

BIRMINGHAM CITY COUNCIL

RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

THURSDAY, 18 OCTOBER 2018 AT 14:00 HOURS
IN COMMITTEE ROOMS 3 & 4, COUNCIL HOUSE, VICTORIA
SQUARE, BIRMINGHAM, B1 1BB

A G E N D A

1 NOTICE OF RECORDING/WEBCAST

The Chairman to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's Internet site (www.civico.net/birmingham) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

2 APOLOGIES

To receive any apologies.

3 DECLARATIONS OF INTERESTS

Members are reminded that they must declare all relevant pecuniary and non pecuniary interests arising from any business to be discussed at this meeting. If a disclosable pecuniary interest is declared a Member must not speak or take part in that agenda item. Any declarations will be recorded in the minutes of the meeting.

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4 ACTION NOTES

To confirm the action notes of the meeting held on 20th September 2018.

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5 FINANCIAL MONITORING 2018/19 MONTH 5

Clive Heaphy, Corporate Director, Finance and Governance, in attendance.

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6 WORK PROGRAMME

To consider the Committee's work programme.

7 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chairman are matters of urgency.

8 **DATE OF NEXT MEETING**

Item Description

9 **REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)**

To consider any request for call in/councillor call for action/petitions (if received).

10 **AUTHORITY TO CHAIRMAN AND OFFICERS**

Chairman to move:-

'In an urgent situation between meetings, the Chairman jointly with the relevant Chief Officer has authority to act on behalf of the Committee'.

BIRMINGHAM CITY COUNCIL

RESOURCES O&S COMMITTEE – PUBLIC MEETING

1400 hours on Thursday 20 September 2018, Committee Room 6

Present:

Councillor Sir Albert Bore (Chair)

Councillors: Muhammad Afzal, Meirion Jenkins, Zaheer Khan, Ewan Mackey and Paul Tilsley

Also Present:

Peter Bishop, Assistant Director, ICT & Digital Services

Clive Heaphy, Corporate Director, Finance and Governance

Dawn Hewins, Director of HR

Jayne Power, Scrutiny Officer

Emma Williamson, Head of Scrutiny Services

1. NOTICE OF RECORDING/WEBCAST

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2. APOLOGIES

Apologies were received from Councillor Josh Jones.

3. DECLARATIONS OF INTERESTS

None.

4. ACTION NOTES – 4 SEPTEMBER 2018

(See document No 1)

The notes were agreed.

5. 2018-19 BUDGET UPDATE

(See document No 2)

Clive Heaphy, Corporate Director, Finance and Governance attended for this item.

The Chair began by thanking the Corporate Director for providing the Month 4 report.

He went on to say that his intention was to establish a baseline for the Committee for future meetings and to address the comments in the auditor's report.

In setting this baseline, the following points were raised:

- There are a number of changes (eg to grant payments, financing, etc) which could affect the budget position next year;
- It was clarified that the £88m of savings required for 2019/20 includes the £30.5m reserve figure; it does not however include the non-deliverable savings, which will increase the figure to £93m;
- This figure could potentially increase still further due to the following factors:
 - One-off savings - it was pointed out that sometimes a one-off saving is to address a one-off pressure, but where pressures go forward into future years this will increase the savings required;
 - The £6.6m of savings identified as at risk - it is assumed these will be made, however if they are not, that again will push up the savings required;
- The £88m savings for 2019/20 could therefore potentially be nearer £100m;
- In appendix Ai), table 5, there is a discrepancy between the figure for one-off mitigations in the table (£8.1m) and the figure quoted in the narrative (£13.4m). It was confirmed that the figure in the table of £8.1m in the table is correct and the narrative is incorrect;
- A number of measures are being implemented, including the star chamber, to ensure savings are met, with the focus on achieving a balanced budget using the £30.5m of reserves (less if possible);
- Part of this will be making sure there are strong implementation plans in place which will be tracked through dashboards;
- Members expressed concern that there are no implementation plans yet for Adult Social Care, Children & Young People and Place and were told by the Corporate Director that there has been some progress since the report was produced and they are trying to ensure that these plans are in place by the beginning of 2019/20;
- With regard to Children & Young People, no mitigations have been identified but all options are being looked at, eg personal travel budgets, and it was pointed out that this is not just a problem in Birmingham, other local authorities are also facing increased demand;
- With regard to Place forecast overspend, it is stated that the projection assumes that the implementation of the Memorandum of Understanding (MoU) is cost neutral. When the report was written, the cost for the unimplemented MoU was £1.8m. Implementation will ensure losses do not continue growing;
- The Corporate Director said that he would come back to a future committee meeting with a revised baseline and go through all the changes.

In the discussion which followed and in response to Members' questions, the following were among the main points raised:

- Priority based budgeting is currently being looked at and will form the budget consultation for 2019/20;
- In response to questions regarding Acivico, Members were told that the planned report to Cabinet would set out various options and the Chair stated that he hoped some of the issues raised by members of this committee would be reflected in that report;
- There are a number of different bodies where the council has different controlling interests and the Cabinet Committee Group Company Governance is looking at these to ensure that things are happening as they should;
- Concern was expressed with regard to the level of risk with the additional pressures from young people transitioning into adult care and the Corporate Director referred Members to the National Audit Office report reflecting the reduction in local government funding and the increase in demand for statutory services, meaning that as a council we have to look for savings in our discretionary services; we have to deliver our statutory services or we become unlawful.

RESOLVED:-

- Future reporting to Committee to be scheduled;
- The report was noted.

6. PROPOSED NEW IT SYSTEM FOR FINANCE AND HR

(See documents No 3 & 4)

Peter Bishop, Assistant Director, ICT & Digital Services, Clive Heaphy, Corporate Director, Finance and Governance and Dawn Hewins, Director of HR, attended for this item.

An introduction was provided, followed by a short presentation, during which Members were told about the many benefits of an Enterprise Resource Planning (ERP) system. These include flow of data, more focus on self-service, accurate reporting and consequent ease of taking corrective action.

Most local authorities now have ERP systems which offer more efficient operations and quicker transactions.

This is about HR, Finance and IT working together and is about culture change as well as the system itself – the Council has to adjust and simplify its processes.

In response to Members' questions, the following were among the main points raised:

- The importance of training and ease of use was stressed, in order that people will find the system easy to work with and the front-end has to be intuitive;
- In the past the council has used bespoke systems which are costly and difficult to upgrade. With the use of Cloud technology, the system will constantly update in the background and our processes will fit with the system rather than the other way round;

- With regard to timescales, it is planned to have the core system in place for April 2020. A Programme Manager is being appointed and the next stage will then be procurement;
- A view was expressed that the choice of product is less important than the project management and that it will be important not to put external consultants in between the supplier and Programme Manager;
- A response to be provided to Cllr Zaheer Khan's question around cyber security and where memory data banks will be held.

It was agreed that regular reports should be brought back to this Committee throughout implementation.

RESOLVED:-

- Response to be provided to Cllr Khan's question about cyber security;
- Regular reports to Committee to be programmed;
- The report and presentation were noted.

7. RESOURCES O&S COMMITTEE WORK PROGRAMME 2018/19

(See document No 5)

The Chair referred to the Terms of Reference for the Committee's work on Long Term Financial Planning. Research work will now commence and scrutiny officers will liaise with the Corporate Director, Finance and Governance, to identify potential witnesses and best practice elsewhere with a view to arranging visits.

The planned report to Cabinet on Acivico is now due to go in November and therefore this item will be rescheduled for the Committee's November meeting.

At the last meeting, Members had discussed inviting senior officers to come to future committee meetings with their detailed implementation plans for delivering efficiency savings. However, following today's discussion and the setting of a baseline, the Chair suggested that instead the Committee should continue to monitor the monthly budget reports and where necessary focus in on specific issues and areas of concern.

The Work Programme was noted.

8. REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)

None.

9. OTHER URGENT BUSINESS

None.

10. AUTHORITY TO CHAIRMAN AND OFFICERS

Agreed.

The meeting ended at 1601 hours.

Report to Overview & Scrutiny Committee
18 October 2018

Financial Monitoring 2018/19 Month 05

1. Purpose of Report

To summarise the overall position for 2018/19 and future years as at Month 5.

2. Information provided to Executive Management Team meeting 2 October 2018

- Appendix Ai - Report on Month 5 revenue monitoring position for 2018/19
- Appendix Aii - Summary of Month 5 Directorate Savings Templates
- Annex 1 – Change in presentation of savings requested by Adult Social Care & Health
- Appendix B - Report on Month 5 Capital Revenue monitoring position for 2018/19
- Appendix C – Treasury Management Month 5 Report

3. Summary of Key Issues

- Appendix A covers revenue monitoring. An overspend of £13.6m was forecast at Month 5.
- This was made up of forecast £4.4m base budget overspend and £10.6m of savings not deliverable in 2018/19 offset by partially accelerated achievement of £1.4m of the efficiency target of £5.7m.
- In future years, there were forecast savings that were not fully deliverable of £5.0m in 2019/20, reducing to £4.4m in 2021/22.
- Appendix B covers capital monitoring. The capital budget has increased by £3.1m to £3,345.8m primarily in relation to prudential borrowing resources in respect of the Collective Investment Fund Loans and the Natural Rivers & Green Corridors programme funded from external grants. The capital programme has also been revised to take account of a further £1.4m in forecast slippage which totals £40.1m at Period 5 and a forecast additional cost of £9.9m for Revenue Reform Projects.
- Appendix C monitors Treasury Management, which is on track.

Signatures

Date

Steve Powell, Assistant Director Corporate Finance

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Cllr O'Reilly, Cabinet Member for Finance and Resources

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Report to EMT
02 October 2018
Month 5 Revenue Management

1. Actions / Decisions required of EMT

- Review the overall Month 5 revenue monitoring position for 2018/19.
- Note the summary of Savings Delivery in Appendix Aii.
- Agree how further mitigating actions will be developed to address the forecast overspend described in part e.
- Consider the change in presentation of savings requested by Adult Social Care & Health Directorate and understand how the previous presentation translates to the new presentation. Please see Annex 1 for details.
- Note that Human Resources budget is now being reported separately from Strategic Services from Month 5 onwards. Other proposed structure changes will not be reflected until the outcome of the consultation is known and the Financial Systems have been updated to reflect that.
- Note that Cityserve is now reported within Strategic Services.
- Review the key issues and movements in forecast overspend described in parts f and g.
- Consider whether to approve the C&YP proposal to mitigate £0.9m of pressures by not repaying Public Health grant in 2018/19.

In Relation to Reserves:

- Support the proposed use of Policy Contingency underspends brought forward from Outturn 2017/18 of £0.2m in relation to the Community Investment Tax Relief (CITR) / Social Investment Tax Relief (SITR) - Arts Fund. This spend was originally approved by Cabinet in October 2016.
- Support the proposed appropriation from Other Earmarked Reserves of £0.2m in relation to the Collective Investment Fund held on behalf of the WMCA whilst the WMCA awaited receipt of borrowing powers.
- Support the use of Policy Contingency underspends brought forward from Outturn 2017/18 of £1.8m in Economy (of which £0.1m is required for 2019/20), as referred to in part b.
- Note the use of Policy Contingency underspends brought forward from Outturn 2017/18 of under £0.1m in relation to the Mobile Investment Fund in Economy. This is due to be considered by the Corporate Director Finance and Governance for approval.
- Note the planned use of £0.2m of Highways PFI Grants Reserves in relation to Core ICT in Strategic Services. This is due to be considered by the Corporate Director Finance and Governance for approval.

2. Purpose of Report

To summarise the overall forecast revenue outturn position for 2018/19 and future year's savings delivery as at Month 5 and to identify / agree strategies to mitigate the forecast overspend.

3. Summary of key issues

a) Overview of Month 5

A gross revenue overspend of £13.6m in 2018/19 is being forecast at Month 5 (Month 4 £12.1m). This is made up of forecast £4.4m base budget overspend (Month 4 £4.3m) and £10.6m of savings not deliverable in 2018/19 (Month 4 £9.2m) offset by partially accelerated achievement of £1.4m (No Change) of the efficiency target of £5.7m.

Meetings have been held with Councillor O'Reilly and Directorates to identify further mitigations on the 10th and 18th September.

The position is summarised in Table 1 overleaf.

This is an adverse movement of £1.5m since Month 4. The increase in forecast overspends primarily comes from savings delivery issues discussed in part f.

