

**Report to Overview & Scrutiny Committee**  
**17 September 2019**

**Financial Monitoring 2019/20 Month 04**

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**1. Purpose of Report**

To summarise the overall position for 2019/20 and future years as at Month 4.

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**2. Information provided to Executive Management Team**

- Appendix A - Report on Month 4 revenue monitoring position for 2019/20
- Appendix B - Report on Month 4 Capital Revenue monitoring position for 2019/20
- Appendix C – Treasury Management Month 4 Report

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**3. Summary of Key Issues**

- Appendix A covers revenue monitoring. An overspend of £7.481m was forecast at Month 4.
- In future years, there were forecast savings that were not fully deliverable of £8.513m in 2020/21, increasing to £10.567m in 2022/23.
- Appendix B covers capital monitoring. The capital budget has increased by £0.088m since month 3 to £3,547.119m due to minor budget additions to the programme. At month 4 there is a forecast overspend of £0.833m, £0.655m on the New Wholesale Market and £0.178m at Stechford Cascades, both of which are discussed in Appendix B5.
- Appendix C monitors Treasury Management, which is on track.

**Signatures**

**Date**

Chief Finance Officer

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Cabinet Member, Finance and Resources

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# **CORPORATE REVENUE BUDGET MONITORING REPORT 2019/20 MONTH 4**

**(year to 31<sup>st</sup> July 2019)**

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**Revenue Budget Management Report – Period 4 Forecast****1. Executive Summary**

- 1.1 The Council set a net budget of £851.590m for 2019/20 at its meeting on 26 February 2019. This net budget is after assuming savings of £58.276m, included approving a savings programme of £46.191m and requiring a further £12.085m savings to be delivered that were achieved on a one-off basis in 2018/19. This is set out in Table 2.
- 1.2 At Period 4 the forecast outturn is estimated to be an overspend of £7.481m. This is an improved position of £9.960m from £17.440m at Period 3. The Council is actively pursuing mitigations to resolve this position. Issues that led to the Period 3 forecast overspend are set out in the Cabinet report of 30<sup>th</sup> July.
- 1.3 There has been an overall improvement in the Directorate position of £1.460m since Period 3 largely relating to Education and Skills of £1.792m, Neighbourhoods of £1.037m and Digital and Customer Services of £0.140m offset by an increased overspend of £0.868m in Finance & Governance and £0.640m in Inclusive Growth. In addition a review of items within Policy Contingency has identified that £8.500m set aside for demography pressures is no longer required based on the latest assessment of client numbers.
- 1.4 A summary of the forecast position for each Directorate is set out in Table 1.
- 1.5 There is a forecast balanced position in Schools at Period 4. Further detail is contained in Annex 10.
- 1.6 There is a forecast balanced position in the Housing Revenue Account. Further detail is contained in Annex 11.
- 1.7 There are no further requests for changes in use of/contribution to reserves since Period 3.

Directorate	Original Budget	Current Budget	Period 4 Forecast Outturn	Period 4 Forecast Base Budget Over /(Under)	Period 4 Forecast Savings Non-Delivery	Period 4 Forecast Over /(Under)	Period 3 Forecast Over /(Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
Adult Social Care	325.707	325.847	325.847	(0.918)	0.918	0.000	0.000	0.000	0.00
Digital & Cust Services	22.046	22.520	22.520	0.000	0.000	0.000	0.140	(0.140)	(0.62)
Education & Skills	262.369	262.376	262.376	0.000	0.000	0.000	1.792	(1.792)	(0.68)
Finance & Governance	24.914	24.389	25.999	1.110	0.500	1.610	0.742	0.868	3.56
Human Resources	6.597	6.597	6.597	0.000	0.000	0.000	0.000	0.000	0.00
Inclusive Growth	97.515	97.604	98.838	0.388	0.846	1.234	0.594	0.640	0.66
Neighbourhoods	99.565	99.545	112.501	8.035	4.921	12.956	13.993	(1.037)	(1.04)
Partnerships, Insight and Prevention	6.442	6.257	6.437	0.180	0.000	0.180	0.180	0.000	0.00
<b>Directorate Sub Total</b>	<b>845.156</b>	<b>845.134</b>	<b>861.115</b>	<b>8.796</b>	<b>7.185</b>	<b>15.981</b>	<b>17.440</b>	<b>(1.460)</b>	<b>(0.17)</b>
Policy Contingency	42.244	42.244	33.744	(8.500)	0.000	(8.500)	0.000	(8.500)	(20.12)
Corporately Managed Budgets	91.600	91.622	91.622	0.000	0.000	0.000	0.000	0.000	0.00
Corporate Grants	(127.409)	(127.409)	(127.409)	0.000	0.000	0.000	0.000	0.000	0.00
<b>Corporate Subtotal</b>	<b>6.435</b>	<b>6.456</b>	<b>(2.044)</b>	<b>(8.500)</b>	<b>0.000</b>	<b>(8.500)</b>	<b>0.000</b>	<b>(8.500)</b>	<b>(131.65)</b>
<b>City Council General Fund</b>	<b>851.590</b>	<b>851.590</b>	<b>859.071</b>	<b>0.296</b>	<b>7.185</b>	<b>7.481</b>	<b>17.440</b>	<b>(9.960)</b>	<b>(1.17)</b>
Dedicated Schools Grant	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	n/a
Housing Revenue Account	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	n/a
<b>City Council Total</b>	<b>851.590</b>	<b>851.590</b>	<b>859.071</b>	<b>0.296</b>	<b>7.185</b>	<b>7.481</b>	<b>17.440</b>	<b>(9.960)</b>	<b>(1.17)</b>

Note 1: Percentage movement is shown as a percentage of the current budget

Note 2: The original budget in table 1 includes hierarchy movement after the Council set the net budget for 2019/20 at its meeting on 26th Feb 2019.

## 2. Key Issues Identified up to Period 4 and changes since Period 3

2.1 A number of budgetary pressures reported in the 2018/19 outturn are evident in the period 4 monitoring process which are due to issues with planned savings delivery and/or base budget pressures. They will be the focus of management action and recovery plans to deliver within directorate budgets wherever possible. Future reports will contain further commentary to provide the overview of the progress of directorate recovery plans for areas of overspending resulting from base budget pressures and/or delayed or undeliverable savings.

2.2 At Period 4 the forecast overspend in Directorates has reduced by £1.460m since Period 3 primarily relating to the following:

- Education and Skills forecast an improved position by £1.792m: The forecast overspend on Travel Assist has increased by £0.454m since Period 3 comprising an expected increase in the non-delivery of savings of £0.173m and additional costs identified relating to the administration of ATG of £0.281m. There are other minor increases in forecast overspend of £0.050m across the Directorate. This was offset by the application of £2.296m out of the one off Policy Contingency funding for Travel Assist of up to £2.897m approved by Cabinet on 15<sup>th</sup> July 2019. The Service will continue to seek to find opportunities to minimise the use of Policy Contingency.
- Finance & Governance forecast worsened by £0.868m: New pressures have been identified at Period 4 comprising £0.400m in Civic Cleaning as a result of the current hourly rate (charged for delivering cleaning) being below that of the external market and does not cover the actual cost of providing the service. In addition there is £0.512m pressure on City Serve Schools Catering trading budget as a result of a significant shift in the marketplace, combined with unachievable levels of savings levelled against this traded service and schools leaving City Serve in greater numbers due to increasing cost of our service, when compared with the private sector. These are partially offset by £0.044m improvement in other minor variations.
- Inclusive Growth forecast position worsened by £0.640m: There is a £0.266m new Wholesale Market pressure being forecast at Period 4 as a result of revised net rent budget assumptions. In addition there is a forecast £0.660m net pressure relating to CAB buildings arisen mainly from increases in repairs and maintenance and electricity. These have been partially offset by £0.286m increased income in Planning & Development and employee recharges in Transportation & Connectivity.
- Neighbourhoods forecast an improved position by £1.037m: Street Scene has improved by £0.890m relating to lower prudential borrowing charges in line with capital spend on Street Scene Vehicle replacement

schemes. There is also an improvement in Regulation and Enforcement of £0.147m relating to reducing staffing spend and recruitment into vacant posts while a saving plan is developed to mitigate current pressures

Further detail of each directorate forecast is set out in the Directorate Executive Summaries at Annexes 1-11 of this report.

- 2.3 At Period 4 Corporate Budgets forecast an underspend of £8.500m (Month 3 nil). A review of items within Policy Contingency has identified that £8.500m set aside for demography pressures is no longer required based on the latest assessment of client numbers.
- 2.4 There will be scrutiny and challenge of the financial position on a monthly basis via the Council's monthly Management Team, Member led Star Chambers, EMT and Resources Overview & Scrutiny. On a quarterly basis there will be further rigorous challenge of the overall financial performance via the officer Budget Programme Board chaired by the Chief Executive. Quarterly reports will be considered by Cabinet. Additional Member led star chambers have been established for those directorates that are forecasting significant overspends to explore the issues and develop solutions. This will continue throughout the year until the budgetary position is successfully recovered. These measures will seek to provide appropriate challenge and support to ensure that directorates deliver services within their approved budget.

### 3. Overview of the Savings Programme

3.1 The total approved savings programme is £58.276m in 2019/20. This comprises the approved savings plan of £46.191m plus £12.085m of savings that were only delivered on a one-off basis in 2018/19. Of these £43.882m are on track or fully delivered, £4.437m are at risk and £10.091m are at red/purple savings non-delivery status as shown in Table 2. This is analysed further into approved savings and one off savings in Tables 2a and 2b in Annex 12. Table 3 illustrates the movement between Period 3 and Period 4.

Directorate	2019/20 Agreed Savings	On Track/ Fully Delivered against Programme	Blue - Fully Delivered	Green-On Track	Amber-At Risk	Red-Non Delivery	Purple-Undeliverable	One off Mitigations to address Savings Non-Delivery
	£m	%	£m	£m	£m	£m	£m	£m
Adult Social Care	(16.310)	94.4	(5.056)	(10.336)	0.000	(0.918)	0.000	0.000
Digital & Cust Services	(6.918)	98.0	0.711	(7.489)	0.000	(0.140)	0.000	(0.140)
Education & Skills	(8.837)	56.7	0.161	(5.174)	(1.222)	(1.111)	(1.491)	(2.602)
Finance & Governance	(2.791)	57.9	(0.399)	(1.216)	(0.646)	(0.500)	(0.030)	(0.030)
Human Resources	(0.718)	100.0	(0.639)	(0.079)	0.000	0.000	0.000	0.000
Inclusive Growth	(4.770)	79.5	(1.407)	(2.383)	0.000	(0.794)	(0.186)	0.000
Neighbourhoods Partnerships, Insight and Prevention	(18.564)	60.0	(6.888)	(4.259)	(2.496)	(2.734)	(2.187)	0.000
	(0.548)	86.7	(0.475)	0.000	(0.073)	0.000	0.000	0.000
<b>Directorate Subtotal</b>	<b>(59.456)</b>	<b>75.6</b>	<b>(13.992)</b>	<b>(30.936)</b>	<b>(4.437)</b>	<b>(6.197)</b>	<b>(3.894)</b>	<b>(2.772)</b>
Corporate Savings	1.180	100.0	1.180	0.000	0.000	0.000	0.000	0.000
<b>Total Programme</b>	<b>(58.276)</b>	<b>75.1</b>	<b>(12.812)</b>	<b>(30.936)</b>	<b>(4.437)</b>	<b>(6.197)</b>	<b>(3.894)</b>	<b>(2.772)</b>
<b>New savings</b>								
Inclusive Growth	0.000	n/a	(0.050)	(0.084)	0.000	0.000	0.000	0.000
<b>New Savings Subtotal</b>	<b>0.000</b>	<b>n/a</b>	<b>(0.050)</b>	<b>(0.084)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Programme</b>	<b>(58.276)</b>	<b>75.3</b>	<b>(12.862)</b>	<b>(31.020)</b>	<b>(4.437)</b>	<b>(6.197)</b>	<b>(3.894)</b>	<b>(2.772)</b>
<b>Percentage of Total Programme excluding new savings</b>	<b>100.00%</b>		<b>21.99%</b>	<b>53.09%</b>	<b>7.61%</b>	<b>10.63%</b>	<b>6.68%</b>	<b>n/a</b>

In total £3.894m is undeliverable and £6.197m is at red status. Directorates will have to identify recovery plans to address this and bring these proposals to Cabinet where there is a policy implication. These could be alternative proposals or one-off mitigations. This will be addressed at Member led Star Chamber Meetings. £2.772m of one-off mitigations and £0.134m of new savings have been identified at Period 4.

3.2 Definitions of the savings classifications are as follows:

- Fully delivered (Blue) – the saving has been fully implemented and the saving has been achieved.
- On track (Green) – Savings that are on target to meet delivery milestones and are expected to deliver the level of savings anticipated.
- At risk (Amber) – Savings yet to be delivered and there may be some risks to the delivery milestones and/or the level of savings originally anticipated.
- Non Delivery (Red) – the saving are experiencing difficulty in achieving their delivery plan milestones and/or the level of savings originally



anticipated; mitigations will need to be identified immediately for consideration and approval via Cabinet.

- Undeliverable (Purple) – the Council is no longer pursuing this saving as it is no longer considered to be achievable. An immediate action is needed to develop an alternative proposal to deliver the value of the saving that will be considered and approved by Cabinet.
- One-off mitigation – an approved saving has had trouble being delivered in the way anticipated and has been assessed as red/purple, but a one-off mitigation has been identified within the service area which need to be reported to and considered by Cabinet as appropriate.

Table 3: Movement in Forecast Delivery of the 2019/20 Savings Programme							
	Blue - Fully Delivered	Green-On Track	Amber-At Risk	Red-Non Delivery	Purple- Undeliverable		One off Mitigations
	£m	£m	£m	£m	£m		£m
Period 4 Forecast	(12.862)	(31.020)	(4.437)	(6.197)	(3.894)		(2.772)
Period 3 Forecast	(11.768)	(25.615)	(11.044)	(6.749)	(3.234)		(1.040)
(Increase)/Decrease	(1.094)	(5.405)	6.607	0.552	(0.660)		(1.732)
Percentage Change (%)	9.3	21.1	(59.8)	(8.2)	20.4		166.5

#### 4. Risks and Mitigations

4.1 There are a number of risk areas identified across Directorates that are being highlighted in summary to ensure proactive management and mitigation. However, the Directorate is not yet able to assess and quantify those risks fully to include them in the forecast. Therefore, they are not currently included within the forecast outturn position. These will be tracked and progress reported in future reports. **Further details of Directorate Risks and Mitigations are set out in Annexes 1-11.**

#### 4.2 Education and Skills:

- Travel Assist: there are additional risks of increased costs in a number of areas within Travel Assist which cannot be quantified yet.
- SENAR Staffing: a potential shortfall has been identified due to reduced grant funding
- Early Years Day Nurseries: there are potential costs as a result of the transfer of day nurseries. There is also uncertainty on assumed income from leases which can not be confirmed until the lease negotiations are fully completed.
- Adult Education: there is a potential shortfall on the income from fees and charges. Measures to mitigate this are being explored.
- Education PFI: A significant amount of work has been undertaken and the reserves that will be needed to cover liabilities to the end of 2026/27 have been determined. The position is currently being considered by the Director of Education and Skills and the s151 officer.
- Libraries: there is a potential issue of £0.100m relating to an underachievement of income. Further work is being undertaken to investigate this.

