

Attendees

Board Members

Max Caller, Lead Commissioner (Chair)
Chris Tambini, Finance Commissioner
Pam Parkes, Commissioner
Jackie Belton, Commissioner
John Coughlan, Commissioner
Myron Hrycyk, 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 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, Dave Facey or Liz Thomas – Chief of Staff (DLUHC)

Other

Rishi Shori, Director of Intervention, Birmingham City Council
Paul Clarke, Assistant Director Programmes, Performance & Improvement & Intervention
SRO, Birmingham City Council
Timothy Bell, Financial Advisor (S151 Chief of Staff), Birmingham City Council
Jennifer Gray, Political Assistant, Democratic Group, Birmingham City Council
Lucy Bouncer, Commissions Support Unit Lead, Birmingham City Council (Secretariat)
Cllr Morriam Jan, Democratic, Birmingham City Council
Chrissie Faruggia, DLUHC

Apologies

savings and Capital. Discussions have been useful, open and the Board is working well. All minutes are being published the Commissioners BCC Webpage.

AGREED: Finance Board minutes to be part of future IRB papers.

4. Business Transformation Board Update

4.1 Myron Hrycyk (Commissioner) updated the Board that the first Business Transformation Board has taken place, assessing the approach BCC is taking towards Oracle which will be outlined in 2 forthcoming Cabinet Papers, one in December 2023 and one in January 2024. Whilst no set timescale has been agreed yet, the context for the safe and compliant phase is a proposed reimplementation within 2 years. Reimplementation will focus on people and processes as well as the technology. It is an opportunity to develop cross cutting work across the Council. All minutes will be published on the Commissioners BCC Webpage. **Action: Business Transformation Board minutes to be part of future IRB papers**

4.2 Max Caller (Lead Commissioner) suggested the Board will need to ensure the vision meets the business needs for the future and for the council to be operating as one in order to deliver on the intervention's directions.

4.3 Myron Hrycyk (Commissioner) reassured the Board that the Oracle reimplementation will be led by a strong Programme Director who has the right skills and experience in addition to a strict governance process for decisions which will go via the Design Authority and the Board.

5. Budget 2025/26 Strategy: Update

5.1 Deborah Cadman (Chief Executive) reassured Commissioners that the Corporate Leadership Team (CLT) were working hard to address the £300m savings required for 24/25 and 25/26. Savings need to be achieved in a manageable way in the context of the organisation. CLT are clear on the timetable that has been set with an outline indication of the Strategy to be shared w/c 11 December and the final strategy finalised by 7 January. CLT will challenge themselves, looking at business models, service redesign based on demand and transformation that drives out cost as well as looking at outcomes for citizens. The council may need external resource to deliver on this transformative work but only after exhausting its internal capability first.

5.2 Max Caller (Lead Commissioner) suggested BCC will need to consider seeking permissions to raise council tax above the cap in addition to capitalisation. He reminded the Board that Commissioners have set a £500m asset disposal target within a 12-month period from an asset base of £2.4b.

5.3 Chris Tambini addressed the robustness of the 24/25 budget setting out clear actions required in order to provide assurance to Commissioners that 24/25 savings are deliverable. Without that assurance Commissioners are unlikely to be able to support and request from BCC for Exceptional Financial Support (EFS) including a capitalisation direction. Interrogation will be via budget assurance forums. Commissioners will be present at challenge sessions, however, expect officers to lead the challenge. The Council must:

Populate the templates to an adequate standard. For all the savings there should be a clear description, RAG, SRO. Include full risk assessment and mitigations that are coherent and thought through.

Improve the titles of the savings. E.g. "Reorganising the resources". Rather than "deleting vacancies".

Have consistency across the paperwork from the returns.

There should be a sensible balance between service reductions and improving efficiency, with the majority of savings being efficiency.

Ensure each return is owned by service directors.

The list of savings is not sufficient on its own. The Council must demonstrate how the savings will be delivered in practice.

We require assurance that infrastructure, resources and process is in place to achieve this.

This will include:

- The onboarding of a transformation partner. The cost of this support will be quantified, and funding identified.
- The in-house staffing resources, with named officers where known.
- A rigorous governance structure, led by the chief executive, for monthly meetings to hold the budget holders to account on the delivery of their savings and external support.
- Reporting arrangements with the Council's structures.
- A PMO approach.

5.4 Chris Tambini (Commissioner) provided observations on the list of budget areas for 25/26, including:

BCC must balance the budget by the end of 25/26, and to eliminate the budget gap of £300m over the next two years. The challenge remains for 25/26 to deliver proposals that address c.£150m. Commissioners will require a document that describes each saving and the evidence base that supports it, and with an identified SRO and responsible officer. For those savings that need more detailed work, the document should explain how the savings will be developed into a robust business case. Commissioners expect that these proposals would have been through an internal QA process.

By 31st December, Commissioners require the first draft of a robust and credible plan, which must be owned and supported by both CLT and Cabinet, with an SRO at tier two. Commissioners need to be confident in the plan by the 7th January.

To do that sustainably, BCC must begin to think about the scope of the council and the services it delivers.

The plan to balance should be supported by early transformation thinking, both in service areas and within the corporate core.

This must be based upon the assumption that the organisation is 20% smaller and include developed thinking on what services the council will stop delivering.

Savings where some discovery work has been completed and there is high

be developed for later years or brought into the programme in 2024/25 and 2025/26 if required.

BCC may wish to start considering links to the improvement and recovery plan and how savings, in particular efficiencies, will help.

5.6 Max Caller (Commissioner) commented it is crucial that the Council has the right skills and capacity to deliver savings, transform and drive out cost. It will need to be more effective and see this as an opportunity to improve its services.

6 Improvement & Recovery Plan (IRP) Update

6.1 Deborah Cadman (Chief Executive) provided an update on the IRP including current thinking and proposals subject to further development on:

The overall structure for the IRP including key themes and outcomes and proposed improvement priorities and workstreams

The phases of the IRP – recognising that the initial focus of the IRP will be on immediate recovery and stabilisation, with later phases embedding continuous improvement and delivering more ambitious, sustainable, transformation

Governance and Assurance – arrangements that will provide assurance the IRP is being delivered and achieving its outcomes, and enabling the mitigating of any risks to delivery

Resourcing the IRP – ensuring we have the capacity and capability to deliver the activity in it

6.2 There is comprehensive diagnosis of the challenges we need to respond to at

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12 months and some will take a higher priority than others and each plan will have an accountable named officer. BCC needs to be a full Council that gives assurance, and officers and cabinet members are part of the plan. It needs to learn and move on.

7.2 Jackie Belton (Commissioner): there are some crucial points coming up in the new year for HRA and Asset Management. There is a great opportunity to address non-compliance and evidence progress. The council is challenged as to whether it can produce and deliver a good plan.

7.3 Pam Parkes (Commissioner):