Table 1 - Summary forecast position of base budget and undeliverable savings

Directorate	Current Budget £m	Base Budget Overspend/(Underspend)			Savings not Deliverable			Efficiency Target			Total Forecast Overspend/(Underspend)		
		as at			as at			as at			as at		
		Month 5 £m	Month 4 £m	Movement £m	Month 5 £m	Month 4 £m	Movement £m	Month 5 £m	Month 4 £m	Movement £m	Month 5 £m	Month 4 £m	Movement £m
Adult Social Care & Health Directorate	336.068	(0.057)	(0.038)	(0.019)	0.000	0.000	0.000	0.000	0.000	0.000	(0.057)	(0.038)	(0.019)
Children & Young People Directorate	235.785	1.668	0.916	0.752	1.761	1.746	0.015	0.000	0.000	0.000	3.429	2.662	0.767
Place Directorate	136.713	4.704	5.057	(0.353)	3.195	3.237	(0.042)	0.000	0.000	0.000	7.899	8.294	(0.395)
Economy Directorate	92.858	(1.803)	(1.501)	(0.302)	3.642	3.340	0.302	(0.739)	(0.739)	0.000	1.100	1.100	0.000
Strategic Services Directorate	27.518	0.000	0.000	0.000	0.090	0.090	0.000	(0.276)	(0.276)	0.000	(0.186)	(0.186)	0.000
Human Resources	6.482	0.000	0.000	0.000	0.000	0.000	0.000	(0.078)	(0.078)	0.000	(0.078)	(0.078)	0.000
Finance & Governance Directorate	29.880	(0.956)	(0.956)	0.000	0.500	0.500	0.000	(0.244)	(0.244)	0.000	(0.700)	(0.700)	0.000
Chief Executive & Assistant Chief Executive	2.919	0.000	0.000	0.000	0.000	0.000	0.000	(0.025)	(0.025)	0.000	(0.025)	(0.025)	0.000
Sub-total Directorates Position	868.223	3.556	3.478	0.078	9.188	8.913	0.275	(1.362)	(1.362)	0.000	11.382	11.029	0.353
Policy Contingency	9.943	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Corporate Savings	0.000	0.000	0.000	0.000	1.405	0.300	1.105	0.000	0.000	0.000	1.405	0.300	1.105
Other Corporate Items	(22.977)	0.801	0.801	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.801	0.801	0.000
Sub-total Corporate Position	(13.034)	0.801	0.801	0.000	1.405	0.300	1.105	0.000	0.000	0.000	2.206	1.101	1.105
City Council General Fund	855.189	4.357	4.279	0.078	10.593	9.213	1.380	(1.362)	(1.362)	0.000	13.588	12.130	1.458
Housing Revenue Account	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

- The total forecast overspend of £13.6m is related to overspends for Place Directorate (£7.9m), Children and Young People (£3.4m) and Economy (£1.1m), offset by underspends for Finance & Governance (£0.7m), Strategic Services (£0.2m) and Human Resources (£0.1m). There are also £2.2m of Corporate overspends.
- In the case of Place Directorate, the overspend of £7.9m relates to Waste Management services of £5.5m and Markets £1.1m, offset by other directorate net savings of £1.9m. In addition there are savings delivery challenges totalling £3.2m.
- Children & Young People (CYP) relates largely to challenges on Travel Assist.
- Economy Directorate relates largely to savings shortfall in Inreach and Birmingham Property Services partially offset by base budget underspends.
- Adult Social Care and Health continue to forecast a balanced position.
- There is a savings shortfall of £0.3m on Other Corporate Items relating to the Corporate structure and £1.1m relating to Commercialism savings.
- There is a forecast corporate base budget overspend of £0.8m, relating to Acivico.
- Further work is being undertaken in conjunction with Acivico to establish the expected trading position for the company in 2018/19 and to consider any risk that there could be further costs which the Council will need to meet. The outcome of this will be reflected in future monitoring reports. This could worsen the forecast
- Strategic Services are now forecasting a £0.2m underspend.
- Human Resources are forecasting a £0.1m underspend.
- Chief Executive and Assistant Chief Executive Directorate is forecasting a balanced position and there are £0.7m underspends in Finance & Governance

b) Reserves

- In line with the Council Plan and Budget 2018+ agreed in February 2018, the Council is planning for the strategic use of £30.5m of Corporate Reserves in 2018/19.
- In addition, there are both planned uses of and contributions to Other Reserves. A net contribution of £1.9m to Other Reserves was assumed as part of setting the budget.
- There has been no change to the planned strategic use of Reserves to balance the budget.
- There are £12.6m net additional forecast use of other Reserves arising from a lower than anticipated contribution to the Commonwealth Games Contingency Reserve of £1.5m, a use of £3.9m Policy Contingency carried forward from 2017/18, not making a planned contribution of £0.7m to the World Indoor Athletics (WIA) Negative Reserve, a £0.6m deferral of budgeted repayment of schools balances, a net use of grant reserves of £0.5m, £2.1m use of Business Rates related Reserves created as part of 2017/18 Outturn, £1.8m use of Top Up Grant Reserve created as part of 2017/18 Outturn, £1.0m use of reserves relating to the Local Innovation Fund (LIF), and other net use of other earmarked reserves of £1.4m, partially offset by £0.9m not using a budgeted appropriation from Reserves relating to the Finance & Governance restructure.
- The net forecast overspend above includes the following assumptions:
 - i. Contributions to Reserves:
 - Strategic Services are not making a planned contribution of £0.7m to the World Indoor Athletics (WIA) Negative Reserve in order to mitigate lower than anticipated outdoor advertising income. The Directorate is expected to generate extra income on outdoor advertising or find alternative ways to make repayment to the negative reserve.
 - Children & Young People are deferring budgeted repayment of £0.6m to schools balances to mitigate base pressures. This was assumed at Month 3.
 - ii. Use of Reserves:

- Finance & Governance are not using a budgeted appropriation from Reserves of £0.9m for phased introduction of the new structure, thus reducing their underspend.
 - Finance & Governance are not using a budgeted appropriation from Reserves of £0.3m for Audit, thus reducing their underspend.
 - Place are using Adult Education ring fenced Grant Reserve of £0.2m to mitigate base budget pressures including one off Adult Education costs of staffing changes and IT.
 - Place are using reserves of £1.0m relating to the LIF. Expenditure on projects in relation to this, which include conditions of grant aid, will be completed in 2018/19 for which this funding has specifically been set aside.
 - At outturn 2017/18 there was a £2.1m corporate contribution to reserves relating to Business Rates compensatory grants which will be used to offset a shortfall as a result of downwards adjustments to these grants by Central Government in 2018/19 as a result of a calculation error on their part. This shortfall became apparent after the budget for 2018/19 was set.
 - The Business Rates Top Up Grant that was used in setting the budget for 2017/18 was based on estimated Business Rates Rateable Values used in the Government Calculations for the Final settlement for that year. The 2017/18 Business Rates Top Up Grant was adjusted by Central Government and was included as part of the Final settlement for 2018/19. This additional grant of £1.8m was paid over to the Council towards the end of the year. The Council elected to carry this additional grant forwards to be used in setting the budget for 2018/19.
 - Economy will use Policy Contingency underspends from Outturn 2017/18 of £2.0m in relation to the Mobile Investment Fund.
- Requests for access to Reserves:
 - Support the use of Policy Contingency underspends brought forward from Outturn 2017/18 of £0.2m in relation to the Community Investment Tax Relief (CITR) / Social Investment Tax Relief (SITR) - Arts Fund. This was approved by Cabinet in October 2016.
 - Support the use of Policy Contingency underspends brought forward from Outturn 2017/18 of £0.3m in relation to Youth Strategy in Economy (of which £0.1m is required for 2019/20).
 - Support the use of Policy Contingency underspends brought forward from Outturn 2017/18 of £0.1m in relation to Youth Promise in Economy.
 - Support the use of Policy Contingency underspends brought forward from Outturn 2017/18 of £0.3m in relation to HS2 in Economy.
 - Support the use of Policy Contingency underspends brought forward from Outturn 2017/18 of £1.1m in relation to Birmingham Jobs Fund in Economy.
 - Note the use of Policy Contingency underspends brought forward from Outturn 2017/18 of under £0.1m in relation to the Mobile Investment Fund in Economy. This is due to be considered by the Corporate Director Finance and Governance for approval.
 - Support the proposed appropriation from Other Earmarked Reserves of £0.2m in relation to the Collective Investment Fund held on behalf of the WMCA whilst the CA awaited receipt of borrowing powers.

- Note the planned use of £0.2m of Highways PFI Grants Reserves in relation to Core ICT in Strategic Services. This is due to be considered by the Corporate Director Finance and Governance for approval.

Table 2 overleaf shows the forecast use of Reserves in 2018/19 and Table 2a shows that forecast impact on Reserves balances. Both tables assume the reserves movements identified above are approved.

Table 2 - 2018/19: (Use of)/Contribution to Reserves as at Month 5

	Planned Base Budget £m	Year End Forecast as at Month 5 £m	Variance £m
Corporate Reserves			
Use of Organisational Transition Reserve (PFS)	(3.902)	(3.902)	0.000
Use of Financial Resilience Reserve	(11.575)	(11.575)	0.000
Use of One Off Resources from Previous Years	(13.250)	(13.250)	0.000
Treasury Management	(1.815)	(1.815)	0.000
Strategic Use of Reserves	(30.542)	(30.542)	0.000
Contribution to Capital Fund	3.326	3.326	0.000
Business Rates Appeals	9.349	9.349	0.000
Cyclical Maintenance	2.540	2.540	0.000
Commonwealth Games Contingency Reserve	4.746	3.254	(1.492)
Other (Use of)/Contribution to Reserves	19.961	18.469	(1.492)
Sub Total (Use of)/Contribution to Reserves	(10.581)	(12.073)	(1.492)
Repayments - Borrowing Highways PFI	0.985	0.985	0.000
Total Corporate (Use of)/Contribution to Reserves	(9.596)	(11.088)	(1.492)
Other Reserves			
Use of Grant Reserves	(8.594)	(9.105)	(0.511)
Contribution to Grant Reserves	1.477	1.477	0.000
Use of Other Earmarked Reserves	(14.848)	(24.114)	(9.265)
Contribution to Other Earmarked Reserves	2.364	1.682	(0.682)
Repayment of Schools' Balances	0.600	0.000	(0.600)
Use of Carry Forward Balances	(0.025)	(0.025)	0.000
Total Other (Use of)/Contribution to Reserves	(19.027)	(30.085)	(11.058)
Total (Use of)/Contribution to Reserves	(28.623)	(41.173)	(12.550)

Table 2a Forecast : Impact on Reserve Balances

	Outturn 2017/18 £m	Planned Base Budget (Use)/Contribution to Reserves £m	(Use)/Contribution to Reserves Approved at Outturn £m	Further (Use)/Contribution to Reserves Approved in Year £m	Forecast Balance as at 31 March 2019 £m
Organisational Transition Reserve	41.486	(3.902)	0.000	0.000	37.584
Financial Resilience Reserve	98.283	(11.575)	0.000	0.000	86.708
Strategic Other Earmarked Reserves	74.344	4.896	0.000	(1.492)	77.748
General Fund Balance	28.944	0.000	0.000	0.000	28.944
Grant Reserves	171.984	(6.132)	(0.506)	(0.005)	165.341
Other Earmarked Reserves	56.159	(12.485)	(10.336)	0.389	33.727
Schools' Reserves	35.827	0.600	0.000	(0.600)	35.827
Carry Forward Balances	1.755	(0.025)	0.000	0.000	1.730
	508.782	(28.623)	(10.842)	(1.708)	467.609

c) Overview of Efficiency Target

£5.7m of the FRR has been utilised in 2018/19 in order to allow time for services to identify in full their efficiency plans. The budget figures have been based on achieving those savings from 2019/20. However, there is an expectation placed on Corporate Directors to develop plans to deliver efficiency savings in 2018/19.

The current forecast position on delivering the efficiency target is summarised in Table 3 below:

Table 3 – Summary of Efficiency Targets

Directorates	Budget		Forecast Achievability in 2018/19	Forecast Achievability in 2019/20
	2018/19 £m	2019/20 £m	Delivery £m	Delivery £m
Adult Social Care & Health Directorate	0.000	(2.391)	0.000	(2.391)
Children & Young People Directorate	0.000	(0.664)	0.000	(0.664)
Place Directorate	0.000	(1.248)	0.000	(1.248)
Economy Directorate	0.000	(0.739)	(0.739)	(0.739)
Strategic Services Directorate	0.000	(0.276)	(0.276)	(0.276)
Human Resources	0.000	(0.078)	(0.078)	(0.078)
Finance & Governance Directorate	0.000	(0.244)	(0.244)	(0.244)
Chief Executive & Assistant Chief Executive	0.000	(0.025)	(0.025)	(0.025)
Total	0.000	(5.665)	(1.362)	(5.665)

d) Overview of Future Years

In future years, there are forecast savings that are not fully deliverable of £5.0m in 2019/20, reducing to £4.4m in 2021/22.

Deliverability issues identified by Directorates are summarised in Table 4 below:

Table 4 – Summary of Delivery in 18/19 and Future Years

Directorate	2018/19			2019/20	2020/21	2021/22
	At Risk (£m)	One off Mitigations (£m)	Non-Delivery (£m)	Non-Delivery (£m)	Non-Delivery (£m)	Non-Delivery (£m)
Adult Social Care & Health Directorate	0.000	0.000	0.000	0.000	0.000	0.000
Children & Young People Directorate	0.270	0.000	1.761	0.000	0.000	0.000
Place Directorate	0.139	0.030	3.195	0.000	0.000	0.000
Economy Directorate	0.403	0.715	3.642	3.675	3.319	2.900
Strategic Services Directorate	0.430	5.225	0.090	1.299	1.514	1.514
Human Resources	0.000	0.204	0.000	0.000	0.000	0.000
Finance & Governance Directorate	0.025	0.002	0.500	0.000	0.000	0.000
Chief Executive & Asst Chief Exec Dir.	0.000	0.000	0.000	0.000	0.000	0.000
Total Directorates	1.267	6.176	9.188	4.974	4.833	4.414
Corporate Savings	0.300	0.000	1.405	0.000	0.000	0.000
Grand Total	1.567	6.176	10.593	4.974	4.833	4.414

The lack of detail in some implementation plans provided means that it is not clear that all savings currently shown as deliverable will be fully delivered. Further work is being undertaken to refine these plans as part of the budget process.

e) Mitigations within the Base Budget

Base budget overspends have been reduced by a number of mitigating actions. These are not separately identified in Table 1 above. Table 6 below summarises pressures and mitigations within the base budget forecasts, and whether they are considered to be one-off or permanent pressures or mitigations.

