

Report to:	CABINET
Report of:	Director of Finance
Date of Decision:	15th November 2016
SUBJECT:	CAPITAL AND TREASURY MANAGEMENT MONITORING QUARTER 2 (JULY TO SEPTEMBER 2016)
Key Decision: Yes	Relevant Forward Plan Ref: 001926/2016
If not in the Forward Plan: (please "tick" box)	Complied with Rule 15 <input type="checkbox"/>
	Complied with Rule 16 <input type="checkbox"/>
Type of decision:	Executive
Relevant Cabinet Member:	Councillor Ian Ward
Relevant O&S Chairman:	Councillor Mohammed Aikhlaq
Wards affected:	All

1. Purpose of report:

- 1.1 The report notes developments in relation to Birmingham City Council's medium term capital programme up to 30th September 2016.
- 1.2 The report also monitors the treasury management portfolio and actions taken during the quarter under delegations.

2. Decision(s) recommended:

- 2.1 Cabinet is requested to:
- (i) Approve the revised multi-year capital programme of £1,881.366m.
 - (ii) In relation to the Wholesale Market:
 - a) Authorise the Director of Property in conjunction with the Strategic Director - Finance & Legal and the Acting City Solicitor (or their delegates) to conclude negotiations and enter into a funding agreement with Birmingham Wholesale Market Company Ltd (BWMC) to purchase a sprinkler system for the new market at a cost estimated at £1.000m.
 - b) Authorise the Acting Strategic Director of Place in conjunction with the Strategic Director – Finance & Legal and the Acting City Solicitor (or their delegates) and the Assistant Director – Procurement to conclude negotiations and enter into a contract through the City Council's Highways and Infrastructure Works Framework and the Construction West Midlands framework agreements for the procurement of highways and refurbishment works at the city centre markets site, at a cost of up to £0.250m.
 - c) Approve additional net capital expenditure of £1.314m for the Wholesale Market Project, funded from service prudential borrowing (see Appendix 12).
- 2.2 Cabinet is requested to note that:
- (i) Forecast capital expenditure in 2016/17 is £445.244m.
 - (ii) Actual capital expenditure as at 30th September 2016 was £133.545m, representing 29.99% of the forecast outturn for 2016/17.

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3. Consultation
<p>Consultation should include those that have an interest in the decisions recommended.</p> <p>3.1 <u>Internal</u></p> <p>Relevant Members and officers have been consulted in the preparation of this report.</p> <p>3.2 <u>External</u></p> <p>There are no additional issues beyond consultations carried out as part of the budget setting process for 2016/17.</p>
4. Compliance Issues:
<p>4.1 <u>Are the recommended decisions consistent with the Council's policies, plans and strategies?</u></p> <p>The capital expenditure programme and the treasury management policy and strategy are part of the Council Business Plan and Budget 2017+, and resource allocation is directed towards Council priorities.</p> <p>4.2 <u>Financial Implications.</u> <u>(Will decisions be carried out within existing finances and Resources?)</u></p> <p>The corporate capital budget monitoring documents attached give details of service delivery within available resources.</p> <p>The capital budget is a resource and expenditure planning tool and does not confer approval for individual budget items to proceed. Individual approvals are sought through the Business Case reports under the 'Gateway' Process.</p> <p>4.3 <u>Legal Implications</u></p> <p>Section 151 of the 1972 Local Government Act requires the Director of Finance (as the responsible officer) to ensure proper administration of the City Council's financial affairs. Budgetary control, which includes the regular monitoring of and reporting on budgets, is an essential requirement placed on directorates and members of Corporate Management Team by the City Council in discharging the statutory responsibility. This report meets the City Council's requirements on control of the capital budget. It also reports on the exercise of treasury management delegations and the management of treasury risks in accordance with the Council's treasury management policy and strategy.</p>

4.4 Public Sector Equality Duty

There are no additional specific Equality Duty or Equality Analysis issues beyond any already assessed and detailed in the budget setting process and monitoring issues that have arisen in the year to date. Any specific assessments needed will be made by Directorates in the management of their services.

5. **Relevant background/chronology of key events:**

- 5.1 The City Council's Capital Programme and the Treasury Management Policy and Strategy for 2016/17 was approved by the City Council on 1st March 2016.
- 5.2 A Capital Programme of £965.848m was approved by the City Council on 1st March 2016.
- 5.3 During Quarter 1 the programme increased by a further £220.761m to £1,186.609m.

5.4 **Addition / Reduction in Resources**

During Quarter 2 the programme increased by a further £694.757m to £1,881.366m and this is summarised in the table below.

	2016/17	2017/18	2018/19	Later Years	Total
	£m	£m	£m	£m	£m
Approved Capital Budget Q1	461.228	299.379	202.907	223.095	1,186.609
Addition or Reduction in Resources	17.149	13.238	20.320	644.050	694.757
Revised Capital Budget Quarter 2	478.377	312.617	223.227	867.145	1,881.366

The main variations for the increase in resources of £694.757m are outlined in Appendix 1. The majority of the additional resources relate to the inclusion of £668.5m for the Curzon Street Master Plan. As noted in the Cabinet report on 20 September, a dialogue is in progress with Government officials regarding the effect on EZ income of future business rate revaluations, which may reduce EZ income and affect the ability to approve business cases for Curzon and other Enterprise Zone projects.

5.5 **Forecast Budget Variations**

At Quarter 2 net slippage of £(34.474)m and a net overspend of £1.341m is forecast for the financial year ended 2016/17. The forecast expenditure for the year therefore decreases to £445.244m and is summarised in the table below.

	2016/17	2017/18	2018/19	Later Years	Total
	£m	£m	£m	£m	£m
Revised Capital Budget Quarter 2	478.377	312.617	223.227	867.145	1,881.366
Forecast Slippage at Q2	(34.474)	22.273	14.338	(2.137)	0.000
Add pressures (less underspends)	1.341	0.000	0.000	0.000	1.341
Forecast Outturn Q2	445.244	334.890	237.565	865.008	1,882.707

The reasons for the Quarter 2 slippage of £(34.474)m and the net overspend across the 4 year programme of £1.341m are outlined in Appendix 1.

5.6 **Expenditure to Date**

Actual expenditure on Voyager for the quarter ending 30th September 2016 is £133.545m. This represents 29.99% of the forecast outturn for 2016/17 and compares with 34.4% in 2015/16 financial year.

Capital expenditure on a scheme by scheme basis is detailed in Appendix 2.

5.7 **10 – Year Capital Programme**

The quarterly Capital & Treasury Management Monitoring report now includes an additional appendix (Appendix 5) that reports the longer term 10-year view of the capital programme, which goes beyond the 4-year view currently reported on Voyager. Forecast budget figures have been included where sufficient planning proposals are in place and resources are reasonably certain. Many projects do not have such long term planning horizons, and the absence of forecasts does not mean that there is no spend anticipated, just that it cannot yet be reasonably quantified. A number of forecast expenditure plans are only indicative allocations and subject to further approval through the City Council's Gateway business case appraisal process. Additional projects and programmes will be added as and when planning information becomes available and resource allocations are notified.

The appendix includes programmes such as the HRA capital programme, the Enterprise Zone and the Curzon Street Master Plan (Enterprise Zone Phase 2).

5.5 **Treasury Management Monitoring**

Summaries of the City Council's borrowing and treasury investment are contained within Appendices 6 to 11.

6. Evaluation of alternative option(s):

- 6.1 No alternative options are relevant for the purposes of this monitoring report. The evaluation of options is contained in individual investment proposals.

7. Reasons for Decision(s):

- 7.1 To inform Cabinet of the latest projected position on the City Council's capital programme against the approved budget, and to monitor treasury management activity and risks.
- 7.2 To seek approval to the revised capital budget at 30th September 2016.

Signatures (or relevant Cabinet Member approval to adopt the Decisions recommended):

Chief Officer(s):

Cabinet Member:.....

Dated:

List of Background Documents used to compile this Report:

1st March 2016 Council Report – Council Business Plan 2016+
Financial Outturn Report – 17th May 2016.
20th September 2016 – Capital & Treasury Management Monitoring Report Quarter 1 (April to June 2016)

List of Appendices accompanying this Report:

1. Appendix 1 – Review of major capital monitoring variations at Quarter 2 2016/17
2. Appendix 2 – High level summary of the Capital Programme as at Quarter 2 2016/17
3. Appendix 3–Development and Funding of the Capital Programme at Quarter 2 2016/17
4. Appendix 4 – New Prudential Borrowing Capital Schemes in Quarter 2 2016/17
5. Appendix 5 – 10-Year Capital Programme as at Quarter 2 2016/17
6. Appendix 6 - Summary Debt and Investment Portfolio
7. Appendix 7 - Long Term Transactions in the Quarter
8. Appendix 8 - Treasury Investments Outstanding at 30th September 2016
9. Appendix 9- Treasury Investments made in July to September 2016
10. Appendix 10 - Accountable Body Investments
11. Appendix 11 - Prudential Indicators
12. Appendix 12 – Wholesale Market Project Update

PEOPLE DIRECTORATE - ADULTS & COMMUNITIES		2016/17 £'000	All Years £'000	Project Officer narratives
Personalisation, Reform & Efficiency of Adult Social Care	Budget	149	242	Initiatives to transform and improve the commissioning and delivery of Adult Care Services.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	149	242	
	On Target?			Yes
Programme of Minor Works	Budget	281	881	Improvements to Specialist Care Services property to improve delivery of Adult Social Care.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	281	881	
	On Target?			Yes
IT Schemes	Budget	745	2,024	New and enhanced IT systems to support the delivery of Adults & Communities Services.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	745	2,024	
	On Target?			Yes
Homeless Centres	Opening Budget	1,435	1,435	Programme of refurbishment of Homeless Hostels to improve services for the homeless.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,435	1,435	
	On Target?			Yes
LD Day Centres	Budget & Description	132	832	Programme of refurbishment of Day Centre facilities for the Learning Disabilities Service.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	132	832	
	On Target?			Yes
Better Care	Opening Budget	6,138	6,138	The Better Care Fund provides funding to local services for the provision of improved health and social care services for elderly and vulnerable adults.
	Additional / (Reduced)	0	0	
	slippage/acceleration	(3,000)	0	(£3m) slippage because the Sustainability and Transformation Plans (STP) for the Birmingham and Solihull area are being submitted on 21st October 2016. As a result of these plans the strategic direction for Community Care First (CCF - an element of that plan) may change. This has resulted in slippage in the current capital funds into 2017/18 until these plans are more fully developed to allow BCC some flexibility to react to the future direction of care in the BSol STP area.
	(Under) / Overspend	0	0	
	Total revised forecast	3,138	6,138	
	On Target?			Yes, subject to the above

Independent Living	Opening Budget	4,600	13,800	Delivery of major adaptation schemes through the Disabled Facilities Grant.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	4,600	13,800	
	On Target?			Yes
	Opening Budget	13,480	25,352	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(3,000)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	10,480	25,352	

