

# **CORPORATE REVENUE BUDGET MONITORING REPORT 2018/19 MONTH 6**

**(year to 30<sup>th</sup> September 2018)**

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## 1. Executive Summary

1.1 The City Council (BCC) set its net revenue budget of £855.2m on 27<sup>th</sup> February 2018. Included in this budget was an assumed use of £30.5m of reserves to support budgetary pressures and

- A savings<sup>1</sup> programme totalling £52.9m in 2018/19, growing to £117.0m in 2021/22.
- Deferred savings from 2017/18 of £15.7m (including where they were met on a one-off basis).

Total savings to be met in 2018/19 are therefore £68.6m.

1.2 At Month 6 (end of September 2018), a revenue overspend of £12.9m is forecast. This is made up of forecast £4.6m base budget overspend and £9.7m of savings not deliverable in 2018/19, offset by partially accelerated achievement of £1.4m of the efficiency target of £5.7m.

1.3 The total forecast overspend of £12.9m is across the following Directorates :

- Children and Young People (£3.3m),
- Place Directorate (£7.8m),
- Economy (£1.0m),
- Strategic Services (£0.6m)
- Corporate overspends of £2.3m relating to the Council's interests in associated companies (£0.8m) and savings forecast not to be delivered (£1.5m)

These are offset by underspends for Finance & Governance (£1.3m), Adult Social Care & Health (£0.5m), and Human Resources (£0.3m). The Chief Executive's Directorate forecast a balanced position.

1.4 There is a reduction of £4.9m in the overall forecast overspend since Month 3. This relates largely to reductions in pressures for Place (£3.0m), Adult Social Care & Health (£2.0m), Strategic Services (£0.1m), Finance & Governance (£0.7m), Economy (£0.7m) and Human Resources (£0.2m), offset by adverse movements on Children & Young People (£0.6m) and Corporate savings (£1.2m).

1.5 For 2018/19, the Council has adopted a financial framework that emphasises Cabinet Member/Chief Officer accountability for the delivery of their services within the resources allocated with no recourse to reserves and Directorates are expected to identify further strategic mitigations to recover the budget position.

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<sup>1</sup> Savings refer both to cost reductions or additional income generated

- 1.6 This principle is being rigorously applied by the Cabinet Member for Finance and the Section 151 officer through a series of 'star chambers' aimed at ensuring that the forecast is brought back within budget.
- 1.7 Forecasts for individual Directorates, together with an explanation of the variances and proposed mitigations get are shown in Annex 1.
- 1.8 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, as shown in Table 1 below.
- 1.9 There has been no change to the planned strategic use of Reserves to balance the budget

**Table 1 Planned Use of Corporate Reserves**

	Original Planned Use £m	Current Forecast Use £m	Variance £m
Use of Organisational Transition Reserve	3.9	3.9	0.0
Use of Financial Resilience Reserve	11.6	11.6	0.0
Use of one off resources from previous years	13.2	13.2	0.0
Other Corporate Reserves	1.8	1.8	0.0
<b>Total</b>	<b>30.5</b>	<b>30.5</b>	<b>0.0</b>

- 1.10 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. This is now forecast to be a net contribution of £8.5m.
- 1.11 This is a £6.6m net reduction in the forecast use of Other Reserves. Further details of the use of Other Reserves are provided in Annex 5. Cabinet are requested to approve a number of uses of Earmarked Reserves as detailed in Annex 5.
- 1.12 Further analysis of the Base Budget position is shown in Annexes 1 and 2 and analysis of the Savings Programme is provided in Annexes 1 and 4.
- 1.13 Section 2 of this report details the summary position on the Savings Programme.
- 1.14 Section 3 of this report details Resource Allocations requested to be approved.
- 1.15 Section 4 of this report details the latest Collection Fund position.

# Appendix A

## Section 1

**Table 2 - Summary forecast position of base budget and risks relating to savings programme**

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 6 £m	Month 3 £m	Movement £m	Month 6 £m	Month 3 £m	Movement £m	Month 6 £m	Month 3 £m	Movement £m	Month 6 £m	Month 3 £m	Movement £m
Adult Social Care & Health Directorate	336.068	(0.472)	1.549	(2.021)	0.000	0.000	0.000	0.000	0.000	0.000	(0.472)	1.549	(2.021)
Children & Young People Directorate	235.785	1.673	0.994	0.679	1.642	1.746	(0.104)	0.000	0.000	0.000	3.315	2.740	0.575
Place Directorate	136.713	4.838	7.321	(2.483)	2.940	3.481	(0.541)	0.000	0.000	0.000	7.778	10.802	(3.024)
Economy Directorate	92.858	(1.903)	(0.188)	(1.715)	3.642	2.644	0.998	(0.739)	(0.739)	0.000	1.000	1.717	(0.717)
Strategic Services Directorate	27.519	0.890	0.000	0.890	0.000	0.947	(0.947)	(0.276)	(0.276)	0.000	0.614	0.671	(0.057)
Human Resources	6.482	(0.253)	0.000	(0.253)	0.000	0.000	0.000	(0.078)	(0.078)	0.000	(0.331)	(0.078)	(0.253)
Finance & Governance Directorate	30.029	(1.014)	(0.362)	(0.652)	0.000	0.000	0.000	(0.244)	(0.244)	0.000	(1.258)	(0.606)	(0.652)
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
<b>Sub-total Directorates Position</b>	<b>868.373</b>	<b>3.759</b>	<b>9.314</b>	<b>(5.555)</b>	<b>8.224</b>	<b>8.818</b>	<b>(0.594)</b>	<b>(1.362)</b>	<b>(1.362)</b>	<b>0.000</b>	<b>10.621</b>	<b>16.770</b>	<b>(6.149)</b>
Policy Contingency	9.793	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	1.509	0.300	1.209	0.000	0.000	0.000	1.509	0.300	1.209
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
<b>Sub-total Corporate Position</b>	<b>(13.184)</b>	<b>0.801</b>	<b>0.801</b>	<b>0.000</b>	<b>1.509</b>	<b>0.300</b>	<b>1.209</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>2.310</b>	<b>1.101</b>	<b>1.209</b>
<b>City Council General Fund</b>	<b>855.189</b>	<b>4.560</b>	<b>10.115</b>	<b>(5.555)</b>	<b>9.733</b>	<b>9.118</b>	<b>0.615</b>	<b>(1.362)</b>	<b>(1.362)</b>	<b>0.000</b>	<b>12.931</b>	<b>17.871</b>	<b>(4.940)</b>
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

**Note: Month 3 figures have been restated to take into account Human Resources now being reported separately from Strategic Services**

## 2. Corporate Summary of the Savings Programme

- 2.1 The Month 6 analysis of the current Savings Programme 2018/19 shows that Corporate Directors consider that £58.9m (85.8%) of the savings forecast will be delivered in 2018/19 and £128.4m (93.8%) is still considered to be deliverable by 2021/22.
- 2.2 At this stage, £9.7m (14.2%) is forecast as not fully achievable in 2018/19 and alternative mitigations will need to be found. The overall Directorate position at Month 6 is summarised in Tables 3 and 4.

**Table 3 – Analysis of Savings Programme for 2018/19**

Directorate	On Track £m	One Off Mitigations £m	At Risk £m	Non-Delivery £m	Total £m
Adult Social Care & Health Directorate	15.057	0.000	0.000	0.000	15.057
Children & Young People Directorate	6.122	0.000	0.270	1.642	8.034
Place Directorate	9.707	0.290	0.000	2.940	12.937
Economy Directorate	5.369	0.715	0.403	3.642	10.129
Strategic Services Directorate	10.233	5.345	0.400	0.000	15.978
Human Resources	(0.155)	0.204	0.000	0.000	0.049
Finance & Governance Directorate	4.435	0.027	0.000	0.000	4.462
Chief Executive & Asst Chief Exec Dir.	0.037	0.000	0.000	0.000	0.037
<b>Total Directorates</b>	<b>50.805</b>	<b>6.581</b>	<b>1.073</b>	<b>8.224</b>	<b>66.683</b>
Corporate Savings	0.132	0.000	0.300	1.509	1.941
<b>Grand Total</b>	<b>50.937</b>	<b>6.581</b>	<b>1.373</b>	<b>9.733</b>	<b>68.624</b>

NB – Total savings figure includes savings delivered on a one-off basis in previous years. See paragraph 1.1.