#### 4.3 Neighbourhoods:

- Housing Options is currently showing an overspend £1.600m, however if homelessness cases presenting increase beyond the capacity of housing services, costs may increase by an estimated £4.000m.
- Coroners: there are ongoing building and maintenance costs for the Coroners court and Mortuary services which can not be quantified yet.
- Shelforce: The service is working on alternative income stream to cover a potential shortfall.

4.4 Neighbourhoods is engaged in a series of Member led 'deep dive' star chambers and is actively working to develop a recovery plan across a range of services to mitigate the known pressures and overspends. These will be addressed in a future report. The Directorate is investigating how costs can be reduced in a number of areas. These are yet to be quantified:

- Street Scene: Partnerships are being explored with other local authorities to share resources and improve productivity. However savings are unlikely to be achieved in the short term.
- Street Scene- a partial mitigation for costs within street cleansing at major events. The service proposes to introduce a bond scheme at safety advisory groups to ensure that costs of mopping-up operations are recovered from Event organisers.
- Parks: the service is progressing further potential land sales as part of existing savings initiatives
- Neighbourhoods: the service is exploring a change in service offer
- Housing: The service is planning to launch two pilots to test new ways of working as part of the housing redesign model, a prevention hub model and Homeless on the Day approach.

## 5. Future Years Issues

- 5.1 Table 4 identifies forecast levels of non-achievement of savings in future years in relation to those savings classed as red or purple. It will be necessary for alternative savings proposals to be identified for consideration by Cabinet if the approved savings plans cannot be delivered as originally proposed and require policy decisions.

<b>Table 4: Forecast Levels of Non Delivery of Savings at Period 4 in All Years</b>				
<b>Directorate</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Adult Social Care	0.918	0.000	0.000	0.000
Digital & Cust Services	0.000	0.140	0.140	0.140
Education & Skills	0.000	2.488	2.488	2.488
Finance & Governance	0.500	0.500	0.500	0.500
Human Resources	0.000	0.000	0.000	0.000
Inclusive Growth*	0.846	1.734	2.413	3.059
Neighbourhoods	4.921	3.126	3.805	3.455
Partnerships, Insight and Prevention	0.000	0.000	0.000	0.000
<b>Directorate Subtotal</b>	<b>7.185</b>	<b>7.988</b>	<b>9.346</b>	<b>9.642</b>
Corporate Savings	0.000	0.525	0.925	0.925
<b>Period 4 Total Programme</b>	<b>7.185</b>	<b>8.513</b>	<b>10.271</b>	<b>10.567</b>
Period 3 Total Programme	8.809	8.226	9.125	9.771
<b>Increase/ (Decrease)</b>	<b>(1.624)</b>	<b>0.287</b>	<b>1.146</b>	<b>0.796</b>
<b>Percentage Change (%)</b>	<b>-18.44%</b>	<b>3.49%</b>	<b>12.56%</b>	<b>8.15%</b>

\*These figures are net of new savings identified in Table 2.

Note: figures in 2019/20 include one off mitigations

- 5.2 Whilst the focus of this report is on the delivery of the 2019/20 budget, the monitoring process allows the opportunity to consider what issues may have been identified which have not been provided for in previous plans.

- 5.3 Key future years issues include the following:

- Education & Skills: £2.488m savings non delivery on Travel Assist and £1.484m potential costs of alternative provision in base budget: This has increased by £0.084m since Period 3. Following the administration in March of one of the Travel Assist main transport providers it has been necessary to secure alternative provision for this service. Discussion and negotiation has been underway since April and the expected additional cost of this provision with an alternative provider has been factored into the forecast. In addition the Travel Assist savings which were targeted for 2019/20 and 2020/21, though are red-rated have been flagged as a future year's issue.
- Education & Skills PFI reserve: At the 2018/19 Outturn the Council recognised the need to create an Education PFI Reserve in order to ensure that there are

sufficient resources to fully finance the remaining life of the contract to the extent that the unitary payments exceed the Government grant received in future years. A significant amount of work has been undertaken reviewing the Education PFI contracts. It is envisaged that an additional £5.162m would be needed in PFI reserve to cover expected PFI liabilities to the end of the term of the contracts. This is currently being considered by the Director of Education and Skills and the s151 Officer together with options for strengthening contract management arrangements in the future.

- Inclusive Growth: £0.240m on Central Administration Building income
- Neighbourhoods: a future requirement for Vehicle Replacement beyond the current approved capital investment; there is a continual growth in waste to be collected and this will put pressure on street scene services in future years; responsive repair bills across all Directorate property and assets and cost of temporary accommodation for homeless people to address increasing demand

5.4 Further details are contained in in Annexes 1-11.

## 6. Reserves

- 6.1 The Council operates a policy of not using reserves unless they have been set aside for specific purposes; they will not be used to mitigate the requirement to make savings or meet on-going budget pressures. In the main, use of reserves relates to grant reserves where the funding has been received prior to the requirement to spend the resource. The Council also has earmarked reserves where it has made a decision to set money aside to fund specific costs when they occur in later years. Use of such reserves should be strictly in accordance with the purpose for which it was approved.
- 6.2 The Council anticipated the use £26.975m of reserves in setting the 2019/20 budget. This is summarised in Table 5.

Table 5: Summary (Use of) / Contribution to Reserves					
Reserve	Original Budgeted (Use) /Contribution	Budget Approved Period 3	Changes Proposed At Period 4	Forecast Proposed (Use) /Contribution at Month 4	Variance to Period 3
	£m	£m	£m	£m	£m
General Reserves*	(5.910)	(5.910)	0.000	(5.910)	0.000
Corporate	11.861	15.364	0.000	15.364	0.000
<b>Subtotal All Corporate</b>	<b>5.951</b>	<b>9.454</b>	<b>0.000</b>	<b>9.454</b>	<b>0.000</b>
Other Reserves					
Grant	(29.206)	(19.448)	0.000	(19.448)	0.000
Earmarked	(3.719)	(7.896)	0.000	(7.896)	0.000
Schools	0.000	0.000	0.000	0.000	0.000
Non Schools DSG	0.000	(1.199)	0.000	(1.199)	0.000
<b>Subtotal Other</b>	<b>(32.926)</b>	<b>(28.543)</b>	<b>0.000</b>	<b>(28.543)</b>	<b>0.000</b>
<b>Total</b>	<b>(26.975)</b>	<b>(19.090)</b>	<b>0.000</b>	<b>(19.090)</b>	<b>0.000</b>

\*Agreed as part of the Reserves Policy

- 6.3 There have been no changes to the budgeted use of reserves approved by Cabinet at Period 3.
- 6.4 There is a budgeted use of £5.910m of General Reserves, which is in line with the Reserves Policy. This is to fund the additional revenue costs arising from a retrospective change in the Council Minimum Revenue Provision Policy (MRP), approved by the Council in February 2018. This is a planned use agreed within the Council's Reserves Policy and is due to phase out over a number of years as the Council identifies alternative ways to address these additional costs. No further uses of general reserves are planned.
- 6.5 There are no further changes to the use of Corporate Reserves since those approved by Cabinet at Period 3.
- 6.6 The Council holds Grant Reserves for the unused element of grant support for which the conditions of the grant are expected to be met. The reserves will be used to meet future years' expenditure for the service for which the grant was

awarded. There are no further changes to the use of Grant Reserves since those approved by Cabinet at Period 3.

- 6.7 The Council holds Earmarked Reserves where resources have been set aside to support future years' service delivery. These reserves can only be used for specific purposes. There are no further changes to the use of Earmarked Reserves since those approved by Cabinet at Period 3.
- 6.8 There are no further changes to the use of non-Schools DSG Grant Reserves since those approved at Period 3.

<b>Table 6: Forecast Reserves Balance</b>				
<b>Reserve</b>	<b>Balance 31/03/19</b>	<b>Budgeted (use)/ contribution at Period 3</b>	<b>Changes proposed Period 4</b>	<b>Forecast Balance 31/03/20</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Corporate Reserves	218.270	9.454	0.000	227.724
Earmarked	35.375	(7.896)	0.000	27.479
Grant	262.597	(19.448)	0.000	243.149
Schools	34.255	0.000	0.000	34.255
Non Schools DSG	7.344	(1.199)	0.000	6.145
<b>Total</b>	<b>557.842</b>	<b>(19.090)</b>	<b>0.000</b>	<b>538.752</b>

## Adult Social Care Directorate Revenue Budget Management Report – Period 4 Forecast

### 1. Executive Summary

- 1.1 The Council set the Adult Social Care Directorate a net budget of £325.707m for 2019/20 at its meeting on 26 February 2019. This net budget is after approving a savings programme of £14.620m and requiring a further £1.690m savings to be delivered that were achieved on a one-off basis in 2018/19. Following budget adjustments, the net budget for the Directorate is now £325.847m.
- 1.2 At Period 4 the Adult Social Care Directorate forecasts that net spend for the year will be £325.847m. This would result in a balanced position. At Period 4 no new savings have been identified in the forecast other than mitigations already planned and being implemented. £0.918m of savings, not being delivered, are being mitigated by a net underspend on packages of care.
- 1.3 A deep dive into the 2019/20 budget is currently ongoing to understand cost drivers and mitigations for the Service, and the outcome of this work will be used to inform the outturn position for the Directorate at period 5.

Table 1: Period 4 Forecast Outturn Position									
Directorate	Original Budget	Current Budget	Period 4 Forecast Outturn	Forecast Base Budget Over/	Forecast Savings Non-delivery	Period 4 Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
Director	26.684	11.844	11.844	0.000	0.000	0.000	0.000	0.000	0
Adult Packages of Care	202.394	212.608	210.408	(2.200)	0.000	(2.200)	(2.200)	0.000	0
Assessment & Support Planning	35.752	42.496	42.496	0.000	0.000	0.000	0.000	0.000	0
Specialist Care Services	29.071	29.071	31.271	1.282	0.918	2.200	2.200	0.000	0
Commissioning	31.805	29.828	29.828	0.000	0.000	0.000	0.000	0.000	0
<b>Total</b>	<b>325.707</b>	<b>325.847</b>	<b>325.847</b>	<b>(0.918)</b>	<b>0.918</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0</b>



**Key Issues Identified up to Period 4 and changes since Period 3**

- 1.3 There is a small degree of variation in spend against budget, however this does not impact on the projected balanced position of the Directorate which remains the same as Period 3.

**Risks identified but not yet included in the Forecast**

- 1.4 No further risks identified at this stage.

- 1.5 No savings are at risk.

**Future Years**

- 1.6 There is no anticipated non-delivery of savings in future years; however a deep dive into the budget for 2019/20 and future years is being carried out during period 5 to assess and inform achievement against the savings programme.

<b>Future Years Issues</b>			
	<b>2020/21 £m</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>
Base Budget Pressures	0	0	0
Savings	0	0	0
Mitigations	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Digital and Customer Services Directorate

### 1. Executive Summary

- 1.1 The Council set the Digital and Customer Services Directorate (D&CS) a net budget of £26.822m for 2019/20 at its meeting on the 26<sup>th</sup> February 2019. This net budget is after approving a savings programme of £2.773m. Following budget adjustments, including allocations from Policy Contingency and transfers of services from other Directorates as part of the Council's new structure, the net original budget for the Directorate was revised to £22.046m and the current budget at Period 4 to £22.520m. There is also a savings target of £4.145m that were delivered as a one-off in 2018/19.
- 1.2 The D&CS Directorate is forecasting a nil variation to budget at period 4, a positive movement of £0.140m from the forecast outturn position reported at period 3.

**Table 1: Period 4 Forecast Outturn Position**

Directorate	Original Budget	Current Budget	Forecast Outturn	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement) / Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
Business Improvement	9.517	9.453	9.453	-	-	-	-	-	
Cust Services	8.566	8.087	8.087	-	-	-	-	-	
ICT & Digital	1.005	2.022	2.022	-	-	-	-	-	
Revenues and Benefits	2.791	2.791	2.791	-	-	-	0.140	(0.140)	
Director Digital and Customer Services	0.167	0.167	0.167						
<b>Directorate Total</b>	<b>22.046</b>	<b>22.520</b>	<b>22.520</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.140</b>	<b>(0.140)</b>	

Note: The original budget in table 1 includes hierarchy movement after the Council set the net budget for 2019/20 at its meeting on 26th Feb 2019

### Key Issues Identified up to Period 4 and changes since Period 3

- 1.3 There are no key issues reported at period 4 that had not been identified at period 3. At Period 3 the Directorate reported £0.140m overspend as a result of the non-essential savings target against the Revenues and Benefits service.
- Since Period 3 monitoring the service has identified mitigating action plans to bring the directorate spend in line with budget.

- The £0.140m will be absorbed through underspends within the directorate in 2019/20. Further work is underway to identify alternative/replacement saving ideas to replace the non-essential savings target in future years.
- A detailed bottom up budget is being built for the new Information, Technology and Digital Service and will be completed by Period 5. This will identify in granular detail the 2019/20 forecast and savings and confirm £12m saving required from 2020/21 budget on a recurrent basis. A review of the business case for the partial termination of the Capita Contract has been completed and this has confirmed the expected savings are still deliverable.

### **Risks identified but not yet included in the Forecast**

- 1.5 There are no risks currently identified with delivering £8m savings from the Capita Contract transition in this financial year. The transfer of the contract occurred on 1st August as planned. As this project is currently on track the planned savings are being categorised as Green.

### **Future Years**

- 1.6 The Council plan to review of the Council Tax Support scheme starting in 2019/20. Any new proposals will be subject to extensive consultation and, dependent on the outcome of the consultation, changes may be made to the level of support awarded.

At Period 3 the Directorate reported £0.140m non-essential spending savings as not achievable within the Revenues and Benefits service. As reported in paragraph 1.3 the service is working on alternative savings to replace this savings target for future years.

- 1.7 Describe any issues that may impact on future years' budgets.

<b>Future Years Issues</b>			
	<b>2020/21 £m</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>
Base Budget Pressures			
Savings - Non-essential spending	0.140	0.140	0.140
Mitigations			
<b>Total</b>	<b>0.140</b>	<b>0.140</b>	<b>0.140</b>

## **Education & Skills Directorate Revenue Budget Management Report – Education & Skills Corporate Report**

### **Period 4: General Fund Forecast**

#### **1. Executive Summary**

- 1.1 The Council set the Education & Skills Directorate a net budget of £255.477m for 2019/20 at its meeting on 26 February 2019. This net budget is after approving a savings programme of £8.837m. Following budget adjustments relating to the Council restructure, the net budget for the Directorate is now £262.376m.
- 1.2 The budget includes a number of services which have been transferred in from the Neighbourhoods and Inclusive Growth directorates, including Libraries, Adult Education, Careers, Youth Service and Employment Services. The overall budget of transferred services as at period 4 is £24.394m. This report incorporates the financial position of these services.
- 1.3 At Period 4 the Education & Skills Directorate forecasts that net spend for the year will be £262.376m. This represents a £nil variance to budget and an improvement of £1.792m since Period 3, which is represented by increased overspends of £0.504m, offset by the application of Policy Contingency funding for Travel Assist of £2.296m, which was approved by Cabinet on 15 July 2019. The total potential Policy Contingency funding available is £2.897m, though at this stage only the amount required to achieve a balanced budget has been taken into account. This will be kept under review for future monitoring periods and the Education & Skills Directorate continue to seek opportunities for further savings where possible.