PEOPLE DIRECTORATE - CHILDREN, YOUNG PEOPLE AND FAMILIES		2016/17 £'000	All Years £'000	
Aiming Higher for Disabled Children	Opening Budget	300	487	Scheme to provide better access to short breaks provision by providing equipment, adaptations and facilities for disabled children and young people.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	300	487	
	On Target?			Yes
Devolved Capital	Opening Budget	2,525	5,369	Allocated to Maintained Schools to fund capital works.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	2,525	5,369	
	On Target?			This budget is managed and delivered by the individual schools.
School Condition Allowance	Opening Budget	15,954	35,438	School Condition Allowance programme covering programmed capital works, dual funded schemes, improvements to access and kitchen works.
	Additional / (Reduced) Resources	(500)	(500)	Transfer of capital receipts resources to the Business Transformation project approved on the 28th June 2016, as part of the 2016-17 Childrens' Services Capital Programme, in order to support urgent IT investment in Education systems. (See below Business Transformation)
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	15,454	34,938	
	On Target?			Yes
Basic Need/Additional Primary Places	Opening Budget	49,768	120,930	Building programme aimed at expanding school provision in order to meet pupil place requirements.
	Additional / (Reduced)	(15)	(15)	
	slippage/acceleration	(20,110)	0	Approximately £12m of the slippage is the result of the Lean Review carried out jointly between EdSI and Acivico to streamline the capital programme processes, which has resulted in adjustments to the original profiling of 11 of the projects using the new processes. One of the major changes has been to provide additional temporary buildings to reduce the number of phases required. The re-profiling of expenditure is now based on contractors being on site in Janueay 2017 rather than in September to October 2016. A further £2m of slippage is due to having to present a business case to the DfE re a scheme to deliver SEN provision arising from revised DfE guidance in June. In addition the Harborne scheme has resulted in a further £1.9m being slipped as a result of delays in obtaining landowner agreement as a result of pressures from adjoining residents. A further £0.7m of slippage relates to the purchase of Chamberlain House (for use by Uffculme Special School), however BPS have advised that until the Trust has been established the payment cannot be completed. The balance of £3.4m slippage primarily relates to planning, legal and school organisational issues including Washwood Heath whereby £0.6m has been slipped due to the impact of another school in the locality undergoing a complex form entry reconfiguration.
	(Under) / Overspend	0	0	
	Total revised forecast	29,643	120,915	
	On Target?			No, but pupil provision needs continue to be met.

Early Years Schemes	Budget	2,590	2,624	Funding for additional places in the nursery sector - mainly based at primary schools.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	2,590	2,624	
	On Target?			Yes
Other Minor Schemes	Opening Budget	28	28	Minor value schemes such as All Saints and Burford Community Development projects.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	28	28	
	On Target?			Yes
Business Transformation - Children's	Opening Budget	200	4,133	IT Investment in Children's Services.
	Additional / (Reduced) Resources	500	500	Transfer of capital receipts resources to the Business Transformation project approved on the 28th June 2016, as part of the 2016-17 Children's Services Capital Programme, in order to support urgent IT investment in Education systems. (See above School Condition Allowance).
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	700	4,633	
	On Target?			Yes
Section 106 schemes	Opening Budget	334	334	Various minor schemes funded by S106 receipts.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	26	26	
	Total revised forecast	360	360	
	On Target?			Yes
Universal Free School Meals	Budget	114	114	Capital funding to support the introduction of free school meals for reception years 1 and 2 children from September 2014.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	(8)	(8)	
	Total revised forecast	106	106	
	On Target?			Yes

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PLACE DIRECTORATE - HIGHWAYS GENERAL FUND		2016/17 £'000	All Years £'000	
Safer Routes to Schools	Budget	607	1,207	Highway engineering schemes to improve safety and sustainable access in the vicinity of schools across the City.
	Additional / (Reduced)	(1)	(1)	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	606	1,206	
	On Target?			Yes
Ward Minor Transport Measures	Budget	258	258	Projects across all wards to deliver reactive high priority highways services to improve highways infrastructure. Works include the provision of parking bays for people with disabilities, speed humps, and pedestrian crossings.
	Additional / (Reduced) Resources	165	165	£0.143m for various new Ward Minor Transport Measures schemes all <£100k funded from ITB and approved by Delegated Authorities. These funds have been transferred from a high level code which holds the allocations of ITB for Highways - see Network Integrity below. Other minor adjustments of £0.022m.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	423	423	
	On Target?			Yes
Minworth A38 Improvements	Budget	3,069	3,232	Major project in conjunction with Transportation to improve traffic management and the safety and accessibility for pedestrians and cyclists.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	3,069	3,232	
	On Target?			Yes
Network Integrity	Opening Budget	765	1,975	The Network Integrity and Efficiency programme will enhance and protect the highway network and support the localism agenda through measures to address local transport issues identified at ward level.
	Additional / (Reduced) Resources	(143)	(143)	Transfer of budgets for various new Ward Minor Transport Measures schemes all <£100k funded from ITB Grant and approved by Delegated Authorities (see Ward Minor Transport Measures above).
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	622	1,832	
	On Target?			Yes
Road Safety	Budget	624	1,224	Road safety schemes to reduce accidents across the City by redesigning roads or the implementation of safety measures.
	Additional / (Reduced)	(23)	(23)	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	601	1,201	
	On Target?			Yes

Highways Structures	Budget	563	563	Phase 2 and 3 of the A38 (M) Tame Valley Viaduct Management Strategy
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	563	563	
	On Target?			Yes
Land Drainage & Flood Defences	Opening Budget	1,223	1,223	River Tame Flood Defence Scheme.
	Additional / (Reduced)	(118)	(118)	Adjustments to remove minor residual budgets for schemes that completed in 2015/16. There are no loss of grant resources.
	Resources			
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,105	1,105	
	On Target?			Yes
District Schemes	Budget	570	570	£0.286m S278 works at Perry Beeches; £0.310m other minor schemes <£100k.
	Additional / (Reduced)	26	26	
	slippage/acceleration	(47)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	549	596	
	On Target?			Yes
TOTAL HIGHWAYS	Opening Budget	7,679	10,252	
	Additional / (Reduced)	(94)	(94)	
	slippage/acceleration	(47)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	7,538	10,158	

PLACE DIRECTORATE - HOUSING PRIVATE SECTOR GENERAL FUND		2016/17 £'000	All Years £'000	
Affordable Housing	Opening Budget	550	1,250	Expenditure to bring privately owned long term void properties back into use through compulsory acquisition.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	550	1,250	
	On Target?			Yes
In Reach	Opening Budget	6,003	12,000	InReach - a Wholly Owned Company of BCC which has been set up to develop a site at Vincent Street in Ladywood for market rent accomodation.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	6,003	12,000	
	On Target?			Yes - The contractor for the development has recently been appointed and construction work has now commenced. It is anticipated that the current approved allocation of £6m will be fully spent, but the position will continue to be monitored and any re-phasing that may be required will be reported in the Quarter 3 report.
Other Programmes	Opening Budget	160	160	Fees relating to the delivery of major adaptations schemes.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	160	160	
	On Target?			Yes
TOTAL HOUSING PRIVATE	Opening Budget	6,713	13,410	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	6,713	13,410	

PLACE DIRECTORATE - OTHER GENERAL FUND		2016/17 £'000	All Years £'000	
Swimming Pool Facilities	Opening Budget	28,029	40,391	Sport and physical activity review programme for the new build of Sparkhill Pool, Stechford Leisure Centre, Icknield Port Loop, Erdington Pool and Northfield Pool and the refurbishment of Wyndley Leisure Centre, Beeches Pool, Fox Hollies Leisure Centre, Billesley ITC and Cocks Moor Wood Leisure Centre.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	28,029	40,391	
	On Target?			Yes
Fleet & Waste Management	Opening Budget	2,413	9,464	Waste Depot Modernisation Programme
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	2,413	9,464	
	On Target?			Yes
Parks	Opening Budget	3,388	3,936	Various schemes including - Cofton Nurseries replacement glasshouses £1.833m; Cofton Park Pavillion £0.367m; Reservoirs & Pools £0.509m; Perry Park Skate Park £0.139m; Highgate Park Improvements £0.109m; Minworth Sports Facilities £0.515m; Kings Heath Park Hub £0.136m; Other Schemes <£100k £0.328m.
	Additional / (Reduced) Resources	355	324	£0.135m - Perry Park Skate Park - Delegated Authority 19/08/16 funded by Section 106 receipts and Contributions. £0.080m - Pye Hayes Tennis Courts - Delegated Authority 16/09/16 funded by contributions from Lawn Tennis Association and S106 receipts. £0.140m minor scheme additions <£0.100m approved by Delegated Authority. (£0.031m) rephasing of S106 scheme in future years.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	3,743	4,260	
	On Target?			Yes
Bereavement Services	Budget	8,211	8,211	Development of the Cemetery at Sutton New Hall for provision of additional burial plots
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	8,211	8,211	
	On Target?			Yes
Markets	Budget	29,554	30,509	Relocation of Birmingham Wholesale Markets to Witton including the purchase of land and construction of a building at a new site.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	1,500	1,500	The £1.5m forecast overspend includes additional works to the new building that were identified during the construction period. The forecast overspend will be funded by service prudential borrowing and the revenue costs of borrowing can be managed within the existing revenue budget due to lower than budgeted for prudential borrowing interest rates. Approval for the overspend is sought within this report and an update on the project is included in Appendix 12.
	Total revised forecast	31,054	32,009	
	On Target?			Yes, subject to the above

Community Initiatives	Budget	256	403	Includes refurbishment works to Handsworth Leisure Centre & replacement of the artificial pitch at Laurel Road.
	New Resources in Q1	(11)	(11)	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	245	392	
	On Target?			Yes
Regulation and Enforcement	Opening Budget	372	372	Health and Safety Works to the mortuary ventilation system and flooring.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	372	372	
	On Target?			Yes
Brasshouse Relocation	Budget	2,081	2,081	Relocation of Brasshouse Adult Education Centre to the Library of Birmingham.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	2,081	2,081	
	On Target?			Yes
Civic House Refurbishment	Opening Budget	1,564	1,564	Major refurbishment of Civic House to create a new Adult Education Learning Centre in the Erdington Ward.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,564	1,564	
	On Target?	0	0	Yes
Strategic Libraries	Opening Budget	742	742	Residual budgets to complete works to doors and flooring at The Library of Birmingham.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	742	742	
	On Target?			Yes
Other Minor Schemes	Opening Budget	80	80	Minor Schemes <£100k
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	80	80	
	On Target?	0	0	Yes
TOTAL OTHER GENERAL FUND	Opening Budget	76,690	97,753	
	Additional / (Reduced)	344	313	
	slippage/acceleration	0	0	
	(Under) / Overspend	1,500	1,500	
	Total revised forecast	78,534	99,566	

PLACE DIRECTORATE - DISTRICT SERVICES		2016/17 £'000	All Years £'000	
Community Sport	Opening Budget	124	124	Community Sports - minor schemes
	Additional / (Reduced)	11	11	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	135	135	
	On Target?			
Community Libraries	Opening Budget	576	576	£0.456m West Heath Library rebuild; £0.120m other minor schemes.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	576	576	
	On Target?			
Community Development & Play	Opening Budget	4	4	Minor Schemes
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	4	4	
	On Target?			
Community Parks	Budget	172	172	Minor Schemes
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	172	172	
	On Target?			
Community Chest	Budget	31	31	Minor Schemes
	Additional / (Reduced)	25	25	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	56	56	
	On Target?			
Districts and Neighbourhoods	Budget	6	6	Minor Schemes
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	6	6	
	On Target?			
TOTAL DISTRICT SERVICES	Opening Budget	913	913	
	Additional / (Reduced)	36	36	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	949	949	