**Table 4 – Analysis of Savings Forecast Not Fully Achieved for 2018/19 – 2021/22**

Directorate	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Adult Social Care & Health Directorate	0.000	0.000	0.000	0.000
Children & Young People Directorate	1.642	1.754	1.974	1.974
Place Directorate	2.940	2.500	2.500	2.500
Economy Directorate	3.642	3.675	3.319	2.900
Strategic Services Directorate	0.000	1.000	1.000	1.000
Human Resources	0.000	0.000	0.000	0.000
Finance & Governance Directorate	0.000	0.000	0.000	0.000
Chief Executive & Asst Chief Exec Dir.	0.000	0.000	0.000	0.000
<b>Total Directorates</b>	<b>8.224</b>	<b>8.929</b>	<b>8.793</b>	<b>8.374</b>
Corporate Savings	1.509	0.143	0.187	0.187
<b>Grand Total</b>	<b>9.733</b>	<b>9.072</b>	<b>8.980</b>	<b>8.561</b>

## Appendix A

## Section 2

- 2.3 The summary is based on a detailed review of each individual saving. An overview of forecast savings not fully achieved on an ongoing basis by project for each Directorate is shown at Annex 4.
- 2.4 There are £0.3m of cross cutting savings related to the planned review of senior structures that may not be fully achieved in 2018/19.
- 2.5 There are also £1.1m of cross cutting savings related to Commercialism that are not considered prudent to assume will be achieved, and £0.1m of Workforce savings that were previously assumed to related to Children & Young People, but are not achievable as they relate to staff charged to the Dedicated Schools Grant (DSG)
- 2.6 £5.7m of the Financial Resilience Reserve (FRR) was identified as part of the budget pending the identification of detailed savings plans across all Directorates. To date, £1.4m has been identified and work is ongoing to identify the remaining £4.3m.

The current forecast position on delivering the efficiency target is summarised in Table 5 below:

**Table 5- 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
<b>Adult Social Care &amp; Health Directorate</b>	0.000	(2.391)	0.000	(2.391)
<b>Children &amp; Young People Directorate</b>	0.000	(0.664)	0.000	(0.664)
<b>Place Directorate</b>	0.000	(1.248)	0.000	(1.248)
<b>Economy Directorate</b>	0.000	(0.739)	(0.739)	(0.739)
<b>Strategic Services Directorate</b>	0.000	(0.276)	(0.276)	(0.276)
<b>Human Resources</b>	0.000	(0.078)	(0.078)	(0.078)
<b>Finance &amp; Governance Directorate</b>	0.000	(0.244)	(0.244)	(0.244)
<b>Chief Executive &amp; Assistant Chief Executive</b>	0.000	(0.025)	(0.025)	(0.025)
<b>Total</b>	<b>0.000</b>	<b>(5.665)</b>	<b>(1.362)</b>	<b>(5.665)</b>

### **3. Resource Allocations**

#### **3.1 General Policy Contingency**

General Policy Contingency for the year is £3.0m. The use of £0.9m has already been approved leaving a balance of £2.1m before use mentioned below.

#### **3.2 Specific Policy Contingency**

The Council Plan and Budget 2018+ approved by Council on 27<sup>th</sup> February 2018 reflected £8.4m for Specific Policy contingency in 2018/19. A breakdown by each specific contingency is reflected in Annex 3. It should be noted that the Directorate forecasts have already assumed the allocation of Specific Policy Contingency in year.

As part of the Council's simplification of processes, the Cabinet meeting of 31<sup>st</sup> July 2018, approved that the Section 151 Officer be given delegated authority for the verification and allocation of Specific Policy contingency to fund expenditure which is in line with the approval given as part of the Council Plan and Budget 2018+.

The Section 151 Officer has approved the release of £1.1m of Specific Policy contingency to fund inflationary pressures, in line with the Council Plan and Budget 2018+.

The Council Plan and Budget 2018+ has a specific contingency of £0.9m to fund costs of the Apprenticeship Levy. The latest forecast is that the total funding required to fund the Apprenticeship Levy is £1.1m. It is proposed to fund the extra costs from General Policy Contingency, leaving a balance of £1.9m.

#### **3.3 Transfer of Service Areas**

The Council continues to periodically review the Directorate Service responsibilities with the aim of securing the most appropriate service delivery arrangements to ensure that these are delivered effectively in a co-ordinated manner. The latest approved hierarchy is reflected in Annex 1.



**4.1 Collection Fund**

The monitoring arrangements for the Collection Fund include reporting on the in-year position for Council Tax and Business Rates. However, for the most part, the impact on the budget is as set out in the Council Plan and Budget 2018+, with any surplus or deficit being required to be carried forward and taken into account as part of the 2019/20 budget setting process.

**Council Tax**

The overall net budget for Council Tax income including Parish and Town Council Precepts is £329.2m in 2018/19. In addition, the Council collects the precepts on behalf of the Fire and Police Authorities. There has been no change in the anticipated break even position forecast for the year including an in year surplus of £0.1m offset by an equal and opposite deficit brought forward from 2017/18.

**Business Rates**

Under the 100% Business Rates Pilot that came into effect on 1st April 2017 the Council continues to retain 99% of all Business Rates collected under the Business Rates Retention Scheme with 1% being paid over to the West Midlands Fire Authority. The overall budgeted level of Business Rates in 2018/19 is £422.3m (excluding the Enterprise Zone), of which the Council's retained share is £418.1m.

Excluding the impact of appeals there is a small in year deficit anticipated of which the Council's share is £0.2m (£0.1m Surplus at Quarter 1). This is due mainly to additional reliefs for small businesses which will be compensated for via additional grants from Central Government.

In addition, there is an appeals related surplus anticipated of which the Council's share is £8.6m due to the anticipated volume of appeals relating to 2018/19 being lower compared with the assumed position when setting the budget. However, as this is only expected to be an issue of timing, it is anticipated that this element will be required to be set aside and used for appeals in future years.

As a result of the above a total in year surplus of £8.5m is anticipated of which the Council's share is £8.4m (£0.2m deficit offset by £8.6m appeals related surplus).

In addition to the in-year position, a cumulative surplus was brought forward from 2017/18 (over and above that budgeted for) which has previously been reported in the 2017/18 Outturn Report. The Council's share is £1.3m.

An overall forecast surplus of £9.7m relating to the Council's share of Business Rates (£8.4m in year surplus plus £1.3m surplus brought forward) is anticipated to be taken into account in setting the budget for 2019/20.

In addition the Council receives compensatory grants for measures introduced by Central Government such as additional Small Business Rates Relief and Support for Public Houses along with compensation for the capping of inflation on Business Rates to minimise the impact on Business Rates payers. An in year surplus is forecast for the year of £1.9m (£1.0m at quarter 1) which is anticipated to be used to offset downwards

adjustments to other Business Rates related compensatory grants due from Government in 2018/19 and later years..

## 5. Detailed Revenue Commentaries by Directorate

The following paragraphs comment on the major financial issues identified at this point in the year. Detailed figures for each Directorate are shown in Annex 1.

### 5.1 Adult Social Care & Health – Net Underspend £0.5m (Net Overspend £1.5m at Month 3)

The Directorate has forecast an underspend of £0.5m for Month 6. This is an improvement of £2.0m since Month 3 largely related to additional income in Joint Funded Mental Health placements and increased forecast collection of Client Contributions.

The Directorate continues its implementation of a wide ranging improvement programme for Older Adult Care. This consist of the ASCH Improvement Programme focused on progressing the internal changes required to deliver immediate to medium term savings and provide the foundations for successful engagement with partners and the Ageing Well programme that will deliver on the strategic long term Health & Care system-wide integrated approach. Together they will achieve the savings already identified in the Long Term Financial Plan (LTFP). Areas of risk include increasing demand for services, with rising acuity levels, placing additional pressures on the current services being provided.

Significant work has been done by the Directorate Change Programme to understand and address the base pressures and take steps to drive through the implementation plans for 2018/19. Processes have been put in place to assign budgets at a locality level with increased oversight and accountability for spend. This along with work to implement the changes in the implementation plan means that the Directorate is delivering on changes impacting on the staffing budget and overachieving on the packages of care budget. The Directorate therefore will not require any additional mitigation for non-delivery of savings above that assumed in the original budget.

The savings relating to the Enablement service have been further delayed and this is having an impact on being able to divert demand for social care away from expensive residential and long-term packages of care. In addition, we are continuing to commission the Quick Discharge Service at an increased cost due to the delays in implementing the Enablement changes. The Directorate is mitigating this situation in the short term but this is not sustainable into the future without further service impacts.

For 2018/19 £9.3m of the Improved Better Care Fund (iBCF) funding was carried forward from 2017/18 in order to mitigate delays in delivering previously proposed savings requirements. The areas of particular concern include the Enablement service which has been the subject of challenge, the implementation of the Day Care strategy and the changes to the Customer Journey - using a more community focused model. The initiatives to achieve these savings are now in place, however the length of time needed to show the required results is still at risk. However, it is now forecast that £2.5m of this planned use of iBCF will not be required in 2018/19 though it will be required in subsequent years in line with the intentions of this funding. At Month 6 there is no further non-delivery to report but risks and issues arising in the implementation of the change programme are being carefully monitored.

