. The proposed process for this is set out below.

Q2. Are you in favour of having more parish, town or neighbourhood councils in Birmingham?

Q3. Do you think having a parish, town or neighbourhood council would benefit your particular local area?

CONSULTATION

Working Together in Birmingham's Neighbourhoods

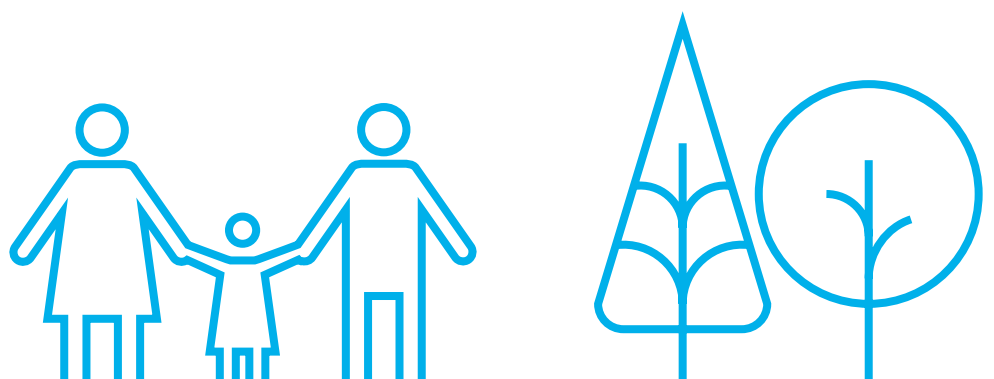
Creating a parish council

The process for creating a parish, town or neighbourhood council must be in line with the relevant legislation and government guidance (see Appendix 3) and will be as follows:

1. The process can be triggered by a petition from residents, setting out the suggested area (boundaries) of a parish council. The government guidance includes rules about such petitions, what they should include and the number of signatures that must be secured. The City Council will be happy to receive such petitions through a variety of community groups, but they must conform to the guidance.
2. The City Council can also start a review without a petition and will do so if we think there is strong enough support for the idea in the local area. This could be indicated, for example by the views of local community organisations or a vote of residents at a well-attended Ward Forum. There will also be a presumption in favour of creating a parish council where a neighbourhood forum with an agreed Neighbourhood Plan has expressed support. However, no parish council will be created without the consultative referendum mentioned below, to ensure there is widespread support in the community.
3. The City Council will then conduct a formal Community Governance Review, which must assess various issues such as the proposed boundaries, other proposals in the same area, the strength of community identity and the impact on community cohesion. We will do this well within the statutory maximum period of 12 months and ideally within six months.
4. The City Council will then publish its conclusions and recommendations including boundaries, the grouping of parishes and electoral arrangements.
5. A consultative ballot will then be held to enable every elector in the proposed area to say whether they support the proposal for a new parish council. One option, to ensure the ballot is fully representative of the area, would be to set a threshold response rate, below which the ballot could be ignored, though this is not operated in the ballot for a Neighbourhood Plan. It is also possible to set a threshold for the majority in the vote, though again the Neighbourhood Plan process requires only a straightforward majority (50% plus one) of those responding to approve the proposal.
6. If the proposal is supported by residents, it must then be approved by the government.
7. The City Council will then work with local residents to establish the parish council and organise elections.

Q4. Do you agree that there should be a consultative ballot as part of the process to set up a parish, town or neighbourhood council?

Q5. Do you think a minimum response rate or vote percentage should be set (and if so what should they be)?



CONSULTATION

Working Together in Birmingham's Neighbourhoods

A framework for relationships

As outlined earlier there are many different forms of neighbourhood organisation and the City Council will need to embrace different models.

To encourage greater participation and to provide guidance to those areas wishing to make changes, we intend to develop a Framework for Relationships. This will set out the range of options for greater neighbourhood involvement and governance the City Council supports.

The options included in this Framework must allow for the needs and aspirations of individual localities to be met. We may wish to consider adopting something similar to Cornwall Council's 'A Framework for Town and Parish Councils and Community Groups to have an Increased role in service delivery' (see Appendix 2 for this and examples elsewhere). This offers the following options for greater local involvement, from less to more devolution:

1. Influencing and monitoring local service delivery, where parish councils and/or local community groups influence, request changes to existing contracts or input to requirements when new contracts are retendered. They can also play a role in monitoring service delivery in their area.
2. Joint delivery/service enhancement, where parish councils and/or local community groups choose to enhance an existing service by funding work that exceeds the base level provided or deliver additional services not currently provided.

3. Agency Agreements, Management Agreements, Licences and Sponsorship with/by parish councils. Cornwall Council provide a lump sum to the parish council for the delivery of the service, based on the minimum service they would undertake. The parish council can choose to enhance this service locally. (These could equally apply to local community groups).
4. Delegation of service delivery where the parish council takes on full responsibility for the local service on behalf of Cornwall Council.
5. Transfer of a service applicable where Cornwall Council proposes to reduce or no longer provide a service. Parish councils are consulted and offered the opportunity to take on delivery themselves. Transfer of any related asset may be part of the discussions.

Creativity and flexibility in the approach is critical – the issues in individual neighbourhoods will vary and so a range of options will be necessary. The work on the Sutton Coldfield library is a positive example of what can be achieved through joint working and mutual support.

Q6. What other options for greater local involvement would you like to see in this Framework for Relationships?



CONSULTATION

Working Together in Birmingham's Neighbourhoods

Charter agreements with Birmingham City Council

Getting relationships between the City Council and local neighbourhoods and community organisations right will require attention in three areas: service management and delivery, governance structures and working relationships between people.

Investigation by councillors on the Corporate Resources and Governance Overview and Scrutiny Committee into the two parish councils in Birmingham has identified some areas where the parish and city council are working well and some areas for improvement. Key to success is the development of good working relationships between the two so that a mutual understanding of respective roles and the added value that parishes deliver is developed but also so that they can work together to resolve issues identified by parishes.

Existing parish councils have reflected that ideally mutual understanding and support should be achieved through a more formal structure with identified contacts in the city council through which they could channel their issues. This would avoid their 'passed from pillar to post' experience and allow for more efficient and effective working.

To improve on this experience, the City Council will adopt Charter agreements which set out the principles of how the City Council and local councils or other local organisations will work together. This is an approach adopted by other councils and there are many examples of Charters elsewhere that we can learn from (see Appendix 2).

Each Charter will be individually negotiated although there are likely to be common areas covered in each. Charters will set out clearly the agreed role and responsibilities of the City Council and the local council or other organisation, detailing the expectations of one from the other. The Charter must be sustainable, realistic and deliverable, ensuring that any issues related to resourcing and liabilities are addressed.

Common areas are likely to include:

1. Communication and consultation arrangements and key contacts. It must allow for ongoing communications between both parties so that mutual understanding continues to develop.
2. Working protocols including the process for resolving issues, gaining approval for new projects and initiatives, and negotiating changes to the existing agreement.
3. Support offered by both parties including resources and use of assets.

Q7. Do you think that Charter Agreements are a good idea?

Q8. What other areas do you think Charter Agreements should cover?

Charters between particular neighbourhoods and the City Council

Charters could also be extended to include agreements with particular neighbourhoods, something that has been successful in some parts of the country (see Appendix 4 on neighbourhood charters).

A Neighbourhood Charter would set out the rights and responsibilities of the City Council, local organisations and residents in terms of the services and activities in their neighbourhood. It would describe the governance arrangements and particular local relationships that apply to that neighbourhood or ward. It might include tailored service delivery standards and local management of assets, but would not go as far as a Local Devolution Agreement.

CONSULTATION

Working Together in Birmingham's Neighbourhoods

Local devolution deals

As well as improving the overall relationship between the City Council and the existing parish councils, we recognise that the existing parish and town councils in the city will be keen to develop their activities and deliver more local services. New parish councils will also want to know what range of services they may be able to take on.

So, we are proposing to offer all parish, town or neighbourhood councils their own Local Devolution Deal – an agreement with the City Council about what local services will be run by the new council and what assets they will manage. This will be a bottom up process – the City Council will respond to the priorities and ambitions of the local area and not impose anything from the top down. If a parish council does not want to take on any services then it will not have to.

We would also welcome views on whether other sorts of local organisation would be capable of taking on devolved services (or providing additional services to the core City Council offer).

For those that are particularly ambitious the Local Devolution Deal process will enable the parish council and the City Council to work out together what is practical and the risks and benefits involved and then to work in partnership to make things work.

So that people know the scope of potential deals and the range of devolved services the City Council is prepared to discuss, we will consult later on the Framework for Relationships and on a detailed Devolution Deal Prospectus. These will set out the opportunities as well as the constraints and limits on devolution in different service areas and make clear the services which the City Council will not consider devolving. In this document we are inviting comment on some broad principles and an outline of the process we propose.

Q9. What do you think about Local Devolution Deals?

Principles for local devolution deals

The City Council intends to adhere to the following broad principles when agreeing Local Devolution Deals:

1. Parishes proposing devolution of services must have been in existence and functioning effectively for at least a year (this means that they are engaging widely in the community, managing their finances well and being inclusive and open in their approach).
2. Services considered for devolution must be things that a parish council can legally provide.
3. The City Council will indicate which services may be appropriate for devolved management or funding and which must remain at a larger scale. We would welcome views on those that should be in each category, but at this stage we intend to exclude child protection and care, some education and special needs services, adult social care, road maintenance and street lighting, strategic procurement, financial management and corporate administration from the process.
4. Proposals can include joint service delivery and management arrangements as well as full transfer of services and they can be made by a collaboration of more than one parish council.
5. Services considered for devolved management must be capable of being delivered at the scale proposed, either through the parish council's own resources or a management arrangement with the City Council.

CONSULTATION

Working Together in Birmingham's Neighbourhoods

6. Proposals should demonstrate that the service will be provided reasonably efficiently, compared to central provision.
7. Proposals should demonstrate that the service will be more responsive to local needs or provide different, tailored aspects of the service not currently provided centrally.
8. The parish council will have to demonstrate sound business cases for all devolution proposals, including the management and other resources that will be put in place.
9. The parish council will have to show how the community will be engaged in the delivery of the service and how their views on the service will be monitored and performance managed.
10. Proposals for assets to be transferred to a parish council will have to demonstrate the capacity to manage the asset independently and to put the asset to good use for the community. Assets will generally be transferred on a leasehold basis and not freehold.

The process for Local Devolution Deals will also be consulted upon in more detail later, but it is likely to include:

1. Submission of initial proposals for the devolved management of services and assets by the parish or town council.
2. An initial analysis by relevant officers will be drawn up and returned to the parish council.
3. Detailed discussions on the different proposals made, including the relevant officers mentioned above and consultation with relevant Cabinet Members and Chief Officers.
4. Officers will focus on the sort of conditions outlined above and will be concerned to ensure that the devolution of the service in one part of the city does not have a detrimental impact on efficiency and quality in other areas. Different options for local delivery of the service will be explored.
5. Submission of a signed agreement to the Cabinet for formal decision.
6. Planning and then implementation to agreed timescales.

Q10. Do you think these are the right principles for Local Devolution Deals?

The process for agreeing a local devolution deal

The City Council will identify named officers in each relevant service area and also a strategic devolution negotiator who will work with those officers and report to the Leader and another Cabinet Member. All relevant Cabinet Members will be consulted during negotiation of a deal and all final deals will be signed off by the Cabinet.

