

BIRMINGHAM CITY COUNCIL

RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

THURSDAY, 15 NOVEMBER 2018 AT 14:00 HOURS
IN COMMITTEE ROOMS 3 & 4, COUNCIL HOUSE, VICTORIA
SQUARE, BIRMINGHAM, B1 1BB

A G E N D A

1 NOTICE OF RECORDING/WEBCAST

The Chairman to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's Internet site (www.civico.net/birmingham) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

2 APOLOGIES

To receive any apologies.

3 DECLARATIONS OF INTERESTS

Members are reminded that they must declare all relevant pecuniary and non pecuniary interests arising from any business to be discussed at this meeting. If a disclosable pecuniary interest is declared a Member must not speak or take part in that agenda item. Any declarations will be recorded in the minutes of the meeting.

3 - 14

4 ACTION NOTES

- (a) To confirm the amended action notes of the meeting held on 20 September 2018;
- (b) To confirm the action notes of the meeting held on 18 October 2018.

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5 FINANCIAL MONITORING REPORT QUARTER 2 - MONTH 6 2018/19

Clive Heaphy, Corporate Director, Finance and Governance, in attendance

6 WASTE SERVICES

Rob James, Acting Corporate Director, Place, in attendance.

7 **WORK PROGRAMME**

To consider the Committee's work programme.

8 **DATE OF NEXT MEETING**

The next meeting is scheduled to take place on Thursday, 13 December 2018 at 1400 hours in Committee Room 2, Council House.

9 **REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)**

To consider any request for call in/councillor call for action/petitions (if received).

10 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chairman are matters of urgency.

11 **AUTHORITY TO CHAIRMAN AND OFFICERS**

Chairman to move:-

'In an urgent situation between meetings, the Chairman jointly with the relevant Chief Officer has authority to act on behalf of the Committee'.

BIRMINGHAM CITY COUNCIL

RESOURCES O&S COMMITTEE – PUBLIC MEETING

1400 hours on Thursday 20 September 2018, Committee Room 6

Present:

Councillor Sir Albert Bore (Chair)

Councillors: Muhammad Afzal, Meirion Jenkins, Zaheer Khan, Ewan Mackey and Paul Tilsley

Also Present:

Peter Bishop, Assistant Director, ICT & Digital Services

Clive Heaphy, Corporate Director, Finance and Governance

Dawn Hewins, Director of HR

Jayne Power, Scrutiny Officer

Emma Williamson, Head of Scrutiny Services

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2. APOLOGIES

Apologies were received from Councillor Josh Jones.

3. DECLARATIONS OF INTERESTS

None.

4. ACTION NOTES – 4 SEPTEMBER 2018

(See document No 1)

The notes were agreed.

5. 2018-19 BUDGET UPDATE

(See document No 2)

Clive Heaphy, Corporate Director, Finance and Governance attended for this item.

The Chair began by thanking the Corporate Director for providing the Month 4 report.

He went on to say that his intention was to establish a baseline for the Committee for future meetings and to address the comments in the auditor's report.

In setting this baseline, the following points were raised:

- There are a number of changes (eg to grant payments, financing, etc) which could affect the budget position next year;
- It was clarified that the £88m of aggregate savings required for 2018/19 and 2019/20 includes the £30.5m use of reserves figure; it does not however include the £5.7m non-deliverable 2019/20 savings, which would (if nothing else changed) increase the figure to £94m.
- This figure could potentially increase still further due to the following factors:
 - One-off savings - it was pointed out that sometimes a one-off saving is to address a one-off pressure, but where pressures go forward into future years this will increase the savings required;
 - The £6.6m of savings identified as at risk - it is assumed these will be made, however if they are not, that again will push up the savings required;
- The £88m savings previously reported for 2019/20 could therefore potentially be beyond £100m;
- In appendix Ai), table 5, there is a discrepancy between the figure for one-off mitigations in the table (£8.1m) and the figure quoted in the narrative (£13.4m). It was confirmed that the figure in the table of £8.1m in the table is correct and the narrative is incorrect;
- A number of measures are being implemented, including the star chamber, to ensure savings are met, with the focus on achieving a balanced budget using the £30.5m of reserves (less if possible);
- Part of this will be making sure there are strong implementation plans in place which will be tracked through dashboards;
- Members expressed concern that there are no implementation plans yet for Adult Social Care, Children & Young People and Place and were told by the Corporate Director that there has been some progress since the report was produced and they are trying to ensure that these plans are in place by the beginning of 2019/20;
- With regard to Children & Young People, no mitigations have been identified but all options are being looked at, eg personal travel budgets, and it was pointed out that this is not just a problem in Birmingham, other local authorities are also facing increased demand;
- With regard to Place forecast overspend, it is stated that the projection assumes that the implementation of the Memorandum of Understanding (MoU) is cost neutral. When the report was written, the cost for the unimplemented MoU was £1.8m. Implementation will ensure losses do not continue growing;
- The Corporate Director said that he would come back to a future committee meeting with a revised baseline and go through all the changes.

In the discussion which followed and in response to Members' questions, the following were among the main points raised:

- Priority based budgeting is currently being looked at and will form the budget consultation for 2019/20;
- In response to questions regarding Acivico, Members were told that the planned report to Cabinet would set out various options and the Chair stated that he hoped some of the issues raised by members of this committee would be reflected in that report;
- There are a number of different bodies where the council has different controlling interests and the Cabinet Committee Group Company Governance is looking at these to ensure that things are happening as they should;
- Concern was expressed with regard to the level of risk with the additional pressures from young people transitioning into adult care and the Corporate Director referred Members to the National Audit Office report reflecting the reduction in local government funding and the increase in demand for statutory services, meaning that as a council we have to look for savings in our discretionary services; we have to deliver our statutory services or we become unlawful.

RESOLVED:-

- Future reporting to Committee to be scheduled;
- The report was noted.

6. PROPOSED NEW IT SYSTEM FOR FINANCE AND HR

(See documents No 3 & 4)

Peter Bishop, Assistant Director, ICT & Digital Services, Clive Heaphy, Corporate Director, Finance and Governance and Dawn Hewins, Director of HR, attended for this item.

An introduction was provided, followed by a short presentation, during which Members were told about the many benefits of an Enterprise Resource Planning (ERP) system. These include flow of data, more focus on self-service, accurate reporting and consequent ease of taking corrective action.

Most local authorities now have ERP systems which offer more efficient operations and quicker transactions.

This is about HR, Finance and IT working together and is about culture change as well as the system itself – the Council has to adjust and simplify its processes.

In response to Members' questions, the following were among the main points raised:

- The importance of training and ease of use was stressed, in order that people will find the system easy to work with and the front-end has to be intuitive;
- In the past the council has used bespoke systems which are costly and difficult to upgrade. With the use of Cloud technology, the system will

constantly update in the background and our processes will fit with the system rather than the other way round;

- With regard to timescales, it is planned to have the core system in place for April 2020. A Programme Manager is being appointed and the next stage will then be procurement;
- A view was expressed that the choice of product is less important than the project management and that it will be important not to put external consultants in between the supplier and Programme Manager;
- A response to be provided to Cllr Zaheer Khan's question around cyber security and where memory data banks will be held.

It was agreed that regular reports should be brought back to this Committee throughout implementation.

RESOLVED:-

- Response to be provided to Cllr Khan's question about cyber security;
- Regular reports to Committee to be programmed;
- The report and presentation were noted.

7. RESOURCES O&S COMMITTEE WORK PROGRAMME 2018/19

(See document No 5)

The Chair referred to the Terms of Reference for the Committee's work on Long Term Financial Planning. Research work will now commence and scrutiny officers will liaise with the Corporate Director, Finance and Governance, to identify potential witnesses and best practice elsewhere with a view to arranging visits.

The planned report to Cabinet on Acivico is now due to go in November and therefore this item will be rescheduled for the Committee's November meeting.

At the last meeting, Members had discussed inviting senior officers to come to future committee meetings with their detailed implementation plans for delivering efficiency savings. However, following today's discussion and the setting of a baseline, the Chair suggested that instead the Committee should continue to monitor the monthly budget reports and where necessary focus in on specific issues and areas of concern.

The Work Programme was noted.

8. REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)

None.

9. OTHER URGENT BUSINESS

None.

10. AUTHORITY TO CHAIRMAN AND OFFICERS

Agreed.

The meeting ended at 1601 hours.

BIRMINGHAM CITY COUNCIL

RESOURCES O&S COMMITTEE – PUBLIC MEETING

1400 hours on Thursday 18 October 2018, Committee Room 3&4

Present:

Councillor Sir Albert Bore (Chair)

Councillors: Meirion Jenkins, Josh Jones, Zaheer Khan, Narinder Kaur Kooner, Ewan Mackey and Paul Tilsley

Also Present:

Steve Powell, Assistant Director, Corporate Finance

Jayne Power, Scrutiny Officer

Emma Williamson, Head of Scrutiny Services

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2. APOLOGIES

Apologies were received from Councillor Muhammad Afzal.

3. DECLARATIONS OF INTERESTS

None.

4. ACTION NOTES – 4 SEPTEMBER 2018

(See document No 1)

An amended version of the notes was tabled and the following points were raised:

- The Chair explained the amendments had been made to provide clarification on the baseline which had been set;
- With regard to the £5.8m of IBCF to mitigate non-delivery of savings in 2018/19, it was confirmed that this was a one-off, with plans in place to address this in 2019/20 meaning that the problem does not carry forward;
- In view of the above, the Chair suggested that revised wording to the second bullet point on page 2 of the notes should be agreed with Steve Powell, AD, Corporate Finance, and the notes amended accordingly.
- It was also pointed out that the overall savings requirement in future years will be determined by a number of factors, including inflation, tax base, etc,

and therefore the savings requirement for next year cannot be confirmed at this stage.

RESOLVED :-

- Revised wording to be agreed and amended notes to be brought back to the next meeting.

5. FINANCIAL MONITORING 2018/19 MONTH 5

(See document No 2)

Steve Powell, Assistant Director, Corporate Finance, attended for this item.

In discussion, and in response to Members' questions, the following were among the main points raised:

- The Chair referred to the Summary Comments in the report and put forward ratings for each of the 7 comments (this excludes the comment referring to meetings), which, if a traffic light system was applied, would result in 5 red, 1 possibly amber, and 1 green;
- Steve Powell explained that the efficiency savings are in the savings plan from 2020 onwards and the challenge directorates have been set is whether they are able to bring them forward. However, if they are not able to do this that is not a failure to deliver this year's budget;
- A Programme Management Office (PMO) is being put in place to try to drive up standards in planning and delivery but it was acknowledged there is work to be done on this;
- In relation to the reported figure of £13.6m for overspend in 2018/19, through monthly meetings ways are being sought to reduce the problems and identify mitigation actions, for example the freeze on non-essential spending;
- Members expressed concern that the £13.6m figure is £1.5m more than the £12.1m figure reported in Month 4 and were told that although the headline figure has worsened in Month 5, a substantial element of that is due to one specific factor, being the corporate target around increased income generation where some timing difficulties have been experienced
- In response to further concerns around the lack of plans and actions to address issues and lack of detail about where savings will be realised, it was pointed out that the setting up of the PMO is an acknowledgement that more needs to be done to deliver the savings and that also in the monthly monitoring reports a balance has to be struck between the level of detail and an overall summary;
- In terms of capital receipts, the Council no longer has the incentive share arrangement so the use of all capital receipts is determined corporately in accordance with corporate priorities. Detailed resourcing of the capital programme, including capital receipts, was set out in the financial plan with a view taken not just one year ahead but several years ahead. In assessing the availability of capital receipts, Finance works closely with colleagues in Property Services but a degree of caution is exercised for planning purposes so as to not risk over-committing the receipts before they are generated;

- Moving on to Adult Social Care and Health, the Chair flagged up three issues:
 - Base pressures on Packages of Care of £1.7m before mitigations of £1.7m were identified – there is no detail about what those mitigations are and it was acknowledged that this might be an issue for the Health and Social Care O&S Committee looking at service issues, rather than this committee;
 - Additional pressures from young people transitioning into Adult Care of £19m by 2021/22 and the current assumption that the “Transition Project” (reported to Cabinet in June) will mitigate these pressures – it was felt that perhaps that Cabinet report ought to come to this committee so that Members can ask questions about whether that project is delivering on mitigating the pressures;
 - No implementation plans to deliver the efficiency savings have yet been identified for 2018/19 – this is of concern at Month 5.
- Steve Powell reiterated that the budget has not been set on the basis that efficiency savings will be brought forward to 2018/19 but to the extent that they can be, that will help to mitigate, and pointed out that Table 3 in the monitoring report states that the Adult Social Care & Health Directorate are forecasting that they will be delivering the £2.39m efficiency target in 2019/20. The third bullet point above means no way of bringing the efficiency savings forward into this year has yet been identified;
- More detail with regard to specific budget lines, such as the £1.7m mitigations in terms of Packages of Care, to be requested from the relevant service areas and responses provided can then be passed on by this committee to the Chairs of the relevant O&S committees suggesting that they look at these issues so that they can question and understand the detail and the impact on services;
- With regard to Children and Young People, the Chair raised the following concerns:
 - At the committee’s July meeting when Travel Assist was on the agenda, assurances were received from officers in respect of the steps being taken to deal with some of the issues and pressures appearing in this budget line, but at Month 5 a £2.2m base budget pressure and a £1.3m non-achievement of savings are being reported, therefore this is still an area of concern and Members are minded to bring this item back to a future meeting in this financial year;
 - The forecast base budget pressure of £0.5m in Day Nurseries which cannot close until April 2019 at the earliest due to a delayed Cabinet report which if not agreed by Cabinet will be an on-going pressure of £1.0m;
 - One-off saving of £0.6m identified by deferring repayment to school balances – is this repayment going to be in 2019/20;
 - Early Years pressure of £0.9m mitigated by a saving of £0.9m assumed on the basis that there is no repayment of Public Health funding required in 2018/19 – it was questioned why Public Health funding

was being used for Early Years and whether the non-repayment had been agreed with Public Health;

