

**CORPORATE REVENUE BUDGET
MONITORING REPORT 2019/20
MONTH 6**

(year to 30th September 2019)

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Revenue Budget Management Report – Period 6 Forecast

1. Executive Summary

- 1.1 The Council set a net budget of £851.590m for 2019/20 at its meeting on 26 February 2019. This net budget is after assuming savings of £58.276m, included approving a savings programme of £46.191m and requiring a further £12.085m savings to be delivered that were achieved on a one-off basis in 2018/19. This is set out in Table 2.
- 1.2 Directorate Current Budgets have increased by £16.877m since period 3. Details are set out in Annex 15 whilst Corporate budgets have reduced by £16.877m.
- 1.3 At Period 6 the forecast outturn is estimated to be an underspend of **£3.501m**. At period 6 £0.134m of new savings have been identified and are included in the forecast.
- 1.4 There has been an overall improvement in the Directorate position of £13.561m since Period 3 largely relating to
 - Adult Social Care of £7.808m
 - Education and Skills of £1.295m
 - Neighbourhoods of £4.489m
 - Inclusive Growth of £0.457m
 - Digital and Customer Services of £0.140m
 - These have been offset by an increased overspend of £0.628m in Finance & Governance.
- 1.5 In addition a review of items within Policy Contingency has identified that £8.500m set aside for demography pressures is not required based on the latest assessment of client numbers. £3.900m of this is planned to be used to fund an underlying pressure within Community Sport (and is part of the improvement for Neighbourhoods mentioned in paragraph 1.4 above), leaving an uncommitted budget of £4.600m. There is a request for transfer of resources of £3.900m from Policy Contingency to Neighbourhoods Directorate. Further details are set out in the Neighbourhoods Commentary within Annex 7.
- 1.6 As part of the 2020+ Budget Process, it is proposed that the budget is rebased by £3.900m in future years to take into account structural base budget shortfall identified in relation to the Community Sport budget. This will be considered as part of the 2020/21 budget development process that will be considered for approval by the Council in February 2020.
- 1.7 There is a £2.780m net underspend in Corporately Managed Budgets comprising:

- A one-off VAT refund to the Council for sports services which is providing a benefit of £4.000m unbudgeted income.
 - Following the dissolution of the Greater Birmingham and Solihull Business Rates Pool, the Council has also identified that it will receive a £0.500m one-off benefit after receiving its share of a Contingency Reserve.
 - These have been offset by a £1.720m overspend relating to the Tyseley Energy Recovery Facility (ERF), which experienced an incident on one of the flue gas treatment reactor towers. As a result the plant was taken offline. This has meant our supplier has incurred repair costs, whilst the council have incurred additional costs to divert waste to alternative disposal sites and to Landfill.
- 1.8 Birmingham Children's Trust (BCT) highlighted a risk of potential overspend of £10.355m in the latest monitoring report provided by BCT, based on Period 4. This has not been included in the above forecast outturn position as BCT is a separate entity. The potential overspend relates in the main to increases in children in care placement costs due to the continued increase in numbers and cost of children in care and additional remand costs. The financial position of the Children's Trust is being discussed with BCT to understand their planned actions to mitigate the overspend.
- 1.9 A summary of the forecast position for each Directorate is set out in Table 1.
- 1.10 There is a forecast balanced position in Schools at Period 6. Further detail is contained in Annex 9.
- 1.11 There is a forecast balanced position in the Housing Revenue Account. Further detail is contained in Annex 10.
- 1.12 There are net additional requests for use of reserves of £2.365m since period 3 as described below. All requests are in line with the reserves policy as set out in Section 6. Further details are set out in Annex 11.

Breakdown of change in (Use of)/Contribution to Reserves since Period 3-By Directorate	
Directorate	£m
Digital & Customer Services	(7.641)
Education & Skills	(1.000)
Inclusive Growth	(0.785)
Neighbourhoods	(0.615)
Finance Control	(0.230)
Finance & Governance	1.865
Partnerships, Insight and Prevention	3.090
Adult Social Care	2.952
Grand Total	(2.365)

1.13 Details of the Collection Fund position are provided in Annex 16.

1.14 Details of write-offs are provided in Annex 17.

Table 1: Period 6 Forecast Outturn Position

Directorate	Original Budget	Current Budget	Period 6 Forecast Outturn	Period 6 Forecast Base Budget Over /(Under)	Period 6 Forecast Savings Non-Delivery	Period 6 Forecast Over /(Under)	Period 3 Forecast Over /(Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
Adult Social Care	325.707	331.531	323.723	(8.726)	0.918	(7.808)	0.000	(7.808)	(2.36)
Digital & Cust Services	22.046	23.412	23.412	0.000	0.000	0.000	0.140	(0.140)	(0.60)
Education & Skills	262.369	265.766	266.262	0.497	0.000	0.497	1.792	(1.295)	(0.49)
Finance & Governance	24.914	25.662	27.032	0.683	0.687	1.370	0.742	0.628	2.45
Human Resources	6.597	7.345	7.345	0.000	0.000	0.000	0.000	0.000	0.00
Inclusive Growth	97.515	98.295	98.433	(0.609)	0.746	0.137	0.594	(0.457)	(0.46)
Neighbourhoods	99.565	103.883	113.386	4.966	4.537	9.503	13.993	(4.489)	(4.32)
Partnerships, Insight and Prevention	6.442	6.718	6.898	0.180	0.000	0.180	0.180	0.000	0.00
Directorate Sub Total	845.156	862.611	866.490	(3.009)	6.888	3.879	17.440	(13.561)	(1.57)
Policy Contingency	42.244	25.419	20.819	(4.600)	0.000	(4.600)	0.000	(4.600)	(18.10)
Corporately Managed Budgets	91.600	90.970	88.190	(2.780)	0.000	(2.780)	0.000	(2.780)	(3.06)
Corporate Grants	(127.409)	(127.409)	(127.409)	0.000	0.000	0.000	0.000	0.000	0.00
Corporate Subtotal	6.435	(11.021)	(18.401)	(7.380)	0.000	(7.380)	0.000	(7.380)	66.96
City Council General Fund	851.590	851.590	848.090	(10.389)	6.888	(3.501)	17.440	(20.941)	(2.46)
Dedicated Schools Grant	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	n/a
Housing Revenue Account	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	n/a
City Council Total	851.590	851.590	848.090	(10.389)	6.888	(3.501)	17.440	(20.941)	(2.46)

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

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

Note 3: The current budget for Neighbourhoods includes a proposed allocation from Policy Contingency of £3.900m on the assumption that this is approved by Cabinet.

2. Key Issues since Period 3

- 2.1 A number of budgetary pressures reported in the 2018/19 outturn are evident in the period 6 monitoring process which are due to issues with planned savings delivery and/or base budget pressures. They will be the focus of management action and recovery plans to deliver within directorate budgets wherever possible. Future cabinet reports will contain further commentary to provide the overview of the progress of directorate recovery plans for areas of overspending resulting from base budget pressures and/or delayed or undeliverable savings.
- 2.2 At Period 6 the forecast overspend in Directorates has reduced by £13.561m since Period 3 primarily relating to the following:
- Adult Social Care is now forecasting an underspend of £7.808m having previously forecast a balanced position at Period 3:
 - There is an £0.995m improvement in Specialist Care Services since period 3 which relates to the drawdown of Winter Pressures funding from Corporate Policy Contingency in period 6.
 - Assessment and Support Planning forecast an underspend of £3.122m largely relates to holding vacancies and the drawdown of Winter Pressures funding.
 - Packages of Care forecasts an improvement from period 3 of £3.213m which relates to the drawdown of Winter Pressures funding from Corporate Policy Contingency in period 6.
 - In addition there is an underspend of £1.207m in Commissioning offset by overspend of £0.729m in Director
 - Education and Skills forecast an overspend of £0.497m in period 6. This has improved by £1.295m since period 3 relating to:
 - The forecast overspend on School's Transport has decreased by £1.285m since Period 3 comprising an expected increase in the non-delivery of savings of £0.400m, additional costs identified relating to the administration of ATG of £0.705m and other overspend of £0.507m within the service. This was offset by the application of £2.897m from the one off Policy Contingency funding for Travel Assist approved by Cabinet on 15th July 2019. The Service will continue to seek to find opportunities to minimise the use of Policy Contingency.
 - There are other minor improvements in the forecast of £0.010m across the Directorate.
 - Neighbourhoods Directorate forecast an overspend of £9.503m. This has reduced by £4.489m since period 3.

- Neighbourhoods Service improved by £4.827m, largely due to the proposed funding of a pressure of £3.900m within Community Sport from Policy Contingency. The report has been prepared on the basis that this adjustment is made.
 - The Regulation & Enforcement position is now forecasting a minor overspend of £0.020m. This is an improvement by £0.273m largely due to the relocation of service teams to reduce accommodation costs.
 - Street Scene is worsened by £0.610m including £0.700m on Trade Waste due to continued loss of business to competitors, £0.120m as a result of decreased income from the disposal of waste paper, £0.680m on staffing cost across the service. These have been offset by £0.890m one off savings in lower capital charges to revenue as a result of delay in capital spend
 - A deep dive review has been initiated within Neighbourhoods Directorate and a recovery plan is being prepared addressing these service areas for review and challenge via Member led Star Chambers and subject to challenge at Council Management Team (CMT).
- Digital & Customer Services forecast an improved position by £0.140m and is now forecasting a balanced position:
 - An unachieved non-essential savings target will now be absorbed through underspends in the Directorate.
- Inclusive Growth forecast an overspend of £0.137m. This has improved by £0.457m since period 3 largely relating to :
 - £1.383m surplus in various service areas across the Directorate
 - This has been offset by an increase in overspend of £0.926m in Property Services comprising £0.660m CAB building pressure and £0.266m new Wholesale Market arising from revised net rent budget assumptions
- Finance & Governance forecast an overspend of £1.370m. This has worsened by £0.628m since period 3:
 - New pressures have been identified since Period 3 comprising £0.402m in Civic Cleaning as a result of the current hourly rate (charged for delivering cleaning) being below that of the external market and does not cover the actual cost of providing the service.
 - The net pressure for Digital Advertising has increased by £0.263m based on the latest demand led assumptions.
 - In addition there is £0.349m pressure on City Serve Schools Catering trading budget as a result of a significant shift in the marketplace, combined with unachievable levels of savings following schools leaving City Serve in greater numbers due to increasing cost of our service, when compared with the private sector.

- These are partially offset by £0.222m improvement on the City Solicitor budget and £0.164m in other minor variations.

Further detail of each directorate forecast is set out in the Directorate Executive Summaries at Annexes 1-10 of this report.

- 2.3 There will be scrutiny and challenge of the financial position on a monthly basis via the Council's monthly Management Team, Member led Star Chambers, EMT and Resources Overview & Scrutiny. Quarterly reports will be considered by Cabinet. Additional Member led Star Chambers have been established for those directorates that are forecasting significant overspends to explore the issues and develop solutions. This will continue throughout the year until the budgetary position is successfully recovered. These measures will seek to provide appropriate challenge and support to ensure that directorates deliver services within their approved budget.

3. Overview of the Savings Programme

3.1 The total approved savings programme is £58.276m in 2019/20. This comprises the approved savings plan of £46.191m plus £12.085m of savings that were only delivered on a one-off basis in 2018/19. Of these £39.010m on track, £8.946m at risk and £10.454m red/purple savings non-delivery in Table 2 is analysed further by approved savings and one off savings in Tables 2a and 2b in Annex 12. Table 3 illustrates the movement between Period 3 and Period 6.

Table 2: Overview of the Forecast Delivery of the 2019/20 Savings Programme									
Directorate	2019/20 Agreed Savings	On Track/ Fully Delivered against Programme	Blue - Fully Delivered	Green-On Track	Amber-At Risk	Red-Non Delivery	Purple-Undeliverable		One off Mitigations to address Savings Non-Delivery
	£m	%	£m	£m	£m	£m	£m		£m
Adult Social Care	(16.310)	94.4	(5.056)	(10.336)	0.000	(0.918)	0.000		0.000
Digital & Cust Services	(6.918)	98.0	0.426	(7.204)	0.000	0.000	(0.140)		(0.140)
Education & Skills	(8.837)	1.0	0.040	(0.127)	(6.022)	(1.010)	(1.718)		(2.728)
Finance & Governance	(2.791)	57.5	(0.669)	(0.937)	(0.468)	(0.717)	0.000		(0.030)
Human Resources	(0.718)	100.0	(0.639)	(0.079)	0.000	0.000	0.000		0.000
Inclusive Growth	(4.770)	79.5	(1.407)	(2.383)	(0.100)	(0.694)	(0.186)		0.000
Neighbourhoods Partnerships, Insight and Prevention	(18.564)	60.2	(6.912)	(4.259)	(2.322)	(2.884)	(2.187)		(0.534)
	(0.548)	93.8	(0.512)	(0.002)	(0.034)	0.000	0.000		0.000
Directorate Subtotal	(59.456)	67.4	(14.729)	(25.327)	(8.946)	(6.223)	(4.231)		(3.432)
Corporate Savings	1.180	100.0	1.180	0.000	0.000	0.000	0.000		0.000
Total Programme	(58.276)	66.7	(13.549)	(25.327)	(8.946)	(6.223)	(4.231)		(3.432)
New savings									
Inclusive Growth	0.000	n/a	(0.050)	(0.084)	0.000	0.000	0.000		0.000
New Savings Subtotal	0.000	n/a	(0.050)	(0.084)	0.000	0.000	0.000		0.000
Total Programme	(58.276)	66.9	(13.599)	(25.411)	(8.946)	(6.223)	(4.231)		(3.432)
Percentage of Total Programme excluding new savings	100.00%		23.25%	43.46%	15.35%	10.68%	7.26%		n/a

In total £4.261m is forecast to be undeliverable and £6.193m is red and Directorates will have to identify recovery plans to address this and bring those proposals to Cabinet where there is a policy implication. These could be alternative proposals or one-off mitigations. This will be addressed at Member led Star Chamber Meetings. £3.432m of one-off mitigations and £0.134m of new savings have been identified at Period 6.

3.2 Of the £3.432m one-off mitigations mentioned above, £0.140m are in Digital & Customer Services, £2.728m in Education & Skills, £0.514m in Neighbourhoods and £0.030m in Finance & Governance.