PLACE DIRECTORATE - HOUSING REVENUE ACCOUNT		2016/17 £'000	All Years £'000	
Housing Improvement Programme	Opening Budget	54,967	237,734	Capital Investment Programme - various projects to carry out improvements to stock including major structural works.
	Additional / (Reduced)	0	0	
	slippage/acceleration	(236)	0	Minor rephasing of the programme as new contract arrangements are bedded in.
	(Under) / Overspend	0	0	
	Total revised forecast	54,731	237,734	
	On Target?			Yes, subject to the above slippage
Redevelopment	Opening Budget	56,046	185,632	Birmingham Municipal Housing Trust (BMHT) new build housing Stock Replacement Programme and Affordable Rent Programmes, together with related housing development, including sales and clearance.
	Additional / (Reduced)	0	0	
	slippage/acceleration	(6,692)	0	BMHT (5.330m) - Further slippage due to continuing delays to Construction West Midlands programme, due to increased costs from tenders above FBC approvals requiring value engineering, amended planning or re-tendering; together with delays to start on sites on major projects, e.g. Primrose and Perry Common, due to finalising of contracts. Clearance (£1.362m) - Increased delay in demolition of Osborne Tower and Holbrook Tower due to delays in achieving vacant possession and building replacement substation. Delays in clearance of properties at Newtown and Aston due to proposals for temporary retention of properties to mitigate Homeless Service pressures.
	(Under) / Overspend	90	90	
	Total revised forecast	49,444	185,722	
	On Target?			Yes, subject to the above slippage
Other Programmes	Opening Budget	4,728	19,526	Mainly capital works to void properties and major adaptation works to HRA properties.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	4,728	19,526	
	On Target?			Yes
TOTAL HRA	Opening Budget	115,741	442,892	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(6,928)	0	
	(Under) / Overspend	90	90	
	Total revised forecast	108,903	442,982	
PLACE DIRECTORATE - OVERALL MOVEMENTS	Opening Budget	207,736	565,220	
	Additional / (Reduced)	286	255	
	slippage/acceleration	(6,975)	0	
	(Under) / Overspend	1,590	1,590	
	Total revised forecast	202,637	567,065	

ECONOMY DIRECTORATE - REGENERATION		2016/17 £'000	All Years £'000	
Paradise Circus Redevelopment	Opening Budget	23,358	48,768	The major redevelopment of the Paradise Circus site. An investment plan resourced by the LEP for projects / programmes delivering development and long term growth.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	23,358	48,768	
	On Target?			Yes
Site Development & Access	Opening Budget	2,500	8,450	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. This part of the scheme supports property development coming forward on EZ Sites (other than Paradise Circus)
	Additional / (Reduced)	0	0	
	slippage/acceleration	1,855	0	The budget has been accelerated for schemes coming forward into 2016/17 following the relaunch of the Site Development and Access Fund (SDAF) in the autumn of 2016. The programme has been relaunched after a review of processes and promotions to enable the incorporation of the wider Curzon Investment Plan proposals for unlocking and enabling strategic sites.
	(Under) / Overspend	0	0	
	Total revised forecast	4,355	8,450	
	On Target?			
Connecting Economic Opportunities	Opening Budget	75	13,301	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. - This scheme funds a range of projects to improve connectivity and create safe and attractive routes to EZ sites in the Snowhill, Digeth, Jewellery Quarter and Eastside Areas.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	75	13,301	
	On Target?			Yes
Southern Gateway Site	Opening Budget	1,000	35,470	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. - The Southern Gateway site supports the relocation of the Wholesale Markets to enable to redevelopment of this City Centre Site.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,000	35,470	
	On Target?			Yes
LEP Investment Fund	Opening Budget	0	20,000	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. This funding has been made available to support the implementation of the Strategic Economic Plan and its four delivery programmes.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	0	20,000	
	On Target?			Yes

HS2 Curzon St	Opening Budget	0	30,000	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. This forms part of the Birmingham Curzon HS2 Masterplan which has been prepared to ensure the City makes the most of the investment into the proposed High Speed 2 Terminus.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	0	30,000	
	On Target?			Yes
HS2 Interchange	Opening Budget	0	20,000	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. This forms part of the Birmingham Curzon HS2 Masterplan which has been prepared to ensure the City makes the most of the investment into the proposed High Speed 2 Terminus.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	0	20,000	
	On Target?			Yes
Snow Hill Public Realm	Opening Budget	601	601	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. Office development at Two Snowhill.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	601	601	
	On Target?			Yes
Southside Links	Opening Budget	0	0	Provision of high quality pedestrian links stretching from Upper Hurst St, Ladywell Walk and Dudley St. This supports the newly opened southern portal at New Street Station to the Birmingham Smithfield development.
	Additional / (Reduced) Resources	175	415	Additional Borrowing approved for Southside Links as per the Capital & Treasury Management Monitoring Report Quarter 1 on 20th September 2016. This project is subject to approval by the Enterprise Zone executive.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	175	415	
	On Target?			Yes
One Station	Opening Budget	0	727	Enhancement of the areas linking New Street Station and Moor Street Station.
	Additional / (Reduced)	0	0	
	slippage/acceleration	207	0	Changes to the procurement process have enabled structural investigation works to commence earlier than originally anticipated. £0.207m of budget has been accelerated from future years.
	(Under) / Overspend	0	0	
	Total revised forecast	207	727	
	On Target?			Yes
Centenary Square	Opening Budget	2,239	10,115	This project is complimentary to the Metro project and will enhance the public square in line with the new Paradise Circus and Arena Central developments. This budget relates to Phase 1 of the programme of works
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	2,239	10,115	
	On Target?			Yes

Curzon Extension	Opening Budget	0	0	Curzon Investment Plan to deliver regeneration of local infrastructure over and above the High Speed Rail 2 that will integrate the new Curzon rail terminus and unlock wider development. This is to be delivered by 2026.
	Additional / (Reduced) Resources	1,500	668,500	The overall Curzon Investment Plan was agreed at Cabinet on 20th September 2016. The phasing of spend represents an initial working assumption which will be developed as individual business cases come through the Enterprise Zone executive. The prudential borrowing costs associated with the capital expenditure will be resourced through the Business Rate Income generated through the Enterprise Zone.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,500	668,500	
	On Target?			Yes
East Aston RIS	Opening Budget	4,856	4,856	East Aston regional Investment Site - Advanced Manufacturing Hub.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	4,856	4,856	
	On Target?			Yes
Life Sciences	Budget	7,192	7,192	Site remediation works in preparation for the new Life Science Campus in Selly Oak, Birmingham.
	Additional / (Reduced) Resources	5,728	5,728	£5.728m has been added to the project as per the Birmingham Life Sciences Campus report approved by Cabinet on 6th July 2016. Additional costs relate to additional road access and utility installations and a grant to the developer as a contribution towards their costs. The project will be funded from the capital receipt from the subsequent disposal of the land and a grant from the Local Growth Fund.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	12,920	12,920	
	On Target?			Yes
Women's Enterprise Centre	Budget	100	100	Redevelopment of the east wing of the Southside Business centre, Sparkbrook into a Women's Enterprise Centre
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	100	100	
	On Target?			Yes
Longbridge Regeneration	Opening Budget	872	3,502	Regeneration of Longbridge and the former Rover sites.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	872	3,502	
	On Target?			Yes
Local Centres	Opening Budget	970	1,246	Improvements to Local Centres, including shop frontages.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	970	1,246	
	On Target?			Yes

Conservation	Opening Budget	276	276	Improvements to Warstone Lane Cemetery including repairs, conservation and new building works, reinstatement of historical boundary railings, stones piers and entrance gates, restoration of catacombs.
	Additional / (Reduced) Resources	50	1,370	Major restoration works to Warstone Lane Cemetery funded by grants, lottery fund and contributions agreed by Cabinet in July 2016.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	326	1,646	
	On Target?			Yes
Business Growth Programme	Budget	375	8,865	ERDF Business Growth Programme to provide grant assistance targeted at up to 576 existing small and medium enterprises.
	Additional / (Reduced) Resources	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	375	8,865	
	On Target?			Yes
Grand Hotel	Budget	0	0	Grand Hotel Investment
	Additional / (Reduced) Resources	1,000	1,000	Investment in the Grand Hotel Development in the form of a repayable grant funded by Prudential Borrowing towards the refurbishment costs of the hotel.This was approved by Cabinet in October 2015.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,000	1,000	
	On Target?			Yes
Planning Other	Budget	288	389	Various minor schemes <£100k
	Additional / (Reduced) Resources	82	82	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	370	471	
	On Target?			Yes
Minor Schemes	Opening Budget	612	612	£0.552m Making the Connection - Public Realm Enhancements around New Street, linking Paradise Circus, Arena Central and Southern Gateway.
	Additional / (Reduced) Resources	(60)	(60)	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	552	552	
	On Target?			Yes
A34 Perry Barr Corridor	Opening Budget	0	0	A34 Perry Barr Corridor Developments - Phase 1. Infill of Subways (delivered by Transportation); Design of Replacement Bus Interchange; Acquisition of Warehouse and office premises to unlock development land.
	Additional / (Reduced) Resources	1,360	1,360	Resources added for the A34 Corridor Developments funded by Local Growth Fund grant and approved by Cabinet in March 2016.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,360	1,360	
	On Target?			Yes

Unlocking Housing Sites	Opening Budget	0	0	Project for providing Grants and/or Loans to property developers to unlock sites with problems which make them uneconomical to develop. This project is demand led. The first nine months were launching the project and attracting applications from private developments and housing associations. These applications have to go through due diligence by Finance Birmingham and the costs are claimed by the developers as the housing is constructed.
	Additional / (Reduced) Resources	3,180	9,000	Unlocking Housing Sites - project to provide additional housing on sites which were previously uneconomic to develop. The project is funded by Local Growth Fund grant and was approved by Cabinet on December 8th 2015.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	3,180	9,000	
	On Target?			Yes
	Opening Budget	45,314	214,470	
	Additional / (Reduced)	13,015	687,395	
	slippage/acceleration	2,062	0	
	(Under) / Overspend	0	0	
	Total revised forecast	60,391	901,865	
ECONOMY DIRECTORATE - EMPLOYMENT & SKILLS		2016/17 £'000	All Years £'000	
National College for High Speed Rail	Opening Budget	22,038	24,174	Construction of a new building that will serve as the operational training headquarters for High Speed Rail College at Birmingham
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	22,038	24,174	
	On Target?			Yes

ECONOMY DIRECTORATE - TRANSPORTATION		2016/17 £'000	All Years £'000	
Gateway/Grand Central residual budgets	Opening Budget	13,245	13,245	Budget to support residual costs of the Gateway and Grand Central schemes.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	13,245	13,245	
	On Target?			Yes
Coventry Road A45	Opening Budget	89	89	Upgrading of the A45
	Additional / (Reduced)	1	1	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	90	90	
	On Target?			Yes
A34 North Perry Barr	Opening Budget	672	672	
	Additional / (Reduced)	1	1	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	673	673	
	On Target?			
Local Growth Projects	Opening Budget	2,236	10,961	Holding pot of ITB and other grants match funding for schemes funded by Local Growth Grant. As schemes are approved this pot will reduce
	Additional / (Reduced)	126	(55)	Re-allocation of ITB grant funding to various schemes within the overall Transportation capital programme.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	2,362	10,906	
	On Target?			Yes - budgets here are held at a high level until business cases are approved.
Inner Ring Road schemes (1)	Opening Budget	621	621	Iron Lane / Ashted Circus - projects to reduce congestion on the Inner Ring Road. Budgets are allocated for Development costs awaiting Full Business Cases which are in progress.
	Additional / (Reduced)	(84)	(84)	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	537	537	
	On Target?			Yes
Minworth A38 & Peddimore Access	Opening Budget	1,929	1,929	Major project in conjunction with Highways to improve traffic management at Peddimore also safety and accessibility for pedestrians and cyclists. Works are also being undertaken on the A38 Sutton Coldfield Bypass to repair and replace a number of life expired assets.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,929	1,929	
	On Target?			Yes