Adult Social Care and Health Directorate have received £16.1m iBCF resources provided by the Government for 2018/19 through the Better Care Fund. The allocation of these funds,

together with a further £6.7m carried forward from 2017/18 was approved by the Health & Wellbeing Committee on the 19th June. It is anticipated that these funds will be used to manage the implementation of the improvement programme, work with the NHS to further reduce the delayed transfers of care and stabilise the financial situation of the Directorate and improve the delivery of care for the citizens of Birmingham.

### **Base Budget forecast**

There is a net forecast underspend of £0.5m at Month 6. This relates to the following:

- **Adult Packages of Care – net £0.7m underspend (Month 3 £1.7m overspend)**  
There is a gross overspend of £1.9m made up by pressures of £1.4m on Day Care Provision and £0.5m on Home Support payments. These pressures are partially mitigated by £1.8m additional income from Joint Funded Mental Health Placements and £0.8m on increased collection of Client Contributions.
- **Specialist Care Services (SCS) - £1.0m overspend (Month 3 £0.5m overspend)**  
There have been extensive challenges particularly around the Enablement Service reductions and the Day Care savings. There has been strike action and demonstrations which have delayed the processes. The Cabinet has approved the next stage in changes in Day Care services and had previously approved a report on the outcome of consultation on Enablement. The ongoing disputes may have a £1.0m effect on staffing with staff not being released from this area as planned and the impact of this has been included in the forecast.
- **Corporate Director - £0.4m underspend (Month 3 nil)**  
The cross Directorate budgets relating to central support costs, general management, and implementation of the improvement programme, are currently anticipated to be slightly under budget. Management have reviewed spending in this area and identified underspends of £0.4m in Supplies & Services and Premises budgets.
- **Other minor underspends - £0.4m (Month 3 £0.7m underspend)**

### **Savings Programme forecast**

Adults Social Care & Health is forecasting full delivery of the budgeted savings.

Cabinet has agreed the Directorate Vision and Strategy and the ASCH Programme has been set up to deliver against this and the financial savings. Plans have been developed in major areas of the programme and the Directorate is working to ensure that the impact of individual proposals are fully mapped across all the existing plans. There are challenges to implementing existing plans for example strike action in the case of Enablement and there are risks that these may have implications for other saving lines as different elements of the care system are closely linked. Delays in implementation of changes in Enablement or Day Care, for instance may also mean spend on packages of care is greater than projected. These risks will be carefully managed and mitigated as the programme develops.

The Directorate has fully reviewed the savings programme and is now presenting this across two main areas of activity: staffing and packages of care. The existing savings proposals align with the improvement programme to first deliver changes in the efficiency of the customer journey and internally provided services, and second to divert away demand for long term services and reduce levels of unmet eligible need for packages of care. The presentation of the savings programme has been revised around these two strands and to set out the specific pieces of work which are contributing to these changes. 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.

### **Efficiency Target forecast**

Adult Social Care & Health has not been able to identify a way of bringing forward the delivery of the £2.4m share of efficiency savings.

## **5.2 Children & Young People Net Overspend £3.3m (Net Overspend £2.7m at Month 3)**

The Directorate is forecasting a net overspend of £3.3m. This is made up of £1.7m (Month 3 £1.0m) base budget pressures and £1.6m (no movement since Month 3) savings not deliverable.

The adverse movement of £0.6m since Month 3 primarily relates to Travel Assist.

### **Base Budget forecast**

The base budget overspend of £1.7m relates to the following:

- There is a shortfall of £2.2m on Travel Assist (which when combined with the £1.3m savings non delivery results in a total deficit of £3.5m). The required changes to deliver sustainable recurrent savings will require a change in policy and a new commissioning procurement strategy both of which will require Cabinet approval and appropriate consultation and will not be in place this year to deliver a full year impact.
- Day nurseries £0.5m - A Cabinet report was planned for June 2018 to seek approval to the recommendations for the day nurseries following consultations and reviews of alternatives – prompted by the fact that the day nurseries are not financially sustainable. An alternative option for day nursery provision is being considered which was put forward by GMB union. This means that the report to Cabinet, originally anticipated for October will be delayed. It is likely that any change to services would not be implemented this financial year.
- A one off saving of £0.6m has been identified by deferring repayment to school balances in respect of monies borrowed from school balances a number of years ago to help fund a Business Transformation programme.
- Other miscellaneous savings £0.4m – including funding the asset management pressure from capitalisation (as in previous years).

### Savings Programme forecast

There are forecast savings not fully achieved in 2018/19 of £1.6m (Month 3 £1.7m).

- £1.3m Travel Assist. The savings shortfall on Travel Assist with the issues as set out as above.
- £0.3m Workforce Savings. At this point in time there is a shortfall against identifying the full workforce savings. A meeting has taken place to explore how any further savings could be generated. The reduction of £0.1m since Month 3 relates to DSG element incorrectly allocated to C&YP.

### Efficiency Target forecast

Children & Young People has not been able to identify a way of bringing forward the delivery of the £0.7m share of efficiency savings.

## 5.3 Place (excluding Housing Revenue Account) – Net overspend £7.8m (Net overspend £10.8m at Month 3)

The Directorate is reporting a forecast overspend of £7.8m at Month 6 which is an improvement of £3.0m (£2.5m relating to the base budget and £0.5m relating to the savings programme) since Month 3. This includes base pressures of £4.8m (£7.3m Month 3) and forecast non-delivery of savings of £3.0m (£3.5m Month 3).

### Base Budget forecast

A base budget pressure of £4.8m (£7.3m Month 3) is forecast at Month 6 comprising:

- Waste Management Services – £5.5m (£5.3m Month 3) pressure relating to:
  - The delay in the implementation of the 5 day working week until September 2018 (£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)
  - Residual matters relating to external contractors commissioned during the industrial dispute in 2017/18 (£1.6m)
  - Other minor variations (£0.2m)
- Markets – £1.1m pressure (£0.7m Month 3)
  - The pressure substantially relates to transitional costs arising from the relocation of the wholesale market. This includes part year costs of additional non domestic rate expenditure relating to the old wholesale market at Pershore Road and an increased level of bad debt provision required.

- £0.2m overspend on Equalities and Community Cohesion/CCTV

Offset by

- Housing Options (Homeless Services) - £0.2m underspend (£0.4m pressure at Month 3)
  - There was a significant increase in the use of temporary bed and breakfast accommodation during the initial part of the year (partly due to the delay in the completion of the conversion schemes at Barry Jackson Tower and Magnolia House). An alternative strategy is now being implemented with significantly reduced use of bed & breakfast accommodation, together with greater use of private sector leased accommodation and dispersed HRA accommodation. This is combined with an increased focus on prevention rather than intervention, and will deliver substantially improved value for money.
- Other net variations - £1.8m underspend (£0.9m overspend Month 3) due to a number of mitigations in a number of individual service areas comprising:
  - Private sector housing (£0.5m),
  - Adult Education Services (£0.2m)
  - Bereavement Services (£0.4m)
  - Other minor net variations across a number of services (£0.7m)

### **Savings Programme forecast**

The 2018/19 Savings Programme has savings of £3.0m (Month 3 £3.5m) that are not expected to be delivered at Month 6. These are summarised below.

- £0.4m Waste Services (no change since Month 3) – 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 negotiation of the agreement. However, the focus on this will be continued as the negotiations progress to further improve the position.
- £0.3m on Parks (£0.5m Month 3) – A previously anticipated pressure relating to the disposal of parks land (expected 8 acres per year subject to approval by Property Board) has now been alleviated leaving an undeliverable prior year saving relating to Cofton Nursery of £0.3m.
- £0.7m Asset and Property Disposal Programme (no change since Month 3) – Sales of £8m per annum to generate a revenue saving subject to approval by Property Board. These have been delayed due to extended consultation on sites affected.
- £1.4m Cross Cutting Workforce Savings (£1.7m Month 3) – plans are in development with £1.1m being achieved from the total of £2.5m (the non-delivery includes £0.8m for Waste Services).

- £0.2m (no change) of pension strain costs from previous years

### **Efficiency Target forecast**

Place Directorate has not been able to identify a way of bringing forward the delivery of the £1.2m share of efficiency savings.

## **5.4 Economy – Net overspend £1.0m (Net overspend £1.7m at Month 3)**

Economy is forecasting a net overspend of £1.0m (Month 3 £1.7m overspend). This includes forecast non-delivery of savings of £3.6m, offset by base underspends of £1.9m and by accelerated achievement of the Efficiency Target of £0.7m.

This is an improvement of £0.7m since Month 3. Savings non-delivery has worsened by £1.0m. This is offset by a £1.7m improvement in the Base Budget forecast.

