

Birmingham City Council**Finance Board Meeting****10th January 2024 – Ellen Pinsent Room, Council House****Attendees:**

Chris Tambini, Commissioner & Chair	Fiona Greenway, Director of Finance & S151 Officer
Jackie Belton, Commissioner	Tim Bell – Consultant – Finance
Pam Parkes, Commissioner	Tom Smith – DLUHC Chief of Staff
John Biggs, Political Adviser	Councillor John Cotton, Leader
Eleri Roberts, AD for Communications	Councillor Brigid Jones, Cabinet Member for Finance
Peter Sebastian, Head of Financial Strategy	Councillor Roger Harmer, Leader of Lib Dems
Mohammed Sajid, Head of Financial Strategy	Councillor Paul Tilsley, Lib Dem Finance Lead
Eleri Robert, AD - Communications	David Facey, DLUHC Chief of Staff
Simon Field, Head of Business Improvement and Support	William Moody, PA, Commissioners Support Unit
Tom Smith, DLUHC Chief of Staff	
Mollie Sheehy, BSC, Commissioners Support Unit	

Apologies:

Max Caller, Lead Commissioner
Deborah Cadman, Chief Exec
Paul Clarke, Director of Council Programmes, Performance, and Improvement

1. Welcome

1.1 Chris Tambini welcomed everybody to the meeting.

2. Minutes of last meeting & actions update

- 2.1. Actions in the last meeting covered.
- 2.2. Notes were agreed as an accurate record.

3. Budget Position (Fiona Greenway)

- 3.1. Fiona Greenway set out BCC's current budget position. She advised that her team are currently settling figures for a provisional settlement in two weeks' time.
- 3.2. The forecast is currently being refined. Oracle issues with accounting have made the accounts for 22/23- and 23/24-year end delayed.
- 3.3. Fiona Greenway outlined service pressures which have reached 111m pounds, this includes correction of retention payments, staff increments, correcting Oracle, job evaluation costs, and inflation being corrected.

- 3.4. As part of the savings programme, 60 million pounds net had to be written off to enable a fresh start.
- 3.5. It is forecast that between 40 and 50 million will be collected from council tax and business rates. Currently there is 10 months' worth of council tax uncollected.
- 3.6. 149m has been identified in savings for the 2024/25 financial year. Steven Muldoon has been tasked with challenging the savings across the city. Anthony Farmer is also going through the risk management plans.
- 3.7. An extra 80m of savings has been identified for 25/6 financial year – this is 70 million short of the target – work is still being undertaken to identify these savings.
- 3.8. Savings have been RAG rated based upon risk and deliverability – 17m is still in the red category but this has moved from being 80 million.
- 3.9. As part of the plans moving forward, if an officer spends over their delegated authority, their power to authorise spend will be taken away.
- 3.10. Commissioners over the course of week commencing 8th January have scrutinised with officers the top 10 savings areas.
- 3.11. It has been observed that there is still weakness around how we around how BCC is showing mitigation of risk, but this is getting better.
- 3.12. The 'base' budget is significantly higher to cover inflation and payroll and due to this needing to be reset. All officers have been sighted in relation to this.
- 3.13. Service areas will be scrutinised next with the view of identifying more savings over the forthcoming years.
- 3.14. This will force directorates to live within their means – details regarding this will be brought back to the next board.
- 3.15. BCC has requested to go above the referendum limit to increase council tax in Birmingham. This will include an enhanced council tax support scheme to support the people this is going to affect.
- 3.16. Within the letter to DLUHC it is proposed that 1.5million will come off the increase in council tax.
- 3.17. A discretionary hardship fund of 500k will be saved.
- 3.18. A formal application is being made for capitalisation direction to help balance the budget, this will assist BCC with issues such as include voluntary or compulsory redundancy and equal pay matters.
- 3.19. This letter is currently being drafted and will be available for Commissioners early next week. The proforma will follow as this is an in-depth document.
- 3.20. Cllr Tilsley questioned the savings identified within the home to school transport and transport assist service. He advised that the savings are 'enormous' however, this is a risky saving due to the challenge that will come from parents.
- 3.21. The transformation programme of BCC is for a significant period and there is around 150m pounds worth of error to cover.
- 3.22. BCC has not been able to assume an increase in council tax above 5% to plug the gap.
- 3.23. Commissioners are concerned that the budget gap in year one is too big and is likely to grow. They would like to be reassured that the top value savings are credible and deliverable.
- 3.24. Commissioners would like statutory officers to present to this meeting in two weeks' time on how these savings are going to be delivered in more detail.