- In Digital & Customer Services, the £0.140m unachieved non-essential savings target will be absorbed through underspends within the directorate in 2019/20.

An alternative/replacement saving has been identified to replace this savings target in future years. There are no potential impacts on service delivery.

- In Education & Skills, Travel Assist savings non-delivery of £1.718m is being covered in 2019/20 by a one-off Policy Contingency allocation. Savings of £1.010m for Efficiency, WOC and Management review have been made on a one off basis in 2019/20 from a one-off contingency no longer required. Sustainable solutions for these savings will need to be identified from 2020/21 onwards. These savings do not impact on service delivery.
- In Neighbourhoods the £0.534m non-delivery of savings in Health and Wellbeing will be covered by the £3.900m funding from Policy Contingency.
- In Finance and Governance, there is non-delivery of £0.030m of Procurement savings. The Procurement work plan identifies projects that can deliver a cashable saving and Procurement are working closely alongside PWC with Finance Business Partners to mitigate this budget pressure in year. There are no potential impacts on service delivery.

3.3 Inclusive Growth has identified £0.134m of new savings to replace savings that cannot be achieved in line with the original proposals. Neither of these new savings will have an effect on service delivery.

- SN1 Sharing of Highways Maintenance Database £0.050m delivered through a reduction in Traffic Regulation Order expenditure;
- CC103 19+ Review of Non-Essential Expenditure £0.084m - To be delivered via an increase in planning pre-applications income.

3.4 Table 3 illustrates the movement between Period 3 and Period 6.

Table 3: Movement in Forecast Delivery of the 2019/20 Savings Programme						
	Blue - Fully Delivered	Green-On Track	Amber-At Risk	Red-Non Delivery	Purple- Undeliverable	One off Mitigations
	£m	£m	£m	£m	£m	£m
Period 6 Forecast	(13.599)	(25.411)	(8.946)	(6.223)	(4.231)	(3.432)
Period 3 Forecast	(11.768)	(25.615)	(11.044)	(6.749)	(3.234)	(1.040)
(Increase)/Decrease	(1.831)	0.204	2.098	0.526	(0.997)	(2.392)
Percentage Change (%)	15.6	(0.8)	(19.0)	(7.8)	30.8	230.0

The largest movement is that there has been a net reduction in savings rated as Amber of £2.098m. The main reasons for this are that £5.905m savings related to ICT&D have moved from Amber to Green, and various savings with a value of £0.969m have moved from Amber to Red/Purple, but this was offset by £5.027m savings related to the Childrens Trust moving from Green to Amber.

3.5 Definitions of the savings classifications are as follows:

- Fully delivered (Blue) – the saving has been fully implemented and the saving has been achieved.
- On track (Green) – Savings that are on target to meet delivery milestones and are expected to deliver the level of savings anticipated.

- At risk (Amber) – Savings yet to be delivered and there may be some risks to the delivery milestones and/or the level of savings originally anticipated.
- Non Delivery (Red) – the saving are experiencing difficulty in achieving their delivery plan milestones and/or the level of savings originally anticipated; mitigations will need to be identified immediately for consideration and approval via Cabinet.
- Undeliverable (Purple) – the Council is no longer pursuing this saving as it is no longer considered to be achievable. An immediate action is needed to develop an alternative proposal to deliver the value of the saving that will be considered and approved by Cabinet.
- One-off mitigation – an approved saving has had trouble being delivered in the way anticipated, but a one-off mitigation has been identified within the service area which need to be reported to and considered by Cabinet as appropriate.

4. Risks and Mitigations

4.1 There are a number of risk areas identified across Directorates that are being highlighted in summary to ensure proactive management and mitigation and to identify new opportunities. However, the Directorates are not yet able to assess and quantify those risks fully to include them in the forecast. These will be tracked and progress reported in future reports. **Further details of Directorate Risks and Mitigations are set out in Annexes 1-10.**

4.2 Adult Social Care:

- Any fluctuations in demand over the Winter period may affect commitments against Packages of Care. As the gross budget is £304.438m, minor variations can have a considerable financial impact. This area of expenditure will be closely monitored.
- The delay in the implementation of the Early Intervention roll out may also have an impact on expenditure related to delays in discharges from hospital.
- A deep dive into the budget for 2019/20 and future years has not highlighted any non-delivery, however the impact of the roll out delay of the Early Intervention programme is not yet known.

4.3 Education and Skills:

- Children's Trust – the Children's Trust (BCT) have recently provided the first monitoring reports for 2019/20. The latest report provided by BCT, based on Period 4, highlights a potential overspend of £10.355m. The financial position of the Children's Trust will be closely scrutinised and future reports will seek to confirm the impact on the overall forecast.
- Children's Trust (ICF) – Residual costs may be higher due to costs associated with ongoing legal cases. A recent Supreme Court judgement on a Deprivation of Liberties Safeguards (DOLS) case which arose before the establishment of the Trust means that the Council will have costs to bear, which have yet to be confirmed.
- Travel Assist: there are risks relating to increased SEND pupils requiring transport provision.
- Special Educational Needs Assessment Review (SENAR) Staffing: a potential shortfall has been identified due to reduced grant funding
- Early Years Day Nurseries: there are potential costs as a result of the transfer of day nurseries. The forecast has been updated in Period 6, but a residual risk against this area remains.

- There is a small potential overspend within the Child Employment Team (CET) that transferred from BCT. The service is seeking to mitigate this pressure, but a risk remains.
- Adult Education: there is a potential shortfall on the income from fees and charges. Measures to mitigate this are being explored.
- Libraries: there is a potential issue of £0.100m relating to an underachievement of income. Further work is being undertaken to investigate this.

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

- Housing Options is currently showing an overspend £1.600m, however if homelessness cases presenting increase beyond the capacity of housing services, costs may increase by an estimated £4.000m.
- Coroners: there are ongoing building and maintenance costs for the Coroners court and Mortuary services which can not be quantified yet.
- Street Scene: Partnerships are being explored with other local authorities to share resources and improve productivity. However savings are unlikely to be achieved in the short term.
- Street Scene: a partial mitigation for costs within street cleansing at major events. The service proposes to introduce a bond scheme at safety advisory groups to ensure that costs of mopping-up operations are recovered from Event organisers.
- Parks: the service is progressing further potential land sales as part of existing savings initiatives
- Neighbourhoods: the service is exploring a change in service offer
- Housing: The service is planning to launch two pilots to test new ways of working as part of the housing redesign model, a prevention hub model and Homeless on the Day approach.

5. Future Years Issues

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

Table 4: Forecast Levels of Non Delivery of Savings at Period 6 in All Years				
Directorate	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Adult Social Care	0.918	0.000	0.000	0.000
Digital & Cust Services	0.000	0.140	0.140	0.140
Education & Skills	0.000	2.918	2.918	2.918
Finance & Governance	0.687	1.010	1.090	1.090
Human Resources	0.000	0.000	0.000	0.000
Inclusive Growth*	0.746	1.514	2.106	2.391
Neighbourhoods Partnerships, Insight and Prevention	4.537	3.417	3.296	3.246
	0.000	0.000	0.000	0.000
Directorate Subtotal	6.888	8.999	9.550	9.785
Corporate Savings	0.000	0.400	0.400	0.000
Period 6 Total Programme	6.888	9.399	9.950	9.785
Period 3 Total Programme	8.809	8.226	9.125	9.771
Increase/ (Decrease)	(1.921)	1.173	0.825	0.014
Percentage Change (%)	-21.81%	14.26%	9.04%	0.14%

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

Note: figures in 2019/20 include one off mitigations

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

- 5.3 Key future years issues include the following:

- Digital & Customer Services: There is a pressure of £0.140m in relation to non-essential spending savings for which the Directorate are proposing alternative mitigation as part of the 2020/21 budget process.
- Education & Skills: The Directorate is reporting a base budget pressure of £2.798m and savings non-delivery of £2.918m in future years relating to:
 - Travel Assist: Risks remain with the £2.488m savings non delivery on Travel Assist. There is £1.500m base budget pressure relating to additional costs of National Express contract (former ATG). Furthermore additional costs are anticipated with tenders to cover

£0.390m of living wage increase and £0.500m of costs related to the CAZ.

- Birmingham Adults Education Services (BAES): A potential savings pressure of £0.430m has arisen relating to an increase to the corporate support services recharge to Adult Education, which was introduced as part of the commercialisation savings in 2019/20.
- Early Years: A base budget pressure of £0.408m is expected related to the ongoing VAT costs of the staff formerly employed in Childrens centres who are due to TUPE transfer to Birmingham Community Healthcare Trust (BCHC).
- Inclusive Growth: £0.240m on Central Administration Building income. This has not changed since Period 3. Further potential pressures have been identified as below:
 - £0.660m for Central Administration Building operating pressures,
 - £0.317m (rising to £0.606m in 2021/22) Wholesale Markets Income pressures,
 - £1.250m Health & Safety Compliance in the Corporate Estate,
 - £0.159m (rising to £0.730m in 2021/22) Car Park income pressure related to the closure of car parks to facilitate the development of the Smithfield site,
 - £0.190m for local car parking income pressures.
 - £1.514m (rising to £2.391m in 2022/23) savings not delivered relating to InReach loan Income
 - The Service has identified mitigations for some of these pressures totalling £1.506m with effect from 2021/22 resulting from the cessation of Prudential Borrowing costs. In addition the Service has also identified potential mitigations of £0.349m next year, rising to £0.920m by 2021/22 which will be considered as part of the 2020/21 budget process.
- Neighbourhoods: Following an incident at the Tyseley (ERF) plant consideration is required with regards to addressing the potential financial risk in future plant failure and the resultant re-direction of waste disposal.
- Finance & Governance: savings non-delivery of £0.623m rising to £0.703m in 2022/23 relating to advertising income and £0.387m relating to CityServe. In addition, there are also base budget pressures of a further £1.003m in 2020/21 rising to £1.720m in 2022/23 for advertising income, £0.201m for Cleaning and £0.218m for realignment to the NNDR budget to reflect a refund as one-off income that is currently reflected as recurring income.

5.4 Further details are contained in in Annexes 1-9.

6. Reserves

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

6.2 The Council anticipated the use £26.975m of reserves in setting the 2019/20 budget. This is summarised in Table 5 and further detail is set out in Annex 11.

Summary (Use of) / Contribution to Reserves					
Reserve	Original Budgeted (Use) /Contribution	Budget Approved Period 3**	Changes Proposed Since Period 3	Forecast Proposed (Use) /Contribution at Month 6	Variance to Original
	£m	£m	£m	£m	£m
General Reserves*	(5.910)	(5.910)	0.000	(5.910)	0.000
Corporate	11.861	16.364	(6.998)	9.365	(2.496)
Subtotal All Corporate	5.951	10.454	(6.998)	3.455	(2.496)
Other Reserves					
Grant	(29.206)	(19.448)	4.614	(14.835)	14.372
Earmarked	(3.719)	(8.896)	0.019	(8.876)	(5.157)
Schools	0.000	0.000	0.000	0.000	0.000
Non Schools DSG	0.000	(1.199)	0.000	(1.199)	(1.199)
Subtotal Other	(32.926)	(29.543)	4.633	(24.910)	8.016
Total	(26.975)	(19.090)	(2.365)	(21.455)	5.520

* Agreed as part of the Reserves Policy

** Following final audit of the 2018/19 accounts, the split between use of Corporate and Earmarked reserves has been restated.

Changes in Use of Reserves

6.3 Net changes to the original budgeted use of reserves of £5.520m have been requested. A net contribution of £7.885m was approved by Cabinet at Period 3. Since Period 3, a net use of reserves of £2.365m is requested. The Period 6 forecast assumes that these reserves changes will be approved. Details of how these are proposed to change are set out in Tables 5, 6, and 7. Specific changes in reserves since Period 3 are set out in Annex 11.

6.4 There is a budgeted use of £5.910m of General Reserves, which is in line with the Reserves Policy. This is to fund the additional revenue costs arising from a retrospective change in the Council Minimum Revenue Provision Policy (MRP),

approved by the Council in February 2018. This is a planned use agreed within the Council's Reserves Policy and is due to phase out over a number of years as the Council identifies alternative ways to address these additional costs. No further uses of general reserves are planned.

- 6.5 Other Corporate net use of reserves of £6.998m requested since Period 3 largely relates to
- a. An increase in borrowing from the Invest to Save Reserve of £7.641m to cover costs of the ICT Service Transition. This was approved by Cabinet on 16 April 2019. This is due to be repaid over the next three financial years.
 - b. A reduction in borrowing from the Invest to Save Reserve of £1.016m related to the new Enterprise Resource Planning (ERP) system. There has been a reduction in the costs expected in this financial year.
- 6.6 The Council holds Grant Reserves for the unused element of grant support for which the conditions of the grant are expected to be met. The reserves will be used to meet future years' expenditure for the service for which the grant was awarded. Since Period 3, there is net £0.128m of grant requested to be carried forward. This is also a net £4.486m reduction in use of grant compared to the budgeted figure. These contributions to and uses of grant reserve are in line with the Reserves Policy approved by Cabinet in January 2019.
- 6.7 The Council holds Earmarked Reserves where resources have been set aside to support future years' service delivery. These reserves can only be used for specific purposes. Since Period 3, there are net contributions of £0.019m to reserves. These uses of earmarked reserve are in line with the Reserves Policy approved by Cabinet in January 2019.

Reallocation of Reserves

- 6.8 In the 2018/19 Outturn Report, Cabinet recognised the need to create an Education PFI Reserve in order to ensure that there are sufficient resources to fully finance the remaining life of the contract to the extent that the unitary payments exceed the Government grant received in future years. It was approved that in 2019/20, the Chief Finance Officer in conjunction with the Portfolio Holder for Finance and Resources be able to make the appropriate transfer from the general reserves to create this reserve, once the necessary due diligence has been undertaken on its appropriate level. Having done this, it has been established that a Reserve of £3.383m is required. The transfer from the Financial Resilience Reserve (FRR) to the new Education PFI Reserve is reflected in Table 7 below as a reallocation of Reserves.
- 6.9 As reported in Annex 10, In addition a report to Schools Forum on 19 June recommended the use of £2.700m of non-schools DSG reserves (other funding blocks) to reduce the cumulative High Needs Block deficit to £13.3m. This is also reflected in Table 7 below as a reallocation of Reserves.
- 6.10 Following a review of reserves consolidated within corporate reserves, it is further proposed to reallocate Reserves related to Major Events of £0.653m

from Corporate Reserves to Directorate Reserves. This is also reflected in Table 6 below as a reallocation of Reserves.