### **Base Budget forecast**

The Directorate is reporting an underspend of £1.9m (Month 3 £0.2m underspend) on the base budget position which includes:

- Council Administration Buildings (CAB) Income £0.5m shortfall (No change since Month 3): This largely relates to a reduction of income due to the relocation of previous CAB clients.
- Facilities Management (FM) £0.3m pressure (No change since Month 3): FM provides a range of 'security and curatorial' services across the Council and became the management responsibility of Birmingham Property Services (BPS) at the start of 2018/19, having previously been managed on behalf of the Council by Acivico. Over recent years FM's year-end outturn position has been one of deficit, with the position for 2017/18 totalling £0.3m.
- Other minor in year overspend of £0.7m including £0.5m (Month 3 £0.4m) Street Lighting and £0.2m (Month 3 £0.3m) shortfall on Licences and Permit income.

These have been more than offset by the following:

- Civil Parking Enforcement £0.7m Surplus (Month 3 £0.6m)
- Prudential borrowing £0.5m Underspend (Month 3 balanced)
- Planning Application Fee Income £0.4m Surplus (Month 3 balanced)
- Developers Fee Income £0.4m Surplus (Month 3 balanced)
- HMMPFI Superannuation £0.3m Underspend (Month 3 £0.2m)
- Pre-application Fee Income £0.3m Surplus (Month 3 balanced)



- Other minor underspend totalling £0.8m comprising: Highways & Infrastructure £0.2m (Month 3 Balanced), Planning £0.2m (Month 3 £0.2m), Business & Customer Support £0.2m (Month 3 Balanced), Other underspends £0.1m (Month 3 £0.3m.), and Car Parking Related Income £0.1m (Month 3 £0.4m).

### **Savings Programme forecast**

Savings not anticipated to be fully achievable in 2018/19 of £3.6m are set out below:

- InReach £1.6m (Month 3 £1.2m): This is made up of three elements: There is underachievement of £0.4m the Embankment Development and delays of £0.5m on the Further Market Rent Homes Scheme, including Key Hill and Brasshouse, and £0.3m delays on the HRA Voids Scheme. The HRA Voids Scheme is subject to approval from the Secretary of State, so due to delays in gaining formal approval, the £0.4m expected to be delivered is assumed not be achievable.
- CAB £1.7m (Month 3 £1.4m): An underachievement of £2.0m after a one-off planned use reserves of £0.4m is planned to be partially mitigated by £0.3m on-going revenue benefit from property disposals used to repay debt.
- City Centre On-Street Parking £0.3m (Month 3 Balanced): The scheme was originally planned to be in operation for a full year in 2018/19. However, due to a lengthy consultation process the scheme is now due for completion in January 2019 and is expected to generate income from February 2019. As a result there will be a shortfall against the income budget in 2018/19.

### **Efficiency Target forecast**

Economy has accelerated its efficiency savings to cover its target of £0.7m in the current year as required

## **5.5 Strategic Services – Net overspend £0.6m (Net overspend £0.7m at Month 3)**

The Directorate is forecasting a net overspend of £0.6m. This includes a base pressure of £0.9m (previously balanced) offset by accelerated achievement of the Efficiency Target of £0.3m (no change).

This is an improvement of £0.1m since Month 3. This is made up of an improvement of £1.0m of ICT&D savings that are now anticipated to be achievable compared to Month 3 offset by a £0.9m adverse movement in the base position at Month 6.

### **Base Budget forecast**

The Directorate is reporting an overspend of £0.9m (balanced at Month 3) on the base budget position which includes:

- A £1.3m pressure relating to the sale of digital advertising slots arising from build delay, impact of traffic disruption especially around Paradise roadworks and the challenging economic position.

Offset by

- A £0.4m underspend on Business Improvement – The consolidation of budgets and staff is nearing completion resulting in a much clearer position on the forecast for the year, as a result a forecast underspend of £0.4m is now being reported.

### **Savings Programme forecast**

The Directorate anticipates that £1.0m of ICT&D savings that were reported as undeliverable at Month 3 are now expected to be fully achieved. The improvement is due to a reduction in the forecast cost of Microsoft Licences of £0.3m, Pension Fund Strain costs that are to be funded corporately of £0.4m, and £0.3m other reductions in costs, largely related to telephony underspends.

### **Efficiency Target forecast**

Strategic Services has accelerated its efficiency savings to cover its target of £0.3m in the current year as required, which is unchanged since Month 3.

## **5.6 Human Resources – Net underspend £0.3m (Net underspend £0.1m at Month 3)**

The Directorate is forecasting a net underspend of £0.3m. This includes a base budget underspend of £0.2m plus an accelerated achievement of the Efficiency Target of £0.1m.

### **Base Budget forecast**

An underspend of £0.2m is forecast on the base budget due to the anticipated pension fund strain being funded centrally.

### **Savings Programme forecast**

The budgeted savings are expected to be fully achieved.

### **Efficiency Target forecast**

Human Resources has accelerated its efficiency savings to cover its target of £0.1m in the current year as required

## **5.7 Finance & Governance – Net underspend £1.3m (Net underspend £0.6m at Month 3)**

The Directorate is forecasting a net underspend position of £1.3m at Month 6. (Month 3 £0.6m underspend).

This is a £0.7m improvement, made up by £1.8m underspend on SAP Development and £0.1m other underspends, offset by the £0.9m effect of a budgeted use of Reserves for the planned introduction of the new structure now not planned to take place and the £0.3m effect of a budgeted use of Audit Reserves also now not planned to take place.

### **Base Budget forecast**

There is a forecast underspend of £1.0m made up of the following:

- SAP Development £0.9m underspend
- Other minor variations £0.1m underspend.

### **Savings Programme forecast**

The budgeted savings are expected to be fully achieved.

### **Efficiency Target forecast**

Finance and Governance has accelerated its efficiency savings to cover its target of £0.3m in the current year as required.

## **5.8 Chief Executive and Assistant Chief Executive – net underspend £0.025m (no movement since Month 3)**

The Directorate is forecasting a net underspend position of £0.025m at Month 6. This has not moved since Month 3.

### **Base Budget forecast**

The base budget is forecast to be balanced at Month 6.

### **Savings Programme forecast**

The budgeted savings are expected to be fully achieved.

### **Efficiency Target forecast**

The Directorate has accelerated its efficiency savings to cover its target of £0.025m in the current year as required.

## **5.9 Housing Revenue Account**

A balanced HRA Budget was approved for 2018/19 (expenditure of £277.2m funded by equivalent income). The budget was based on the continuing national rent policy of -1% that will be implemented in each year from 2016/17 to 2019/20.

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

Key areas of financial uncertainty relate to levels of tenants' Right To Buy activity, housing repairs contractors' performance (reflecting performance related payment elements of contracts) and tenants' arrears / rent payment levels as Universal Credit continues to be rolled out. These will continue to be closely monitored through the year.

The forecast year-end financial position is summarised in the table below:

**Table 6: HRA Forecast Position**

	<b>£m</b>
Repairs & Maintenance	(1.9)
Estate Services	(0.4)
Local Offices/Housing Management	(1.0)
Rental Income & Arrears	1.1
Capital Financing/Debt Repayment	2.2
<b>Total</b>	<b>0.0</b>

Capital Financing represents an increased repayment of HRA borrowing in order to deliver a balanced overall HRA, in order to minimise interest payments in the longer term. Consideration will continue to be given to the need to balance increased debt repayment with additional capital investment in the housing stock as the year progresses and any additional investment needs are identified.

It appears unlikely that any government support will be forthcoming to contribute to the costs of the installation of sprinklers and other fire prevention works. Work is continuing to assess the investment need in Birmingham, in order to identify any reprioritisation of works or resource utilisation to ensure the safety of our tenants.

Other key risks relate to impacts of the continuing rollout of Universal Credit (which may increase levels of tenants' rent arrears), uncertainty over the level of future annual rent increases (currently anticipated to be calculated as CPI + 1% from April 2020) and potential pricing risks from the extension or retendering of repairs contracts to come into effect from April 2020.

### 5.10 Dedicated Schools Grant (DSG)

The Dedicated Schools Grant (DSG) is a highly prescribed and ring-fenced grant which is currently budgeted at £661.6m. It is the primary source of funding that is delegated /allocated to schools and other educational providers for their revenue costs as well as funding certain prescribed centrally managed provision. The key issues for 2018/19 are as follows:

Supporting schools with deficits (as at 31/3/2018 the value of deficits was £10.0m) to come out of deficit and/or stop the deficits from increasing. There are however a handful of schools with high value deficits that have been issued with an Academy Order by the Secretary of State that will require funding solutions from non DSG sources. In these cases, while the directorate will work with the school and academy sponsor to ensure the liability to BCC is minimised, there will still be a need to identify additional funding to write off any remaining deficit. In the past capital receipts have been used.