Battery Way	Opening Budget	94	94	Unlocking access to development sites and an alternative route between Warwick Road and Reddings Lane which bypasses residential areas improving safety and access for road users.
	Additional / (Reduced)	456	3,643	Local Growth fund grant funding the Battery Way Extension project approved by Cabinet on 26th July 2016.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	550	3,737	
	On Target?			Yes
Longbridge Connectivity	Opening Budget	370	5,234	A number of schemes at Longbridge to improve traffic management and accessibility for pedestrians and cyclists.
	Additional / (Reduced)	0	0	
	slippage/acceleration	305	0	Acceleration of future years budgets to fund early payments to utility companies in order to achieve an 18% reduction on overall costs, as set out in the New Roads and Street Works Act.
	(Under) / Overspend	0	0	
	Total revised forecast	675	5,234	
	On Target?			Yes
Other Minor Schemes	Opening Budget	629	629	Minor schemes being taken forward as part of the Local Growth Programme. Awaiting FBC's.
	Additional / (Reduced)	313	313	£0.200m ITB Grant Resources added for the final land compensation payments to ESSO for the Heartlands Spine Road, as approved by the Assistant Director for Transportation and Connectivity in July 2016.
	Resources			£0.113m other minor scheme approvals.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	942	942	
	On Target?			Yes
Selly Oak Relief Road - Improved Access at Birmingham & Worcester Canal	Opening Budget	421	489	Project for improving cycling and pedestrian access at the Worcester & Birmingham Canal adjacent to the University Railway Station In Edgbaston
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	421	489	
	On Target?			Yes
Metro Extension	Opening Budget	9,134	15,605	This is a multi year multi funded programme to build a metro system across the City Centre from New Street Station to Centenary Square. The major funding sources are Enterprise Zone and Local Growth Fund.
	Additional / (Reduced)	114	108	Cabinet Member approval received on 21st July 2016 for additional carriageway and traffic management works at Spring Hill of £0.122m funded by ITB Grant. (£0.014m) other minor scheme adjustments.
	Resources			
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	9,248	15,713	
	On Target?			Yes

Infrastructure Development	Opening Budget	1,294	2,494	Projects and activities to develop future year programmes, including future major transport schemes to be funded by devolved DfT resources provided to Local transport Bodies.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,294	2,494	
	On Target?			Yes
S106/278 Schemes	Opening Budget	478	478	Projects funded from S106 and S278 funds.
	Additional / (Reduced)	4	4	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	482	482	
	On Target?			Yes
Walking & Cycling	Opening Budget	5,874	9,910	Projects to reduce congestion, improve air quality, improve access and improve health and physical fitness as part of a country-wide government initiative.
	Additional / (Reduced) Resources	2,003	2,003	Cabinet Member for Transport & Roads Jointly with the Strategic Director for Economy have agreed the following Reports:- £0.852m Main Parallel Routes; £0.408m Local Links to Green Routes; £0.770m 20mph Pilot Areas - all approved on 18th August 2016 and funded by Dept for Transport Grants. (£0.027m) other minor scheme adjustments.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	7,877	11,913	
	On Target?			Yes
Local Accessibility	Opening Budget	1,239	1,239	Local Accessibility Schemes programme, which seeks to improve accessibility for local people wishing to access education, employment, retail and leisure facilities in their local area. £0.469m Bike North Birmingham Projects; £0.527 ITB funding to support projects as allocated by the Transport and Highways Capital Programme approved in February 2016.
	Additional / (Reduced)	(30)	(30)	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,209	1,209	
	On Target?			Yes
Economic Growth Zone	Opening Budget	57	1,506	Projects to take forward the Councils' 6 economic growth zones and other schemes to unlock growth and reduce congestion across the city.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	57	1,506	
	On Target?			Yes
Inner Ring Road schemes (2)	Budget	1,029	2,395	Holloway Circus; Haden Circus; Curzon Circle - projects to reduce congestion on the Inner Ring Road.
	Additional / (Reduced)	0	0	
	slippage/acceleration	(392)	0	The delay in the construction programme for Holloway Circus has meant that the EZ funding of £0.392m has been slipped from 2016/17 to 2017/18 to reflect the revised programme for the delivery of the scheme. The delays are as a result of complexities in the procurement process.
	(Under) / Overspend	0	0	
	Total revised forecast	637	2,395	
	On Target?			Yes, subject to the above slippage

Enabling Growth & Tackling Congestion	Budget	1,548	2,643	ITB in year and future years funding to support projects comprising measures to address congestion and public transport issues as allocated by the Transport and Highways Capital Programme approved in February 2016.
	Additional / (Reduced)	5	5	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,553	2,648	
	On Target?			Yes
Road Safety	Budget	485	485	Road safety schemes to reduce accidents across the City by redesigning roads or the implementation of safety measures.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	485	485	
	On Target?			Yes
Digital Districts	Opening Budget	3,551	3,551	Delivery of Bham Connectivity voucher scheme to encourage the uptake of high speed broadband connectivity.
	Additional / (Reduced)	70	70	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	3,621	3,621	
	On Target?			Yes
Other Minor Projects	Opening Budget	310	310	Schemes coming to an end
	Additional / (Reduced)	(2)	(2)	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	308	308	
	On Target?			Yes
TOTAL TRANSPORTATION	Opening Budget	45,305	74,579	
	Additional / (Reduced)	2,977	5,977	
	slippage/acceleration	(87)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	48,195	80,556	
ECONOMY DIRECTORATE - OVERALL MOVEMENTS	Opening Budget	112,658	313,224	
	Additional / (Reduced)	15,992	693,372	
	slippage/acceleration	1,975	0	
	(Under) / Overspend	0	0	
	Total revised forecast	130,624	1,006,596	

CORPORATE RESOURCES DIRECTORATE		2016/17 £'000	All Years £'000	
Revenue Reform Projects	Opening Budget	17,750	38,000	Costs of redundancy funded by capital receipts as part of the Government's capital receipts flexibility scheme.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	17,750	38,000	
	On Target?			It is now anticipated that redundancy costs in 2016/17 will be substantially lower than provided for in this budget. Alternative plans to make use of the ability to capitalise reform project costs are being developed subject to formal approval by a City Council meeting of a revised Efficiency Plan, as required by the Government rules.
IT Projects	Opening Budget	1,848	1,848	Various IT projects to support and update the Council's IT Infrastructure.
	Additional / (Reduced) Resources	276	535	£0.518m approved in July 2016 by the Deputy Leader Jointly with the Strategic Director for Change and Support Services for Desktop Refresh Phase 4 funded by Prudential Borrowing. £0.017m other minor scheme adjustments.
	slippage/acceleration	0	0	
	(Under) / Overspend	(116)	(116)	Minor underspends <£100k across three projects funded from service prudential borrowing.
	Total revised forecast	2,008	2,267	
	On Target?			Yes
Birmingham Property Projects	Opening Budget	14,249	14,849	Projects as part of the Attwood Green area redevelopment £1.185m; Arena Central works £1.676m; Red Rose Shopping Centre redevelopment £11.493m; Access to Buildings £0.478m; Other Minor schemes £0.017m.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	14,249	14,849	
	On Target?			Yes
Corporate Resources - Software	Opening Budget	267	267	Software developments in Corporate Resources Directorate due to legislative or increased capacity requirements.
	Additional / (Reduced) Resources	610	610	£0.610m approved in July 2016 by the Deputy Leader Jointly with the Strategic Director for Change and Support Services for a replacement Document Management System for Revenues and Benefits Service funded by Prudential Borrowing.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	877	877	
	On Target?			Yes
ICentrum	Opening Budget	519	519	Residual budget for a loan of £7.5m to Birmingham Technology (Property) Ltd for the Innovation Birmingham Icentrum Building. The final instalment has been made in 2016/17.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	519	519	
	On Target?			Complete

Capital Loans & Equity	Opening Budget	9,606	9,606	Capital Equity Investments.
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	9,606	9,606	
	On Target?			Yes
ICT Infrastructure	Opening Budget	8,521	41,846	A ten year programme for Enhancements to Core ICT across Birmingham City Council made up of various projects including replacement servers, infrastructure and enhancements to software.
	Additional / (Reduced)	0	0	
	slippage/acceleration	(5,164)	0	The Corporate ICT Investment Plan required alignment to the ICT&D strategy to ensure that BCC are making the most of its limited financial resources. Therefore, only the critical/tactical projects for this financial year have been progressed. This has resulted in some projects being delayed until 2017/18. A revised ICT&D Strategy, taking account of changes to the revenue and capital profiles of spend was approved by Cabinet on 18th October 2016.
	(Under) / Overspend	(151)	(151)	(£0.203m) savings against the Internet Explorer 11 project as a result of using internal BCC resources rather than an external company. £0.052m overspend against the LAN Switch Replacement project as a result of increased hardware costs due to a fall in exchange rates (the hardware is priced in US\$). The additional cost will be met from within resources for the Corporate Infrastructure Investment Plan.
	Total revised forecast	3,206	41,695	
	On Target?			Yes, subject to the above slippage
SAP Investment Plan	Opening Budget	2,781	6,421	New Developments to SAP software funded from service prudential borrowing.
	Additional / (Reduced)	0	0	
	slippage/acceleration	(1,200)	0	Due to further technical delays with implementing the major SAP upgrade project across the Council and associated work to finalise the Integrated Support Services (ISS) technology solutions, the budget for the overall SAP investment plan has been re-phased into later years. The delivery of the wider investment plan is underpinned by the SAP upgrade which provides the platform and technical capability for implementing a number of other SAP and associated ICT developments, including the initial ISS Phase 1 technology requirements.
	(Under) / Overspend	0	0	
	Total revised forecast	1,581	6,421	
	On Target?			Yes subject to above slippage
TOTAL CORPORATE RESOURCES DIRECTORATE - OVERALL	Opening Budget	55,541	113,356	
	Additional / (Reduced)	886	1,145	
	slippage/acceleration	(6,364)	0	
	(Under) / Overspend	(267)	(267)	
	Total revised forecast	49,796	114,234	
OVERALL MOVEMENTS	Opening Budget	461,228	1,186,609	
	Additional / (Reduced)	17,149	694,757	
	slippage/acceleration	(34,474)	0	
	(Under) / Overspend	1,341	1,341	
	Total revised forecast	445,244	1,882,707	

