

Members are reminded that they must declare all relevant pecuniary and non-pecuniary interests relating to any items of business to be discussed at this meeting. If a 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.

BIRMINGHAM CITY COUNCIL

CABINET

**Tuesday, 21 March 2017 at 1000
hours in Committee Rooms 3 and 4,
Council House, Birmingham**

PUBLIC AGENDA

1. NOTICE OF RECORDING

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.birminghamnewsroom.com) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

2. APOLOGIES

Attached 3. CORPORATE REVENUE MONITORING 2016/17 MONTH 10 (UP TO 31ST JANUARY 2017)

Report of the Chief Executive and the Strategic Director - Finance and Legal.

Attached 4. CAPITAL AND TREASURY MANAGEMENT MONITORING QUARTER 3 (OCTOBER TO DECEMBER 2016)

Report of the Acting Chief Financial Officer.

Attached 5. 2016/17 COUNCIL BUSINESS PLAN MEASURES APRIL TO DECEMBER 2016 PERFORMANCE MONITORING

Report of the Strategic Director - Finance and Legal.

Attached 6. BIRMINGHAM LIVING WAGE POLICY REVIEW AND REVISION

Report of the Director of Commissioning and Procurement.

Attached 7. MARKETING BIRMINGHAM BUSINESS PLAN

Report of the Strategic Director for Economy.

- Attached** 8. **A GREATER BIRMINGHAM FOR A GREATER BRITAIN – AGREEMENT FOR BCC TO ACCEPT GROWTH DEAL 3 CAPITAL GRANT FUNDS ON BEHALF OF GBSLEP**
- Report of the Strategic Director for Economy.
- Attached** 9. **LAND APPROPRIATIONS TO SUPPORT HOUSING GROWTH**
- Report of the Strategic Director for Economy.
- Attached** 10. **SOCIAL CARE FRAMEWORK AGREEMENT – COMMISSIONING STRATEGY AND PERMISSION TO CONSULT**
- Report of the Strategic Director for People.
- Attached** 11. **PROVISION OF TRANSPORT SERVICES CONTRACT EXTENSION (T23)**
- Report of the Strategic Director for People.
- Attached** 12. **PLANNED PROCUREMENT ACTIVITIES (APRIL 2017 - JUNE 2017)**
- Report of the Director of Commissioning and Procurement.
13. **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.
14. **EXCLUSION OF THE PUBLIC**
- That in view of the nature of the business to be transacted, which includes exempt information of the category indicated, the public be now excluded from the meeting:-
- (Exempt Paragraph 3)

PRIVATE AGENDA

- Attached** 15. **LAND APPROPRIATIONS TO SUPPORT HOUSING GROWTH**
- Report of the Strategic Director for Economy.
- (Exempt Paragraph 3)
- Attached** 16. **PLANNED PROCUREMENT ACTIVITIES (APRIL 2017 - JUNE 2017)**
- Report of the Director of Commissioning and Procurement.
- (Exempt Paragraph 3)

17. OTHER URGENT BUSINESS (EXEMPT INFORMATION)

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.

Report to:	CABINET	
Report of:	THE CHIEF EXECUTIVE AND THE STRATEGIC DIRECTOR FINANCE & LEGAL	
Date of Decision:	21st March 2017	
SUBJECT:	CORPORATE REVENUE BUDGET MONITORING 2016/17 MONTH 10 (UP TO 31ST JANUARY 2017)	
Key Decision: Yes	Relevant Forward Plan Ref: 001932/2017	
If not in the Forward Plan: (please "X" box)	Chief Executive approved O&S Chairman approved X	
Relevant Cabinet Member(s):	Councillor Ian Ward	
Relevant O&S Chairman:	Councillor Mohammed Aikhlaq	
Wards affected:	All	

1. Purpose of report:
<p>1.1 This report forms part of the City Council's robust arrangements for controlling its revenue expenditure.</p> <p>1.2 Each Directorate's financial performance to date is shown, together with the risks and issues identified to date in the Corporate Revenue Budget Monitoring document for Month 10, which is appended to this report.</p>

2. Decision(s) recommended:
<p>2.1 Note the City Council's 2016/17 revenue budget position and the gross pressures identified as at 31st January 2017.</p> <p>2.2 Note the latest monitoring position in respect of the City Council's savings programme and the present risks identified in its delivery.</p> <p>2.3 Approve the resource allocations as identified in Section 3 of the attached report.</p> <p>2.4 Authorise the City Council to agree and accept the risk of revenue account losses relating to the proportionate share of the total Combined Investment Fund (CIF) as identified in Section 3.3 of the report.</p> <p>2.5 Approve the writing off of debts over £0.025m as summarised in Appendix 4 of the report.</p>