Ensuring the cumulative deficit on the special educational needs element of DSG does not exceed £15m, thereby allowing time for the Inclusion strategy to deliver savings from 2019/20 that will start to address the deficit. At 31/3/18, the cumulative deficit was £13.8m. At this point in time the in-year deficit is estimated as £3.5m but mitigations are being pursued. The directorate will be looking to utilise underspending brought forward from 2017/18 on DSG prescribed activities, as well as reviewing planned commitments and other funding sources.

## Financial Position analysed by Directorate - budget pressures (including budget savings)

Division of Service Area	FULL YEAR BUDGET			YEAR END			
	Original Budget	M'ments	Revised Budget	Base Budget Pressures / (Savings)	Savings Programme not Deliverable	Efficiency Target	Total
	£'m	£'m	£'m	£'m	£'m	£'m	£'m
Corporate Director	37.182	0.000	37.182	(0.455)			(0.455)
Adult Packages of Care	197.179	(0.400)	196.779	(0.893)			(0.893)
Assessment & Support Planning	35.817	0.781	36.598	(0.034)			(0.034)
Specialist Care Services	30.881	0.400	31.281	0.997			0.997
Adult Social Care & Commissioning	34.979	(0.945)	34.034	(0.063)			(0.063)
Business Change	0.195	0.000	0.195	(0.025)			(0.025)
Public Health	0.000	0.000	0.000	0.000			0.000
<b>Adults Social Care &amp; Health Directorate Total</b>	<b>336.232</b>	<b>(0.164)</b>	<b>336.068</b>	<b>(0.472)</b>	<b>0.000</b>	<b>0.000</b>	<b>(0.472)</b>
Education and Skills	76.408	0.774	77.183	0.390			0.390
Schools Budgets	(156.117)	(3.043)	(159.160)	0.000			0.000
Children With Complex Needs	108.201	2.720	110.920	2.216	1.300		3.516
Early Help & Childrens Soc Care	0.000	0.000	0.000	0.000			0.000
Business Change	23.055	(0.866)	22.189	(0.832)	0.342		(0.490)
Birmingham Children' Trust	183.304	1.350	184.653	(0.100)			(0.100)
<b>Children and Young People Directorate Total</b>	<b>234.850</b>	<b>0.935</b>	<b>235.785</b>	<b>1.673</b>	<b>1.642</b>	<b>0.000</b>	<b>3.315</b>
Community Sports & Events	5.781	0.212	5.993	0.036	0.125		0.161
Fleet and Waste Management	57.237	0.788	58.025	5.527	0.496		6.023
Parks and Nature Conservation	11.600	0.000	11.600	(0.118)	0.495		0.377
Bereavement Services	(3.404)	0.000	(3.404)	(0.356)	0.056		(0.300)
Markets	(0.722)	0.000	(0.722)	1.122			1.122
Business Support	1.044	0.000	1.044	0.000			0.000
Equalities, Cohesion & Safety	0.277	0.000	0.277	0.176	0.004		0.180
Resilience and Services	1.107	0.085	1.192	(0.030)	0.030		0.000
Regulatory Services	8.125	0.025	8.150	(0.118)			(0.118)
Private Sector Housing	(0.147)	0.000	(0.147)	(0.500)			(0.500)
Neighbourhood Community Services	27.641	0.104	27.745	(0.232)			(0.232)
Birmingham Adult Education	(0.365)	0.000	(0.365)	(0.230)	0.230		0.000
Central Support Costs	14.532	(0.788)	13.744	(0.192)	1.488		1.296
Housing Revenue Account	0.000	0.000	0.000	0.000			0.000
Culture & Visitor Economy	8.463	0.010	8.473	0.000			0.000
City Centre Management	0.041	0.052	0.093	0.000			0.000
Housing Options	5.106	0.000	5.106	(0.231)			(0.231)
Shelforce	(0.164)	0.071	(0.093)	(0.016)	0.016		0.000
Other funds	0.000	0.000	0.000	0.000			0.000
<b>Place Directorate Total</b>	<b>136.154</b>	<b>0.559</b>	<b>136.713</b>	<b>4.838</b>	<b>2.940</b>	<b>0.000</b>	<b>7.778</b>
Planning & Development (City Centre, EZ & BDI)	2.842	0.293	3.135	(0.250)			(0.250)
Planning & Development (Strategy & Planning)	2.541	(0.384)	2.158	(0.660)			(0.660)
Business and Customer	8.008	0.000	8.008	(0.151)		(0.739)	(0.890)
Transportation and Connectivity	45.985	0.016	46.001	(0.100)			(0.100)
Housing Development	(1.343)	0.000	(1.343)	(0.044)	1.644		1.600
Highways and Infrastructure	40.834	(0.085)	40.749	(1.013)	0.313		(0.700)
Birmingham Property	(6.625)	0.240	(6.385)	0.315	1.685		2.000
Employment Services	0.535	0.000	0.535	0.000			0.000
GBSLEP Executive	0.000	0.000	0.000	0.000			0.000
<b>Economy Directorate Total</b>	<b>92.777</b>	<b>0.081</b>	<b>92.858</b>	<b>(1.903)</b>	<b>3.642</b>	<b>(0.739)</b>	<b>1.000</b>

## Appendix A

## Annex 2

Division of Service Area	FULL YEAR BUDGET			YEAR END			
	Original Budget	M'ments	Revised Budget	Base Budget Pressures / (Savings)	Savings Programme not Deliverable	Efficiency Target	Total
	£'m	£'m	£'m	£'m	£'m	£'m	£'m
Corporate Strategy	0.231	0.000	0.231	0.000		0.000	0.000
Procurement	(2.387)	(0.027)	(2.414)	1.314		(0.022)	1.292
Revenues & Benefits	1.216	(0.052)	1.163	0.000		(0.038)	(0.038)
Core ICT	7.485	(0.641)	6.844	0.000	0.000	(0.017)	(0.017)
Customer Services	10.015	0.376	10.391	0.000		(0.065)	(0.065)
Communications	1.595	(0.000)	1.594	(0.048)		(0.010)	(0.058)
Business Improvement	12.131	(0.193)	11.938	(0.376)		(0.124)	(0.500)
Cityserve	(2.231)	0.000	(2.231)	(0.000)			(0.000)
<b>Strategic Services Total</b>	<b>28.055</b>	<b>(0.537)</b>	<b>27.518</b>	<b>0.890</b>	<b>0.000</b>	<b>(0.276)</b>	<b>0.614</b>
Human Resources	6.572	(0.090)	6.482	(0.253)		(0.078)	(0.331)
<b>Human Resources Total</b>	<b>6.572</b>	<b>(0.090)</b>	<b>6.482</b>	<b>(0.253)</b>	<b>0.000</b>	<b>(0.078)</b>	<b>(0.331)</b>
City Finance	8.898	0.615	9.513	0.000			
Birmingham Audit	1.679	0.045	1.724	(0.864)		(0.095)	(0.959)
Business Transformation	39.756	0.000	39.756	0.000			0.000
Directorate Wide Rec	(30.882)	(0.091)	(30.974)	(0.150)			(0.150)
Shared Services Centre	0.036	(0.092)	(0.056)	0.000			0.000
Insurance	0.095	0.000	0.095	0.000			0.000
ACIVICO Profit Share	0.017	0.000	0.017	0.000			0.000
Legal & Democratic Services	5.148	0.000	5.148	0.000	0.000		0.000
Elections Office	1.618	0.000	1.618	0.000			0.000
Charities & Trusts	0.051	0.000	0.051	0.000			0.000
Corporate Resources	1.087	2.236	3.322	0.000		(0.149)	(0.149)
Major Projects	0.064	0.000	0.064	0.000			0.000
Business Loans & Other	(0.548)	0.300	(0.248)	0.000			0.000
<b>Finance &amp; Governance Total</b>	<b>27.017</b>	<b>3.013</b>	<b>30.029</b>	<b>(1.014)</b>	<b>0.000</b>	<b>(0.244)</b>	<b>(1.258)</b>
Chief Executive & Assistant Chief Executive	3.174	(0.255)	2.919	0.000		(0.025)	(0.025)
<b>Chief Executive &amp; Assistant Chief Executive Total</b>	<b>3.174</b>	<b>(0.255)</b>	<b>2.919</b>	<b>0.000</b>	<b>0.000</b>	<b>(0.025)</b>	<b>(0.025)</b>
<b>Total Directorate Gross Spending</b>	<b>864.832</b>	<b>3.541</b>	<b>868.373</b>	<b>3.759</b>	<b>8.224</b>	<b>(1.362)</b>	<b>10.621</b>
Policy Contingency	11.481	(1.687)	9.793	0.000	0.000	0.000	0.000
Acivico Overspend Funded Corporately	0.000	0.000	0.000	0.801			0.801
Other Corporate Items	(21.124)	(1.853)	(22.977)	0.000	1.509		1.509
<b>Centrally Held Total</b>	<b>(9.643)</b>	<b>(3.541)</b>	<b>(13.184)</b>	<b>0.801</b>	<b>1.509</b>	<b>0.000</b>	<b>2.310</b>
<b>Net Budget Requirement</b>	<b>855.189</b>	<b>0.000</b>	<b>855.189</b>	<b>4.560</b>	<b>9.733</b>	<b>(1.362)</b>	<b>12.931</b>
Housing Revenue Account	0.000	0.000	0.000	0.000	0.000	0.000	0.000