CAPITAL - CAPITAL EXPENDITURE PLAN - FORECAST 2016/17 QUARTER 2

Appendix 2

	2016/17								All Years - 2017-2020			
	Quarter 1 Budget 2016/17 £'000's	Qtr 2 New Schemes £'000's	Revised Quarter 2 Budget £'000's	Forecast Slippage / Acceleration Qtr 2 £'000's	Forecast Over / Under spend Qtr 2 £'000's	Year End Forecast at Quarter 2 £'000's	Actual Spend at Quarter 2 £'000's	Actual to Date as % of Forecast %	All Years Quarter 1 Budget £'000's	New Schemes All Years £'000's	Over/under spend All Years £'000's	All years Quarter 2 Forecast £'000's
PEOPLE DIRECTORATE												
Adults & Communities												
Telehealthcare	0	0	0	0	0	0	496	0.0	0	0	0	0
Personalisation, Reform & Efficiency of Adult Social Care	149	0	149	0	0	149	0	0.0	242	0	0	242
Programme of Minor Works	281	0	281	0	0	281	174	61.9	881	0	0	881
IT Schemes	745	0	745	0	0	745	33	4.4	2,024	0	0	2,024
Homeless Centres	1,435	0	1,435	0	0	1,435	1,273	88.7	1,435	0	0	1,435
LD Day Centres	132	0	132	0	0	132	2	1.5	832	0	0	832
Better Care Fund	6,138	0	6,138	(3,000)	0	3,138	0	0.0	6,138	0	0	6,138
Independent Living	4,600	0	4,600	0	0	4,600	3,105	67.5	13,800	0	0	13,800
Total Adults & Communities	13,480	0	13,480	(3,000)	0	10,480	5,083	48.5	25,352	0	0	25,352
Children, Young People & Families												
Aiming Higher for Disabled Children	300	0	300	0	0	300	300	100.0	487	0	0	487
Devolved Capital Allocation to Schools	2,525	0	2,525	0	0	2,525	1,409	55.8	5,369	0	0	5,369
Capital Maintenance	15,954	(500)	15,454	0	0	15,454	2,640	17.1	35,438	(500)	0	34,938
Basic Needs / Additional Primary Places	49,768	(15)	49,753	(20,110)	0	29,643	11,763	39.7	120,930	(15)	0	120,915
Early Years	2,590	0	2,590	0	0	2,590	23	0.9	2,624	0	0	2,624
Other Minor Schemes	28	0	28	0	0	28	52	185.7	28	0	0	28
IT Investment - Children's Services	200	500	700	0	0	700	165	23.6	4,133	500	0	4,633
Section 106	334	0	334	0	26	360	130	36.1	334	0	26	360
Universal Infant Free School Meals	114	0	114	0	(8)	106	18	17.0	114	0	(8)	106
Total Children, Young People & Families	71,813	(15)	71,798	(20,110)	18	51,706	16,500	31.9	169,457	(15)	18	169,460
TOTAL CAPITAL - PEOPLE DIRECTORATE	85,293	(15)	85,278	(23,110)	18	62,186	21,583	34.7	194,809	(15)	18	194,812

	2016/17								All Years - 2017-2020			
	Quarter 1 Budget 2016/17 £'000's	Qtr 2 New Schemes £'000's	Revised Quarter 2 Budget £'000's	Forecast Slippage / Acceleration Qtr 2 £'000's	Forecast Over / Under spend Qtr 2 £'000's	Year End Forecast at Quarter 2 £'000's	Actual Spend at Quarter 2 £'000's	Actual to Date as % of Forecast %	All Years Quarter 1 Budget £'000's	New Schemes All Years £'000's	Over/under spend All Years £'000's	All years Quarter 2 Forecast £'000's
PLACE DIRECTORATE												
General Fund												
Highways - General Fund												
Safer Routes to Schools	607	(1)	606	0	0	606	247	40.8	1,207	(1)	0	1,206
Ward Minor Transport Measures	258	165	423	0	0	423	219	51.8	258	165	0	423
Minworth A38 Improvements	3,069	0	3,069	0	0	3,069	7	0.2	3,232	0	0	3,232
Network Integrity - Other Schemes	765	(143)	622	0	0	622	70	11.3	1,975	(143)	0	1,832
Road Safety	624	(23)	601	0	0	601	214	35.6	1,224	(23)	0	1,201
Highway Structures	563	0	563	0	0	563	169	30.0	563	0	0	563
Land Drainage and Flood Defences	1,223	(118)	1,105	0	0	1,105	0	0.0	1,223	(118)	0	1,105
District Schemes	570	26	596	(47)	0	549	191	34.8	570	26	0	596
Total Highways GF	7,679	(94)	7,585	(47)	0	7,538	1,117	14.8	10,252	(94)	0	10,158
Affordable Housing	550		550	0	0	550	0	0.0	1,250	0	0	1,250
In Reach (St Vincents)	6,003		6,003			6,003	0	0.0	12,000	0	0	12,000
Other Programmes	160		160	0	0	160	0	0.0	160	0	0	160
Total Private Sector Housing GF	6,713	0	6,713	0	0	6,713	0	0.0	13,410	0	0	13,410
Other - General Fund												
Sport & Swimming Pool Facilities	28,029	0	28,029	0	0	28,029	5,728	20.4	40,391	0	0	40,391
Fleet & Waste Management	2,413	0	2,413	0	0	2,413	33	1.4	9,464	0	0	9,464
Parks	3,388	355	3,743	0	0	3,743	997	26.6	3,936	324	0	4,260
Bereavement Services	8,211	0	8,211	0	0	8,211	66	0.8	8,211	0	0	8,211
New Wholesale Market	29,554	0	29,554	0	1,500	31,054	20,412	65.7	30,509	0	1,500	32,009
Community Initiatives	256	(11)	245	0	0	245	0	0.0	403	(11)	0	392
Regulation and Enforcement	372	0	372	0	0	372	3	0.8	372	0	0	372
Adult Education - Brasshouse Relocation	2,081	0	2,081	0	0	2,081	1,695	81.5	2,081	0	0	2,081
Adult Education - Civic House	1,564	0	1,564	0	0	1,564	1,249	79.9	1,564	0	0	1,564
Strategic Libraries	742	0	742	0	0	742	13	1.8	742	0	0	742
Museums & Arts	80	0	80	0	0	80	68	85.0	80	0	0	80
Other Services	0		0	0	0	0	0	0.0	0	0	0	0
Total Place Other GF	76,690	344	77,034	0	1,500	78,534	30,264	38.5	97,753	313	1,500	99,566
Total General Fund	91,082	250	91,332	(47)	1,500	92,785	31,381	33.8	121,415	219	1,500	123,134
Community Sport	124	11	135	0	0	135	1	0.7	124	11	0	135
Community Libraries	576	0	576	0	0	576	0	0.0	576	0	0	576
Community Development & Play	4	0	4	0	0	4	4	100.0	4	0	0	4
Community Parks	172	0	172	0	0	172	7	4.1	172	0	0	172
Community Chest	31	25	56	0	0	56	5	8.9	31	25	0	56
Districts and Neighbourhoods	6		6	0	0	6	(87)	0.0	6	0	0	6
Total District Services	913	36	949	0	0	949	(70)	(7.4)	913	36	0	949
HRA												
Housing Improvement Programme	54,967		54,967	(236)	0	54,731	13,136	24.0	237,734	0	0	237,734
Redevelopment	56,046		56,046	(6,692)	90	49,444	13,423	27.1	185,632	0	90	185,722
Other Programmes	4,728		4,728	0	0	4,728	676	14.3	19,526	0	0	19,526
Total HRA	115,741	0	115,741	(6,928)	90	108,903	27,235	25.0	442,892	0	90	442,982
TOTAL CAPITAL - PLACE DIRECTORATE	207,736	286	208,022	(6,975)	1,590	202,637	58,546	28.9	565,220	255	1,590	567,065

CAPITAL - CAPITAL EXPENDITURE PLAN - FORECAST 2016/17 QUARTER 2

Appendix 2

	2016/17								All Years - 2017-2020			
	Quarter 1	Qtr 2 New	Revised	Forecast	Forecast	Year End	Actual	Actual to	All Years	New	Over/under	All years
	Budget	Schemes	Quarter 2	Slippage /	Over /	Forecast at	Spend at	Date as %	Quarter 1	Schemes	spend All	Quarter 2
	2016/17		Budget	Acceleration	Under spend	Quarter 2	Quarter 2	of	Budget	All Years	Years	Forecast
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	%	£'000's	£'000's	£'000's	£'000's
ECONOMY DIRECTORATE												
Enterprise Zone - Paradise Circus	23,358		23,358	0	0	23,358	10,257	43.9	48,768	0	0	48,768
Enterprise Zone - Site Development & Access	2,500		2,500	1,855	0	4,355	355	8.2	8,450	0	0	8,450
Enterprise Zone - Connect Economic Opportunities	75		75	0	0	75	0	0.0	13,301	0	0	13,301
Enterprise Zone - Southern Gateway Site	1,000		1,000	0	0	1,000	0	0.0	35,470	0	0	35,470
Enterprise Zone - LEP Investment Fund	0		0	0	0	0	0	0.0	20,000	0	0	20,000
Enterprise Zone - HS2 Curzon St Site	0		0	0	0	0	0	0.0	30,000	0	0	30,000
Enterprise Zone - HS2 Interchange Site	0		0	0	0	0	0	0.0	20,000	0	0	20,000
Enterprise Zone - Snow Hill Public Realm	601		601	0	0	601	250	41.6	601	0	0	601
Enterprise Zone - Southside Links	0	175	175	0	0	175	0	0.0	0	415	0	415
Enterprise Zone - Metro Centenary Square	2,239		2,239	0	0	2,239	29	1.3	10,115	0	0	10,115
Enterprise Zone - City Centre Links	0		0	0	0	0	0	0.0	0	0	0	0
Enterprise Zone - One Station	0		0	207	0	207	6	0.0	727	0	0	727
Enterprise Zone Phase II - Curzon Extension	0	1,500	1,500	0	0	1,500	0	0.0	0	668,500	0	668,500
Total Enterprise Zone	29,773	1,675	31,448	2,062	0	33,510	10,897	32.5	187,432	668,915	0	856,347
Regeneration												
East Aston RIS	4,856		4,856	0	0	4,856	1,508	31.1	4,856	0	0	4,856
Life Sciences	7,192	5,728	12,920	0	0	12,920	9,875	76.4	7,192	5,728	0	12,920
Women's Enterprise	100		100	0	0	100	1	1.0	100	0	0	100
Longbridge Regen	872		872	0	0	872	0	0.0	3,502	0	0	3,502
Local Centres	970		970	0	0	970	110	11.3	1,246	0	0	1,246
Conservation	276	50	326	0	0	326	0	0.0	276	1,370	0	1,646
Business Support Programme	375		375	0	0	375	0	0.0	8,865	0	0	8,865
Grand Hotel	0	1,000	1,000	0	0	1,000	0	0.0	0	1,000	0	1,000
Planning - Other	288	82	370	0	0	370	267	72.2	389	82	0	471
Making the Connection	612	(60)	552	0	0	552	3	0.5	612	(60)	0	552
A34 Corridor - Perry Barr	0	1,360	1,360	0	0	1,360	925	68.0	0	1,360	0	1,360
Unlocking Housing Sites	0	3,180	3,180	0	0	3,180	0	0.0	0	9,000	0	9,000
Total Other Planning & Regeneration Projects	15,541	11,340	26,881	0	0	26,881	12,689	47.2	27,038	18,480	0	45,518
Total Planning & Regeneration	45,314	13,015	58,329	2,062	0	60,391	23,586	39.1	214,470	687,395	0	901,865
National College for HS2	22,038		22,038	0	0	22,038	5,118	23.2	24,174	0	0	24,174
Total Employment Services	22,038	0	22,038	0	0	22,038	5,118	23	24,174	0	0	24,174
Transportation												
Grand Central	13,245	0	13,245	0	0	13,245	456	3.4	13,245	0	0	13,245
Coventry Road A45	89	1	90	0	0	90	5	5.6	89	1	0	90
A34 North Perry Barr	672	1	673	0	0	673	570	84.7	672	1	0	673
Local Growth Fund incl holding code & minor schemes	2,236	126	2,362	0	0	2,362	0	0.0	10,961	(55)	0	10,906
Inner Ring Road - Local Growth	621	(84)	537	0	0	537	216	40.2	621	(84)	0	537
Minworth & Peddimore Access	1,929	0	1,929	0	0	1,929	62	3.2	1,929	0	0	1,929
Battery Way Extension	94	456	550	0	0	550	113	20.5	94	3,643	0	3,737
Longbridge Connectivity	370	0	370	305	0	675	572	84.7	5,234	0	0	5,234
Selly Oak Relief Road	421	0	421	0	0	421	6	1.4	489	0	0	489
Chester Road	0	0	0	0	0	0	306	#DIV/0!	0	0	0	0
Metro Extension	9,134	114	9,248	0	0	9,248	258	2.8	15,605	108	0	15,713
Other minor schemes	629	313	942	0	0	942	159	16.9	629	313	0	942
Infrastructure Development	1,294	0	1,294	0	0	1,294	487	37.6	2,494	0	0	2,494
Section 106/278 Schemes	478	4	482	0	0	482	188	39.0	478	4	0	482
Walking & Cycling	5,874	2,003	7,877	0	0	7,877	3,746	47.6	9,910	2,003	0	11,913
Local Accessibility	1,239	(30)	1,209	0	0	1,209	171	0.0	1,239	(30)	0	1,209
Economic Growth Zone	57	0	57	0	0	57	92	161.4	1,506	0	0	1,506
Inner Ring Road 2	1,029	0	1,029	(392)	0	637	156	24.5	2,395	0	0	2,395
Enabling Growth & Tackling Congestion	1,548	5	1,553	0	0	1,553	61	0.0	2,643	5	0	2,648
Road Safety	485	0	485	0	0	485	272	56.1	485	0	0	485
Digital Districts	3,551	70	3,621	0	0	3,621	292	8.1	3,551	70	0	3,621
Minor Schemes	310	(2)	308	0	0	308	(156)	0.0	310	(2)	0	308
Total Transportation	45,306	2,977	48,282	(87)	0	48,195	8,032	16.7	74,580	5,977	0	80,557
TOTAL CAPITAL - ECONOMY DIRECTORATE	112,658	15,992	128,649	1,975	0	130,624	36,736	79	313,224	693,372	0	1,006,596