Q11. What other steps should be included in this process for Local Devolution Deals?



CONSULTATION

Working Together in Birmingham's Neighbourhoods

Conclusion and next steps

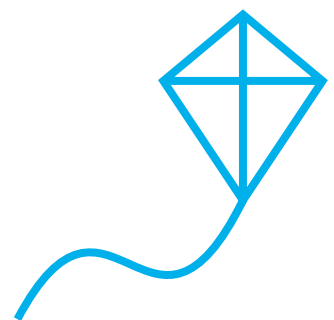
Improving how the City Council works with parishes and providing the opportunity to all neighbourhoods to have stronger ways to influence decision making will be an important part of our approach to localism over the next few years.

Our focus is shifting to the ward level, with a new set of smaller wards now in place and work underway to ensure that we support the work of councillors in their wards and neighbourhoods. This will include a stronger development programme to equip council members with the skills to be effective 21st Century local leaders.

We want this paper to be the start of a wide ranging debate that gives everyone the chance to have their say on how their neighbourhood is run which will lead to a final policy statement in September.

A cross-party working group will be set up to oversee this process and this will include representatives from the existing parish and town councils.

Q12. What else would you like to see introduced or changed so that you have more influence over priority setting, decision making and service delivery in your local area?



CONSULTATION

Working Together in Birmingham's Neighbourhoods

How to respond to this consultation:

By completing the questionnaire survey on the City Council's BeHeard website at **BirminghamBeHeard.org.uk**

The closing date for the consultation is **28 September 2018**

By emailing us at: **CommunityGovernanceViews@birmingham.gov.uk**.

Please indicate whether you are responding as an individual or on behalf of an organisation. If you are representing a group please indicate the process by which your submission was discussed and agreed.

By attending a Ward Forum meeting in your ward. These meetings are being organised between now and the end of September and information will be provided when the meetings are arranged. Future Ward Forum meetings can be found here:

<https://birmingham.cmis.uk.com/birmingham/Committee/Wards.aspx>

By attending a number of other meetings, known as "Community Conversations" that we will be setting up across the city.



The discretionary powers of parish councils

SUBJECT	SUMMARY OF DISCRETIONARY POWERS
Allotments	Power to provide land for allotments and to enter into allotment tenancies in or outside the councils' area.
Allowances for councillors	Power to pay councillors allowances.
Ancillary Powers	Power to do anything that will facilitate, be conducive to or incidental to the discharge of its powers and functions.
Bands and orchestras	Power to maintain a band or orchestra or contribute to the maintenance of a band or orchestra in or outside the council's area. Power to charge for admission to performances.
Bicycles and motor cycles – parking places	Power to provide and maintain parking places for bicycles and motor cycles in the council's area. Power to provide stands and racks for bicycles and motor cycles in the council's area. Power to make byelaws for the use of and charging for parking places.
Boating pools	Power to provide a boating pool in a park provided or managed by the council. Power to charge a reasonable amount for its use.
Borrowing money	Power to borrow money with approval where necessary.
Burial grounds and cemeteries	Power to provide and maintain open space or burial ground in or outside the council's area. Power to maintain for payment a monument or memorial on a private grave (for no more than 99 years) in the council's area. Power to provide and maintain cemeteries in or outside the councils' area. Power to contribute towards the maintenance of cemeteries where the inhabitants of the councils' area may be buried. Power to grant rights of burial, to place and maintain tombstones or memorials on graves and to charge fees. Power to make byelaws.
Bus Shelters	Power to provide and maintain bus shelters on roads or land, adjoining roads in the council's area.

SUBJECT	SUMMARY OF DISCRETIONARY POWERS
Byelaws	Power to make byelaws.
Car parks (off-road)	Power to provide and maintain suitable off-road car parking places in the council's area to relieve or prevent traffic congestion or to preserve local amenities. Power to regulate use of car parks and charge for their use.
Car sharing schemes	Power to establish and maintain a car sharing scheme that benefits the council's area or to assist others in doing so.
Charities	Power to act as trustee of non-ecclesiastical charity.
Cinemas	Power to provide a cinema or contribute towards the expenses of a cinema in or outside the council's area. Power to charge for admission to a cinema provided by the council.
Clocks	Power to provide and maintain public clocks within the council's area.
Closed churchyards	Power to maintain a closed churchyard in the council's area if requested to do so by a parochial church council.
Commons and common pastures	Power to provide land in the council's area for common pasture if the council's expenditure can be recovered from any charges it makes for use of the land.
Community gardens	Power to provide and maintain open space as gardens in or outside the council's area.
Community meetings – Wales	Power to convene.
Compensation – Wales	Power to pay compensation to a person affected by the council's maladministration.
Conference facilities	Power to provide and encourage the use of facilities in the council's area.
Contracts	Power to enter into contracts.
Crime prevention	Power to spend money on crime detection and prevention measures in the council's area.

SUBJECT	SUMMARY OF DISCRETIONARY POWERS
Dance halls	Power to provide premises for dances, or to contribute to the expenses of dances in or outside the council's area. Power to charge for admission to dances provided by the council.
Ditches and ponds	Power to deal with ditches, ponds, pools and gutters by draining them or preventing them from being harmful to public health. Power to carry out works for their maintenance or improvement or to pay others to do this.
Dog control orders	Power to make orders for dog control offences for land in the council's area. Power to issue fixed penalty notices for offences committed under dog control orders.
Employment of staff	Power to appoint staff.
Fetes and other events	Power to provide entertainments and facilities for dancing in or outside the council's area. Power to charge for admission.
General power of competence – England	Power for an eligible council to do anything subject to statutory prohibitions, restrictions and limitations which include those in place before or after the introduction of the general power of competence.
Gifts	Power to accept gifts.
Graffiti	Power to issue fixed penalty notices for graffiti offences in the council's area.
Honorary titles	Power to confer title of honorary freeman or freewoman
Indemnities	Power to indemnify councillors and staff with insurance cover.
Investments	Power to invest property in approved schemes.
Land / premises	Power to purchase or sell land in or outside the council's area. Power to appropriate land for an authorised purpose. Power to accept and maintain gifts of land.
Life-saving appliances	Power to provide life-saving appliances (e.g. life belts, defibrillators).

SUBJECT	SUMMARY OF DISCRETIONARY POWERS
Lighting	Power to light roads, and public places in the council's area.
Litter	Power to issue fixed penalty notices for litter offences in the council's area.
Litter bins	Power to provide and maintain litter bins in streets or other public spaces and contribute to their provision and maintenance.
Lotteries	Power to promote lotteries.
Markets	Power to establish markets in the council's area and provide a market place and market buildings. Power for a council that maintains a market to make byelaws.
Mortuaries and post-mortem rooms	Power to provide mortuaries and post-mortem rooms. Power to make byelaws to manage and charge for the use of mortuaries and post-mortem rooms.
Neighbourhood planning – England	Power to act as the lead body for the establishment of a neighbourhood development order or a neighbourhood development plan.
Newsletters etc.	Powers to publish information about the council, its services and the services provided in the council's area by other local authorities, government departments, charities and other voluntary organisations.
Non-councillors	Power to appoint non-councillors to council committees and sub-committees. Power to appoint up to two non-councillor community youth representatives (aged 16-25) to committees – Wales only.
Open spaces	Power to provide and maintain land for public recreation. Power to make byelaws. Power to provide and maintain land for open spaces in or outside the council's area. Power to make byelaws.
Parish meetings – England only	Power to convene.

SUBJECT	SUMMARY OF DISCRETIONARY POWERS
Planning applications	Power to be notified of planning applications affecting the council's area and to comment.
Power of Well-being – Wales	Power to do anything to promote the economic, social and environmental well-being of the council's area or anyone in the area, subject to any statutory prohibitions, restrictions and limitations on council powers.
Precept	Power to raise a precept.
Public buildings and village halls	Power to provide buildings for public meetings and assemblies or contribute towards the expenses of providing such buildings.
Public rights of way	Power to repair and maintain public footpaths and bridleways in the council's area. Power to enter into agreement to dedicate a road as highway in the council's area or an adjoining parish or community area. Power to enter into agreement to widen existing highway in the council's area or an adjoining parish or community area. Power to provide warning notices on footpaths and bridleways.
Public toilets	Power to provide public toilets Power to make byelaws.
Recreation	Power to provide and manage recreation grounds, public walks, pleasure grounds and open spaces. Power to make byelaws. Power to provide and contribute to a wide range of recreational facilities in or outside the council's area.
Right to challenge services that are provided by a principal authority – England	Power to submit an interest in running a service provided by a district, county or unitary authority.
Right to nominate and bid for assets of community value - England	Power to nominate assets to be added to a list of assets of community value. Power to bid to buy a listed asset when it comes up for sale.

SUBJECT	SUMMARY OF DISCRETIONARY POWERS
Roads	<p>Power to consent or not consent to the local highway authority stopping maintenance of a road in the council's area or stopping up / diverting a road in the council's area.</p> <p>Power to complain to the local highway authority about the obstruction of rights of way and "roadside waste" in the council's area.</p> <p>Power to plant and maintain trees and shrubs, and lay out grass verges in the council's area.</p> <p>Power to provide and maintain seats and shelters on roads and land bordering any road in the council's area.</p>
Sports and recreational facilities	<p>Power to provide sports facilities in or outside the council's area or contribute towards the expenses of any voluntary organisation or local authority that provides sports facilities in or outside the council's area.</p>
Swimming pools	<p>Power to provide public baths.</p> <p>Power to charge for use of public baths.</p> <p>Power to make byelaws.</p>
Traffic signs	<p>Power to provide traffic signs on roads.</p>
Theatres	<p>Power to provide a theatre or contribute towards their expenses in or outside the council's area.</p> <p>Power to charge for admission to a theatre provided by the council.</p>
Tourism	<p>Power to encourage tourism to the council's area or contribute to organisations encouraging tourism.</p>
Traffic calming	<p>Power to make payments to a highway authority for traffic calming schemes for the benefit of the council's area.</p>
War memorials	<p>Power to maintain, repair and protect war memorials in the council's area.</p>
Water	<p>Power to make use of wells, springs or streams in the council's area and provide facilities for obtaining water from them.</p>
Websites	<p>Power to provide a website to give information about the council, its services and the services provided in the area by other local authorities, government departments, charities or other voluntary organisations.</p>

Source: Local Councils Explained, 2013, National Association of Local Councils

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From O&S Report: Partnership Working: BCC and Parish/Town Councils

Summary of Frameworks and Charters

Introduction

A number of existing Parish and Town councils have developed charters/frameworks to support the day to day running of business with their respective principal authorities. Charters can provide clear structures and guidelines for partnership working; though more detailed arrangements and agreements may also have to be produced to sit alongside these documents.

Below is a summary of some of the frameworks used by councils (Unitary, County & Districts) across the country. This is in no way a definitive list but provides an overview of the different types of agreements that have been negotiated between principal authorities and local councils.

The format and structure of the charters vary across the country with some listing what they see as "principles" for engagement whilst others are more specific about the roles and responsibilities of both parties.

Some of the common features of the frameworks include sections on:

- Communication and Community Engagement;
- Annual Reporting;
- Code of Conduct and Standards;
- Practical support/day to day running.

