

45-51 Cornwall Buildings
Newhall Street
Birmingham
B3 3QR

+44 (0)121 213 4716

RJF Briefing Paper 1

Power shift

Political change scenarios at
Birmingham City Council after
the local elections in May 2012

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Research by Paul Dale
Additional commentary by Marc Reeves
[RJF Public Affairs](#)

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RJF Public Affairs Ltd
45-51 Cornwall Buildings
Newhall Street
Birmingham
B3 3QR
+44 (0)121 213 4716

RJF Public Affairs was founded in Birmingham in 2011 by Marc Reeves, Kevin Johnson and Martin Field. It is the only consultancy of its kind to focus on the West Midlands, and it specialises in helping businesses improve their understanding of and relationships with the changing political structures in the region. We monitor activities within council chambers and other corridors of power, and help clients develop approaches to contribute to the positive development of policies which impact on the region.

Introduction

This year's Birmingham City Council elections, on May 3, will be particularly significant for two reasons.

Firstly, barring an extraordinary change in political sentiment, the eight-year reign of the Conservative-Liberal Democrat coalition will come to an end, with Labour easily gaining the 61 councillors required for an overall majority.

Secondly, as well as electing local councillors, the people of Birmingham will have the chance to take part in a referendum on whether the city should be governed by a directly-elected mayor. If the referendum delivers a yes vote, the first mayoral election is likely to be held in November 2012.

Such an outcome may, it could be argued, condemn the seven-month council administration between May and November to dead duck status, particularly if the leader of the council during that period does not turn out to be the city mayor.

What will the council look like after May 3, 2011?

Labour has gained seats at a regular pace for the past two years at the annual council elections, and with 56 councillors is the largest party in the chamber and only five short of an outright majority. Given the relative unpopularity of the Coalition Government's public Big name losers could include **Deirdre Alden** in Edgbaston (the Tories only just held on this year), her husband **John Alden**, in Harborne where Labour produced a shock win this year, and former Lord Mayor **Len Gregory** in Billesley. Also in trouble are **Matt Bennett** in Stockland Green, **Eddie Freeman** in Weoley, Graham Green in Oscott, cabinet schools member **Les Lawrence** in Northfield, Peter Smallbone in Quinton, Neville Summerfield in Brandwood and Geoff Sutton in Kings Norton – all seats Labour would expect to win in a good year. Nigel Dawkins is defending Bournville, where the Tories held on this year with a reduced majority, but the seat is firmly in Labour's sights.

The Liberal Democrats are defending 13 of their 24 seats and look vulnerable in at least eight, particularly the remaining inner city wards the party took off Labour between 2003 and 2008 as a result of a Muslim backlash against Britain's involvement in the Iraq war.

It is, therefore, not inconceivable that the Conservative-Liberal

spending cuts, and apparent outright voter hostility to the Liberal Democrats, it seems inconceivable that Labour will not enjoy a healthy majority after May.

The Conservatives are defending 17 seats, which means that almost half of the 39-strong Tory group will be fighting to remain on the council.

Democrat could lose a minimum of 10 seats and perhaps as many as 18, leaving Labour with a commanding majority and catapulting Sir Albert Bore to the council leadership – at least until November, when a mayoral election may be held.

Sir Albert is one of three Labour hopefuls campaigning for the party's mayoral nomination, along with former MP Sion Simon and Edgbaston MP Gisela Stuart.

Who's who in the Labour cabinet?

Not such an easy question to answer as may be supposed.

There are shadow cabinet members in place now, but the positions are subject to election at the annual Labour group meeting immediately after the May 3 elections. It was this uncertainty and capacity for political plotting and factionalism that caused Sir Albert Bore so much trouble during his period as leader of the city council between 1999 and 2004. He never managed to get the cabinet he wanted and was forced to allow hard-left opponents to occupy key positions at housing and transportation.

Much attention will be paid to the council's scrutiny section if Labour takes control in May. Sir Albert is insistent that he will allow opposition Tories and Lib Dems to chair scrutiny committees. If this actually happens, it will be an important change for Labour. The party, under Sir Albert, insisted on having both cabinet positions and scrutiny committee chairmanships between 2001 and 2003 and were only forced to back track when obliged to do a deal with the Conservatives, giving them scrutiny chairmanships, as the price for keeping Sir Albert in power from 2003 to 2004.