CAPITAL - CAPITAL EXPENDITURE PLAN - FORECAST 2016/17 QUARTER 2									Appendix 2			
	2016/17								All Years - 2017-2020			
	Quarter 1 Budget 2016/17 £'000's	Qtr 2 New Schemes £'000's	Revised Quarter 2 Budget £'000's	Forecast Slippage / Acceleration Qtr 2 £'000's	Forecast Over / Under spend Qtr 2 £'000's	Year End Forecast at Quarter 2 £'000's	Actual Spend at Quarter 2 £'000's	Actual to Date as % of Forecast %	All Years Quarter 1 Budget £'000's	New Schemes All Years £'000's	Over/under spend All Years £'000's	All years Quarter 2 Forecast £'000's
CORPORATE RESOURCES DIRECTORATE												
Birmingham Property Services:												
Access to Buildings	50		50	0	0	50	0	0.0	478	0	0	478
Business Transformation - Working for the Future	17		17	0	0	17	0	0.0	17	0	0	17
Attwood Green Park	59		59	0	0	59	0	0.0	59	0	0	59
Attwood Green - Holloway Head	862		862	0	0	862	560	65.0	1,034	0	0	1,034
Attwood Green - Woodview CC	92		92	0	0	92	2	2.2	92	0	0	92
Red Rose Shopping Centre	11,493		11,493	0	0	11,493	10,803	94.0	11,493	0	0	11,493
Arena Central	1,676		1,676	0	0	1,676	119	7.1	1,676	0	0	1,676
Total Birmingham Property Services Projects	14,249	0	14,249	0	0	14,249	11,484	80.6	14,849	0	0	14,849
Revenue Reform Projects	17,750		17,750	0	0	17,750	982	0.0	38,000	0	0	38,000
Corporate Resources	267	610	877	0	0	877	151	0.0	267	610	0	877
IT Projects	1,848	276	2,124	0	(116)	2,008	1,507	75.0	1,848	535	(116)	2,267
ICentrum	519		519	0	0	519	519	100.0	519	0	0	519
Capital Loans & Equity Funds	9,606		9,606	0	0	9,606	1,175	12.2	9,606	0	0	9,606
Corporate ICT Investment	8,521		8,521	(5,164)	(151)	3,206	215	6.7	41,846	0	(151)	41,695
SAP New Developments	2,781		2,781	(1,200)	0	1,581	647	0.0	6,421	0	0	6,421
Total Other Corporate Resources	41,292	886	42,178	(6,364)	(267)	35,547	5,196	14.6	98,507	1,145	(267)	99,385
TOTAL CAPITAL - CORPORATE RESOURCES DIRECTORATE	55,541	886	56,427	(6,364)	(267)	49,796	16,680	33.5	113,356	1,145	(267)	114,234
TOTAL CAPITAL PROGRAMME	461,228	17,149	478,377	(34,474)	1,341	445,244	133,545	29.99	1,186,609	694,757	1,341	1,882,707

Capital Monitoring as at 30th September 2016					Appendix 3
	2016/17 £'000's	2017/18 £'000's	2018/19 £'000's	Later Years £'000's	Total Plan £'000's
Expenditure					
Approved Budget Quarter 1 2016/17	461,228	299,379	202,907	223,095	1,186,609
New Resources Quarter 2	17,149	13,238	20,320	644,050	694,757
Revised Budget Quarter 2	478,377	312,617	223,227	867,145	1,881,366
Forecast Slippage - Quarter 2	(34,474)	22,273	14,338	(2,137)	0
Forecast Overspend (Underspend)	1,341	0	0	0	1,341
Forecast Outturn at Quarter 2	445,244	334,890	237,565	865,008	1,882,707
Resources					
Use of Specific Resources:					
Grants & Contributions	146,683	126,631	86,916	3,843	364,073
Earmarked Capital Receipts - RTB	17,757	36,281	16,151	0	70,189
Revenue Contributions - Departmental	2,929	3,353	190	0	6,472
Revenue Contributions - HRA	75,143	69,416	74,409	72,616	291,584
Revenue Contributions - Income Generation	0	0	0	0	0
	242,512	235,681	177,666	76,459	732,318
Use of Corporate or General Resources:					
Unsupported Prudential Borrowing - General*	16,281	9,761	5,200	12,839	44,081
Unsupported Prudential Borrowing - Corporate	6,645	0	0	0	6,645
Unsupported Prudential Borrowing - Directorate	179,806	89,448	54,699	775,710	1,099,663
Forecast Use of Resources	445,244	334,890	237,565	865,008	1,882,707
* General Prudential Borrowing to replace the use of receipts, revenue contributions and corporate resources to fund Equal Pay.					

Additions or Reductions in Prudential Borrowing for Capital Schemes July to September 2016

	#	2016/17 £'000	2017/18 £'000	2018/19 £'000	Later Years £'000	Total £'000
Corporate Prudential Borrowing						
Economy Directorate:						
Life Sciences	A	(7,192)				
TOTAL ECONOMY DIRECTORATE		(7,192)				
TOTAL CORPORATE PRUDENTIAL BORROWING		(7,192)	0	0	0	0
Service Prudential Borrowing:						
Place Directorate						
New Wholesale Market	A	1,500	0	0	0	1,500
Housing Improvement	A	749	0	(749)	0	0
Housing Redevelopment	A	(749)	0	749	0	0
TOTAL PLACE DIRECTORATE		1,500	0	0	0	1,500
Economy Directorate:						
Enterprise Zone Investment	A	2,030	522	0	(2,137)	415
One Station	A	207	(207)	0	0	0
Curzon Enterprise Zone	N	1,500	5,750	17,200	644,050	668,500
Grand Hotel Development	N	1,000				
Inner Ring Road	A	(392)	392			
TOTAL ECONOMY DIRECTORATE		4,345	6,457	17,200	641,913	668,915
Corporate Resources Directorate:						
IT Project	A	159	259	0	0	418
Document Management System	N	610		0	0	610
ICT Infrastructure	A	(6,514)	6,364	0	0	(150)
TOTAL CORPORATE RESOURCES DIRECTORATE		(5,745)	6,623	0	0	878
TOTAL SERVICE PRUDENTIAL BORROWING		100	13,080	17,200	641,913	671,293
TOTAL ADDITION (REDUCTION) IN PRUDENTIAL BORROWING		(7,092)	13,080	17,200	641,913	671,293
Note: this includes some re-phasing between years.						
# A - Amendment to existing project spend or resources.						
N - New projects or programmes added in the quarter.						

(See Explanatory Footnote overleaf)

CAPITAL - 10 YEAR CAPITAL EXPENDITURE PLAN - FORECAST AS AT QUARTER 2 2016/17

APPENDIX 5

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 & Later Years	TOTAL
	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
<u>PEOPLE DIRECTORATE</u>											
Adults & Communities	10,480	9,593	5,279	0	0	0	0	0	0	0	25,352
Children, Young People & Families	51,706	66,203	51,551	0	0	0	0	0	0	0	169,460
TOTAL PEOPLE DIRECTORATE	62,186	75,796	56,830	0	0	0	0	0	0	0	194,812
<u>PLACE DIRECTORATE</u>											
Highways - General Fund	7,538	1,415	1,205	1,205	0	0	0	0	0	0	11,363
Private Sector Housing	6,713	6,278	419	0	0	0	0	0	0	0	13,410
Other - General Fund	78,534	20,482	550	0	0	0	0	0	0	0	99,566
District services	949	0	0	0	0	0	0	0	0	0	949
HRA:											
Housing Improvement Programme	54,731	55,924	71,075	56,004	41,797	37,435	34,608	36,422	37,231	38,175	463,402
Redevelopment	49,444	68,016	34,979	33,283	26,166	18,757	23,138	23,600	24,073	24,554	326,010
Other Programmes	4,728	4,855	4,932	5,011	4,839	4,922	4,232	4,317	4,404	4,492	46,732
Total HRA	108,903	128,795	110,986	94,298	72,802	61,114	61,978	64,339	65,708	67,221	836,144
TOTAL PLACE DIRECTORATE	202,637	156,970	113,160	95,503	72,802	61,114	61,978	64,339	65,708	67,221	961,432
<u>ECONOMY DIRECTORATE</u>											
<u>Regeneration</u>											
Enterprise Zone Paradise Circus Redevelopment	23,358	14,145	8,521	1,285	1,459	0	0	0	0	0	48,768
Enterprsie Zone Site Development & Access	4,355	0	0	0	0	0	4,095	0	0	0	8,450
Enterprise Zone Connecting Economic Opportunities	75	925	0	0	0	0	12,301	0	0	0	13,301
Enterprise Zone Southern Gateway Site	1,000	1,000	1,000	5,142	11,345	1,338	14,645	0	0	0	35,470
Enterprise Zone LEP Investment Fund	0	0	0	5,000	5,000	5,000	5,000	0	0	0	20,000
Enterprise Zone HS2 - Curzon Street Phase 1	0	0	0	7,500	7,500	7,500	7,500	0	0	0	30,000
Enterprise Zone HS2 - Interchange Site	0	0	0	5,000	5,000	5,000	5,000	0	0	0	20,000
Enterprise Zone Snow Hill Public Realm	601	0	0	0	0	0	0	0	0	0	601
Enterprise Zone Southside Links	175	240	0	0	0	0	0	0	0	0	415
Enterprsie Zone One Station	207	520	0	0	0	0	0	0	0	0	727
Enterprise Zone Centenary Square	2,239	7,876	0	0	0	0	0	0	0	0	10,115
EZ Phase II - Curzon Street Masterplan	1,500	5,750	17,200	13,300	10,100	8,700	63,400	76,300	77,000	395,250	668,500
Other Regeneration Schemes	26,881	12,219	6,418	0	0	0	0	0	0	0	45,518
Total Regeneration	60,391	42,675	33,139	37,227	40,404	27,538	111,941	76,300	77,000	395,250	901,865