#### **Key Issues Identified up to Period 4 and changes since Period 3**

- 1.4 The key issues that are included within the Education & Skills Directorate's forecast overspend are:
  - Children with Complex Needs Transport (Travel Assist) – a £0.370m overspend is being forecast at period 4 (£2.212m overspend at Period 3). This improvement of £1.842m relates to an increased overspend of £0.454m from period 3, made up of an expected increase in the non-delivery of savings of £0.173m and additional costs identified relating to the administration of ATG of £0.281m, relating to pre-administration invoices and increased vehicle repairs under administration, offset by the application of Policy Contingency funding for Travel Assist of £2.296m
  - Early years - overspend of £0.158m (£0.228m at Period 3) – An improvement of £0.070m due to the planned TUPE transfer of staff of Early Years staff to BCHC.
  - Business Transformation (IT) –£0.100m overspend (no change since period 3)

- Children's Trust (Intelligent Client Function) & Disabled Children's Social Care – £0.254m overspend (no change)
- Libraries - £0.100m overspend (no change)
- Other variations since period 3 across the directorate account for £0.076m.

1.5 Mitigations/New Savings that have been identified and factored into the overall forecast for the Directorate are:

- Education Skills & Infrastructure – a net saving of £0.414m (no change since period 3)
- Premature retirements – savings of £0.096m (no change) and £0.018m (no change)
- Strategic Leadership – the Council have recently received notification from the DFE that it will receive additional funding of £0.500m (no change) in 2019/20 of School Improvement Monitoring and Brokering Grant. This grant is non-ring fenced. As reported at month 3, 66% of this grant had previously been allocated to Birmingham Education Partnership, to enhance the contracted School Improvement offer. However, in view of the spend pressures within the directorate, £0.113m (23%) will be allocated for School Improvement work relating to primary exclusions and £0.377m of the grant will be retained by BCC to mitigate pressures. In addition there is a forecast underspend of £0.100m (no change) in this budget relating to IT/ miscellaneous spending and part of the professional fees.
- Early years – a benefit of £53k (nil at period 3) has been identified relating to sickness and maternity costs no longer expected for staff seconded as part of the Early Years Health and Wellbeing contract. This assumes that staff will TUPE transfer out of BCC in September 2019.
- Associated with the need for alternative provision for the ATG contract and the expected shortfall in savings in Travel Assist a Cabinet report on the Home to School Transport contract award approved the underwriting of a potential shortfall of £2.897m from the Budget Delivery Policy Contingency. For this report for Period 4 an amount of £2.296m of Policy Contingency funding has been factored into the forecast.

**Risks identified but not yet included in the Forecast**

1.6 Base budget and savings programme risks that have not yet crystallised and mitigations that are being considered to address these, including financial implications, are:

- **Travel Assist Transport Provision.** The expected impact of the alternative provision for the transport provider who went into administration has been factored into the forecast. However, there are further risks which remain relating to this area which cannot yet be quantified:

- The current framework agreement for other transport providers expires in October and will be replaced by a new Dynamic Purchasing System (DPS) framework.
  - The new framework will need to reflect increased environmental standards requirements and the effect of the Birmingham Clean Air Zone, which is expected to come into force in July 2020 could lead to increased costs from suppliers and other changes which could lead to increased costs.
  - Any effect on costs of increasing numbers of SEND pupils requiring transport.
  - Additional costs associated with the period of administration of ATG have been identified for this reporting period, though the finalisation of administration costs is still under discussion with the administrators and further costs may emerge.
- **SENAR Staffing** - This budget supports SENAR staffing along with costs associated with tribunals, complaints and mediations. In previous years this budget has been supported by SEN Reform grant funding, which has now come to an end. The previous grant funding was £1.100m and whilst an increase to the budget was made this only amounted to £0.625m, leaving a potential gap of £0.475m. Based on the current staff in post and assuming that no vacancies are filled during the year, current projections suggest a balanced budget is possible, however this remains an area of concern given the pressures and challenges facing the Special Needs sector. A review of the staffing structure is underway which will seek to align the structure with funding on a sustainable basis.
  - **Early Years Day Nurseries**– There is a budget set aside of £0.250m to support the whole of the EY estate. Whilst work is ongoing to ensure that costs are minimised, it is not yet clear if this will be sufficient to cover all of the expected costs, as the transfer of day nurseries may have an effect on costs. The assumed income from leases to Private Voluntary Independent organisations (PVIs) of the Day Nurseries is based on calculated lease costs. However it is possible that due to the state of some of the Day nursery buildings, this could reduce as part of the negotiations with providers. The impact cannot be confirmed until the lease negotiations are fully complete.
  - **Adult Education** - a potential overspend of £0.600m is being forecast relating to an expected shortfall on the income from fees and charges, which also arose in 2018/19. This is related to the Commercialisation savings which were agreed by the service before transferring to Education & Skills. Measures are being explored to mitigate this potential overspend in 2019/20. However, a more sustainable solution will be required going forward.
  - **Education PFI** –At the 2018/19 Outturn the Council recognised the need to create an Education PFI Reserve in order to ensure that there are

sufficient resources to maintain the Council Contribution over the remaining life of the contract to the extent that the unitary payments exceed the Government grant and contribution from schools received in future years. A significant amount of work has been undertaken reviewing the education PFI contracts. It is envisaged that an additional £3.383m would be needed in PFI reserve to cover expected PFI liabilities to the end of 2019/20, with a peak of £8.764m in 2026/27 with the reserve being released over the term of the contracts.

- **Libraries** – there is a potential issue of £0.100m relating to an underachievement of the income expected to be achieved by the Unique Venues Birmingham budget within the library service, further work is being undertaken to investigate this.

1.7 A service summary of the budget monitoring report is attached in Table 1.

Table 1: Period 4 Forecast Outturn Position							
Directorate	Original Budget	Current Budget	Period 4 Forecast Outturn	Period 4 Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	%
Service General Fund							
AD Inclusion & SEND	24.827	24.827	25.198	0.370	2.212	(1.842)	-7%
AD-JY (AD Education & Early Years - split role)	12.557	12.635	12.107	(0.528)	(0.528)	0.000	0%
AD-SS (AD Education & Early Years - split role)	185.240	184.874	185.286	0.411	0.481	(0.070)	0%
Director & DCS - Strategic Leadership	15.326	15.315	14.962	(0.353)	(0.473)	0.120	1%
AD Skills and Employability	24.418	24.724	24.824	0.100	0.100	0.000	0%
Education & Skills	262.369	262.376	262.376	0.000	1.792	(1.792)	-1%

Note: The original budget in table 1 includes hierarchy movement after the Council set the net budget for 2019/20 at its meeting on 26th Feb 2019

## Savings

### 2. Overview of the Savings Programme

- 2.1 The Directorate has a savings programme of £8.837m in 2019/20 growing to £13.167m in 2022/23. These savings in 2019/20 form part of the base budget and their assumed level of delivery forms part of the overall forecast position.
- 2.2 The main saving at risk in Education & Skills is the Travel Assist saving of £1.718m, of which £1.491m is flagged as undeliverable and £0.227m amber rated. In addition there are a number of savings which are currently flagged as Amber rated, though the intention with these is that remedial action will be taken over the remainder of 2019/20 to ensure delivery or mitigation. The £1.491m is being covered in 2019/20 by a one-off Policy Contingency allocation.
- 2.3 Savings of £1.111m for Efficiency, WOC and Management review have been made on a one off basis in 2019/20. Sustainable solutions for these savings will need to be identified from 2020/21 onwards.

### 3. Future Years Issues

- 3.8 Whilst the focus of this report is on the delivery of the 2019/20 budget, the monitoring process allows the opportunity to consider what issues may have been identified which have not been provided for in previous plans.
- 3.9 Key future years issues include...

<b>Future Years Issues</b>			
	<b>2020/21 £m</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>
PFI Reserve (Note 1)	2.135	1.041	0.805
Travel Assist (Note 2)			
- alternative provision for provider in administration	1.484	1.484	1.484
- red-rated savings risk	2.488	2.488	2.488
<b>Total</b>	<b>6.107</b>	<b>5.013</b>	<b>4.777</b>

**Note 1 PFI Reserve.** It should be noted that a further £1.181m will be required between 2023/24 to 2027/28.



**Note 2 Travel Assist.** Following the administration in March of one of the Travel Assist main transport providers it has been necessary to secure alternative provision for this service. Discussion and negotiation has been underway since April and the expected additional cost of this provision with an alternative provider has been factored into the forecast. In addition the Travel Assist savings which were targeted for 2019/20 and 2020/21, though are red-rated have been flagged as a future year's issue.

Other potential risks not yet quantified are:

- Early Years– transition to new contractual arrangements
- Children Trust commissioning pressures relating to Looked After Children (LAC) placement demand and remand pressures.
- New Dynamic Purchasing System (DPS) framework for remaining Home to School transport provision
- Service demand pressures
- Workforce Sustainability

## Finance and Governance Directorate Revenue Budget Management Report Period 4 Forecast




### 1. Executive Summary

1.1 The Finance and Governance (F&G) Directorate net budget for 2019/20 as set at the Council's meeting on 26 February 2019 is £24.914m. This net budget is after approving a savings programme of £2.261m and requiring a further £0.530m savings to be delivered that were achieved on a one-off basis in 2018/19. Following budget adjustments in-year, the net budget for the Directorate is now £24.389m.

1.2 At Period 4 F&G is forecasting an overspend of £1.609m. The forecast overspend is made up by a forecast Base Budget overspend within Development & Commercial of £1.663m which is offset by a small underspend of £0.053m in Audit. The Directorate is actively pursuing solutions to resolve this position.

**Table 1: Period 4 Forecast Outturn Position**

Division	Original Budget	Current Budget	Period 4 Forecast Outturn	Period 4 Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	%
Development & Commercial	(4.374)	(4.374)	(2.711)	1.663	0.749	0.914	20.9%
Service Finance	20.005	19.396	19.396	0.000	0.000	0.000	0%
GBSLEP	0	0.000	0.000	0.000	0.000	0.000	0%
City Solicitor	7.754	7.709	7.709	0.000	0.000	0.000	0%
Birmingham Audit	1.529	1.657	1.604	(0.053)	(0.007)	(0.046)	2.8%
Holding Accounts and Other Funds	0	0.000	0.000	0.000	0.000	0.000	0%
<b>Directorate Total</b>	<b>24.914</b>	<b>24.389</b>	<b>25.998</b>	<b>1.609</b>	<b>0.742</b>	<b>0.867</b>	3.6%

Table 1a: Period 4 Forecast Outturn Position for Development and Commercial						
Directorate	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Summary Action Plan	Target Date for completed actions	Direction of Travel (green/red/amber arrows)
	£m	£m	£m			
D & C Finance team	0.000	0.000	0.000			
Major Projects	0.000	0.000	0.000			
Birmingham Loans	0.000	0.000	0.000			
Other Investments	0.000	0.000	0.000			
Acivico Profit Share	0.000	0.000	0.000			
Services managed by Acivico	0.000	0.000	0.000			
Procurement Services	0.336	0.000	0.336	Procurement Maturity assessment and Contract review	Oct/Nov 2019	
Outdoor Advertising	( 0.087)	0.500	0.413	Directorate wide budget deep dive and Spend review	Sept/Oct 2019	
Commercial Business	0.914	0.000	0.914	Service remodelling underway	Oct/Nov 2019	
<b>Total</b>	<b>1.163</b>	<b>0.500</b>	<b>1.663</b>			

### Key Issues Identified up to Period 4 and changes since Period 3

1.3 The key issues that are included within the F&G Directorate's forecast overspend are:

#### 1.3.1 Development & Commercial

Development and Commercial is reporting a forecast outturn overspend of £1.663m against an annual budget of (£4.374m). The forecast overspend is made up of:

- Existing Pressures
  - £1.111m projected shortfall against the Digital advertising mitigated partly by £0.682m non contribution to the World Indoor Athletics (WIA) reserve and £0.016m of other Minor Variations resulting in a £0.413m overspend (no change since period 3)
  - £0.336m projected shortfall on Procurement income. (no change)
- New pressures identified at period 4
  - £0.402m budget pressure for Civic Cleaning has been forecast. This pressure has arisen mainly as a result of the current hourly rate (charged for delivering cleaning) being below that of the external market and does not cover the actual cost of providing the service. There has been no increase in the hourly charge rate to absorb the impact of increased operational costs since 2009 (i.e. Employee costs, Birmingham Living Wage, supplies and services

etc.). If the hourly rate is increased to cover the costs of providing the service this will increase the costs to other directorates using the cleaning service.

Civic Cleaning returned to the Council in April 2019 from Acivico with an annual trading deficit of £1.100m of which £0.530m was overhead cost.

- £0.512m budget pressure on City Serve Schools Catering trading budget has been forecast. This projection is mainly as a result of significant shift in the marketplace, combined with unachievable levels of savings levelled against this traded service and schools leaving City Serve in greater numbers due to increasing cost of our service, when compared with the private sector. The overheads (including our contribution to the Pension strain) are now making the business unaffordable to schools.

### **Mitigation Plan**

- The £1.111m forecast income shortfall in Outdoor Advertising is being mitigated partly by £0.682m non contribution to the World Indoor Athletics (WIA) reserve and £0.016m of other Minor Variations.
- A procurement maturity assessment with external partners commenced in July with a view to helping shape the future of the Council's Procurement department for the benefit of the wider organisation. The additional budget of £0.105m required to deliver this piece of work was approved at Cabinet at period 3 via Policy Contingency.
- Civic Cleaning and Schools Catering – the service is currently re-modelling how the business needs to look in order to both apply possible mitigations for this financial year, but also to stem the downward trend for the future. A Corporate Management Team (CMT) paper that sets out the need to significantly reduce the expectations from City Serve in the coming years as part of an “invest to save” initiative to protect the business and to secure its future as a Municipal provider of school meals and a true alternative to the private sector is to be produced in due course.

### **1.3.2 Service Finance**

At the end of period 4, Service Finance is reporting a nil variance, following the approval of the Invest to Improve Budget request in period 3 to fund planned improvement work.

The Finance Service is in the final stages of developing a comprehensive improvement plan that will cover 2019/20 and 2020/21 to achieve an improvement to 3-star rating in Financial Management across the Council during 2020. This plan is due to be completed and incorporated into the Finance Business Plan. This incorporates a number of improvement work streams, some of which are in delivery, with the final elements linked to the introduction of new financial systems.

### 1.3.3 Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP)

The GBSLEP is a self-funded service made up of a gross expenditure budget of £1.172m against a gross income budget of £1.172m. At the end of period 4, GSLEP is reporting a nil variance. (No change since period 3)

### 1.3.4 City Solicitor

At the end of period 4, City Solicitor is reporting a nil variance against a net current budget of £7.754m. A budget deep dive is planned in readiness for period 5 monitoring to ensure better transparency and budget integrity.