All the frameworks are reviewed on either an annual basis or longer term to ensure they remain relevant and fit for purpose.



1. Milton Keynes Council

Statement of Intent "To continue to foster our partnership that delivers outstanding services to the people of Milton Keynes".

Milton Keynes Borough Council has been fully parished since 2001 and is made up of 45 parishes, both rural and urban, e.g CMK Town Council is the parish council for residents of central Milton Keynes and has a population of approximately 3000. A charter has been in place since 2004 following extensive consultation with the local Councils via a working group made up of members from both the principal authority and the parish councils and it is reviewed every 4 years.

Milton Keynes also has a "Parishes Forum" made up of representatives from both the principal and local councils which meets four times a year in public to discuss matters of interest.

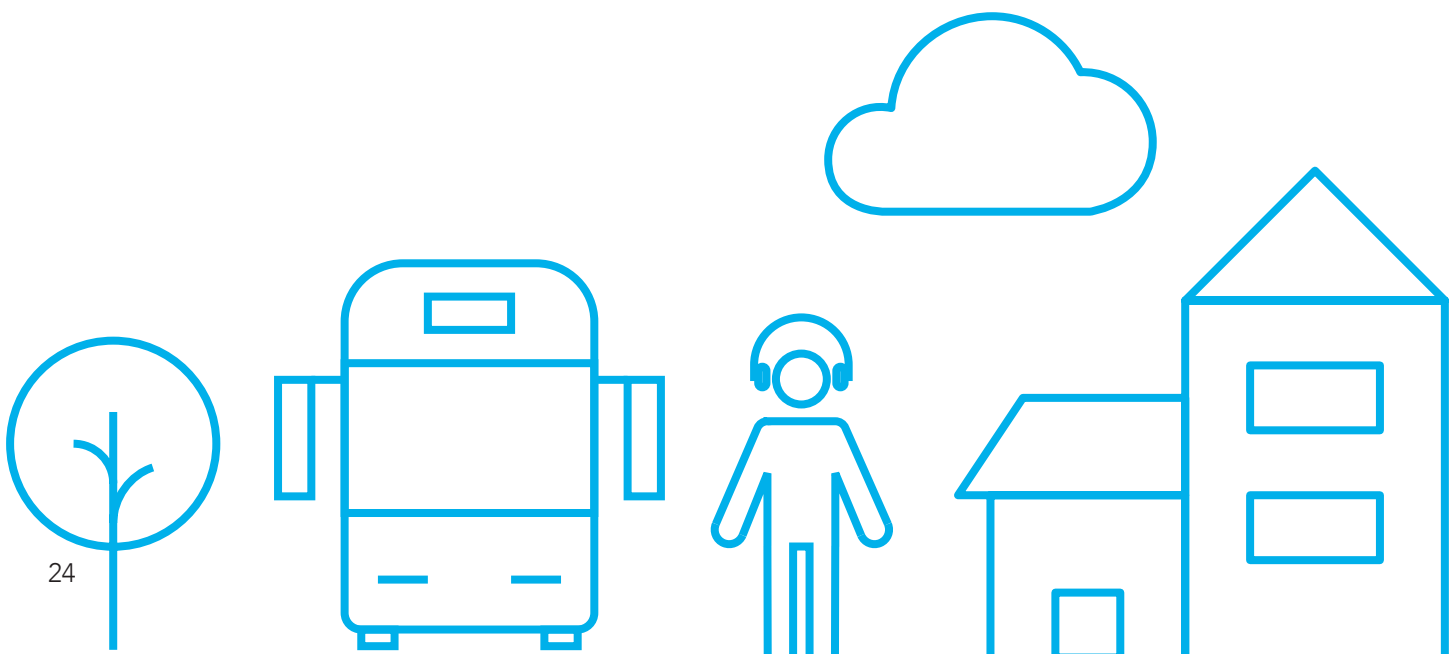
Milton Keynes Council is currently engaged in a piece of work looking at the relationship between the two tiers of government and is consulting with local councils on enhancing working relationships based on 5 key areas:

- Influencing and monitoring Service Delivery
- Joint Delivery / Service Enhancement
- Delegation of Service Delivery
- Transferring services
- In scope / out of scope

This main objectives of the new framework will be:

- Maintain community access to services that might otherwise be at risk
- Increase satisfaction with services
- Provide greater local influences over services
- Where possible maintain and/ or enhance services
- Enhance the role of local councils in their communities
- Generate greater community pride in local areas
- Promote engagement of local communities in local government
- Achieve 'value for money'

This could be an area of work this committee may want to explore in further detail.



2. Cardiff City Council

There are 6 community councils within Cardiff and the City Council has produced a draft charter in consultation with its community councils. It lists responsibilities from the perspective of both the principal authority and the community councils.

For example:

- The Council will provide community council clerks with access to the Council's Member Enquiry telephone line, initially on a 6 month trial basis, to be extended by mutual agreement.
- The Community Council will utilise the agreed contact systems and respond in the most appropriate and timely method.

As a side note, the Welsh government has recently announced a review into town and community councils with an aim to explore the role of community councils in greater detail. The review will:

- explore the potential role of local government below Local Authority councils, drawing on best practice;
- define the most appropriate model(s)/structure(s) to deliver this role;
- consider how these models and structures should be applied across Wales. This will include consideration of any situations in which they would not be necessary or appropriate.

The review is expected to take up to 12 months and it will consult widely with both communities and local councils across Wales.

3. Newcastle City Council

Newcastle has 6 parish councils and it has produced a detailed framework in consultation with the parishes covering most aspects of the day to day running of business between the 2 tiers of government.

In terms of structures, the charter states quite clearly that Ward Committees are the key link between the principal and parish councils and representatives attend these meetings to raise concerns. Parish council representatives will have the right to request to address the City Council or its committees on any matters of local concern.

For "delegating responsibilities" the charter states:

- If a parish council (or group of parish councils) wishes to discharge functions on behalf of the City Council, the City Council will consider this where it provides best value (taking account of cost, quality, local preferences and practicability). Where it is not good value or practicable the City Council will, in consultation with the parish council, explore alternative solutions to encourage more local-level input into service delivery.

For practical support, the Parish Councils have the opportunity to use council services for an agreed fee. This includes services such as

- Legal matters
- Committee and procedural arrangements
- Arboricultural services
- Property management, acquisition and disposal
- Catering services
- Servicing equipment
- Printing and purchasing
- Human resources
- Information technology and telecommunications, including systems development and PC support
- Advice leaflets on consumer matters
- Administration of members' allowance where these are taxable
- Procurement

The Parish Council also has access to the Council's procurement process.

4. Sheffield City Council

Sheffield consists of three Parish councils with Bradfield considered one of the larger civil parishes as it serves a population of just under 15,000. There appears to be no formal charter between the City Council and its Parishes but Bradfield has listed a series of different policies it has adopted including a framework for the parish council working with local community groups, a local winter management policy, data protection policy along with a Health and safety policy.

5. Shropshire Council

There are more than 150 parish councils across Shropshire, and their charter lists the individual responsibilities of both the Principal Authority and the Parish/Town council along with a set of shared responsibilities. These are set out below.

Practical Support

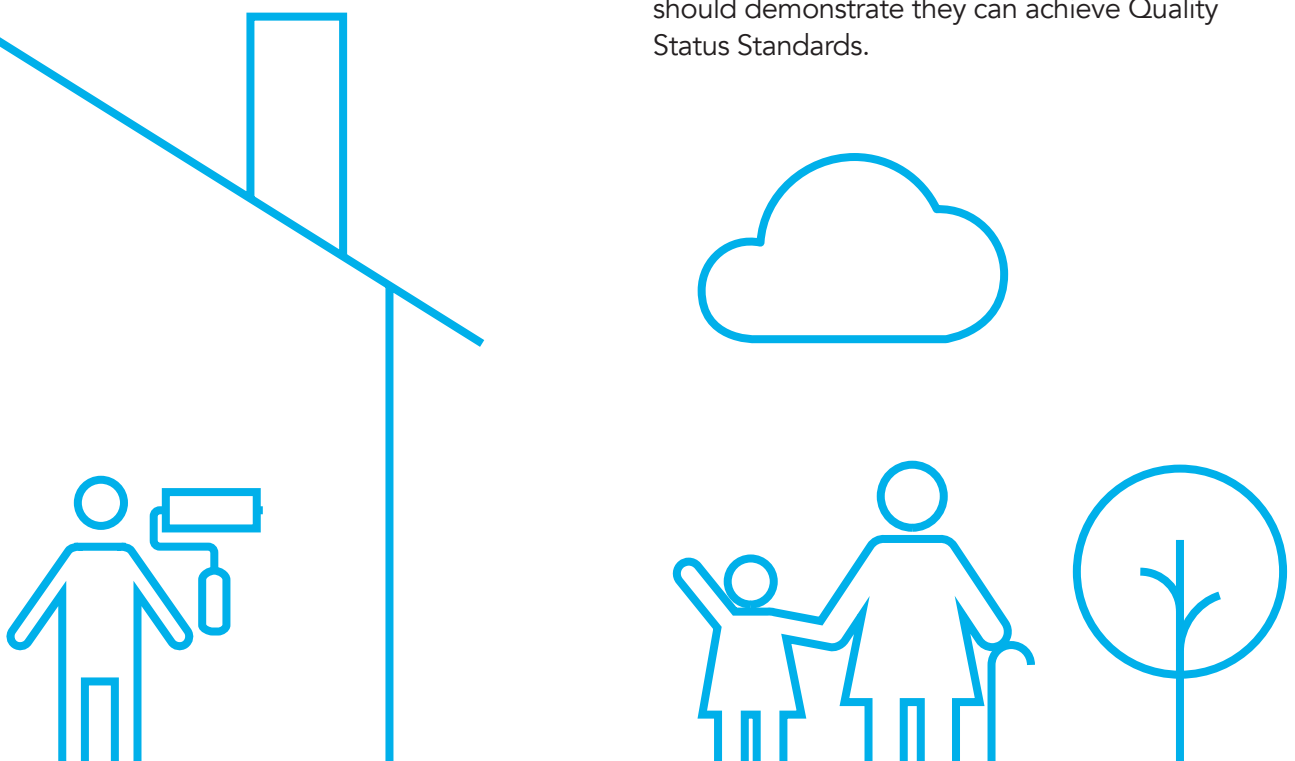
- Shropshire Council will, where practical and affordable, offer parish and town councils access to their corporate services (for example HR Functions, ICT, Finance etc). Initial enquiries should be free; thereafter such support for some services may need to incur a charge, or may be offered through an agreed service contract.

Liaison

- Shropshire Council will host two liaison meetings with ALC Executive members, relevant Portfolio holders and senior Shropshire Council officers every year.

Delegation or Devolution of Services

- Local Councils will work with Shropshire Council and consider any delegated responsibility in detail, taking into consideration the cost, quality, local preferences and practicability at all times.
- Where a request for delegation or devolution is made local councils will produce a costed business case in support of the request and should demonstrate they can achieve Quality Status Standards.



6. Cornwall

"Common issues-Shared Solutions"

This Framework varies from the others included as it not only sets out how Cornwall Council will work with town/parish councils but also includes community groups as part of its framework. The Council worked in partnership with these bodies to develop a "menu of involvement" which includes 6 different levels of involvement and allows the organisations to choose how they engage with the council from areas such as service monitoring and influencing contracts through to taking on and delivering local services and assets.