- SENAR service funding shortfall of £1.1m in 2019/20 as a result of grant funding running out – not included in the current plan so action needs to be taken to reduce the budget in future years;
 - No further mitigations yet identified – it is felt this needs to be brought to the attention of the relevant O&S committee;
- Members were advised that the repayment to school balances, the understanding is it is a multi-year payment;
- In terms of Public Health, the understanding is that this has been agreed and the phasing of Public Health contributions has now been amended so the repayment is no longer required;
- Members were concerned at the use of acronyms in the report and asked that normal terminology be used in financial reports to make them easier to understand;
- Turning to Place Directorate, the following issues were raised:
 - With regard to Waste Services, Members questioned how the implementation of the Memorandum of Understanding can be cost-neutral;
 - Concern was expressed that more costs will be incurred due to the current level of missed collections;
 - The reduction in demand from internal council customers was queried;
 - Members asked for further detail on the £0.2m overspend on Equalities and Community Cohesion/CCTV;
- With regard to Economy Directorate, Members raised the following points:
 - Civil parking enforcement – Members agreed the £0.7m additional income was good, they hoped that this was not being achieved through having less Enforcement Officers;
 - The £1.6m non-delivery of In-Reach savings, largely due to delays – Members were advised that it is believed approval has now been received from the Secretary of State.
- The Corporate Position refers to a target of £1.2m from commercialism savings, however it was pointed out that it was important to be accurate with descriptions in not meeting income generation targets, and it was agreed that this should be referred to as commercialism *income* not *savings*;
- Concerns were raised with regard to Acivico and the Chair confirmed that this would be programmed for the December committee meeting following the report to Cabinet;
- In terms of mitigations, clarification was provided with regard to one-off mitigations meaning that problems identified at Month 4 are no longer appearing at Month 5;

- With regard to the use of reserves, it was pointed out that it was important to note there will always be a normal use of reserves due to phasing issues and Members said that as a committee they will always be watching the use of reserves, particularly in light of the comments made by the Birmingham Independent Improvement Panel;
- More detail was needed regarding borrowing – data in particular on Phoenix was requested;
- A question was asked about the sale of the NEC and whether there was a sell-on clause and Members were told that this would be raised with colleagues.

RESOLVED:-

- Further detail to be provided on all mitigations identified (specific reference made to the £1.7m mitigations in relation to Adult Social Care & Health Packages of Care);
- An explanation to be provided with regard to the £0.2m overspend on Equalities & Community Cohesion/CCTV;
- More detail to be provided on borrowing from Phoenix;
- Response to the question about the sale of the NEC and whether there was a sell-on clause;
- More detail on the Waste Services projection and the assumption that the implementation of the Memorandum of Understanding is cost neutral.
- The report was noted.

6. WORK PROGRAMME

(See document No 3)

Members discussed the work programme and the following points were raised:

- Long Term Financial Planning – assistance has been requested from Finance & Governance officers to identify best practice in other Local Authorities with a view to arranging visits;
- Consideration to be given to other issues to include on the work programme – for example Travel Assist, Young People transitioning into Adult Care, Waste Services and Commercialism;
- Acivico has been programmed for December after the report to Cabinet;

RESOLVED:-

- The Work Programme was noted.

7. OTHER URGENT BUSINESS

None.

8. DATE OF NEXT MEETING

The next meeting on 15th November was noted.

9. REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)

None.

10. AUTHORITY TO CHAIRMAN AND OFFICERS

Agreed.

The meeting ended at 1558 hours.



Subject: FINANCIAL MONITORING REPORT QUARTER 2 (UP TO 30TH SEPTEMBER 2018)

Report of: CORPORATE DIRECTOR - FINANCE & GOVERNANCE

Relevant Cabinet Member: Councillor Ian Ward

Relevant O &S Chair(s): Councillor Sir Albert Bore

Report author: Clive Heaphy, Corporate Director – Finance & Governance

| | | |
|--|---|---|
| Are specific wards affected? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No – All wards affected |
| If yes, name(s) of ward(s): | | |
| Is this a key decision? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| If relevant, add Forward Plan Reference: 5417/2018 | | |
| Is the decision eligible for call-in? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Does the report contain confidential or exempt information? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| If relevant, provide exempt information paragraph number or reason if confidential : | | |

1 Executive Summary

- 1.1 This report forms part of the City Council's robust arrangements for controlling its revenue and capital 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 and Capital Budget Monitoring documents for Month 6, which are appended to this report as Appendices A and B.
- 1.3 The latest Treasury Management position is shown in the Treasury Management Report for Month 6, which is appended to this report as Appendix C.

2 Recommendations

That the Cabinet:-

- 2.1 Notes the City Council's 2018/19 forecast revenue budget position and the gross pressures identified as at 30th September 2018.
- 2.2 Notes the latest monitoring position in respect of the City Council's savings programme and the present risks identified in its delivery.
- 2.3 Approves the proposed allocation of Specific Policy Contingency and General Policy Contingency related to the Apprenticeship Levy as proposed in paragraph 3.2 of Appendix A.
- 2.4 Approves the proposed uses of Earmarked Reserves as proposed in paragraphs 6.23 to 6.35 of Appendix A.
- 2.5 Approves the writing off of debts over £0.025m as summarised in Annex 6 of Appendix A.
- 2.6 Approves the revised 10 year capital programme of £3,377.6m.
- 2.7 Notes the forecast capital expenditure in 2018/19 of £453.2m.
- 2.8 Notes the Treasury Management report.

3 Background

- 3.1 At the meeting on 27th February 2018, the Council agreed a net revenue budget for 2018/19 of £855.2m to be met by government grants, council tax and business rates payers.
- 3.2 The base budget forecast variations in each Directorate are detailed in Section 2 and Annex 1 of the Corporate Revenue Budget Monitoring document attached as Appendix A. The position is summarised in tabular form in Annex 2 which incorporates the forecast year end pressures by Directorate.
- 3.3 Directorate risks relating to the Savings Programme and measures being undertaken to alleviate these are detailed in Section 2 and Annex 1 of Appendix A and the position is summarised in tabular form in Annex 3.
- 3.4 The meeting of the 27th February 2018 also agreed a 10 year capital programme of £2,726.3m.
- 3.5 As at 30th September 2018 the capital programme has increased by £651.3m to £3,377.6m. The major budget changes and forecast variations are detailed in Appendices B1 to B6.
- 3.6 The latest treasury position is shown in Appendix C. During the quarter, the Council repaid £60m of Lender's Option Borrower's Option loans (known as LOBO loans), and refinanced them with new loans from the Public Works Loans Board (PWLb), as set out in Appendix C3. The loans were repurchased at an advantageous rate compared with the cost of the PWLB borrowing. After taking

account of the repurchase premium, significant savings arise in the longer term, and the Council's debt refinancing risks reduce due to the removal of the LOBO options. Advice was received from Arlingclose, the Council's treasury advisers.

4 Options considered and Recommended Proposal

- 4.1 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.

5 Consultation

5.1 Internal

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

5.2 External

- 5.2.1 There are no additional issues beyond consultations carried out as part of the budget setting process for 2018/19.

6 Risk Management

- 6.1 The monitoring of the Council's budget and the identification of actions to address issues arising, as set out in this report, are part of the Council's arrangements for the management of financial issues.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

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

7.2 Legal Implications

- 7.2.1 Section 151 of the 1972 Local Government Act requires the Corporate Director – Finance & Governance (as the responsible officer) to ensure the proper administration of the City Council's financial affairs. Budget control, which includes the regular monitoring of and reporting on budgets, is an essential requirement placed on Directorates and members of the Corporate Management Team by the City Council in discharging the statutory responsibility. This report meets the City Council's requirements on budgetary control for the specified area of the City Council's Directorate activities.

7.3 Financial Implications

7.3.1 The Corporate Revenue and Capital Budget Monitoring documents attached give details of monitoring of service delivery within available resources.

7.4 Procurement Implications (if required)

7.4.1 N/A

7.5 Human Resources Implications (if required)

7.5.1 N/A

7.6 Public Sector Equality Duty

7.6.1 There are no additional Equality Duty or Equality Analysis issues beyond any already assessed in the year to date. Any specific assessments needed shall be made by Directorates in the management of their services.

8 Background Documents

8.1 City Council Financial Plan 2018+ approved at Council 27th February 2018

CORPORATE REVENUE BUDGET MONITORING REPORT 2018/19 MONTH 6

(year to 30th September 2018)

Section

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1. Executive Summary

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

- A savings¹ programme totalling £52.9m in 2018/19, growing to £117.0m in 2021/22.
- Deferred savings from 2017/18 of £15.7m (including where they were met on a one-off basis).

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

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

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

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

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

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

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

¹ Savings refer both to cost reductions or additional income generated

- 1.6 This principle is being rigorously applied by the Cabinet Member for Finance and the Section 151 officer through a series of 'star chambers' aimed at ensuring that the forecast is brought back within budget.
- 1.7 Forecasts for individual Directorates, together with an explanation of the variances and proposed mitigations get are shown in Annex 1.
- 1.8 In line with the Council Plan and Budget 2018+ agreed in February 2018, the Council is planning for the strategic use of £30.5m of Corporate Reserves in 2018/19, as shown in Table 1 below.
- 1.9 There has been no change to the planned strategic use of Reserves to balance the budget

Table 1 Planned Use of Corporate Reserves

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

- 1.10 In addition, there are both planned uses of and contributions to Other Reserves. A net contribution of £1.9m to Other Reserves was assumed as part of setting the budget. This is now forecast to be a net contribution of £8.5m.
- 1.11 This is a £6.6m net reduction in the forecast use of Other Reserves. Further details of the use of Other Reserves are provided in Annex 5. Cabinet are requested to approve a number of uses of Earmarked Reserves as detailed in Annex 5.
- 1.12 Further analysis of the Base Budget position is shown in Annexes 1 and 2 and analysis of the Savings Programme is provided in Annexes 1 and 4.
- 1.13 Section 2 of this report details the summary position on the Savings Programme.
- 1.14 Section 3 of this report details Resource Allocations requested to be approved.
- 1.15 Section 4 of this report details the latest Collection Fund position.

Appendix A

Section 1

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

| Directorate | Current Budget £m | Base Budget Overspend/(Underspend) | | | Savings not Deliverable | | | Efficiency Target | | | Total Forecast Overspend/(Underspend) | | |
|---|----------------------|---------------------------------------|---------------|----------------|-------------------------|---------------|----------------|-------------------|----------------|----------------|--|---------------|----------------|
| | | as at | | | as at | | | as at | | | as at | | |
| | | Month 6 £m | Month 3 £m | Movement £m | Month 6 £m | Month 3 £m | Movement £m | Month 6 £m | Month 3 £m | Movement £m | Month 6 £m | Month 3 £m | Movement £m |
| Adult Social Care & Health Directorate | 336.068 | (0.472) | 1.549 | (2.021) | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | (0.472) | 1.549 | (2.021) |
| Children & Young People Directorate | 235.785 | 1.673 | 0.994 | 0.679 | 1.642 | 1.746 | (0.104) | 0.000 | 0.000 | 0.000 | 3.315 | 2.740 | 0.575 |
| Place Directorate | 136.713 | 4.838 | 7.321 | (2.483) | 2.940 | 3.481 | (0.541) | 0.000 | 0.000 | 0.000 | 7.778 | 10.802 | (3.024) |
| Economy Directorate | 92.858 | (1.903) | (0.188) | (1.715) | 3.642 | 2.644 | 0.998 | (0.739) | (0.739) | 0.000 | 1.000 | 1.717 | (0.717) |
| Strategic Services Directorate | 27.519 | 0.890 | 0.000 | 0.890 | 0.000 | 0.947 | (0.947) | (0.276) | (0.276) | 0.000 | 0.614 | 0.671 | (0.057) |
| Human Resources | 6.482 | (0.253) | 0.000 | (0.253) | 0.000 | 0.000 | 0.000 | (0.078) | (0.078) | 0.000 | (0.331) | (0.078) | (0.253) |
| Finance & Governance Directorate | 30.029 | (1.014) | (0.362) | (0.652) | 0.000 | 0.000 | 0.000 | (0.244) | (0.244) | 0.000 | (1.258) | (0.606) | (0.652) |
| Chief Executive & Assistant Chief Executive | 2.919 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | (0.025) | (0.025) | 0.000 | (0.025) | (0.025) | 0.000 |
| Sub-total Directorates Position | 868.373 | 3.759 | 9.314 | (5.555) | 8.224 | 8.818 | (0.594) | (1.362) | (1.362) | 0.000 | 10.621 | 16.770 | (6.149) |
| Policy Contingency | 9.793 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Corporate Savings | 0.000 | 0.000 | 0.000 | 0.000 | 1.509 | 0.300 | 1.209 | 0.000 | 0.000 | 0.000 | 1.509 | 0.300 | 1.209 |
| Other Corporate Items | (22.977) | 0.801 | 0.801 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.801 | 0.801 | 0.000 |
| Sub-total Corporate Position | (13.184) | 0.801 | 0.801 | 0.000 | 1.509 | 0.300 | 1.209 | 0.000 | 0.000 | 0.000 | 2.310 | 1.101 | 1.209 |
| City Council General Fund | 855.189 | 4.560 | 10.115 | (5.555) | 9.733 | 9.118 | 0.615 | (1.362) | (1.362) | 0.000 | 12.931 | 17.871 | (4.940) |
| Housing Revenue Account | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |

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

2. Corporate Summary of the Savings Programme

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

Table 3 – Analysis of Savings Programme for 2018/19

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

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

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

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

Appendix A

Section 2

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

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

Table 5- Summary of Efficiency Targets

| Directorates | Budget | | Forecast Achievability in 2018/19 | Forecast Achievability in 2019/20 |
|--|---------------|----------------|-----------------------------------|-----------------------------------|
| | 2018/19 £m | 2019/20 £m | Delivery £m | Delivery £m |
| Adult Social Care & Health Directorate | 0.000 | (2.391) | 0.000 | (2.391) |
| Children & Young People Directorate | 0.000 | (0.664) | 0.000 | (0.664) |
| Place Directorate | 0.000 | (1.248) | 0.000 | (1.248) |
| Economy Directorate | 0.000 | (0.739) | (0.739) | (0.739) |
| Strategic Services Directorate | 0.000 | (0.276) | (0.276) | (0.276) |
| Human Resources | 0.000 | (0.078) | (0.078) | (0.078) |
| Finance & Governance Directorate | 0.000 | (0.244) | (0.244) | (0.244) |
| Chief Executive & Assistant Chief Executive | 0.000 | (0.025) | (0.025) | (0.025) |
| Total | 0.000 | (5.665) | (1.362) | (5.665) |

3. Resource Allocations

3.1 General Policy Contingency

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

3.2 Specific Policy Contingency

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

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

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

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

3.3 Transfer of Service Areas

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

4.1 Collection Fund

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

Council Tax

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

Business Rates

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

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

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

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

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

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

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

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

5. Detailed Revenue Commentaries by Directorate

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

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

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

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

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

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

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

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

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

Base Budget forecast

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

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

Savings Programme forecast

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

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

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

Efficiency Target forecast

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

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

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

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

Base Budget forecast

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

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

Savings Programme forecast

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

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

Efficiency Target forecast

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

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

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

Base Budget forecast

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

- Waste Management Services – £5.5m (£5.3m Month 3) pressure relating to:
 - The delay in the implementation of the 5 day working week until September 2018 (£1.8m)
 - On-going commercial volatility and lower paper market prices (£1.2m)
 - Lower fleet services recharge income due to reduced demand from internal Council customers (£0.7m)
 - Residual matters relating to external contractors commissioned during the industrial dispute in 2017/18 (£1.6m)
 - Other minor variations (£0.2m)
- Markets – £1.1m pressure (£0.7m Month 3)
 - The pressure substantially relates to transitional costs arising from the relocation of the wholesale market. This includes part year costs of additional non domestic rate expenditure relating to the old wholesale market at Pershore Road and an increased level of bad debt provision required.

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

Offset by

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

Savings Programme forecast

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

- £0.4m Waste Services (no change since Month 3) – Capacity Fee and Overrun Agreement (pending the procurement of the new contract from October 2019). This is the element that may not be realisable from the total of £1.8m based on the current position on the negotiation of the agreement. However, the focus on this will be continued as the negotiations progress to further improve the position.
- £0.3m on Parks (£0.5m Month 3) – A previously anticipated pressure relating to the disposal of parks land (expected 8 acres per year subject to approval by Property Board) has now been alleviated leaving an undeliverable prior year saving relating to Cofton Nursery of £0.3m.
- £0.7m Asset and Property Disposal Programme (no change since Month 3) – Sales of £8m per annum to generate a revenue saving subject to approval by Property Board. These have been delayed due to extended consultation on sites affected.
- £1.4m Cross Cutting Workforce Savings (£1.7m Month 3) – plans are in development with £1.1m being achieved from the total of £2.5m (the non-delivery includes £0.8m for Waste Services).

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

Efficiency Target forecast

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

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

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

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

Base Budget forecast

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

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

These have been more than offset by the following:

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

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

Savings Programme forecast

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

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

Efficiency Target forecast

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

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

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

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

Base Budget forecast

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

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

Offset by

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

Savings Programme forecast

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

Efficiency Target forecast

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

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

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

Base Budget forecast

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

Savings Programme forecast

The budgeted savings are expected to be fully achieved.

Efficiency Target forecast

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

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

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

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

Base Budget forecast

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

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

Savings Programme forecast

The budgeted savings are expected to be fully achieved.

Efficiency Target forecast

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

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

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

Base Budget forecast

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

Savings Programme forecast

The budgeted savings are expected to be fully achieved.

Efficiency Target forecast

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

5.9 Housing Revenue Account

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

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

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

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

Table 6: HRA Forecast Position

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

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

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

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

5.10 Dedicated Schools Grant (DSG)

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

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

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

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

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

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

Policy Contingency Month 6 Monitoring to 30th September 2018

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

Appendix A Directorate Savings Programme – Position at Month 6

Annex 4

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

Children & Young People savings not forecast to be achieved ongoing

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

Place savings not forecast to be achieved ongoing

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

Economy savings not forecast to be achieved ongoing

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

Strategic Services savings not forecast to be achieved ongoing

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

Appendix A

Annex 4

Human Resources savings not forecast to be achieved ongoing

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

Finance & Governance savings not forecast to be achieved ongoing

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

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

Corporate savings not forecast to be achieved ongoing

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

6. Use of Reserves

- 6.1** In line with the Council Plan and Budget 2018+ agreed in February 2018, the Council is planning for the strategic use of £30.5m of Corporate Reserves in 2018/19.
- 6.2** In addition, there are both planned uses of and contributions to Other Reserves. A net contribution of £1.9m to Other Reserves was assumed as part of setting the budget.
- 6.3** There has been no change to the planned strategic use of Reserves to balance the budget.
- 6.4** There is a £6.6m net reduction in the forecast use of other Reserves, as can be seen in Table 7 below. It is made up by the following:
- £0.5m use of the Capital Fund
 - £1.5m use of Commonwealth Games Reserve
 - £0.6m increase in use of Grant Reserves
 - £19.1m increase in contributions to Grant Reserves
 - £10.3m increase in use of other Earmarked Reserves
 - £0.9m increase in Contribution to Other Earmarked Reserves
 - £0.6m reduction in Repayment of Schools Balances.

Further details are provided below:

Capital Fund (£0.5m Use)

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

Commonwealth Games Reserve (£1.5m Use)

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

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

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

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

6.10 Economy is contributing £19.1m to Grant Reserves.

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

6.11 Place plan to use reserves of £1.0m relating to the Local Investment Fund (LIF). Expenditure on projects in relation to this, which include conditions of grant aid, will be completed in 2018/19 for which this funding has been specifically set aside.

6.12 At outturn there was a £2.1m corporate contribution to reserves relating to Business Rates compensatory grants which will be used to offset a shortfall as a result of downwards adjustments to these grants by Central Government in 2018/19 as a result of a calculation error on their part. This shortfall became apparent after the budget for 2018/19 was set.

6.13 Business Rates Top Up Grant that was used in setting the budget for 2017/18 was based on estimated Business Rates Rateable Values used in the Government Calculations for the Final settlement for that year. The 2017/18 Business Rates Top Up Grant was adjusted by Central Government and was included as part of the Final settlement for 2018/19. The Council was made aware of this additional grant of £1.8m towards the end of the year. The Council elected to carry this additional grant forwards to be used in setting the budget for 2018/19.

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

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

6.16 There is a proposed appropriation from Other Earmarked Reserves of £0.2m in relation to the Collective Investment Fund held on behalf of the WMCA whilst the WMCA awaited receipt of borrowing powers.

6.17 There is a proposed use of Policy Contingency underspends brought forward from Outturn 2017/18 of £0.2m in relation to the Community Investment Tax Relief (CITR) / Social Investment Tax Relief (SITR) - Arts Fund. This was approved by Cabinet in October 2016.

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

These uses of Reserves are partially offset by the following:

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

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

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

6.21 Strategic Services is not making a planned contribution of £0.7m to the World Indoor Athletics (WIA) Negative Reserve in order to mitigate lower than anticipated outdoor advertising income. The Directorate is expected to generate extra income on outdoor advertising or find alternative ways to make repayment to the negative reserve.

Schools Balances (£0.6m reduction in Contribution)

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

Requests for access to Reserves:

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

6.23 The use of Policy Contingency underspends brought forward from Outturn 2017/18 of £0.2m in relation to the Community Investment Tax Relief (CITR) / Social Investment Tax Relief (SITR) - Arts Fund. This was previously approved by Cabinet in October 2016.

6.24 The use of Policy Contingency underspends brought forward from Outturn 2017/18 of £0.3m in relation to Youth Strategy in Economy (of which £0.1m is required for 2019/20).

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

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

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

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

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

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

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

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

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

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

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

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

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

| | Planned Base Budget £m | Year End Forecast as at Month 6 £m | Variance £m |
|--|------------------------------|---|----------------|
| <u>Corporate Reserves</u> | | | |
| Use of Organisational Transition Reserve (PFS) | (3.902) | (3.902) | 0.000 |
| Use of Financial Resilience Reserve | (11.575) | (11.575) | 0.000 |
| Use of One Off Resources from Previous Years | (13.250) | (13.250) | 0.000 |
| Treasury Management | (1.815) | (1.815) | 0.000 |
| Strategic Use of Reserves | (30.542) | (30.542) | 0.000 |
| Contribution to / (Use of) Capital Fund | 3.326 | 2.821 | (0.505) |
| Business Rates Appeals | 9.349 | 9.349 | 0.000 |
| Cyclical Maintenance | 2.540 | 2.540 | 0.000 |
| Commonwealth Games Contingency Reserve | 4.746 | 3.254 | (1.492) |
| Other (Use of)/Contribution to Reserves | 19.961 | 17.964 | (1.997) |
| Sub Total (Use of)/Contribution to Reserves | (10.581) | (12.578) | (1.997) |
| Repayments - Borrowing Highways PFI | 0.985 | 0.985 | 0.000 |
| Total Corporate (Use of)/Contribution to Reserves | (9.596) | (11.593) | (1.997) |
| <u>Other Reserves</u> | | | |
| Use of Grant Reserves | (17.894) | (18.520) | (0.626) |
| Contribution to Grant Reserves | 1.477 | 20.622 | 19.145 |
| Use of Other Earmarked Reserves | (5.548) | (15.849) | (10.300) |
| Contribution to Other Earmarked Reserves | 2.364 | 3.297 | 0.933 |
| Repayment of Schools' Balances | 0.600 | 0.000 | (0.600) |
| Use of Carry Forward Balances | (0.025) | (0.025) | 0.000 |
| Total Other (Use of)/Contribution to Reserves | (19.027) | (10.475) | 8.552 |
| Total (Use of)/Contribution to Reserves | (28.623) | (22.068) | 6.555 |

Table 8 Forecast Impact on Reserve Balances

| | Outturn 2017/18 £m | Planned Base Budget (Use)/Contribution to Reserves £m | (Use)/Contribution to Reserves Approved at Outturn £m | Further (Use)/Contribution to Reserves Approved in Year £m | Forecast Balance as at 31 March 2019 £m |
|------------------------------------|--------------------------|--|---|---|--|
| Organisational Transition Reserve | 41.486 | (3.902) | 0.000 | 0.000 | 37.584 |
| Financial Resilience Reserve | 98.283 | (11.575) | 0.000 | 0.000 | 86.708 |
| Strategic Other Earmarked Reserves | 74.344 | 4.896 | 0.000 | (1.997) | 77.243 |
| General Fund Balance | 28.944 | 0.000 | 0.000 | 0.000 | 28.944 |
| Grant Reserves | 171.984 | (15.432) | (2.401) | 20.920 | 175.071 |
| Other Earmarked Reserves | 56.513 | (3.185) | (9.880) | 0.513 | 43.961 |
| Schools' Reserves | 35.827 | 0.600 | 0.000 | (0.600) | 35.827 |
| Carry Forward Balances | 1.755 | (0.025) | 0.000 | 0.000 | 1.730 |
| | 509.136 | (28.623) | (12.281) | 18.836 | 487.068 |

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

a. Irrecoverable Housing Benefit

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

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

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

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

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

b. Irrecoverable Council Tax & Business Rates

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

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

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

Annex 6

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

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

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

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

c. Write OffsBusiness Rates

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

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

Annex 6

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

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

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

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

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

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

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

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

Overview

| Appendix No | Description |
|--------------------|--|
| B1 | Overview |
| B2 | Capital Monitoring Summary |
| B3 | Capital Budget Changes |
| B4 | Capital Budget Changes Commentary |
| B5 | Capital Forecast Variations |
| B6 | Capital Forecast Variations Commentary |
| B7 | Prudential Borrowing - Additions or Reductions Quarter 2 |
| B8 | Capital Expenditure Plan - Forecast 2018/19 Quarter 2 |

This report takes each Directorate in turn, in the format :

- a) capital budget changes
- b) forecast variations from budget
- c) commentary on major variations

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 Business Case reports under the Gateway process

Capital Monitoring Summary

Expenditure

| | 2018/19 £000 | 2019/20 £000 | 2019/21 £000 | Later Years £000 | Total Plan £000 |
|--------------------------------------|-----------------|-----------------|-----------------|---------------------|--------------------|
| Quarter 1 Approved Budget | 479,086 | 366,243 | 470,645 | 1,542,394 | 2,858,368 |
| New Resources Quarter 2 | 58,619 | 106,439 | 116,978 | 237,189 | 519,225 |
| Revised Budget Quarter 2 | 537,706 | 472,682 | 587,623 | 1,779,582 | 3,377,593 |
| Forecast Slippage - Quarter 2 | (48,138) | 27,532 | 10,836 | 9,769 | 0 |
| Forecast Overspend (Underspend) | (36,341) | (23,547) | (154,387) | (454) | (214,729) |
| Forecast Outturn at Quarter 2 | 453,227 | 476,668 | 444,072 | 1,788,898 | 3,162,865 |