Lead Contact Officer(s):	Steve Powell, Assistant Director (Corporate Finance)
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3.	Consultation
	Consultation should include those that have an interest in the decisions recommended.
3.1	<u>Internal</u> Cabinet Members, Strategic Directors, the Acting City Solicitor, Human Resources and Assistant Directors of Finance have been consulted in the preparation of this report.
3.2	<u>External</u> There are no additional issues beyond consultations carried out as part of the budget setting process for 2016/17.
4.	Compliance Issues:
4.1	<u>Are the recommended decisions consistent with the Council's policies, plans and strategies?</u> The budget is integrated with the Council Business Plan, and resource allocation is directed towards policy priorities.
4.2	<u>Financial Implications</u> <u>(Will decisions be carried out within existing finances and Resources?)</u> The Corporate Revenue Budget Monitoring document attached gives details of monitoring of service delivery within available resources.
4.3	<u>Legal Implications</u> Section 151 of the 1972 Local Government Act requires the Strategic Director Finance & Legal (as the responsible officer) to ensure the proper administration of the City Council's financial affairs. Budgetary control, which includes the regular monitoring of and reporting on budgets, is an essential requirement placed on Directorates and members of the Corporate Leadership Team by the City Council in discharging the statutory responsibility. This report meets the City Council's requirements on budgetary control for the specified area of the City Council's Directorate activities.
4.4	<u>Public Sector Equality Duty (see separate guidance note)</u> There are no additional Equality Duty or Equality Analysis issues beyond any already assessed in the year to date. Any specific assessments needed, will be made by Directorates in the management of their services.

5.	Relevant background/chronology of key events:
5.1	At the meeting on 1 st March 2016, the Council agreed a net revenue budget for 2016/17 of £835.281m to be met by government grants, council tax and business rates payers.
5.2	The base budget forecast variations in each Directorate are detailed in Section 2 of the Corporate Revenue Budget Monitoring document, together with the actions presently proposed to contain spending within cash limits. The position is summarised in tabular form in Appendix 1 which incorporates the forecast year end pressures by Directorate.
5.3	Directorate risks relating to the Savings Programme, and measures being undertaken to alleviate these are detailed in Section 2 of the attached report. The position is summarised in tabular form in Appendix 3.
6.	Evaluation of alternative option(s):
6.1	Strategic Directors, in striving to manage their budgets, have evaluated all the options available to them to maintain balance between service delivery and a balanced budget.
7.	Reasons for Decision(s):
7.1	<p><u>To inform Cabinet of:</u> The City Council's 2016/17 revenue budget position and the level of gross pressures identified as at 31st January 2017.</p> <p>The latest monitoring position in respect of the City Council's Savings Programme and the present risks identified in its delivery.</p> <p><u>To approve:</u> Approve the resource allocations as identified in Section 3 of the attached report.</p> <p>The writing off of debts over £0.025m as summarised in Appendix 4 of the report.</p> <p>The risk of revenue account losses relating to the proportionate share of the total Combined Investment Fund (CIF) as identified in Section 3.3 of the report.</p>

Signatures	Date
Strategic Director Finance & Legal
Acting Chief Executive
Deputy Leader

List of Background Documents used to compile this Report:
City Council Business Plan 2016+ approved at Council (1 March 2016).

List of Appendices accompanying this Report (if any):
1. Corporate Revenue Budget Monitoring Document – Month 10 2. 3. 4. 5.

Report Version	V1.0	Dated	9 th March 2017
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CORPORATE REVENUE BUDGET MONITORING REPORT 2016/17 MONTH 10

(up to 31st January 2017)

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1. **Executive Summary**

- 1.1 The City Council has a General Fund net revenue budget of £835.281m. The City Council Business Plan 2016+ recognised that in order to accommodate resource losses and fund budget pressures, savings of £88.210m would be required from Directorates in 2016/17. In addition, there are savings from 2015/16 of £34.814m, where delivery still needs to be monitored, including where they were met on a one-off basis and £0.214m of costs identified relating to the implementation of savings. Total savings to be met in 2016/17 are therefore £123.238m.
- 1.2 Latest projections indicate a pressure of £3.669m in the base budget delivery at year-end and £31.724m of savings that are not deliverable at year end after corporate mitigations, giving combined pressures and undeliverable savings of £35.393m at year end. This is a net decrease of £1.779m since Month 8. The overall position is summarised in Table 1.
- 1.3 There are three main changes since Month 8. There is a reduction of £1.586m in People Directorate due to continuing mitigations identified by the Directorate Management Team and £0.807m increased pressures relating largely to Acivico in Corporate Resources (as highlighted in Section 2). This has been offset by £1.000m of further Corporate Mitigations (as highlighted in Section 3 of the report).
- 1.4 As has been recognised in previous budget monitoring reports to Cabinet, there has been an exceptional level of challenge this year and the position has received the full attention of the Corporate Leadership Team and the Cabinet. A comprehensive mid-year review was carried out as part of the Month 4 Revenue Monitoring report. This identified those areas within the Savings Programme that were considered no longer deliverable and the extent to which these could be offset by one-off mitigations. As part of this review, a number of new savings proposals were also agreed.
- 1.5 The Corporate Leadership Team have taken steps to ensure that their Directorates are conforming to robust governance arrangements with regard to staffing and budget expenditure to reduce the year end projected pressures and undeliverable savings, and have taken decisive action to control all costs.
- 1.6 A review of the position on each of the savings initiatives is undertaken each month, and the overall Directorate position at Month 10 is summarised for the City Council in Table 2 (and detailed on a Directorate basis in Appendix 3). After mitigations, £91.514m (74.3%) of the required savings total of £123.238m are on course to be delivered.
- 1.7 Section 2 of this report details budget pressures on the net revenue budget and savings not deliverable by Directorates.