6.11 Further details of all requested use of or contributions to Reserves since Period 3 are provided in Annex 11.

Table 6: Forecast Reserves Balance						
Reserve	Balance 31/03/19 *	Reallocation of Reserves	Original Budgeted (use)/ contribution	Changes approved Period 3**	Changes Proposed Since Period 3	Forecast Balance 31/03/20
	£m	£m	£m	£m	£m	£m
Corporate Reserves	219.587	(4.036)	5.951	4.503	(6.998)	219.006
Earmarked	36.375	4.036	(3.719)	(5.176)	0.019	31.535
Grant	262.597	0.000	(29.206)	9.758	4.614	247.763
Schools	34.255	2.700	0.000	0.000	0.000	36.955
Non Schools DSG	7.344	(2.700)	0.000	(1.199)	0.000	3.445
Total	560.158	0.000	(26.975)	7.885	(2.365)	538.703

* Note - The Opening Balance is as adjusted following final audit of the 2018/19 accounts.

** Note - As in Table 5, the split between use of Corporate and Earmarked reserves has been restated following final audit of the 2018/19 accounts.

Table 7: Breakdown of change in (Use of)/Contribution to Reserves since Period 3					
Reserve	(Increase in use of)	Reduction in Use of	Increase in Contributions	(Reduction in Contributions)	Total
	£m	£m	£m	£m	£m
Corporate Reserves	(7.784)	1.016	0.000	(0.230)	(6.998)
Earmarked	(0.945)	0.000	0.965	0.000	0.019
Grant	(1.909)	6.394	0.128	0.000	4.614
Schools	0.000	0.000	0.000	0.000	0.000
Non Schools DSG	0.000	0.000	0.000	0.000	0.000
Total	(10.638)	7.410	1.093	(0.230)	(2.365)

Annex 1 Adult Social Care Directorate**1. Executive Summary**

- 1.1 The Council set the Adult Social Care Directorate a net budget of £325.707m for 2019/20 at its meeting on 26 February 2019. This net budget is after approving a savings programme of £14.620m and requiring a further £1.690m savings to be delivered that were achieved on a one-off basis in 2018/19. Following budget adjustments, the net budget for the Directorate is now £331.531m.
- 1.2 At Period 6 the Adult Social Care Directorate forecasts that net spend for the year will be £323.723m, which would result in an underspend of £7.808m. Following a budget deep dive into the Directorate's position, underspends have been identified within Packages of Care and employees. The underspend on packages of care reflects the Directorate's achievements against their challenging savings and transformation programme, whilst vacancies are being held to ensure savings related to the Customer Journey are achieved in future years.
- 1.3 The Directorate's forecast against its budgeted use of iBCF2 grant shows an underspend of £2.952m, which it is requested be appropriated back to the reserve to be used in 2020/21. This underspend is linked to the delays in the roll out of the Early Intervention programme, and costs associated with the various projects and programmes are being closely monitored.
- 1.4 At Period 6 no new savings have been identified in the forecast other than mitigations already planned and being implemented. £0.918m of savings, not being delivered, are being mitigated by a net underspend within the Directorate.

Table 1: Period 6 Forecast Outturn Position									
Directorate	Original Budget	Current Budget	Forecast Outturn	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Director	26.684	12.343	13.072	0.729	0.000	0.729	0.000	0.729	6%
Community & Operational	64.824	74.368	72.451	(2.835)	0.918	(1.917)	2.200	(4.117)	-6%
Assessment & Support Planning	35.752	43.896	40.774	(3.122)	0.000	(3.122)	0.000	(3.122)	
Specialist Care Services	29.072	30.472	31.677	0.287	0.918	1.205	2.200	(0.995)	
Adult Packages of Care Summary	202.394	214.908	209.495	(5.413)	0.000	(5.413)	(2.200)	(3.213)	-1%
PoC - Adults with a Learning Disability	96.685	94.806	94.027	(0.779)	0.000	(0.779)	0.000	(0.779)	
PoC - Adults with Mental Health Needs	3.894	12.803	11.140	(1.663)	0.000	(1.663)	0.000	(1.663)	
PoC - Adults with a Physical Disability	28.718	29.617	29.785	0.168	0.000	0.168	0.000	0.168	
PoC - Older People	71.220	75.589	72.477	(3.112)	0.000	(3.112)	(2.200)	(0.912)	
PoC - Working Age Dementia	1.877	2.093	2.066	(0.027)	0.000	(0.027)	0.000	(0.027)	
Commissioning	31.805	29.912	28.705	(1.207)	0.000	(1.207)	0.000	(1.207)	-4%
Directorate Total	325.707	331.531	323.723	(8.726)	0.918	(7.808)	0.000	(7.808)	-2%

2. Key Issues Identified up to Period 6 and changes since Period 3

2.1 Community and Operational

Specialist Care Services - £1.205m net adverse variance.

£1.405m adverse variance on employees, offset by a favourable variance on general supplies and services of (£0.200m). This is an improvement from period 3 of £0.995m which relates to the drawdown of Winter Pressures funding from Corporate Policy Contingency in period 6.

Assessment & Support Planning - £3.122m favourable variation.

The Social Work service is currently at midpoint in the Customer Journey consultation exercise relating to their workforce restructure. To ensure future step up savings are achieved the Directorate is holding vacancies which is contributing to the in-year underspend in this area. Workforce requirements in this area over the winter period need to respond to fluctuating levels of activity in hospitals so as not to delay transfers of care. There has been a drawdown of Winter Pressures funding from Corporate Policy Contingency in period 6 in anticipation of higher demand over the winter period.

Packages of Care - £5.413m favourable variation.

The Directorate's transformation programme is gathering pace and as a reflection of the ongoing work relating to the Three Conversations model and the Customer Journey the packages of care forecast has reduced since the beginning of the financial year. This is an improvement from

period 3 of £3.213m which relates to the drawdown of Winter Pressures funding from Corporate Policy Contingency in period 6.

The Directorate has also confirmed it will not require Demography funding in this financial year which is currently held in Corporate Policy Contingency and will manage growth in Transitions from Children's from within its existing resources.

2.2 Commissioning - £1.207m underspend.

There is a £0.428m underspend relating to savings achieved on the procurement of an IT system. £0.609m relates to favourable in year variations on third sector grants, and an exercise to re-tender these has been concluded and budgets will be rebased to reflect the priorities of the service going forward. There are also £0.170m of savings related to vacancies within the Service.

2.3 Director £0.729m overspend

The implementation and roll out delays on the Early Intervention programme have resulted in a higher than anticipated use of Winter Pressures and iBCF2 funding and these additional costs are offset by favourable variations across the Directorate. There are also corporate restructure savings held at Director level which are due to be allocated to Services.

3. Risks and Mitigations

- 3.1 The current forecast assumes the commitment at period 6 against Packages of Care will continue to the end of the financial year. Any fluctuation in demand over the Winter period may affect this assumption and on a Packages of Care gross budget of £304.438m, minor variations can have a considerable financial impact. This area of expenditure is being closely monitored to ensure variations are investigated as soon as they are highlighted, however the current financial commitment is usually two months behind in terms of activity, therefore recent reported increases in A&E attendance during August may not impact the financial forecast until October.
- 3.2 The delay in the implementation of the Early Intervention roll out may also have an impact on expenditure related to delays in discharges from Hospital, and again the forecast assumes a certain level of expenditure relating to the Quick Discharge Service which is not being reflected in the invoices being received.
- 3.3 A budget deep dive into the budget for 2019/20 and future years has not highlighted any non-delivery, however the full impact of the roll out delay of the Early Intervention programme is not yet known.
- 3.4 No savings other than those already mentioned at period 3 are at risk.

4. Future Years

4.1 There is no anticipated non-delivery of savings in future years.

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

Annex 2 Digital & Customer Services

1. Executive Summary

- 1.1 The Council set the Digital and Customer Services Directorate (D&CS) a net budget of £26.822m for 2019/20 at its meeting on the 26th February 2019. This net budget is after approving a savings programme of £2.773m for 2019/20. There is also a carry forward savings target of £4.145m which were delivered on a one-off basis in 2018/19. Following budget adjustments, including allocations from Policy Contingency and transfers of services from other Directorates as part of the Council's new structure, the net original budget for the Directorate was revised to £22.046m and at period 6, the net current budget is £23.412m.
- 1.2 At Period 6 the Directorate is forecasting a balanced position, a £0.140m favourable movement from the position reported at period 3.

Table 1: Period 6 Forecast Outturn Position									
Directorate	Original Budget	Current Budget	Forecast Outturn	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
Business Improvement	9.516	9.503	9.503	0.000	0.000	0.000	0.000	0.000	0.00
Customer Services	8.566	8.087	8.087	0.000	0.000	0.000	0.000	0.000	0.00
IT&D	1.005	2.864	2.864	0.000	0.000	0.000	0.000	0.000	0.00
Revenues and Benefits	2.791	2.791	2.791	0.000	0.000	0.000	0.140	(0.140)	-5.02
Director of D&CS	0.168	0.167	0.167	0.000	0.000	0.000	0.000	0.000	0.00
Directorate Total	22.046	23.412	23.412	0.000	0.000	0.000	0.140	(0.140)	-0.60

Key Issues Identified between Period 3 and period 6

- 1.3 At period 3, the Directorate reported £0.140m of its non-essential savings target of £0.347m as undeliverable. Since Period 3 monitoring the service has identified mitigating action plans to deliver this savings on a one-off basis in 2019/20 and alternative/replacement saving has been identified for future years.
- 1.4 The ITDS service Capita contract was successfully brought back in-house on the 1st August 2019 as planned. Savings of £8m (pro-rata from 1 August to 31 March 2019) are required from the service in 2019/20 and £12m per annum

on-going. The Transition project team, along with Finance, will continue to monitor and report on the savings throughout the year.

Risks identified but not yet included in the Forecast

- 1.5 No new issues have been identified.

Future Years

- 1.6 During 2020 the Council intends to review the Council Tax Support scheme. Any new proposals will be subject to extensive consultation and, dependent on the outcome of the consultation, changes may be made to the level of support awarded.
- 1.7 Describe any issues that may impact on future years' budgets.

Future Years Issues			
	2020/21 £m	2021/22 £m	2022/23 £m
Base Budget Pressures			
Savings	0.140	0.140	0.140
Mitigations – Replacement savings submitted as part of the 2020/21 budget process.	(0.140)	(0.140)	(0.140)
Total	0.000	0.000	0.000

Annex 3 Education & Skills Directorate**General Fund Forecast****1. Executive Summary**

- 1.1 The Council set the Education & Skills Directorate a net budget of £255.477m for 2019/20 at its meeting on 26 February 2019. This net budget is after approving a savings programme of £8.837m. Following budget adjustments relating to the Council restructure, the net budget for the Directorate is now £265.766m.
- 1.2 The budget includes a number of services which have been transferred in from the Place and Economy directorates, including Libraries, Adult Education, Careers, Youth Service and Employment Services. The overall budget of transferred services as at period 6 is £24.724m. This report incorporates the financial position of these services.
- 1.3 At Period 6 the Education & Skills Directorate forecasts an overspend of £0.497m, an improvement of £1.295m compared to period 3. However, it also needs to be highlighted that the Birmingham Children's Trust (BCT) is reporting an overspend risk of £10.355m at Period 4. The Education & Skills Directorate will continue to pursue the BCT for mitigations to seek to reduce the overspend. At this stage no variance has been factored into the forecast pending clarification from the Trust on the expected impact of mitigations over the full financial year.

Table 1: Period 6 Forecast Outturn Position								
Directorate	Current Budget	Period 6 Forecast Outturn	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Period 6 Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	%
Service General Fund								
Access to Education	(0.020)	(0.020)	0.000		0.000	0.000	0.000	0
Children With Complex Needs Transport	23.654	24.582	0.927		0.927	2.212	(1.284)	(5)
Education Psychology Service	2.463	2.463	0.000		0.000	0.000	0.000	0
Higher Needs	1.627	1.627	0.000		0.000	0.000	0.000	0
Inclusion & SEND	27.724	28.652	0.927	0.000	0.927	2.212	(1.284)	(5)
Admissions & Placements	0.055	0.055	0.000		0.000	0.000	0.000	0
School Setting/Improvements	0.652	0.607	(0.045)		(0.045)	0.000	(0.045)	(7)
Education Skills & Infrastructure	6.521	5.952	(0.569)		(0.569)	(0.414)	(0.155)	(2)
Premature Retirements	5.524	5.410	(0.114)		(0.114)	(0.114)	0.000	0
School Funding Centrally Managed	(0.110)	(0.080)	0.030		0.030	0.000	0.030	(27)
Schools Management & Governor Support	(0.049)	(0.119)	(0.070)		(0.070)	0.000	(0.070)	144
SEND Information, Advice & Support	0.274	0.274	0.000		0.000	0.000	0.000	0
Early Years	1.955	2.288	0.333		0.333	0.228	0.106	5
Education & Early Years	14.822	14.388	(0.435)	0.000	(0.435)	(0.300)	(0.134)	(1)
Birmingham Children's Trust - ICF	(7.334)	(7.334)	0.000		0.000	0.096	(0.096)	1
Children's Trust Residual Costs	0.000	0.209	0.209		0.209	0.039	0.170	0
Children's Trust Contract	190.514	190.632	0.118		0.118	0.118	0.000	0
Children's Trust	183.179	183.507	0.327	0.000	0.327	0.254	0.074	0
Business Support - E&S Finance	0.482	0.382	(0.100)		(0.100)	0.000	(0.100)	(21)
Business Transformation	1.806	1.836	0.030		0.030	0.088	(0.058)	(3)
IT	3.143	3.143	0.000		0.000	0.000	0.000	0
Other Business Support	9.362	9.432	0.070		0.070	0.039	0.031	0
Strategic Leadership & Improvement-E&C	0.522	0.032	(0.490)		(0.490)	(0.600)	0.110	21
Strategic Leadership	15.315	14.824	(0.491)	0.000	(0.491)	(0.473)	(0.017)	(0)
Employment Services - Service	0.331	0.331	0.000		0.000	0.000	0.000	0
Birmingham Careers Service	1.003	1.003	0.000		0.000	0.000	0.000	0
Birmingham Libraries	21.709	21.809	0.100		0.100	0.100	0.000	0
Youth Service	1.896	1.896	0.000		0.000	0.000	0.000	0
B'ham Adult Ed Services	(0.214)	(0.147)	0.067		0.067	0.000	0.067	(31)
Holding Accounts - ES - Unassigned	0.000	0.000	0.000		0.000	0.000	0.000	0
Skills and Employability	24.724	24.891	0.167		0.167	0.100	0.067	0
Education & Skills	265.766	266.262	0.497	0.000	0.497	1.792	(1.295)	(0)

Key Issues Identified up to Period 6

1.4 The key issues that are included within the Education & Skills Directorate's forecast overspend are:

- Children with Complex Needs Transport (Travel Assist) – a £0.927m overspend is being forecast at period 6, a reduction of £1.285m from period 3. The change is due mainly to additional costs arising from the period of administration of ATG of £0.705m, expected additional costs from the new Dynamic Purchasing System (DPS) transport framework of £0.148m and increased demand, price and other cost increases of £0.359m. There is also an additional £0.400m at period 6 associated with non delivery of savings compared to period 3. At period 6 the full policy contingency amount agreed by Cabinet on 15th July of £2.897m, has been factored in to the forecast (not factored in at period 3).
- Early years – an overall overspend of £0.333m (an increase of £0.105m since period 3) is currently being reported. This comprises a base budget pressure of £0.737m relating to the transfer of Day Nurseries to Private, Voluntary and independent settings (an increase of £0.526m from period

3). This has been mitigated by savings identified from within Early Years of £0.391m, which are mainly staffing costs (not reported at period 3) and a saving of £0.013m relating to the planned TUPE transfer of staff of Early Years staff to BCHC (which reflects a £0.030m reduction since period 3) due to TUPE now expected January 2020.