It also specifically states that the council will support organisations in taking on responsibilities outlined within the charter.

The six levels included are:

Option 1.

Influencing and monitoring local service

delivery Community group and local councils may want to influence and request changes to existing contracts or input into new contracts but any financial effect should be cost neutral unless agreed by the Principal authority.

Option 2.

Joint delivery / service enhancement

Town and Parish Councils and Community Groups may choose to enhance an existing service provided by Cornwall Council by funding work that exceeds the base level provided. They may also deliver additional services not provided by Cornwall Council. This could be through a separate contract or by extending an existing one. E.g. one of the parish councils purchases additional parking enforcement from the principal authority.

Option 3.

Agency Agreements, Management Agreements, Licenses and Sponsorship Agency Agreements

Cornwall Council currently offers agency agreements to Town and Parish Councils for three services. The agreement sets out basic standards and conditions

(e.g. Health and Safety) and includes a lump sum based on the minimum level of service Cornwall Council would undertake. The Town and Parish Council may then choose to enhance this service locally. The service areas include grass cutting e.g. the council offer is based on four cuts per year but many local councils choose to pay an additional cost for 15 cuts per year, and the Council has over 40 agency agreements for grass cutting in place.

Option 4.

Delegation of service delivery

A Town and Parish council or local community group may wish to take on full responsibility for the delivery of a local service on behalf of Cornwall Council. Many of these services are non-statutory services. E.g. Beach Tidy ups are usually carried out by local residents and volunteers using equipment supplied by Cornwall Council.

Option 5.

Transfer of a service

If Cornwall Council proposes to reduce or no longer provide a service, Town and Parish councils and local Community Groups will be consulted and offered the opportunity to take on delivery of them. In exploring the available options the transfer of any related assets may be part of the discussions e.g. a number of the Tourism Information Centres are now being managed locally.

Option 6.

Services not generally available

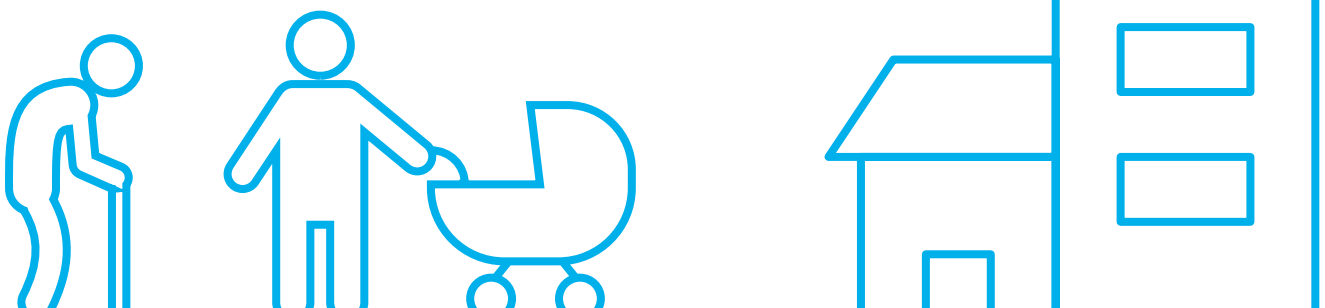
Some services are not considered for transfer, as in many cases, statute will prevent the transfer of the service. Despite this, town and parish councils may be able to influence and monitor the delivery of these services as outlined previously, e.g. refuse collection, street lighting, event licences.

7. Leeds City Council

There are 32 Town and Parish Councils within Leeds and the Charter was first put together in 2006 and is reviewed annually by the Council. It sets out clear guidelines on what support Local Councils can expect from the City Council.

The key sections within the charter are:

- **Shared goals:** i.e. commitment to improve local democracy;
- **Practical support:** Councils can expect a response to emails within 10 days. Democratic Services will provide a nominated parish and town liaison officer who will coordinate city wide liaison with other Council departments on any parish queries; Leeds revenue services will send out council tax bills and collect council tax;
- **Working in partnership:** The city council will include parish and town councils within the consultation arrangements for all relevant key decisions. Community Committees (ward committees) will establish arrangements to engage with their local councils and local councils will be consulted on the drafting of the committees annual plan. Council departments will establish service standards and contact details within key service areas;
- **Maintaining high ethical standards:** Both the City and local councils have adopted codes of conduct and the standards and conduct committee will also consider any complaints made against Councillors;
- **Allocating responsibilities:** The first step towards devolution of a service currently provided by Leeds City Council to a local council is for the Clerk of that local council to write to the Chief Executive of the City Council with a copy to the Chief Officer Democratic & Central Services. The Chief Executive will then ensure that the local council is able to have discussions with a service manager of appropriate seniority to consider the feasibility of devolution of a service;
- **Managing the relationship:** The local councils will monitor the effectiveness of the Charter. The local council will decide whether or not, on balance, the Charter has been upheld by Leeds City Council and will, as they consider appropriate, submit views for consideration by the Parish and Town Council Forum as part of the annual review.



8. North Somerset Council

North Somerset has 39 parishes, four town councils based in Clevedon, Nailsea, Portishead and Weston-Super-Mare and a further 35 parish councils representing the many rural villages and small towns that make up the rest of the region. A total of 61 district or ward councillors represent the area making decisions, developing and reviewing council policy and scrutinising decisions taken.

North Somerset Council set up a "Charter Working Group" to draw up a detailed framework document and it consulted with all local councils as well as members of the public whilst drawing up the document.

It begins with a statement of intent:

The aim of our new Town and Parish Charter is: "To create a framework for North Somerset Council and town and parish councils to work in partnership to improve the economic, social and environmental wellbeing of the area."

One example of successful service delivery was the transfer of Weston-Super-Mare Museum from North Somerset Council to the town council.

The Charter does not cover every single area of work between the two levels of governance but it sets out a minimum standard of co-operation between the principal authority and the local councils.

In terms of key areas of focus, the charter includes sections on the following:

- Communication;
- Development Management and planning applications;
- Resources ;
- Procurement;
- Equality and Diversity.

The charter also sets out the specific responsibilities for Parish Liaison Officers who provide support to every town and parish across the district. The role of the Parish Liaison Officer is to:

- Foster co-operation between North Somerset Council and their respective local council;
- Act as a lead officer, representing North Somerset Council at their respective local council meeting;
- Be a focus for issues raised by the local council that relate to North Somerset Council – i.e. to be a point of contact.

The framework also includes the responsibilities of the area officer role, an officer that would work with a cluster of local councils to be the single point of contact for a number of different areas including:

- Highways, highway verges, footpaths, footways and cycle ways
- Street lighting
- Car parks
- Public open spaces
- Refuse, street cleansing and public conveniences
- Fly-tipping
- Abandoned vehicles
- Street furniture
- Drainage on the highway and public open spaces

9. North Yorkshire County Council:

There are 731 parishes in North Yorkshire. Not all parishes have a parish council as some have grouped councils and others only have parish meetings.

The Council consulted with all local councils and residents on the content of the charter.

This charter is very much written from the point of view of what the principal authority can do to support parishes and contains a series of practical solutions to the day to day running of a parish council e.g.

"We will attend twice-yearly parish liaison meetings in those districts where there is a joint commitment with the district council to implement such arrangements. An Executive Member and senior officer will normally attend"

"We ask you to wherever possible use our website at www.northyorks.gov.uk to find information about our services and news updates including road, footpath closures, temporary traffic lights and diversions. The website contains a number of online forms which can be used to request a service or obtain more information. If you cannot find the information you need or wish to speak to someone you can telephone 01609 xxxxxx"

The charter is divided up into a number of sections:

- Partnership working
- Consultation
- Local Governance
- Information and complaints
- Delegating responsibility for service provision
- Practical Support

"Our Economic Partnership Unit can act as a point of contact for grant funding opportunities for community-based projects. Our Emergency Planning Unit can provide you with advice and guidance to develop a Community Resilience Scheme. This will enable you to increase your local community's resilience in the first few hours of an incident such as flooding, before the emergency services reach you."



10. County Durham County Council

There are 104 local councils in County Durham. There are 13 town councils and 91 parish councils. In addition there are 22 parish meetings where no formal local council exists.

The Charter lists main expectations on the part of both the County Council and the Parish and Town councils. Clear document listing the responsibilities of both bodies e.g.: prefacing each heading with "Durham will....., The town council will".

The Charter is reviewed annually by Durham County Council and the County Durham Association of Local Councils.

In terms of structure, the Charter clearly lists the responsibilities of both the Principal Authority and Town council under 10 key headings some of which are listed below:

Local Governance:

Durham County Council and the County Durham Association of Local Councils will

"Convene an annual Charter Review Meeting, each December to consider the effectiveness of the Charter and any areas for improvement. The meeting to be attended, for the County Council by the Head of Partnerships and Community Engagement, the Principal Local Councils Officer and the Portfolio Holder for Partnerships and Community Engagement (or their representatives) and for the Local councils by the Chair and Executive Officer of CDALC (or their representatives) and one representative from the Town and Parish Councils Coordination Group. The meeting will produce a report of proposed outcomes and actions going forward to be agreed by the Council Cabinet and the CDALC Executive. The report may include recommendations for amendments to the Charter or for its fundamental review if this is felt to be appropriate..."

Practical Support:

Will, on request and where practical, and where resources permit, offer Local Councils access to their support services, to enable them to take advantage of facilities, at a mutually agreed price.

Work to develop a handbook, setting out a short guide to the Charter, key contact details for relevant service groupings and details of advice and support available to local councils through Durham County Council.

Standards and Ethics:

The County Council and local councils have adopted codes of conduct for councillors, based on the national model code of conduct. The local councils will work with Durham County Council's Standards Committee to promote and maintain high standards of conduct. Details of Standards Committee arrangements are set out in the County Council's Constitution and in the Appendices to the Charter.

Service Devolution:

Where arrangements are made to devolve an aspect of service delivery, management or monitoring to a local council or group of local councils, this will be subject to a separate formal agreement between Durham County Council and the local council(s) involved.



11. Lancashire Parish and Town Council Charter

Lancashire consists of three tiers of local government: County Council, District Council and Town/Parish councils and is made up of 206 parish and town councils covering both rural and urban areas.

Their charter focuses largely on the relationship between the County and Town/parish council but Districts played a role in the development of the charter.

The charter was created through consultation with the Principal Authority, District councils and Local councils and residents via community workshops and a working group made up of representatives from the local councils and officers from the County council.

This charter sets out how Lancashire County Council can work with local parish and town councils to provide high-quality services for the people of Lancashire. It aims to improve our working relationship by focusing on:

- improving communication (including consultation activity);
- the ways in which parish and town councils can influence county council services; and
- the support in place to help parish and town councils.

The charter is made up of 9 sections with clear responsibilities laid out for the County and Parish councils e.g.:

Communication and information:

Lancashire County Council will:

- provide access to services and named officers through a centrally managed Customer Service Centre or email;
- provide a district partnership officer in each of the districts to help parish and town councils with more complex issues that cannot be dealt with through the Customer Service Centre;
- continue to hold a Parish and Town Council Conference each year.

Parish and Town councils will:

- use the Customer Service Centre to contact the county council about day-to-day issues.