Resources

Use of Specific Resources:

| | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|
| Grants & Contributions | (227,147) | (160,740) | (135,873) | (209,436) | (733,196) |
| Earmarked Capital Receipts - RTB & Revenue Reform | (72,716) | (77,509) | (50,271) | (253,599) | (454,095) |
| Revenue Contributions - Departmental | (10,256) | (4,923) | (5,238) | (118) | (20,534) |
| Revenue Contributions - HRA | (44,325) | (51,147) | (59,993) | (446,241) | (601,706) |

Use of Corporate or General Resources:

| | | | | | |
|--|----------|-----------|-----------|-----------|-------------|
| Corporate Resources | (9,901) | (320) | (150) | (13,535) | (23,906) |
| Unsupported Prudential Borrowing - General* | 0 | 0 | 0 | 0 | 0 |
| Unsupported Prudential Borrowing - Corporate | 0 | 0 | 0 | 0 | 0 |
| Unsupported Prudential Borrowing - Directorate | (88,882) | (182,029) | (192,547) | (865,969) | (1,329,427) |

Forecast Use of Resources

| | | | | |
|------------------|------------------|------------------|--------------------|--------------------|
| (453,227) | (476,668) | (444,072) | (1,788,898) | (3,162,865) |
|------------------|------------------|------------------|--------------------|--------------------|

| Directorate | Ref | Current Year | | | All Years | | |
|---|------|-----------------------------|---------------------------|----------------|-----------------------------|---------------------------|----------------|
| | | Quarter 1 Budget £000 | Current Budget £000 | Change £000 | Quarter 1 Budget £000 | Current Budget £000 | Change £000 |
| Directorate: Adult Social Care & Health | | | | | | | |
| Property Schemes | | 513 | 513 | 0 | 1,456 | 1,456 | 0 |
| IT Schemes | | 790 | 790 | 0 | 1,545 | 1,545 | 0 |
| Improvements to Social Care Delivery | | 0 | 0 | 0 | 5,651 | 5,651 | 0 |
| Independent Living | | 4,897 | 4,897 | 0 | 4,897 | 4,897 | 0 |
| Total Directorate Capital programme | | 6,200 | 6,200 | 0 | 13,549 | 13,549 | 0 |
| Directorate: Children's, Young People & Families | | | | | | | |
| Devolved Capital Allocation to Schools | C1 ● | 2,790 | 2,790 | 0 | 2,790 | 4,566 | 1,776 |
| Schools Condition Allowance | C2 ● | 12,785 | 12,785 | 0 | 16,690 | 21,180 | 4,490 |
| Basic Need - Additional School Places | C3 ● | 22,839 | 21,839 | (1,000) | 154,486 | 152,027 | (2,459) |
| Early Years | | 941 | 941 | 0 | 2,071 | 2,071 | 0 |
| IT Investment | | 1,594 | 1,594 | 0 | 3,586 | 3,586 | 0 |
| Universal Infant Free School Meals | | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Minor Schemes | | 50 | 50 | 0 | 50 | 50 | 0 |
| Total Directorate Capital programme | | 40,999 | 39,999 | (1,000) | 179,673 | 183,480 | 3,807 |
| Directorate: Place | | | | | | | |
| Place Other | | | | | | | |
| Sport & Swimming Pool Facilities | P1 ● | 6,877 | 6,886 | 9 | 7,999 | 8,584 | 585 |
| Waste Management Services | | 6,015 | 6,015 | 0 | 53,063 | 53,063 | 0 |
| Parks | P2 ● | 2,903 | 3,102 | 199 | 4,774 | 5,973 | 1,199 |
| Bereavement Services | | 349 | 349 | 0 | 349 | 349 | 0 |
| Markets | | 1,815 | 1,815 | 0 | 1,815 | 1,815 | 0 |
| Community Initiatives | | 0 | 0 | 0 | 392 | 392 | 0 |
| Regulation and Enforcement | | 299 | 323 | 24 | 299 | 323 | 24 |
| Highways - Land Drainage and Flood Defences | | 11 | 11 | 0 | 11 | 11 | 0 |
| Adult Education & Youth | P3 ● | 70 | 171 | 102 | 70 | 171 | 102 |
| Strategic Libraries | | 180 | 210 | 30 | 180 | 210 | 30 |
| Museums & Arts | P4 ● | 20 | 70 | 50 | 20 | 70 | 50 |
| Community Development & Play | | 34 | 34 | 0 | 34 | 34 | 0 |
| Community Chest | | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Libraries | | 783 | 783 | 0 | 783 | 783 | 0 |
| Housing Related Loans | P5 ● | 56,494 | 621 | (55,873) | 260,957 | 1,718 | (259,239) |
| Housing Options | | 9,925 | 9,925 | 0 | 9,925 | 9,925 | 0 |
| Total Place Other | | 85,777 | 30,317 | (55,460) | 340,671 | 83,421 | (257,250) |
| Housing HRA | | | | | | | |
| Housing Improvement Programme | | 68,754 | 68,754 | 0 | 609,102 | 609,102 | 0 |
| Redevelopment | | 64,186 | 64,186 | 0 | 451,400 | 451,400 | 0 |
| Other Programmes | | 4,809 | 4,809 | 0 | 46,922 | 46,922 | 0 |
| Total HRA | | 137,749 | 137,749 | 0 | 1,107,424 | 1,107,424 | 0 |
| Total Directorate Capital programme | | | | | | | |
| | | 223,526 | 168,066 | (55,460) | 1,448,095 | 1,190,845 | (257,250) |
| Directorate: Economy | | | | | | | |
| Planning & Regeneration Schemes | | | | | | | |
| Major Projects: | | | | | | | |
| Enterprise Zone - Investment Plan | | 0 | 0 | 0 | 347 | 347 | 0 |
| Enterprise Zone - Paradise Circus | | 15,359 | 15,359 | 0 | 18,518 | 18,518 | 0 |
| Enterprise Zone - Site Development & Access | | 2,500 | 2,500 | 0 | 8,045 | 8,045 | 0 |
| Enterprise Zone - Connecting Economic Opportunities | | 1,000 | 1,000 | 0 | 95,691 | 95,691 | 0 |
| Enterprise Zone - Southern Gateway Site | | 1,000 | 1,000 | 0 | 34,530 | 34,530 | 0 |
| Enterprise Zone - LEP Investment Fund | | 0 | 0 | 0 | 20,000 | 20,000 | 0 |
| Enterprise Zone - HS2 Interchange Site | | 0 | 0 | 0 | 20,000 | 20,000 | 0 |
| Enterprise Zone - Southside Links | | 80 | 80 | 0 | 278 | 278 | 0 |
| EZ Phase II - HS2 Station Environment | | 1,814 | 1,814 | 0 | 60,000 | 60,000 | 0 |
| EZ Phase II - HS2 Site Enabling | | 1,000 | 1,000 | 0 | 101,500 | 101,500 | 0 |
| EZ Phase II - Local Transport Improvements | | 0 | 0 | 0 | 104,800 | 104,800 | 0 |
| EZ Phase II - Connecting Economic Opportunities 2 | | 0 | 0 | 0 | 52,900 | 52,900 | 0 |
| EZ Phase II - Social Infrastructure | | 0 | 0 | 0 | 109,900 | 109,900 | 0 |
| EZ Phase II - Metro Extension to E Bham/Solihull | | 0 | 0 | 0 | 183,300 | 183,300 | 0 |
| Jewellery Quarter Cemetery | | 1,829 | 1,829 | 0 | 1,829 | 1,829 | 0 |
| Unlocking Housing Sites | | 4,619 | 4,619 | 0 | 7,169 | 7,169 | 0 |
| East Aston RIS | | 4,830 | 4,830 | 0 | 4,830 | 4,830 | 0 |
| Life Sciences | | 973 | 973 | 0 | 973 | 973 | 0 |
| Other (Major Projects) | | 32 | 32 | 0 | 32 | 32 | 0 |
| Public Realm: | | | | | | | |
| Metro Centenary Square | E1 ● | 3,820 | 4,026 | 205 | 3,820 | 4,026 | 205 |
| Making the Connection | | 373 | 373 | 0 | 403 | 403 | 0 |
| Longbridge | | 1,178 | 1,178 | 0 | 1,178 | 1,178 | 0 |
| Other (Public Realm) | | 299 | 299 | (0) | 299 | 299 | (0) |
| Infrastructure: | | | | | | | |
| One Station | | 251 | 251 | 0 | 251 | 251 | 0 |
| A34 Corridor Perry Barr | | 246 | 246 | 0 | 281 | 281 | 0 |
| Grants/Loans: | | | | | | | |
| Grand Hotel Development | | 1,000 | 1,000 | 0 | 1,000 | 1,000 | 0 |
| Minor Projects | | 0 | 0 | 0 | 0 | 0 | 0 |
| Housing Development | E2 ● | 0 | 55,873 | 55,873 | 0 | 259,239 | 259,239 |

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| Directorate | Ref | Current Year | | | All Years | | |
|---|-------|-----------------------------|---------------------------|-----------------|-----------------------------|---------------------------|----------------|
| | | Quarter 1 Budget £000 | Current Budget £000 | Change £000 | Quarter 1 Budget £000 | Current Budget £000 | Change £000 |
| Total Planning & Regeneration Projects | | 42,202 | 98,280 | 56,078 | 831,873 | 1,091,318 | 259,444 |
| Employment & Skills | | | | | | | |
| National College for HS2 | | 203 | 203 | 0 | 203 | 203 | 0 |
| ERDF Business Growth & Property Investment | | 5,450 | 5,450 | 0 | 5,918 | 5,918 | 0 |
| Total Employment & Skills | | 5,653 | 5,653 | 0 | 6,121 | 6,121 | 0 |
| Highways | | | | | | | |
| Safer Routes to Schools | E3 ● | 506 | 617 | 111 | 1,706 | 2,117 | 411 |
| Section 106 & 278 | | 19 | 19 | 0 | 19 | 19 | 0 |
| Network Integrity | E4 ● | 1,265 | 1,452 | 187 | 3,599 | 4,288 | 689 |
| Road Safety | E5 ● | 948 | 839 | (109) | 3,048 | 3,464 | 416 |
| Other Minor Schemes | | 1,259 | 1,259 | 0 | 1,259 | 1,259 | 0 |
| Total Highways | | 3,996 | 4,186 | 190 | 9,631 | 11,147 | 1,517 |
| Transportation | | | | | | | |
| Major Schemes: | | | | | | | |
| Ashted Circus | E6 ● | 5,276 | 4,215 | (1,061) | 5,777 | 5,745 | (32) |
| Metro Extension | | 207 | 207 | 0 | 207 | 207 | 0 |
| Iron Lane | E7 ● | 6,816 | 1,930 | (4,886) | 12,033 | 12,197 | 164 |
| Minworth Unlocking | | 0 | 2 | 2 | 0 | 2 | 2 |
| Battery Way Extension | E8 ● | 5,389 | 3,749 | (1,640) | 5,389 | 5,288 | (101) |
| Longbridge Connectivity | E9 ● | 4,623 | 3,500 | (1,123) | 4,643 | 3,754 | (889) |
| A457 Dudley Road | E10 ● | 3,386 | 500 | (2,886) | 29,491 | 33,734 | 4,243 |
| Peddimore | | 79 | 80 | 1 | 79 | 80 | 1 |
| Journey Reliability | E11 ● | 273 | 439 | 166 | 513 | 810 | 297 |
| Tame Valley Phase 2 & 3 | E12 ● | 4,986 | 1,027 | (3,959) | 86,618 | 81,737 | (4,881) |
| Selly Oak New Road Phase 1B | | 1,655 | 1,655 | 0 | 8,762 | 8,762 | 0 |
| Wharfdale Bridge | | 50 | 50 | (0) | 2,550 | 2,550 | (0) |
| Snow Hill Station | E13 ● | 438 | 1,000 | 562 | 2,558 | 8,846 | 6,288 |
| Other (Major Schemes) | E14 ● | 579 | 929 | 350 | 669 | 1,735 | 1,066 |
| Inclusive & Sustainable Growth: | | | | | | | |
| Holloway Circus | E15 ● | 25 | 165 | 140 | 25 | 165 | 140 |
| Bromford Gyratory | | 11 | 11 | 0 | 11 | 11 | 0 |
| Southside / Hurst Street | | 106 | 106 | 0 | 106 | 106 | 0 |
| Clean Air & Hydrogen Buses | E16 ● | 12,340 | 11,000 | (1,340) | 12,340 | 11,000 | (1,340) |
| Journey Reliability | | 302 | 279 | (23) | 302 | 279 | (23) |
| Other (Inclusive & Sustainable Growth) | E17 ● | 2,353 | 5,139 | 2,786 | 4,741 | 20,911 | 16,170 |
| Walking & Cycling | E18 ● | 19,335 | 17,563 | (1,772) | 25,042 | 26,586 | 1,544 |
| Local Measures | | | | | | | |
| Infrastructure Development | E19 ● | 857 | 845 | (12) | 2,757 | 5,109 | 2,352 |
| Section 106 & 278 | | 84 | 84 | 0 | 84 | 84 | 0 |
| Funding to be allocated | | 193 | 193 | 0 | 7,071 | 7,071 | 0 |
| Total Transportation | | 69,364 | 54,668 | (14,696) | 211,770 | 236,769 | 24,999 |
| Birmingham Property Services | | | | | | | |
| Arena Central | | 1,249 | 1,249 | 0 | 1,249 | 1,249 | 0 |
| Attwood Green Projects | | 239 | 239 | 0 | 239 | 239 | 0 |
| Council House Complex Development Costs | | 546 | 546 | 0 | 546 | 546 | 0 |
| Lee Bank Business Centre | | 135 | 135 | 0 | 135 | 135 | 0 |
| NEC Hotels WOC | | 165 | 165 | 0 | 165 | 165 | 0 |
| Other (BPS) | | 7 | 7 | 0 | 7 | 7 | 0 |
| Total Birmingham Property Services | | 2,341 | 2,341 | 0 | 2,341 | 2,341 | 0 |
| Total Directorate Capital programme | | 123,557 | 165,129 | 41,572 | 1,061,736 | 1,347,696 | 285,961 |
| Directorate: Finance & Governance | | | | | | | |
| Revenue Reform Projects | | 26,318 | 26,318 | 0 | 42,945 | 42,945 | 0 |
| Gateway / Grand Central Residual Costs | | 2,678 | 2,678 | 0 | 2,678 | 2,678 | 0 |
| Capital Loans & Equity Funds | F1 ● | 2,542 | 5,495 | 2,953 | 10,784 | 13,737 | 2,953 |
| SAP New Developments | | 400 | 400 | 0 | 4,062 | 4,062 | 0 |
| Commonwealth Games | F2 ● | 44,133 | 114,688 | 70,555 | 44,133 | 527,888 | 483,755 |
| Total Directorate Capital programme | | 76,071 | 149,579 | 73,508 | 104,602 | 591,309 | 486,708 |
| Directorate: Strategic Services | | | | | | | |
| Corporate ICT Investment | | 8,039 | 8,039 | 0 | 49,994 | 49,994 | 0 |
| Digital Birmingham | | 288 | 288 | 0 | 313 | 313 | 0 |
| IT Projects | | 407 | 407 | 0 | 407 | 407 | 0 |
| Total Directorate Capital programme | | 8,733 | 8,733 | 0 | 50,714 | 50,714 | 0 |
| Total BCC | | 479,086 | 537,706 | 58,619 | 2,858,368 | 3,377,593 | 519,225 |