- Business Transformation (IT) – a £0.100m overspend is reported at period 6 (no change from period 3).
- Children's Trust (Intelligent Client Function) – a £0.327m overspend (an increase of £0.073m from period 3) due to the identification of further residual costs relating to the period prior to the establishment of the Trust.
- Libraries - £0.100m overspend (no change since period 3).
- School Funding Centrally Managed (SFCM) - £0.030m rental income under achieved due to gradual transfer of property ownership (not reported at period 3).
- Birmingham Adult Education Service – an overspend is expected of £0.067m. This mainly relates to a shortfall of income against the increased income target. Whilst this has been mitigated where possible by savings on staffing and drawdown from reserves to cover development costs included in expenditure forecasts, an overspend is expected to remain. A break even position was reported at Period 3.

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

- Education Skills & Infrastructure – a net saving of £0.569m is being reported which relates to savings generated as result of the review of the PFI and BSF contracts. This has increased since period 3 by a further £0.155m due to the allocation of inflation due on the contracts.
- Premature retirements – savings of £0.096m (no change since period 3).
- Strategic Leadership – the Council have received notification from the DFE that it will receive additional funding of £0.500m (no change) in 2019/20 of School Improvement Monitoring and Brokering Grant. An amount of £0.120m (change since period 3) will be allocated for School Improvement work relating to primary exclusions and £0.380m (no change) of the grant will be retained by BCC to mitigate pressures. In addition there is a forecast underspend of £0.100m (no change) in this budget relating to IT/ miscellaneous spending and part of the professional fees. There is also income of £0.010m received by the Participation Team to cover staff resources newly reported at Period 6.
- School Setting/Improvements – there have been no costs identified for the Intelligent Client Function budget which generates a saving, newly reported in period 6 of £0.045m.
- Schools Financial Services – Expected employee savings of £0.100m have been identified due to vacancy management (not reported at period 3).
- Associated with the need for alternative provision for the ATG contract and the expected shortfall in savings in Travel Assist a Cabinet report on the Home to School Transport contract award approved the underwriting of a potential shortfall of £2.897m from the Budget Delivery Policy

Contingency. In view of the additional cost pressures highlighted in this report, this has been fully factored into the forecast.

- Other Minor Variations – a saving of £0.070m (a favourable movement of £0.097m compared to period 3).

Risks identified but not yet included in the Forecast

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

- **Children's Trust** – the Children's Trust have recently provided the first monitoring reports for 2019/20. The latest report provided by BCT, based on Period 4, highlights a potential overspend of £10.355m. This relates in the main to increases in children in care placement costs due to the continued increase in numbers and cost of children in care and additional remand costs. It should be noted that the overspend of £10.355m already assumes mitigations of £1.570m, including the use of £0.800m of DfE grant reserves. These are mitigations which have been secured so far, though further mitigations are being sought. The financial position of the Childrens Trust will be closely scrutinised and future reports will seek to confirm the impact on the overall forecast.
- **Children's Trust (ICF)** – Residual costs may be higher due to costs associated with ongoing legal cases. A recent Supreme Court judgement on a Deprivation of Liberties Safeguards (DOLS) case which arose before the establishment of the Trust means that the Council will have costs to bear, which have yet to be confirmed.
- **School Transport Provision.** A residual risk remains relating to increased SEND pupils requiring transport provision, this will be reviewed once new route information is finalised following changes in the Autumn term.
- **Special Educational Needs Assessment Review (SENAR) Staffing -** This budget supports SENAR staffing along with costs associated with tribunals, complaints and mediations. In previous years this budget has been supported by SEN Reform grant funding, which has now come to an end. The previous grant funding was £1.100m and whilst an increase to the budget was made this only amounted to £0.625m, leaving a potential gap of £0.475m. Based on the current staff in post and assuming that no vacancies are filled during the year, current projections suggest a balanced budget is possible, however this remains an area of concern given the pressures and challenges facing the Special Needs sector. A review of the staffing structure is underway which will seek to align the structure with funding on a sustainable basis.
- **Early Years Day Nurseries**– There is a budget set aside of £0.250m (no change) to support the whole of the Early Years estate. The forecast

has been updated in Period 6 to reflect increased costs across day nurseries, though a residual risk against this area remains.

- **Placements** – potentially there could be £0.065m overspend with the service General Fund budget due to the Child Employment Team (CET) transferred from Children's Trust. There was a shortfall of £0.020m on the employee budget when CET was transferred. The service has been trying to absorb the pressure from underspend in other areas. However, the mitigation might not be possible due to funding constraints. There has been a further cost of £0.045m on an IT application implemented recently which caused further pressure. Although the service head expects the costs can be offset by income generated from the system, the income may not be realised this year. The situation will be under continuous review.
- **Adult Education** – an overspend of £0.067m (reduced from £0.600m in period 3) has now been reported relating to an expected shortfall on the income from fees and charges, which also arose in 2018/19. This is related to the Commercialisation savings which were agreed by the service before transferring to Education & Skills. This potential overspend in 2019/20 is expected to be mitigated by a combination of savings on staff vacancies and use of reserves to offset development costs, which are included in the expenditure forecast. A more sustainable solution will be required going forward.
- **Education PFI** –At the 2018/19 Outturn the Council recognised the need to create an Education PFI Reserve in order to ensure that there are sufficient resources to maintain the Council Contribution over the remaining life of the contract to the extent that the unitary payments exceed the Government grant and contribution from schools received in future years. A significant amount of work has been undertaken reviewing the education PFI contracts. An additional £3.383m (no change) would be needed in PFI reserve to cover expected PFI liabilities to the end of 2019/20, with a peak of £8.764m in 2026/27 with the reserve being released over the term of the contracts. This issue will be addressed through £3.383m proposed to be transferred from FRR as referred to in Section 6.8, and adjustments to the future years inflation allocations for PFI liabilities in Education & Skills, which will be factored into the Budget Process.
- **Libraries** – there is a potential issue of £0.100m (no change) relating to an underachievement of the income expected to be achieved by the Unique Venues Birmingham budget within the library service. This is still under investigation, though a Unique Venues Board Meeting is taking place in late October which should clarify the position.

2. Future Years Issues

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

2.2 Key future years issues include:

Future Years Issues			
	2020/21 £m	2021/22 £m	2022/23 £m
Travel Assist (Note 1)			
- red-rated savings risk	2.488	2.488	2.488
- Additional costs of new contract	1.500	1.500	1.500
- DPS additional costs	0.890	0.890	0.890
Early Years (Note 2)	0.408	0.408	0.408
BAES (Note 3)	0.430	0.430	0.430
Total	5.716	5.716	5.716

Note 1 Travel Assist. The Policy Contingency approval of £2.897m, covers previously reported cost pressures. Risks which remain relate to the step up saving against Travel Assist of £0.770m and the additional cost of new Dynamic purchasing system contract for transport provision which comes into effect in January 2020. Additional costs are anticipated within tenders to cover £0.390m of living wage increases and £0.500m of costs related to the CAZ.

Note 2 Early Years. A budget pressure is expected related to the ongoing VAT costs of the staff formerly employed in Childrens centres who are due to TUPE transfer to Birmingham Community Healthcare Trust (BCHC). BCHC will not take responsibility for these costs within the EYH&WB contract. This will therefore be an annual cost for the life of the contract (remaining 3 years + 2 years).

Note 3 BAES. A potential pressure has arisen relating to an increase to the corporate support services recharge to Adult Education, which was introduced as part of the Commercialisation savings in 2019/20. The service do not feel that this saving will be achievable and a pressure bid has been submitted to reverse 50% of the savings.

Other potential risks not yet quantified are:

- Children Trust commissioning pressures relating to Looked After Children (LAC) placement demand and remand pressures.

Annex 4 Finance and Governance Directorate

1. Executive Summary

- 1.1 The Finance and Governance (F&G) Directorate net budget for 2019/20 as set at the Council's meeting on 26 February 2019 is £24.914m. This net budget is after approving a savings programme of £2.261m and requiring a further £0.530m savings to be delivered that were achieved on a one-off basis in 2018/19. Following budget adjustments in-year, the net current budget for the Directorate is now £25.662m.
- 1.2 At Period 6 the F&G directorate is forecasting an overspend of £1.370m, compared to £0.742m reported at Period 3. The forecast overspend comprises of an overspend in Development and Commercial of £1.721m (£0.749m at Period 3) offset by an underspend of £0.128m in Audit (£0.007m at Period 3) and £0.222m in Legal and Governance (balanced at Period 3). The Directorate is actively pursuing solutions and exploring options to resolve this position and bring the directorate spend in line with budget.

Table 1a: Period 6 Forecast Outturn Position

Directorate	Original Budget	Current Budget	Forecast Outturn	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
Development & Commercial	(4.374)	(4.269)	(2.548)	1.034	0.687	1.721	0.749	0.972	(22.76)
Service Finance	20.005	20.588	19.663	0.000	0.000	0.000	0.000	0.000	0.00
GBSLEP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.00
City Solicitor	7.754	7.686	7.399	(0.222)	0.000	(0.222)	0.000	(0.222)	(2.89)
Birmingham Audit	1.529	1.657	1.529	(0.128)	0.000	(0.128)	(0.007)	(0.121)	(7.32)
Directorate Total	24.914	25.662	26.043	0.683	0.687	1.370	0.742	0.628	2.45

Table 1b: Period 6 Forecast Outturn Position for Development and Commercial

Directorate	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Summary Action Plan	Target Date for completed actions	Direction of Travel (green/red/amber arrows)
	£m	£m	£m			
D & C Finance team	(0.059)	0.000	(0.059)			
Procurement Services	0.336	0.000	0.336	Procurement Maturity assessment and Contract review	Oct/Nov 2019	→
Outdoor Advertising	0.176	0.500	0.676	Directorate wide budget deep dive and Spend review	Sept/Oct 2019	←
Commercial Business	0.581	0.187	0.768	Service remodelling underway	Oct/Nov 2019	→
Total	1.034	0.687	1.721			

2. Key issues identified up to Period 6 and changes since Period 3

- 2.1 The key issues that are included within the F&G Directorate's forecast overspend are:
- 2.2 **Development & Commercial**

Development and Commercial is reporting a forecast outturn overspend of £1.721m, an increase of £0.972m from a £0.749m overspend reported at period 3. The forecast overspend is made up of:

Existing Pressures

- The pressure for Digital Advertising has increased by £0.263m to £0.676m, compared to a £0.413m overspend reported at period 3. This is mainly as a result of cabling works at Lancaster Circus and the closure of Five Ways underpass which has reduced income generated by these sites. The capacity to generate additional income from new sites has proved challenging due to planning restrictions and continued economic uncertainty. Income projections are based on demand led assumptions which holds risk and are subject to fluctuation due to continued economic and Brexit uncertainty. This has resulted in a projected reduction in income of £0.403m. However, since period 3, an additional £0.140m non-contract income has been identified as a one-off mitigation, resulting in the overall net pressure increase of £0.263m.
- £0.336m projected shortfall on Procurement income, as reported at period 3.

New Pressures

- A budget pressure of £0.402m for Civic Cleaning has been forecast which was not previously reported at Period 3. This pressure has arisen mainly as a result of the current hourly rate (charged for delivering cleaning) being below that of the external market and does not cover the actual cost of providing the service. There has been no increase in the hourly charge rate to absorb the impact of increased operational costs since 2009.

Civic Cleaning returned to the Council in April 2019 from Acivico with an annual trading deficit of £1.100m. Following the transfer into the council there has been a reduction in support costs and efficiency savings totalling £0.693m. Options for addressing the remaining pressure of £0.402m are being considered and a report to the Corporate Management Team is being prepared setting out proposals.

- A budget pressure on CityServe Schools Catering of £0.349m is forecast. This projection is mainly as a result of significant shift in the marketplace and schools leaving CityServe in greater number to the private sector. The pressure includes an in-year one-off mitigation due to the release of a provision which is no longer required (£0.160m) and a reduction in Head Office expenditure (£0.200m). The service has commenced a review of the current provision in order to find permanent options to reduce the pressure. A full service review and options appraisal has started to address the pressure from 2020/21 onwards.
- The Digital Mail Centre is forecast to overspend by £0.017m, compared to a balanced budget reported at Period 3. The service lost an external

customer resulting in a loss of income of £0.050m which has been offset by reductions in expenditure of £0.033m.

New Underspends

- The Development and Commercial Team, which support major capital projects such as the Commonwealth Games and regeneration projects, is forecasting an underspend at Period 6 of £0.059m, compared to a balanced budget reported at Period 3.