Overall, £7.5m of mitigations within the base budget are considered to be one-off mitigations. After taking into account the £6.2m of one-off mitigations to savings programmes shown in Table 4, there is a total of £13.7m of one-off mitigations taken into account across the base budget and savings programmes.

Table 6 – Summary of Pressures and Mitigations within base budget over/(under)spends

Directorate	2018/19			2018/19			2018/19		
	One-off pressures (£m)	On-going pressures (£m)	Total pressures (£m)	One-off mitigations (£m)	Permanent mitigations (£m)	Total mitigations (£m)	One-off total (£m)	on-going total (£m)	base total (£m)
Adult Social Care & Health Directorate	0.0	2.0	2.0	(0.1)	(2.0)	(2.1)	(0.1)	0.0	(0.1)
Children & Young People Directorate	1.1	2.5	3.6	(1.8)	(0.1)	(1.9)	(0.7)	2.4	1.7
Place Directorate	4.8	2.0	6.8	(1.4)	(0.7)	(2.1)	3.4	1.3	4.7
Economy Directorate	0.7	0.8	1.5	(3.3)	0.0	(3.3)	(2.6)	0.8	(1.8)
Strategic Services Directorate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Human Resources	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Finance & Governance Directorate	0.0	0.0	0.0	(0.9)	0.0	(0.9)	(0.9)	0.0	(0.9)
Chief Executive & Asst Chief Exec Dir.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Directorates	6.6	7.3	13.9	(7.5)	(2.8)	(10.3)	(0.9)	4.5	3.6
Corporate Savings	0.0	0.8	0.8	0.0	0.0	0.0	0.0	0.8	0.8
Grand Total	6.6	8.1	14.7	(7.5)	(2.8)	(10.3)	(0.9)	5.3	4.4

f) Key issues

The following key areas are highlighted in the Month 5 position:

Summary comments

- The Directorate overspend has increased by £0.4m since Month 4.
- The under-achievement of Corporate savings has worsened by £1.1m.
- There are base budget pressures of £4.4m identified at Month 5. (£4.3m Month 4)
- There are £10.6m of savings identified as not deliverable at Month 5. (£9.2m Month 4)
- There are other savings of £1.6m that have been identified as at risk and £6.2m that are being covered by one off mitigations.
- Not all Directorates have identified plans to accelerate achievement of the efficiency savings in 2018/19.
- Meetings have been held with Councillor O'Reilly and Directorates to identify further mitigations on the 10th and 18th September. Updates from these meetings will be included in future reports where appropriate.
- There are a number of implementation plans that have insufficient detail.

The remaining parts to section f are summary descriptions of the position for each Directorate including a split between Base Budget and Savings where appropriate.

Adult Social Care and Health (ASC&H) – Net underspend (£0.057m)

- The Directorate has fully reviewed the savings programme and is now presenting this across two main areas of activity: staffing and packages of care. There are some of the existing savings covering Public Health services and Bad Debts which are outside of this approach and these continue to be separately reported.
- There are base pressures on Packages of Care of £1.7m before mitigations of £1.7m were identified. It should be considered whether Older Adults placements can be moved on to the new framework contract at a faster pace.
- Additional pressures from young people transitioning into Adult Care of £19m by 2021/22 are reported. The current assumption is that the “Transition Project” (reported to Cabinet in June) will mitigate these pressures.
- No implementation plans to deliver the efficiency savings have yet been identified for 2018/19.

Children and Young People (C&YP) - Net overspend £3.4m

- Travel Assist – The Directorate is reporting a £2.2m base budget pressure and £1.3m non-achievement of savings. No agreement or Cabinet approval to changes in the Travel Assist policy and procurement strategy will mean continued budget pressure in 2019/20.
- There is also a forecast base budget pressure of £0.5m in Day Nurseries which cannot close until April 2019 at the earliest due to a delayed Cabinet Report. If not agreed by Cabinet this will be an on-going pressure of £1.0m.
- A one off saving of £0.6m has been identified by deferring repayment to school balances.
- Early Years reported a pressure of £0.9m. This is mitigated by a saving of £0.9m assumed on the basis that there is no repayment of Public Health funding required in 2018/19.
- There are other miscellaneous savings of £0.3m including funding the asset management pressure from capitalisation.
- No savings have been identified for £0.4m of the C&YP share of WOC Savings.
- Delivery of the step up in Children Trust saving of £5.6m by 2021 will be subject to negotiation with the Children Trust in line with the agreed contractual process.
- The SENAR service is facing a funding shortfall of £1.1m in 2019/20 as a result of grant funding running out by 31.01.2019. This is an issue which needs to be factored into the 2019/20 budget process.
- No plans to deliver the efficiency savings have yet been identified for the current year or future years.
- No further mitigations have been identified yet for the base pressures and non-delivery of savings.

Place - Net overspend £7.9m

- Place is forecasting an overspend of £7.9m (Month 4 £8.3m)
- There are £4.7m of base pressures reported (Month 4 £5.1m) comprising:
 - £5.5m (Month 4 £5.3m) relating to Waste Services – This is due to the delay in the implementation of the 5 day working week until 1 September (£1.8m), on-going commercial volatility and lower paper market prices (£1.2m), lower fleet services recharge income due to reduced demand from internal Council customers (£0.7m) and residual matters relating to external contractors commissioned during the industrial dispute (£1.6m) - (the projection assumes that the implementation of the Memorandum of Understanding agreed with the trades unions is cost neutral)

- £1.1m for Markets (Month 4 £0.7m) – Due mainly to the transitional costs arising from the relocation of the wholesale market. The increased pressure relates to a review of the level of bad debt provision required
- £0.2m overspend on Equalities and Community Cohesion/CCTV.

Offset by:

- underspends of £0.2m for the Homeless Services (Housing Options) and other directorate underspends of £1.9m, mainly comprising £0.5m Private Sector Housing, £0.2m Adult Education, Bereavement Services £0.4m, £0.4m Parks, and £0.4m other underspends.
- There are £3.2m of savings forecast not to be delivered (Month 4 £3.2m) comprising:
 - Waste Services £0.4m – Capacity Fee and Overrun Agreement (pending the procurement of the new contract from October 2019) – this is the element that may not be realisable from the total of £1.8m based on the current position on the negotiations of the agreement. This assessment will be further reviewed and refined to reflect the outcome of negotiations.
 - Disposal of Parks Land £0.5m – expected 8 acres per year subject to review by the Property Board (and prior year savings on Cofton Nursery)
 - Asset and Property Disposal Programme £0.7m - £8m per annum to generate a revenue saving subject to review by the Property Board
 - Cross Cutting Workforce Savings £1.4m – £1.1m is achieved from the total of £2.5m (the non-delivery of £1.4m includes £0.8m for Waste Services). Plans are in development for a refreshed approach to delivery that will take a whole Directorate view rather than pro-rating savings to individual service areas.
 - Pension Strain Costs from Prior Years £0.2m
- No plans to deliver the efficiency savings have yet been identified for the current year or future years.

Economy - Net overspend £1.1m

- Economy has a forecast £1.8m base budget underspend.
 - This includes pressures of £1.5m made up of £0.5m Birmingham Property Services for the loss of CAB income, £0.5m in year deficit on Street Lighting, £0.2m in year deficit on Licences and Permit Income and £0.3m Facilities Management (FM)- (over recent years FM's year-end outturn position has been one of deficit, with the position for 2017/18 totalling £0.3m).
 - These are offset by forecast underspends of £3.3m made up by £0.8m on Planning largely related to additional income, £0.7m Civil Parking Enforcement, £0.1m Car Parking Income, £0.5m prudential borrowing, £0.3m Highways Maintenance and Management Private Finance Initiative (HMMPFI) Superannuation, £0.3m Developers Fee Income, and £0.6m other variations.

Economy is reporting Savings non-delivery of £3.6m.

- £1.7m is for CAB Buildings, after mitigations. There is a proposal to re-apportion costs across the Council, but this will only spread the overspend across Directorates, not provide a solution.
- There is also £1.6m non-delivery of InReach savings, largely due to delays. Parts of the scheme are still awaiting approval from the Secretary of State. Due to delays in obtaining a formal decision, this part of the saving is assumed not be achievable.

- There is a shortfall of £0.3m in savings on Expansion of City Centre parking due to delays. The scheme is now expected to deliver savings from February 2019.
- Economy has accelerated its efficiency savings to cover its target of £0.7m in the current year as required.

Finance and Governance (F&G) - Net underspend (£0.7m)

- F&G has a base underspend of £1.0m. This largely relates to an underspend on SAP Development.
- F&G has reported that £0.5m of Legal savings may not be achieved. A service review paper was agreed by CMT on 25th June. If full year charges can be made to Directorates, then the full saving may be made. But charges for partial year may result in a savings shortfall.
- F&G has accelerated its efficiency savings to cover its target of £0.2m in the current year as required.

Strategic Services - Net underspend (£0.2m)

- Strategic Services has not identified any base pressures.
- There are £0.1m of ICT&D savings shown as unachievable. This is after one off mitigations of £4.4m.
- There are no plans to deliver future years increases in WOC savings.
- Strategic Services has identified plans for all of its £0.3m efficiency savings target in the current year.

Human Resources (HR) – Net underspend £0.1m

- HR has not identified any base budget pressures. HR has £0.2m of WOC savings it considers unachievable in the short term while the new service model is implemented, but these are expected to be mitigated in the short term with vacancy management.
- HR's share of the efficiency target (£0.1m) has been shown as not achievable whilst the new service model is implemented, but is expected to be mitigated in the short term with vacancy management.

Chief Executive and Assistant Chief Executive - Net underspend (£0.025m)

- The Directorate is expecting to be within budget and achieve its share of savings.
- It is expecting to achieve its efficiency target in the current year.

Corporate Position - Net overspend £2.2m

- No templates have been received for any corporate savings apart from the Commercialism savings.
- There is a target of £1.2m from Commercialism savings. The template only expects a very small amount to be achieved in year as planned. There was a plan for the remainder to be achieved by one-off mitigations. However, the latest assessment is that it would not be prudent to assume that £1.1m of these will be achieved. This will continue to be monitored. It may be that the benefits from the actions currently undertaken will show in 2019/20. It is essential that there is clear relationship between savings attributed to Commercialism and individual Directorate proposals to avoid the risk of double counts.
- There is a target of £0.6m from the planned review of senior structures. It has been assumed for this report that £0.3m of the savings are not achieved and £0.3m is at risk. It is assumed this will be fully delivered in future years.

- There is a forecast overspend of £0.7m related to budgeted Acivico profit share that, to be prudent, is being treated as unachievable, and a further £0.1m forecast costs for charges such as archiving and unfunded Highbury Hall costs.
- However, further work is being undertaken in conjunction with Acivico to establish the expected trading position for the company in 2018/19 and to consider any risk that there could be further costs which the Council will need to meet. The outcome of this will be reflected in future monitoring reports.
- No corporate mitigations have been assumed at this stage.

g) Key Movements since Month 4 - £1.5m Net Worsening in 2018/19

The following areas are the main movements since Month 4:

Base Budget – Net Worsening £0.1m

- **Childrens** – Primarily related to increased overspend on Travel Assist by £0.8m
- **Place** – adverse movement of £0.2m on Waste Services and £0.4m on Markets due to bad debt provision. These have been mitigated by underspends in Private Sector Housing £0.5m, Bereavement Services £0.4m and other minor underspends of £0.1m
- **Economy** – Net improvement of £0.3m primarily relates to additional income in Planning offset by reduced income in Highways

Savings Non-Delivery – Worsening £1.4m

- **Economy** - £0.3m adverse movement due to a reduction in the forecast level of mitigations from the revenue benefits of property disposals.
- **Corporate** - £1.1m Commercialism mitigations are no longer forecast to be achieved.