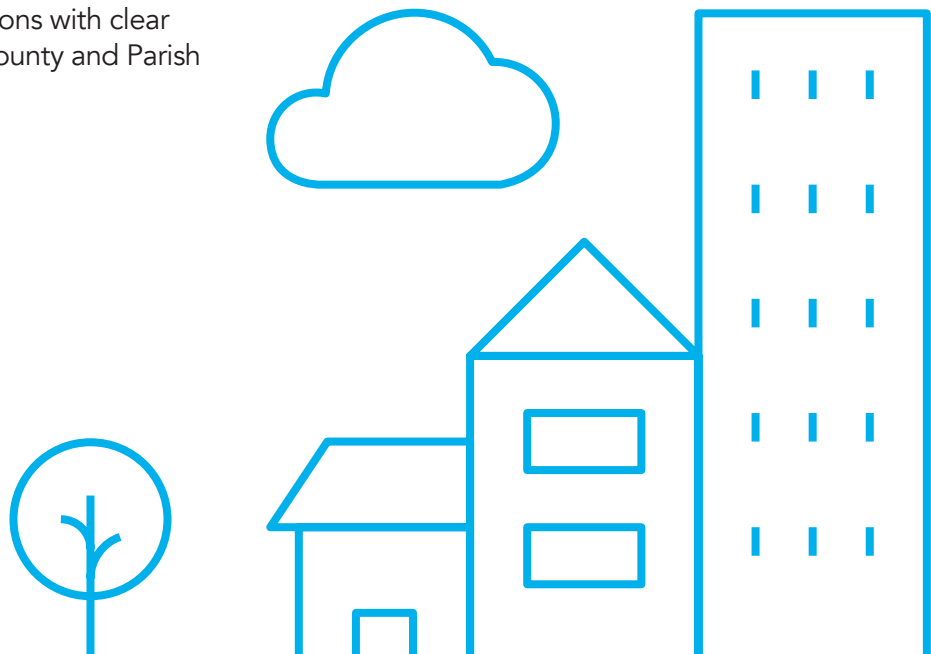
Consultation:

Lancashire County Council will:

- Make its Directorates aware of the need to consult parish and town councils on issues that affect their communities.
- give parish and town councils at least six weeks to respond to any formal consultations which affect them, unless this is impractical or specified differently by law.

Parish and town councils will:

- do all they can to give the county council their views in a practical way that represents the views of as many people as possible.



12. North East Lincolnshire Borough Council:

There are 52 Parish councils within North East Lincolnshire and their charter is reviewed every three years. The Council has constituted a "Town and Parish Council Liaison Committee" where representatives from the parish councils meet on a monthly basis with officers from the principal authority to discuss issues concerning the parishes.

Some examples from the charter are listed below.

Community Strategies and Local Support

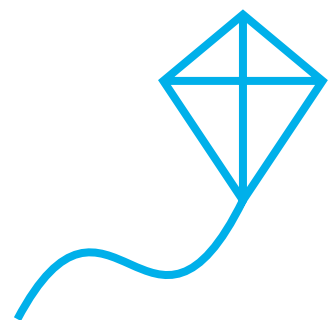
Town/Parish and Village councils will be invited to develop and manage ward plans that impact on their area and will be expected to use their role within the community to shape the plan, raise awareness of it and seek ownership of the plan and encourage communities to be involved in delivering the agreed priorities / actions outlined within the plan.

Practical support

North East Lincolnshire Borough Council will, where practicable, enable Town/Parish and Village Councils access to their own support services, and enable them to take advantage of facilities such as printing and purchasing, at a mutually agreed price. North East Lincolnshire Borough Council will appoint a named liaison officer as a first point of contact.

Delegating Responsibility for Service Provision

Opportunities will be explored for Town/Parish and Village Councils to discharge functions on behalf of North East Lincolnshire Borough Council, who will consider this where it provides best value (taking account of cost, quality, local preferences and practicability) and provide the name of a nominated officer to liaise with the Town/Parish Council.



13. Staffordshire County Council Local Charter

Staffordshire is made up of 32 local Councils, which are represented by The Staffordshire Association of Local Councils which supports and advises local councils within the Staffordshire area. The Charter is a short document comprising six key headings; some examples are included below:

Service Provision

If a local council (or group of councils) wishes to take on delegated responsibility for service delivery, the County Council will encourage this, where it is cost-effective and practicable.

Where a local council takes over service provision, the level of funding will be agreed by the County Council and the local council.

- Local councils have signed agreements to undertake routine highway maintenance (including grass cutting, sign cleaning etc) on behalf of the County Council (e.g. Betley Parish Council);
- Under the Community Paths Initiative, local councils look after public footpaths and rights of way in their area;
- Local councils are to be invited to help monitor mineral extraction and waste management sites for the County Council.

Local Community Life

The County Council will promote local community life through capital grants to village halls and community centres, and through the community discount scheme for the disposal of surplus property.

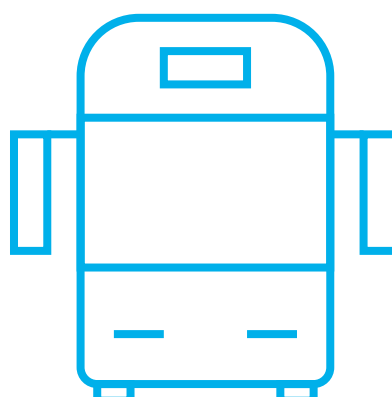
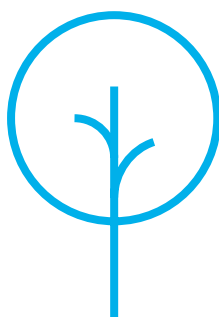
Practical Support

The County Council will offer local councils access to its own support services, to enable councils to take advantage of facilities such as training, printing and purchasing.

- County Council staff have led training courses for local councils (e.g. on Health and Safety);
- Local councils have purchased IT equipment at competitive prices through the County Council's Information Systems Service;
- Local councils have used the County Council's Central Print and Design Unit for their publications, leaflets, etc.

Local Governance

The County Council will continue to maintain its close working relationship with the Staffordshire Parish Councils' Association through the annual meetings between senior Members and the SPCA Executive and its Area Committees.



4. Kirklees Metropolitan Council

The Kirklees Charter sets out how the Metropolitan Council will work with the 5 Parish Councils within the Kirklees area. The key areas highlighted within the charter are set out below.

Sustainability and Local Community Life

Kirklees MC will involve parish and town councils in the processes of preparing and implementing the Kirklees Community Strategy to promote or improve the economic, social and environmental well-being of the area.

Local Governance

Parish and town councillors are invited to attend respective Kirklees Area Committees. At the beginning of each municipal year, arrangements regarding Parish/Town Councillor membership on area committees are agreed, including any voting rights on concurrent functions. These formal arrangements are set out in Kirklees MC's Constitution.

Information and Communication

Parish and Town Councils may be invited to attend sub committees and working groups that are set up by their Local Area Committee. Kirklees MC will attend meetings with the parish and town councils (or groups of such councils) at a mutually agreed time to discuss matters of common interest.

Delegating Responsibility for Service Provision

When a parish or town council achieves quality status and they wish to discharge functions on behalf of a principal authority, Kirklees MC will consider this where it provides best value (taking account of cost, quality, local preferences and practicability). Where it is not good value or practicable, Kirklees MC, in consultation with the parish or town council, may seek alternative ways to influence service delivery at a local level. Where services are devolved, the relevant finance needs to follow the function.

Practical Support

Kirklees MC will, where practical, offer parish and town councils access to their own support services, to enable them to take advantage of facilities such as printing and purchasing, at a mutually agreed price. All Parish and Town Councillors and Parish and Town Clerks can access KMC's internal training courses at the same cost as to its own services.

Parish and Town Councillors who are representatives on Area Committees can access training, development, advice and support through the Local Area Structures Team in the same way as other Area Committee members. Area Committees can extend this training to other Parish and Town Councillors, if this is resourced locally.

There are also further headings detailing arrangements for Financial Arrangements, Delegating Responsibility for service provision, Complaints and Standard Committee.



Creating a Town or Parish Council

The Government and the Local Government Boundary Commission has set out guidance on the creation of a new parish council.¹

In addition The National Association of Local Councils (NALC) provides lots of guidance on the subject and how community groups can set up a campaign for a parish council.²

Extract from Government and National Association of Local Councils (NALC) Guidance on Creating a Town or Parish Council

To establish a local council a Community Governance Review needs to be triggered. This can be by either the principal authority themselves or by the community, through the submission of a petition*.

The petition must state exactly what it proposes: creating a parish or town council for a defined area. The number of minimum signatures required varies according to the size of the population. If the petition area:

- Has fewer than 500 local government electors, the petition must be signed by 37.5% of the electors;
- Has between 500 and 2,500 local government electors, the petition must be signed by at least 187 electors;
- Has more than 2,500 local government electors, the petition must be signed by at least 7.5% of the electors.

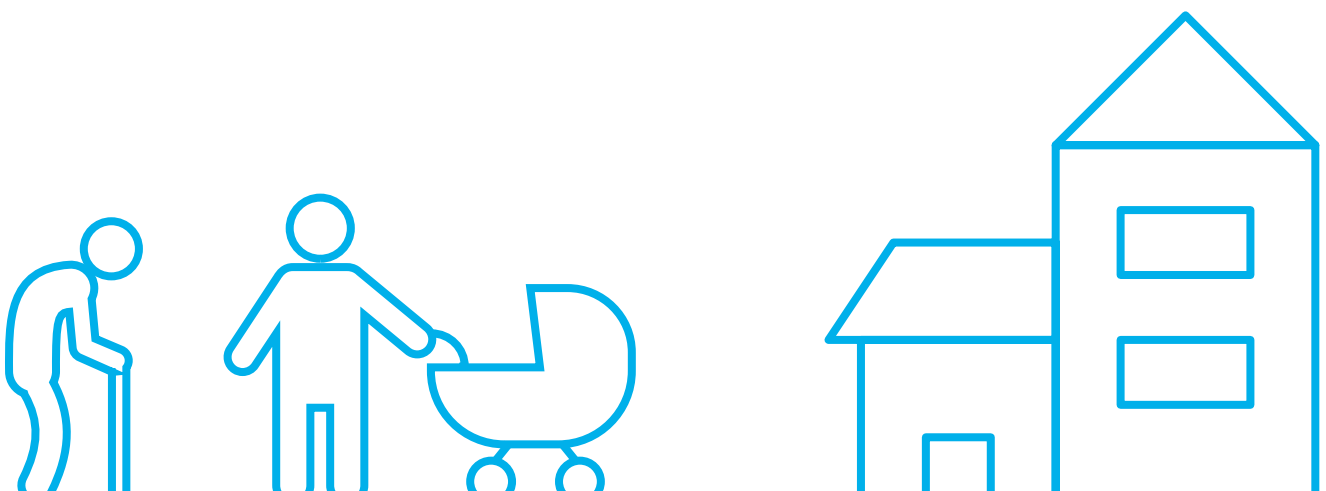
Once the petition gathers the required number of signatures, it can be submitted to the principal authority, who will validate the signatures and, provided that the minimum threshold is met, will conduct a Community Governance Review within 12 months of submission.

During this time, the principal authority will launch a consultation, asking residents to state whether they are in favour or against the establishment of a local council. At the end of the consultation period, the council will review residents' responses before reaching a decision. If the principal authority decides in favour of a parish council, it will also set the date for the first election.