The shadow cabinet members and their track records are as follows:

Sir Albert Bore

Veteran Labour fixer, seamlessly drifted from left wing firebrand in the 1970s to the centre ground.

Been on council for 32 years, made his name as successful chairman of economic development committee in the 1990s pushing forward development of the ICC and Brindleyplace. Pragmatist and apparent supporter of the business community, but his period as council leader from 1999 to 2004 was not a great success. A split Labour group bickered and plotted to overthrow Sir Albert while public services plummeted. He is currently chairman of the QE Birmingham University Hospitals Trust, a position that he will almost certainly be forced to give up should he become council leader. He is also a member of the EU Committee of the Regions, a time-consuming post involving many meetings in Brussels and Strasbourg, which left Sir Albert open to criticism from his own group during his last period as council leader.

Ian Ward

Competent deputy leader of the Labour group, vastly experienced as former deputy council leader and cabinet member for leisure. Very much on the centre-right of Labour politics, dedicated bag carrier and number one backer of Sir Albert's mayoral bid. Is likely to inherit deputy council leader duties currently handled by Paul Tilsley, with the exception of sustainability which will be given its own cabinet position. First tricky decision for

Ward: what to do about the future of the Wholesale Markets. Second tricky decision: how to address huge Labour concerns over performance of Service Birmingham (Capita) and its £1 billion contract with the council.

Catharine Grundy

Currently holds shadow cabinet portfolio for children and education, effectively having responsibility for Birmingham's council-run schools and the failing children's social services, which is subject to a Government improvement notice. Has not made much of an impact in her shadow role, also on the centre-right of the Labour Party.

Steve Bedser

One of Labour's brighter performers, good debater and intelligent, holds the shadow Adults and Communities portfolio, better known as adult social services. Will have to continue the programme of cutting costs by closing old people's homes and transferring council-run social care to the independent and community sector, which could cause problems among Labour's left wing. Bedser is ambitious and seen by some as a possible leadership contender should Sir Albert fall by the wayside.

Muhammad Afzal

Veteran Labour councillor and key fixer for Sir Albert Bore, helping to deliver backing from Asian councillors needed to keep the council leader in a job. Afzal is shadow cabinet member for equalities and human resources, a position he held in Labour cabinets

from 2000 to 2004. Some observers doubt whether he has the stomach to stand up to the council unions, who will be determined to make changes top the Birmingham Contract introduced by the Tory-Lib Dem coalition, which ended lucrative bonus payments and shift allowances for 20,000 employees.

Shafique Shah

Relative newcomer, councillor for Bordesley Green who is another of Sir Albert's key supporters. He has been rewarded with the important position of shadow cabinet member for housing. Coun Shah has little experience and his elevation was one of the genuine surprise results from the last shadow cabinet elections.

Narinder Kooner

Another newcomer with even less experience than Shafique Shah, she has been given the shadow cabinet portfolio for leisure, sport and culture. Were she to get the cabinet post after May, Coun Kooner would be faced with difficult decisions. Problems include how to preserve the city's network of community libraries against budget cuts, and how to make sure the new library in Centenary Square is a success.

John Cotton

Cotton is one of the longer-serving councillors in the shadow cabinet and has been given the local services and community safety job, although whether this particular portfolio survives a post-May shake up of council departments remains to be seen. Sir Albert is keen on beefing up

Birmingham's devolved constituency committees, and a new cabinet post could be formed around devolution. Cotton is another key Bore supporter who presumably had to be given a job, but he has no previous cabinet experience.

Tahir Ali

Coun Ali is another one of Sir Albert's Asian backers who has held various shadow cabinet positions since 2004, and has previous experience as cabinet leisure member. He has been given one of the most important cabinet positions of all – transportation and regeneration. Should he keep the portfolio after May 2012, he will face the difficulties of delivering the Midland Metro tram extension through the city centre as well as the Eastside regeneration project and the redevelopment of Paradise Circus. In reality, Sir Albert is likely to take personal command of all important regeneration schemes.

Sustainability

A new shadow cabinet position based on breaking up the existing cabinet post of Transport, Environment and Regeneration. The sustainability shadow cabinet member is veteran councillor Stewart Stacey. Coun Stacey is a former transportation cabinet member, famously dubbed the Butcher of Broad Street after hatching a failed plan to reduce traffic flow in the heart of the entertainment quarter. A former deputy council leader, Coun Stacey is regarded as the most left wing of all the shadow cabinet members.