Clive Heaphy, Corporate Director of Finance & Governance 28 September 2018

		2018/19					Budgeted Savings			Forecast Savings			Non-Delivery		
		Budgeted Savings	Full Delivery	At Risk	One off Mitigations (include in comments below)	Non-Delivery	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Savings Reference	Service Area	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Adult Social Care & Health															
	Staffing	(11.089)	(11.089)	0.000	0.000	0.000	(15.031)	(17.145)	(18.438)	(15.031)	(17.145)	(18.438)	0.000	0.000	0.000
	Packages of Care	(4.068)	(4.068)	0.000	0.000	0.000	(13.382)	(24.569)	(32.069)	(13.382)	(24.569)	(32.069)	0.000	0.000	0.000
	Bad Debt	(0.350)	(0.350)	0.000	0.000	0.000	(0.350)	(0.420)	(0.420)	(0.350)	(0.420)	(0.420)	0.000	0.000	0.000
	Contracts -PH	0.450	0.450	0.000	0.000	0.000	(0.015)	(1.515)	(0.505)	(0.015)	(1.515)	(0.505)	0.000	0.000	0.000
Adult Social Care & Health Total Savings (including savings delivered on a one-off basis)		(15.057)	(15.057)	0.000	0.000	0.000	(28.778)	(43.649)	(51.432)	(28.778)	(43.649)	(51.432)	0.000	0.000	0.000

Children & Young People

CH4 17+ / MIA3 16+	Education travel	(1.300)	0.000	0.000	0.000	(1.300)	(1.754)	(1.974)	(1.974)	(1.754)	(1.974)	(1.974)	0.000	0.000	0.000
CH5 17+	Early Help - commissioning and brokerage	(5.546)	(5.546)	0.000	0.000	0.000	(9.573)	(11.118)	(11.118)	(9.573)	(11.118)	(11.118)	0.000	0.000	0.000
CH6 17+	Educational psychologists	(0.050)	(0.050)	0.000	0.000	0.000	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	0.000	0.000	0.000
P22 16+	Early Years	(0.270)	0.000	(0.270)	0.000	0.000	(0.150)	(1.131)	(1.950)	(0.150)	(1.131)	(1.950)	0.000	0.000	0.000
WOC1	Allocation of workforce savings	(0.571)	(0.110)	0.000	0.000	(0.461)	(0.846)	(1.058)	(1.058)	(0.846)	(1.058)	(1.058)	0.000	0.000	0.000
CC002	Efficiency Target	0.000	0.000	0.000	0.000	0.000	(0.664)	(0.664)	(0.664)	(0.664)	(0.664)	(0.664)	0.000	0.000	0.000
CY001A	Education Psychology	(0.100)	(0.100)	0.000	0.000	0.000	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	0.000	0.000	0.000
CY010 CY013	School Setting / Improvements	(0.246)	(0.246)	0.000	0.000	0.000	(0.246)	(0.246)	(0.246)	(0.246)	(0.246)	(0.246)	0.000	0.000	0.000
CY012	School & Governor Support	(0.020)	(0.020)	0.000	0.000	0.000	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)	0.000	0.000	0.000
CY016	Schools Financial Services	(0.035)	(0.035)	0.000	0.000	0.000	(0.035)	(0.035)	(0.035)	(0.035)	(0.035)	(0.035)	0.000	0.000	0.000
Children & Young People Total Savings		(8.138)	(6.107)	(0.270)	0.000	(1.761)	(13.488)	(16.446)	(17.265)	(13.488)	(16.446)	(17.265)	0.000	0.000	0.000

Place

HW2 17+	Review future options for wellbeing centres and community hubs	(0.700)	(0.700)	0.000	0.000	0.000	(1.300)	(1.300)	(1.300)	(1.300)	(1.300)	(1.300)	0.000	0.000	0.000
SN26 16+	Discontinue Non Framework Contract at Health and Wellbeing Centres	(0.560)	(0.560)	0.000	0.000	0.000	(0.750)	(0.750)	(0.750)	(0.750)	(0.750)	(0.750)	0.000	0.000	0.000
SN43 16+	Community leisure centres	(0.059)	(0.059)	0.000	0.000	0.000	(0.059)	(0.059)	(0.059)	(0.059)	(0.059)	(0.059)	0.000	0.000	0.000
PL001	Sport & Events	(0.170)	(0.170)	0.000	0.000	0.000	(0.170)	(0.170)	(0.170)	(0.170)	(0.170)	(0.170)	0.000	0.000	0.000
HN3 17+	Waste Management Contracts - Charging for traders to access H	0.075	0.075	0.000	0.000	0.000	0.300	0.300	0.300	0.300	0.300	0.300	0.000	0.000	0.000
SN21 16+	Removal of Universal Superloos	(0.101)	(0.101)	0.000	0.000	0.000	(0.101)	(0.101)	(0.235)	(0.101)	(0.101)	(0.235)	0.000	0.000	0.000
SN6 16+	Waste Disposal Contract	(1.750)	(1.350)	0.000	0.000	(0.400)	(10.500)	(10.500)	(10.500)	(10.500)	(10.500)	(10.500)	0.000	0.000	0.000
HN1 17+	Parks - reduction to service	(0.727)	(0.600)	0.000	0.000	(0.127)	(0.600)	(0.600)	(0.600)	(0.600)	(0.600)	(0.600)	0.000	0.000	0.000
SN45 16+	Disposal of unwanted/under utilised parks land (8 acres per year)	(0.200)	(0.132)	0.000	0.000	(0.068)	(0.400)	(0.400)	(0.400)	(0.400)	(0.400)	(0.400)	0.000	0.000	0.000
PL003	Parks and Nature Conservation	(0.200)	(0.200)	0.000	0.000	0.000	(0.400)	(0.400)	(0.400)	(0.400)	(0.400)	(0.400)	0.000	0.000	0.000
SN24 16+	Provide above ground mausoleums and vaults	(0.209)	(0.070)	(0.139)	0.000	0.000	(0.209)	(0.209)	(0.209)	(0.209)	(0.209)	(0.209)	0.000	0.000	0.000
HN6a 17+	Increase commercial income on activities-Bereavement	(0.050)	(0.050)	0.000	0.000	0.000	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)	0.000	0.000	0.000
PL004	Bereavement Services	(0.121)	(0.061)	0.000	0.000	(0.060)	(0.121)	(0.121)	(0.121)	(0.121)	(0.121)	(0.121)	0.000	0.000	0.000
HN6d 17+	Increase commercial income on activities-Marketing	0.000	0.000	0.000	0.000	0.000	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	0.000	0.000	0.000
CC12 17+	Equalities	(0.142)	(0.142)	0.000	0.000	0.000	(0.142)	(0.142)	(0.142)	(0.142)	(0.142)	(0.142)	0.000	0.000	0.000
PL008	Engineering & Resilience Services	(0.098)	(0.038)	0.000	(0.030)	(0.030)	(0.098)	(0.098)	(0.098)	(0.098)	(0.098)	(0.098)	0.000	0.000	0.000
EGJ8 16+	Create a West Midlands-wide trading standards service	(0.050)	(0.050)	0.000	0.000	0.000	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)	0.000	0.000	0.000
PL011	Register Office	(0.172)	(0.172)	0.000	0.000	0.000	(0.172)	(0.172)	(0.172)	(0.172)	(0.172)	(0.172)	0.000	0.000	0.000
PL014	Waste Prevention	(0.110)	(0.110)	0.000	0.000	0.000	(0.165)	(0.165)	(0.165)	(0.165)	(0.165)	(0.165)	0.000	0.000	0.000
HN4 17+	Selective licensing	(0.250)	(0.250)	0.000	0.000	0.000	(0.250)	(0.250)	(0.250)	(0.250)	(0.250)	(0.250)	0.000	0.000	0.000
CC27 16+	New Operating Model for Community Libraries	(0.545)	(0.545)	0.000	0.000	0.000	(0.388)	(0.388)	(0.388)	(0.388)	(0.388)	(0.388)	0.000	0.000	0.000
HN6c 17+	Increase commercial income on activities-LOB	(0.050)	(0.050)	0.000	0.000	0.000	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)	0.000	0.000	0.000
PL016D	Neighbourhoods & Communities - Youth Service	(0.100)	(0.100)	0.000	0.000	0.000	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	0.000	0.000	0.000

		2018/19					Budgeted Savings			Forecast Savings			Non-Delivery		
		Budgeted Savings	Full Delivery	At Risk	One off Mitigations (include in comments below)	Non-Delivery	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Savings Reference	Service Area	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
PL016E	Neighbourhoods & Communities - Community	(0.040)	(0.040)	0.000	0.000	0.000	(0.120)	(0.120)	(0.120)	(0.120)	(0.120)	(0.120)	0.000	0.000	0.000
E29/E38 16+	Support to the Arts and Borrowing from Reserves - Arts	(1.000)	(1.000)	0.000	0.000	0.000	(1.000)	(1.000)	(1.000)	(1.000)	(1.000)	(1.000)	0.000	0.000	0.000
E30 16+	Major Events	(1.471)	(1.471)	0.000	0.000	0.000	(1.471)	(1.471)	(1.471)	(1.471)	(1.471)	(1.471)	0.000	0.000	0.000
PL020	City Centre Management	(0.030)	(0.030)	0.000	0.000	0.000	(0.030)	(0.030)	(0.030)	(0.030)	(0.030)	(0.030)	0.000	0.000	0.000
PL021	Housing Options	0.000	0.000	0.000	0.000	0.000	0.000	(0.500)	(1.009)	0.000	(0.500)	(1.009)	0.000	0.000	0.000
PL022	Shelforce	0.000	0.000	0.000	0.000	0.000	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)	0.000	0.000	0.000
HN7 17+	Asset and property disposal programme	(0.700)	0.000	0.000	0.000	(0.700)	(1.100)	(1.100)	(1.100)	(1.100)	(1.100)	(1.100)	0.000	0.000	0.000
CC28 17+	Reductions in Operational Costs	0.050	0.050	0.000	0.000	0.000	0.050	0.050	0.050	0.050	0.050	0.050	0.000	0.000	0.000
WOC1	Allocation of workforce savings	(2.487)	(1.079)	0.000	0.000	(1.408)	(3.644)	(4.371)	(4.371)	(3.644)	(4.371)	(4.371)	0.000	0.000	0.000
CC002	Efficiency Target	0.000	0.000	0.000	0.000	0.000	(1.248)	(1.248)	(1.248)	(1.248)	(1.248)	(1.248)	0.000	0.000	0.000
	Corporate Funding of Pension Fund Strain	(0.365)	(0.269)	0.000	0.000	(0.096)	(0.034)	0.000	0.000	(0.034)	0.000	0.000	0.000	0.000	0.000
Place Subtotal Savings		(12.332)	(9.274)	(0.139)	(0.030)	(2.889)	(24.522)	(25.715)	(26.358)	(24.522)	(25.715)	(26.358)	0.000	0.000	0.000

savings delivered on a one-off basis in 2017/18

HN7	Asset & Property Disposal Programme	(0.100)	(0.100)	0.000	0.000	0.000	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	0.000	0.000	0.000
SN26*	Discontinue Non Framework Contract at Health and Wellbeing Centres	(0.230)	(0.230)	0.000	0.000	0.000	(0.230)	(0.230)	(0.230)	(0.230)	(0.230)	(0.230)	0.000	0.000	0.000
SN32 (16/17)	Income Generation from Cofton Nursery	(0.306)	0.000	0.000	0.000	(0.306)	(0.306)	(0.306)	(0.306)	(0.306)	(0.306)	(0.306)	0.000	0.000	0.000
Place One-off savings		(0.636)	(0.330)	0.000	0.000	(0.306)	(0.636)	(0.636)	(0.636)	(0.636)	(0.636)	(0.636)	0.000	0.000	0.000
Place Total Savings		(12.968)	(9.604)	(0.139)	(0.030)	(3.195)	(25.158)	(26.351)	(26.994)	(25.158)	(26.351)	(26.994)	0.000	0.000	0.000

Economy

CC6 17+	European & International Affairs - fund full cost from external / other sources	(0.376)	(0.376)	0.000	0.000	0.000	(0.376)	(0.376)	(0.376)	(0.376)	(0.376)	(0.376)	0.000	0.000	0.000
CC7 17+	Brussels Office - fund full cost from external / other sources	(0.060)	(0.060)	0.000	0.000	0.000	(0.060)	(0.060)	(0.060)	(0.060)	(0.060)	(0.060)	0.000	0.000	0.000
JS2 17+ / E17 16+ / EGJ9 16+ / EC009	West Midlands Growth Company [Marketing Birmingham]	(0.477)	(0.477)	0.000	0.000	0.000	(1.126)	(1.126)	(1.126)	(1.126)	(1.126)	(1.126)	0.000	0.000	0.000
EGJ10 16+/JS3 17+	Self financing of the Employment and Skills Service (ESS)/Economy Future Operating Model	(0.600)	(0.600)	0.000	0.000	0.000	(0.600)	(0.600)	(0.600)	(0.600)	(0.600)	(0.600)	0.000	0.000	0.000
JS4a&b 17+	Reduce West Midlands Combined Authority Transport Levy	(1.635)	(1.635)	0.000	0.000	0.000	(1.861)	(1.860)	(1.467)	(1.861)	(1.860)	(1.467)	0.000	0.000	0.000
JS6 17+	Parking Tariff Increase - city centre car parks	(0.500)	(0.500)	0.000	0.000	0.000	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	0.000	0.000	0.000
PL32 16+	Highways Maintenance	1.050	1.050	0.000	0.000	0.000	1.850	1.850	1.850	1.850	1.850	1.850	0.000	0.000	0.000
SN1 16+	Sharing of highways maintenance database with statutory undertakers	0.000	0.000	0.000	0.000	0.000	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)	0.000	0.000	0.000
SN2 16+	The City Council will design and develop a modern transport network for the city in order to help develop attractive shopping areas, promote greener forms of transport and improve the environment.	(1.022)	(1.022)	0.000	0.000	0.000	(1.022)	(1.022)	(1.022)	(1.022)	(1.022)	(1.022)	0.000	0.000	0.000
MYR4/HN11/SN40	InReach Housing Programme	(0.721)	0.000	0.000	0.000	(0.721)	(1.326)	(1.670)	(1.670)	0.000	0.000	(0.156)	1.326	1.670	1.514
SN9 16+	Introduce a GIS mapping system to enable more efficient reporting of street scene issues	0.000	0.000	0.000	0.000	0.000	0.000	(0.010)	(0.010)	0.000	(0.010)	(0.010)	0.000	0.000	0.000
SN35 16+	Expansion of City Centre on-street parking, concessions and restrictions	(0.347)	(0.034)	0.000	0.000	(0.313)	(0.347)	(0.347)	(0.347)	(0.347)	(0.347)	(0.347)	0.000	0.000	0.000
CC26 16+	Council administrative buildings reduction	(2.400)	0.000	0.000	(0.715)	(1.685)	(2.400)	(2.400)	(2.400)	(0.566)	(0.856)	(1.014)	1.834	1.544	1.386
EGJ2 16+	Charging more costs to capital projects	(0.100)	(0.100)	0.000	0.000	0.000	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	0.000	0.000	0.000