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 & Later Years	TOTAL
	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast	Quarter 2 Forecast
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Employment Services	22,038	2,136	0	0	0	0	0	0	0	0	24,174
Transportation	48,195	24,912	7,449	3,954	0	0	0	0	0	0	84,510
TOTAL ECONOMY DIRECTORATE	130,624	69,723	40,588	41,181	40,404	27,538	111,941	76,300	77,000	395,250	1,010,549
CORPORATE RESOURCES DIRECTORATE											
Birmingham Property Services Schemes	14,249	372	228	0	0	0	0	0	0	0	14,849
Other Corporate Resource Schemes	35,547	32,028	26,760	4,698	352	0	0	0	0	0	99,385
TOTAL CORPORATE RESOURCES DIRECTORATE	49,796	32,400	26,988	4,698	352	0	0	0	0	0	114,234
TOTAL CAPITAL EXPENDITURE PROGRAMME	445,244	334,890	237,565	141,382	113,558	88,652	173,919	140,639	142,708	462,471	2,281,028
RESOURCES											
Use of Specific Resources:											
Grants & Contributions	146,683	126,631	86,916	9,002	250	250	250	250	250	250	370,732
Use of Earmarked Capital Receipts	17,757	36,281	16,151	12,839	9,332	9,811	9,438	9,688	9,944	10,207	141,448
Revenue Contributions - Departmental	2,929	3,353	190	0	0	0	0	0	0	0	6,472
- HRA	75,143	69,416	74,409	72,616	58,220	51,053	52,290	54,401	55,514	56,764	619,826
- Income Generation	0	0	0	0	0	0	0	0	0	0	0
Total Specific Resources	242,512	235,681	177,666	94,457	67,802	61,114	61,978	64,339	65,708	67,221	1,138,478
Use of Corporate or General Resources:											
Corporate Resources	16,281	9,761	5,200	0	0	0	0	0	0	0	31,242
Unsupported Prudential Borrowing - Corporate	6,645	0	0	0	0	0	0	0	0	0	6,645
Unsupported Prudential Borrowing - Directorate	179,806	89,448	54,699	46,925	45,756	27,538	111,941	76,300	77,000	395,250	1,104,663
Total Corporate Resources	202,732	99,209	59,899	46,925	45,756	27,538	111,941	76,300	77,000	395,250	1,142,550
TOTAL CAPITAL RESOURCES	445,244	334,890	237,565	141,382	113,558	88,652	173,919	140,639	142,708	462,471	2,281,028
Footnote:											
This appendix shows capital plans over the ten year Long Term Financial Plan period, for those projects where longer term plans have been developed. Long term plans will be subject to ongoing review to ensure that any expenditure plans are within a prudent forecast of resources. Please note that many projects do not have such long term planning horizons, and the absence of forecasts does not mean that no spend is anticipated, just that it cannot yet be reasonably quantified.											

Treasury Portfolio Summary

Appendix 6

	15/16 Q2 30-Sep-15		15/16 Q3 31-Dec-15		15/16 Q4 31-Mar-16		16/17 Q1 30-Jun-16		16/17 Q2 30-Sep-16	
PWLB	2,250,922,000	77.4%	2,250,922,000	75.7%	2,275,922,000	76.2%	2,290,922,000	76.8%	2,255,922,000	75.5%
Bonds	295,630,344	10.2%	295,630,344	9.9%	295,630,344	9.9%	295,630,344	9.9%	287,971,000	9.6%
LOBO's (note 1)	206,850,000	7.1%	206,350,000	6.9%	206,350,000	6.9%	206,350,000	6.9%	206,350,000	6.9%
Long Term Other	1,325	0.0%	1,325	0.0%	1,179	0.0%	1,179	0.0%		0.0%
Quasi Loan (Salix loans)	287,531	0.0%	287,531	0.0%	263,495	0.0%	263,495	0.0%	239,459	0.0%
Short Term	228,448,596	7.9%	280,435,536	9.4%	267,333,639	9.0%	321,831,883	10.8%	292,783,655	9.8%
Gross Debt	2,982,139,795	102.5%	3,033,626,735	102.0%	3,045,500,657	102.0%	3,114,998,901	104.4%	3,043,266,114	101.8%
Less Investments	(73,539,852)	-2.5%	(60,779,700)	-2.0%	(58,725,092)	-2.0%	(132,172,829)	-4.4%	(54,310,206)	-1.8%
Net Debt	2,908,599,943	100.0%	2,972,847,035	100.0%	2,986,775,565	100.0%	2,982,826,072	100.0%	2,988,955,908	100.0%
Year-End Budgeted Net Debt	3,279,000,000	88.7%	3,279,000,000	90.7%	3,279,000,000	91.1%	3,450,000,000	86.5%	3,450,000,000	86.6%
Prudential Borrowing Limit	3,740,000,000		3,740,000,000		3,740,000,000		3,780,000,000		3,780,000,000	

Notes

LOBO Loan

1. A Lender's Option Borrower's Option loan (LOBO) is a market loan in which typically the lender has a periodic opportunity to offer and adjust rate, and the borrower has the option to either accept this rate or repay the loan in full at par.

Appendix 7

1st July 2016 - 30th September 2016

New Long Term Loans

Date of loan	Loan	Counter Party	Interest Rate	Maturity Date
---------------------	-------------	----------------------	----------------------	----------------------

No new long term loans were taken

Long Term Loans prematurely repaid during the quarter.

Date of repayment	Loan/ (Repayment)	Counter Party	Interest Rate	Maturity Date	Premia/ (Discounts)
--------------------------	------------------------------	----------------------	----------------------	----------------------	--------------------------------

No long term loans were prematurely repaid during the quarter.

Short term loan debt outstanding at 30 September 2016

Institution	Average Rate %	Amount £
local authorities	0.56%	291,468,000
other lenders	0.44%	1,315,655
total short term loan debt outstanding	0.56%	292,783,655

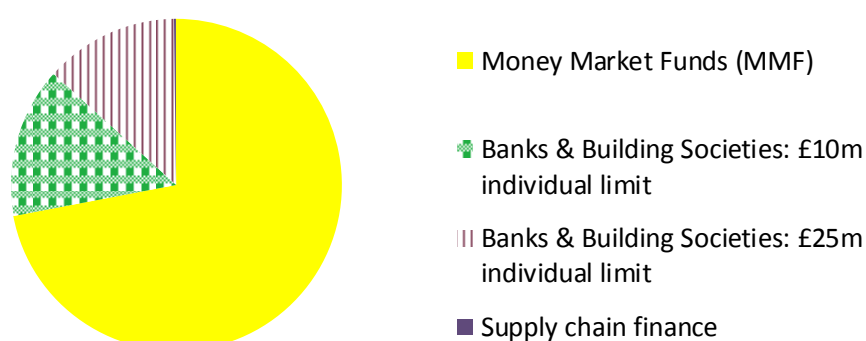
Short term loans are borrowed for a period of less than 12 months. The interest rate is likely to be close to bank base and will change broadly in line with base rate changes.

Treasury Investments Outstanding at 30 September 2016

Investments by Institution:	Fitch Rating Short Term / Long Term	End Date	Rate %	Amount £
Standard Life (Ignis) MMF	AAAmf	01/10/16	0.37%	9,700,000
Aberdeen SWIP MMF	AAAmf	01/10/16	0.38%	29,400,000
Morgan Stanley MMF	AAAmf	01/10/16	0.32%	406
			before 19 Aug 2016: 0.45%	
Svenska Handelsbanken	F1+/AA	01/10/16	from 19 Aug 2016: 0.20%	7,000,000
HSBC	F1+/AA-	01/10/16	0.30%	99,783
Barclays Bank	F1/A	01/10/16	0.50%	8,002,876
Supply chain finance	-	01/10/16	3.00%	107,142
Total				54,310,206

Investments by type:

	Current Quarter £	%
Money Market Funds (MMF)	39,100,406	72.0
Banks & Building Societies: £10m individual limit	8,002,876	14.7
Banks & Building Societies: £25m individual limit	7,099,783	13.1
Supply chain finance	107,142	0.2
Total	54,310,206	100.0

Investments as at 30 September 2016

Treasury Management Investment Details
1st July 2016 to 30th September 2016

New Investments Market Fixed Term Deposits

Date Out	Date In	Borrower	Amount £	Interest Rate
No fixed term deposits in this quarter				

In addition to the above deposits with individual institutions the Council uses money market funds and other call accounts where money may be added or withdrawn usually without notice. A summary of transactions for the quarter is as follows:

New Investments Call Accounts

	<u>No of Transactions</u>		Average Balance £	Average Rate Earned
	Investments	Withdrawals		
Barclays Bank PLC FIBCA A/C	31	21	2,475,924	0.50% reduced from 0.45% to 0.20% on 19/8/2016
Svenska Handelsbanken	5	7	1,728,261	0.30%
HSBC	0	0	0	

New Investments Money Market Funds

	<u>No of Transactions</u>		Average Balance £	Average Rate Earned
	Investments	Withdrawals		
Aberdeen (SWIP)	7	11	17,816,304	0.43%
Amundi Money Market Fund	2	4	1,292,391	0.43%
CCLA Public Sector Deposit Fund	0	0	3,043,478	0.37%
Deutsche Managed Sterling Fund	1	3	1,065,217	0.43%
Federated Money Market Fund	6	8	10,086,957	0.44%
LGIM	0	6	15,930,435	0.43%
Morgan Stanley	0	0	406	0.41%
Standard Life (Ignis) Sterling Liquidity	8	8	32,915,217	0.45%

Accountable Body Investments - 30th September 2016

	Growing Places Fund	Advanced Manufacturing Supply Chain Initiative	Regional Growth Fund	Total
	£000	£000	£000	£000
Goldman Sachs Money Market Fund	2,757	76		2,833
JP Morgan Money Market Fund			12,546	12,546
Total Money Market Funds	2,757	76	12,546	15,379
Debt Management Office	6,000			6,000
Treasury Bills	6,397	47,994		54,391
Total Accountable Body investments	15,154	48,070	12,546	75,770

Note

This appendix shows amounts invested externally by the City Council as Accountable Body. These are separate from the Council's own investments.