Directorate: Children's, Young People & Families

| Ref | Comments | 2018/19 increase / (decrease) £000 | All years increase / (decrease) £000 |
|-----|--|---|---|
| C1 | <u>Devolved Capital Allocation to Schools</u> As per funding announcement by the EFA | 0 | 1,776 |
| C2 | <u>Schools Condition Allowance</u> Per Schools Capital Programme report approved by Cabinet on 18th September 2018 | 0 | 4,490 |
| C3 | <u>Basic Need - Additional School Places</u> Per Schools Capital Programme report approved by Cabinet on 18th September 2018 | (1,000) | (2,459) |
| | Total directorate over / (under) | (1,000) | 3,807 |

Directorate: Place

| Ref | Comments | 2018/19 increase / (decrease) £000 | All years increase / (decrease) £000 |
|-----|---|---|---|
| P1 | <u>Sport & Swimming Pool Facilities</u> Additional Prudential Borrowing approved by Cabinet on 15.6.2018 for Icknield Port Loop new build | 9 | 585 |
| P2 | <u>Parks</u> Approval for Natural Rivers & Green Corridors FBC June 2018. Funded by grants from ERDF, Environment Agency and Wildlife Trust Birmingham & Black Country. | 199 | 1,199 |
| P3 | <u>Adult Education & Youth</u> Approval for BAES Wifi solution by Delegated Authority Sept 2018. Funded by grants in revenue reserves. | 102 | 102 |
| P4 | <u>Museums & Arts</u> New Acquisitions approved by delegated authority in July 2018 funded by Birmingham Museums Trust | 50 | 50 |
| P5 | <u>Housing Related Loans</u> This scheme is now monitored within Economy Directorate - refer to E2 below. | (55,873) | (259,239) |
| | | | |
| | Total directorate over / (under) | (55,514) | (257,304) |

Directorate: Economy

| Ref | Comments | 2018/19 increase / (decrease) £000 | All years increase / (decrease) £000 |
|----------|--|---|---|
| E1 | <u>Metro Centenary Square</u> Additional S106 Resources Sheepcote/Broad St | 205 | 205 |
| E2 | <u>Housing Development</u> Budget Transferred from Place Directorate | 55,873 | 259,239 |
| E3 - E19 | <u>Transportation and Highways</u> | | |

| | | | |
|--|---|---------------|----------------|
| | The budget changes relate to revisions in the Transportation & Highways Funding Strategy 2018/19 approved by cabinet on the 31/07/2018. | (14,506) | 26,516 |
| | Total directorate over / (under) | 41,572 | 285,961 |

Directorate: Finance & Governance

| Ref | Comments | 2018/19 increase / (decrease) £000 | All years increase / (decrease) £000 |
|-----------|--|---|---|
| F1 | <u>Capital Loans & Equity Funds</u> Capital Loans & Equity £2.953m - of Prudential Borrowing Resources added for Collective Investment Fund Loans paid on behalf of the West Midlands Combined Authority as approved by Cabinet on 22/03/2017. | 2,953 | 2,953 |
| F2 | <u>Commonwealth Games</u> Outline Business Case approved 26th June 2018, setting out the proposals for the village, infrastructure in the Perry Barr area and Alexander Stadium. | 70,555 | 483,755 |
| | Total directorate over / (under) | 73,508 | 486,708 |

| Directorate | Ref | Current Year | | | | All Years | | | |
|---|------|--------------|----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | Current | Forecast | Variation | Quarter 1 | Revised | Forecast | Variation | Quarter 1 |
| | | Budget | £000 | £000 | £000 | variation | Budget | £000 | £000 |
| Directorate: Adult Social Care & Health | | | | | | | | | |
| Property Schemes | | 513 | 513 | 0 | 0 | 1,456 | 1,456 | 0 | 0 |
| IT Schemes | | 790 | 790 | 0 | 0 | 1,545 | 1,545 | 0 | 0 |
| Improvements to Social Care Delivery | | 0 | 0 | 0 | 0 | 5,651 | 5,651 | 0 | 0 |
| Independent Living | | 4,897 | 4,897 | 0 | 0 | 4,897 | 4,897 | 0 | 0 |
| Total Directorate Capital programme | | 6,200 | 6,200 | 0 | 0 | 13,549 | 13,549 | 0 | 0 |
| Directorate: Children's, Young People & Families | | | | | | | | | |
| Devolved Capital Allocation to Schools | | 2,790 | 2,790 | 0 | 0 | 4,566 | 4,566 | 0 | 0 |
| Schools Condition Allowance | | 12,785 | 12,785 | 0 | 0 | 21,180 | 21,180 | 0 | 0 |
| Basic Need - Additional School Places | | 21,839 | 21,839 | 0 | 0 | 152,027 | 152,027 | 0 | 0 |
| Early Years | | 941 | 941 | 0 | 0 | 2,071 | 2,071 | 0 | 0 |
| IT Investment | | 1,594 | 1,594 | 0 | 0 | 3,586 | 3,586 | 0 | 0 |
| Universal Infant Free School Meals | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Minor Schemes | | 50 | 50 | 0 | 0 | 50 | 50 | 0 | 0 |
| Total Directorate Capital programme | | 39,999 | 39,999 | 0 | 0 | 183,480 | 183,480 | 0 | 0 |
| Directorate: Place | | | | | | | | | |
| Place Other | | | | | | | | | |
| Sport & Swimming Pool Facilities | P1 ● | 6,886 | 8,102 | 1,216 | 0 | 8,584 | 10,164 | 1,581 | 0 |
| Waste Management Services | P2 ● | 6,015 | 2,127 | (3,888) | 0 | 53,063 | 53,063 | 0 | 0 |
| Parks | | 3,102 | 3,102 | 0 | 0 | 5,973 | 5,973 | 0 | 0 |
| Bereavement Services | | 349 | 349 | 0 | 0 | 349 | 349 | 0 | 0 |
| Markets | | 1,815 | 1,815 | 0 | 0 | 1,815 | 1,815 | 0 | 0 |
| Community Initiatives | | 0 | 0 | 0 | 0 | 392 | 392 | 0 | 0 |
| Regulation and Enforcement | P3 ● | 323 | 52 | (271) | 0 | 323 | 323 | 0 | 0 |
| Highways - Land Drainage and Flood Defences | | 11 | 11 | 0 | 0 | 11 | 11 | 0 | 0 |
| Adult Education & Youth | | 171 | 171 | 0 | 0 | 171 | 171 | 0 | 0 |
| Strategic Libraries | | 210 | 210 | 0 | 0 | 210 | 210 | 0 | 0 |
| Museums & Arts | | 70 | 70 | 0 | 0 | 70 | 70 | 0 | 0 |
| Community Development & Play | | 34 | 34 | 0 | 0 | 34 | 34 | 0 | 0 |
| Community Chest | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Libraries | | 783 | 640 | (143) | 0 | 783 | 783 | 0 | 0 |
| Housing Related Loans | | 621 | 621 | 0 | (12,712) | 1,718 | 1,718 | 0 | 0 |
| Housing Options | | 9,925 | 9,925 | 0 | 0 | 9,925 | 9,925 | 0 | 0 |
| Total Place Other | | 30,317 | 27,231 | (3,086) | (12,712) | 83,421 | 85,001 | 1,581 | 0 |
| Housing HRA | | | | | | | | | |
| Housing Improvement Programme | P4 ● | 68,754 | 70,491 | 1,737 | 0 | 609,102 | 610,839 | 1,737 | 0 |
| Redevelopment | P5 ● | 64,186 | 35,223 | (28,963) | (24,763) | 451,400 | 450,974 | (426) | 0 |
| Other Programmes | | 4,809 | 4,809 | 0 | 0 | 46,922 | 46,922 | 0 | 0 |
| Total HRA | | 137,749 | 110,523 | (27,226) | (24,763) | 1,107,424 | 1,108,735 | 1,311 | 0 |
| | | | | | | | | | |
| Total Directorate Capital programme | | 168,066 | 137,754 | (30,312) | (37,475) | 1,190,845 | 1,193,736 | 2,892 | 0 |
| Directorate: Economy | | | | | | | | | |
| Planning & Regeneration Schemes | | | | | | | | | |
| Major Projects: | | | | | | | | | |
| Enterprise Zone - Investment Plan | | 0 | 0 | 0 | 0 | 347 | 347 | 0 | 0 |
| Enterprise Zone - Paradise Circus | E1 ● | 15,359 | 12,687 | (2,672) | 0 | 18,518 | 18,518 | 0 | 0 |
| Enterprise Zone - Site Development & Access | | 2,500 | 2,500 | 0 | (500) | 8,045 | 8,045 | 0 | 0 |
| Enterprise Zone - Connecting Economic Opportunities | E2 ● | 1,000 | 515 | (485) | 0 | 95,691 | 95,691 | 0 | (9,553) |
| Enterprise Zone - Southern Gateway Site | E3 ● | 1,000 | 0 | (1,000) | (1,000) | 34,530 | 34,530 | 0 | 0 |
| Enterprise Zone - LEP Investment Fund | | 0 | 0 | 0 | 0 | 20,000 | 20,000 | 0 | 0 |
| Enterprise Zone - HS2 Interchange Site | | 0 | 0 | 0 | 0 | 20,000 | 20,000 | 0 | 0 |
| Enterprise Zone - Southside Links | | 80 | 278 | 198 | 198 | 278 | 278 | 0 | 0 |
| EZ Phase II - HS2 Station Environment | | 1,814 | 2,760 | 946 | 746 | 60,000 | 60,000 | 0 | 0 |
| EZ Phase II - HS2 Site Enabling | | 1,000 | 1,000 | 0 | 0 | 101,500 | 101,500 | 0 | 0 |
| EZ Phase II - Local Transport Improvements | | 0 | 0 | 0 | 0 | 104,800 | 104,800 | 0 | 0 |
| EZ Phase II - Connecting Economic Opportunities 2 | | 0 | 0 | 0 | 0 | 52,900 | 52,900 | 0 | 0 |
| EZ Phase II - Social Infrastructure | | 0 | 0 | 0 | 0 | 109,900 | 109,900 | 0 | 0 |
| EZ Phase II - Metro Extension to E Bham/Solihull | | 0 | 0 | 0 | 0 | 183,300 | 183,300 | 0 | 0 |
| Jewellery Quarter Cemetery | E4 ● | 1,829 | 200 | (1,629) | 0 | 1,829 | 1,829 | 0 | 0 |
| Unlocking Housing Sites | | 4,619 | 4,619 | 0 | 0 | 7,169 | 7,169 | 0 | 0 |
| East Aston RIS | | 4,830 | 4,830 | 0 | 0 | 4,830 | 4,830 | 0 | 0 |
| Life Sciences | E5 ● | 973 | 0 | (973) | 0 | 973 | 973 | 0 | 0 |
| Other (Major Projects) | | 32 | 32 | 0 | 0 | 32 | 32 | 0 | 0 |
| Public Realm: | | | | | | | | | |
| Metro Centenary Square | | 4,026 | 4,026 | 0 | 0 | 4,026 | 4,026 | 0 | 0 |
| Making the Connection | E6 ● | 373 | 102 | (270) | 0 | 403 | 403 | 0 | 0 |
| Longbridge | | 1,178 | 1,178 | 0 | 0 | 1,178 | 1,178 | 0 | 0 |
| Other (Public Realm) | E7 ● | 299 | 34 | (265) | 0 | 299 | 34 | (265) | 0 |
| Infrastructure: | | | | | | | | | |
| One Station | E8 ● | 251 | 10 | (241) | (241) | 251 | 244 | (7) | (7) |
| A34 Corridor Perry Barr | | 246 | 246 | 0 | 0 | 281 | 281 | 0 | 0 |
| Grants/Loans: | | | | | | | | | |
| Grand Hotel Development | E9 ● | 1,000 | 0 | (1,000) | 0 | 1,000 | 1,000 | 0 | 0 |