4. Timeline and progress (Fiona Greenway)

- 4.1. The first overview and scrutiny task and finish will be formed into a report for Cabinet.

from the
BEST VALUE COMMISSIONERS

- 4.2. The savings template for 24/25 financial year is to be fully updated and shared with scrutiny this evening.
- 4.3. Week commencing the 22nd of Jan there will be an all-member briefing, with an informed cabinet report.
- 4.4. Final budget is to come to this board on the 24th January 2024. 160 savings programmes must have their savings plans in place by this time.
- 4.5. Pam Parkes highlighted to the meeting that the timetable highlights tasks completed this year, but the team must be mindful that they have got to start all over again for the 24/25 budget as soon as the 23/24 budget is concluded.
- 4.6. Fiona Greenway advised that a normal timetable for the normal year has been drafted.
- 4.7. It was collectively agreed that it would be good to look at what is going to be done differently this year with the CLT, to enable for learning to be put into practice.
- 4.8. Pam Parkes advised that the success of next years budget will come from the transformation plan, business planning and the transformation plan alignment.

5. Comms Plan (Eleri Roberts)

- 5.1. The comms plan, reset, reshape and restart has gone live. The intention is to be truthful and transparent with audiences.
- 5.2. Non statutory consultation has returned with 3400 responses.
- 5.3. Comms are giving light touch information to keep residents happy.
- 5.4. Communication is trying to be maintained with staff and residents however, there is some push back from staff in relation to VR, their jobs, and the future.
- 5.5. Eleri's team are working closely with Katy Fox and her team in People's services.
- 5.6. The press is eager to see the next level of detail.
- 5.7. Work is being completed on the statutory business rates payers meeting – the team are working on the content of this.
- 5.8. The team will work closely with partners to engage with audiences across all platforms once more is able to be published. Expectations do not want to be raised early.
- 5.9. Completed items have been included in the slides. The Chief Exec webinars are popular with staff and conversations are happening with directors about how they are going to engage with staff.
- 5.10. Legal are writing a paper around the consultation and about what is required of BCC. AD's and Directors will be directed with a briefing session.
- 5.11. Jackie Belton recommended that a generic narrative should be shared such as, BCC is going to reduce agency staff, redeploy staff into vacancies and minimise redundancies as much as possible.
- 5.12. Eleri advised that staff engagement has not been previously seen as important and BCC need to do more to make sure this is prioritised. Eleri commented upon the culture change which needs to occur in BCC and the movement away from silo working.
- 5.13. Pam Parkes advised she would pick up around what the headline messages are with Katy Fox, Eleri, and teams.
- 5.14. 95% of Birmingham employees work for BCC and they need to feel empowered and confident to spread the positive messages.
- 5.15. It's believed that more honest conversations need to be had, and not so scripted conversations.

6. AOB:

6.1. None.

7. Date of next meeting:

7.1. Wednesday 24th Jan 2024 at 2pm – Room 2, Council House.

Actions:

- Pam Parkes to work with Eleri Roberts and Katy Fox in relation to the headline messages.
- Fiona Greenway to work with Council Leadership team to identify what could be done differently and lessons learnt in relation to the 23/24 budget and to then put this into practice for the 24/25 budget.
- Final budget to be presented at the next Finance Sub Board by Fiona Greenway and her team.