2.3 Service Finance

At the end of period 6, Service Finance is reporting a nil variance, as reported at Period 3. The Invest to Improve Budget request in period 3 to fund planned improvement work, was approved and is now included in forecast.

2.4 Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP)

The GBSLEP is a self-funded service made up of a gross expenditure budget of £1.172m against a gross income budget of £1.172m. At the end of period 6, GSLEP is reporting a nil variance, as reported at Period 3.

2.5 City Solicitor

At the end of period 6, City Solicitor is reporting an underspend of £0.222m variance against a net current budget of £7.754m, compared to balanced budget position reported at period 3. This underspend is made up of £0.065m in Democratic services, £0.042m in Scrutiny Service, £0.060m in Cabinet Office and a total of £0.055m relating to staffing and supplies and services in other services.

2.6 Audit

At the end of period 6, Birmingham Audit is reporting a £0.128m underspend against a net current budget of £1.657m, compared to £0.007m reported at Period 3. This is due to a one-off exercise in recovering income from suppliers.

3. Risks identified but not yet included in the Forecast

- 3.1 The savings identified as “at risk” (“amber” savings) at period 6 and the management actions being put in place to ensure that they will be delivered are listed in table 2 below:

Ref	Description	£m	Commentary
(Amber) CC106 19+	Contract Management Savings Opportunities	0.268	This has reduced from £0.300m at P3. Paper agreed at CMT regarding delivery of this saving. Contracts for renewal etc. being drawn up for each directorate by CPS to identify potential opportunities for savings delivery and how these can be met by director
(Amber) FG102 19+	Reduced External Legal Spend	0.200	Working group being established to put in place framework for delivery of reduced external legal fees. Paper to go to CMT to set out options for savings delivery. Saving may have to be delivered in an alternative way in short term pending outcome of work

4. Future Years

Issues that have the potential to impact on future years' budgets (excluding inflation adjustments) are presented in table 3 below.

Future Years Issues - Describe any that may impact on future years budget				
Future Years	2020/21 £m	2021/22 £m	2022/23 £m	Comments
Base Budget	0.129	0.129	0.129	Budget for AD Audit Post for 2020-21 onwards
	0.997	0.997	0.997	PFG001 20+ Digital Advertising
	0.906	1.49	2.074	PFG002 20+ Cityserve (schools catering)
	0	0.201	0.201	PFG003 20+ Cleaning
Savings	0.387	0.387	0.387	CY003 18+ City Serve not achieved
	0.623	0.703	0.703	CC4 17+, SS002a and Base Budget - Digital Advertising forecast shortfall
Mitigations	(0.129)	(0.129)	(0.129)	To be funded from within the wider Directorate budget
Total	2.913	3.778	4.362	

Annex 5 Human Resources

1. Executive Summary

- 1.1. The Council set the Human Resources (HR) Directorate a net budget of £6.629m for 2019/20 at its meeting on the 26th February 2019. This net budget is after approving a savings programme of £0.514m and requiring a further £0.204m savings to be delivered that were achieved on a one-off basis in 2018/19. Following changes to the Council's structure, the net original budget for the Directorate is £6.597m and as result of further in year adjustments the net current budget for the Directorate is £7.345m and it remains unchanged at Period 6.

Table 1 - Period 6 Forecast Outturn

Table 1: Period 6 Forecast Outturn Position									
Directorate	Original Budget	Current Budget	Forecast Outturn	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
HR Schools	0.141	0.141	0.141	0.000	0.000	0.000	0.000	0.000	0.00
HR Services	6.456	7.204	7.204	0.000	0.000	0.000	0.000	0.000	0.00
Directorate Total	6.597	7.345	7.345	0.000	0.000	0.000	0.000	0.000	0.00

- 1.2 At Period 6 the HR Directorate is forecasting a nil outturn variance.

2. Key issues identified up to Period 6 and changes since Period 3

- 2.1. No key issues have been identified at this stage for HR and there are no changes to the report from the position reported in Period 3.

3. Risks identified but not yet included in the Forecast

- 3.1. The HR Directorate is not reporting any base budget or saving programme risks/associated mitigations.
- 3.2. The HR Directorate is not reporting any savings identified as "at risk" (i.e. amber).

4. Future Years

- 4.1. No issues have been identified that affect future years.

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

Annex 6 Inclusive Growth Directorate**1. Executive Summary**

- 1.1 The Council set the Inclusive Growth Directorate a net budget of £103.977m for 2019/20 at its meeting on 26 February 2019. This net budget is after approving a savings programme of £2.836m and requiring a further £1.934m savings to be delivered that were achieved on a one-off basis in 2018/19. Following budget adjustments, including the transfer of Educational Skill and Infrastructure to Education and Skills Directorate, the allocation of £0.600m Policy Contingency to cover price increases in Street Lighting electricity, £0.119m Policy Contingency for Council House improvements plus other minor changes, the net budget for the Directorate is now £98.295m.
- 1.2 At Period 6 the Inclusive Growth Directorate forecasts an overspend of £0.137m. The forecast overspend is made up by a Base Budget underspend of £0.609m and Savings non-delivery of £0.746m. The Inclusive Growth Directorate is actively pursuing solutions to resolve this position.

Table 1: Period 6 Forecast Outturn Position									
Directorate	Original Budget	Current Budget	Forecast Outturn	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
P&D City Centre, EZ, BDI	3.257	(0.660)	(1.632)	(0.972)	0.000	(0.972)	(0.790)	(0.182)	27.58
Transportation & Connectivity	46.159	46.308	46.108	(0.200)	0.000	(0.200)	0.000	(0.200)	(0.43)
P&D Strategy & Planning	0.963	4.596	3.855	(0.741)	0.000	(0.741)	(0.340)	(0.401)	(8.72)
Birmingham Property Services	(3.743)	(3.518)	(1.452)	2.066	0.000	2.066	1.140	0.926	(26.32)
Housing Development	(0.322)	(0.322)	0.372	0.000	0.694	0.694	0.694	0.000	0.00
Highways & Infrastructure	43.483	43.969	43.259	(0.762)	0.052	(0.710)	(0.110)	(0.600)	(1.36)
Inclusive Growth Director	7.718	7.922	7.922	0.000	0.000	0.000	0.000	0.000	0.00
Other Funds - Holding A/Cs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.00
Directorate Total	97.515	98.295	98.432	(0.609)	0.746	0.137	0.594	(0.457)	(0.46)

Key Issues Identified up to Period 6 and Changes since Period 3

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

Base Budget and Savings Key Issues:

- Planning & Development (City Centre, Management & EZ) - £0.972m Surplus (Period 3 £0.790m Surplus):
 - The forecast employee underspend has increased by £0.182m from period 3 due to staff turnover savings and delays in recruiting to vacant Planning posts (from 1st December 2019).
- Transportation & Connectivity - £0.200m Surplus (period 3 balanced):

Since period 3 the estimated volume of professional support staff required has been identified based on an increasing workload. This will result in an increase in the value of income from recharges to projects by approximately £0.200m.
- Planning & Development (Strategy & BDI) - £0.741m Surplus (Period 3 £0.340m Surplus):
 - The employee forecast underspend has increased by £0.175m from period 3 due to staff turnover savings and delays in recruiting to vacant posts.
 - The removal of the £0.100m pressure for the European & International Affairs Team as details of additional project grant funding has emerged.
 - £0.126m use of match funding reserve as Business Growth Programme project is brought to a close
- Property Services - £2.066m Deficit (period 3 £1.140m Deficit):
 - £0.266m new Wholesale Markets pressure arising since period 3 from revised net rent assumptions
 - £0.660m CAB Buildings pressure (net of prudential borrowing savings which were going to be used for cyclical maintenance). This pressure has arisen mainly from increases in repairs and maintenance and electricity with minor increases also identified in water charges and rates, the full impact of these increases being offset through savings on prudential borrowing.
- Housing Development - £0.694m Deficit (no change from period 3)
- Highways & Infrastructure - £0.710m Surplus (Period 3 £0.110m Surplus):
 - £0.400m new developer fees income received for permits and licences on development projects
 - £0.100m improved forecast on car parking and parking enforcement income based upon income received during August
 - £0.100m surplus budget identified in retained costs relating to reducing pension commitments relating to retired staff.

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

- No change from period 3.

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

Directorate	Forecast Base Budget Over/ (Under) £m	Forecast Savings Non-delivery £m	Forecast Over/ (Under) £m	Summary Action Plan	Target Date for completed actions	Direction of Travel (green/red/amber arrows)
Commercial Income under-recovery	0.900	0.000	0.900	<ul style="list-style-type: none"> • Review and reconciliation of existing investment portfolio rent roll information to confirm/refine forecast; • Targeting High Value Lease Renewals/Rent Reviews; • Targeting Supplemental Rents; • Investment Strategy - Accelerating acquisition of new stock to generating increased rental income; • External support engaged; • Strategic review of the existing investment portfolio; • Identification of target markets. • Whilst actions above are ongoing, IG has identified significant mitigations within the overall forecast base budget position and will continue to work on increasing mitigations to balance the year-end position. In-year RAG therefore AMBER; • Further information re: impact in future years can be seen in Section 1.8 below. 	6 th November 2019 Ongoing	AMBER
CAB Income under-recovery	0.240	0.000	0.240	<ul style="list-style-type: none"> • Whilst this specific pressure cannot be resolved in-year, IG has identified significant mitigations within the overall forecast base budget position and will continue to work on increasing mitigations to balance the year-end position. In-year RA • Further information re: impact in future years can be seen in Section 1.8 below. 	Ongoing	Amber
CAB – operational expenditure	0.660	0.000	0.660	<ul style="list-style-type: none"> • Whilst this specific pressure cannot be resolved in-year, IG has identified significant mitigations within the overall forecast base budget position and will continue to work on increasing mitigations to balance the year-end position. In-year RA • Further information re: impact in future years can be seen in Section 1.8 below. 	Ongoing	Amber
Wholesale Markets Income under-recovery	0.266	0.000	0.266	<ul style="list-style-type: none"> • Whilst this specific pressure cannot be resolved in-year, IG has identified significant mitigations within the overall forecast base budget position and will continue to work on increasing mitigations to balance the year-end position. In-year RA • Further information re: impact in future years can be seen in Section 1.8 below. 	Ongoing	Amber
Total	2.066	0.000	2.066			

Detail of anticipated implications upon levels of service provision:

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

Use of base budget underspend:

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

Table 1b: Period 6 Forecast Outturn Position for Assistant Director Housing Development						
Directorate	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Summary Action Plan	Target Date for completed actions	Direction of Travel (green/red/amber arrows)
	£m	£m	£m			
Housing Development	0.000	0.694	0.694	<ul style="list-style-type: none"> Finalisation of loan agreement between the Council and InReach; Timetable for delayed schemes now revised and disposal dates estimated ; Other potential asset disposals to be identified for consideration but due to mobilisation timescales would not be deliverable until 2020/21 at the earliest. Whilst this specific pressure cannot be resolved in-year, IG has identified significant mitigations within the overall forecast base budget position and will continue to work on increasing mitigations to balance the year-end position. In-year RA Further information re: impact in future years can be seen in Section 1.8 below. 	Oct-19	Amber
InReach Commercial loan income under-recovery					WEF 2020/21 Ongoing	
Total	0.000	0.694	0.694			

Detail of anticipated implications upon levels of service provision:

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

Use of base budget underspend:

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

Risks identified but not yet included in the Forecast

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

Future Years

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

Future Years Issues			
	2020/21 £m	2021/22 £m	2022/23 £m
Base Budget Pressures			
Property Services:			
Central Administration Building (CAB) Income	0.240	0.240	0.240
CAB Operating Expenditure Pressure	0.660	0.660	0.660
Wholesale Markets – income pressure	0.317	0.606	0.603
Health & Safety Compliance in Corporate Estate – H&S surveys	1.250	1.250	1.250
Highways & Infrastructure:			
Proposed sale or closure of car parks to facilitate development of the Smithfield site	0.159	0.730	0.730
Local car parking income pressure	0.190	0.190	0.190
Savings			
Identification of potential values subject to progress made as a result of mitigation actions detailed above and/or general progress on saving delivery:			
Property Services:			
Commercial Income	TBC	TBC	TBC

Operational Hub Programme	TBC	TBC	TBC
Housing Development: InReach (Birmingham) Ltd Loan Income	1.514	2.106	2.391
Mitigations Identification of potential values subject to progress made as a result of mitigation actions detailed above.			
Property Services Central Administration Building (CAB) Income – mitigation resulting from the cessation of prudential borrowing costs.	0.000	(0.240)	(0.240)
CAB Operating Expenditure Pressure - mitigation resulting from the cessation of prudential borrowing costs.	0.000	(0.660)	(0.660)
Wholesale Markets – income pressure – mitigation resulting from the cessation of prudential borrowing costs.	0.000	(0.606)	(0.603)
Highways & Infrastructure			
Closure of car parks – potential mitigations identified, which will be progressed as part of the 2020/21+ budget process.	(0.159)	(0.730)	(0.730)
Local car parking income pressure - potential mitigations identified, which will be progressed as part of the 2020/21+ budget process.	(0.190)	(0.190)	(0.190)
Total	3.981	3.356	3.641

Annex 7 Neighbourhoods Directorate

1. Executive Summary

- 1.1 The Council set the Neighbourhoods Directorate a net budget of £99.843m for 2019/20 at its meeting on 26 February 2019. This net budget is after approving a savings programme of £14.982m and requiring a further £3.582m savings to be delivered that were achieved on a one-off basis in 2018/19.
- 1.2 At Period 6, the Directorate is forecasting an overspend of £9.503m (9%). The Department continues to work on the recovery plan with the support of the Member led Star Chamber.
- 1.3 For the Housing Revenue Account a balanced overall revenue position is forecast, with any net overspends or underspends to be managed by corresponding adjustments to the level of HRA borrowing repaid, Reserves or an additional contribution to the capital investment programme.

