

# BEST VALUE COMMISSIONERS

## Improvement & Recovery Board (IRB)

17 January 2024 2-3pm

Council House

### Attendees

#### **Board Members**

Max Caller, Lead Commissioner (Chair)  
Chris Tambini, Finance Commissioner  
Pam Parkes, Commissioner  
Jackie Belton, Commissioner  
John Coughlan, Commissioner  
John Biggs, Political advisor to Commissioners and Council  
John Hutton, Political advisor to Commissioners and Council  
Deborah Cadman, Chief Executive Officer, Birmingham City Council  
Fiona Greenway, Interim Chief Financial Officer Birmingham City Council  
Marie Rosenthal, Interim Monitoring Officer, Birmingham City Council  
Cllr John Cotton, Leader of Birmingham City Council (Deputy Chair)  
Cllr Sharon Thompson, (Deputy Leader of Birmingham City Council)  
Cllr Brigid Jones, Cabinet Member for Finance, Birmingham City Council  
Cllr Robert Alden, Leader, Conservative Group, Birmingham City Council  
Cllr Roger Harmer, Leader, Democratic Group, Birmingham City Council  
Tom Smith – Chief of Staff to Commissioners (DLUHC)

#### **Other**

Rishi Shori, Director of Intervention Response, Birmingham City Council  
Paul Clarke, Assistant Director Programmes, Performance & Improvement & Intervention SRO, Birmingham City Council  
Jennifer Gray  
, Political Assistant, Liberal Democratic Group, Birmingham City Council  
Lucy Bouncer, Commissions Support Unit Lead, Birmingham City Council (Secretariat)

### Apologies

Myron Hrycyk (Commissioner)

#### **1. Welcome & Introductions**

1.1 John Coughlan (Commissioner) chaired the meeting on behalf of Max Caller and welcomed the board.

#### **2. Previous IRB Minutes**

2.2 Minutes tabled, all agreed as a true record.

#### **3. Sub Boards Update**

3.1 **Finance Sub-Board** minutes tabled. Commissioners recognised the challenge in setting the Budget Savings Proposals and noted the significant volume of work that

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had been done at pace. However, whilst the deadline had been achieved, there is still much work to do.

### 3.2 **Business Transformation Board** minutes tabled.

## 4. **Council Tax Request Letter**

- 4.1 Fiona Greenway (Interim Chief Financial Officer) tabled the letter on Council Tax DLUHC, which set out a number of options. In order to address the Council's significant budget gap, option 2 has been recommended.
- 4.2 Max Caller (Lead Commissioner) advised that this is the first in a series of important documents which are crucial to enabling the council to set a balanced budget. Whilst the Council has put a credible set of proposals together, the challenge now is to deliver them. It is no longer acceptable to propose savings and not deliver. Any savings proposals not met must be replaced with an alternative saving and this message must be cascaded through the organisation. Even with these savings delivered, there will still be a significant budget gap which will need to be covered by exceptional financial support.
- 4.3 Cllr Alden (Leader, Conservative Group) raised concerns that the Council's published deficit had increased and questioned whether this would impact on the proposed Council Tax increase. Fiona Greenway (Interim Chief Financial Officer) reassured the board that this would not be the case and that other income generation activities and savings proposals would be explored.
- 4.4 It is confirmed to the board that once Council Tax letter is responded to, the cap on the rise is decisive, but BCC do retain the option to go lower. However, this is noted to be unlikely.

## 5. **25/24 Strategy Update**

- 5.1 Cllr Alden (Leader, Conservative Group) sought assurance on BCCs strategy for monitoring in-year savings.
- 5.2 Fiona Greenway (Interim Chief Financial Officer) informed the board that BCC has produced an exceptional finance support letter, the position of which will be reported to the next Cabinet. A section 25 statement is also being drafted to inform Cabinet on the delivery of work to ensure they are satisfied with reserves and estimates to recommend a balanced budget. To give assurance, the top 12 savings plans have been scrutinised in detail by Commissioners.
- 5.3 Chris Tambini (Commissioner) confirmed that, following scrutiny of the top 12 savings, the plans are credible and deliverable, subject to three conditions: 1) that proper due diligence is exercised on all proposals 2) that all actions and questions raised through the challenge sessions to date are addressed, and 3) that the infrastructure to deliver the plans is properly developed over coming weeks. The plans will need to be mobilized at pace and require discipline from BCC in order to deliver.
- 5.4 Cllr Roger Harmer (Leader, Democratic Group) and Cllr Alden (Leader, Conservative Group) challenged officers as to how it is considering the cross-cutting impact of the savings given that historical savings proposals presented at Scrutiny Committee conflicted with other directorate savings. Additionally, how will savings impact on the transformation of council.

