

BIRMINGHAM CITY COUNCIL

CABINET COMMITTEE – GROUP COMPANY GOVERNANCE

Wednesday 05 June 2019 at 1300 hours
Committee Room 2, Council House,
Victoria Square, Birmingham B1 1BB

Attendance:

Councillor Brigid Jones, Deputy Leader, in the Chair;
Councillors: Tristan Chatfield, Debbie Clancy and Jon Hunt

Also in Attendance:

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| Kate Charlton | City Solicitor |
| Connie Price | Head of Service – Legal |
| Georgina Dean | Solicitor – Legal |
| Clive Heaphy | Strategic Director, Finance and Governance |
| Alison Jarrett | Assistant Director, Finance and Governance |
| Marie Reynolds | Committee Services |
| Andy Couldrick | Chief Executive- Birmingham Children's Trust |
| Lee Yale-Helms | Director of Finance and Resources – BCT |
| Ian Benson | Interim Managing Director - Acivico Group |

APOLOGIES

1 There were no apologies submitted.

MEMBERSHIP OF THE COMMITTEE

Labour Group:- Councillor Brigid Jones (Deputy Leader) – Committee Chair
Councillor Tristan Chatfield - (Cabinet Member for Finance and Resources)

Conservative Group:- Councillor Debbie Clancy

Liberal Democrat Group:- Councillor Jon Hunt

RESOLVED:-

The Committee noted the membership.

DECLARATIONS OF INTERESTS

- 3 Councillor Chatfield declared a non-pecuniary interest – Director-Birmingham Airport and Finance Birmingham.
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TERMS OF REFERENCE

The following Terms of Reference was submitted:-

(See document No 1)

- 4 **RESOLVED:-**

That the Terms of Reference be noted.

PUBLIC NOTES OF THE LAST MEETING

- 5 The public notes of the last meeting were agreed.
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BIRMINGHAM CHILDREN'S TRUST

At this juncture, the Committee discussed the viability of the private part of the presentation (Agenda Item 17 – Birmingham Children's Trust - Strategic Business Plan 2018-2023) being taken in the public part of the meeting.

Following approval from Mr Andy Couldrick, Chief Executive, Birmingham Children's Trust, and in agreement with the Committee, it was

- 6 **RESOLVED:-**

That Agenda Item 17 be formally moved to the public part of the meeting and be presented under Agenda Item 6.

BIRMINGHAM CHILDREN'S TRUST CIC – PEN PORTRAIT

The following report of the Corporate Director – Finance and Governance was submitted:-

(See document No. 2)

Clive Heaphy, Strategic Director, Finance and Governance introduced the report.

- 7 **RESOLVED:-**

The Committee noted the report.

BIRMINGHAM CHILDREN'S TRUST – UPDATE AND BUSINESS PLAN

8 The following Strategic Business Plan 2018-2023 and 2019/20 (Year 2) update was submitted:-

(See document No. 3)

Andy Couldrick, Chief Executive, Birmingham Children's Trust and Lee Yale-Helms, Director of Finance and Resources provided a comprehensive breakdown of the business plan and reported on the up to date position and future plans.

During the presentation and the discussion the following points were captured:-

- The Board was now well established and providing a great level of challenge and support to executive officers in order to drive improvements forward.
- The Trust has built an effective and successful working relationship with BCC. BCC allowing them to be more independent/operational freedom.
- They are active partners in the Children and Young People Partnership developments across the city.
- There have been real improvements in the workforce of the Trust and were reducing their agency staff and taking on more permanent staff.
- Although encountering significant challenges with regard to changing demand for services as they respond to emerging risks faced by young people in the communities, they are leading the work with partners in the Police, BCC and the NHS to develop new models to respond.
- Ofsted Inspections: December 2018/January February 2019 – Outcome achieved – that none of the services were rated 'inadequate'. Areas highlighted that were listed for improvement and the action plan to address these areas.
- Ofsted to return in 3 years whereby they will strive to be 'Good' when next inspected. During this time important to ensure the internal and partnership evaluations, and the voices that use these services, provide an accurate picture of BCT's progress towards being sustainably and consistently good.
- Believe there is a strong platform on which to build, to start to design and deliver better services for children and families, and to develop stronger leadership and management as they continue to grow. This will involve some re-organising of roles and responsibilities, and some investment in new activity and expansion in some areas: doing more of what works.