| Directorate | Ref | Current Year | | | | All Years | | | |
|---|------------|------------------------|------------------|-------------------|--------------------------------|------------------------|------------------|-------------------|--------------------------------|
| | | Current Budget £000 | Forecast £000 | Variation £000 | Quarter 1 variation £000 | Revised Budget £000 | Forecast £000 | Variation £000 | Quarter 1 variation £000 |
| Minor Projects | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Housing Development | E10 | 55,873 | 8,357 | (47,516) | 0 | 259,239 | 33,239 | (226,000) | 0 |
| Total Planning & Regeneration Projects | | 98,280 | 43,372 | (54,908) | (797) | 1,091,318 | 865,046 | (226,272) | (9,560) |
| Employment & Skills | | | | | | | | | |
| National College for HS2 | | 203 | 203 | 0 | 0 | 203 | 203 | 0 | 0 |
| ERDF Business Growth & Property Investment | | 5,450 | 5,450 | 0 | 0 | 5,918 | 5,918 | 0 | 0 |
| Total Employment & Skills | | 5,653 | 5,653 | 0 | 0 | 6,121 | 6,121 | 0 | 0 |
| Highways | | | | | | | | | |
| Safer Routes to Schools | | 617 | 617 | 0 | 0 | 2,117 | 2,117 | 0 | 0 |
| Section 106 & 278 | | 19 | 19 | 0 | 0 | 19 | 19 | 0 | 0 |
| Network Integrity | | 1,452 | 1,452 | 0 | 0 | 4,288 | 4,288 | 0 | 0 |
| Road Safety | | 839 | 839 | 0 | 0 | 3,464 | 3,464 | 0 | 0 |
| Other Minor Schemes | | 1,259 | 1,259 | 0 | 0 | 1,259 | 1,259 | 0 | 0 |
| Total Highways | | 4,186 | 4,186 | 0 | 0 | 11,147 | 11,147 | 0 | 0 |
| Transportation | | | | | | | | | |
| Major Schemes: | | | | | | | | | |
| Ashted Circus | E11 | 4,215 | 4,847 | 632 | (898) | 5,745 | 5,745 | 0 | 0 |
| Metro Extension | | 207 | 207 | 0 | 0 | 207 | 207 | 0 | 0 |
| Iron Lane | | 1,930 | 1,930 | 0 | 0 | 12,197 | 12,197 | 0 | 0 |
| Minworth Unlocking | | 2 | 2 | 0 | 0 | 2 | 2 | 0 | 0 |
| Battery Way Extension | | 3,749 | 3,749 | 0 | 0 | 5,288 | 5,288 | 0 | 0 |
| Longbridge Connectivity | | 3,500 | 3,500 | 0 | 0 | 3,754 | 3,754 | 0 | 0 |
| A457 Dudley Road | | 500 | 500 | 0 | 0 | 33,734 | 33,734 | 0 | 0 |
| Peddimore | | 80 | 80 | 0 | 0 | 80 | 80 | 0 | 0 |
| Journey Reliability | E12 | 439 | 339 | (100) | 0 | 810 | 810 | 0 | 0 |
| Tame Valley Phase 2 & 3 | | 1,027 | 1,027 | 0 | 0 | 81,737 | 81,737 | 0 | 0 |
| Selly Oak New Road Phase 1B | | 1,655 | 1,655 | 0 | 0 | 8,762 | 8,762 | 0 | 0 |
| Wharfdale Bridge | | 50 | 50 | 0 | 0 | 2,550 | 2,550 | 0 | 0 |
| Snow Hill Station | | 1,000 | 1,000 | 0 | (500) | 8,846 | 8,846 | 0 | 0 |
| Other (Major Schemes) | | 929 | 929 | 0 | 0 | 1,735 | 1,735 | 0 | 0 |
| Inclusive & Sustainable Growth: | | | | | | | | | |
| Holloway Circus | | 165 | 165 | 0 | 0 | 165 | 165 | 0 | 0 |
| Bromford Gyrratory | | 11 | 11 | 0 | 0 | 11 | 11 | 0 | 0 |
| Southside / Hurst Street | | 106 | 106 | (0) | 1,000 | 106 | 106 | (0) | 9,560 |
| Clean Air & Hydrogen Buses | | 11,000 | 11,000 | 0 | 0 | 11,000 | 11,000 | 0 | 0 |
| Journey Reliability | | 279 | 279 | 0 | 0 | 279 | 279 | 0 | 0 |
| Other (Inclusive & Sustainable Growth) | | 5,139 | 5,037 | (102) | 0 | 20,911 | 20,911 | 0 | 0 |
| Walking & Cycling | | 17,563 | 17,563 | 0 | 0 | 26,586 | 26,586 | 0 | 0 |
| Local Measures | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Infrastructure Development | | 845 | 845 | 0 | 0 | 5,109 | 5,109 | 0 | 0 |
| Section 106 & 278 | | 84 | 84 | 0 | 0 | 84 | 84 | 0 | 0 |
| Funding to be allocated | | 193 | 193 | 0 | 0 | 7,071 | 7,071 | 0 | 0 |
| Total Transportation | | 54,668 | 55,098 | 430 | (398) | 236,769 | 236,769 | (0) | 9,560 |
| Birmingham Property Services | | | | | | | | | |
| Arena Central | E13 | 1,249 | 0 | (1,249) | 0 | 1,249 | 0 | (1,249) | 0 |
| Attwood Green Projects | | 239 | 239 | 0 | 0 | 239 | 239 | 0 | 0 |
| Council House Complex Development Costs | | 546 | 546 | 0 | 0 | 546 | 546 | 0 | 0 |
| Lee Bank Business Centre | | 135 | 135 | 0 | 0 | 135 | 135 | 0 | 0 |
| NEC Hotels WOC | | 165 | 165 | 0 | 0 | 165 | 165 | 0 | 0 |
| Other (BPS) | | 7 | 7 | 0 | 0 | 7 | 7 | 0 | 0 |
| Total Birmingham Property Services | | 2,341 | 1,092 | (1,249) | 0 | 2,341 | 1,092 | (1,249) | 0 |
| Total Directorate Capital programme | | 165,129 | 109,402 | (55,727) | (1,195) | 1,347,696 | 1,120,175 | (227,521) | 0 |
| Directorate: Finance & Governance | | | | | | | | | |
| Revenue Reform Projects | F1 | 26,318 | 28,008 | 1,690 | 0 | 42,945 | 52,846 | 9,901 | 0 |
| Gateway / Grand Central Residual Costs | | 2,678 | 2,678 | 0 | 0 | 2,678 | 2,678 | 0 | 0 |
| Capital Loans & Equity Funds | | 5,495 | 5,495 | 0 | 0 | 13,737 | 13,737 | 0 | 0 |
| SAP New Developments | | 400 | 400 | 0 | 0 | 4,062 | 4,062 | 0 | 0 |
| Commonwealth Games | | 114,688 | 114,688 | 0 | 0 | 527,888 | 527,888 | 0 | 0 |
| Total Directorate Capital programme | | 149,579 | 151,269 | 1,690 | 0 | 591,309 | 601,210 | 9,901 | 0 |
| Directorate: Strategic Services | | | | | | | | | |
| Corporate ICT Investment | S1 | 8,039 | 8,033 | (6) | 0 | 49,994 | 49,994 | 0 | 0 |
| Digital Birmingham | | 288 | 164 | (124) | 0 | 313 | 313 | 0 | 0 |
| IT Projects | | 407 | 407 | 0 | 0 | 407 | 407 | 0 | 0 |
| Total Directorate Capital programme | | 8,733 | 8,603 | (130) | 0 | 50,714 | 50,714 | 0 | 0 |
| Total BCC | | 537,706 | 453,227 | (84,479) | (38,670) | 3,377,593 | 3,162,865 | (214,729) | 0 |

Directorate: Place

| Ref | Major capital variations and associated key issues | 2018/19 | | All years |
|-----|---|----------------------------|----------------------------|-----------------------------|
| | | Reported quarter 1 £000 | Reported quarter 2 £000 | Quarter 2 variation £000 |
| P1 | <u>Sport & Swimming Pool Facilities</u> Icknield Port Loop estimated overspend of £1.2m due to 12 month delay of commencement, leading to indexation, delay costs & costs that sit outside of the redline responsibility of the contractor. Northfield Pool estimated overspend of £320k due to additional costs at new leisure centres for utilities and highways works not included in the contract. Approval for prudential borrowing to cover additional costs will be sought when final figures are known. The additional prudential borrowing charges related to this will be met from existing revenue budgets by extending the repayment periods from 25 to 40 years. | 0 | 1,216 | 1,581 |
| P2 | <u>Waste Management Services</u> Depot re-development slipped due to target costs exceeding the budget. Awaiting revised quotes. | 0 | (3,888) | 0 |
| P3 | <u>Regulation and Enforcement</u> Mortuary Ventilation slippage due to urgent works to roof required before work can commence. | 0 | (271) | 0 |
| P4 | <u>Housing Improvement Programme</u> The forecast overspend of £1.737m relates to additional works to tower blocks following the Fire Risk Management review. This will be funded from existing capital reserves. | 0 | 1,737 | 1,737 |
| P5 | <u>Redevelopment</u> BMHT (£24,614m): the variation is due to delays in obtaining materials for certain sites, adverse weather and labour supply issues, delays during the tender process for new schemes, delays on obtaining highways approval for works, and estimated spend forecasts being amended as schemes are approved. Clearance (£4,349m) slippage due to slower than anticipated rehousing of larger families and voluntary acquisition of owner occupied properties. Specific delays in Druids Heath due to protracted consultation on masterplanning. | (24,763) | (28,963) | (426) |
| | Action put into place: Utilising development officer experience in order to make more accurate predictions with regard to predicted spend, handovers, start on site etc. Liaise with contractors more closely to discuss potential material delays and labour demands. Work more closely with highways to reduce delays obtaining approval. | | | |
| | Total directorate over / (under) | (24,763) | (30,169) | 2,892 |

Directorate: Economy

| Ref | Major capital variations and associated key issues | 2018/19 | | All years |
|-----|--|-----------------------------|-----------------------------|-----------------------------|
| | | Reported last month £000 | Reported this month £000 | Quarter 2 variation £000 |
| E1 | <u>Enterprise Zone - Paradise Circus</u> A revised project business case is currently being independently appraised for GBSLEP fund. Pending this approval being awarded in November 2018 project expenditure has slipped on phase 2 works whilst any critical path activities are undertaken. | 0 | (2,672) | 0 |
| E2 | <u>Enterprise Zone - Connecting Economic Opportunities</u> | | | |

| | | | | |
|-----|---|---------|----------|-----------|
| | The original budget was based upon the GBSLEP's EZ Investment Plan which gave an indicative profile for spend on the Metro Digbeth Public Realm scheme. Since then, Cabinet has approved the PDD report on 26th June 2018 for £0.515m which recognises that design works needs to be fully developed before seeking approval for the Full Business Case by both GBSLEP and City Council. This has led to a reprofiling of the budget. | 0 | (485) | 0 |
| E3 | <u>Enterprise Zone - Southern Gateway Site</u> The programme has been slipped to reflect the timetable for selection of a preferred developer which will not be achieved until the final quarter of 2018. Action has been put in place to select a preferred development partner. | (1,000) | (1,000) | 0 |
| E4 | <u>Jewellery Quarter Cemetery</u> Project slipped due to tenders in excess of budget and a necessity to value engineer the project. | 0 | (1,629) | 0 |
| E5 | <u>Life Sciences</u> The project has slipped back due to the University of Birmingham requiring further studies into the development of the park which have taken longer than expected. University of Birmingham are looking to submit an FBC to the GBSLEP in the new year which will set out the revised project programme. | 0 | (973) | 0 |
| E6 | <u>Making the Connection</u> Making the Connections forms part of the wider CWG City Centre Scheme. | 0 | (270) | 0 |
| E7 | <u>Other (Public Realm)</u> Minor underspends on various S106 funded projects. | 0 | (265) | (265) |
| E8 | <u>One Station</u> Work has been undertaken to identify the options for how the Moor Street/New Street link can be improved. This identified a number of issues which impact on the ability to deliver improvement works, these included structural works affecting the rail infrastructure below Swan Passage and a number of different land ownerships. Going forward the project and associated funding will be incorporated into the proposals to remodel Moor Street to reduce the level of traffic and increase the amount of space for pedestrians and cyclists. This will achieve the aspiration for creating a high quality arrival space in front on the HS2 Curzon Station that will help integrate it within the City Centre Core. Action has been put in place to undertake feasibility work in partnership with the West Midlands Combined Authority and West Midlands Rail to progress the options and provide solutions to the issues that were identified. | (241) | (241) | (7) |
| E9 | <u>Grand Hotel Development</u> The BCC repayable grant is the final installment following £4m of GBSLEP Growing Places repayable grant. This is payable upon final completion of the building which is now expected to happen in 2019/20. | 0 | (1,000) | 0 |
| E10 | <u>Housing Development</u> Proposal for the disposal of Housing Revenue Account void properties to InReach not now being pursued due to awaiting Secretary of State approval, at the time of writing. | 0 | (47,516) | (226,000) |
| E11 | <u>Ashted Circus</u> The Project start date slipped by 7 months, delays due to upcoming works including the installation of temporary signals and infilling of subways, expected completion date is February 2019. Actions; improved contractor efficiency on site has meant the works are catching up & should complete sooner. | (898) | 632 | 0 |
| E12 | <u>Journey Reliability</u> The approvals for the funding and FBC have slipped which has had an impact on the appointment of the contractors and the delivery of the project within project time constraints. £100k of Local growth funding has been slipped into 2019-20 in-line with the plan. | 0 | (100) | 0 |

| | | | | |
|------------|---|----------------|-----------------|------------------|
| E13 | <u>Arena Central</u> The current budget relates to a loan facility for Arena Central which has now been repaid in full following the success of the project. As a result the loan is no longer required and the budget and forecast variance will be removed for month 7. | 0 | (1,249) | (1,249) |
| | | | | |
| | Total directorate over / (under) | (2,139) | (56,769) | (227,521) |

