

# Birmingham City Council

## Resources Overview and Scrutiny Committee

Date 22<sup>nd</sup> December 2022



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**Subject:** FINANCIAL MONITORING REPORT 2022/23  
MONTH 7 (UP TO 31<sup>ST</sup> OCTOBER 2022)

**Report of:** Director of Council Management and S151 Officer –  
Rebecca Hellard

**Report author:** Director of Finance (Deputy S151 Officer) – Sara Pitt

### 1 Purpose

- 1.1 To update Cabinet on 13<sup>th</sup> December and Resources Overview and Scrutiny Committee on 22<sup>nd</sup> December on the financial position at Month 7.

### 2 Recommendations

- 2.1 Scrutiny notes that the Council faces a number of challenges in 2022/23. However, the Council is in a strong robust position with strong financial control processes in place. Reserves are healthy and within recommended limits.
- 2.2 Scrutiny notes the forecast Capital spend has not changed since Month 6, as set out in paragraphs 4.5 to 4.10 of the Cabinet Report.

### 3 Any Finance Implications

- 3.1 The Appendix A attached gives details of the risks, potential financial pressures the city council faces and actions to be taken to ensure service delivery within available resources.
- 3.2 Rigorous spend controls are in operation and we are continuing to undertake due diligence around the value of risks identified. Whilst we are monitoring progress on mitigations, there is no guarantee that this will mitigate in full the level of risk of overspend at the year end. In order to break even, spend controls must be solidly delivering by Quarter 3.
- 3.3 Slippage within the Capital programme of £46.9m was identified at Quarter 2. However, it is important to note that no financial resources will be lost if there is slippage in the programme's expenditure at the end of the financial year. The resources and planned expenditure will be "rolled forward" into future years.

## **4 Any Legal Implications**

- 4.1 Section 151 of the 1972 Local Government Act requires the Chief Finance Officer (as the responsible officer) to ensure the proper administration of the City Council's financial affairs. Budget control, which includes the regular monitoring of and reporting on budgets, is an essential requirement placed on Directorates and members of the Corporate Management Team by the City Council in discharging the statutory responsibility. This report meets the City Council's requirements on budgetary control for the specified area of the City Council's Directorate activities.
- 4.2 Section 111 of the Local Government Act 1972 contains the Council's ancillary financial and expenditure powers in relation to the discharge of its functions.

## **5 Any Equalities Implications**

- 5.1 None

## **6 Appendices**

- 6.1 Report to Cabinet on Month 7 Financial Monitoring 2022/23
- 6.2 Appendix A Month 7 Financial Monitoring Report 2022/23