Table 1 - Summary forecast position of base budget and savings not deliverable

Directorate	Current Budget	Net Base Budget Pressures				Savings Programme not Deliverable				TOTAL			
		as at				as at				as at			
		Month 10	Month 9	Month 8	Movement	Month 10	Month 9	Month 8	Movement	Month 10	Month 9	Month 8	Movement
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
People Directorate	482.049	4.795	6.370	7.831	(3.036)	47.106	46.306	45.656	1.450	51.901	52.676	53.487	(1.586)
Place Directorate	137.732	8.484	8.484	8.484	0.000	7.414	7.414	7.414	0.000	15.898	15.898	15.898	0.000
Economy Directorate	71.724	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 Resources	41.004	0.807	0.000	0.000	0.807	0.000	0.000	0.000	0.000	0.807	0.000	0.000	0.807
Sub-total Directorates	732.509	14.086	14.854	16.315	(2.229)	54.520	53.720	53.070	1.450	68.606	68.574	69.385	(0.779)
Policy Contingency	22.043	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Corporate Items	80.729	(10.417)	(9.417)	(9.417)	(1.000)	(22.796)	(22.796)	(22.796)	0.000	(33.213)	(32.213)	(32.213)	(1.000)
City Council General Fund	835.281	3.669	5.437	6.898	(3.229)	31.724	30.924	30.274	1.450	35.393	36.361	37.172	(1.779)
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

Table 2 - Summary of Directorate Savings Programme delivery

	Position as at Month 10 £m	Position as at Month 9 £m	Position as at Month 8 £m
Actions in place to fully achieve savings (in line with Policy Decision)	43.533	38.283	38.383
Actions in place to fully achieve savings (new Policy Decision required)	0.696	0.488	0.024
Actions in place to achieve savings in year only	24.316	24.524	22.604
Actions in place but may be some risk to delivery	0.173	6.223	9.157
Savings not deliverable	54.520	53.720	53.070
Total Directorate Savings Programme	123.238	123.238	123.238

2. 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 Appendix 1.

2.1 People Directorate

The Directorate is forecasting an overspend of £51.901m (Month 8 £53.487m). This is made up of pressures of £4.795m (Month 8 £7.831m) on the base budget and £47.106m (Month 8 £45.656m) of net savings deemed to be not deliverable in 2016/17.

The decrease of £1.586m since Month 8 arises as the Directorate management continues to identify mitigations for the financial position. These include delaying recruitment in less critical areas, increasing the amounts charged to capital and reduction in the overall cost of Children's Supported Accommodation Care Packages. These have more than offset the continued pressure on Adult Care Packages, one off charges relating to bad debts and pension fund strain.

Base Budget

The base budget pressure of £4.795m forecast at Month 10 (Month 8 £7.831m) relates to the following:

Adults - £6.030m pressure (Month 8 £8.440m pressure)

- **Adult Social Care Packages - £8.401m pressure (Month 8 £9.405m pressure)**

Despite the continued demographic pressures on the service, the position has improved by £1.004m from that reported in month 8. This relates mainly to the ongoing review of existing and new clients in Younger Adults to reduce the overall costs of care.

However, the underlying trends of assessed need continue to rise. Numbers of service users supported following hospital discharges is also increasing.

The forecast does not make any allowance for further growth in the number of packages beyond that already being provided. The Directorate has implemented a number of actions during the year to mitigate the pressures which have made a positive contribution to the net reduction. These include:

- the tightening of controls on care related contracts to ensure best value is achieved from care providers
- ensuring application of national frameworks by Clinical Commissioning Groups (CCGs) to secure health related contributions, thereby expediting joint working and decision making
- reviews of current practice, uses of certain care approaches and the use of panels to enhance the value and effectiveness are under consideration and development

- robust challenge of existing and planned care including those clients being transferred from the NHS
- reviewing workforce prioritisation
- ensuring all available income to the service is realised
- ensuring care data is cleansed to improve accuracy and hence commitments and forecasting is in line with expected care requirements

The impact of these mitigations has been built into the forecasts.