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- 5.5 Deborah Cadman confirmed impact assessments are being done and CLT are working together make sure they are clear on interdependencies, and unintended consequences.
- 5.6 Deborah Cadman updated the board that to support the strategy, extra resource is being sought for the corporate core, from: BCC talent pool, specific transformation expertise and transformation partners. CLT will be held accountable in giving assurance that they have the right resource to deliver on savings.
- 5.7 Cllr Jones (Cabinet Member for Finance) asked that, given the baseline budget gap has already shifted, do BCC have an understanding why this is and what is being done to ensure this doesn't happen again. Fiona Greenway responded that the structural deficit has been developing for 2-3 years and as one issue is addressed more are unearthed. BCC are exercising a lessons learned log and have external support checking and verifying figures which will be shared with the Finance Board in due course.
- 5.8 Cllr Alden (Leader, Conservative Group) initiated a discussion around the Highways PFI saving proposal. Highways PFI is currently subject to legal proceedings and BCC have 2 savings scenarios depending upon the outcome of this.
- 5.9 A discussion was held around employee saving proposals. Marie Rosenthal (Monitoring Officer) confirms BCC have a clear process on consultation and a statutory 188 notice will be published this week. The proposal is legally compliant and on time to deliver.

### **6. Improvement & Recovery Plan (IRP) – governance and assurance**

- 6.1 Deborah Cadman gave a summary of the proposed model and approach for the governance & assurance, giving confidence that CLT are committed to it:
- Robust governance is critical to success and the arrangements being mobilised are deliberately different (and more effective) than previous attempts to deliver transformation, change and savings at BCC.
  - The governance of the Budget 24/25 and 25/26 savings and transformation plan will be part of the overall IRP governance and assurance arrangement.
  - A Transformation and Improvement Board will be established to drive accountability and ensure delivery.
  - There will be elected member oversight in the arrangements (informal and formal).
  - The CPMO will provide monitoring and assurance reporting against the IRP, ensuring independent assurance to the Transformation and Improvement Board and Members.
  - Strategic Directors will be accountable for delivery of all workstreams, (including improvement programmes and savings proposals).
- 6.2 Paul Clarke (Assistant Director Programmes, Performance & Improvement & Intervention SRO) advised there are three elements of the delivery plan; governance model, assurance report and resource with the key principles set out below:
1. Transparent accountability

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2. Transformation and Improvement Board
3. Flexible and proportionate Directorate Board arrangements
4. Consistent and robust monitoring and assurance arrangements
5. Member oversight of deliver and impact
6. Risk based approach

6.3 The formal reporting post Improvement & Recovery Board to Cabinet, Audit and O&S Committees was also set out. The model proposed will be worked out in more detail and brought back to the board in due course and will have accountability at directorate level, good member engagement and oversight into the IRB.

**Action: More detailed model of IRP, Governance and Assurance brought back to the next board.**

6.4 Jackie Belton (Commissioner) challenged BCC whether they will have the data on delivery of savings to ensure they're on track to deliver. Fiona Greenway confirms that monthly reports will be produced, and escalations will be reported monthly with immediate monitoring of 23/24.

6.5 Cllr John Cotton (Leader) stated that whilst he felt the plan is in the right place, more work is to be done on member oversight, engagement, performance management and assurance on capacity to deliver. Pam Parkes (Commissioner) echoed this and added that there is an equal responsibility to deliver.

**Action: Members to mirror arrangements of officers for delivery of savings to be presented at the next meeting.**

6.6 John Biggs challenged BCC as to how it will overcome silo working with in directorates. Deborah Cadman reassured that whilst directorates are responsible for their own savings, the Transformation & Improvement Board will discuss cross cutting aspects at a corporate level.

## 7. Governance Review & Stabilisation Plan

7.1 Marie Rosenthal (Monitoring Officer) gave a summary of monitoring arrangements:

- The monitoring and oversight arrangements will be overseen by the Interim Monitoring Officer, Marie Rosenthal acting as Senior Accountable Officer (SAO), supported by the Programme, Performance & Improvement Division.
- The Stabilisation Plan contains 13 recommendations each with a number of current, planned and proposed activities and deliverables.
- Monthly milestones will be monitored and tracked by the Programme, Performance & Improvement Division to ensure the recommendations are implemented. Officers responsible for each recommendation will provide progress updates each month against milestones.
- A Stabilisation Plan Board has been convened and will meet on a monthly basis to review progress, chaired by Marie Rosenthal. All off track or at-risk activity will be raised by exception to CLT.

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- Bi-monthly review by Scrutiny Task and Finish Group, chaired by Councillor Sir Albert Bore.
- Improvement and Recovery Board (IRB) will be provided with a mid-point update on progress in March 2024 and a final update in July 2024.
- Regular updates to Leader/ Deputy Leader and portfolio holders via current briefings, and opposition leaders via statutory officer and group leader meetings.

7.2 John Coughlan (Commissioner) Commissioners have been sighted on this work and progress noted.

### 8. AOB

8.1 Max Caller (Lead Commissioner) Commissioners are establishing a sub-board to manage Equal Pay the first of which will take place in February. Pam Parkes will be the lead commissioner for this board.

### 9. Date of next meeting

9.1 Wednesday 13 March 2024, 1-4pm