Directorate	Original Budget	Current Budget	Forecast Outturn	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
Street Scene	66.835	66.985	73.925	5.760	1.180	6.940	6.330	0.610	0.91
Housing Services	3.760	3.553	5.153	1.550	0.050	1.600	1.600	0.000	0.00
Neighbourhoods	15.310	19.001	18.520	(1.081)	0.600	(0.481)	4.346	(4.827)	(25.40)
Regulation & Enforcement	0.316	0.176	0.196	(0.189)	0.209	0.020	0.293	(0.273)	(155.11)
Business Support	13.344	14.168	15.592	(1.074)	2.498	1.424	1.424	0.000	0.00
Directorate Total	99.565	103.883	113.386	4.966	4.537	9.503	13.993	(4.490)	(4.32)

1.4 Key Issues Identified up to Period 6 and changes since Period 3

The key issues that are included within the Neighbourhoods Directorate's forecast overspend are discussed below. Recovery plans continue to evolve to mitigate financial pressures including service redesigns in Waste, Parks and Housing Services. Each division of service is analysed in the following section.

Street Scene Service – Overspend £6.940m (10%)

Adverse movement of £0.610m since period 3

Service	Annual		
	Budget £m	Forecast £m	Variance £m
Waste Management	55.486	62.536	7.050
Parks and Nature	11.498	11.388	(0.110)
Net Expenditure for Service Committee	66.985	73.924	6.940

The adverse movement of £0.610m since period 3 consist of the following:

- Despite efforts to obtain new customers and retain the existing sales order book, there is a continued loss of business to competitors resulting in a projected overspend forecast on Trade Waste, £0.700m.
- The market rate of income from the disposal of waste paper has declined, as such a pressure of £0.120m is forecast, this pressure is contained through the re-procurement of this service.
- An assessment of staffing costs across all services for Street Scene services are forecast to overspend by £0.680m, this is due to a combination of operational assumptions within refuse collection and street cleaning.
- As part of the recovery plan one-off savings have been realised due to the delay in capital spend (largely for Grounds Maintenance Equipment) resulting in lower capital charges to revenue, (£0.890m).
- To be noted, £1.720m with regards to the Tyseley Energy Recovery Facility (ERF), which experienced an incident on one of the flue gas treatment reactor towers, as a result the plant was taken offline. This has meant our supplier has incurred repair costs, whilst the council have incurred additional costs to divert waste to alternative disposal sites and to Landfill. This has been reported as an overspend on Corporately Managed Budgets.

Neighbourhoods Service – Underspend, £0.481m, (3%)

Favourable movement of £4.827m since period 3

Service	Annual		
	Budget £m	Forecast £m	Variance £m
Community Sport	7.934	7.934	0,000
Neighbourhood	2.470	2.005	(0.464)
Cultural Development	8.597	8.581	(0.016)
Net Expenditure for Service Committee	19.001	18.520	(0.481)

- As outlined in prior months Services across Community Sport have shown an overspend due to the net budget for this service being significantly below what was required.
- It is proposed that these budgets are re-based accordingly by £3.900m covering Health and Wellbeing Centres step up savings, £0.600m, Contractual commitments to The Active Wellbeing Society, £0.600m, reduction in public health funding as well as staffing and non staffing pressures, £1.800m and the balance, £0.900m in relation to maintenance and running costs for the remaining portfolio of sports and leisure centres until they are outsourced.

- A net underspend of £0.274m across the Neighbourhoods service is driven by further underspends through controlling expenditure and staff vacancies.
- Major Events – £0.653m overspend. Historically, the service was able to manage increases and decreases in commitments over financial years; this is no longer in place. However, a review of consolidations to corporate reserves has identified that £0.653m should be returned as a major events reserve. This can be utilised to address the in-year pressure.

Housing Service – Overspend, £1.600m, (45%)

No change since period 3

Service	Annual		
	Budget £m	Forecast £m	Variance £m
Private Sector Housing	(0.336)	(0.336)	0.000
Housing Options	4.132	5.732	1.600
Shelforce	(0.243)	(0.243)	0.000
Net Expenditure for Service Committee	3.553	5.153	1.600

Regulation & Enforcement Service – Overspend, £0.020m, (11%)

Favourable movement of £0.273m since period 3

Service	Annual		
	Budget £m	Forecast £m	Variance £m
Bereavement Services	(4.980)	(5.005)	(0.025)
Markets	(1.281)	(0.810)	0.472
Regulatory Services	6.436	6.039	(0.396)
City Centre	0.001	(0.029)	(0.030)
Net Expenditure for Service Committee	0.175	0.195	0.020

- The favourable movement from June 2019 relates to mitigations now in place across the service such as the accommodation of teams into Manor House resulting in savings on external premises costs. In addition, the service identified a higher expenditure than budget for the Coroners Services, £0.436m, this will be offset by an improved income forecast through a one-off increase in activity for Pest Control services.

Business Support - £1.424m, Overspend (10%)

No change since period 3

Service	Annual		
	Budget £m	Forecast £m	Variance £m
Neighbourhoods Business Support	1.072	1.272	0.200
Neighbourhoods Central Support Cost	13.097	14.321	1.224
Net Expenditure for Service Committee	14.168	15.592	1.424

1.5 Risks identified but not yet included in the Forecast

The directorate has not identified any new risks than those reported previously in Period 3

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

- Street Scene: with the incident at the Tyseley (ERF) plant consideration is required with regards addressing the potential financial risk in future plant failure and the resultant re-direction of waste disposal.

Annex 8 Partnerships, Insight and Prevention


1. Executive Summary

- 1.1 The Council set the Partnerships, Insight and Prevention (PIP) Directorate a net budget of £4.050m for 2019/20 at its meeting on the 26th February 2019. This net budget is after approving a savings programme of £0.548m. Following transfers of services from other Directorates as part of the Council's new structure the original net budget of £4.050m is revised to £6.442m. The net current budget for the Directorate is now £6.718m following budget adjustments.
- 1.2 At Period 6 the Directorate is reporting an overspend of £0.180m against the budget of £6.718m. This overspend, relating to legacy maintenance issues on the Council's CCTV estate, is unchanged from Period 3.

Table 1: Forecast Outturn Position

Directorate	Original Budget	Current Budget	Forecast Outturn	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
Communications	1.340	1.340	1.332	(0.008)	0.000	(0.008)	0.000	(0.008)	(1%)
Public Health	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0%
Asst. Chief Exec	5.102	5.378	5.566	0.188	0.000	0.188	0.180	0.008	0%
Directorate Total	6.442	6.718	6.898	0.180	0.000	0.180	0.180	(0.000)	0%

Table 1a: Period 6 Forecast Outturn Position for Asst. Chief Exec

Directorate	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	Forecast Over/ (Under)	Summary Action Plan	Target Date for completed actions	Direction of Travel (green/red/amber arrows)
	£m	£m	£m			
Equalities	0.205	0.000	0.205	£0.180m Directorate working on mitigation plan to bring spend to budget in 2019/20. Balance of £0.025m is one-off and mitigated by underspends elsewhere. Mitigation of above	Use of Invest to Save allocation in 2019/20 will address future years issue	
Community Safety	0.000	0.000	0.000			
Resilience	0.000	0.000	0.000			
Services	0.000	0.000	0.000			
Insight and Intelligence	(0.017)	0.000	(0.017)			
Chief Exec & Assist	0.000	0.000	0.000			
Total	0.188	0.000	0.188			

2. Key Issues in Period 6 and Changes since Period 3

- 2.1 No change to the £0.180m pressure relating to CCTV cameras. A programme of decommissioning CCTV cameras which are either obsolete, dysfunctional or no longer achieve operational requirements will avert this pressure from 2020/21 onwards.
- 2.2 £0.633m of grant funding has been allocated by the West Midlands Police and Crime Commissioner for community safety and, per the Gateway process, approval is requested to incur expenditure funded by accepting external revenue resources.
- 2.3 Public Health initially planned to use reserve towards funding operations this year. This is due to the reduction in grant and changes to plan due to issues arising in consultations and particularly the priorities with recognition that the service needed more time to adjust to the new grant level. However, it is now forecast that the budgeted use of £3.388m of reserve is no longer needed due to reduced forecast shortfall in expenditure against the ring fenced grant.

3. Risks identified but not yet included in the Forecast

- 3.1 The main saving at risk at Period 6 are the Efficiency Target (£0.016m, a reduction £0.011m compared to the £0.027m reported at Period 3) and the workforce savings (£0.018m, a reduction of £0.028m compared to the £0.046m reported at Period 3). These positive movements in the risk are as a result staff changes. A Service review is underway to identify mitigating actions to ensure savings are delivered within the financial year.

4. Future Years

- 4.1 Issues that have the potential to impact on future years' budgets are presented in the table below.

Future Years Issues				
	2020/21 £m	2021/22 £m	2022/23 £m	Comments
Base Budget Pressures	0.038	0.000	0.000	Strategic Programme Board
	0.646	0.662	0.674	Equalities Team
	0.070	0.000	0.000	Control Centre upgrade
Savings	0.000	0.000	0.000	
Mitigations	0.000	0.000	0.000	
Total	0.754	0.662	0.674	

Education & Skills Directorate

Annex 9 DSG Forecast

1. Executive Summary

- 1.1 The Dedicated Schools Grant (DSG) is a highly prescribed and ring-fenced grant which is currently budgeted at £638.375m. It is the primary source of funding that is delegated /allocated to schools and other educational providers for their revenue costs as well as funding certain prescribed centrally managed provision. The funding is shown in Table 1 below. The latest total funding for Birmingham as notified by the EFSA on the 17th July 2019 is £1,187.724m, of which £549.349m is currently recouped by the Education Funding Authority (EFA) to directly passport funds to academies and free schools, leaving £638.375m.
- 1.2 The current Dedicated School Grant budget decreased from £645.975m at period 3 to £638.375m at period 6 as a result of an increase in ESFA recoupment for the following schools who have converted to Academies:
- John Wilmott Secondary
 - Olive 2 Primary and Eden Girls Secondary schools, who opened on the 1st September
 - Balaam Wood Secondary
 - Yenton Primary
 - St Thomas More RC Primary
- 1.3 At Period 6 the DSG forecasts a balanced budget.

Table1

	Funding	Less Recoupment	BCC Funding	Forecast Period 6	Over/ (Under) Period 6	Over/ (Under) Period 3
	£m	£m	£m	£m	£m	
Schools Block	918.160	522.751	395.409	395.409	0.000	0.000
High Needs Block	161.770	26.598	135.172	135.172	0.000	0.000
Early Years block	89.754		89.754	89.754	0.000	0.000
Central Services Block	18.040		18.040	18.040	0.000	0.000
Total	1,187.724	549.349	638.375	638.375	0.000	0.000

- 1.4 The Directorate have not reported any variations on the DSG at period 6, but have identified potential risks and mitigations detailed below.

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

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

- **High Needs.**

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

In 2019/20 there was an intention to mitigate an immediate overspend risk of £1.794m in the high needs block via the management of costs and demand, which reflects the increased ESFA recoupment of DSG high needs block.

Overall a pressure of £0.688m is currently being forecast for the DSG High Needs Block and this is analysed over 2 services areas below.

High Needs Service Area

The service is currently flagging a potential budget pressure on High Needs Services Area budget of £0.888m in 2019/20, though the final position will be dependent upon:

- Pupil movements at the start of the new academic year are currently being confirmed with all special schools, resource bases and mainstream schools.
- Changes in pupil numbers in FE and SPI providers will not be confirmed until October 2019 at the earliest.
- Any additional costs resulting from any further placements of high cost pupils in Independent school provision

This pressure is in addition to the High Need Block deficit of £13.3m referred to in the paragraph above.

The net overspend consists of both pressures and savings in 2019/20 across a number of areas is as follows:

- Special school and academies (including ESN) £1.452m Pressure
- Communication with Autism teams provision for children Out of School (CAT CHOOS) £0.320m Pressure
- Resource Bases £0.267m Pressure
- CRISP (£0.350m) Saving
- Other Local Authorities (£0.147m) Saving
- Colleges/ FE providers Post16 & Post 19 £1.242m Pressure

- Independent providers (including tripartite) (£1.762m) Saving
- Enteral Tube Feeding Contract (£0.183m) Saving
- Early years provision £0.080m Pressure
- Higher than average SEN (£0.077m) Saving
- Alternative Provision initiatives £0.048 Pressure

All of the above budgets are being reviewed monthly to take account of pupil movements and placements in provision.

Within the High Needs block there is a budget for Exclusion projects amounting to £0.426m in 2019/20, managed by the Head of the Virtual School. We have been informed by the Assistant Director of Inclusion and SEND that there will be no further spend against this budget and an overspend of £0.048m is expected in 2019/20 (included in analysis above).

Alternative Provision, Attendance and Independent School's

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

- **School Deficits.** The Directorate is supporting schools with deficits to either come out of deficit and/or stop them increasing. As at 31st March 2019 the net balance on schools was £47.400m, which comprised £59.000m surplus balances and £12.600m deficit balances. The growing level of deficit is an increasing concern since where those deficits are not addressed and schools are directed to become academies due to poor educational performance. BCC is currently expecting 20 schools to convert to academy status in the 2019/20 financial year, however this number could vary as a result of academy orders being received and slippage or advancement in expected conversion dates of schools. Of the schools converting a number are projected to have significant deficit balances that will remain with BCC, these are currently projected to amount to approximately £7.2m in 2019/20. The extent of the final deficits will not be confirmed until each schools deficit balance has been determined and confirmed with the school, in line with ESFA guidelines (4 months after the date of conversion). To date only two school balances have been confirmed in 2019/20.

The deficit of £7.2m will be covered from the DSG Closing schools contingency of £0.751m and the balance will be met from revenue funding released through application of capital receipts. This will leave a balance of circa £1.5m of capital receipts for future deficits, from 2020/21 onwards, which poses a significant risk.

- **Admissions and Appeals.** The service could receive less income approx. £0.100m due to unclear DfE guidance on charging of academies for admission appeals. We have now received legal advice.