Who's knocking on the cabinet door?

While it is undoubtedly fair to say that the Labour shadow cabinet is hardly overflowing with talent, there are a number of contenders eager for promotion who could step up when the newly formed Labour group meets to elect cabinet members days after the May 2012 council elections. These include the highly ambitious Ian Cruise, a councillor for Longbridge, and Tim Evans, a councillor for Hodge Hill, who is a foster parent with an interest in children's social services. Coun Evans is one of a very few Labour councillors to make any real impact at scrutiny committee meetings. Another contender for promotion is likely to be Barry Henley, a Brandwood councillor, whose intellect and analytical style has enlivened many planning committee meetings.

The Tory succession

It seems unlikely that Mike Whitby will wish to remain as leader of the opposition if the Tory-Lib Dem coalition is removed from office in May. He has privately hinted to friends that some kind of honour may be coming his way. Lord Whitby, possibly? Or, more likely, Sir Mike.

If the size of the Conservative group is reduced to about 30, the succession will be even more influenced by the 'Sutton mafia', with the 12 Sutton Coldfield councillors forming almost half of the group. Their candidate, and for

my money the favourite, is likely to be Alan Rudge, the cabinet member for equalities and human resources who is regarded by his Tory colleagues as having performed brilliantly in forcing through new workforce contracts, putting paid to unsustainable bonuses and shift payments. Rudge is likely to be up against Robert Alden, currently deputy group leader and regarded as the young 'green' face of the Tories.

Alden's problem, apart from struggling to gain sufficient backing among the Tory group, is that he is a councillor for Erdington, a ward that may return to Labour in 2012. Alden is up for re-election in 2014.

However, there is little doubt that Alden's parliamentary aspirations, fighting Jack Dromey at the next General Election, would be enhanced by the public profile of becoming group leader. Other possible Tory leadership contenders include Sutton councillor Philip Parkin as well as Robert Alden's parents, John and Deirdre, assuming they hang on to their seats.

What could this mean? It's all about the economy, stupid

Analysis by Marc Reeves

So assuming there's a changing of the guard, how will this affect Birmingham's citizens and businesses?

The outgoing Tory-LibDem coalition's reign straddled an interesting period for the city, encompassing both the boom years of the mid-noughties and the post-2008 economic downturn.

Mike Whitby's rule was therefore a game of two halves – property-fuelled expansion and a drive to deliver as many landmark projects as possible in the first half, followed by the impact of swingeing government cuts in the second.

The legacy of both will only be fully understood long after Mr Whitby and his political partners are consigned to the council's back benches. The new library and the redevelopment of New St Station will complete in 2013 – with the new council leader (and very possibly a newly elected mayor) conducting the ribbon-cutting ceremonials and claiming the glory.

But the council's economic woes will have a far deeper impact on the post-Whitby era. Just as Ed Milliband is positioning Labour nationally to accept it would have to follow through on much of Cameron's cuts agenda, so too will Sir Albert Bore or any other leader have to face up to

the challenge of Birmingham's fragile finances.

A ten year 'Transformation' programme simply has to be delivered to achieve its planned £500 million of savings, leaving little wriggle room for beneficence to any but vital services.

Continuing fallout from equal pay disputes leave a multi-million pound bill [hanging over the council's head](#), while government-imposed caps on council tax increases limit options for improving the city's finances.

At the same time, the government, in the form of Communities Secretary Eric Pickles, has been dangling all sorts of financial incentives in front of Birmingham to encourage it to choose to be run by an elected mayor.

Greater tax-raising powers, bond issues and prudential borrowing will all become miraculously easier under a mayor, according to the government.

However, all of these will require a high degree of support from the city's wealth-creators.

Retained – and variable – business rate regimes could have enormous political and economic consequences if mishandled, and a new mayor of whatever political colour will therefore have to put positive business relationships at the top of their agenda.

If you add this to the impact of the new planning regime ushered in by

the Localism Bill, as well as the still-unclear role of Local Enterprise Partnerships, it is evident that the nature of the relationship between Birmingham's corporate and political worlds is about to undergo a massive change.

RJF Briefing paper 2

The next RJF Briefing paper is available at the end of January, and will look at the real prospects for an elected mayor for Birmingham.

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Contact details

Marc.reeves@rjfpa.com

Kevin.johnson@rjfpa.com

Martin.field@rjfpa.com

+44 (0) 121 663 0131