### 1.3.5 Birmingham Audit

At the end of period 4, Birmingham Audit is reporting a £0.053m underspend against a net current budget of £1.657m. This is a small improvement on the £0.007m underspend reported in period 3 and is due to increases in recovery income from suppliers

## 1.4 Risks identified but not yet included in the Forecast

The savings identified as “at risk” (i.e. amber) at period 4 and the management actions being put in place to ensure that they will be delivered are listed below:

Savings Reference	Proposal Title / Description	Amount £m	Commentary
CC104 19+	Commercialisation	0.146	Directorate inherited savings as part of restructure. Savings lead identified at period 3
CC106 19+	Contract Management Savings Opportunities	0.300	Paper agreed at CMT regarding delivery of this saving. Contracts for renewal etc. being drawn up for each directorate by CPS to identify potential opportunities for savings delivery and how these can be met by directorates. Maturity assessment by PWC underway.
FG102 19+	Reduced External Legal Spend	0.200	Working group being established to put in place framework for delivery of reduced external legal fees. Paper to go to CMT to set out options for savings delivery. Saving may have to be delivered in an alternative way in short term pending outcome of working group. To be monitored closely.

## 1.7 Future Years

Issues that have the potential to impact on future years' budgets (excluding inflation adjustments) are presented in table 2 below.

Future Years	2020/21 £m	2021/22 £m	2022/23 £m	Comments
<b>Base Budget</b>	0.129	0.129	0.129	Budget for AD Audit post needs to be reinstated for 2020-21 onwards
	0.181	0.158	0.109	Realignment of Millennium Point Loan
	0.780	0.710	0.576	Digital Advertising Base Budget shortfall
	0.218	0.218	0.218	NNDR Budget Realignment
<b>Savings</b>	0.500	0.500	0.500	CC4 17+, SS002a and Digital Advertising Savings shortfall
<b>Mitigations</b>	0	0	0	
<b>Total</b>	<b>1.808</b>	<b>1.715</b>	<b>1.532</b>	

## Human Resources

### Revenue Budget Management Report – Period 04 Forecast

#### 1. Executive Summary

1.1 The Council set the Human Resources (HR) Directorate a net budget of £6.629m for 2019/20 at its meeting on the 26<sup>th</sup> February 2019. This net budget is after approving a savings programme of £0.514m and requiring a further £0.204m savings to be delivered that were achieved on a one-off basis in 2018/19. Following changes to the Council's structure, the net original budget for the Directorate is now £6.597m and remains unchanged at Period 4.

Table 1: Period 4 Forecast Outturn Position							
Directorate	Original Budget	Current Budget	Period 4 Forecast Outturn	Period 4 Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	%
Schools	0.141	0.141	0.141	0	0	0	
HR Services	6.456	6.456	6.456	0	0	0	
<b>Total</b>	<b>6.597</b>	<b>6.597</b>	<b>6.597</b>	<b>0</b>	<b>0</b>	<b>0</b>	

Note: The original budget in table 1 includes hierarchy movement after the Council set the net budget for 2019/20 at its meeting on 26th Feb 2019

1.2 At Period 4 the HR Directorate is forecasting that net spend for the year will be £6.597m resulting in a balanced budget.

#### **Key Issues Identified up to Period 4 and changes since Period 3**

1.3 No key issues have been identified at this stage for HR.

#### **Future Years**

1.4 No issues have been identified that affect future years.

**Inclusive Growth Directorate Revenue Budget Management Report – Period 4 Forecast****1. Executive Summary**

- 1.1 The Council set the Inclusive Growth Directorate a net budget of £103.977m for 2019/20 at its meeting on 26 February 2019. This net budget is after approving a savings programme of £2.836m and requiring a further £1.934m savings to be delivered that were achieved on a one-off basis in 2018/19. Following budget adjustments, including the transfer of Educational Skill and Infrastructure to Education and Skills Directorate plus other minor changes, the net budget for the Directorate is now £97.604m.
- 1.2 At Period 4 the Inclusive Growth Directorate forecasts that net spend for the year will be £98.838m. This would result in an overspend of £1.234m. The forecast overspend is made up by a Base Budget overspend of £0.388m and Savings non-delivery of £0.846m. The Inclusive Growth Directorate is actively pursuing solutions to resolve this position.

Directorate	Original Budget	Current Budget	Forecast Outturn	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
Inclusive Growth	£m	£m	£m	£m	£m	£m	£m	£m	%
P&D City Centre, EZ, BDI	3.257	(0.632)	(1.463)	(0.831)	0.000	(0.831)	(0.790)	(0.041)	6.487%
Transportation & Connectivity	46.159	46.238	46.038	(0.200)	0.000	(0.200)	0.000	(0.200)	-0.433%
P&D Strategy & Planning	0.963	4.596	4.211	(0.485)	0.100	(0.385)	(0.340)	(0.045)	-0.979%
Birmingham Property Services	(3.743)	(3.567)	(1.501)	2.066	0.000	2.066	1.140	0.926	-25.960%
Housing Development	(0.322)	(0.322)	0.372	0.000	0.694	0.694	0.694	0.000	0.000%
Highways & Infrastructure	43.483	43.369	43.259	(0.162)	0.052	(0.110)	(0.110)	0.000	0.000%
Inclusive Growth Director	7.718	7.922	7.922	0.000	0.000	0.000	0.000	0.000	0.000%
Other Funds - Holding A/Cs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	N/A
<b>Directorate Total</b>	<b>97.515</b>	<b>97.604</b>	<b>98.838</b>	<b>0.388</b>	<b>0.846</b>	<b>1.234</b>	<b>0.594</b>	<b>0.640</b>	<b>0.656%</b>

Note: The original budget in table 1 includes hierarchy movement after the Council set the net budget for 2019/20 at its meeting on 26th Feb 2019

**Key Issues Identified up to Period 4 and changes since Period 3**

- 1.3 The key issues that are included within the Inclusive Growth Directorate's forecast overspend are:

Base Budget and Savings Key Issues:



- Planning & Development (City Centre, Management & EZ) - £0.831m Surplus (Period 3 £0.790m Surplus):
  - The forecast underspend has increased by £0.041m from period three due to revised timescales in appointing to vacant posts
- Transportation & Connectivity - £0.200m Surplus (Period 3 balanced):
  - £0.200m income surplus from employee recharges to projects. Since period 3 the estimated volume of professional support staff required has been identified based on an increasing workload. This will result in an increase in the value of income from recharges to projects by approximately £0.200m.
- Planning & Development (Strategy & BDI) - £0.385m Surplus (Period 3 £0.340m Surplus):
  - The forecast underspend has increased by £0.045 from period three due to revised timescales in appointing to vacant posts
- Property Services - £2.066m Deficit (Period 3 £1.140m Deficit):
  - £0.266m new Wholesale Markets pressure arising since period 3 from revised net rent budget assumptions
  - £0.660m CAB Buildings pressure (net of prudential borrowing savings which were going to be used for cyclical maintenance). This pressure has arisen mainly from increases in repairs and maintenance and electricity with minor increases also identified in water charges and rates, the full impact of these increases being offset through savings on prudential borrowing.
- Housing Development - £0.694m Deficit (no change from period 3):
- Highways & Infrastructure - £0.110m Surplus (no change from period 3):

Savings that cannot be achieved in line with the original proposals and their ongoing mitigations:

- No Change from period 3.

#### 1.4 Current budgetary pressures and the mitigations that are being considered, (including financial implications where known):

<b>Table 1a: Period 4 Forecast Outturn Position for Assistant Director Property Services</b>						
<b>Directorate</b>	<b>Forecast Base Budget Over/ (Under)</b>	<b>Forecast Savings Non-delivery</b>	<b>Forecast Over/ (Under)</b>	<b>Summary Action Plan</b>	<b>Target Date for completed actions</b>	<b>Direction of Travel (green/red/amber arrows)</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>			
Commercial Income under-recovery	0.900	0.000	0.900	<ul style="list-style-type: none"> <li>Targeting High Value Lease Renewals/Rent Reviews;</li> <li>Targeting Supplemental Rents;</li> <li>Investment Strategy - Accelerating acquisition of new stock to generating increased rental income;</li> <li>External support engaged;</li> <li>Strategic review of the existing investment portfolio;</li> <li>Identification of target markets.</li> </ul>	End of August 2019	Amber
CAB Income under-recovery	0.240	0.000	0.240	<ul style="list-style-type: none"> <li>Review of CAB revenue budgets initiated to establish statutory minimum requirements and cost impact has identified supplementary pressure (see below). CMT paper to seek direction on funding budgetary requirements.</li> </ul>		
CAB – operational expenditure	0.660	0.000	0.660	<ul style="list-style-type: none"> <li>Includes off-set from proposed cyclical maintenance budget generated by working for the future prudential borrowing underspends.</li> </ul>	End of Sept 2019	New
Wholesale Markets Income under-recovery	0.266	0.000	0.266	<ul style="list-style-type: none"> <li>Examination of budget assumptions in FBC report and LTFP to actual operational performance and whether this can be improved.</li> </ul>	End of Sept 2019	New
<b>Total</b>	<b>2.066</b>	<b>0.000</b>	<b>2.066</b>			

<b>Table 1b: Period 4 Forecast Outturn Position for Assistant Director Housing Development</b>						
<b>Directorate</b>	<b>Forecast Base Budget Over/ (Under)</b>	<b>Forecast Savings Non-delivery</b>	<b>Forecast Over/ (Under)</b>	<b>Summary Action Plan</b>	<b>Target Date for completed actions</b>	<b>Direction of Travel (green/red/amber arrows)</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>			
Housing Development InReach Commercial loan income under-recovery	0.000	0.694	0.694	<ul style="list-style-type: none"> <li>• Loan agreement drafted and circulated for re-commencement of negotiations;</li> <li>• Council and InReach to engage professional advice to consider risk and review of existing planned schemes for deliverability;</li> <li>• Other potential asset disposals to be identified for consideration.</li> </ul>	21/06/2019	Amber
<b>Total</b>	<b>0.000</b>	<b>0.694</b>	<b>0.694</b>			

Detail of anticipated implications upon levels of service provision:

- There are no anticipated negative implications on levels of service provision as a direct result of the key issues identified.

Use of base budget underspend:

- Base budget mitigations will be identified where possible to balance the position either at a Division of Service or Directorate level. Please refer to section 1.3 for the current forecast base budget surpluses by Division of Service.

### **Risks identified but not yet included in the Forecast**

- 1.6 The Inclusive Growth Directorate is not reporting any base budget or saving programme risks/associated mitigations in addition to those detailed.
- 1.7 The Inclusive Growth Directorate is not reporting any savings identified as “at risk” (i.e. amber).

### **Future Years**

- 1.8 Describe any issues that may impact on future years’ budgets.

<b>Future Years Issues</b>			
	<b>2020/21 £m</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>
Base Budget Pressures			
Property Services:			
Central Administration Building (CAB) Income	0.240	0.240	0.240
Commercial Income (linked to Commercial Income saving below)	TBC	TBC	TBC
Highways & Infrastructure:			
Highways Energy Costs – Annual increases.	TBC	TBC	TBC
Savings			
Identification of potential values subject to progress made as a result of mitigation actions detailed above and/or general progress on saving delivery:			
Property Services:			
Commercial Income	TBC	TBC	TBC
Operational Hub Programme	TBC	TBC	TBC
Housing Development:			
InReach (Birmingham) Ltd Loan Income	TBC	TBC	TBC
Mitigations			
Identification of potential values subject to progress made as a result of mitigation actions detailed above.	TBC	TBC	TBC
<b>Total</b>	<b>TBC</b>	<b>TBC</b>	<b>TBC</b>

## Revenue Budget Management Report

### Neighbourhoods Directorate

#### 1. Executive Summary

- 1.1 The Council set the Neighbourhoods Directorate a net budget of £99.843m for 2019/20 at its meeting on 26 February 2019. This net budget is after approving a savings programme of £14.982m and requiring a further £3.582m savings to be delivered that were achieved on a one-off basis in 2018/19. The Net Budget is now £99.545m due to Safer Places Service transferred to ACE (Asst Chief Executive Directorate).
- 1.2 At Period 4, it is anticipated that net spend for the year will be £112.501m, a forecast overspend of £12.956m (12%). The Department is working on a recovery plan with the support of the Member led Star Chamber to present to Cabinet at the earliest opportunity.
- 1.3 For the Housing Revenue Account a balanced overall revenue position is forecast, with any net overspends or underspends to be managed by corresponding adjustments to the level of HRA borrowing repaid or an additional contribution to the capital investment programme.

Directorate	Original Budget	Current Budget	Forecast Outturn	Forecast Base Budget Over / (Under)	Forecast Savings Non-delivery	Forecast Over / (Under)	Period 3 Forecast Over / (Under)	Change since Period 3 (Improvement) / Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
Street Scene	66.363	66.043	71.483	4.410	1.030	5.440	6.330	(0.890)	1%
Housing Services	3.760	3.637	5.237	1.550	0.050	1.600	1.600	0.000	0%
Neighbourhoods	15.310	15.078	19.424	3.212	1.134	4.346	4.346	0.000	0%
Regulation & Enforcement	0.788	0.619	0.766	(0.063)	0.209	0.146	0.293	(0.147)	24%
Business Support	13.344	14.168	15.592	(1.074)	2.498	1.424	1.424	0.000	0%
<b>Total</b>	<b>99.565</b>	<b>99.545</b>	<b>112.502</b>	<b>8.035</b>	<b>4.921</b>	<b>12.956</b>	<b>13.993</b>	<b>(1.037)</b>	<b>1%</b>

#### 1.4 Key Issues Identified up to Period 4 and changes since Period 3

The key issues that are included within the Neighbourhoods Directorate's forecast overspend are discussed below. Recovery plans have been developed so that the directorate operates within budget range and will be reported to Cabinet at the earliest opportunity. The financial assessment and impact on the overall outturn is currently being calculated. Service redesigns are being undertaken in Street Scene, Parks and Housing Services. The use and replacement of assets such as the waste fleet is being evaluated to improve cost efficiency and service uptime. Contracts for services with partners and commercial entities are being assessed to see whether different models can be procured to deliver

greater value to customers. Changes since Period 3 are analysed in the following section.

**Street Scene Service** – Overspend £5.440m (8%) (Period 3 £6.330m)

Service	Annual		
	Budget £m	Forecast £m	Variance £m
Waste Management	54.591	59.251	4.660
Parks and Nature	11.452	12.232	0.780
<b>Net Expenditure for Service Committee</b>	<b>66.043</b>	<b>71.483</b>	<b>5.440</b>

- The £0.890m improvement relates to lower prudential borrowing charges in line with capital spend on Street Scene Vehicle replacement schemes. This is based on an assumption that the capital investment in replacement vehicles will take a lead time of 6 to 9 months.

**Neighbourhoods Service** – Overspend, £4.346m, (28%) (No overall change since period 3)

Service	Annual		
	Budget £m	Forecast £m	Variance £m
Community Sport	4.034	8.024	3.990
Neighbourhoods	2.470	2.228	(0.242)
Cultural Development	8.574	9.172	0.598
<b>Net Expenditure for Service Committee</b>	<b>15.078</b>	<b>19.706</b>	<b>4.346</b>

**Housing Service** – Overspend, £1.600m, (44%) (No overall change since period 3)

Service	Annual		
	Budget £m	Forecast £m	Variance £m
Private Sector Housing	(0.253)	(0.253)	0.000
Housing Options	4.133	5.733	1.600
Shelforce	(0.243)	(0.243)	0.000
<b>Net Expenditure for Service Committee</b>	<b>3.637</b>	<b>5.237</b>	<b>1.600</b>

**Regulation & Enforcement Service** - £0.146m, (24%) (Period 3 £0.293m)

Service	Annual		
	Budget £m	Forecast £m	Variance £m
Bereavement Services	(4.981)	(4.951)	0.030
Markets	(1.281)	(0.931)	0.349
Regulatory Services	6.880	6.647	(0.233)
City Centre	0.001	0.001	0.000
<b>Net Expenditure for Service Committee</b>	<b>0.619</b>	<b>0.766</b>	<b>0.146</b>

- The improvement of £0.146m relates to a combination of underspends in salaries, premises and transport of £0.349m compared with £0.203m at month 3 offsetting the lower market income reported previously.