## Policy Contingency Month 6 Monitoring to 30th September 2018

	Original Budget 2018/19	Approvals / Adjustments in Voyager	Revised Budget 2018/19	Approvals / Allocations not yet in Voyager as at 30th September	Proposals awaiting approval at 30th September	Remaining Contingency if proposals approved
	£'000	£'000	£'000	£'000	£'000	£'000
Car Park Closure Resources	252		252			252
Carbon Reduction	1,056		1,056			1,056
National Living Wage	101		101			101
Autoenrolment in Pension Fund	300		300			300
Inflation Contingency	5,275		5,275		(1,057)	4,218
Highways Maintenance	589		589			589
Apprenticeship Levy	869		869		(869)	0
Commonwealth Games Project Team Costs	1,000	(1,000)	0			0
Future Council Improvement Funding	682		682			682
WOC2 Implementation Costs	69		69			69
Subtotal Specific Contingency	10,193	(1,000)	9,193	0	(1,926)	7,267
General Contingency	3,038	(538)	2,500	(366)	(199)	1,935
<b>Total Contingency excluding savings</b>	<b>13,231</b>	<b>(1,538)</b>	<b>11,693</b>	<b>(366)</b>	<b>(2,125)</b>	<b>9,202</b>
Corporate Structures - savings to be allocated	(600)		(600)			(600)
Commercialism - savings to be allocated	(1,150)		(1,150)			(1,150)
<b>Total Contingency including savings</b>	<b>11,481</b>	<b>(1,538)</b>	<b>9,943</b>	<b>(366)</b>	<b>(2,125)</b>	<b>7,452</b>

## Appendix A Directorate Savings Programme – Position at Month 6

## Annex 4

Adult Social Care & Health Directorate: All savings are forecast to be achieved ongoing

### Children & Young People savings not forecast to be achieved ongoing

Savings Reference	Service Area	One off Mitigations £m	2018/19 Non-Delivery £m	2019/20 Shortfall / (Surplus) £m	2020/21 Shortfall / (Surplus) £m	2021/22 Shortfall / (Surplus) £m
CH4 17+ / MIA3 16+	Education travel	0.000	1.300	1.754	1.974	1.974
WOC1	Allocation of workforce savings *	0.000	0.342	0.000	0.000	0.000
<b>Grand Total</b>		<b>0.000</b>	<b>1.642</b>	<b>1.754</b>	<b>1.974</b>	<b>1.974</b>

### Place savings not forecast to be achieved ongoing

Savings Reference	Service Area	One off Mitigations £m	2018/19 Non-Delivery £m	2019/20 Shortfall / (Surplus) £m	2020/21 Shortfall / (Surplus) £m	2021/22 Shortfall / (Surplus) £m
HN7 17+	Asset and property disposal programme	0.000	0.700	0.000	0.000	0.000
PFS	Corporate Funding of Pension Fund Strain	0.000	0.096	0.000	0.000	0.000
PL004	Bereavement Services	0.060	0.000	0.000	0.000	0.000
PL008	Engineering & Resilience Services	0.030	0.030	0.000	0.000	0.000
SN24 16+	Provide above ground mausoleums and vaults	0.200	0.000	0.000	0.000	0.000
SN32 (16/17)	Income Generation from Cofton Nursery	0.000	0.306	0.000	0.000	0.000
SN6 16+	Waste Disposal Contract	0.000	0.400	2.500	2.500	2.500
WOC1	Allocation of workforce savings *	0.000	1.408	0.000	0.000	0.000
<b>Grand Total</b>		<b>0.290</b>	<b>2.940</b>	<b>2.500</b>	<b>2.500</b>	<b>2.500</b>

### Economy savings not forecast to be achieved ongoing

Savings Reference	Service Area	One off Mitigations	2018/19 Non-Delivery £m	2019/20 Shortfall / (Surplus) £m	2020/21 Shortfall / (Surplus) £m	2021/22 Shortfall / (Surplus) £m
CC26 16+	Council administrative buildings reduction	0.715	1.685	1.834	1.544	1.386
MYR4/HN11/SN40	InReach Housing Programme	0.000	1.644	1.841	1.775	1.514
SN35 16+	Expansion of City Centre on-street parking, concessions and restrictions	0.000	0.313	0.000	0.000	0.000
<b>Grand Total</b>		<b>0.715</b>	<b>3.642</b>	<b>3.675</b>	<b>3.319</b>	<b>2.900</b>

### Strategic Services savings not forecast to be achieved ongoing

Savings Reference	Service Area	One off Mitigations £m	2018/19 Non-Delivery £m	2019/20 Shortfall / (Surplus) £m	2020/21 Shortfall / (Surplus) £m	2021/22 Shortfall / (Surplus) £m
CC1 17+, CC23 16+, E23 16+	ICT & D strategy	4.529	0.000	0.000	0.000	0.000
CC4 17+	Increase advertising income from pavement advertising	0.500	0.000	0.000	0.000	0.000
SS002	Corporate Procurement Services	0.030	0.000	0.000	0.000	0.000
SS002A	Commissioning and Procurement -	0.286	0.000	1.000	1.000	1.000
<b>Grand Total</b>		<b>5.345</b>	<b>0.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>



## Appendix A

## Annex 4

### Human Resources savings not forecast to be achieved ongoing

Savings Reference	Service Area	One off Mitigations £m	2018/19 Non-Delivery £m	2019/20 Shortfall / (Surplus) £m	2020/21 Shortfall / (Surplus) £m	2021/22 Shortfall / (Surplus) £m
WOC1	Allocation of workforce savings *	0.204	0.000	0.000	0.000	0.000
<b>Grand Total</b>		<b>0.204</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

### Finance & Governance savings not forecast to be achieved ongoing

Savings Reference	Service Area	One off Mitigations £m	2018/19 Non-Delivery £m	2019/20 Shortfall / (Surplus) £m	2020/21 Shortfall / (Surplus) £m	2021/22 Shortfall / (Surplus) £m
CC13 17+	Impact of reduced numbers of councillors	0.025	0.000	0.000	0.000	0.000
FG002	Birmingham Audit	0.002	0.000	0.000	0.000	0.000
<b>Grand Total</b>		<b>0.027</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

Chief Executive & Assistant Chief Executive Directorate: All savings are forecast to be achieved ongoing

### Corporate savings not forecast to be achieved ongoing

Savings Reference	Service Area	One off Mitigations £m	2018-19 Non-Delivery £m	2019/20 Shortfall/ (Surplus) £m	2020/21 Shortfall/ (Surplus) £m	2021/22 Shortfall/ (Surplus) £m
CC001	Review of senior structures	0.000	0.300	0.000	0.000	0.000
SS012	Commercialisation	0.000	1.105	0.000	0.000	0.000
WOC1	Allocation of Workforce Savings	0.000	0.104	0.143	0.187	0.187
<b>Grand Total</b>		<b>0.000</b>	<b>1.509</b>	<b>0.143</b>	<b>0.187</b>	<b>0.187</b>

**6. Use of Reserves**

- 6.1** 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.
- 6.2** 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.
- 6.3** There has been no change to the planned strategic use of Reserves to balance the budget.
- 6.4** There is a £6.6m net reduction in the forecast use of other Reserves, as can be seen in Table 7 below. It is made up by the following:
- £0.5m use of the Capital Fund
  - £1.5m use of Commonwealth Games Reserve
  - £0.6m increase in use of Grant Reserves
  - £19.1m increase in contributions to Grant Reserves
  - £10.3m increase in use of other Earmarked Reserves
  - £0.9m increase in Contribution to Other Earmarked Reserves
  - £0.6m reduction in Repayment of Schools Balances.

Further details are provided below:

**Capital Fund (£0.5m Use)**

- 6.5** Revenue costs of £0.5m related to the sale of Innovation Birmingham Group agreed by Cabinet 8<sup>th</sup> March 2018 are proposed to be met by the capital fund, as agreed by Cabinet on 8<sup>th</sup> March 2018.