		2018/19					Budgeted Savings			Forecast Savings			Non-Delivery		
		Budgeted Savings	Full Delivery	At Risk	One off Mitigations (include in comments below)	Non-Delivery	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Savings Reference	Service Area	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
SN37 16+	Transport joint data team	(0.055)	(0.055)	0.000	0.000	0.000	(0.055)	(0.055)	(0.055)	(0.055)	(0.055)	(0.055)	0.000	0.000	0.000
WOC1/CC002	Allocation of workforce savings/Efficiency Target	(0.494)	(0.494)	0.000	0.000	0.000	(1.414)	(1.589)	(1.589)	(1.414)	(1.589)	(1.589)	0.000	0.000	0.000
EC004	Birmingham Property Services	(0.173)	0.000	(0.173)	0.000	0.000	(0.231)	(0.231)	(0.231)	(0.231)	(0.231)	(0.231)	0.000	0.000	0.000
EC005	Employment Services	(0.114)	(0.114)	0.000	0.000	0.000	(0.114)	(0.114)	(0.114)	(0.114)	(0.114)	(0.114)	0.000	0.000	0.000
EC007	Housing Investment & Development	(0.005)	(0.005)	0.000	0.000	0.000	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)	0.000	0.000	0.000
EC008	Business Enterprise & Innovation	(0.105)	(0.105)	0.000	0.000	0.000	(0.105)	(0.105)	(0.105)	(0.105)	(0.105)	(0.105)	0.000	0.000	0.000
EC010	Planning & Development	(0.333)	(0.333)	0.000	0.000	0.000	(0.333)	(0.333)	(0.333)	(0.333)	(0.333)	(0.333)	0.000	0.000	0.000
EC011	Transportation & Connectivity	(0.213)	(0.213)	0.000	0.000	0.000	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	0.000	0.000	0.000
EC016	Property Strategy	0.000	0.000	0.000	0.000	0.000	(0.500)	(1.000)	(1.000)	(0.500)	(1.000)	(1.000)	0.000	0.000	0.000
Economy Subtotal Savings		(8.680)	(5.073)	(0.173)	(0.715)	(2.719)	(10.975)	(12.003)	(11.610)	(7.815)	(8.789)	(8.710)	3.160	3.214	2.900

savings delivered on a one-off basis in 2017/18

SN35*	Transportation & Connectivity	(0.116)	(0.116)	0.000	0.000	0.000	(0.116)	(0.116)	(0.116)	(0.116)	(0.116)	(0.116)	0.000	0.000	0.000
MYR4/HN11/SN40	InReach Housing Programme	(1.072)	(0.149)	0.000	0.000	(0.923)	(1.072)	(1.072)	(1.072)	(0.557)	(0.967)	(1.072)	0.515	0.105	0.000
WOC1*/WOC2 (16/17)	Birmingham Property Services	(0.230)	0.000	(0.230)	0.000	0.000	(0.230)	(0.230)	(0.230)	(0.230)	(0.230)	(0.230)	0.000	0.000	0.000
Economy One-off savings		(1.418)	(0.265)	(0.230)	0.000	(0.923)	(1.418)	(1.418)	(1.418)	(0.903)	(1.313)	(1.418)	0.515	0.105	0.000

Economy Total Savings	(10.098)	(5.338)	(0.403)	(0.715)	(3.642)	(12.393)	(13.421)	(13.028)	(8.718)	(10.102)	(10.128)	3.675	3.319	2.900
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Accelerated Achievement of Efficiency Target

CC002	Efficiency Target	0.000	(0.506)	(0.233)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
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Economy Total Savings including mitigations and savings brought forward	(10.098)	(5.844)	(0.636)	(0.715)	(3.642)	(12.393)	(13.421)	(13.028)	(8.718)	(10.102)	(10.128)	3.675	3.319	2.900
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Strategic Services

CC1 17+ / CC23 16+ / E23 16+	Implementation of ICT & D strategy	0.630	0.630	-	-	-	(1.130)	(1.940)	(1.940)	(1.130)	(1.940)	(1.940)	0.000	0.000	0.000
CC3 17+	Bringing Revenues and Benefits service contract back in house	0.300	0.300	0.000	0.000	0.000	0.500	0.500	0.500	0.500	0.500	0.500	0.000	0.000	0.000
CC4 17+	Increase advertising income from pavement advertising	(0.500)		0.000	(0.500)	0.000	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	0.000	0.000	0.000
CC5 17+	Surpluses expected to be generated on the Housing Benefit Sub	0.000	0.000	0.000	0.000	0.000	0.500	0.500	0.500	0.500	0.500	0.500	0.000	0.000	0.000
CC13 16+	Targeted net improvement in the housing benefit subsidy	0.500	0.500	0.000	0.000	0.000	1.500	1.500	1.500	1.500	1.500	1.500	0.000	0.000	0.000
CC17 16+	Reduction in expenditure and subsidy loss for exempt accommo	(0.400)	0.000	(0.400)	0.000	0.000	(0.400)	(0.400)	(0.400)	(0.400)	(0.400)	(0.400)	0.000	0.000	0.000
WOC1	Allocation of workforce savings	(0.789)	(0.789)				(1.088)	(1.303)	(1.303)	(0.789)	(0.789)	(0.789)	0.299	0.514	0.514
	Corporate Funding of Pension Fund Strain	(0.109)	(0.109)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SS001A	Business Improvement	(2.720)	(2.720)	0.000	0.000	0.000	(2.720)	(2.720)	(2.720)	(2.720)	(2.720)	(2.720)	0.000	0.000	0.000
SS002	Corporate Procurement Services	(0.085)	(0.055)	(0.030)			(0.085)	(0.085)	(0.085)	(0.085)	(0.085)	(0.085)	0.000	0.000	0.000
SS006	IT & Digital Services	(0.413)	(0.413)	0.000	0.000	0.000	(0.413)	(0.413)	(0.413)	(0.413)	(0.413)	(0.413)	0.000	0.000	0.000
SS008	Customer Services Team	0.000	0.000	0.000	0.000	0.000	(0.285)	(0.373)	(0.647)	(0.285)	(0.373)	(0.647)	0.000	0.000	0.000
SS009	Communications	(0.251)	(0.251)	0.000	0.000	0.000	(0.251)	(0.251)	(0.251)	(0.251)	(0.251)	(0.251)	0.000	0.000	0.000
FG004	Shared Services	(0.075)	(0.075)	0.000	0.000	0.000	(0.075)	(0.075)	(0.075)	(0.075)	(0.075)	(0.075)	0.000	0.000	0.000
CC002	Efficiency Target	0.000	0.000	0.000	0.000	0.000	(0.276)	(0.276)	(0.276)	(0.276)	(0.276)	(0.276)	0.000	0.000	0.000
SS002A	Commissioning and Procurement -	(0.328)	(0.042)		(0.286)		(1.028)	(1.165)	(1.245)	(0.028)	(0.165)	(0.245)	1.000	1.000	1.000
SS005B	Benefits	(0.500)	(0.500)	0.000	0.000	0.000	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	0.000	0.000	0.000
SS010	Customer Services Citizens' Voice	(0.268)	(0.268)	0.000	0.000	0.000	(0.268)	(0.268)	(0.268)	(0.268)	(0.268)	(0.268)	0.000	0.000	0.000

		2018/19					Budgeted Savings			Forecast Savings			Non-Delivery		
		Budgeted Savings	Full Delivery	At Risk	One off Mitigations (include in comments below)	Non-Delivery	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Savings Reference	Service Area	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
CY003	Cityserve	(0.050)	(0.050)	0.000	0.000	0.000	(0.237)	(0.437)	(0.437)	(0.237)	(0.437)	(0.437)	0.000	0.000	0.000
Strategic Services Subtotal Savings		(5.058)	(3.842)	(0.430)	(0.786)	0.000	(6.756)	(8.206)	(8.560)	(5.457)	(6.692)	(7.046)	1.299	1.514	1.514

savings delivered on a one-off basis in 2017/18

CC1 17+, CC23 16+, E23 16+	ICT & D strategy	(10.920)	(6.391)	0.000	(4.439)	(0.090)	(10.920)	(10.920)	(10.920)	(10.920)	(10.920)	(10.920)	0.000	0.000	0.000
Strategic Services Total Savings		(15.978)	(10.233)	(0.430)	(5.225)	(0.090)	(17.676)	(19.126)	(19.480)	(16.377)	(17.612)	(17.966)	1.299	1.514	1.514

Accelerated Achievement of Efficiency Target

CC002	Efficiency Target	0.000	(0.276)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Strategic Services Total Savings including mitigations and savings brought fwd		(15.978)	(10.509)	(0.430)	(5.225)	(0.090)	(17.676)	(19.126)	(19.480)	(16.377)	(17.612)	(17.966)	1.299	1.514	1.514

Human Resources

WOC1	Allocation of workforce savings	(0.204)	0.000	0.000	(0.204)	0.000	(0.283)	(0.357)	(0.357)	(0.283)	(0.357)	(0.357)	0.000	0.000	0.000
WOC1a	Allocation of workforce savings – fall out of use of reserves*	0.500	0.500	0.000	0.000	0.000	0.500	0.500	0.500	0.500	0.500	0.500	0.000	0.000	0.000
CC002	Efficiency Target	0.000	0.000	0.000	0.000	0.000	(0.078)	(0.078)	(0.078)	(0.078)	(0.078)	(0.078)	0.000	0.000	0.000
	Corporate Funding of Pension Fund Strain	(0.145)	(0.145)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SS003	Human Resources	(0.200)	(0.200)	0.000	0.000	0.000	(0.200)	(0.200)	(0.200)	(0.200)	(0.200)	(0.200)	0.000	0.000	0.000
Human Resources Total Savings		(0.049)	0.155	0.000	(0.204)	0.000	(0.061)	(0.135)	(0.135)	(0.061)	(0.135)	(0.135)	0.000	0.000	0.000

Accelerated Achievement of Efficiency Target

CC002	Efficiency Target	0.000	0.000	0.000	(0.078)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Human Resources Total Savings including mitigations and savings brought fwd		(0.049)	0.155	0.000	(0.282)	0.000	(0.061)	(0.135)	(0.135)	(0.061)	(0.135)	(0.135)	0.000	0.000	0.000

Finance & Governance

CC13 17+	Impact of reduced numbers of councillors	(0.300)	(0.275)	(0.025)	0.000	0.000	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	0.000	0.000	0.000
WOC1 & CC002	Allocation of workforce savings / Efficiencies (inc Transferred from Strategic Services)	(0.438)	(0.438)	0.000	0.000	0.000	(0.859)	(1.022)	(1.022)	(0.859)	(1.022)	(1.022)	0.000	0.000	0.000
CC23 16+	Implementation of ICT & D strategy	(0.050)	(0.050)	0.000	0.000	0.000	(0.120)	(0.170)	(0.170)	(0.120)	(0.170)	(0.170)	0.000	0.000	0.000
	Corporate Funding of Pension Fund Strain	(0.106)	(0.106)	0.000	0.000	0.000	(0.063)	0.000	0.000	(0.063)	0.000	0.000	0.000	0.000	0.000
FG001	City Finance	(1.250)	(1.250)	0.000	0.000	0.000	(1.250)	(1.280)	(1.360)	(1.250)	(1.280)	(1.360)	0.000	0.000	0.000
FG002	Birmingham Audit	(0.248)	(0.246)	0.000	(0.002)	0.000	(0.351)	(0.351)	(0.351)	(0.351)	(0.351)	(0.351)	0.000	0.000	0.000
FG004	Shared Services	(0.125)	(0.125)	0.000	0.000	0.000	(0.185)	(0.245)	(0.305)	(0.185)	(0.245)	(0.305)	0.000	0.000	0.000
FG010	Legal & Governance	(1.915)	(1.415)	0.000	0.000	(0.500)	(2.208)	(2.208)	(2.208)	(2.208)	(2.208)	(2.208)	0.000	0.000	0.000
Finance & Governance Subtotal Savings		(4.432)	(3.905)	(0.025)	(0.002)	(0.500)	(5.336)	(5.576)	(5.716)	(5.336)	(5.576)	(5.716)	0.000	0.000	0.000

savings delivered on a one-off basis in 2017/18

WOC2 (16/17)	Improving Efficiencies	(0.030)	(0.030)	0.000	0.000	0.000	(0.030)	(0.030)	(0.030)	(0.030)	(0.030)	(0.030)	0.000	0.000	0.000
Finance & Governance One-off savings		(0.030)	(0.030)	0.000	0.000	0.000	(0.030)	(0.030)	(0.030)	(0.030)	(0.030)	(0.030)	0.000	0.000	0.000