Directorate: Finance & Governance

| Ref | Major capital variations and associated key issues | 2018/19 | | All years |
|-----------|---|----------------------------|----------------------------|--------------------------------|
| | | Reported quarter 1 £000 | Reported quarter 2 £000 | Quarter 2 variation £000 |
| F1 | <u>Revenue Reform Projects</u> The projections for redundancy and pension strain costs have been updated following the Corporate Voluntary Redundancy Trawl, funded by capital receipts as part of the Governments capital receipts flexibility scheme. | 0 | 1,690 | 9,901 |
| | Total directorate over / (under) | 0 | 1,690 | 9,901 |

Directorate: Strategic Services

| Ref | Major capital variations and associated key issues | 2018/19 | | All years |
|-----------|--|----------------------------|----------------------------|--------------------------------|
| | | Reported quarter 1 £000 | Reported quarter 2 £000 | Quarter 2 variation £000 |
| S1 | <u>Digital Birmingham</u> The project supports 125 Small & Medium Enterprises, to innovate using data to develop new products and services. It runs until September 2019. it's an ongoing project and SMEs are still enrolling and being identified as suitable for this dedicated support. The project is 50% funded by ERDF grant. | 0 | (124) | 0 |
| | Total directorate over / (under) | 0 | (124) | 0 |

Prudential Borrowing - Additions or Reductions Quarter 2 (July to September) 2018

This Appendix reviews changes in the Council's proposed borrowing to finance capital expenditure to show whether the Council's underlying indebtedness increases or decreases.

| Description | # | 2018/19 £'000 | 2019/20 £'000 | Later Years £'000 | Total £'000 |
|--|-----|------------------|------------------|----------------------|----------------|
| Borrowing Needing Budget Support | | | | | |
| Place: | | | | | |
| Waste Management Services | A | (3,888) | 3,888 | 0 | 0 |
| TOTAL BORROWING NEEDING BUDGET SUPPORT | | (3,888) | 3,888 | 0 | 0 |
| SELF SUPPORTED | | | | | |
| Place: | | | | | |
| Sport | A&N | 1,216 | 940 | 0 | 2,157 |
| Regulation & Enforcement | A | (247) | 271 | 0 | 24 |
| Strategic Libraries | A | 30 | 0 | 0 | 30 |
| Community Libraries | A | (143) | 143 | 0 | 0 |
| Economy: | | | | | |
| Enterprise Zone Investment Plan Phases 1 & 2 | A | (7,601) | (1,237) | 7,258 | (1,580) |
| Housing Development | A | (34,804) | (34,804) | (156,392) | (226,000) |
| Strategic Services: | | | | | |
| ICT Infrastructure | A | (6) | 6 | 0 | 0 |
| Finance & Governance | | | | | |
| Capital Loans & Equity | A | 2,953 | 0 | 0 | 2,953 |
| Commonwealth Games | N | 19,367 | 73,100 | 207,600 | 300,067 |
| TOTAL SELF SUPPORTED BORROWING | | (19,235) | 38,419 | 58,466 | 77,650 |
| | | | | | |
| TOTAL ADDITIONS / (REDUCTION) IN PRUDENTIAL BORROWING | | (23,123) | 42,307 | 58,466 | 77,650 |

Note: This includes some re-phasing between years and excludes slippage brought forward from 2017/18

A - Amendment to existing project spend or resources.

N - New projects or programmes added in the quarter.

CAPITAL - CAPITAL EXPENDITURE PLAN - FORECAST 2018/19 QUARTER 2**Appendix B8**

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.

| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 & Later Years | Total |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's |
| ADULT SOCIAL CARE & HEALTH DIRECTORATE | 6,200 | 2,593 | 2,872 | 1,884 | 0 | 0 | 0 | 0 | 0 | 0 | 13,549 |
| CHILDREN, YOUNG PEOPLE & FAMILIES DIRECTORATE | 39,999 | 36,870 | 27,696 | 78,914 | 0 | 0 | 0 | 0 | 0 | 0 | 183,480 |
| PLACE DIRECTORATE | | | | | | | | | | | |
| Private Sector Housing | 621 | 625 | 472 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,718 |
| Housing Options | 9,925 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9,925 |
| Other - General Fund | 16,685 | 55,906 | 376 | 392 | 0 | 0 | 0 | 0 | 0 | 0 | 73,358 |
| HRA | 110,523 | 139,218 | 126,347 | 99,959 | 107,276 | 109,697 | 106,887 | 106,536 | 104,543 | 97,749 | 1,108,735 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL CAPITAL - PLACE DIRECTORATE | 137,754 | 195,749 | 127,194 | 100,351 | 107,276 | 109,697 | 106,887 | 106,536 | 104,543 | 97,749 | 1,193,736 |
| ECONOMY DIRECTORATE | | | | | | | | | | | |
| Regeneration | | | | | | | | | | | |
| Enterprise Zone Investment Plan | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 347 | 347 |
| Paradise Circus Redevelopment | 12,687 | 5,831 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18,518 |
| Site Development & Access | 2,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,545 | 8,045 |
| Southern Gateway Site | 0 | 0 | 7,142 | 12,683 | 10,000 | 4,705 | 0 | 0 | 0 | 0 | 34,530 |
| LEP Investment Fund | 0 | 0 | 0 | 0 | 0 | 0 | 5,000 | 5,000 | 5,000 | 5,000 | 20,000 |
| HS2 - Interchange Site | 0 | 0 | 0 | 5,000 | 5,000 | 5,000 | 5,000 | 0 | 0 | 0 | 20,000 |
| Southside Links | 278 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 278 |
| One Station | 10 | 234 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 244 |
| Making the Connections | 79 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 79 |
| Centenary Square | 3,820 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,820 |
| HS2 Station Environment | 2,760 | 3,241 | 13,399 | 19,800 | 15,800 | 3,000 | 2,000 | 0 | 0 | 0 | 60,000 |
| Site Enabling Works | 1,000 | 1,500 | 1,000 | 2,000 | 2,000 | 2,000 | 11,800 | 12,900 | 16,250 | 51,050 | 101,500 |
| Local Transport Improvements | 0 | 0 | 0 | 0 | 4,300 | 4,400 | 4,600 | 4,800 | 5,000 | 81,700 | 104,800 |
| Curzon Connecting Economic Opportunities | 515 | 1,485 | 20,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 56,800 | 138,800 |
| Social Infrastructure | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 109,900 | 109,900 |
| Metro Extension to East Birmingham/Solihull | 0 | 0 | 0 | 0 | 48,100 | 46,200 | 44,500 | 44,500 | 0 | 0 | 183,300 |
| Other Regeneration Schemes | 19,723 | 16,367 | 15,003 | 0 | 0 | 0 | 0 | 0 | 0 | 9,791 | 60,885 |
| Total Planning & Regeneration | 43,372 | 28,658 | 56,544 | 49,483 | 95,200 | 75,305 | 82,900 | 77,200 | 36,250 | 320,133 | 865,046 |
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 & Later Years | Total |
| | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's | Quarter 2 Forecast £'000's |

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| Total Employment & Skills | 5,653 | 468 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,121 |
| Total Transportation | 53,598 | 33,358 | 61,932 | 45,753 | 30,425 | 10,203 | 0 | 0 | 0 | 0 | 235,269 |
| Total Highways | 5,686 | 1,661 | 1,325 | 3,975 | 0 | 0 | 0 | 0 | 0 | 0 | 12,647 |
| Total Property Services | 1,092 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,092 |
| TOTAL CAPITAL - ECONOMY DIRECTORATE | 109,402 | 64,145 | 119,801 | 99,211 | 125,625 | 85,508 | 82,900 | 77,200 | 36,250 | 320,133 | 1,120,175 |
| FINANCE & GOVERNANCE DIRECTORATE | 151,269 | 172,925 | 164,317 | 112,700 | 0 | 0 | 0 | 0 | 0 | 0 | 601,210 |
| STRATEGIC SERVICES DIRECTORATE | 8,603 | 4,386 | 2,191 | 35,534 | 0 | 0 | 0 | 0 | 0 | 0 | 50,714 |
| TOTAL CAPITAL PROGRAMME | 453,227 | 476,668 | 444,072 | 428,594 | 232,901 | 195,205 | 189,787 | 183,736 | 140,793 | 417,882 | 3,162,865 |
| | | | | | | | | | | | |

Resources

Use of Specific Resources

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|------------------|
| Grants & Contributions | 226,572 | 160,740 | 135,873 | 168,844 | 24,877 | 11,073 | 1,873 | 250 | 250 | 2,269 | 732,621 |
| Use of earmarked Capital Receipts | 72,716 | 77,509 | 50,271 | 54,922 | 36,068 | 36,499 | 36,942 | 37,398 | 37,867 | 13,903 | 454,095 |
| Revenue Contributions - Departmental | 7,524 | 2,782 | 5,238 | 118 | 0 | 0 | 0 | 0 | 0 | 0 | 15,662 |
| - HRA | 47,631 | 53,288 | 59,993 | 27,951 | 65,542 | 67,785 | 68,072 | 68,888 | 66,426 | 81,577 | 607,153 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Specific Resources | 354,443 | 294,319 | 251,375 | 251,835 | 126,487 | 115,357 | 106,887 | 106,536 | 104,543 | 97,749 | 1,809,530 |

Use of Corporate or General Resources

| | | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| Corporate Resources | 9,700 | 522 | 150 | 392 | 0 | 0 | 0 | 0 | 0 | 0 | 10,764 |
| Unsupported Prudential Borrowing - General | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unsupported Prudential Borrowing - Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unsupported Prudential Borrowing - Directorate | 89,084 | 181,827 | 192,547 | 176,367 | 106,414 | 79,848 | 82,900 | 77,200 | 36,250 | 320,133 | 1,342,570 |
| Total Corporate Resources | 98,784 | 182,349 | 192,697 | 176,759 | 106,414 | 79,848 | 82,900 | 77,200 | 36,250 | 320,133 | 1,353,334 |
| | | | | | | | | | | | |
| Forecast Use of Resources | 453,227 | 476,668 | 444,072 | 428,594 | 232,901 | 195,205 | 189,787 | 183,736 | 140,793 | 417,882 | 3,162,864 |

TREASURY MANAGEMENT MONITORING DASHBOARD: SEPTEMBER 2018

| | value | comparator | difference |
|---|-----------|------------|------------|
| 1 gross loan debt | £m | £m | £m |
| at month end (actual) | 3,331 | | |
| year end Forecast (vs Plan) | 3,513 | 3,539 | -27 |
| year end Forecast (vs Pru Limit for loan debt*) | 3,513 | 3,851 | -338 |
| <i>*monitoring of the full set of prudential indicators is reported quarterly to Cabinet</i> | | | |
| 2 short term borrowing | | | |
| at month end (vs Guideline) | 472 | 500 | -28 |
| interest rate year to date on outstanding deals (vs assumption) | 0.76% | 0.75% | 0.01% |
| 3 Treasury investments | | | |
| at month end (vs Guideline) | 65 | 40 | 25 |
| interest rate year to date on outstanding deals (vs assumption) | 0.57% | 0.45% | 0.12% |
| 4 Long term loans taken | | | |
| year to date (vs plan for year) | 82 | 180 | -98 |
| ave. interest rate obtained (vs assumption) | 2.32% | 2.90% | -0.58% |
| £81.75m PWLB Loans taken to refinance £60m LoBo's plus premium, so net increase in L/T loans is £21.75m | | | |
| 5 Assurance | | | |
| were Credit criteria complied with? | yes | | |
| were investment defaults avoided? | yes | | |
| was the TM Code complied with? | yes | | |
| were prudential limits complied with? | yes | | |

Treasury Management: portfolio overview

This appendix summarises the council's loan debt and treasury management investments outstanding

| | this quarter £m 30/09/2018 | last quarter £m 30/06/2018 |
|------------------------------------|----------------------------------|----------------------------------|
| PWLB | 2,328 | 2,246 |
| Bonds | 373 | 373 |
| LOBOs | 102 | 162 |
| Other long term | 56 | 59 |
| Salix | 0 | 0 |
| Short term | 472 | 460 |
| Gross loan debt | 3,331 | 3,300 |
| less treasury investments | - 65 | - 35 |
| Net loan debt | 3,265 | 3,265 |
| Budgeted year end net debt | 3,499 | 3,499 |
| Prudential limit (gross loan debt) | 3,851 | 3,851 |

Treasury investments by source

| | £m |
|------------------------------|-----------|
| UK Government | 0 |
| Money Market Funds | 47 |
| Banks and Building Societies | 18 |
| Supply Chain finance | 0 |
| | 65 |

Treasury investments by credit quality

| | £m |
|--------|-----------|
| AAA | 0 |
| AAAmmf | 47 |
| AA | 14 |
| A | 4 |
| | 65 |

Investments as Accountable Body

These are investments made as Accountable Body on behalf of on behalf of others, and are not the Council's own money

| | Growing Places Fund £m | AMSCI ¹ £m | Regional Growth Fund £m | Local Growth Fund £m | Total £m |
|--------------------------------------|---------------------------------|--------------------------|----------------------------------|-------------------------------|-------------|
| UK Government | 44 | 16 | 0 | | 60 |
| Birmingham City Council ² | | | | 11 | 11 |
| Government Money Market Funds | 5 | 7 | 0 | | 12 |
| Banks and Building Societies | | | | | 0 |
| | 49 | 23 | 0 | 11 | 83 |

¹ Advanced Manufacturing Supply Chain Initiative

² These funds have been lent to the Council by agreement at a commercial rate

Treasury management: summary of delegated decisions in the quarter

This appendix summarises decisions taken under treasury management delegations to the Corporate Director of Finance and Governance during the quarter

| 1. Short term (less than 1 year) | borrowing | investments |
|---|------------------|--------------------|
| | £m | £m |
| opening balance | 460 | -35 |
| new loans/investments | 790 | 551 |
| loans/investments repaid | -778 | -581 |
| closing balance | 472 | -65 |

These loans and investments are for short periods from one day up to 365 days. There is therefore a rapid turnover of new loans.