**Business Support** - £1.424m, Overspend (10%) (No overall change since period 3)

Service	Annual		
	Budget £m	Forecast £m	Variance £m
Neighbourhoods Business Support	1.072	1.272	0.200
Neighbourhoods Central Support Cost	13.096	14.320	1.224
<b>Net Expenditure for Service Committee</b>	<b>14.168</b>	<b>15.592</b>	<b>1.424</b>

### 1.5 Risks identified but not yet included in the Forecast

The directorate has identified a number of risks which are being actively managed, these include:

- Housing Options is currently showing an overspend £1.600m, however if homelessness cases presenting increase beyond the capacity of housing services, costs may increase by an estimated £4.000m.
- Coroners staffing risk of £0.436m is expected to be met within divisional budgets. However, there remains an unquantified risk regarding ongoing building and maintenance costs for the Coroners court and Mortuary services.
- Shelforce are working on alternative income streams to cover the £0.235m risk, for example, processing orders from Housing Revenue Account repairs and maintenance capital schemes and Mod Pod installations within our BMHT housing development programme.

- Neighbourhoods is actively working to mitigate the known pressures and overspends reported with a view to quantify and provide implementation plans over the coming weeks.
- Street Scene: with the loss of recharge income in fleet repairs, partnerships are being explored with other local authorities to share resources and improve productivity in line with service requirements, however, savings are unlikely to be achieved this year.
- Street Scene: as a partial mitigation for costs within street cleansing at major events the service proposes to introduce a bond scheme at safety advisory groups to ensure that costs of mopping-up operations are recovered from Event organisers.
- Parks service has identified potential, further land sales as part of existing saving initiatives (ref: SN45). Work is underway to quantify the value of the mitigation.
- Neighbourhoods: The Long Term Financial Plan and Transformational programme for leisure always anticipated a review of Health & Wellbeing Centres. The review will be concluded promptly once the future budget envelope, brought about by the duplicated budget savings, is resolved. In the meantime cost control measures are being implemented across the division to partially limit the inherent overspend in Sport & Wellbeing.
- Housing : Whilst the housing service aim to utilise B&B accommodation as the least favourable option (financially and for residents) we still face a pressure as current projections for temporary accommodation suggest a net increase of 15 households per week. To address this medium to longer term risk, the service are to launch two pilots to test new ways of working as part of the housing redesign model, a prevention hub model and Homeless on the Day approach.

## **1.6 Future Years – issues that may impact on future years budgets**

- Street Scene: future requirements for Vehicle Replacement beyond the current capital investment to address the aging fleet will be provided in a future report with a view to inform the future year's capital programme.
- Street Scene: there is a continual growth in Residual waste and fly-tipping, this will put pressure on Street scene services in future years beyond our current financial resources in the LTFP.



- Directorate wide: continued responsive repair bills across all directorate property and assets without a financial sustainable solution for example, repairs to aging community leisure centres, parks buildings, parks infrastructure, Mortuary services.
- Homelessness: capacity on temporary accommodation to anticipate and address increasing demand in Birmingham will require a joint approach with adult social care and other system partners.

## Partnerships, Insight and Prevention

### 1. Executive Summary


- 1.1 The Council set the Partnerships, Insight and Prevention (PIP) Directorate a net budget of £4.050m for 2019/20 at its meeting on 26 February 2019. This net budget is after approving a savings programme of £0.548m. Following transfers of services from other Directorates as part of the Council's new structure the original net budget of £4.050m is revised to £6.442m. The net current budget for the Directorate is now £6.257m following budget adjustments.
- 1.2 At Period 4 the Directorate is reporting a forecast net spend for the year of £6.437m. This would result in an overspend of £0.180m against the budget of £6.257m. This overspend is in respect of the commitment to decommission obsolete CCTV cameras as per a review of the Council's CCTV estate. As this is yet to be implemented, there is a legacy maintenance pressure arising in the PIP directorate. A request for policy contingency funding of £0.281m in order that a programme of decommissioning the CCTV cameras is undertaken was approved by Cabinet at Period 3.

**Table 1: Forecast Outturn Position**

Directorate	Original Budget	Current Budget	Forecast Outturn	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
Communications	1.340	1.340	1.340	0.000	0.000	0.000	0.000	0.000	0%
Public Health	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0%
Asst. Chief Exec	5.102	4.917	5.097	0.180	0.000	0.180	0.180	0.000	0%
<b>Directorate Total</b>	<b>6.442</b>	<b>6.257</b>	<b>6.437</b>	<b>0.180</b>	<b>0.000</b>	<b>0.180</b>	<b>0.180</b>	<b>0.000</b>	<b>0%</b>

Note: The original budget in table 1 includes hierarchy movement after the Council set the net budget for 2019/20 at its meeting on 26th Feb 2019

**Table 1a: Forecast Outturn Position – Ass. Chief Exec**

Table 1a: Period 4 Forecast Outturn Position for Assistant Director Area A						
	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Summary Action Plan	Target Date for completed actions	Direction of Travel (green/red/amber arrows)
Directorate	£m	£m	£m			
Equalities	0.180	0	0.180	Directorate working on mitigation plan to bring spend to budget in 2019/20	Policy Contingency to address issue in future years.	
Community Safety	0	0	0			
Resilience	0	0	0			
Services	0	0	0			
Insight and Intelligence	0	0	0			
Chief Exec & Assist	0	0	0			
<b>Total</b>	<b>0.180</b>	<b>0</b>	<b>0.180</b>			

### Key Issues in Period 4 and Changes since Period 3

- 1.3 There is no change in the anticipated overspend of £0.180m reported at Period 3 on the running costs of the Community Safety CCTV equipment in 19/20. Policy contingency funding of £0.281m was approved at Period 3 to fund a programme of decommissioning CCTV cameras which are either obsolete, dysfunctional or no longer achieve operational requirements. This programme will avert budget overspends from 2020/21 onwards.

### Risks identified but not yet included in the Forecast

- 1.4 The main savings at risk at period 4 are the Efficiency Target (£0.027m) and Allocation of workforce savings (£0.046m). These are in respect of services that have transferred into the Directorate and relate to efficiency and workforce savings. Service review is underway to identify mitigating actions to ensure savings are delivered within the financial year.

### Future Years

- 1.5 A report was presented to Cabinet on 30 July on the Birmingham City Council Assurance Framework for the establishment of a Strategic Programme Board (SPB) as a response to the findings of the Birmingham Improvement Panel. The report proposed that a budget of £0.150m be allocated to support the effective operation of the SPB over a 12 month period (July 2019 – July 2020). The report requested £0.112m from Policy Contingency for 2019/20 and the balance of £0.038m will be included in the budget pressures submission for 2020/21.

<b>Future Years Issues</b>			
	<b>2020/21 £m</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>
Base Budget Pressures	0.038	0	0
Savings	0	0	0
Mitigations	0	0	0
<b>Total</b>	<b>0.038</b>	<b>0</b>	<b>0</b>

## Public Health Report

Public Health is currently funding operations this year from reserves as shown in the table below. This is due to the reduction in grant and changes to plan due to issues arising in consultations and particularly the priorities with recognition that the service needed more time to adjust to the new grant level. In the new budget financial planning process it will also be necessary to review the Public Health Grant support to other directorates programmes to ensure that the overall balance of priorities is maintained going forward and maximum impact and outcomes to grant funded activity.

<b>Subjective</b>	<b>Budget £m</b>
Direct Employees	2.781
Indirect Employees	0.007
Transport	0.063
Supplies and Services	2.285
Third Party Payments	86.685
<b>Gross Budget</b>	<b>91.820</b>
Income - Public Health Grant	(88.432)
<b>Deficit</b>	<b>3.388</b>
<u>Funded by:</u>	
Contribution from Reserve (already budgeted)	(1.593)
<b>* Additional reserve to be appropriated</b>	<b>(1.795)</b>
Total	0

## Education & Skills Directorate

### Revenue Budget Management Report - Directorate

#### Period 4: DSG Forecast

#### 1. Executive Summary

1.1 The Dedicated Schools Grant (DSG) is a highly prescribed and ring-fenced grant which is currently budgeted at £645.975m. It is the primary source of funding that is delegated /allocated to schools and other educational providers for their revenue costs as well as funding certain prescribed centrally managed provision. The funding is shown in Table 1 below. The total funding for Birmingham is £1,188.833m, of which £542.858m is currently recouped by the Education Funding Authority (EFA) to directly passport funds to academies and free schools, leaving £645.975m.

1.2 The current Dedicated School Grant budget decreased from £657.515m at period 2 to £645.975m at period 3 as a result of an increase in EFA recoupment for the following schools that converted to academies:

- Holy Souls Catholic Primary School
- Sacred Heart Catholic School
- Holy trinity Catholic School
- Archbishop Ilesley Catholic School

There have been no further budget changes in period 4.

1.3 At Period 4 it is forecast that the DSG gross spend for the year will be £645.975m.

Table1

	Funding	Less	BCC	Forecast	Over/	Over/
		Recoupment	Funding	Period 4	(Under)	(Under)
					Period 4	Period 3
	£m	£m	£m	£m	£m	£m
Schools Block	918.160	515.358	402.802	402.802	0.000	0.000
High Needs Block	161.971	26.600	135.371	135.371	0.000	0.000
Early Years Block	90.662	0.900	89.762	89.762	0.000	0.000
Central Services Block	18.040		18.040	18.040	0.000	0.000
<b>Total</b>	<b>1,188.833</b>	<b>542.858</b>	<b>645.975</b>	<b>645.975</b>	<b>0.000</b>	<b>0.000</b>

1.4 The Directorate have not reported any variations on the DSG at period 4, but have identified potential risks and mitigations detailed below.

## 1.5 Risks and Mitigations identified but not yet included in the Forecast

Budget risks that have not yet crystallised and mitigations that are being considered to address these, including financial implications, are:

- **High Needs.**

The level of spend on High Needs is an area of concern, which is a concern nationally. At the end of 2018/19 the cumulative deficit on High Needs block was £16.037m. The Directorate is developing and will be implementing a 5 year deficit recovery plan in 2019/20; this includes £1.400m funding to be applied to innovate to save initiatives in 2019/20 academic year. In addition a report to schools forum on the 19<sup>th</sup> June recommended the use of £2.7m of non-schools DSG reserves (other funding blocks) to reduce the cumulative High Needs Block deficit to £13.3m and this was supported at the meeting.

In 2019/20 there was an Intention to mitigate an immediate overspend risk of £1.794m in the high needs block via the management of costs and demand (an increase of £0.595m since period 2, that reflects the increased ESFA recoupment of DSG high needs block).

The service is currently flagging a potential budget pressure on High Needs of £1.914m, though the final position will be dependent on pupil movements in September and the impact of actions taken to reduce pressure through the High Needs Task group. This consists of both pressures and savings in 2019/20 across a number of areas as follows:

- Special school and academies (including ESN) £1.52m Pressure
- Communication with Autism teams provision for children Out of School (CAT CHOOS) £0.320m Pressure
- Resource Bases £0.253m Pressure
- CRISP £0.053m Saving
- Other Local Authorities £0.125m Saving
- Colleges/ FE providers Post16 & Post 19 £1.741m Pressure
- Independent providers (including tripartite) £1.507m Saving
- Enteral Tube Feeding Contract £0.183m Saving
- Early years provision £0.080m Pressure
- Higher than average SEN £0.135m Saving

All of the above budgets are being reviewed monthly however due to pupil movements at the start of the academic year in schools and FE pupil registration taking place during September, a realistic forecast of budget commitments will not be available until period 6 at the earliest.

Within the High Needs block there is a budget for Exclusion projects amounting to £0.426m in 2019/20, managed by the Head of the Virtual School. We have been informed that the budget is due to move to the Head of the Exclusion Service and that the current budget provision is

insufficient. A meeting will be arranged in August to discuss issues with the new budget holder and an update position will be reported at period 5.

The Alternative Provision, Attendance and Independent School's service area have identified £0.200m of savings, due to minimal number of pupils being placed in alternative provision in 2019/20 to date and this can be used to offset high needs budget pressures identified above.

- **School Deficits.** The Directorate is supporting schools with deficits to either come out of deficit and/or stop them increasing. As at 31/3/2019 the net balance on schools was £47.400m, which comprised £59.000m surplus balances and £12.600m deficit balances. The growing level of deficit is an increasing concern since where those deficits are not addressed and schools are directed to become academies due to poor educational performance, this adds to the financial pressure on the Council. BCC is currently expecting 17 schools to convert to academy status in the 2019/20 financial year, however this number could vary as a result of academy orders being received and slippage or advancement in expected conversion dates of schools. Of the schools converting a number are projected to have significant deficit balances that will remain with BCC, these are currently projected to amount to approximately £6.8m in 2019/20. The extent of the final deficits will not be confirmed until each schools deficit balance has been determined and confirmed with the school, in line with ESFA guidelines (4 months after the date of conversion). To date only one schools balance has been confirmed in 2019/20.

The deficit of £6.8m will be covered from the DSG Closing schools contingency of £0.751m and the balance will be met from revenue funding released through application of capital receipts. This will leave a balance of circa £2m of capital receipts for future deficits, from 2020/21 onwards, which poses a significant risk.

- **Admissions and Appeals.** The service could receive less income approx. £0.100m due to unclear DfE guidance on charging of academies for admission appeals. The budget holder is seeking further legal clarification, though at this stage no adverse impact has been assumed.

1.6 Table 2 sets out the Period 4 forecast out-turn position for 2019/20.



Table 2: Period 4 Forecast Outturn Position							
Directorate	Original Budget	Current Budget	Period 4 Forecast Outturn	Period 4 Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	%
<b>Service</b>							
School Settings / Improvement	1.273	1.273	1.273	0.000	0.000	0.000	0
Admissions & Placement	3.118	2.918	2.918	0.000	0.000	0.000	0
Education Skills & Infrastructure	0.047	0.047	0.047	0.000	0.000	0.000	0
Early Years	63.350	63.254	63.254	0.000	0.000	0.000	0
Schools Delegated Budget	493.668	468.288	468.288	0.000	0.000	0.000	0
DHSchool Funding Central	(653.064)	(635.647)	(635.647)	0.000	0.000	0.000	0
LACES	1.467	1.467	1.467	0.000	0.000	0.000	0
Higher Needs	80.446	88.815	88.815	0.000	0.000	0.000	0
Access to Education	5.663	5.663	5.663	0.000	0.000	0.000	0
Complex Needs Care	0.110	0.000	0.000	0.000	0.000	0.000	0
Early Support Service	1.673	1.673	1.673	0.000	0.000	0.000	0
Early Help&Childrens	0.069	0.069	0.069	0.000	0.000	0.000	0
Business Support	2.180	2.180	2.180	0.000	0.000	0.000	0
<b>Directorate Total</b>	<b>(0.000)</b>	<b>(0.000)</b>	<b>(0.000)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0</b>

## 2 Future Years

2.1 *Whilst the focus of this report is on the delivery of the 2019/20 budget, the monitoring process allows the opportunity to consider what issues may have been identified which have not been provided for in previous plans.*

2.2 Key future year's issues include.

### High Needs Block

Nationally the gap between allocated high needs funding and local spending to meet demand is forecast to continue to increase. Increases in demand are due to many factors, and include:

- Additional unfunded statutory obligations arising from the 2014 SEND reforms
- Increasing numbers of pupils with high needs and increasing complexity of need.