		2018/19					Budgeted Savings			Forecast Savings			Non-Delivery		
		Budgeted Savings	Full Delivery	At Risk	One off Mitigations (include in comments below)	Non-Delivery	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Savings Reference	Service Area	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Finance & Governance Total Savings		(4.462)	(3.935)	(0.025)	(0.002)	(0.500)	(5.366)	(5.606)	(5.746)	(5.366)	(5.606)	(5.746)	0.000	0.000	0.000
Accelerated Achievement of Efficiency Target															
CC002	Efficiency Target	0.000	(0.144)	0.000	(0.100)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Finance & Governance Total Savings including mitigations and savings brought forward		(4.462)	(4.079)	(0.025)	(0.102)	(0.500)	(5.366)	(5.606)	(5.746)	(5.366)	(5.606)	(5.746)	0.000	0.000	0.000
Chief Executive & Assistant Chief Executive															
WOC1/CC002	Allocation of workforce savings Transferred from Strategic Services / Efficiency Target Transferred from Strategic Services	(0.037)	(0.037)	0.000	0.000	0.000	(0.089)	(0.116)	(0.116)	(0.089)	(0.116)	(0.116)	0.000	0.000	0.000
Chief Executive & Assistant Chief Executive Total Savings		(0.037)	(0.037)	0.000	0.000	0.000	(0.089)	(0.116)	(0.116)	(0.089)	(0.116)	(0.116)	0.000	0.000	0.000
Accelerated Achievement of Efficiency Target															
CC002	Efficiency Target	0.000	(0.025)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Chief Executive & Assistant Chief Executive Total Savings including mitigations and savings brought forward		(0.037)	(0.062)	0.000	0.000	0.000	(0.089)	(0.116)	(0.116)	(0.089)	(0.116)	(0.116)	0.000	0.000	0.000
Total Directorates Savings		(66.787)	(51.107)	(1.500)	(6.354)	(9.188)	(103.009)	(124.850)	(134.196)	(98.035)	(120.017)	(129.782)	4.974	4.833	4.414
Corporate Savings															
CC001	Review of senior structures	(0.600)	0.000	(0.300)	0.000	(0.300)	(0.600)	(0.600)	(0.600)	(0.600)	(0.600)	(0.600)	0.000	0.000	0.000
WOC2 16+	Workforce Costs	(0.137)	(0.137)	0.000	0.000	0.000	(0.137)	(0.137)	(0.137)	(0.137)	(0.137)	(0.137)	0.000	0.000	0.000
CC19 16+	Revenue Services Transformation Programme	0.060	0.060	0.000	0.000	0.000	0.080	0.080	0.080	0.080	0.080	0.080	0.000	0.000	0.000
CC23 16+	Implementation of ICT & D strategy	(0.010)	(0.010)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SS012	Commercialisation	(1.150)	(0.045)	0.000	0.000	(1.105)	(2.150)	(2.150)	(2.150)	(2.150)	(2.150)	(2.150)	0.000	0.000	0.000
Total Corporate Savings		(1.837)	(0.132)	(0.300)	0.000	(1.405)	(2.807)	(2.807)	(2.807)	(2.807)	(2.807)	(2.807)	0.000	0.000	0.000
Grand Total		(68.624)	(51.239)	(1.800)	(6.354)	(10.593)	(105.816)	(127.657)	(137.003)	(100.842)	(122.824)	(132.589)	4.974	4.833	4.414

Reconciliation of Adults Savings Templates 2018/19 onwards

New Classification	Ref. No.	Project Title and Description	Savings 2018/19	Savings 2019/20	Savings 2020/21	Savings 2021/22
Bad Debts	AD005	Corporate Director	(0.350)	(0.350)	(0.420)	(0.420)
Bad Debts Total			(0.350)	(0.350)	(0.420)	(0.420)
Care Placements	-	Adult rescheduling of Business Transformation repayment	0.000	(0.017)	(0.050)	(0.050)
	AD001	Adult Packages of Care	0.000	(5.500)	(13.000)	(20.500)
	CC002	Efficiency Savings	0.000	(1.463)	(1.463)	(1.463)
	HW1 17+ & MIA7 16+	Prevention and Early Intervention	(3.437)	(3.442)	(3.454)	(3.454)
		Prevention and Early Intervention - ibcf funding	1.391	0.000	0.000	0.000
	HW13 17+	Carers Grant	(0.222)	(0.222)	(0.222)	(0.222)
	HW5 17+	Better Care at Home	(2.700)	(2.280)	(2.280)	(2.280)
		Better Care at Home - corporate funding	2.466	2.280	2.280	2.280
		Better Care at Home - ibcf funding	0.234	0.000	0.000	0.000
	HW8 17+	External Day Centre Contracts	(1.800)	(1.800)	(1.800)	(1.800)
	HW9 17+	Residential Care Block Contracts	(0.188)	(0.188)	(0.188)	(0.188)
		Residential Care Block Contracts - ibcf funding	0.188	0.000	0.000	0.000
	MYR1 16+ & HW10 & MYR1	Integrated Community Social Work	(4.392)	(4.392)	(4.392)	(4.392)
		Integrated Community Social Work - ibcf funding	4.392	3.642	0.000	0.000
Care Placements Total			(4.068)	(13.382)	(24.569)	(32.069)
Contracts	AD006	Public Health	(1.600)	(2.360)	(3.860)	(2.850)
	CC002	Efficiency Savings	0.000	(0.455)	(0.455)	(0.455)
	HW7 17+	Public Health	2.050	2.800	2.800	2.800
Contracts Total			0.450	(0.015)	(1.515)	(0.505)
Staffing	-	Corporate Funding of PFS	(0.722)	(0.406)	0.000	0.000
	AD002	Social Work Assessment & Care Management	(0.500)	(1.493)	(2.600)	(3.893)
	AD007	Specialist Care Services	(1.058)	(3.176)	(4.233)	(4.233)
	CC002	Efficiency Savings	0.000	(0.473)	(0.473)	(0.473)
	HW3 17+	Enablement efficiencies	(3.500)	(3.500)	(3.500)	(3.500)
		Pension Fund Strain on HW3	(0.461)	(0.461)	0.000	0.000
	HW4 17+ & HW11 17+	Integrated Community Social Work Organisations	(1.750)	(1.750)	(1.750)	(1.750)
		Pension Fund Strain on HW4/HW11	(0.286)	(0.286)	0.000	0.000
	MIA20 16+	Internal Care Review - Older Adult Day Care.	(0.165)	(0.165)	(0.165)	(0.165)
	MIA5	Internal Care Services - Younger Adults Day Care.	(0.462)	(0.462)	(0.462)	(0.462)
	WOC1	Workforce Savings	(2.185)	(2.859)	(3.962)	(3.962)
Staffing Total			(11.089)	(15.031)	(17.145)	(18.438)
Grand Total			(15.057)	(28.778)	(43.649)	(51.432)

Overview

Appendix No	Description
B1	<u>Overview</u>
B2	Capital Monitoring summary
B3	Capital Budget Changes
B4	Capital Budget Changes Commentary
B5	Capital Forecast Variations
B6	Capital Forecast Variations Commentary

This report takes each Directorate in turn, in the format :

- a) capital budget changes
- b) forecast variations from budget
- c) commentary on major variations

The capital budget is a resource and expenditure planning tool and does not confer approval for individual budget items to proceed. Individual approvals are sought through Business Case reports under the Gateway process

Capital Monitoring Summary

Appendix B2

Expenditure

	2018/19 £000	2019/20 £000	2019/21 £000	Later Years £000	Total Plan £000
Period 4 Approved Budget	547,046	511,782	609,587	1,674,275	3,342,690
New Resources Period 5	2,062	629	371	(0)	3,061
Revised Budget Period 5	549,108	512,411	609,958	1,674,275	3,345,751
Forecast Slippage - Period 5	(40,088)	24,552	(120,101)	135,637	0
Forecast Overspend (Underspend)	3,108	7,998	(8,187)	6,982	9,901
Forecast Outturn at Period 5	512,128	544,961	481,669	1,816,894	3,355,652

Resources



Use of Specific Resources:

Grants & Contributions	(227,851)	(210,570)	(148,162)	(109,990)	(696,573)
Earmarked Capital Receipts	(89,423)	(74,530)	(57,372)	(234,324)	(455,649)
Revenue Contributions	(51,189)	(45,759)	(55,204)	(472,944)	(625,096)


Use of Corporate or General Resources:

Corporate Resources	(10,021)	(200)	(150)	(392)	(10,763)
Unsupported Prudential Borrowing - Corporate	(1,249)	0	0	0	(1,249)
Unsupported Prudential Borrowing - Directorate	(132,395)	(213,902)	(220,781)	(999,244)	(1,566,322)

Forecast Use of Resources	(512,128)	(544,961)	(481,669)	(1,816,894)	(3,355,652)
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	Ref	Current Year			All Years		
		Previous Budget £000	Current Budget £000	Change £000	Previous Budget £000	Current Budget £000	Change £000
Directorate: Adult Social Care & Health							
Property Schemes		513	513	0	1,456	1,456	0
IT Schemes		790	790	0	1,545	1,545	0
Improvements to Social Care Delivery		0	0	0	5,651	5,651	0
Independent Living		4,897	4,897	0	4,897	4,897	0
Total Directorate Capital programme		6,200	6,200	0	13,549	13,549	0
Directorate: Children's, Young People & Families							
Devolved Capital Allocation to Schools		2,790	2,790	0	2,790	2,790	0
Schools Condition Allowance		12,785	12,785	0	16,690	16,690	0
Basic Need - Additional School Places		22,839	22,839	0	154,486	154,486	0
Early Years		941	941	0	2,071	2,071	0
IT Investment		1,594	1,594	0	3,586	3,586	0
Universal Infant Free School Meals		0	0	0	0	0	0
Other Minor Schemes		50	50	0	50	50	0
Total Directorate Capital programme		40,999	40,999	0	179,673	179,673	0
Directorate: Place							
Place Other							
Sport & Swimming Pool Facilities	P1 	6,886	6,886	0	8,584	8,584	0
Waste Management Services		6,015	6,015	0	53,063	53,063	0
Parks		2,903	2,949	47	4,774	5,820	1,047
Bereavement Services		349	349	0	349	349	0
Markets		1,815	1,815	0	1,815	1,815	0
Community Initiatives		0	0	0	392	392	0
Regulation and Enforcement		299	299	0	299	299	0
Highways - Land Drainage and Flood Defences	P2 	11	11	0	11	11	0
Adult Education & Youth		70	70	0	70	70	0
Strategic Libraries		210	210	0	210	210	0
Museums & Arts		20	57	37	20	57	37
Community Development & Play		34	34	0	34	34	0
Community Chest		0	0	0	0	0	0
Community Libraries		783	783	0	783	783	0
Housing Related Loans		56,494	56,494	0	260,957	260,957	0
Housing Options		9,925	9,925	0	9,925	9,925	0
Total Place Other		85,816	85,900	84	341,286	342,370	1,084
Housing HRA							
Housing Improvement Programme		68,754	68,754	0	609,102	609,102	0
Redevelopment		64,186	64,186	0	451,400	451,400	0
Other Programmes		4,809	4,809	0	46,922	46,922	0
Total HRA		137,749	137,749	0	1,107,424	1,107,424	0
Total Directorate Capital programme		223,565	223,649	84	1,448,710	1,449,794	1,084
Directorate: Economy							
Planning & Regeneration Schemes							
Major Projects:							
Enterprise Zone - Investment Plan		0	0	0	347	347	0
Enterprise Zone - Paradise Circus		15,359	15,359	0	18,518	18,518	0
Enterprise Zone - Site Development & Access		2,500	2,500	0	8,045	8,045	0
Enterprise Zone - Connecting Economic Opportunities		1,000	1,000	0	95,691	95,691	0
Enterprise Zone - Southern Gateway Site		1,000	1,000	0	34,530	34,530	0
Enterprise Zone - LEP Investment Fund		0	0	0	20,000	20,000	0
Enterprise Zone - HS2 Interchange Site		0	0	0	20,000	20,000	0
Enterprise Zone - Southside Links		80	80	0	278	278	0
EZ Phase II - HS2 Station Environment		1,814	1,814	0	60,000	60,000	0
EZ Phase II - HS2 Site Enabling		1,000	1,000	0	101,500	101,500	0