**Commonwealth Games Reserve (£1.5m Use)**

- 6.6** There is a lower than anticipated contribution to the Commonwealth Games Contingency Reserve of £1.5m, following the decision of Cabinet on 26<sup>th</sup> June 2018 to approve a Revenue budget of £1.5m funded from the Commonwealth Games Reserve.

**Use of Grant Reserves (£0.6m net increase in Use)**

- 6.7** Adult Social Care & Health is planning to use £2.5m less Improved Better Care Fund (iBCF) Reserves than budgeted.
- 6.8** Economy is planning to use £2.6m of Grant Reserves.
- 6.9** There is a net additional use of £0.5m of Grant Reserves.

**Contributions to Grant Reserves (£19.1m net increase in Contributions)**

**6.10** Economy is contributing £19.1m to Grant Reserves.

**Use of Other Earmarked Reserves (£10.3m net increase in Use)**

**6.11** Place plan to use reserves of £1.0m relating to the Local Investment Fund (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 been specifically set aside.

**6.12** At outturn 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.

**6.13** 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. The Council was made aware of this additional grant of £1.8m 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.

**6.14** Economy plan to use Policy Contingency underspends from Outturn 2017/18 of £3.9m in total. This relates to the Mobile Investment Fund (£2.1m), Youth Strategy (£0.3m), Youth Promise (£0.1m), HS2 (£0.3m), and Birmingham Jobs Fund (£1.1m).

**6.15** Children & Young People plan to use £1.2m Ring Fenced Reserves related to Special Educational Needs.

**6.16** There is a 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.

**6.17** There is a 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 was approved by Cabinet in October 2016.

**6.18** Economy is planning to use £1.0m of other Earmarked Reserves.

**These uses of Reserves are partially offset by the following:**

**6.19** Finance & Governance is not using a budgeted appropriation from Reserves of £0.9m for the phased introduction of the new structure or a budgeted appropriation from Reserves of £0.3m for Audit, thus reducing its underspend by £1.2m.

**Contributions to Other Earmarked Reserves (£0.9m net increase in Contributions)**

**6.20** Economy is contributing £1.6m to other Earmarked Reserves.

**6.21** Strategic Services is 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.

**Schools Balances (£0.6m reduction in Contribution)**

**6.22** Children & Young People is deferring budgeted repayment of £0.6m to schools balances.

**Requests for access to Reserves:**

It is proposed that Cabinet approve the following uses of Earmarked Reserves:

**6.23** 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 previously approved by Cabinet in October 2016.

**6.24** 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).

**6.25** The use of Policy Contingency underspends brought forward from Outturn 2017/18 of £0.1m in relation to Youth Promise in Economy.

**6.26** The use of Policy Contingency underspends brought forward from Outturn 2017/18 of £0.3m in relation to HS2 in Economy.

**6.27** The use of Policy Contingency underspends brought forward from Outturn 2017/18 of £1.1m in relation to Birmingham Jobs Fund in Economy.

**6.28** The use of Policy Contingency underspends brought forward from Outturn 2017/18 of £2.1m in relation to the Mobile Investment Fund in Economy.

**6.29** The proposed appropriation from Other Earmarked Reserves of £0.2m in relation to the Collective Investment Fund held on behalf of the West Midlands Combined Authority (WMCA) whilst the WMCA awaited receipt of borrowing powers.

**6.30** In line with the report in relation to the sale of Innovation Birmingham Group agreed by Cabinet 8<sup>th</sup> March 2018, revenue costs of £0.5m related to the transaction are met by the capital fund.

**6.31** The use of reserves of £1.0m relating to the Local Investment Fund (LIF), as referred to in paragraph 6.11.

**6.32** The use of £2.1m of Business Rates Reserves, as referred to in paragraph 6.12.

**6.33** The use of £1.8m of Top Up Grant Reserves, as referred to in paragraph 6.13.

**6.34** The use by Economy of £1.0m of other Earmarked Reserves, of which £0.9m is related to the Youth Promise Plus project.

**6.35** A contribution to Other Earmarked Reserves of £0.048m by Economy relating to compensation received for 10 years for the loss of parking bays.

Table 7 below shows the forecast use of Reserves in 2018/19 and Table 8 shows the forecast impact on Reserves balances. Both tables assume the reserves movements identified above are approved.

**Table 7 (Use of)/Contribution to Reserves as at Month 6**

	Planned Base Budget £m	Year End Forecast as at Month 6 £m	Variance £m
<b>Corporate Reserves</b>			
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
<b>Strategic Use of Reserves</b>	<b>(30.542)</b>	<b>(30.542)</b>	<b>0.000</b>
Contribution to / (Use of) Capital Fund	3.326	2.821	(0.505)
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)
<b>Other (Use of)/Contribution to Reserves</b>	<b>19.961</b>	<b>17.964</b>	<b>(1.997)</b>
<b>Sub Total (Use of)/Contribution to Reserves</b>	<b>(10.581)</b>	<b>(12.578)</b>	<b>(1.997)</b>
Repayments - Borrowing Highways PFI	0.985	0.985	0.000
<b>Total Corporate (Use of)/Contribution to Reserves</b>	<b>(9.596)</b>	<b>(11.593)</b>	<b>(1.997)</b>
<b>Other Reserves</b>			
Use of Grant Reserves	(17.894)	(18.520)	(0.626)
Contribution to Grant Reserves	1.477	20.622	19.145
Use of Other Earmarked Reserves	(5.548)	(15.849)	(10.300)
Contribution to Other Earmarked Reserves	2.364	3.297	0.933
Repayment of Schools' Balances	0.600	0.000	(0.600)
Use of Carry Forward Balances	(0.025)	(0.025)	0.000
<b>Total Other (Use of)/Contribution to Reserves</b>	<b>(19.027)</b>	<b>(10.475)</b>	<b>8.552</b>
<b>Total (Use of)/Contribution to Reserves</b>	<b>(28.623)</b>	<b>(22.068)</b>	<b>6.555</b>

Table 8 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	(1.997)	77.243
General Fund Balance	28.944	0.000	0.000	0.000	28.944
Grant Reserves	171.984	(15.432)	(2.401)	20.920	175.071
Other Earmarked Reserves	56.513	(3.185)	(9.880)	0.513	43.961
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
	<b>509.136</b>	<b>(28.623)</b>	<b>(12.281)</b>	<b>18.836</b>	<b>487.068</b>

## Write-off of Irrecoverable Housing Benefit, Council Tax and Business Rates

### a. Irrecoverable Housing Benefit

In circumstances where Housing Benefit overpayments are identified as not being recoverable, or where recovery is deemed uneconomic, the City Council's Financial Regulations and delegated powers allow for these overpayments and income to be written off. All possible avenues must be exhausted before such write offs are considered. Amounts already written off will still be pursued should those owing the Council money eventually be located or return to the city.

The cost to the Council of writing off these irrecoverable sums will be charged to the City Council's provision set up for this purpose, which includes sums set aside in previous years to meet this need. There is no direct effect on the revenue account.

In 2018/19, from 1<sup>st</sup> July up to 30<sup>th</sup> September 2018, further items falling under this description in relation to Benefit overpayments have been written off under delegated authority. The table below details the total approved gross value of these amounts written off of £0.8m, which Members are asked to note.

<b>Age analysis</b>	<b>Up To 2012/13</b>	<b>2013/14 to 2015/16</b>	<b>2016/17 to 2018/19</b>	<b>Total</b>
	£m	£m	£m	£m
Benefit Overpayments	0.035	0.098	0.695	0.828
<b>Total</b>	<b>0.035</b>	<b>0.098</b>	<b>0.695</b>	<b>0.828</b>

Section (d) of this Appendix gives a more detailed age analysis of overpayments and income written off.

### b. Irrecoverable Council Tax & Business Rates

All Council Tax and Business Rates are due and payable. However, there are certain instances where the amount of the bill needs to be either written off or reduced (e.g. where people have absconded, have died, have become insolvent or it is uneconomical to recover the debt).

If an account case is subject to this, then consideration is given to write the debt off subject to the requirement to consider all options to recover the debt, prior to submitting for write off. However, once an account has been written off, if the debtor becomes known to the Revenues Service at a later date, then the previously written off amount will be reinstated and pursued.

In respect of Business Rates, where a liquidator is appointed, a significant period of time is taken to allow for the company's affairs to be finalised and to subsequently determine if any monies are available to be paid to creditors. Once it is established this is not to happen, a final search of Companies House is undertaken to confirm the company has been dissolved.

## Annex 6

Cabinet are requested to approve the writing off of business rates debts to the Council which are greater than £0.025m, totalling £2.02m as detailed in Section (c) of this Appendix. Further information in respect of these is available on request.