The level of spend on High Needs is an area of concern, which is a concern nationally. At the end of 2018/19 the cumulative deficit on High Needs was £15.500m. Latest modelling of pupil pipeline data shows that growth in demand is outstripping available local resources. Currently, if no action is taken and there is no national increase in funding, there is a forecast cumulative deficit for the High Needs Funding Block shown in the table below:

Table 3

Year	Cumulative Deficit
	£m
2019/20	17.300
2020/21	29.200
2021/22	40.100
2022/23	50.000
2023/24	59.900

The Directorate is developing and will be implementing a 5 year deficit recovery plan in 2019/20, including £1.400m funding to be applied to innovate to save initiatives in 2019/20 academic year. A High Needs Task Group has been convened with membership from schools and council officers. An initial meeting has taken place and a number of other meetings are scheduled for the new term with the target of presenting a finalised High Needs Deficit Recovery plan to schools forum on 12th December 2019.

**School Deficit Balances**

The Directorate is supporting schools with deficits to either come out of deficit and/or stop them increasing. As at 31/3/2019 the net balance on schools was £47.400m, which comprised £59.000m surplus balances and £12.600m deficit balances. The growing level of deficit is an increasing concern since where those deficits are not addressed and schools are directed to become academies due to poor educational performance BCC is required to fund the deficits.

The Directorate have produced and presented a School Financial Deficit Action Plan to CMT (13<sup>th</sup> May 2019) of the level of financial deficits in schools at the 2018/19 out-turn and outlined the action plan which has been developed to seek to minimise future levels of deficits, to avoid additional financial risk to the Council.

## Housing Revenue Account

1.1 A balanced overall revenue position is forecast, with any net overspends or underspends to be managed by corresponding adjustments to the level of HRA borrowing repaid or Reserves.

Description	Annual		
	Budget	Forecast	Variance
	£m	£m	£m
Expenditure	205.019	205.716	0.697
Income	(274.089)	(274.786)	(0.697)
Below the Line Analysis	69.070	69.070	0.000
<b>Net Expenditure</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

1.2 Pressures on the HRA include:

- Repairs contract pension provision for 2020/21 and 2021/22 based on extending the current contracts for 2 years, estimate £1.000m.
- In addition, 'seed funding' for the Ladywood Development project, estimate as £0.600m in the current year and £0.700m in future years.
- HRA Restructure Phase 2 costs are estimated £0.400m
- Other pressures arising, including impact of Hackett report, tenancy conditions review and stock condition survey are yet to be quantified over the coming weeks.

1.3 Overall there are sufficient forecast savings on HRA expenditure to cover current specific pressures where costs have been identified.

- Savings on Repairs Contract - Voids £1.100m if void levels similar to 2018/19, Price per Property / Price per Gas £0.500m due to numbers of properties.
- Savings on employee costs - a combination of savings identified from the Phase 1 restructure and other vacancies

Table 2a: Overview of the Forecast Delivery of the 2019/20 Savings Programme- Original Approved Savings									
Directorate	2019/20 Agreed Savings	On Track/ Fully Delivered against Programme	Blue - Fully Delivered	Green-On Track	Amber-At Risk	Red-Non Delivery	Purple- Undeliverable		One off Mitigations to adresss Savings Non-Delivery
	£m	%	£m	£m	£m	£m	£m		£m
Adult Social Care	(14.620)	93.7	(3.366)	(10.336)	0.000	(0.918)	0.000		0.000
Digital & Cust Services	(2.773)	95.0	0.711	(3.344)	0.000	(0.140)	0.000		(0.140)
Education & Skills	(8.837)	56.7	0.161	(5.174)	(1.222)	(1.111)	(1.491)		(2.602)
Finance & Governance	(2.261)	71.4	(0.399)	(1.216)	(0.646)	0.000	0.000		0.000
Human Resources	(0.514)	100.0	(0.435)	(0.079)	0.000	0.000	0.000		0.000
Inclusive Growth	(2.836)	96.5	(1.246)	(1.490)	0.000	(0.100)	(0.134)		0.000
Neighbourhoods	(14.982)	69.3	(6.188)	(4.199)	(2.190)	(1.337)	(1.068)		0.000
Partnerships, Insight and Prevention	(0.548)	86.7	(0.475)	0.000	(0.073)	0.000	0.000		0.000
<b>Directorate Subtotal</b>	<b>(47.371)</b>	<b>78.3</b>	<b>(11.237)</b>	<b>(25.838)</b>	<b>(4.131)</b>	<b>(3.606)</b>	<b>(2.693)</b>		<b>(2.742)</b>
Corporate Savings	1.180	100.0	1.180	0.000	0.000	0.000	0.000		0.000
<b>Total Programme</b>	<b>(46.191)</b>	<b>77.7</b>	<b>(10.057)</b>	<b>(25.838)</b>	<b>(4.131)</b>	<b>(3.606)</b>	<b>(2.693)</b>		<b>(2.742)</b>

Table 2b: Overview of the Forecast Delivery of the 2019/20 Savings Programme- One Off Savings									
Directorate	2019/20 Agreed Savings	On Track/ Fully Delivered against Programme	Blue - Fully Delivered	Green-On Track	Amber-At Risk	Red-Non Delivery	Purple- Undeliverable		One off Mitigations to adresss Savings Non-Delivery
	£m	%	£m	£m	£m	£m	£m		£m
Adult Social Care	(1.690)	100.0	(1.690)	0.000	0.000	0.000	0.000		0.000
Digital & Cust Services	(4.145)	100.0	0.000	(4.145)	0.000	0.000	0.000		0.000
Education & Skills	0.000	0.0	0.000	0.000	0.000	0.000	0.000		0.000
Finance & Governance	(0.530)	0.0	0.000	0.000	0.000	(0.500)	(0.030)		(0.030)
Human Resources	(0.204)	100.0	(0.204)	0.000	0.000	0.000	0.000		0.000
Inclusive Growth	(1.934)	61.4	(0.211)	(0.977)	0.000	(0.694)	(0.052)		0.000
Neighbourhoods	(3.582)	21.2	(0.700)	(0.060)	(0.306)	(1.397)	(1.119)		0.000
Partnerships, Insight and Prevention	0.000	0.0	0.000	0.000	0.000	0.000	0.000		0.000
<b>Directorate Subtotal</b>	<b>(12.085)</b>	<b>66.1</b>	<b>(2.805)</b>	<b>(5.182)</b>	<b>(0.306)</b>	<b>(2.591)</b>	<b>(1.201)</b>		<b>(0.030)</b>
Corporate Savings	0.000	0.0	0.000	0.000	0.000	0.000	0.000		0.000
<b>Total Programme</b>	<b>(12.085)</b>	<b>66.1</b>	<b>(2.805)</b>	<b>(5.182)</b>	<b>(0.306)</b>	<b>(2.591)</b>	<b>(1.201)</b>		<b>(0.030)</b>

**Overview**

Appendix No	Description
B1	Overview
B2	Capital Monitoring Summary
B3	Capital Budget Movements
B4	Capital Budget Movements Commentary
B4	Capital Forecast Variations
B5	Commentary on Forecast Variations, Risks and Issues

This report takes each Directorate in turn, in the format;  
a) capital budget changes  
b) forecast variations from budget  
c) commentary on major risks/issues

The capital budget is a resource and expenditure planning to proceed. Individual approvals are sought through Business Case reports under the Gateway process.

## **Capital Monitoring Summary**

**Appendix B2**

### **Expenditure**

	2019/20 £m	2020/21 £m	2021/22 £m	Later Years £m	Total Plan £m
Month 3 Approved Budget	641.018	634.674	444.550	1,826.789	3,547.031
New Resources / (Reductions) Month 4	0.086	0.002	0.000	0.000	0.088
<b>Revised Budget Month 4</b>	<b>641.104</b>	<b>634.676</b>	<b>444.550</b>	<b>1,826.789</b>	<b>3,547.119</b>
Forecast Slippage Month 4	0.000	0.000	0.000	0.000	0.000
Forecast Overspend / (Underspend) Month 4	0.833	0.000	0.000	0.000	0.833
<b>Forecast Outturn at Month 4</b>	<b>641.937</b>	<b>634.676</b>	<b>444.550</b>	<b>1,826.789</b>	<b>3,547.952</b>

### **Resources**

#### **Use of Specific Resources:**

Grants & Contributions	315.956	158.657	153.986	66.644	695.243
Earmarked Capital Receipts - RTB & Revenue Reform	54.568	65.395	35.416	128.221	283.599
Revenue Contributions - Departmental	18.463	6.201	0.618	19.735	45.017
Revenue Contributions - HRA	53.045	61.451	63.301	587.565	765.362

#### **Use of Corporate or General Resources:**

Corporate Resources	13.707	5.518	0.000	2.640	21.864
Unsupported Prudential Borrowing - Corporate	29.847	49.462	17.189	2.317	98.815
Unsupported Prudential Borrowing - Directorate	156.352	287.993	174.040	1,019.668	1,638.052

#### **Forecast Use of Resources**

<b>641.937</b>	<b>634.676</b>	<b>444.550</b>	<b>1,826.789</b>	<b>3,547.952</b>
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Ref.	Budget Movements					
	Current Year			All Years		
	Previous Budget £m	Current Budget £m	Change £m	Previous Budget £m	Current Budget £m	Change £m
<b>ADULT SOCIAL CARE DIRECTORATE</b>						
<b>Adult Care &amp; Health</b>						
Property Schemes	0.731	0.731	0.000	1.208	1.208	0.000
Adults IT	1.020	1.020	0.000	1.266	1.266	0.000
Improvements To Social Care Delivery	0.000	0.000	0.000	0.000	0.000	0.000
Independent Living	10.278	10.278	0.000	21.685	21.685	0.000
<b>Total Adult Social Care Directorate</b>	<b>12.029</b>	<b>12.029</b>	<b>0.000</b>	<b>24.158</b>	<b>24.158</b>	<b>0.000</b>
<b>EDUCATION AND SKILLS DIRECTORATE</b>						
<b>Education &amp; Early Years</b>						
Devolved Capital Allocation to Schools	3.379	3.379	0.000	7.496	7.496	0.000
School Condition Allocations	16.103	16.103	0.000	17.703	17.703	0.000
Basic Need - Additional School Places	50.301	50.301	0.000	120.249	120.249	0.000
Other Minor Schemes - Schools	0.013	0.013	0.000	0.013	0.013	0.000
EarlyYrs&Childcare	1.057	1.057	0.000	1.057	1.057	0.000
IT Investment	1.818	1.818	0.000	2.927	2.927	0.000
S106 Woodlinton Road	0.252	0.252	0.000	0.252	0.252	0.000
<b>Total Education &amp; Early Years</b>	<b>72.924</b>	<b>72.924</b>	<b>0.000</b>	<b>149.698</b>	<b>149.698</b>	<b>0.000</b>
<b>Skills &amp; Employability</b>						
Adult Ed & Youth	1.141	1.141	0.000	1.141	1.141	0.000
Birmingham Libraries	0.907	0.907	0.000	4.467	4.467	0.000
<b>Total Skills &amp; Employability</b>	<b>2.048</b>	<b>2.048</b>	<b>0.000</b>	<b>5.608</b>	<b>5.608</b>	<b>0.000</b>
<b>Total Education and Skills Directorate</b>	<b>74.971</b>	<b>74.971</b>	<b>0.000</b>	<b>155.306</b>	<b>155.306</b>	<b>0.000</b>
<b>NEIGHBOURHOODS DIRECTORATE</b>						
<b>Street Scene</b>						
Waste Management Services	11.876	11.876	0.000	58.967	58.967	0.000
Parks & Nature Conservation	16.445	16.516	0.071	19.979	20.052	0.073
<b>Total Street Scene</b>	<b>28.321</b>	<b>28.392</b>	<b>0.071</b>	<b>78.946</b>	<b>79.019</b>	<b>0.073</b>
<b>Housing Services</b>						
Housing Options Service	0.284	0.284	0.000	2.604	2.604	0.000
Private Sector Housing	0.685	0.685	0.000	1.986	1.986	0.000
<b>Housing Revenue Account</b>						
Housing Improvement Programme	71.016	71.016	0.000	653.634	653.634	0.000
Redevelopment	38.243	38.243	0.000	401.659	401.659	0.000
Other Programmes	5.462	5.462	0.000	57.129	57.129	0.000
<b>Total Housing Services</b>	<b>115.690</b>	<b>115.690</b>	<b>0.000</b>	<b>1,117.012</b>	<b>1,117.012</b>	<b>0.000</b>
<b>Neighbourhoods</b>						
Community, Sport & Events	2.487	2.487	0.000	2.487	2.487	0.000
Neighbourhoods	0.002	0.002	0.000	0.002	0.002	0.000
Cultural Development	3.006	3.006	0.000	3.006	3.006	0.000
<b>Total Neighbourhoods</b>	<b>5.495</b>	<b>5.495</b>	<b>0.000</b>	<b>5.495</b>	<b>5.495</b>	<b>0.000</b>
<b>Regulation &amp; Enforcement</b>						
Bereavement	0.095	0.095	0.000	0.095	0.095	0.000
Markets Services	0.244	0.244	0.000	1.003	1.003	0.000
Environmental Health	0.009	0.009	0.000	0.009	0.009	0.000
Mortuary/Coroners	0.278	0.278	0.000	0.278	0.278	0.000
<b>Total Regulation &amp; Enforcement</b>	<b>0.626</b>	<b>0.626</b>	<b>0.000</b>	<b>1.385</b>	<b>1.385</b>	<b>0.000</b>
<b>Total Neighbourhoods Directorate</b>	<b>150.132</b>	<b>150.203</b>	<b>0.071</b>	<b>1,202.837</b>	<b>1,202.911</b>	<b>0.073</b>
<b>INCLUSIVE GROWTH DIRECTORATE</b>						
<b>Planning &amp; Development</b>						
<b>Major Projects</b>						
Enterprise Zone - Paradise Circus	32.978	32.978	0.000	63.219	63.219	0.000
Enterprise Zone - Site Development & Access	2.500	2.500	0.000	2.500	2.500	0.000
Enterprise Zone - Connecting Economic Opportunities	1.115	1.115	0.000	139.707	139.707	0.000
Enterprise Zone - Southern Gateway Site	0.450	0.450	0.000	150.450	150.450	0.000
Enterprise Zone - Southside Public Realm	0.000	0.000	0.000	9.060	9.060	0.000
Enterprise Zone - LEP Investment Fund	0.000	0.000	0.000	20.000	20.000	0.000
Enterprise Zone - HS2-Interchange Site	0.000	0.000	0.000	20.000	20.000	0.000
EZ Phase II - HS2 Station Environment	2.438	2.438	0.000	59.410	59.410	0.000
EZ Phase II - HS2 Site Enabling	1.500	1.500	0.000	101.500	101.500	0.000
EZ Phase II - Local Transport Improvements	0.000	0.000	0.000	104.800	104.800	0.000
EZ Phase II - Metro Extension to E Bham/Solihull	0.000	0.000	0.000	183.300	183.300	0.000
EZ Phase II - Social Infrastructure	0.000	0.000	0.000	0.000	0.000	0.000
EZ Capitalised Interest	3.960	3.960	0.000	31.790	31.790	0.000
Jewellery Quarter Cemetery	1.295	1.295	0.000	1.798	1.798	0.000
Unlocking Housing Sites	5.554	5.554	0.000	5.554	5.554	0.000
Life Sciences	0.000	0.000	0.000	0.973	0.973	0.000
Other (Major Projects)	0.263	0.263	0.000	0.263	0.263	0.000
<b>Total Major Projects</b>	<b>52.053</b>	<b>52.053</b>	<b>0.000</b>	<b>894.323</b>	<b>894.323</b>	<b>0.000</b>
<b>Employment &amp; Skills</b>	<b>2.171</b>	<b>2.171</b>	<b>0.000</b>	<b>6.723</b>	<b>6.723</b>	<b>0.000</b>