	Ref	Previous Budget £000	Current Budget £000	Change £000	Previous Budget £000	Current Budget £000	Change £000
EZ Phase II - Local Transport Improvements		0	0	0	104,800	104,800	0
EZ Phase II - Connecting Economic Opportunities 2		0	0	0	52,900	52,900	0
EZ Phase II - Social Infrastructure		0	0	0	109,900	109,900	0
EZ Phase II - Metro Extension to E Bham/Solihull		0	0	0	183,300	183,300	0
Jewellery Quarter Cemetery		1,829	1,829	0	1,829	1,829	0
Unlocking Housing Sites		4,619	4,619	0	7,169	7,169	0
East Aston RIS		4,830	4,830	0	4,830	4,830	0
Life Sciences		973	973	0	973	973	0
Other (Major Projects)		32	32	0	32	32	0
Public Realm:							
Metro Centenary Square		4,026	4,026	0	4,026	4,026	0
Making the Connection		373	373	0	403	403	0
Longbridge		1,178	1,178	0	1,178	1,178	0
Other (Public Realm)		299	299	(0)	299	299	(0)
Infrastructure:							
One Station		251	251	0	251	251	0
A34 Corridor Perry Barr		246	246	0	281	281	0
Grants/Loans:							
Grand Hotel Development		1,000	1,000	0	1,000	1,000	0
Minor Projects		0	0	0	0	0	0
Total Planning & Regeneration Projects		42,407	42,407	(0)	832,079	832,079	(0)
Employment & Skills							
National College for HS2		203	203	0	203	203	0
ERDF Business Growth & Property Investment		5,450	5,450	0	5,918	5,918	0
Total Employment & Skills		5,653	5,653	0	6,121	6,121	0
Highways							
Safer Routes to Schools		506	506	0	1,706	1,706	0
Section 106 & 278		19	19	0	19	19	0
Network Integrity		1,312	1,312	0	3,646	3,646	0
Road Safety		993	993	0	3,093	3,093	0
Other Minor Schemes		1,259	1,259	0	1,259	1,259	0
Total Highways		4,088	4,088	0	9,722	9,722	0
Transportation							
Major Schemes:							
Ashted Circus		5,276	5,276	0	5,777	5,777	0
Metro Extension		207	207	0	207	207	0
Iron Lane		6,816	6,816	0	12,033	12,033	0
Minworth Unlocking		0	0	0	0	0	0
Battery Way Extension		5,389	5,389	0	5,389	5,389	0
Longbridge Connectivity		4,623	4,623	0	4,643	4,643	0
A457 Dudley Road		500	500	0	29,191	29,191	0
Peddimore		79	79	0	79	79	0
Journey Reliability		273	273	0	513	513	0
Tame Valley Phase 2 & 3		4,986	4,986	0	86,618	86,618	0
Selly Oak New Road Phase 1B		1,655	1,655	0	8,762	8,762	0
Wharfdale Bridge		50	50	0	2,550	2,550	0
Snow Hill Station		438	438	0	2,558	2,558	0
Other (Major Schemes)		579	579	0	669	669	0
Inclusive & Sustainable Growth:							
Holloway Circus		25	25	0	25	25	0
Bromford Gyratory		11	11	0	11	11	0
Southside / Hurst Street		106	106	0	106	106	0
Clean Air & Hydrogen Buses		12,340	12,340	0	12,340	12,340	0
Journey Reliability		302	302	0	302	302	0
Other (Inclusive & Sustainable Growth)		2,308	2,308	0	4,696	4,696	0
Walking & Cycling		19,335	19,335	0	25,042	25,042	0
Local Measures		0	0	0	0	0	0
Infrastrucure Development		857	857	0	2,757	2,757	0

	Ref	Previous Budget £000	Current Budget £000	Change £000	Previous Budget £000	All Years Current Budget £000	Change £000
Section 106 & 278		84	84	0	3,884	3,884	0
Funding to be allocated		193	193	0	3,271	3,271	0
Total Transportation		66,433	66,433	0	211,425	211,425	0
<u>Birmingham Property Services</u>							
Arena Central		1,249	1,249	0	1,249	1,249	0
Attwood Green Projects		239	239	0	239	239	0
Council House Complex Development Costs		546	546	0	546	546	0
Lee Bank Business Centre		135	135	0	135	135	0
NEC Hotels WOC		165	165	0	165	165	0
Other (BPS)		7	7	0	7	7	0
Total Birmingham Property Services		2,341	2,341	0	2,341	2,341	0
Total Directorate Capital programme		120,923	120,923	(0)	1,061,688	1,061,688	(0)
<i>Directorate: Finance & Governance</i>							
Revenue Reform Projects		26,318	26,318	0	42,945	42,945	0
Gateway / Grand Central Residual Costs		2,678	2,678	0	2,678	2,678	0
Capital Loans & Equity Funds	F1 	2,542	4,520	1,978	10,784	12,762	1,978
SAP New Developments		400	400	0	4,062	4,062	0
Commonwealth Games		114,688	114,688	0	527,888	527,888	0
Total Directorate Capital programme		146,626	148,604	1,978	588,356	590,334	1,978
<i>Directorate: Strategic Services</i>							
Corporate ICT Investment		8,039	8,039	0	49,994	49,994	0
Digital Birmingham		288	288	0	313	313	0
IT Projects		407	407	0	407	407	0
Total Directorate Capital programme		8,733	8,733	0	50,714	50,714	0
Total BCC		547,046	549,108	2,062	3,342,690	3,345,751	3,062

Directorate: Place


Ref	Comments	2018/19 increase / (decrease) £000	All years increase / (decrease) £000
P1	<u>Parks</u> Approval for Natural Rivers & Green Corridors FBC June 2018. Funded by grants from ERDF, Environment Agency and Wildlife Trust Birmingham & Black Country.	47	1,047
P2	<u>Museums & Arts</u> New Acquisitions approved by delegated authority in July 2018 funded by Birmingham Museums Trust	37	37
Total directorate over / (under)		84	1,084

Directorate: Finance & Governance

Ref	Comments	2018/19 increase / (decrease) £000	All years increase / (decrease) £000
F1	<u>Capital Loans & Equity Funds</u> Capital Loans & Equity £1.978m - of Prudential Borrowing Resources added for Collective Investment Fund Loans paid on behalf of the West Midlands Combined Authority as approved by Cabinet on 22/03/2017.	1,978	1,978
Total directorate over / (under)		1,978	1,978

	Ref	Current Year				All Years			
					Last months variation				Last months variation
		Current Budget £000	Forecast £000	Variation £000		Revised Budget £000	Forecast £000	Variation £000	
Directorate: Adult Social Care & Health									
Property Schemes		513	513	0	0	1,456	1,456	0	0
IT Schemes		790	790	0	0	1,545	1,545	0	0
Improvements to Social Care Delivery		0	0	0	0	5,651	5,651	0	0
Independent Living		4,897	4,897	0	0	4,897	4,897	0	0
Total Directorate Capital programme		6,200	6,200	0	0	13,549	13,549	0	0
Directorate: Children's, Young People & Families									
Devolved Capital Allocation to Schools		2,790	2,790	0	0	2,790	2,790	0	0
Schools Condition Allowance		12,785	12,785	0	0	16,690	16,690	0	0
Basic Need - Additional School Places		22,839	22,839	0	0	154,486	154,486	0	0
Early Years		941	941	0	0	2,071	2,071	0	0
IT Investment		1,594	1,594	0	0	3,586	3,586	0	0
Universal Infant Free School Meals		0	0	0	0	0	0	0	0
Other Minor Schemes		50	50	0	0	50	50	0	0
Total Directorate Capital programme		40,999	40,999	0	0	179,673	179,673	0	0
Directorate: Place									
Place Other									
Sport & Swimming Pool Facilities		6,886	6,886	0	0	8,584	8,584	0	0
Waste Management Services		6,015	6,015	0	0	53,063	53,063	0	0
Parks		2,949	2,949	0	0	5,820	5,820	0	0
Bereavement Services		349	349	0	0	349	349	0	0
Markets		1,815	1,815	0	0	1,815	1,815	0	0
Community Initiatives		0	0	0	0	392	392	0	0
Regulation and Enforcement		299	299	0	0	299	299	0	0
Highways - Land Drainage and Flood Defences		11	11	0	0	11	11	0	0
Adult Education & Youth		70	70	0	0	70	70	0	0
Strategic Libraries		210	210	0	0	210	210	0	0
Museums & Arts		57	57	0	0	57	57	0	0
Community Development & Play		34	34	0	0	34	34	0	0
Community Chest		0	0	0	0	0	0	0	0
Community Libraries		783	783	0	0	783	783	0	0
Housing Related Loans	P1	56,494	43,782	(12,712)	(12,712)	260,957	260,957	0	0
Housing Options		9,925	9,925	0	0	9,925	9,925	0	0
Total Place Other		85,900	73,188	(12,712)	(12,712)	342,370	342,370	0	0
Housing HRA									
Housing Improvement Programme	P2	68,754	68,754	0	0	609,102	609,102	0	0
Redevelopment		64,186	39,423	(24,763)	(24,763)	451,400	451,400	0	0
Other Programmes		4,809	4,809	0	0	46,922	46,922	0	0
Total HRA		137,749	112,986	(24,763)	(24,763)	1,107,424	1,107,424	0	0
Total Directorate Capital programme		223,649	186,174	(37,475)	(37,475)	1,449,794	1,449,794	0	0
Directorate: Economy									
Planning & Regeneration Schemes									
Major Projects:									
Enterprise Zone - Investment Plan		0	0	0	0	347	347	0	0
Enterprise Zone - Paradise Circus		15,359	15,359	0	0	18,518	18,518	0	0
Enterprise Zone - Site Development & Access		2,500	2,000	(500)	(500)	8,045	8,045	0	0
Enterprise Zone - Connecting Economic Opportunities	E1	1,000	1,000	0	0	95,691	86,138	(9,553)	(9,553)
Enterprise Zone - Southern Gateway Site	E2	1,000	0	(1,000)	(1,000)	34,530	34,530	0	0
Enterprise Zone - LEP Investment Fund		0	0	0	0	20,000	20,000	0	0
Enterprise Zone - HS2 Interchange Site		0	0	0	0	20,000	20,000	0	0
Enterprise Zone - Southside Links		80	278	198	198	278	278	0	0
EZ Phase II - HS2 Station Environment		1,814	2,560	746	746	60,000	60,000	0	0
EZ Phase II - HS2 Site Enabling		1,000	1,000	0	0	101,500	101,500	0	0
EZ Phase II - Local Transport Improvements		0	0	0	0	104,800	104,800	0	0
EZ Phase II - Connecting Economic Opportunities 2		0	0	0	0	52,900	52,900	0	0
EZ Phase II - Social Infrastructure		0	0	0	0	109,900	109,900	0	0
EZ Phase II - Metro Extension to E Bham/Solihull		0	0	0	0	183,300	183,300	0	0
Jewellery Quarter Cemetery		1,829	1,829	0	0	1,829	1,829	0	0
Unlocking Housing Sites		4,619	4,619	0	0	7,169	7,169	0	0
East Aston RIS		4,830	4,830	0	0	4,830	4,830	0	0
Life Sciences		973	973	0	0	973	973	0	0
Other (Major Projects)		32	32	0	0	32	32	0	0

	Ref	Current Year				All Years			
		Current Budget £000	Forecast £000	Variation £000	Last months variation £000	Revised Budget £000	Forecast £000	Variation £000	Last months variation £000
Public Realm:	E3 				0				0
Metro Centenary Square		4,026	4,026	0	0	4,026	4,026	0	0
Making the Connection		373	373	0	0	403	403	0	0
Longbridge		1,178	1,178	0	0	1,178	1,178	0	0
Other (Public Realm)		299	299	0	0	299	299	0	0
Infrastructure:					0				0
One Station		251	10	(241)	(241)	251	244	(7)	(7)
A34 Corridor Perry Barr		246	246	0	0	281	281	0	0
Grants/Loans:					0				0
Grand Hotel Development		1,000	1,000	0	0	1,000	1,000	0	0
Minor Projects		0	0	0	0	0	0	0	0
Total Planning & Regeneration Projects		42,407	41,610	(797)	(797)	832,079	822,519	(9,560)	(9,560)
Employment & Skills									
National College for HS2		203	203	0	0	203	203	0	0
ERDF Business Growth & Property Investment		5,450	5,450	0	0	5,918	5,918	0	0
Total Employment & Skills		5,653	5,653	0	0	6,121	6,121	0	0
Highways									
Safer Routes to Schools		506	506	0	0	1,706	1,706	0	0
Section 106 & 278		19	19	0	0	19	19	0	0
Network Integrity		1,312	1,312	0	0	3,646	3,646	0	0
Road Safety		993	993	0	0	3,093	3,093	0	0
Other Minor Schemes		1,259	1,259	0	0	1,259	1,259	0	0
Total Highways		4,088	4,088	0	0	9,722	9,722	0	0
Transportation									
Major Schemes:	E4 								
Ashted Circus		5,276	4,378	(898)	(898)	5,777	5,777	0	0
Metro Extension		207	207	0	0	207	207	0	0
Iron Lane		6,816	6,816	0	0	12,033	12,033	0	0
Minworth Unlocking		0	0	0	0	0	0	0	0
Battery Way Extension		5,389	5,389	0	0	5,389	5,389	0	0
Longbridge Connectivity		4,623	4,623	0	0	4,643	4,643	0	0
A457 Dudley Road		500	500	0	0	29,191	29,191	0	0
Peddimore		79	79	0	0	79	79	0	0
Journey Reliability		273	273	0	0	513	513	0	0
Tame Valley Phase 2 & 3		4,986	4,986	0	0	86,618	86,618	0	0
Selly Oak New Road Phase 1B		1,655	1,655	0	0	8,762	8,762	0	0
Wharfdale Bridge	E5 	50	50	0	0	2,550	2,550	0	0
Snow Hill Station		438	(62)	(500)	(500)	2,558	2,558	0	0
Other (Major Schemes)		579	579	0	0	669	669	0	0
Inclusive & Sustainable Growth:	E6 				0				0
Holloway Circus		25	25	0	0	25	25	0	0
Bromford Gyratory		11	11	0	0	11	11	0	0
Southside / Hurst Street		106	1,106	1,000	1,000	106	9,666	9,560	9,560
Clean Air & Hydrogen Buses		12,340	12,340	0	0	12,340	12,340	0	0
Journey Reliability		302	302	0	0	302	302	0	0
Other (Inclusive & Sustainable Growth)		2,308	2,308	0	0	4,696	4,696	0	0
Walking & Cycling		19,335	19,335	0	0	25,042	25,042	0	0
Local Measures		0	0	0	0	0	0	0	0
Infrastrucure Development		857	857	0	0	2,757	2,757	0	0
Section 106 & 278		84	84	0	0	3,884	3,884	0	0
Funding to be allocated		193	193	0	0	3,271	3,271	0	0
Total Transportation		66,433	66,035	(398)	(398)	211,425	220,985	9,560	9,560