1.6 Table 2 sets out the Period 6 actual to date and forecast out-turn position for 2019/20.

Table 2: Period 6 Forecast Outturn Position									
Directorate	Original Budget	Current Budget	Forecast Outturn	Forecast Base Budget Over/ (Under)	Forecast Savings Non-delivery	P6 Forecast Over/ (Under)	Period 3 Forecast Over/ (Under)	Change since Period 3 (Improvement)/ Deterioration	
	£m	£m	£m	£m	£m	£m	£m	£m	%
School Settings / Improvement	1.273	1.273	1.273	0.000	0.000	0.000	0.000	0.000	0.00
Admissions & Placement	3.118	2.918	2.918	0.000	0.000	0.000	0.000	0.000	0.00
Education Skills & Infrastructure	0.047	0.047	0.047	0.000	0.000	0.000	0.000	0.000	0.00
Early Years	63.350	63.248	63.248	0.000	0.000	0.000	0.000	0.000	0.00
Schools Delegated Budget	493.668	460.469	460.469	0.000	0.000	0.000	0.000	0.000	0.00
DHSchool Funding Central	(653.064)	(627.621)	(627.621)	0.000	0.000	0.000	0.000	0.000	0.00
LACES	1.467	1.467	1.467	0.000	0.000	0.000	0.000	0.000	0.00
Higher Needs	80.446	88.614	88.614	0.000	0.000	0.000	0.000	0.000	0.00
Behaviour Support Se	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.00
Access to Education	5.663	5.663	5.663	0.000	0.000	0.000	0.000	0.000	0.00
Complex Needs Care	0.110	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.00
Early Support Service	1.673	1.673	1.673	0.000	0.000	0.000	0.000	0.000	0.00
Early Help&Childrens	0.069	0.069	0.069	0.000	0.000	0.000	0.000	0.000	0.00
Business Support	2.180	2.180	2.180	0.000	0.000	0.000	0.000	0.000	0.00
Directorate Total	(0.000)	(0.000)	(0.000)	0.000	0.000	0.000	0.000	0.000	0.00

2 Future Years

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

2.2 Key future year's issues include.

High Needs Block

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

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

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

Table 3

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

Deficit position is as calculated at Period 3 and will be revised in future monitoring period.

The Government have announced additional national funding of circa £700m for Special Needs, though the details on how this will be allocated have yet to be confirmed. It should however contribute positively to addressing the pressures outlined along with the work underway on the transformation and modernisation of SEND provision which is being progressed by the Directorate and the 2020/21 budget process. The expected impact in Birmingham will require analysis of the detail, however 2020/21 DSG settlements to LA's will not be issued until December 2019.

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

School Deficit Balances

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

The Directorate have produced and presented a School Financial Deficit Action Plan to CMT (13th May 2019) of the level of financial deficits in schools at the 2018/19 out-turn and outlined the action plan which has been developed to seek to minimise future levels of deficits, to avoid additional financial risk to the Council. A report was also taken to School Forum in June and further reports will be taken to CMT and School Forum on a quarterly basis.

The actions reported to School Forum in June covers a range of measures to strengthen action on deficits through the following:

- Identify a Schools Forum representative to sit on the Schools Finance Governance Board,
- Amend Schools Forums terms of reference to include the City Councils section 151 officer, who provides oversight of financial, statutory and constitutional requirements,
- Receive quarterly reports on the position of individual school budgets and the progress of actions being taken to address school deficits,
- Develop a Birmingham 'clawback' policy of individual surplus school balances, in order to maximise the designated School Budget across the City,
- Complete the DfE's Schools Forum self-assessment toolkit, to determine aspects of good practice and areas for further development,

Progress will be monitored through quarterly reporting to CMT and School Forum. The first report was presented to Schools Forum in September and a similar report will be presented to CMT in October.

Annex 10 Housing Revenue Account

1. Housing Revenue Account-

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

Description	Annual		
	Budget	Forecast	Variance
	£m	£m	£m
Expenditure	205.069	206.899	1.830
Income	(274.139)	(275.469)	(1.330)
Below the Line Analysis	69.070	68.570	(0.500)
Net Expenditure	0.000	0.000	0.000

- 1.2 Additional income of £1.3m is forecast largely due to additional rent (£0.4m) resulting from an additional day in current financial year, no sales to INReach, offset by increased RTB's; reduction in void rent loss (£0.9m) due to continued improvement in void performance. This is offset by increased expenditure to fund additional revenue contribution to capital.
- 1.3 Pressures on the HRA include:
- 'Seed funding' for the Ladywood Development project, estimate as £0.600m in the current year and £0.700m in future years.
 - HRA Re-design Phase 2 costs are estimated £0.400m
 - Other pressures arising, including impact of Hackett report, tenancy conditions review and stock condition survey are yet to be quantified over the coming weeks.
- 1.4 Overall there are sufficient forecast savings on HRA expenditure to cover current specific pressures where costs have been identified.
- Savings on employee costs - a combination of savings identified from the Phase 1 restructure and other vacancies

Appendix A

Annex 11 Uses of Reserves

Annex 11 Use of Reserves

Detailed Breakdown of Proposed (Use of)/ Contribution to Reserves since Period 3					
Directorate making request	Reserve	Reason for request	Budget Approved Period 3	Changes Proposed Since Period 3	Forecast Proposed (Use) /Contribution at Month 6
			£m	£m	£m
Corporate	Financial Resilience Reserve		(5.910)	0.000	(5.910)
	Subtotal Use of General Reserves		(5.910)	0.000	(5.910)
Corporate	Business Rates Section 31 Grant Income	2019/20 Business Rates Section 31 Grant Income Surplus to be Carried Forwards to offset 2019/20 Business Rates Collection Fund Deficit Forecast	5.612	(0.230)	5.382
Finance & Governance	Invest to Save Reserve	Borrowing to fund new ERP system (reduced at Month 6)	(7.551)	1.016	(6.535)
Digital & Customer Services	Invest to Save Reserve	Borrowing to fund ICT Service Transition	0.000	(7.641)	(7.641)
Inclusive Growth	Policy Contingency-Mobile Investment Fund (MIF)	Payment under the MIF	0.000	(0.050)	(0.050)
Education & Skills	Policy Contingency-Youth Promise Project	To fund final project costs	0.000	(0.078)	(0.078)
Neighbourhoods	Cyclical Maintenance Reserve- General	To fund the repair on Old Rep Theatre including conditional survey	0.000	(0.015)	(0.015)
Corporate	Other Uses of Corporate Reserves*		18.302	0.000	18.302
	Subtotal Use of Corporate Reserves		16.364	(6.998)	9.365
Inclusive Growth	Unlocking Social and Economic Innovative Together Project	Funding the expenditure on USEIT project	0.000	(0.592)	(0.592)
Inclusive Growth	CIL - City Wide Projects	Known amounts to be received during year	0.000	0.017	0.017
Inclusive Growth	CIL - Bournbrook & Selly Park Ward	Known amounts to be received during year	0.000	0.111	0.111
Inclusive Growth	COSAFE Project	Use of grant received to fund project	0.000	(0.001)	(0.001)
Inclusive Growth	Gailey Park Master Plan	Grant to complete project	0.000	(0.021)	(0.021)
Inclusive Growth	Brownfield Register	Grant to complete project	0.000	(0.009)	(0.009)
Inclusive Growth	Section 106's-Inclusive Growth	Known amounts received during year and project expenditure	0.000	(0.111)	(0.111)
Neighbourhoods	Section 106's-Parks Commuted Sums	Reduce / No longer utilising Section 106 monies	0.000	0.030	0.030
Neighbourhoods	Section 106's-Neighbourhoods	Reduce / No longer utilising Section 106 monies	0.000	0.024	0.024
Neighbourhoods	Modern Slavery	Continue funding of MCHLG project in 2019/20	0.000	(0.117)	(0.117)
PIP	Prevent	Use of grant received to fund project	0.000	(0.299)	(0.299)
PIP	Public Health	Reduction in Transition funding required in 2019/20	(3.388)	3.388	0.000
Adult Social Care	IBCF Reserves	Reduction in use of IBCF Reserves	(11.340)	2.952	(8.388)
Education & Skills	Lifelong Learning skills fund	To fund BAES' upgrade in its IT capacity to improve efficiency, reduce operational costs and offer an enhanced learning experience.	0.000	(0.758)	(0.758)
Various	Other Uses of Grant Reserves		(4.720)	0.000	(4.720)
	Subtotal Use of Grant Reserves		(19.448)	4.614	(14.835)
Finance & Governance	VAT Reserve	Part of VAT Refund to be allocated to VAT Reserve	(0.240)	0.849	0.609
Inclusive Growth	Business Development & Innovation Match Funding	Funding the expenditure on PIP project	0.000	(0.126)	(0.126)
Inclusive Growth	Electric Vehicle Charging	Grant to complete project	0.000	(0.003)	(0.003)
Neighbourhoods	Licensing Entertainment/General	Surplus to be held in ring fence and included in licence fee calculations	0.000	0.116	0.116
Neighbourhoods	Major Events	Funding balance of planned Major Events committed for 2019/20	0.000	(0.653)	(0.653)
Education & Skills	LOB - Archives Development Fund	Approvals for LOB Archives Development Fund	0.000	(0.042)	(0.042)
Education & Skills	Youth Promise Plus (YPP)	To fund the YPP project costs	0.000	(0.107)	(0.107)
Education & Skills	European Social Fund	To fund the World of Work (WOW) project costs	0.000	(0.014)	(0.014)
Various	Other Uses of Earmarked Reserves*		(8.656)	0.000	(8.656)
	Subtotal Use of Earmarked Reserves		(8.896)	0.019	(8.876)
Education & Skills	Non-Schools Dedicated Schools Grant (DSG) approved at Period 3		(1.199)	0.000	(1.199)
	Subtotal Non Schools DSG		(1.199)	0.000	(1.199)
	Total Use of Reserves		(19.090)	(2.365)	(21.455)

*Note, as in Tables 5 and 6 in Section 6, following final audit of the 2018/19 accounts, the split between use of Corporate and Earmarked reserves has been restated.

Annex 12 Savings Programme**Table 2a: Overview of the Forecast Delivery of the 2019/20 Savings Programme- Original Approved Savings**

Directorate	2019/20 Agreed Savings	On Track/ Fully Delivered against Programme	Blue - Fully Delivered	Green-On Track	Amber-At Risk	Red-Non Delivery	Purple- Undeliverable	One off Mitigations to adresss Savings Non-Delivery
	£m	%	£m	£m	£m	£m	£m	£m
Adult Social Care	(14.620)	93.7	(3.366)	(10.336)	0.000	(0.918)	0.000	0.000
Digital & Cust Services	(2.773)	95.0	0.426	(3.059)	0.000	0.000	(0.140)	(0.140)
Education & Skills	(8.837)	1.0	0.040	(0.127)	(6.022)	(1.010)	(1.718)	(2.728)
Finance & Governance	(2.261)	71.0	(0.669)	(0.937)	(0.468)	(0.187)	0.000	0.000
Human Resources	(0.514)	100.0	(0.435)	(0.079)	0.000	0.000	0.000	0.000
Inclusive Growth	(2.836)	96.5	(1.246)	(1.490)	(0.100)	0.000	(0.134)	0.000
Neighbourhoods	(14.982)	69.5	(6.212)	(4.199)	(2.016)	(1.487)	(1.068)	(0.115)
Partnerships, Insight and Prevention	(0.548)	93.8	(0.512)	(0.002)	(0.034)	0.000	0.000	0.000
Directorate Subtotal	(47.371)	68.0	(11.974)	(20.229)	(8.640)	(3.602)	(3.060)	(2.983)
Corporate Savings	1.180	100.0	1.180	0.000	0.000	0.000	0.000	0.000
Total Programme	(46.191)	67.2	(10.794)	(20.229)	(8.640)	(3.602)	(3.060)	(2.983)

Table 2b: Overview of the Forecast Delivery of the 2019/20 Savings Programme- One Off Savings

Directorate	2019/20 Agreed Savings	On Track/ Fully Delivered against Programme	Blue - Fully Delivered	Green-On Track	Amber-At Risk	Red-Non Delivery	Purple- Undeliverable	One off Mitigations to adresss Savings Non-Delivery
	£m	%	£m	£m	£m	£m	£m	£m
Adult Social Care	(1.690)	100.0	(1.690)	0.000	0.000	0.000	0.000	0.000
Digital & Cust Services	(4.145)	100.0	0.000	(4.145)	0.000	0.000	0.000	0.000
Education & Skills	0.000	0.0	0.000	0.000	0.000	0.000	0.000	0.000
Finance & Governance	(0.530)	0.0	0.000	0.000	0.000	(0.530)	0.000	(0.030)
Human Resources	(0.204)	100.0	(0.204)	0.000	0.000	0.000	0.000	0.000
Inclusive Growth	(1.934)	61.4	(0.211)	(0.977)	0.000	(0.694)	(0.052)	0.000
Neighbourhoods	(3.582)	21.2	(0.700)	(0.060)	(0.306)	(1.397)	(1.119)	(0.419)
Partnerships, Insight and Prevention	0.000	0.0	0.000	0.000	0.000	0.000	0.000	0.000
Directorate Subtotal	(12.085)	66.1	(2.805)	(5.182)	(0.306)	(2.621)	(1.171)	(0.449)
Corporate Savings	0.000	0.0	0.000	0.000	0.000	0.000	0.000	0.000
Total Programme	(12.085)	66.1	(2.805)	(5.182)	(0.306)	(2.621)	(1.171)	(0.449)

Annex 13 Resource Allocations**1.1 General Policy Contingency**

General Policy Contingency for the year is £2.546m. The use of £0.112m has already been approved leaving a balance of £2.434m.

1.2 Specific Policy Contingency

The Council Financial Plan and Budget 2019-2023 approved by Council on 26th February 2019 reflected £39.698m for Specific Policy contingency in 2019/20. A breakdown by each specific contingency is reflected in Annex 14. It should be noted that the Directorate forecasts have already assumed the allocation of Specific Policy Contingency in year.

The Cabinet meeting of 30 July 2019 approved allocations of £2.174m of Specific Policy Contingency related to the Invest to Save Fund and £0.600m for Energy Inflation. This left a balance of £36.924m before the proposed uses mentioned below.

The Gateway and Related Financial Approvals Framework requires approval from the Section 151 Officer, in conjunction with the Leader and the Chief Executive, to release funds from Specific Policy Contingency.

As part of the Council's simplification of processes, the Cabinet meeting of 30 July 2019, 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 Financial Plan and Budget 2019-2023.

Any requests for funding from Specific Policy Contingency that are not in line with the original application in the Council Financial Plan and Budget 2019-2023 will require approval by Cabinet.

Adult Social Care Winter Pressure

The Section 151 Officer has approved the allocation of £5.600m of funding for Adult Social Care Winter Pressures. This is extra funding announced by the Secretary of State for Health and Social Care aimed at reducing delayed transfers of care.

Inflation

The Section 151 Officer has approved the release of £0.963m of Specific Policy contingency to fund inflationary pressures, in line with the Council Financial Plan and Budget.