Ref.	Budget Movements					
	Current Year			All Years		
	Previous Budget £m	Current Budget £m	Change £m	Previous Budget £m	Current Budget £m	Change £m
<b>Public Realm</b>	<b>4.339</b>	<b>4.339</b>	<b>0.000</b>	<b>4.339</b>	<b>4.339</b>	<b>0.000</b>
<b>Infrastructure/Site Enabling Programme</b>	<b>0.319</b>	<b>0.319</b>	<b>0.000</b>	<b>0.319</b>	<b>0.319</b>	<b>0.000</b>
<b>Grants/Loans Programme</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1.000</b>	<b>1.000</b>	<b>0.000</b>
<b>Total Planning &amp; Development</b>	<b>58.882</b>	<b>58.882</b>	<b>0.000</b>	<b>906.704</b>	<b>906.704</b>	<b>0.000</b>
<b><u>Housing Development</u></b>						
In Reach	5.650	5.650	0.000	124.265	124.265	0.000
CWG-Sale To In Reach	0.000	0.000	0.000	100.000	100.000	0.000
<b>Total Housing Development</b>	<b>5.650</b>	<b>5.650</b>	<b>0.000</b>	<b>224.265</b>	<b>224.265</b>	<b>0.000</b>
<b><u>Transport Connectivity</u></b>						
<b><u>Major Schemes</u></b>						
Ashted Circus	0.730	0.730	0.000	0.730	0.730	0.000
Metro Extension	0.150	0.150	0.000	4.724	4.724	0.000
Iron Lane	4.207	4.207	0.000	10.216	10.216	0.000
Minworth Unlocking	0.001	0.001	0.000	0.001	0.001	0.000
Battery Way Extension	2.015	2.015	0.000	2.158	2.158	0.000
Longbridge Connectivity	0.292	0.292	0.000	0.292	0.292	0.000
A457 Dudley Road	0.955	0.955	0.000	28.898	28.898	0.000
Journey Reliability	0.768	0.768	0.000	0.768	0.768	0.000
Tame Valley Phase 2 & 3	1.254	1.254	0.000	87.855	87.855	0.000
Selly Oak New Road Phase 1B	6.000	6.000	0.000	7.312	7.312	0.000
Wharfdale Bridge	2.542	2.542	0.000	2.695	2.695	0.000
Snow Hill Station	4.268	4.268	0.000	7.308	7.308	0.000
Other (Major Schemes)	2.770	2.802	0.032	4.720	4.752	0.032
<b>Total Major Schemes</b>	<b>25.953</b>	<b>25.985</b>	<b>0.032</b>	<b>157.678</b>	<b>157.710</b>	<b>0.032</b>
<b>Inclusive &amp; Sustainable Growth</b>	<b>61.631</b>	<b>61.646</b>	<b>0.015</b>	<b>68.280</b>	<b>68.295</b>	<b>0.015</b>
Walking & Cycling	8.983	8.990	0.007	12.981	12.988	0.007
Local Measure	0.000	0.000	0.000	0.000	0.000	0.000
Infrastructure Dev	0.785	0.745	(0.039)	1.354	1.314	(0.039)
Transportation & highways Funding Strategy	0.012	0.000	(0.012)	13.013	13.013	0.000
Section 278/S106	0.000	0.012	0.012	0.012	0.012	0.000
<b>Total Transport Connectivity</b>	<b>97.363</b>	<b>97.378</b>	<b>0.015</b>	<b>253.317</b>	<b>253.332</b>	<b>0.015</b>
<b><u>Highways Infrastructure</u></b>						
Safer Routes to Schools	0.669	0.684	0.016	1.869	1.884	0.016
Network Integrity and Efficiency	1.572	1.572	0.000	3.572	3.572	0.000
S106 & S278 Schemes	0.069	0.069	0.000	0.069	0.069	0.000
Road Safety	0.887	0.872	(0.016)	4.312	4.297	(0.016)
District Schemes	0.569	0.569	0.000	0.569	0.569	0.000
<b>Total Highways Infrastructure</b>	<b>3.765</b>	<b>3.765</b>	<b>0.000</b>	<b>10.390</b>	<b>10.390</b>	<b>0.000</b>
<b><u>Property Services</u></b>						
Attwood Green Parks	0.059	0.059	0.000	0.059	0.059	0.000
AttwoodGreen-Holloway Head Playing Field	0.038	0.038	0.000	0.038	0.038	0.000
Attwood Green-Woodview Community Centre	0.090	0.090	0.000	0.090	0.090	0.000
Council House Major Works	0.000	0.000	0.000	0.000	0.000	0.000
Bham Crisis Centre-Nursery Extension	0.005	0.005	0.000	0.005	0.005	0.000
Lee Bank Business Centre	0.000	0.000	0.000	0.000	0.000	0.000
Highbury Hall Essential Works	0.463	0.463	0.000	0.463	0.463	0.000
Property Strategy	9.500	9.500	0.000	55.000	55.000	0.000
<b>Total Property Services</b>	<b>10.153</b>	<b>10.153</b>	<b>0.000</b>	<b>55.653</b>	<b>55.653</b>	<b>0.000</b>
<b>Total Inclusive Growth Directorate</b>	<b>175.814</b>	<b>175.829</b>	<b>0.015</b>	<b>1,450.330</b>	<b>1,450.345</b>	<b>0.015</b>
<b><u>DIGITAL &amp; CUSTOMER SERVICES DIRECTORATE</u></b>						
ICT & Digital	7.876	7.876	0.000	12.269	12.269	0.000
<b>Total Digital &amp; Customer Services Directorate</b>	<b>7.876</b>	<b>7.876</b>	<b>0.000</b>	<b>12.269</b>	<b>12.269</b>	<b>0.000</b>
<b><u>FINANCE &amp; GOVERNANCE DIRECTORATE</u></b>						
<b><u>Development &amp; Commercial</u></b>						
Gateway/Grand Central Residual Costs	12.800	12.800	0.000	18.564	18.564	0.000
Capital Loans & Equity	1.000	1.000	0.000	3.242	3.242	0.000
<b>Total Development &amp; Commercial</b>	<b>13.800</b>	<b>13.800</b>	<b>0.000</b>	<b>21.806</b>	<b>21.806</b>	<b>0.000</b>
<b><u>Corporately Held Funds</u></b>						
Revenue Reform Projects	20.311	20.311	0.000	39.557	39.557	0.000
Corporate Capital Contingency	5.000	5.000	0.000	25.392	25.392	0.000
<b>Total Corporately Held Funds</b>	<b>25.311</b>	<b>25.311</b>	<b>0.000</b>	<b>64.949</b>	<b>64.949</b>	<b>0.000</b>
<b>SAP Investments</b>	<b>0.414</b>	<b>0.414</b>	<b>0.000</b>	<b>3.989</b>	<b>3.989</b>	<b>0.000</b>
<b>Total Finance &amp; Governance Directorate</b>	<b>39.525</b>	<b>39.525</b>	<b>0.000</b>	<b>90.744</b>	<b>90.744</b>	<b>0.000</b>

Ref.	Budget Movements					
	Current Year			All Years		
	Previous Budget £m	Current Budget £m	Change £m	Previous Budget £m	Current Budget £m	Change £m
<b>ASSISTANT CHIEF EXECUTIVE DIRECTORATE</b>						
Public Health	0.750	0.750	0.000	0.750	0.750	0.000
<b>Total Assistant Chief Executive Directorate</b>	<b>0.750</b>	<b>0.750</b>	<b>0.000</b>	<b>0.750</b>	<b>0.750</b>	<b>0.000</b>
<b>COMMONWEALTH GAMES 2022</b>						
CWG Village	164.926	164.926	0.000	466.587	466.587	0.000
CWG Alexander Stadium	2.187	2.187	0.000	70.806	70.806	0.000
CWG Organising Cttee	12.809	12.809	0.000	73.244	73.244	0.000
<b>Total Commonwealth Games 2022</b>	<b>179.922</b>	<b>179.922</b>	<b>0.000</b>	<b>610.637</b>	<b>610.637</b>	<b>0.000</b>
<b>Total Capital Programme</b>	<b>641.018</b>	<b>641.104</b>	<b>0.086</b>	<b>3,547.031</b>	<b>3,547.119</b>	<b>0.088</b>

**Capital Monitoring Month 4 2019/20 - Budget Movements  
Commentary**

**Appendix B4**

Nil return as only minor budget variations

	Forecast Variations							
	Current Year					All Years		
	Current Budget £m	Current Actuals £m	Forecast £m	Variation £m	Month 3 Variation £m	Current Budget £m	Forecast £m	Variation £m
<b>ADULT SOCIAL CARE DIRECTORATE</b>								
<b>Adult Care &amp; Health</b>								
Property Schemes	0.731	0.470	0.731	0.000	0.000	1.208	1.208	0.000
Adults IT	1.020	0.042	1.020	0.000	0.000	1.266	1.266	0.000
Improvements To Social Care Delivery	0.000	0.023	0.000	0.000	0.000	0.000	0.000	0.000
Independent Living	10.278	3.941	10.278	0.000	0.000	21.685	21.685	0.000
<b>Total Adult Social Care Directorate</b>	<b>12.029</b>	<b>4.475</b>	<b>12.029</b>	<b>0.000</b>	<b>0.000</b>	<b>24.158</b>	<b>24.158</b>	<b>0.000</b>
<b>EDUCATION AND SKILLS DIRECTORATE</b>								
<b>Education &amp; Early Years</b>								
Devolved Capital Allocation to Schools	3.379	0.763	3.379	0.000	0.000	7.496	7.496	0.000
School Condition Allocations	16.103	2.396	16.103	0.000	0.000	17.703	17.703	0.000
Basic Need - Additional School Places	50.301	13.724	50.301	0.000	0.000	120.249	120.249	0.000
Other Minor Schemes - Schools	0.013	0.013	0.013	0.000	0.000	0.013	0.013	0.000
EarlyYrs&Childcare	1.057	0.607	1.057	0.000	0.000	1.057	1.057	0.000
IT Investment	1.818	0.572	1.818	0.000	0.000	2.927	2.927	0.000
S106 Woodlinton Road	0.252	0.000	0.252	0.000	0.000	0.252	0.252	0.000
<b>Total Education &amp; Early Years</b>	<b>72.924</b>	<b>18.075</b>	<b>72.924</b>	<b>0.000</b>	<b>0.000</b>	<b>149.698</b>	<b>149.698</b>	<b>0.000</b>
<b>Skills &amp; Employability</b>								
Adult Ed & Youth	1.141	0.000	1.141	0.000	0.000	1.141	1.141	0.000
Birmingham Libraries	0.907	0.065	0.907	0.000	0.000	4.467	4.467	0.000
<b>Total Skills &amp; Employability</b>	<b>2.048</b>	<b>0.065</b>	<b>2.048</b>	<b>0.000</b>	<b>0.000</b>	<b>5.608</b>	<b>5.608</b>	<b>0.000</b>
<b>Total Education and Skills Directorate</b>	<b>74.971</b>	<b>18.140</b>	<b>74.971</b>	<b>0.000</b>	<b>0.000</b>	<b>155.306</b>	<b>155.306</b>	<b>0.000</b>
<b>NEIGHBOURHOODS DIRECTORATE</b>								
<b>Street Scene</b>								
Waste Management Services	11.876	(0.112)	11.876	0.000	0.000	58.967	58.967	0.000
Parks & Nature Conservation	16.516	0.744	16.516	0.000	0.000	20.052	20.052	0.000
<b>Total Street Scene</b>	<b>28.392</b>	<b>0.631</b>	<b>28.392</b>	<b>0.000</b>	<b>0.000</b>	<b>79.019</b>	<b>79.019</b>	<b>0.000</b>
<b>Housing Services</b>								
Housing Options Service	0.284	0.188	0.284	0.000	0.000	2.604	2.604	0.000
Private Sector Housing	0.685	0.135	0.685	0.000	0.000	1.986	1.986	0.000
<b>Housing Revenue Account</b>								
Housing Improvement Programme	71.016	8.521	71.016	0.000	0.000	653.634	653.634	0.000
Redevelopment	38.243	7.574	38.243	0.000	0.000	401.659	401.659	0.000
Other Programmes	5.462	(0.337)	5.462	0.000	0.000	57.129	57.129	0.000
<b>Total Housing Services</b>	<b>115.690</b>	<b>16.082</b>	<b>115.690</b>	<b>0.000</b>	<b>0.000</b>	<b>1,117.012</b>	<b>1,117.012</b>	<b>0.000</b>
<b>Neighbourhoods</b>								
Community, Sport & Events	2.487	1.221	2.665	0.178	0.000	2.487	2.665	0.178
Neighbourhoods	0.002	0.000	0.002	0.000	0.000	0.002	0.002	0.000
Cultural Development	3.006	0.008	3.006	0.000	0.000	3.006	3.006	0.000
<b>Total Neighbourhoods</b>	<b>5.495</b>	<b>1.228</b>	<b>5.673</b>	<b>0.178</b>	<b>0.000</b>	<b>5.495</b>	<b>5.673</b>	<b>0.178</b>
<b>Regulation &amp; Enforcement</b>								
Bereavement	0.095	(0.160)	0.095	0.000	0.000	0.095	0.095	0.000
Markets Services	0.244	0.429	0.899	0.655	0.000	1.003	1.658	0.655
Environmental Health	0.009	0.000	0.009	0.000	0.000	0.009	0.009	0.000
Mortuary/Coroners	0.278	0.042	0.278	0.000	0.000	0.278	0.278	0.000
<b>Total Regulation &amp; Enforcement</b>	<b>0.626</b>	<b>0.312</b>	<b>1.281</b>	<b>0.655</b>	<b>0.000</b>	<b>1.385</b>	<b>2.040</b>	<b>0.655</b>
<b>Total Neighbourhoods Directorate</b>	<b>150.203</b>	<b>18.254</b>	<b>151.036</b>	<b>0.833</b>	<b>0.000</b>	<b>1,202.911</b>	<b>1,203.744</b>	<b>0.833</b>
<b>INCLUSIVE GROWTH DIRECTORATE</b>								
<b>Planning &amp; Development</b>								
<b>Major Projects</b>								
Enterprise Zone - Paradise Circus	32.978	3.559	32.978	0.000	0.000	63.219	63.219	0.000
Enterprise Zone - Site Development & Access	2.500	0.000	2.500	0.000	0.000	2.500	2.500	0.000
Enterprise Zone - Connecting Economic Opportunities	1.115	0.258	1.115	0.000	0.000	139.707	139.707	0.000
Enterprise Zone - Southern Gateway Site	0.450	0.064	0.450	0.000	0.000	150.450	150.450	0.000
Enterprise Zone - Southside Public Realm	0.000	0.000	0.000	0.000	0.000	9.060	9.060	0.000
Enterprise Zone - LEP Investment Fund	0.000	0.000	0.000	0.000	0.000	20.000	20.000	0.000
Enterprise Zone - HS2-Interchange Site	0.000	0.000	0.000	0.000	0.000	20.000	20.000	0.000
EZ Phase II - HS2 Station Environment	2.438	0.036	2.438	0.000	0.000	59.410	59.410	0.000
EZ Phase II - HS2 Site Enabling	1.500	0.000	1.500	0.000	0.000	101.500	101.500	0.000
EZ Phase II - Local Transport Improvements	0.000	0.000	0.000	0.000	0.000	104.800	104.800	0.000
EZ Phase II - Metro Extension to E Bham/Solihull	0.000	0.000	0.000	0.000	0.000	183.300	183.300	0.000
EZ Phase II - Social Infrastructure	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
EZ Capitalised Interest	3.960	0.000	3.960	0.000	0.000	31.790	31.790	0.000
Jewellery Quarter Cemetary	1.295	0.193	1.295	0.000	0.000	1.798	1.798	0.000
Unlocking Housing Sites	5.554	0.400	5.554	0.000	0.000	5.554	5.554	0.000
Life Sciences	0.000	0.000	0.000	0.000	0.000	0.973	0.973	0.000
Other (Major Projects)	0.263	0.400	0.263	0.000	0.000	0.263	0.263	0.000
<b>Total Major Projects</b>	<b>52.053</b>	<b>4.910</b>	<b>52.053</b>	<b>0.000</b>	<b>0.000</b>	<b>894.323</b>	<b>894.323</b>	<b>0.000</b>
<b>Employment &amp; Skills</b>	<b>2.171</b>	<b>0.412</b>	<b>2.171</b>	<b>0.000</b>	<b>0.000</b>	<b>6.723</b>	<b>6.723</b>	<b>0.000</b>
<b>Public Realm</b>	<b>4.339</b>	<b>2.995</b>	<b>4.339</b>	<b>0.000</b>	<b>0.000</b>	<b>4.339</b>	<b>4.339</b>	<b>0.000</b>
<b>Infrastructure/Site Enabling Programme</b>	<b>0.319</b>	<b>0.157</b>	<b>0.319</b>	<b>0.000</b>	<b>0.000</b>	<b>0.319</b>	<b>0.319</b>	<b>0.000</b>
<b>Grants/Loans Programme</b>	<b>0.000</b>	<b>0.072</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1.000</b>	<b>1.000</b>	<b>0.000</b>
<b>Total Planning &amp; Development</b>	<b>58.882</b>	<b>8.545</b>	<b>58.882</b>	<b>0.000</b>	<b>0.000</b>	<b>906.704</b>	<b>906.704</b>	<b>0.000</b>