*A neighbourhood forum that's had a neighbourhood development plan passed at referendum can trigger a community governance review without needing a petition.

¹ Guidance can be found here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/8312/1527635.pdf

² See: <http://www.nalc.gov.uk/our-work/create-a-council>



Charters for specific neighbourhoods

The Future Communities project (a partnership of Homes England and Local Government Improvement and Development) define a neighbourhood charter as 'a voluntary partnership agreement between a community, the local authority and other service providers. It can lay out details of expected service standards, action plans and/or local priorities with clear commitments from both service providers and local communities in helping to meet these targets. They can be shaped through participation, and often the element of engaging the community is as important as the end charter.'

They set out the benefits of charters or agreements as:

- They can improve efficiency of, and satisfaction with, services by establishing expectations and baselines for service standards and providing a framework for agreement on variation to meet local requirements, even mechanisms for redress.
- They can help clarify the role of different partners and service providers, and provide a more solid base for partnership working in neighbourhoods.
- They can be shaped participatively by and involve commitments from citizens as well as from public service providers and representatives.
- They can build local trust and community capacity.

Examples of Neighbourhood charters include:

Bristol

A generic charter which sets out the services that the Council and others provide in the local area, what residents can expect from these services, how residents can influence what is delivered and what residents can do to help make their neighbourhood better.

Covers:

- Waste, recycling and clean, tidy neighbourhoods
- Council maintained Parks & Green Spaces
- Dogs and dog ownership
- Neighbourhood safety and neighbourhood nuisance
- Highways and Parking
- Licensing, Planning and Building Control

(Is in the process of being reviewed)

Doncaster

Another generic charter which is an agreement between Doncaster Council, its partners and residents to work together to maintain and improve neighbourhoods in Doncaster. This charter brings together a range of different services that are delivered in the neighbourhood and sets out the standards of service that residents can expect. It also explains what residents can do to help achieve excellent standards. The charter is monitored by residents and service providers to make sure that the service standards are being met.

CONSULTATION

Working Together in Birmingham's Neighbourhoods

Sheffield

A unique Residents' Charter was in place for the SWaN project. (Scowerdons, Weakland and Newstead estates). The SWaN estates were made up of 809 non-traditional houses, built in the 1960s. These property types suffered from persistent repair and structural problems arising from their construction style. The Charter set out the commitment to residents throughout the regeneration process. This included the commitment that a new home of the tenure of choice would be available for existing residents who wanted to return to a new home on the estates.

Tower Hamlets

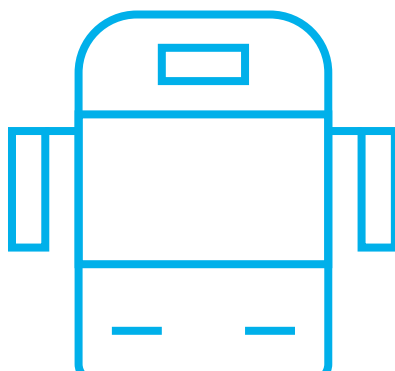
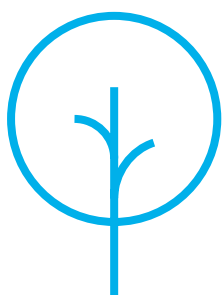
In 2010 Tower Hamlets was chosen to be a pathfinder authority for the Home Office's trial of neighbourhood agreements - essentially a compact between the local authority, its partners and residents on standards of service and roles and responsibilities within a local area.

Their first Neighbourhood Agreement was for the Boundary Estate. The agreement was designed and agreed between residents and local service providers and sets out what each will do to maintain the Boundary Estate and make it a pleasant place to live.

Agreement includes:

- Service standards based on issues identified by residents;
- What service providers can do to ensure standards are met;
- What residents can do to ensure service standards are met.

They have developed a toolkit to assist others in drawing up neighbourhood agreements, reflecting on the learning from this first experience.

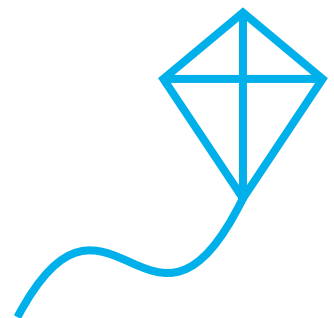


CONSULTATION

Working Together in Birmingham's Neighbourhoods

Home Office findings from the Neighbourhood Agreements Pathfinder Programme (2012)

- When selecting the area that the Agreement will cover it is important to think carefully about the boundaries and capacity of service providers and existing links with local residents.
- The monitoring of the Agreement is more likely to be effective if this is considered in the development stage. Baselines and targets against which the success of the Agreement can be measured should be established at the beginning of the process.
- A range of opportunities should be created for residents to become involved in developing the Agreement and building the capacity for residents to get actively involved is also essential.
- Maintaining momentum and commitment to deliver on the Agreement is important to its success. Well-thought-out long-term engagement strategies will help with this and will keep residents engaged through the delivery of the agreement, not just during its development.
- For many service providers, the final Agreement was an extension or formalisation of how they already engaged communities in setting local priorities. However, for some, involving residents in shaping their service delivery was a new approach and for these service providers the process has provided valuable learning about the needs of the local community and informed service reshaping to a greater extent.



You can respond to this document in a number of ways:

By completing the questionnaire survey on the City Council's BeHeard website at **BirminghamBeHeard.org.uk**

The closing date for the consultation is **28 September 2018**

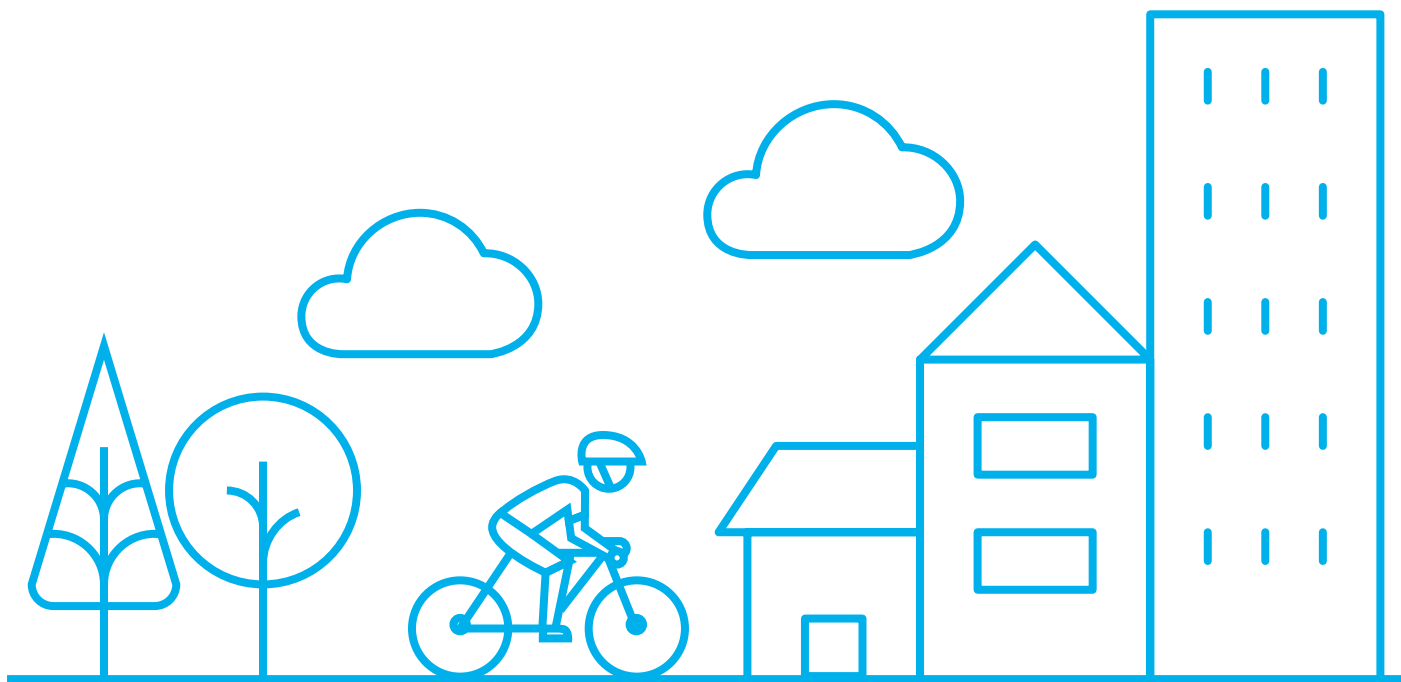
By emailing us at: **CommunityGovernanceViews@birmingham.gov.uk**.

Please indicate whether you are responding as an individual or on behalf of an organisation. If you are representing a group please indicate the process by which your submission was discussed and agreed.

By attending a Ward Forum meeting in your ward. These meetings are being organised between now and the end of September and information will be provided when the meetings are arranged. Future Ward Forum meetings can be found here:

<https://birmingham.cmis.uk.com/birmingham/Committee/Wards.aspx>

By attending a number of other meetings, known as "Community Conversations" that we will be setting up across the city.



Audit Findings

Year ending 31 March 2018

Birmingham City Council
30 July 2018



Headlines

This table summarises the key issues arising from the statutory audit of Birmingham City Council ('the Council') and the preparation of the group and Council's financial statements for the year ended 31 March 2018 for those charged with governance.

Financial Statements	<p>Under the International Standards of Auditing (UK) (ISAs), we are required to report whether, in our opinion:</p> <ul style="list-style-type: none">the group and Council's financial statements give a true and fair view of the group and Council's financial position and of the group and Council's expenditure and income for the year, andhave been properly prepared in accordance with the CIPFA/LASAAC code of practice on local authority accounting and prepared in accordance with the Local Audit and Accountability Act 2014. <p>We are also required to report whether other information published together with the audited financial statements (including the Statement of Accounts, Annual Governance Statement (AGS) and Narrative Report), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p>	<p>Our audit work was completed on site during June and July. Our findings are summarised on pages 4 to 24. We have identified four adjustments to the financial statements that have resulted in a £97m adjustment to Total Comprehensive Income. The audit adjustment is detailed in Appendix C. We have also raised recommendations for management as a result of our audit work in Appendix A. Our follow up of recommendations from the prior year's audit are detailed in Appendix B.</p> <p>Subject to receipt of the management representation letter, we anticipate issuing an unqualified audit opinion following the Audit Committee meeting on 30 July 2018, as detailed in Appendix E.</p> <p>We have concluded that the other information published with the financial statements, which includes the Statement of Accounts, AGS and Narrative Report, are consistent with our knowledge of your organisation and with the financial statements we have audited.</p> <p>Although we are not proposing to report any AGS issues in our audit report, we bring the following point to your attention:</p> <ul style="list-style-type: none">Management of schools has not been included as a significant governance issue in this year's AGS due to it being removed from the Council's risk register in response to the enhanced governance arrangements. Although we are not challenging this assessment we are proposing to qualify our value for money conclusion due to ongoing governance issues identified by internal audit's reviews of schools.
Value for Money arrangements	<p>Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to report whether, in our opinion:</p> <ul style="list-style-type: none">the Council has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources ('the value for money (VFM) conclusion')	<p>We have completed our risk based review of the Council's value for money arrangements. We have concluded that Birmingham City Council does not have proper arrangements to secure economy, efficiency and effectiveness in its use of resources.</p> <p>We therefore anticipate issuing an adverse value for money conclusion, as detailed in Appendix E. Our findings are summarised on pages 26 to 33.</p>
Statutory duties	<p>The Local Audit and Accountability Act 2014 ('the Act') also requires us to:</p> <ul style="list-style-type: none">report to you if we have applied any of the additional powers and duties ascribed to us under the Act; andcertify the closure of the audit	<p>We have issued our Statutory Recommendation under section 24 of the Local Audit and Accountability Act 2014. Further details are included on pages 5 to 11 of this report.</p> <p>We do not expect to be able to certify the conclusion of the audit until:</p> <ul style="list-style-type: none">we have completed our consideration of the one remaining objection brought to our attention in 2016/17 under Section 27 of the Local Audit and Accountability Act 2014; andwe have completed the necessary work to issue our Whole of Government Accounts (WGA) Component Assurance statement for the year ended 31 March 2018.