WHOLE COUNCIL		16/17 Indicators £m	16/17 Forecast £m	17/18 Indicators £m	17/18 Forecast £m	18/19 Indicators £m	18/19 Forecast £m
Capital Finance							
1	Capital Expenditure - Capital Programme	451.2	445.2	265.7	334.9	249.0	237.6
2	Capital Expenditure - other long term liabilities	27.4	27.0	28.3	27.9	30.9	30.4
3	Capital expenditure	478.6	472.3	294.0	362.8	279.9	267.9
4	Capital Financing Requirement (CFR)	4,682.6	4,630.2	4,604.0	4,571.3	4,519.1	4,506.6
Planned Debt							
5	Peak loan debt in year	3,490.5	3,372.3	3,566.1	3,460.4	3,621.2	3,539.4
6	+ Other long term liabilities (peak in year)	492.9	493.7	470.5	471.0	448.5	448.8
7	= Peak debt in year	3,983.4	3,866.0	4,036.6	3,931.4	4,069.7	3,988.2
8	does peak debt exceed year 3 CFR?	no	no	no	no	no	no
Prudential limit for debt							
9	Gross loan debt	3,780.0	3,372.3	3,780.0	3,460.4	3,780.0	3,539.4
10	+ other long term liabilities	520.0	493.7	520.0	471.0	520.0	448.8
11	= Total debt	4,300.0	3,866.0	4,300.0	3,931.4	4,300.0	3,988.2
Notes							
4	The Capital Financing Requirement represents the underlying level of borrowing needed to finance historic capital expenditure (after deducting debt repayment charges). This includes all elements of CFR including Transferred Debt.						
5-7	These figures represent the forecast peak debt (which may not occur at the year end). The Prudential Code calls these indicators the Operational Boundary.						
8	It would be a cause for concern if the Council's loan debt exceeded the CFR, but this is not the case due to positive cashflows, reserves and balances. The Prudential Code calls this Borrowing and the capital financing requirement.						
11	The Authorised limit for debt is the statutory debt limit. The City Council may not breach the limit it has set, so it includes allowance for uncertain cashflow movements and potential borrowing in advance for future needs.						

DEBT AND PRUDENTIAL INDICATORS

Appendix 11b

HOUSING REVENUE ACCOUNT		16/17	16/17	17/18	17/18	18/19	18/19
		Indicators	Forecast	Indicators	Forecast	Indicators	Forecast
		£m	£m	£m	£m	£m	£m
Capital Finance							
1	Capital expenditure	133.5	108.9	115.3	128.8	98.5	111.0
HRA Debt							
2	Capital Financing Requirement (CFR)	1,129.3	1,117.4	1,124.4	1,100.3	1,113.0	1,076.5
3	Statutory cap on HRA debt	1,150.4	1,150.4	1,150.4	1,150.4	1,150.4	1,150.4
Affordability							
4	HRA financing costs	97.5	91.0	97.9	89.6	98.2	88.6
5	HRA revenues	287.0	287.4	284.5	284.5	281.3	281.3
6	HRA financing costs as % of revenues	34.0%	31.7%	34.4%	31.5%	34.9%	31.5%
7	HRA debt : revenues	3.9	3.9	4.0	3.9	4.0	3.8
8	Forecast Housing debt per dwelling	£18,056	£17,866	£18,026	£17,641	£17,926	£17,337
9	Estimate of the incremental impact of new capital investment decisions on housing rents.	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
(expressed in terms of ave. weekly housing rent)							

Notes

- 2-3 The HRA Capital Financing Requirement (CFR) is being used by the Government as the measure of HRA debt for the purposes of establishing a cap on HRA borrowing for each English Housing authority.
- 4 Financing costs include interest and MRP (or depreciation in the HRA)
- 7 This indicator is not in the Prudential Code but is a key measure of long term sustainability. This measure is forecast to fall below 2.0 by 2026/27, which is two years later than previously forecast.
- 8 This indicator is not in the Prudential Code but is a key measure of affordability: the HRA debt per dwelling should not rise significantly over time
- 9 The cost of borrowing for the Capital Programme represents the interest and repayment costs arising from any new prudential borrowing introduced in the capital programme since the last quarter, expressed in terms of an average weekly rent. The calculation excludes the cost of borrowing which is funded from additional income or savings. As all planned HRA borrowing is funded from additional income in this way, the impact is zero. The Prudential Code calls this the Estimate of the incremental impact of capital investment decisions on housing rents.

DEBT AND PRUDENTIAL INDICATORS

Appendix 11c

GENERAL FUND		16/17	16/17	17/18	17/18	18/19	18/19
		Indicators	Forecast	Indicators	Forecast	Indicators	Forecast
		£m	£m	£m	£m	£m	£m
Capital Finance							
1	Capital expenditure (including other long term liabilities)	345.1	363.4	178.7	234.0	181.4	156.9
2	Capital Financing Requirement (CFR)	3,553.3	3,512.9	3,479.7	3,471.0	3,406.1	3,430.1
General Fund debt							
3	Peak loan debt in year	2,361.2	2,254.9	2,441.7	2,360.1	2,508.2	2,462.9
4	+ Other long term liabilities (peak in year)	492.9	493.7	470.5	471.0	448.5	448.8
5	= Peak General Fund debt in year	2,854.1	2,748.6	2,912.2	2,831.1	2,956.7	2,911.7
General Fund Affordability							
6	Total General Fund financing costs	261.9	257.3	272.4	265.5	274.6	268.9
7	General Fund net revenues	835.3	835.3	813.9	813.9	808.5	808.5
8	General Fund financing costs (% of net revenues)	31.4%	30.8%	33.5%	32.6%	34.0%	33.3%
9	Estimate of the incremental impact of new capital investment decisions on Council Tax.	N/A	£0.00	N/A	£0.18	N/A	£0.18
Expressed in terms of Council Tax (Band D equiv)							
(impact already included in Council Tax increases assur							

Note

- 4 Other long term liabilities include PFI, finance lease liabilities, and transferred debt liabilities
- 6 Financing costs include interest and MRP (in the General Fund), for loan debt, transferred debt, PFI and finance leases
- 8 This indicator includes the gross revenue cost of borrowing and other finance, including borrowing for the Enterprise Zone and other self-supported borrowing.
- 9 The incremental impact of new capital investment decisions represents the interest and repayment implications arising from any changes in forecast prudential borrowing in the capital programme since the last quarter, expressed in terms of Council Tax at Band D. Any implications are cumulative in later years as successive years' borrowing is added. Any impact has been funded within the Long Term Financial Plan and assumed Council Tax charges up to 2017/18. The calculation excludes the cost of borrowing which is funded from additional income or savings. At Quarter 1, all the changes in forecast prudential borrowing relate to self-funding projects, so there is no net incremental impact on Council Tax.

PRUDENTIAL INDICATORS

Appendix 11d

TREASURY MANAGEMENT

	16/17	16/17	17/18	17/18	18/19	18/19
	Indicators	Forecast	Indicators	Forecast	Indicators	Forecast
CIPFA Treasury Management Code						
1 Has the authority adopted the TM Code?	Yes	Yes	Yes	Yes	Yes	Yes
Interest rate exposures						
	Limit	Forecast Maximum	Limit	Forecast Maximum	Limit	Forecast Maximum
2 upper limit on fixed rate exposures	130%	96%	130%	87%	130%	84%
3 upper limit on variable rate exposures	30%	16%	30%	18%	30%	21%
Maturity structure of borrowing						
(lower limit and upper limit)	Limit	Forecast Year End	Limit	Forecast Year End	Limit	Forecast Year End
4 under 12 months	0% to 30%	16%	0% to 30%	17%	0% to 30%	19%
5 12 months to within 24 months	0% to 30%	2%	0% to 30%	4%	0% to 30%	1%
6 24 months to within 5 years	0% to 30%	6%	0% to 30%	3%	0% to 30%	4%
7 5 years to within 10 years	0% to 30%	13%	0% to 30%	15%	0% to 30%	16%
8 10 years to within 20 years	5% to 40%	20%	5% to 40%	17%	5% to 40%	19%
9 20 years to within 40 years	10% to 60%	34%	10% to 60%	36%	10% to 60%	35%
10 40 years and above	0% to 40%	10%	0% to 40%	8%	0% to 40%	6%
Investments longer than 364 days						
upper limit on amounts maturing in:	Limit	Forecast	Limit	Forecast	Limit	Forecast
11 1-2 years	200	-	200	-	200	-
12 2-3 years	100	-	100	-	100	-
13 3-5 years	100	-	100	-	100	-
14 later	0	-	0	-	0	-

Note

- 2-10 These indicators assume that LOBO loan options are exercised at the earliest possibility, and are calculated as a % of net loan debt.

Wholesale Market Project – Update November 2016

Building of the city's new wholesale market at The Hub, Witton, is now almost complete and after a three month fit-out period, operations are scheduled to start by the end of this financial year. Continued dialogue with market trader representatives has led to a series of change requests totalling £1.121m under the main Development Agreement with IM Priorities Development Ltd and a need to add a sprinkler system, appropriate to the way that traders have indicated they wish to use the building.

A sprinkler system has been sourced through a tendering exercise by Birmingham Wholesale Market Company Ltd (BWMC), the joint venture company set up to operate the new market, and the estimated cost to serve common areas (c.f. the costs for which traders will be responsible as part of their fit out) stands at up to £1.000m.

With the benefit of a forecast saving of £0.909m on the City Council's budgeted contribution towards tenants' fit out costs, an overall capital overspend of £1.314m (2.9%) is currently forecast against the approved budget of £45.824m, as follows:

£'000

1,250 Main IM Development Agreement, including £1.121m for client change requests

1,000 Sprinkler system, to be purchased via BWMC

(909) Tenant Incentives (fit out works) - fewer traders eligible to claim than budgeted

(27) Other variations (net)

1,314 TOTAL FORECAST OVERSPEND

The additional expenditure will all be funded by additional service prudential borrowing, which will rise to £22.138m, which is £1.314m more than approved. Despite the increase in prudential borrowing, forecast borrowing costs for the project are lower than budgeted, due to the impact of reduced interest rates, and the impact of the additional capital expenditure can be contained within project's approved revenue budget.

At the existing city centre site, refurbishment (Phase 1) work at the existing Open Market has been completed within the approved budget for this element of the project and, following extensive negotiations with market trader representatives, a package of mitigation measures for Open Market traders (Phase 2) has been provisionally agreed at an estimated total cost of up to £0.250m, again within budget. This includes relaying and reinforcing work at Edgbaston Street/Moat Lane (complete), a security barrier to control access to Edgbaston Street and works to improve storage facilities at the existing site for Open Market traders. The proposed procurement routes are the City Council's Highways and Infrastructure Works Framework and the Constructing West Midlands framework agreements and the procurement processes will be undertaken following the protocols of these agreements.

Cabinet is requested to:

1. Approve additional net capital expenditure of £1.314m as described above.
2. Approve additional service prudential borrowing of £1.314m.
3. Authorise the Director of Property in conjunction with the Strategic Director -Finance & Legal and the Acting City Solicitor (or their delegates) to conclude negotiations and enter into a funding agreement with Birmingham Wholesale Market Company Ltd (BWMC) to purchase a sprinkler system for the new market at a cost estimated at £1.000m.
4. Authorise the Acting Strategic Director of Place in conjunction with the Strategic Director - Finance and Legal and the Acting City Solicitor (or their delegates) and the Assistant Director – Procurement to conclude negotiations and enter into contract through the City Council's Highways and Infrastructure Works Framework and the Constructing West Midlands framework agreements for the procurement of highways and refurbishment works at the city centre markets site, at a cost of up to £0.250m.