- Investing will be done through a robust project business planning process and the investments will be designed to improve meeting the needs of children and families to save money for e.g., through investment in family decision-making and Family Group Conferences, and expanding the reach of our Edge of Care services, securing better outcomes and change the demand for care placements, saving money as consequence.
 - The Trust aware of the financial challenges in coming year to deliver agreed savings and contending with rising demand for care placements and believe they have the necessary plans in place to manage these challenges.
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ACIVICO LIMITED

The following report of the Corporate Director – Finance and Governance was submitted:-

(See document No. 4)

Alison Jarrett, Assistant Director, Finance and Governance, referred to 3.5 of the report which detailed the 3 services that had transferred to Acivico in April 2015, and had now recently been transferred back to the City Council.

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RESOLVED:-

The Committee noted the report.

COMPANY UPDATE

The following report of the Corporate Director – Finance and Governance was submitted:-

(See document No. 5)

Alison Jarrett, Assistant Director, Finance and Governance introduced the report and referred to the changes detailed in 3.2 of the report.

10

RESOLVED:-

The Committee noted the report.

GROUP COMPANY GOVERNANCE – SECTION 24 RECOMMENDATIONS

The following report of the Corporate Director – Finance and Governance was submitted:-

(See document No. 6)

Alison Jarrett, Assistant Director, Finance and Governance introduced the report.

11

RESOLVED:-

The Committee noted the progress in delivering the necessary actions to mitigate the issue raised by the external auditor.

GROUP COMPANY GOVERNANCE RISK REGISTER

The following report of the Corporate Director – Finance and Governance was submitted:-

(See document No. 7)

Alison Jarrett, Assistant Director, Finance and Governance introduced the report and specifically referred to Appendix 1 and whether G-01 should remain 'Significant/High'.

A discussion ensued relating to the training whereby Connie Price, Legal, reported on the up to date position of the training that had taken place while highlighting that the 'cleansing' of the 350 companies was still ongoing.

During the discussion, the following were some of the points captured:-

- Engaged Commercial Consultant – training – useful session
- Directors – commercial/financial requires training plan – essential for those sitting on trading capital works
- Look at appointments to 'Outside Bodies' – are they sufficiently trained
- Comprehensive register – able to pick those that have had training and transpose onto a public report
- Important finding right people for the right roles – may have to change appointments to elect non-executive directors
- Need to consider finding subject matter experts in a number of areas – good understanding of roles and objectives.
- Trust and Charities Training – Directors/Trustees of Trust - attend training.
- Schools – different training needs – make contract through school forums to reduce risk
- Local Authority - needs to set up protocol.

12

RESOLVED:-

- a) The Committee considered the information provided;
 - b) It was agreed that the judgement on the risks were reasonable and it was assessed that the mitigating actions were sufficient to reduce the risks to the Council to an acceptable level.
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GROUP COMPANY DIRECTORS AND NOMINEES - GUIDELINES

The following report of the Corporate Director – Finance and Governance was submitted:-

(See document No. 8)

Alison Jarrett, Assistant Director, Finance and Governance introduced the report.

13 **RESOLVED:-**

Members to consider the draft BCC Directors and Nominees Guidelines, appendix 1 and provide feedback for a final document, and

Members to delegate approval of final content to the Deputy Leader for distribution to all council appointed directors and nominees.

DATE OF NEXT MEETING

14 The next meeting is scheduled to take place on Thursday, 12 September 2019 at 1300 hours in HMS Daring Room.

EXCLUSION OF THE PUBLIC

15 **RESOLVED:-**

That, in view of the sensitive nature of the discussion due to take place relating to Acivico Limited, the public be now excluded from the meeting.