	Forecast Variations							
	Current Year					All Years		
	Current Budget £m	Current Actuals £m	Forecast £m	Variation £m	Month 3 Variation £m	Current Budget £m	Forecast £m	Variation £m
<b>Housing Development</b>								
In Reach	5.650	0.000	5.650	0.000	0.000	124.265	124.265	0.000
CMW-Sale To In Reach	0.000	0.000	0.000	0.000	0.000	100.000	100.000	0.000
<b>Total Housing Development</b>	<b>5.650</b>	<b>0.000</b>	<b>5.650</b>	<b>0.000</b>	<b>0.000</b>	<b>224.265</b>	<b>224.265</b>	<b>0.000</b>
<b>Transport Connectivity</b>								
<b>Major Schemes</b>								
Ashted Circus	0.730	0.090	0.730	0.000	0.000	0.730	0.730	0.000
Metro Extension	0.150	0.114	0.150	0.000	0.000	4.724	4.724	0.000
Iron Lane	4.207	1.370	4.207	0.000	0.000	10.216	10.216	0.000
Minworth Unlocking	0.001	0.000	0.001	0.000	0.000	0.001	0.001	0.000
Battery Way Extension	2.015	1.586	2.015	0.000	0.000	2.158	2.158	0.000
Longbridge Connectivity	0.292	(0.076)	0.292	0.000	0.000	0.292	0.292	0.000
A457 Dudley Road	0.955	0.225	0.955	0.000	0.000	28.898	28.898	0.000
Journey Reliability	0.768	0.010	0.768	0.000	0.000	0.768	0.768	0.000
Tame Valley Phase 2 & 3	1.254	0.257	1.254	0.000	0.000	87.855	87.855	0.000
Selly Oak New Road Phase 1B	6.000	0.896	6.000	0.000	0.000	7.312	7.312	0.000
Wharfdale Bridge	2.542	0.010	2.542	0.000	0.000	2.695	2.695	0.000
Snow Hill Station	4.268	0.131	4.268	0.000	0.000	7.308	7.308	0.000
Other (Major Schemes)	2.802	0.236	2.802	0.000	0.000	4.752	4.752	0.000
<b>Total Major Schemes</b>	<b>25.985</b>	<b>4.848</b>	<b>25.985</b>	<b>0.000</b>	<b>0.000</b>	<b>157.710</b>	<b>157.710</b>	<b>0.000</b>
Inclusive & Sustainable Growth	61.646	1.448	61.646	0.000	0.000	68.295	68.295	0.000
Walking & Cycling	8.990	1.612	8.990	0.000	0.000	12.988	12.988	0.000
Local Measure	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Infrastructure Dev	0.745	0.475	0.745	0.000	0.000	1.314	1.314	0.000
Transportation & highways Funding Strat	0.000	0.000	0.000	0.000	0.000	13.013	13.013	0.000
Section 278/S106	0.012	0.110	0.012	0.000	0.000	0.012	0.012	0.000
<b>Total Transport Connectivity</b>	<b>97.378</b>	<b>8.492</b>	<b>97.378</b>	<b>0.000</b>	<b>0.000</b>	<b>253.332</b>	<b>253.332</b>	<b>0.000</b>
<b>Highways Infrastructure</b>								
Safer Routes to Schools	0.684	0.071	0.684	0.000	0.000	1.884	1.884	0.000
Network Integrity and Efficiency	1.572	0.186	1.572	0.000	0.000	3.572	3.572	0.000
S106 & S278 Schemes	0.069	0.052	0.069	0.000	0.000	0.069	0.069	0.000
Road Safety	0.872	0.155	0.872	0.000	0.000	4.297	4.297	0.000
District Schemes	0.569	0.033	0.569	0.000	0.000	0.569	0.569	0.000
<b>Total Highways Infrastructure</b>	<b>3.765</b>	<b>0.497</b>	<b>3.765</b>	<b>0.000</b>	<b>0.000</b>	<b>10.390</b>	<b>10.390</b>	<b>0.000</b>
<b>Property Services</b>								
Attwood Green Parks	0.059	0.000	0.059	0.000	0.000	0.059	0.059	0.000
AttwoodGreen-Holloway Head Playing Field	0.038	0.000	0.038	0.000	0.000	0.038	0.038	0.000
Attwood Green-Woodview Community Centre	0.090	0.000	0.090	0.000	0.000	0.090	0.090	0.000
Council House Major Works	0.000	0.001	0.000	0.000	0.000	0.000	0.000	0.000
Bham Crisis Centre-Nursery Extension	0.005	0.000	0.005	0.000	0.000	0.005	0.005	0.000
Lee Bank Business Centre	0.000	0.035	0.000	0.000	0.000	0.000	0.000	0.000
Highbury Hall Essential Works	0.463	0.021	0.463	0.000	0.000	0.463	0.463	0.000
Property Strategy	9.500	0.000	9.500	0.000	0.000	55.000	55.000	0.000
<b>Total Property Services</b>	<b>10.153</b>	<b>0.058</b>	<b>10.153</b>	<b>0.000</b>	<b>0.000</b>	<b>55.653</b>	<b>55.653</b>	<b>0.000</b>
<b>Total Inclusive Growth Directorate</b>	<b>175.829</b>	<b>17.592</b>	<b>175.829</b>	<b>0.000</b>	<b>0.000</b>	<b>1,450.345</b>	<b>1,450.345</b>	<b>0.000</b>
<b>DIGITAL &amp; CUSTOMER SERVICES DIRECTORATE</b>								
ICT & Digital	7.876	0.873	7.876	0.000	0.000	12.269	12.269	0.000
<b>Total Digital &amp; Customer Services Directorate</b>	<b>7.876</b>	<b>0.873</b>	<b>7.876</b>	<b>0.000</b>	<b>0.000</b>	<b>12.269</b>	<b>12.269</b>	<b>0.000</b>
<b>FINANCE &amp; GOVERNANCE DIRECTORATE</b>								
<b>Development &amp; Commercial</b>								
Gateway/Grand Central Residual Costs	12.800	(1.073)	12.800	0.000	0.000	18.564	18.564	0.000
Capital Loans & Equity	1.000	0.000	1.000	0.000	0.000	3.242	3.242	0.000
<b>Total Development &amp; Commercial</b>	<b>13.800</b>	<b>(1.073)</b>	<b>13.800</b>	<b>0.000</b>	<b>0.000</b>	<b>21.806</b>	<b>21.806</b>	<b>0.000</b>
<b>Corporately Held Funds</b>								
Revenue Reform Projects	20.311	5.082	20.311	0.000	0.000	39.557	39.557	0.000
Corporate Capital Contingency	5.000	0.000	5.000	0.000	0.000	25.392	25.392	0.000
<b>Total Corporately Held Funds</b>	<b>25.311</b>	<b>5.082</b>	<b>25.311</b>	<b>0.000</b>	<b>0.000</b>	<b>64.949</b>	<b>64.949</b>	<b>0.000</b>
SAP Investments	0.414	0.021	0.414	0.000	0.000	3.989	3.989	0.000
<b>Total Finance &amp; Governance Directorate</b>	<b>39.525</b>	<b>4.030</b>	<b>39.525</b>	<b>0.000</b>	<b>0.000</b>	<b>90.744</b>	<b>90.744</b>	<b>0.000</b>
<b>ASSISTANT CHIEF EXECUTIVE DIRECTORATE</b>								
Public Health	0.750	0.000	0.750	0.000	0.000	0.750	0.750	0.000
<b>Total Assistant Chief Executive Directorate</b>	<b>0.750</b>	<b>0.000</b>	<b>0.750</b>	<b>0.000</b>	<b>0.000</b>	<b>0.750</b>	<b>0.750</b>	<b>0.000</b>
<b>COMMONWEALTH GAMES 2022</b>								
CWG Village	164.926	26.439	164.926	0.000	0.000	466.587	466.587	0.000
CWG Alexander Stadium	2.187	1.470	2.187	0.000	0.000	70.806	70.806	0.000
CWG Organising Cttee	12.809	0.000	12.809	0.000	0.000	73.244	73.244	0.000
<b>Total Commonwealth Games 2022</b>	<b>179.922</b>	<b>27.908</b>	<b>179.922</b>	<b>0.000</b>	<b>0.000</b>	<b>610.637</b>	<b>610.637</b>	<b>0.000</b>
<b>Total Capital Programme</b>	<b>641.104</b>	<b>91.273</b>	<b>641.937</b>	<b>0.833</b>	<b>0.000</b>	<b>3,547.119</b>	<b>3,547.952</b>	<b>0.833</b>

ADULT SOCIAL CARE DIRECTORATE	
Project/Programme	Comments
None	None

EDUCATION AND SKILLS DIRECTORATE	
Project/Programme	Comments
Schools Academisation	Some schools have/are in the process of converting to Academies, but have significant deficits that have to be funded by the LA. A funding switch utilising capital resources has been identified to fund known costs, but any further increases would in the first instance be a revenue pressure

NEIGHBOURHOODS DIRECTORATE	
Project/Programme	Comments
Markets Services - Wholesale Market	£400k essential Health & Safety works have been identified & has been reported at the Capital Board. Funding is proposed from the corporate capital contingency pending further investigation into other options. An Executive decision will be sought through a Chief officer / Cabinet member report. Closure of the market has been threatened if the works are not completed. [Neil Hingorani to confirm]. £255k additional forecast overspend on the demolition of the old wholesale market site - funding to be identified.
Stechford Cascades New build	Further asbestos has been discovered creating a likely overspend of £178k which can be funded from capital receipts allocated to the Directorate, subject to approval.
HRA - Fire Protection Programme	A financial risk of approximately £28m has been identified to address measures recommended from the Hackett Review as Fire Precautions for High Rise Blocks. The proposed programme anticipates that £14m is required for the current year with the balance to be spent in future years. This will need to be contained within HRA financial resources.
HRA - Adaptations	There is financial risk due to a significant backlog of adult referral cases. Both Neighbourhoods and Adults Social Care are working together to address the operation and financial issues through a comprehensive implementation plan alongside a financial mitigation plan.

INCLUSIVE GROWTH DIRECTORATE	
Project/Programme	Comments
Clean Air Zone	The Project team are working with ICT systems specialists/suppliers to develop specifications and development costs of delivering the additional back office functionality as a result of change requested by DEFRA. Once costs and implications are fully established a Project Initiation Document (PID) will be developed to seek agreement and additional funding from DEFRA.

DIGITAL & CUSTOMER SERVICES DIRECTORATE	
Project/Programme	Comments
None	None

FINANCE & GOVERNANCE DIRECTORATE	
Project/Programme	Comments
None	None

ASSISTANT CHIEF EXECUTIVE DIRECTORATE	

Project/Programme	Comments
None	None

COMMONWEALTH GAMES 2022	
Project/Programme	Comments
None	None

## TREASURY MANAGEMENT MONITORING DASHBOARD: JULY 2019

	value	comparator	difference
<b>1 Gross loan debt</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
at month end	3,192		
year end Forecast (vs Plan)	3,497	3,591	-93
year end Forecast (vs Pru Limit for loan debt*)	3,497	3,868	-370
<i>*monitoring of the full set of prudential indicators is reported quarterly to Cabinet</i>			
<b>2 Short term borrowing</b>			
at month end (vs Guideline)	344	500	-156
interest rate year to date on outstanding deals (vs assumption)	0.84%	0.89%	-0.05%
<b>3 Treasury investments</b>			
at month end (vs Guideline)	32	40	-8
interest rate year to date on outstanding deals (vs assumption)	0.67%	0.59%	0.08%
<b>4 Long term loans taken</b>			
year to date (vs plan for year)	30	225	-195
ave. interest rate obtained (vs assumption)	2.14%	2.85%	-0.71%
Long term loans repaid early and replaced:	30		
Associated redemption premium	18		
<b>5 Assurance</b>			
were Credit criteria complied with?	yes		
were investment defaults avoided?	yes		
was the TM Code complied with?	yes		
were prudential limits complied with?	yes		