2. Long term borrowing:

| date | lender | £m | rate | maturity | |
|--------|--------|----|------|----------|----------|
| 02-Aug | PWLB | 27 | 2.24 | 02.08.28 | 10 years |
| 02-Aug | PWLB | 27 | 2.31 | 02.08.29 | 11 years |
| 02-Aug | PWLB | 27 | 2.41 | 02.08.31 | 13 years |

3. Long term loans prematurely repaid:

| date | lender | | £m | rate | maturity | repurchase rate |
|--------|--------|------|----|------|----------|-----------------|
| 02-Aug | RBS | LOBO | 50 | 4.12 | 29.03.60 | 2.74 |
| 02-Aug | RBS | LOBO | 10 | 4.16 | 12.09.78 | 2.71 |

4. Long term treasury investments made:

| date | borrower | £m | rate | maturity |
|-------------------------------|----------|----|------|----------|
| no long term investments made | | | | |

DEBT AND PRUDENTIAL INDICATORS**WHOLE COUNCIL**

| | 18/19 Indicators £m | 18/19 Forecast £m | 19/20 Indicators £m | 19/20 Forecast £m | 20/21 Indicators £m | 20/21 Forecast £m |
|---|---------------------------|-------------------------|---------------------------|-------------------------|---------------------------|-------------------------|
| Capital Finance | | | | | | |
| 1 Capital Expenditure - Capital Programme | 476.9 | 453.5 | 268.5 | 476.7 | 257.2 | 444.1 |
| 2 Capital Expenditure - other long term liabilities | 30.3 | 30.6 | 35.9 | 36.3 | 37.8 | 38.2 |
| 3 Capital expenditure | 507.2 | 484.1 | 304.4 | 512.9 | 295.0 | 482.3 |
| 4 Capital Financing Requirement (CFR) | 4,635.4 | 4,598.9 | 4,596.4 | 4,614.5 | 4,556.5 | 4,687.5 |
| Planned Debt | | | | | | |
| 5 Peak loan debt in year | 3,557.9 | 3,471.2 | 3,505.7 | 3,422.8 | 3,368.5 | 3,446.1 |
| 6 + Other long term liabilities (peak in year) | 449.1 | 449.7 | 432.2 | 432.5 | 415.4 | 415.5 |
| 7 = Peak debt in year | 4,007.0 | 3,920.9 | 3,937.9 | 3,855.3 | 3,783.9 | 3,861.6 |
| 8 does peak debt exceed year 3 CFR? | no | no | no | no | no | no |
| Prudential limit for debt | | | | | | |
| 9 Gross loan debt | 3,851.0 | 3,471.2 | 3,767.9 | 3,422.8 | 3,733.4 | 3,446.1 |
| 10 + other long term liabilities | 449.0 | 449.7 | 432.1 | 432.5 | 415.4 | 415.5 |
| 11 = Total debt | 4,300.0 | 3,920.9 | 4,200.0 | 3,855.3 | 4,200.0 | 3,861.6 |

Notes

- 1 Forecast capital expenditure has increased since the indicator was set due to additions to the capital programme, as reported in the quarterly capital monitoring reports.
- 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 City 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 C4b

HOUSING REVENUE ACCOUNT

| | 18/19 Indicators £m | 18/19 Forecast £m | 19/20 Indicators £m | 19/20 Forecast £m | 20/21 Indicators £m | 20/21 Forecast £m |
|--|---------------------------|-------------------------|---------------------------|-------------------------|---------------------------|-------------------------|
| Capital Finance | | | | | | |
| 1 Capital expenditure | 131.0 | 110.5 | 111.7 | 139.2 | 124.4 | 126.3 |
| HRA Debt | | | | | | |
| 2 Capital Financing Requirement (CFR) | 1,058.1 | 1,050.9 | 1,045.1 | 1,037.8 | 1,036.2 | 1,028.9 |
| 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 | 90.4 | 86.3 | 97.9 | 89.3 | 98.3 | 96.7 |
| 5 HRA revenues | 277.2 | 277.6 | 273.1 | 273.1 | 278.4 | 278.4 |
| 6 HRA financing costs as % of revenues | 32.6% | 31.1% | 35.8% | 32.7% | 35.3% | 34.7% |
| 7 HRA debt : revenues | 3.8 | 3.8 | 3.8 | 3.8 | 3.7 | 3.7 |
| 8 Forecast Housing debt per dwelling | £17,335 | £17,203 | £17,331 | £17,458 | £17,376 | £17,467 |

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 depreciation rather than Minimum Revenue Provision (MRP), 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.

DEBT AND PRUDENTIAL INDICATORS

Appendix C4c

GENERAL FUND

| | 18/19 Indicators £m | 18/19 Forecast £m | 19/20 Indicators £m | 19/20 Forecast £m | 20/21 Indicators £m | 20/21 Forecast £m |
|---|---------------------------|-------------------------|---------------------------|-------------------------|---------------------------|-------------------------|
| Capital Finance | | | | | | |
| 1 Capital expenditure (including other long term liabilities) | 376.2 | 373.6 | 192.7 | 373.7 | 170.6 | 355.9 |
| 2 Capital Financing Requirement (CFR) | 3,577.3 | 3,548.1 | 3,551.3 | 3,576.7 | 3,520.2 | 3,658.5 |
| General Fund debt | | | | | | |
| 3 Peak loan debt in year | 2,499.8 | 2,420.3 | 2,460.6 | 2,385.0 | 2,332.3 | 2,417.2 |
| 4 + Other long term liabilities (peak in year) | 449.1 | 449.7 | 432.2 | 432.5 | 415.4 | 415.5 |
| 5 = Peak General Fund debt in year | 2,948.9 | 2,870.0 | 2,892.8 | 2,817.5 | 2,747.7 | 2,832.7 |
| General Fund Affordability | | | | | | |
| 6 Total General Fund financing costs | 274.2 | 270.7 | 270.7 | 260.7 | 262.6 | 252.1 |
| 7 General Fund net revenues | 855.2 | 855.2 | 824.6 | 824.6 | 845.9 | 845.9 |
| 8 General Fund financing costs (% of net revenues) | 32.1% | 31.7% | 32.8% | 31.6% | 31.0% | 29.8% |
| 9 General Fund financing costs (% of gross revenues) | 24.2% | 24.1% | 24.5% | 24.0% | 23.2% | 23.3% |

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 This is a local indicator measuring finance costs against relevant gross income including revenues from sales, fees, charges and rents, which are available to support borrowing costs.

PRUDENTIAL INDICATORS

Appendix C4d

TREASURY MANAGEMENT

| | | 18/19 | 18/19 | 19/20 | 19/20 | 20/21 | 20/21 |
|---|--|------------|----------|------------|----------|------------|----------|
| | | Indicators | Forecast | Indicators | Forecast | Indicators | Forecast |
| | | Forecast | | Forecast | | Forecast | |
| | | Limit | Maximum | Limit | Maximum | Limit | Maximum |
| Interest rate exposures | | | | | | | |
| 1 | upper limit on fixed rate exposures | 130% | 84% | 130% | 88% | 130% | 89% |
| 2 | upper limit on variable rate exposures | 30% | 24% | 30% | 17% | 30% | 17% |
| Maturity structure of borrowing | | Limit | Forecast | Limit | Forecast | Limit | Forecast |
| (lower limit and upper limit) | | Year End | | Year End | | Year End | |
| 3 | under 12 months | 0% to 30% | 18% | 0% to 30% | 16% | 0% to 30% | 15% |
| 4 | 12 months to within 24 months | 0% to 30% | 1% | 0% to 30% | 1% | 0% to 30% | 1% |
| 5 | 24 months to within 5 years | 0% to 30% | 5% | 0% to 30% | 4% | 0% to 30% | 4% |
| 6 | 5 years to within 10 years | 0% to 30% | 12% | 0% to 30% | 12% | 0% to 30% | 16% |
| 7 | 10 years to within 20 years | 5% to 40% | 24% | 5% to 40% | 23% | 5% to 40% | 21% |
| 8 | 20 years to within 40 years | 10% to 60% | 36% | 10% to 60% | 38% | 10% to 60% | 38% |
| 9 | 40 years and above | 0% to 40% | 4% | 0% to 40% | 6% | 0% to 40% | 4% |
| Investments longer than 364 days | | | | | | | |
| upper limit on amounts maturing in: | | Limit | Forecast | Limit | Forecast | Limit | Forecast |
| 10 | 1-2 years | 400 | 0 | 400 | 0 | 400 | 0 |
| 11 | 2-3 years | 100 | 0 | 100 | 0 | 100 | 0 |
| 12 | 3-5 years | 100 | 0 | 100 | 0 | 100 | 0 |
| 13 | later | 0 | 0 | 0 | 0 | 0 | 0 |

Note

1-9 These indicators assume that LOBO loan options are exercised at the earliest possibility, and are calculated as a % of net loan debt.



Resources O&S Committee: Work Programme 2018/19

| | |
|---------------------------|--|
| Chair | Cllr Sir Albert Bore |
| Deputy Chair | Cllr Josh Jones |
| Committee Members: | Cllrs Muhammad Afzal, Meirion Jenkins, Zaheer Khan, Narinder Kaur Kooner, Ewan Mackey, Paul Tilsley |
| Committee Support: | Scrutiny Team: Emma Williamson (464 6870) and Jayne Power (303 4810) Committee Manager: Marie Reynolds (464 4104) |

1 Meeting Schedule

| Date | Item | Officer contact |
|--|---|--|
| 21 June 2018 | Work Programme Discussion <i>Outcome:</i> to determine the work programme priorities for the year | Emma Williamson/Jayne Power, Scrutiny Office |
| 19 July 2018 | Financial Outturn Report 2017/18 Birmingham independent Improvement Panel Stock-take Report Travel Assist | Emma Williamson/Jayne Power, Scrutiny Office |
| 4 September 2018 | Annual Audit Findings Report | Clive Heaphy, Corporate Director, Finance and Governance/Jon Lawton, Cabinet Support Officer |
| 20 September 2018 Deadline for reports: 11 September | 2018-19 Budget Update | Clive Heaphy, Corporate Director, Finance & Governance |
| | Proposed new IT system for Finance and HR | Dawn Hewins, Director of HR / Clive Heaphy, Corporate Director, Finance & Governance |
| 18 October 2018 Deadline for reports: 9 October | Financial Monitoring 2018/19 – Month 5 | Clive Heaphy, Corporate Director, Finance & Governance |
| 15 November 2018 Deadline for reports: 6 November | Financial Monitoring 2018/19 – Month 6 | Clive Heaphy, Corporate Director, Finance & Governance |
| | Waste Services | Rob James, Acting Corporate Director, Place |



| Date | Item | Officer contact |
|---|--|---|
| 13 December 2018 Deadline for reports: 4 December | Financial Monitoring 2018/19 – Month 7 | Clive Heaphy, Corporate Director, Finance & Governance |
| | Acivico | TBC |
| 17 January 2019 Deadline for reports: 8 January | Financial Monitoring 2018/19 – Month 8 | Clive Heaphy, Corporate Director, Finance & Governance |
| | Update on HR & Finance ERP System | Clive Heaphy, Corporate Director, Finance & Governance/Dawn Hewins, Director of HR/Peter Bishop, AD, ICT & Digital Services |
| 14 February 2019 Deadline for reports: 5 February | Financial Monitoring 2018/19 – Month 9 | Clive Heaphy, Corporate Director, Finance & Governance |
| 14 March 2019 Deadline for reports: 5 March | TBC | |
| 11 April 2019 Deadline for reports: 2 April | TBC | |

2 Other Meetings

Call in

Petitions

None scheduled

Councillor Call for Action requests

None scheduled

3 Forward Plan for Cabinet Decisions

| Leader | | |
|-------------|---|-----------|
| 005471/2018 | Financial Monitoring Report Quarter 2 2018/19 | 13 Nov 18 |
| 005749/2018 | Business Rates Income 2019/20 | 22 Jan 19 |
| 005751/2018 | Financial Monitoring Report Quarter 3 2018/19 | 22 Jan 19 |



| Deputy Leader | | |
|----------------------|---------------------------------------|-----------|
| 005441/2018 | Discretionary Housing Payments Policy | 11 Dec 18 |

| Cabinet Member for Finance and Resources | | |
|---|---|-----------|
| 005353/2018 | Birmingham City Council – A One Council Approach to Commercialisation – Public | 13 Nov 18 |
| 004831/2018 | Review of Building Consultancy (Acivico) Ltd - Public | 11 Dec 18 |
| 004833/2018 | Commissioning review of Birmingham City Laboratories (BCL) - Public | 11 Dec 18 |
| 005467/2018 | Review of the Social Value Policy and Birmingham Business Charter for Social Responsibility (BBC4SR) - Public | 11 Dec 18 |
| 005727/2018 | Prudential Borrowing for the Purchase of Grounds Maintenance Equipment | 11 Dec 18 |

| Cabinet Member for Clean Streets, Waste and Recycling | | |
|--|---|-----------|
| 005460/2018 | Procurement Strategy to Support Fleet Replacement Strategy for Waste Management Service | 11 Dec 18 |