Acknowledgements

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff during our audit.

Summary

Overview of the scope of our audit

This Audit Findings presents the observations arising from our audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260 and the Code. Its contents have been discussed with management. As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

Audit approach

Our audit approach was based on a thorough understanding of the Council's business and is risk based, and in particular included:

- An evaluation of the components of the group based on a measure of materiality considering each as a percentage of total group assets and revenues to assess the significance of the component and to determine the planned audit response. From this evaluation we determined that a targeted audit response was required for Birmingham City Propco Ltd and PETPS (Birmingham) Pension Funding Scottish Limited Partnership as they were new companies set up in the 2017/18 year. An analytical approach was required for all other components.
- An evaluation of the group's internal controls environment including its IT systems and controls; and
- Substantive testing on significant transactions and material account balances, including the procedures outlined in this report in relation to the key audit risks.

Conclusion

We have substantially completed our audit of your financial statements and subject to outstanding queries being resolved, we anticipate issuing an unqualified audit opinion following the Audit Committee meeting on 30 July 2018, as detailed in Appendix E. These outstanding items include:

- receipt of management representation letter;
- reviewing the final version of the financial statements.

Key audit findings

The key messages arising from our audit of the Council's financial statements are as follows.

We received a good quality set of financial statements on 31 May in line with the statutory deadline. The working papers supporting the accounts have been fit for purpose and we appreciate the support that the Finance Team have given us throughout the audit.

Our audit has identified four adjusted errors. Further details are provided in Appendix C.

Our audit has not identified any unadjusted errors.

We are planning to issue an unqualified opinion on the financial statements. Our enhanced audit report will include an Emphasis of Matter paragraph in relation to the disclosure of the uncertainties surrounding the volume and timing of any future equal pay claims.

We are planning to issue a qualified 'adverse' Value for Money (VfM) conclusion. This is because the weaknesses in arrangements which we have identified, are both significant in terms of their impact and numerous in terms of the number of different aspects of proper arrangements affected, that we are unable to satisfy ourselves that the Council has proper arrangements to secure VfM:

- Budget Delivery and Reserves Management, as well as savings proposals (including the principles of the Future Operating Model) and Equal Pay: due to the significant use of reserves in 2017/18, the planned use of £30.5m of Corporate Reserves in 2018/19, the failure to deliver all of the planned savings in 2017/18 and the £9.1m of savings identified as not deliverable in 2018/19 as reported by the Council at Month 3;
- Improvement Panel ('the Panel'): the Council is working collaboratively with the Panel, but needs to address the issues highlighted in its Improvement Stocktake Report;
- Services for Vulnerable Children: although Ofsted has acknowledged improvement following its most recent monitoring visits, the Council is still rated as 'inadequate'; and
- Management of Schools: Ofsted has identified some improvements in arrangements but Internal Audit reports suggest weaknesses in financial and other controls at 52% of schools visited.

Whilst we have not qualified our VfM conclusion in relation to the Commonwealth Games, we do recognise that a significant level of funding has not yet been received by the Council and there is a risk that hosting the games will impact upon the Council's future financial sustainability if it is not adequately managed.

Statutory Recommendation

Recommendation made under Section 24 of the Local Audit and Accountability Act 2014 ('the Act')

The Council needs to:

Finance

- Deliver its savings plans in 2018/19, in particular by identifying alternatives where existing plans are not deliverable, to mitigate the impact of the combined savings and budget pressure risks.
- Develop a realistic medium term financial plan for 2019/20 to 2021/22 which incorporates realistic and detailed savings plans and takes account of key budget and service risks.
- Ensure that it maintains an adequate level of reserves to mitigate the impact of budget risks, in particular one-off risks such as the Commonwealth Games and Equal Pay.

Transparency and Governance

- Ensure that its financial monitoring and budget reports are clear, transparent, and timely particularly in relation to the use of reserves, whether in-year or at year-end.
- Report governance failures and emerging issues promptly and clearly to Members and local citizens.

Subsidiary Bodies

- Ensure that appropriate arrangements are implemented in relation to the Council's subsidiary bodies, including regular financial reporting and appropriate Council nominees on subsidiary body boards, to ensure that emerging risks are monitored, reported and managed promptly.

Place Directorate

- Ensure that robust management and governance arrangements are put in place within the Place Directorate, particularly to ensure effective oversight of the Waste Service, to ensure that it delivers its financial and service objectives.

Our responsibilities

As well as our responsibilities to give an opinion on the financial statements and assess the arrangements for securing economy, efficiency and effectiveness in the Council's use of resources, we have additional powers and duties under the Act. These include powers to issue a public interest report, make a written recommendation, apply to the Court for a declaration that an item of account is contrary to law, and to give electors the opportunity to raise questions about the Council's accounts and to raise objections received in relation to the accounts.

We have concluded that it is appropriate for us to use our powers to make a written recommendation under Section 24 of the Act due to the Council's current and forecast financial position.

Statutory Recommendation (continued)

Reasons for making the recommendation

We included a statutory recommendation in October 2016 under Section 24 of the Local Audit and Accountability Act 2014 ('Section 24') in our 2015/16 Annual Audit Letter relating to the adequacy of budgetary arrangements. The recommendation stated that the Council needed to:

- "ensure that there is Council-wide commitment to delivering alternative savings plans to mitigate the impact of the combined savings and budget pressure risks in 2016/17;
- demonstrate that it is implementing achievable actions to deliver its cumulative savings programme in the Business Plan 2017+ by:
 - revising savings programme from 2017/18 onwards to reflect the delayed on non-delivery of savings plans in 2016/17;
 - ensuring that all savings plans are assessed for both lead time to implement and delivery risk; and
- re-assess the impact of the combined savings and budget pressure risks on the planned use of reserves for 2016/17 and the impact of this on the reserves position from 2017/18 onwards."

This recommendation and the Council's formal response were considered at the Council meeting on 10 January 2017.

We have now concluded that little progress has been made to 31 March 2018 in delivering against the recommendations. In addition, we have significant concerns about other areas of the Council's performance. Accordingly we now consider it appropriate to make further recommendations under the Act.

It is encouraging that the Council's Improvement Stocktake Report published on 29 June 2018 recognises many of the weaknesses which our recommendation seeks to address. The Birmingham Independent Improvement Panel ('the Panel') has also commented on 29 June that whilst the Council has 'not sufficiently gripped' the improvement challenge set by the Kerslake report, it is now committed to doing so. The key, from our perspective, now, is to start to convert the good intentions into the improvements required.

Finance

Savings Plan delivery

The Council has failed to deliver planned savings targets since 2016/17. It reported a budget overspend of £29.8m in 2016/17, but only after applying £42.1m of corporate reserves as well as making use of capital receipts flexibility. This resulted in spend of £71.9m more than the resources available. A key reason for the overspend was the failure to deliver large ambitious savings programmes such as the Adult Care savings plan. In the 2016/17 Annual Audit Letter, we commented:

'The Council needs to continue to take action to manage the emerging trend of underdelivery of savings against plan to date, specifically to mitigate current Directorate plans which are not achieving anticipated savings targets, but also to ensure that further non-delivery of savings does not occur in other planned areas currently shown as on track...

...The events surrounding the waste strike have affected capacity to focus on corporate budget and governance monitoring. The officer and political leadership need to work together to ensure that the Council's financial stability remains a top priority. If the waste strike resumes, the additional expense arising will add to cost pressures.'

In 2017/18, the Council reported a net overspend of £4.9m after use of £63.1m of reserves (£42.2m of which were planned) plus £11.7m to fund pension guarantees. It is of concern that the Council has applied £116.9m of reserves in 2016/17 and 2017/18 to deliver a cumulative deficit of £35m. The use of reserves has therefore masked the Council's true position. If the Council had not applied any reserves over the last two years, it would have had to deliver £150m more in aggregate savings to achieve balance. It has effectively been running an annual deficit of £75m.

Statutory Recommendation (continued)

Delivery of savings has proved an enduring problem. The Council continued to under-deliver planned savings in 2017/18, again, in part due to the failure to deliver large savings plans such as the Future Operating Model (FOM), which under delivered by £15.4m in 2017/18, an underdelivery which was to rise to £34.2m in future years. As noted in the 2016/17 Annual Audit Letter, the waste strike also diverted corporate focus from budget monitoring, but contributed significantly to the overall overspend of £17m.

2018/19 and beyond looks extremely challenging. The Council's medium-term financial plan provides for £52.9m of savings in 2018/19 after applying £30.5m of reserves. The month 3 budget monitoring report is forecasting a £17.9m overspend, comprising a base budget overspend of £10.1m and £9.1m of savings not deliverable, offset by £1.3m of accelerated efficiency targets. £10.8m of the £17.9m overspend relates to the Place Directorate, of which £5.3m relates to waste.

The Council is seeking to strengthen its monitoring processes and embed accountability for delivery of savings more strongly within Directorates. There will be, for instance, much stronger control over the use of reserves. This requires stronger working relationships between Finance and Service Directorates. It is imperative that the Council stays on track to deliver its budget in 2018/19 in order to:

- develop momentum
- avoid storing up problems for the future
- avoid further calls on reserves

The need to re-establish a track-record of savings delivery is important, not least as the cumulative savings requirement over the next few years is very demanding, rising from £88m by 2019/20 to £108m by 2020/21 and £117m by 2021/22. In the last two years savings delivery on that scale has proved unachievable. But without delivery of these ambitious savings plans, reserves will rapidly erode, which would leave the Council with insufficient financial resources to call upon, in the event of any budget contingencies arising.

Accordingly, we have therefore recommended that the Council needs to:

- **deliver its savings plans in 2018/19, in particular by identifying alternatives where existing plans are not deliverable, to mitigate the impact of the combined savings and budget pressure risks.**

Medium Term Financial Plan (MTFP)

There are signs, however, that the Council's new management team, with a newly appointed Chief Executive and Corporate Director, Finance & Governance, and a newly elected political administration in place for four years, is starting to develop a more robust MTFP which is less dependent on the use of reserves to support budget delivery. Whilst the 2018/19 plan is reliant on £30.5m of reserves, the Council argues that this is a recognition that it needs time and capacity to transform its services.

Developing a realistic MTFP which is deliverable, and delivers, is important because it provides a map of how a significant savings requirement can be delivered over a period of time, which builds in adequate lead-times for major transformational initiatives, which are well-designed and owned by Service Directorates. The MTFP also needs to build in headroom to accommodate financial pressures arising from increase in service demand, legislative requirements or one-off risks. The Commonwealth Games and Equal Pay are only two of the potential financial pinch-points.