	Ref	Current Year				All Years			
		Current	Forecast	Variation	Last months variation	Revised	Forecast	Variation	Last months variation
		Budget £000				Budget £000			
Birmingham Property Services									
Arena Central		1,249	1,249	0	0	1,249	1,249	0	0
Attwood Green Projects		239	239	0	0	239	239	0	0
Council House Complex Development Costs		546	546	0	0	546	546	0	0
Lee Bank Business Centre		135	135	0	0	135	135	0	0
NEC Hotels WOC		165	165	0	0	165	165	0	0
Other (BPS)		7	7	0	0	7	7	0	0
Total Birmingham Property Services		2,341	2,341	0	0	2,341	2,341	0	0
Total Directorate Capital programme		120,923	119,728	(1,195)	(1,195)	1,061,688	1,061,688	0	0
Directorate: Finance & Governance									
Revenue Reform Projects	F1 	26,318	28,008	1,690	1,690	42,945	52,846	9,901	9,901
Gateway / Grand Central Residual Costs		2,678	2,678	0	0	2,678	2,678	0	0
Capital Loans & Equity Funds		4,520	4,520	0	0	12,762	12,762	0	0
SAP New Developments		400	400	0	0	4,062	4,062	0	0
Commonwealth Games		114,688	114,688	0	0	527,888	527,888	0	0
Total Directorate Capital programme		148,604	150,294	1,690	1,690	590,334	600,235	9,901	9,901
Directorate: Strategic Services									
Corporate ICT Investment		8,039	8,039	0	0	49,994	49,994	0	0
Digital Birmingham		288	288	0	0	313	313	0	0
IT Projects		407	407	0	0	407	407	0	0
Total Directorate Capital programme		8,733	8,733	0	0	50,714	50,714	0	0
Total BCC		549,108	512,128	(36,980)	(36,980)	3,345,751	3,355,652	9,901	9,901

Directorate: Place

Ref	Major capital variations and associated key issues	2018/19		All years
		Reported last month £000	Reported this month £000	Month 5 variation £000
P1	Housing Related Loans Start of the HRA voids project is awaiting Secretary of State consent. Other aspects behind profile because of delays in completing land acquisitions.	(12,712)	(12,712)	0
P2	Redevelopment BMHT (£20,930m): the variation is due to delays in obtaining materials for certain sites, adverse weather and labour supply issues, delays during the tender process for new schemes, delays on obtaining highways approval for works, and estimated spend forecasts being amended as schemes are approved. Clearance (£3,833m) slippage due to slower than anticipated rehousing of larger families and voluntary acquisition of owner occupied properties. Specific delays in Druids Heath due to protracted consultation on masterplanning. Action put into place: Utilising development officer experience in order to make more accurate predictions with regard to predicted spend, handovers, start on site etc. Liaise with contractors more closely to discuss potential material delays and labour demands. Work more closely with highways to reduce delays obtaining approval.	(24,763)	(24,763)	0
Total directorate over / (under)		(37,475)	(37,475)	0

Directorate: Economy

Ref	Major capital variations and associated key issues	2018/19		All years
		Reported last month £000	Reported this month £000	Month 5 variation £000
E1	Connecting Economic Opportunities Allocation to Southside/Hurst Street programme as approved by the EZ Board Investment Plan.	0	0	(9,553)
E2	Enterprise Zone - Southern Gateway Site The programme has been slipped to reflect the timetable for selection of a preferred developer which will not be achieved until the final quarter of 2018. Action has been put in place to select a preferred development partner.	(1,000)	(1,000)	0
E3	One Station Work has been undertaken to identify the options for how the Moor Street/New Street link can be improved. This identified a number of issues which impact on the ability to deliver improvement works, these included structural works affecting the rail infrastructure below Swan Passage and a number of different land ownerships. Going forward the project and associated funding will be incorporated into the proposals to remodel Moor Street to reduce the level of traffic and increase the amount of space for pedestrians and cyclists. This will achieve the aspiration for creating a high quality arrival space in front on the HS2 Curzon Station that will help integrate it within the City Centre Core. Action has been put in place to undertake feasibility work in partnership with the West Midlands Combined Authority and West Midlands Rail to progress the options and provide solutions to the issues that were identified.	(241)	(241)	(7)

E4	<u>Ashted Circus</u> The Project start date slipped by 7 months, delays due to upcoming works including the installation of temporary signals and infilling of subways, expected completion date is February 2019. Actions; improved contractor efficiency on site has meant the works are catching up & should complete sooner.	(898)	(898)	0
E5	<u>Snow Hill Station</u> This is a multi-funded project and there is a need to seek approval by the GBSLEP to the Full Business Case in order to proceed to Cabinet in September 2018. The Traffic Regulation Order will be advertised in September. This is a more complicated scheme because of the current rerouting of public transport in and around Broad Street which needs to be resolved before proceeding. Action has been put in place to seek approval & prepare a Full Business Case for Cabinet in September 2018	(500)	(500)	0
E6	<u>Southside / Hurst Street</u> New Allocation from Connecting Economic Opportunities as approved by the EZ Board Investment Plan. Funded by Prudential Borrowing.	1,000	1,000	9,560
Total directorate over / (under)		(1,639)	(1,639)	0

Directorate: Finance & Governance

Ref	Major capital variations and associated key issues	2018/19		All years
		Reported last month £000	Reported this month £000	Month 5 variation £000
F1	<u>Revenue Reform Projects</u> The projections for redundancy and pension strain costs have been updated following the Corporate Voluntary Redundancy Trawl, funded by capital receipts as part of the Governments capital receipts flexibility scheme.	1,690	1,690	9,901
Total directorate over / (under)		1,690	1,690	9,901

TREASURY MANAGEMENT MONITORING DASHBOARD: AUGUST 2018

	value	comparator	difference
1 gross loan debt	£m	£m	£m
at month end (actual)	3,309		
year end Forecast (vs Plan)	3,513	3,539	-26
year end Forecast (vs Pru Limit for loan debt*)	3,513	3,851	-338
<i>*monitoring of the full set of prudential indicators is reported quarterly to Cabinet</i>			
2 short term borrowing			
at month end (vs Guideline)	450	500	-50
interest rate year to date on outstanding deals (vs assumption)	0.76%	0.75%	0.01%
3 Treasury investments			
at month end (vs Guideline)	44	40	4
interest rate year to date on outstanding deals (vs assumption)	0.57%	0.45%	0.12%
4 Long term loans taken			
year to date (vs plan for year)	81.75	180	-98
ave. interest rate obtained (vs assumption)	2.32%	2.90%	-0.58%
£81.75m PWLB Loans taken to refinance £60m LoBo's plus premium, so net increase in L/T loans is £21.75m			
5 Assurance			
were Credit criteria complied with?	yes		
were investment defaults avoided?	yes		
was the TM Code complied with?	yes		
were prudential limits complied with?	yes		

TREASURY MANAGEMENT MONITORING DASHBOARD: JULY 2018

Additional information for Corporate Director F&G

	value	comparator	difference
	£m	£m	£m
Revenue monitoring			
Forecast gross exp year end (vs budget)	308	310	-2
Forecast after recharges (vs budget)	120	121	-1

Other issues: planned or required activity and risks

Item	lead
1 long term transactions:	
1.1 Risk management - what would we do given an unexpected major increase in rates: Articulate a strategy	Martin+ Belinda
1.2 Borrowing from Phoenix sub-PWLB certainty rate: open a discussion	Martin
1.3 borrowing PWLB Infrastructure rate: Application is very detailed. Develop a plan	Belinda
1.4 LOBO repurchases: RBS £60m repurchases: now concluded. In M5 forecast figures. negotiations with Deutsche: is this off or on? Commerzbank LOBO repurchase: Re-open discussions with them	Belinda Martin Martin / Belinda
2 IFRS 9 implementation (2018/19 accounts): identify changes due to reclassification and increased impairment provision	Belinda+Anna
3 improve efficiency of Logotech use: continue identifying improvements	Belinda +Mark
4 Lead implementation of CLG Guidance on non-treasury investment: This is likely to require significant ongoing management from TM Team	Martin
5 Things we do in the summer before budget takes over: Banking and treasury delegations update Annual reviews of external service providers	Belinda Anna & Stephen



Resources O&S Committee: Work Programme 2018/19

Chair	Cllr Sir Albert Bore
Deputy Chair	Cllr Josh Jones
Committee Members:	Cllrs Muhammad Afzal, Meirion Jenkins, Zaheer Khan, Narinder Kaur Kooner, Ewan Mackey, Paul Tilsley
Committee Support:	Scrutiny Team: Emma Williamson (464 6870) and Jayne Power (303 4810) Committee Manager: Marie Reynolds (464 4104)

1 Meeting Schedule

Date	Item	Officer contact
21 June 2018	Work Programme Discussion <i>Outcome:</i> to determine the work programme priorities for the year	Emma Williamson/Jayne Power, Scrutiny Office
19 July 2018	Financial Outturn Report 2017/18 Birmingham independent Improvement Panel Stock-take Report Travel Assist	Emma Williamson/Jayne Power, Scrutiny Office
4 September 2018	Annual Audit Findings Report	Clive Heaphy, Corporate Director, Finance and Governance/Jon Lawton, Cabinet Support Officer
20 September 2018 Deadline for reports: 11 September	2018-19 Budget Update	Clive Heaphy, Corporate Director, Finance & Governance
	Proposed new IT system for Finance and HR	Dawn Hewins, Director of HR / Clive Heaphy, Corporate Director, Finance & Governance
18 October 2018 Deadline for reports: 9 October	Financial Monitoring 2018/19 – Month 5	Clive Heaphy, Corporate Director, Finance & Governance
15 November 2018 Deadline for reports: 6 November	Financial Monitoring 2018/19 – Month 6	Clive Heaphy, Corporate Director, Finance & Governance



13 December 2018 Deadline for reports: 4 December	Financial Monitoring 2018/19 – Month 7	Clive Heaphy, Corporate Director, Finance & Governance
	Acivico	TBC
17 January 2019 Deadline for reports: 8 January	Financial Monitoring 2018/19 – Month 8	Clive Heaphy, Corporate Director, Finance & Governance
	Update on HR & Finance ERP System	Clive Heaphy, Corporate Director, Finance & Governance/Dawn Hewins, Director of HR/Peter Bishop, AD, ICT & Digital Services
14 February 2019 Deadline for reports: 5 February	Financial Monitoring 2018/19 – Month 9	Clive Heaphy, Corporate Director, Finance & Governance
14 March 2019 Deadline for reports: 5 March	TBC	
11 April 2019 Deadline for reports: 2 April	TBC	

2 Other Meetings

Call in

Petitions

None scheduled

Councillor Call for Action requests

None scheduled

3 Forward Plan for Cabinet Decisions

Leader		
005471/2018	Financial Monitoring Report Quarter 2 2018/19	13 Nov 18

Deputy Leader		
005441/2018	Discretionary Housing Payments Policy	13 Nov 18



Cabinet Member Finance and Resources		
005353/2018	Birmingham City Council – A One Council Approach to Commercialisation – Public	13 Nov 18
004831/2018	Review of Building Consultancy (Acivico) Ltd - Public	11 Dec 18
004833/2018	Commissioning review of Birmingham City Laboratories (BCL) - Public	11 Dec 18
005467/2018	Review of the Social Value Policy and Birmingham Business Charter for Social Responsibility (BBC4SR) - Public	11 Dec 18