Short-term Council House Improvement

The Section 151 Officer has approved the release of £0.119m of Specific Policy contingency to fund improvement work on the Council House, in line with the Council Financial Plan and Budget.

Travel Assist

It was agreed by Cabinet on 15 July to provide Education & Skills with an allocation of £2.897m from the Budget Delivery Contingency within Specific Policy Contingency to fund pressures relating to Travel Assist.

Following the allocations of the above, the balance on Specific Policy Contingency is £27.345m.

Community Sport

As referred to in the Executive Summary, a review of items within Policy Contingency has identified that £8.500m set aside for demography pressures is not required based on the latest assessment of client numbers. It is proposed that £3.900m of this is used to fund an underlying pressure within Community Sport. The presentation of this report assumes this allocation is approved.

If the above is approved, the balance on Specific Policy Contingency will be £23.445m.

1.3 Proposed acceptance of Grant for Community Safety

£0.633m of grant funding has been allocated by the West Midlands Police and Crime Commissioner for community safety and, per the Gateway process, approval is requested to incur expenditure funded by accepting external revenue resources.

1.4 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 Table 1.

Appendix A

Annex 14 Policy Contingency

Annex 14 Policy Contingency

	Original Budget 2019/20	Approvals / Adjustments Prior to Period 6	Revised Budget 2019/20	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
National Living Wage	365		365			365
Autoenrolment in Pension Fund	300		300			300
Inflation Contingency	4,951	(1,563)	3,388			3,388
Highways Maintenance	250		250			250
Apprenticeship Levy	1,108		1,108			1,108
Commonwealth Games Project Team Costs	1,000		1,000			1,000
Budget Delivery Contingency	12,000	(2,897)	9,103			9,103
Adult Social Care & Health Demography	8,500		8,500		(3,900)	4,600
Short-term Council House Improvement	200	(119)	81			81
Adults Social Care Winter Pressure	5,600	(5,600)	0			0
Invest to Save Fund	3,172	(2,174)	998			998
Art Endowments	2,000		2,000			2,000
Subtotal Specific Contingency	39,698	(12,353)	27,345	0	(3,900)	23,445
General Contingency	2,526	(112)	2,414			2,414
Revenue Services Transformation Programme	20		20			20
Total Contingency excluding savings	42,244	(12,465)	29,779	0	(3,900)	25,879

Annex 15 Movement in Directorate Budgets Since Period 3

Movements in Directorate Budgets from Period 3 to Period 6	
	£m
Directorate Current Net Budget at Period 3	845.734
Directorate Current Net Budget at Period 6	862.611
Movements	16.877
Detailed Movements in Directorate Budgets from Period 3 to Period 6	
	£m
Specific Policy Contingency Allocations	
Invest to Save Fund	2.174
Adult Social Care Winter Pressure Grant	5.600
Energy Inflation	0.600
Other Inflation	0.963
Short-term Council House Improvement	0.119
Budget Delivery Contingency for Travel Assist	2.897
Proposed funding of Community Sports Pressure from Demography	3.900
General Policy Contingency Allocations	
Assurance Framework	0.112
Policy Contingency Reserves	
Transfers from Policy Contingency Reserves to Directorates	0.428
Other	
Transfer to Digital & Cust Service re deficit on pensions collected automatically	0.652
Transfer of contribution to Reserves from Finance & Governance to a Corporate code	(0.600)
Other Minor movements	0.032
Grand Total	16.877

Annex 16 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 Financial Plan 2019 - 2023, with any surplus or deficit being required to be carried forward and taken into account as part of the 2020/21 budget setting process.

Council Tax

The overall net budget for Council Tax income including Parish and Town Council Precepts is £349.276m in 2019/20. In addition, the Council collects the precepts on behalf of the Fire and Police Authorities.

There is a surplus forecast for the year of which the Council's share is £6.085m. The position is unchanged compared with quarter 1. This is made up of a cumulative surplus brought forwards from 2018/19 of £4.280m, which was reported previously in the 2018/19 Outturn Report, plus an additional in year surplus relating to 2019/20 of £1.805m. This additional surplus is primarily due to further forecast growth in the number of new properties compared with the volumes anticipated when setting the budget.

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 2019/20 is £441.484m (excluding the Enterprise Zone), of which the Council's retained share is £437.069m.

Excluding the impact of appeals there is a deficit anticipated, in year, of which the Council's share is £8.307m (£7.334m at quarter 2), representing a £0.973m worsening of the position reported previously. This is mainly due to lower expected net growth, after reliefs, compared with previous forecasts. However, it is anticipated that this is purely a timing issue and that additional growth will materialise in 2020/21 which has been built into planning assumptions for next year.

There are fewer compensatory grants anticipated to offset this deficit of £5.382m (£5.612m at quarter 1). This £0.230m reduction is due to a lower level of anticipated grant funded reliefs. These will be received into the General Fund in 2019/20 and so will be required to be set aside as a contribution to reserves in the current year to be used to offset the £8.307m forecast deficit in the Collection Fund.

In addition, there is an appeals related deficit anticipated of which the Council's share is £1.769m (£1.396m at quarter 1). This is due to an increase in the number of Business Rates appeals that have been submitted. This increase is expected and is anticipated to increase further over the next couple of years. However, in anticipation of this, the Council has set aside, from previously reported Business Rates surpluses, a reserve to cover eventual Business Rates appeals losses. It is anticipated that £1.769m will be released from this reserve in 2020/21 to cover this element of the deficit which is an increase of £0.373m compared with quarter 1.

As a result of the above a total in year deficit of £2.925m (£1.722m at quarter 1) is assumed to be carried forward and taken into account in setting the budget for 2020/21 made up of £10.076m deficit (£8.307m non appeals related plus £1.769m for appeals) relating to the Council's share offset by £7.151m of use of reserves (£5.382m relating to compensatory grants plus £1.769m of appeals reserves).

In addition to the in-year position and as previously reported in the 2018/19 Outturn report, a cumulative deficit was brought forward from 2018/19 of £5.241m due to the final surplus position for 2018/19 being £7.439m compared with a £12.680m surplus anticipated when setting the budget for 2019/20. Therefore, an overall forecast Deficit of £8.166m relating to the Council's share of Business Rates (£2.925m in year Deficit plus £5.241m Deficit brought forward) is anticipated.

The position for Business Rates is shown in the table below.

	Quarter 2		Quarter 1		Change	
	£m	£m	£m	£m	£m	£m
Business Rates (BR) Deficit Excluding Appeals		8.307		7.334		0.973
BR Deficit relating to Appeals		1.769		1.396		0.373
Forecast 2019/20 Deficit		10.076		8.730		1.346
BR Deficit B/F 2018/19		5.241		5.241		0.000
BR Deficit C/F		15.317		13.971		1.346
Use of BR Appeals Reserve	(1.769)		(1.396)		(0.373)	
Compensatory Section 31 Grants	(5.382)		(5.612)		0.230	
		(7.151)		(7.008)		(0.143)
BR Related Overall Forecast Deficit		8.166		6.963		1.203

Overall

Taken together, the anticipated position for the Collection Fund and related income streams is a deficit of £2.081m (£0.878m at quarter 1) to be carried forward and taken into account in setting the budget for 2020/21 (£6.085m surplus for Council Tax offset by a £8.166m deficit for Business Rates).

Annex 17 Write-offs**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 2019/20, from 1st July up to 30th September 2019, further items falling under this description in relation to Benefit overpayments have been written off under delegated authority. The Table below details the gross value of amounts written off of £0.344m, which members are asked to note.

Age analysis	Up To 2013/14	2014/15- 2016/17	2017/18- 2019/20	Total
	£m	£m	£m	£m
Benefit Overpayments	0.034	0.091	0.219	0.344
Total	0.034	0.091	0.219	0.344

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.

Cabinet are requested to approve the writing off of business rates debts to the Council which are greater than £0.025m, totalling £1.514m as detailed in Section (c) of this Annex. Further information in respect of these is available on request.

In 2019/20, from 1st July 2019 to 30th September 2019, further items falling under this description in relation to Business Rates have been written off under delegated authority. The table below details the total approved gross value of these amounts written off of £1.810m for Business Rates, which Members are asked to note.

Age analysis	Up To 2013/14	2014/15- 2016/17	2017/18- 2019/20	Total
	£m	£m	£m	£m
Business Rates	0.821	0.989	-	1.810
TOTAL	0.821	0.989	0.000	1.810

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

c.

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) Business Rates due for the period 01/06/01 to 31/05/04 – 6003678504	£71,116.53
2	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/04/02 to 28/02/03 - 6003106505	£25,474.55
3	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 31/01/03 to 07/04/05 - 6003589153	£40,322.98
4	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/04/03 to 19/01/05 – 6003579466	£40,956.25
5	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 06/05/03 to 06/12/05 – 6003579944	£28,041.14
6	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 23/06/03 to 20/06/05 – 6003708454	£28,239.52
7	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 10/09/04 to 23/11/05 – 6003612831	£25,642.86
8	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/12/05 to 30/06/06 – 6004035561	£31,319.54
9	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for the period 01/04/05 to 31/03/08 – 6003595428 - £33,624.86 Property 2 - Business Rates due for the period 01/04/08 to 09/11/09 – 6004379553 - £15,803.18	£49,428.04
10	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 27/10/05 to 16/01/07 - 6004100365	£26,361.76
11	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/06/05 to 17/07/07 – 6004034955	£27,098.16
12	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for the period 01/04/05 to 13/04/09 – 6004267649 - £8,728.46 Property 2 - Business Rates due for the period 01/04/05 to 27/04/09 – 6004269430 - £26,537.81	£35,266.27
13	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 03/01/06 to 27/12/06 – 6004212177	£46,816.88
14	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 27/06/05 to 27/01/08 – 6004309862	£87,980.79
15	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/04/05 to 31/12/06 – 6004271770	£48,857.67
16	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 29/09/06 to 24/06/08 – 6004163891	£32,535.59
17	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 03/09/08 to 07/07/11 - 6004371015	£39,061.62
18	Liability Period(s)/Account Ref Number(s)	£40,120.91

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	Business Rates due for the period 03/09/08 to 25/01/12 – 6004642419	
19	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 09/01/09 to 14/10/11 - 6004971139	£36,981.28
20	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for the period 18/02/10 to 09/05/12 – 6004552781 - £44,669.86 Property 2 - Business Rates due for the period 05/08/09 to 09/12/09 – 6005387739 - £7,318.21	£51,988.07
21	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for the period 01/04/09 to 16/12/10 – 6004267796 - £9,490.81 Property 2 - Business Rates due for the period 01/04/10 to 16/12/10 – 6004250542 - £20,834.52 Property 3 - Business Rates due for the period 01/04/09 to 16/12/10 – 6004397011 - £94,589.18 Property 4 - Business Rates due for the period 01/04/10 to 16/12/10 – 6004507140 - £13,585.36 Property 5 - Business Rates due for the period 01/04/10 to 16/12/10 – 6004494993 - £26,311.26	£164,811.13
22	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for the period 24/11/09 to 21/08/16 – 6004558187 - £75,624.70 Property 2 - Business Rates due for the period 24/11/09 to 31/03/15 – 6004574252 - £177,259.23 Property 3 - Business Rates due for the period 01/04/11 to 21/08/16 – 6004574263 - £60,162.58 Property 4 - Business Rates due for the period 24/11/09 to 21/08/16 – 6004717939 - £20,297.13 Property 5 - Business Rates due for the period 24/11/09 to 21/08/16 – 6004726612 - £39,268.90 Property 6 - Business Rates due for the period 24/11/09 to 21/08/16 – 6004846126 - £94,642.97 Property 7 - Business Rates due for the period 24/11/09 to 31/03/12 – 6005055929 - £1,534.36 Property 8 - Business Rates due for the period 24/11/09 to 31/03/12 – 6005055974 - £1,534.36 Property 9 - Business Rates due for the period 24/11/09 to 31/03/12 – 6005056035 - £1,534.36 Property 10 - Business Rates due for the period 24/11/09 to 31/03/12 – 6005056068 - £1,534.36 Property 11 - Business Rates due for the period 24/11/09 to 31/03/12 – 6005056115 - £1,534.36 Property 12 - Business Rates due for the period 24/11/09 to 31/03/12 – 6005056126 - £1,534.36 Property 13 - Business Rates due for the period 24/11/09 to 31/03/12 – 6005056137 - £1,534.36 Property 14 - Business Rates due for the period 24/11/09 to 31/03/12 – 6005056148 - £1,534.36 Property 15 - Business Rates due for the period 24/11/09 to 31/03/12 – 6005056171 - £1,534.36 Property 16 - Business Rates due for the period 24/11/09 to 31/03/12 – 6005056295 - £1,534.36 Property 17 - Business Rates due for the period 01/10/10 to 31/03/12 – 6005188652 - £1,186.47 Property 18 - Business Rates due for the period 01/04/15 to 21/08/16 – 6005743311 - £25,789.32 Property 19 - Business Rates due for the period 01/04/15 to 21/08/16 – 6005743322 - £25,617.39	£535,192.29
TOTAL		£1,513,613.83

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

Detail	Pre 2009	2009/10	2010/11	2011/12	20012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total	No of Debtors
Housing Benefit debts written off under delegated authority	£28,731	£871	£1,163	£2,861	£3,645	£11,023	£6,100	£19,802	£50,439	£87,284	£66,173	£66,341	£344,433	1251
TOTAL	£28,731	£871	£1,163	£2,861	£3,645	£11,023	£6,100	£19,802	£50,439	£87,284	£66,173	£66,341	£344,433	1251

Debt Size							
Small		Medium		Large		Total	
Cases	>£1,000	Cases	£1,001- £5,000	Cases	£5,000- £25,000	Cases	
1173	£154,624	72	£133,308	6	£56,500	1251	£344,432

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

Detail	Pre 2009/10	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Total
Business rates written off under delegated authority	£30,011	£33,496	£111,466	£33,869	£270,445	£341,432	£149,137	£839,622	£1,809,478
TOTAL	£30,011	£33,496	£111,466	£33,869	£270,445	£341,432	£149,137	£839,622	£1,809,478

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
Business Rates written off under delegated authority	£114,102	228	£981,544	383	£713,833	89	£1,809,478	700
TOTAL	£114,102	228	£981,544	383	£713,833	89	£1,809,478	700