In 2018/19, from 1<sup>st</sup> July 2018 to 30<sup>th</sup> September 2018, further items falling under this description have been written off under delegated authority. The table below details the total approved gross value of these amounts written off of £3.2m for Council Tax and £1.2m for Business Rates, which Members are asked to note.

<b>Age analysis</b>	<b>Up To 2012/13</b>	<b>2013/14- 2015/16</b>	<b>2016/17- 2018/19</b>	<b>Total</b>
	£m	£m	£m	£m
Council Tax	3.171	-	-	3.171
Business Rates	1.169	-	-	1.169
<b>TOTAL</b>	<b>4.340</b>	-	-	<b>4.340</b>

Section (e) of this Appendix gives a more detailed age analysis of overpayments and income written off.



c. Write OffsBusiness Rates

Case No.	Supporting Information	Total Debt
	<u>Business Rates</u> Further information in respect of the Business Rates Write Offs listed below is available on request.	
1	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for the period 02/04/08 to 10/12/08 – 6004326883 - £57,322.18 Property 2 - Business Rates due for the period 02/04/08 to 10/12/08 – 6004371924 - £28,661.09	£85,983.27
2	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/04/08 to 31/12/10 - 6003608335	£29,833.06
3	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/01/09 to 31/10/10 – 6004498031	£31,878.72
4	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for the period 01/04/08 to 31/08/09 – 6004587084 - £26,612.05 Property 2 – Business Rates due for the period 01/10/08 to 31/08/09 – 6004587197 - £5,095.60	£31,707.65
5	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/10/08 to 15/09/10 – 6004638220	£57,532.24
6	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for the period 17/06/08 to 31/07/11 – 6004720852 - £18,302.31 Property 2 – Business Rates due for the period 01/02/10 to 28/09/11 – 6004677676 - £8,172.93 Property 3 – Business Rates due for the period 01/08/10 to 03/06/11 – 6004623776 - £2,536.20	£29,011.44
7	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for the period 01/04/10 to 20/07/15 – 6004594669 - £15,061.08 Property 2 - Business Rates due for the period 01/04/10 to 20/07/15 – 6004685812 - £8,847.29 Property 3 - Business Rates due for the period 01/04/08 to 20/07/15 – 6004798978 - £5,270.59	£29,178.96
8	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 20/02/09 to 22/08/11 – 6004824735	£40,575.41
9	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 02/02/09 to 02/12/11 - 6004826491	£99,632.39
10	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/04/08 to 22/12/13 - 6004905939	£63,640.66
11	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 12/08/08 to 23/12/12 - 6004912365	£36,495.43
12	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for the period 01/04/08 to 14/10/12 – 6003696653 - £94,407.65 Property 2a – Business Rates due for the period 06/03/13 to 15/01/14 – 6005155377 - £4,594.14 Property 2b – Business Rates due for the period 30/05/14 to 06/11/14 – 6005280766 - £2,337.26	£101,339.05
13	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for the period 31/03/09 to 29/06/10 – 6004646239	£59,024.22
14	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 16/02/09 to 30/04/12 – 6004933413	£28,607.27

**Annex 6**

15	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/04/09 to 30/11/12 - 6003234244	£46,096.86
16	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/04/09 to 31/03/13 – 6004171720	£58,864.97
17	Liability Period(s)/Account Ref Number(s) Property 1a - Business Rates due for the period 15/07/09 to 31/10/11 - 6005431736 - £65,550.26 Property 1b – Business Rates due for the period 09/11/11 to 31/03/12 – 6005431667 - £41,471.80	£107,022.06
18	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 15/05/09 to 16/01/11 – 6004655376	£43,371.60
19	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 10/05/11 to 24/03/17 - 6004420186	£101,471.04
20	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 29/06/09 to 11/02/10 - 6004495452	£40,763.24
21	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 02/01/09 to 31/08/13 - 6004462928	£67,421.36
22	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 15/06/09 to 27/09/11 - 6004509066	£28,885.86
23	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/07/09 to 01/09/10 – 6004510858	£39,496.59
24	Liability Period(s)/Account Ref Number(s) Property 1 – Business Rates due for the period 01/07/09 to 31/03/10 – 6004494813 - £11,015.47 Property 2 – Business Rates due for the period 01/04/10 to 31/03/11 – 6004494824 - £8,567.98 Property 3 – Business Rates due for the period 01/07/09 to 03/10/10 – 6004494835 - £17,677.48 Property 4 – Business Rates due for the period 10/12/09 to 19/09/10 – 6004760143 - £70,467.77 Property 5 – Business Rates due for the period 10/12/09 to 19/09/10 – 6004760223 - £4,459.57	£112,188.27
25	Liability Period(s)/Account Ref Number(s) Property 1 – Business Rates due for the period 03/03/09 to 14/04/13 – 6004918716 - £36,017.52 Property 2 – Business Rates due for the period 01/08/11 to 14/04/13 – 6004918749 - £21,139.91	£57,157.43
26	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/01/10 to 31/01/11 – 6004944421	£35,200.30
27	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/09/09 to 31/03/11 – 6004549686	£29,530.90
28	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/07/09 to 31/10/11 - 6004739580	£63,768.00
29	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 25/02/10 to 30/06/11 - 6004730469	£43,244.22
30	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 13/02/10 to 03/07/12 - 6004735113	£31,769.48
31	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/04/09 to 01/09/11 - 6004772632	£40,887.04
32	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 26/10/09 to 30/01/11 - 6004774752	£119,217.56
33	Liability Period(s)/Account Ref Number(s) Property 1 – Business Rates due for the period 01/11/09 to 28/02/11 – 6004587164 - £22,558.38	£28,589.76

**Annex 6**

	<b>Property 2 – Business Rates due for the period 01/11/09 to 16/01/11 – 6004587222 - £6,031.38</b>	
<b>34</b>	<b>Liability Period(s)/Account Ref Number(s)</b> <b>Business Rates due for the period 01/04/04 to 29/01/07 - 6004018255</b>	<b>£47,876.99</b>
<b>35</b>	<b>Liability Period(s)/Account Ref Number(s)</b> <b>Business Rates due for the period 11/06/04 to 21/02/05 - 6003619547</b>	<b>£31,260.90</b>
<b>36</b>	<b>Liability Period(s)/Account Ref Number(s)</b> <b>Business Rates due for the period 01/04/08 to 09/10/12 - 6004051421</b>	<b>£55,804.96</b>
<b>37</b>	<b>Liability Period(s)/Account Ref Number(s)</b> <b>Business Rates due for the period 01/04/09 to 28/05/10 - 6004266646</b>	<b>£26,463.98</b>
<b>38</b>	<b>Liability Period(s)/Account Ref Number(s)</b> <b>Business Rates due for the period 25/10/07 to 31/03/11 - 6004405752</b>	<b>£36,099.35</b>
<b>TOTAL</b>		<b>£2,016,892.49</b>

**d. Age analysis of Overpayments and Debts written off under delegated authority by Revenues and Benefits Division**

Detail	Pre 2008	2008/09	2009/10	2010/11	20011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Total	No of Debtors
Housing Benefit debts written off under delegated authority	£11,270	£3,633	£3,940	£3,847	£4,124	£8,305	£26,232	£24,552	£47,483	£86,607	£208,432	£399,084	£827,510	1690
<b>TOTAL</b>	£11,270	£3,633	£3,940	£3,847	£4,124	£8,305	£26,232	£24,552	£47,483	£86,607	£208,432	£399,084	£827,510	1690

Debt Size							
Small		Medium		Large		Total	
Cases	>£1,000	Cases	£1,001- £5,000	Cases	£5,000- £25,000	Cases	
1513	£345,939	162	£350,345	15	£131,225	1690	£827,510

**e. Age analysis of overpayments and debts written off under delegated authority by Revenues and Benefits Division**

Detail	1997-2006/7	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	Total
Council tax written off under delegated authority	£35,752	£79,518	-	-	£282,118	£1,518,862	£1,255,070	£3,171,320
Business rates written off under delegated authority	£24,223	-	-	£133,370	-	£361,496	£649,433	£1,168,522
TOTAL	£59,975	£79,518	-	£133,370	£282,118	£1,880,358	£1,904,503	£4,339,842

**Debt size analysis of overpayments and debts written off under delegated authority by Revenues and Benefits Division**

Grouped by value	Small (<£1,000)		Medium (£1,000 - £5,000)		Large (>£5,000)		TOTAL	
	Value	Cases	Value	Cases	Value	Cases	Value	Cases
Council Tax written off under delegated authority	£2,988,760	9,725	£182,560	147	-	-	£3,171,320	9,872
Business Rates written off under delegated authority	£62,900	122	£436,250	185	£669,372	63	£1,168,522	370
TOTAL	£3,051,660	9,847	£618,810	332	£669,372	63	£4,339,842	10,242