We have therefore recommended that the Council needs to:

- **develop a realistic medium term financial plan for 2019/20 to 2021/22 which incorporates realistic and detailed savings plans and takes account of key budget and service risks.**

Statutory Recommendation (continued)

Adequacy of Reserves

The 2017/18 statement of accounts show that the Council holds the following reserves:

- un-earmarked reserves: £170.4m (including the £41.5m Organisational Transitional Reserve and £98.2m Financial Resilience Reserve);
- earmarked reserves: £302.9m;
- capital reserves: £427.4m; and
- ringfenced reserves: £69.2m.

The un-earmarked reserves are key to the Council's MTFP as they are available for general application rather than reserved for a specific purpose. The level of un-earmarked reserves has increased by £69.6m in 2017/18, largely due to:

- the Council's policy decision to change its Minimum Revenue Provision (MRP) policy, which generated an unplanned additional reserve of £98.2m; and
- the beneficial repayment of a provision no longer required in respect of NEC Pensions - £23.6m.

Without the MRP policy change, un-earmarked reserves would have totalled £72.2m. We wrote to the Corporate Director, Finance & Governance on 24 January 2018, noting that whilst the change in policy has resulted in an increase in reserves to support budget strategy, and is not unlawful, it also has the effect of pushing additional costs into future years. The Council argues that the arrangements are 'reasonable and prudent', in accordance with Government guidance, which states that it is for Councils to assess what is prudent according to their particular circumstances.

Whilst the Council's reserves, earmarked and un-earmarked, are not insubstantial, they should be viewed in the context of the financial risks it faces. Equal Pay remains a significant risk, whilst the Commonwealth Games, which represents a significant opportunity for the City and the region, nonetheless also presents financial risks. As of December 2017, the Council had committed to providing £30m in capital funds for the project, leaving a gap of around £44m revenue and £40m capital. Whilst this gap could narrow, it could also grow wider.

There are other potential financial risks relating to the Council's subsidiary bodies, which are referred to later. Additionally, any failure to deliver on planned savings over the next three years, could also lead to rapid depletion of reserves. A recent NAO report in March 2018 argued that many local authorities are relying on using their savings to fund local services and are overspending on services, which is not financially sustainable. For that reason, we have recommended that the Council needs to:

- **ensure that it maintains an adequate level of reserves to mitigate the impact of budget risks, in particular one-off risks such as the Commonwealth Games and Equal Pay.**

Transparency and Governance

The Council has not been effective in the way that it reports:

- its financial position; and
- governance failures and emerging issues.

Statutory Recommendation (continued)

The Council has not been transparent, in particular, in the way that it reports its financial position. In particular, the practice of applying reserves in-year (of itself unusual), rather than at year-end, has not been stated clearly at the start of in-year reports but has been lost in the detail. The Council's in-year monitoring reports have accordingly appeared to present a better financial picture than was in fact the case. This has made it difficult for Members, in particular, to establish the Council's true financial position.

The reported year-end overspend of £4.9m in 2017/18 appears a modest deficit, but was delivered through the application of £75m of reserves (£42m planned), a significant proportion of which were applied in-year. Had the reserves not been applied in-year, the emerging deficit reported in-year would have appeared substantially larger. The Council's new Management Team has now implemented more transparent reporting arrangements which explain more clearly the use of reserves. This is to be commended.

The Council also has a track record of not reporting governance failures effectively; whether relating to Equal Pay or the waste dispute. For instance, the additional costs arising from the waste dispute have not been published nor has any report on the lapses in governance, which contributed to the prolongation of the dispute, been produced. Whilst an independent investigation into the background of the waste dispute, including the conduct of the former Leader, has been commissioned, this is yet to be published, almost 12 months after the dispute commenced.

As external auditors, we have not always been made privy to emerging issues. In September 2016, the (then) budget forecast of a £50m deficit had not been discussed with us prior to the issue of the report. Similarly in August 2017, key information relating to Equal Pay, which led to the inclusion of an emphasis of matter within our audit report, had to be requested from the Council as it had not been disclosed to us.

There are again some encouraging signs that the new Management Team is being far more open with Members, the public and the external auditor. To assist the team further we have therefore recommended that the Council needs to:

- **ensure that its financial monitoring and budget reports are clear, transparent, and timely particularly in relation to the use of reserves, whether in-year or at year-end; and**
- **report governance failures and emerging issues promptly and clearly to Members and local citizens.**

Subsidiary Bodies

In recent decades, the Council has created a number of companies with partners to deliver its services. The Council's Group Accounts disclose that it has seven subsidiaries, one associate company and one joint venture. Total net spend is of the order of £40m. The bodies are accordingly a key part of the Council's delivery mechanisms, but their activities have not always been transparent. In particular, their financial position and the Council's accountability for their liabilities has not been well understood or reported by the Council. The Council has therefore not always had sufficient accurate information upon which to make decisions relating to these entities in order to mitigate risk.

The new Corporate Director, Finance & Governance, has brought a greater rigour to the monitoring of the Council's subsidiaries and other entities. For instance, Acivico Ltd., has had a troubled financial and operational record in recent years, providing excellent services in some areas, and poorer services in other areas as measured by customer satisfaction surveys. The Council is currently considering ways to strengthen its governance and performance.

Statutory Recommendation (continued)

However, governance arrangements have not been adequate to enable the Company's activities to be adequately monitored. For instance, the Council has not always had the most appropriate nominees sitting on the Company's Board and the Company's records and financial reporting have proved inadequate. This has resulted in recognition of £9.5m of pre-2018/19 accumulated losses and long-standing disputes. This has added further to the Council's overall spending pressures.

Acivico Ltd. is a 100% owned Council company and any losses and liabilities may fall to the Council. The Council is determined to exercise more effective control over the Company in future; for instance the Corporate Director, Finance & Governance will be an observer to the Board, and a number of changes have been made to the management and governance of the Company.

Acivico Ltd illustrates a wider issue about inadequacies in the Council's reporting of the financial and service performance of its subsidiary companies and other entities. For instance, the joint venture, Paradise Circus General Partner Limited, would appear to have incurred cost overruns on the project, but it is unclear at this stage whether this is a genuine overspend or is a result of re-phasing of the spend. Governance arrangements for identifying and reporting the overspend appear to have been inadequate. We have therefore recommended that the Council needs to:

- **ensure that appropriate arrangements are implemented in relation to the Council's subsidiary bodies, including regular financial reporting and Council representation on subsidiary body boards, to ensure that emerging risks are monitored, reported and managed promptly.**

Place Directorate

The Place Directorate has experienced a turbulent year, best illustrated by the events associated with the waste dispute. The Directorate has also not managed its budget effectively and there have been significant failings in its governance arrangements.

In relation to the budget, the Month 3 budget report for 2018/19 shows that over half the Council's anticipated year-end overspend of £17.9m is accounted for by an expected overspend in the Place Directorate of £10.8m. The key pressure point for most metropolitan authorities is the social care budget, which is overwhelmingly demand-driven. It is relatively unusual for the key financial challenges to relate to place-based services. This is an indication that things have gone badly wrong at Birmingham in this regard.

The Month three budget report explains that the Place Directorate financial pressures include the following:

- £5.3m relating to Waste Services and £3.5m relating to other assorted service pressures across the Directorate;
- a forecast £0.7m overspend on Markets; and
- further projected overspends of £0.4m relating to Housing Options and £0.9m relating to pension strain and other Directorate wide pressures.

The Month three report notes that there are no firm plans identified to mitigate the base pressures and non-delivery of savings. It is clear that budget accountability has not been operating effectively within the Place Directorate, which indicates a lack of leadership.

Whilst overspends have been identified across the Directorate, the Waste Service has been a focal point of the financial problems that the Directorate has experienced, with its origins in the waste dispute.

Statutory Recommendation (continued)

We noted in the 2017/18 Annual Audit letter that the events leading to the strike being suspended on 16 August 2017, then re-instated on 1 September 2017 when 106 workers were handed their redundancy notices:

‘did not serve to enhance confidence in the Council’s systems of governance...
..Members will recall that a key strand of the Kerslake report related to the need to re-set member-officer relations. It is of concern that initial improvements in this area may not have been sustained.’

The action was suspended on 20 September 2017 when Unite won an injunction blocking the proposed redundancies. A full court hearing took place in November 2017. The Council’s June 2018 Stocktake Report quotes the Judge’s criticisms of the conduct of the waste dispute, in particular as they related to member-officer relations and local disagreements about role definitions. The Judge noted that, ‘neither party (officers or members) comes out of this sorry saga with any credit at all.’

The Court ordered the re-instatement of the dismissed workers but also the immediate implementation of the proposed revised working arrangements, incorporating in particular, a move to five day working. Whilst the dismissed workers were reinstated in different roles in January 2018, the revised working arrangements have yet to be introduced, and September 2018 appears to be the earliest date for their implementation.

The waste strike and the failure to introduce revised working arrangements have given rise to significant budget pressures in both 2017/18 and 2018/19. In our Annual Audit Letter dated October 2017 we noted that additional costs in 2017/18 were running at £0.3m per week, but the true additional cost of the waste strike has not yet been reported.

We understand that in recent months, invoices totalling £1.6m have been submitted to the Council in respect of the costs of private contractors, who were hired to deliver waste rounds during the strike. This work does not appear to have been properly authorised and was accordingly not recognised in 2017/18 budget monitoring reports. This represents a significant failing in financial governance which the Council is seeking to get to the bottom of.

The Council is now seeking to get a grip on the managerial and operational delivery of the Directorate. This work needs considerable impetus and urgency of attention. Accordingly we have recommended that the Council now needs to:

- **ensure that robust management and governance arrangements are put in place within the Place Directorate, particularly to ensure effective oversight of the waste service, to ensure that it delivers its financial and service objectives.**

What does the Council need to do next?

The Act requires the Council to:

- consider our recommendation at a meeting held within one month of the recommendation being sent to the Council; and
- at that meeting the Council must decide:
 - (a) whether the recommendation is to be accepted, and
 - (b) what, if any, action to take in response to the recommendation.

Following the meeting the Council needs to notify us, as the Council auditors, of its decisions and publish a notice containing a summary of its decisions which have been approved by us.

Other considerations

Key audit findings (continued)

Paradise Circus Limited Partnership Joint Venture

We have considered whether the Council should disclose a contingent liability in relation to cost overruns in relation to its joint venture. The Council as Accountable Body has provided loan finance for the scheme which, it is intended, will be repaid by the uplift in Business Rates generated by the development. Given that Phase 1 of the project is complete and a number of the offices developed, have been let, the Council considers that its loan finance will be covered by the Business rates generated. The movement to Phase 2 is expected to be agreed by the Enterprise Zone Board in September 2018.

The Council does not consider that any liability arises in its role as Accountable Body, as its loan finance will be covered by the Business Rates uplift, and it does not therefore consider that a contingent liability is appropriate.

We have had access to documentation, which does not suggest at this stage that any liability exists which would not be covered by the uplift in Business Rates. Accordingly we are not minded to challenge the Council's view. However all projects are dynamic in nature and there is inherent risk in all business assumptions. We will therefore continue to monitor the progress of the project.