**BIRMINGHAM CITY COUNCIL**

**PUBLIC REPORT**

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| **Report to:** | **CABINET** | |
| **Report of:**<br><br>**Date of Decision:** | **THE CHIEF EXECUTIVE AND THE INTERIM CHIEF FINANCE OFFICER**<br><br>**25TH JULY 2017** | |
| **SUBJECT:** | **CORPORATE REVENUE BUDGET MONITORING 2017/18 MONTH 2 (UP TO 31ST MAY 2017)** | |
| **Key Decision: Yes** | **Relevant Forward Plan Ref: 003673/2017** | |
| **If not in the Forward Plan:**<br>**(please "X" box)** | **Chief Executive approved**<br>**O&S Chairman approved X** | |
| **Relevant Cabinet Member(s):** | **Councillor Ian Ward** | |
| **Relevant O&S Chairman:** | **Councillor Mohammed Aikhlaq** | |
| **Wards affected:** | **All** | |

## 1. Purpose of report:

1.1 This report forms part of the City Council's robust arrangements for controlling its revenue expenditure.

1.2 Each Directorate's financial performance to date is shown, together with the risks and issues identified to date in the Corporate Revenue Budget Monitoring document for Month 2, which is appended to this report.

## 2. Decision(s) recommended:

2.1 Note the City Council's 2017/18 revenue budget position and the gross pressures identified as at 31st May 2017.

2.2 Note the latest monitoring position in respect of the City Council's savings programme and the present risks identified in its delivery.

2.2 Approve the resource allocations as identified in Section 4 of the attached report.

2.3 Approve the writing off of debts over £0.025m as summarised in Appendix 4 of the report.

2.4 Approve the designation of the accountable body funds held by the Council and relating to the Advanced Manufacturing Supply Chain Initiative (AMSCI) and West Midlands, Liverpool and Coventry Region (WMLCR) endowment awards of 2012 for broader supply chain support initiatives across all sectors and industries and endorse the Council with its continuing accountable body role.

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| **Lead Contact Officer(s):** | **Mike O'Donnell, Interim Chief Finance Officer** |

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| **Telephone No:**<br>**E-mail address:** | 0121-303-2950<br>mike.o'donnell@birmingham.gov.uk |

**3. Consultation**

Consultation should include those that have an interest in the decisions recommended.

3.1 Internal

Cabinet Members, Corporate Directors, the Acting City Solicitor, Human Resources and Assistant Directors of Finance have been consulted in the preparation of this report.

3.2 External

There are no additional issues beyond consultations carried out as part of the budget setting process for 2017/18.

**4. Compliance Issues:**

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

The budget is integrated with the Council Financial Plan, and resource allocation is directed towards policy priorities.

4.2 Financial Implications
(Will decisions be carried out within existing finances and Resources?)

The Corporate Revenue Budget Monitoring document attached gives details of monitoring of service delivery within available resources.

4.3 Legal Implications

Section 151 of the 1972 Local Government Act requires the Interim Chief Finance Officer (as the responsible officer) to ensure the 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 the Corporate Leadership Team by the City Council in discharging the statutory responsibility. This report meets the City Council's requirements on budgetary control for the specified area of the City Council's Directorate activities.

4.4 Public Sector Equality Duty (see separate guidance note)

There are no additional Equality Duty or Equality Analysis issues beyond any already assessed 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 At the meeting on 28th February 2017, the Council agreed a net revenue budget for 2017/18 of £821.8m to be met by government grants, council tax and business rates payers.

5.2 The base budget forecast variations in each Directorate are detailed in Section 2 of the Corporate Revenue Budget Monitoring document, together with the actions presently proposed to contain spending within cash limits. The position is summarised in tabular form in Appendix 1 which incorporates the forecast year end pressures by Directorate.

5.3 Directorate risks relating to the Savings Programme and measures being undertaken to alleviate these are detailed in Section 2 of the attached report and the position is summarised in tabular form in Appendix 3.

## 6. Evaluation of alternative option(s):

6.1 Corporate Directors, in striving to manage their budgets, have evaluated all the options available to them to maintain balance between service delivery and a balanced budget.

## 7. Reasons for Decision(s):

7.1 To inform Cabinet of:

The City Council's 2017/18 revenue budget position and the level of gross pressures identified as at 31st May 2017.

The latest monitoring position in respect of the City Council's Savings Programme and the present risks identified in its delivery.

To approve:

The resource allocations as identified in Section 4 of the attached report.

The writing off of debts over £0.025m as summarised in Appendix 4 of the report.

The designation of the accountable body funds held by the Council and relating to the Advanced Manufacturing Supply Chain Initiative (AMSCI) and West Midlands, Liverpool and Coventry Region (WMLCR) endowment awards of 2012 for broader supply chain support initiatives across all sectors and industries and endorse the Council with its continuing accountable body role.

| **Signatures** | | **Date** |
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| Assistant Director Corporate Finance | …………………………………… | …………… |
| Interim Chief Executive | ..………………………………….. | …………… |
| Deputy Leader | …………………………………… | …………… |

| **List of Background Documents used to compile this Report:** |
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| City Council Financial Plan 2017+ approved at Council 28th February 2017). |

| **List of Appendices accompanying this Report (if any):** |
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| 1. Corporate Revenue Budget Monitoring Document – Month 2 |
| 2. |
| 3. |
| 4. |
| 5. |

| **Report Version** | V1.0 | **Dated** | 13th July 2017 |
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