Further initiatives are set out in the Financial Plan 2017+.

- **Assessment and Support Planning - Deprivation of Liberty Safeguards**
The latest forecast reflects the additional costs of £1.800m, an increase of £0.300m compared to Month 8. As agreed in the Month 2 Corporate Revenue Monitoring report, this pressure will be met corporately.
- **Business Change - £1.621m underspend (Month 8 £0.936m underspend)**
The major variation arises from delays in the recruitment of staff (£0.800m). There have also been further savings of £0.821m in supplies and services. This should not adversely affect the 2017/18 financial position.
- **Other net variations - £0.750m underspend (Month 8 £0.029m underspend)**
This mainly relates to reductions in the use of agency staff, employee costs, and other non-care contracts. There are increased pressures that have arisen due to higher than anticipated increases in the bad debt provision and pension fund strain payments. In order to mitigate these and other cost pressures, the Directorate has reviewed expenditure on equipment and adaptations to assist service users and has determined that a higher proportion can be charged to capital.

Children - £1.235m underspend (Month 8 £0.609m underspend)

- **Education Service Grant (ESG) - £0.711m pressure (no change from Month 8)**
Reductions of £2.400m were required in 2016/17 to offset the impact of changes in ESG grant. Various mitigations have been identified and applied but there is still a residual amount of £0.711m for which mitigations have not been identified.
- **Early Help & Children's Social Care - £4.166m underspend (Month 8 £3.685m underspend)**
There is a forecast underspend of £0.741m on staffing budgets within the Family Support Service due to vacancies held pending the service implementing a revised structure and £0.397m underspend on employee budgets for the five children's homes that have now transferred to an external provider. In addition there is an underspend of £0.168m due to lower than expected costs for the repairs and maintenance of children's homes prior to transfer to the provider.

There is a projected £1.660m underspend in internal foster care. The service has undertaken a review of current internal foster care capacity in readiness for implementation of the next phase of the improvement plan to grow the in house service.

There is a projected underspend of £1.485m due to a longer mobilisation period on the phased go live of the residential block contract due to securing planning permission and OFSTED registration for individual properties.

The reduction in the number of externally commissioned residential and community based assessment has resulted in a further underspend of £0.329m.

There has been a reduction in the overall cost of supported accommodation care packages of £0.375m.

The extension of the Department of Education Interagency funding scheme for adoption placements to March 2017 will enable additional income of £0.259m to be claimed for eight cases which meet the specific eligibility criteria.

There have been a number of other minor underspends across several services totalling £0.119m.

These have been offset by pressures relating mainly to:

- Secure Remand beds with additional costs of £0.455m as a result of decrease in the Youth Justice Board Secure Grant and an increase in bed nights at Secure Training Centres and Secure Children's homes.
- Increased costs of £0.712m relating to accommodation and support to No Recourse to Public Fund families.
- An increase in legal services costs of £0.200m due to several high cost cases requiring counsel input including one Deprivation of Liberty Case.

- **Travel Assist - £1.977m pressure (Month 8 £2.138m pressure)**

This pressure is composed of:

a) A forecast budget pressure of £0.760m on pupil guides arising from increased demand for Guiding hours, and increase of casual cover for additional routes not covered by permanent Guides

b) A forecast overspend of £1.217m on contract hire. This is a reduction of £0.161m from Month 8. The overspend is primarily attributable to increase in contractors rates, and increases in the number of pupils being transported to settings outside the authority and an increase in numbers of high cost pupils. However, this increase is now being reduced by management interventions.

- **Other net variations- £0.243m pressure (Month 8 £0.227m pressure)**

These include pressures on Other Education, Unattached Playing Fields and Disabled Children Social Care as a result of increased placements, offset by savings in CityServe as a result of reduced agency costs and generation of additional income.

The Directorate will continue to work to identify other appropriate actions that can be taken.

Savings Programme

People Directorate are forecasting net savings not deliverable of £47.106m (Month 8 £45.656m).

The explanations are as follows:

Adults - £15.765m underachieved (Month 8 £14.315m)

- **Adult Care Packages - £12.611m underachieved (Month 8 £11.161m)**

The Adult Social Care Service has delivered significant savings in recent years whilst tackling the continued increases in demand. Savings were achieved against the Younger Adults re-provisioning programme up to the end of 2015/16 through re-assessments of younger adult clients and moves to more appropriate care settings or through changes to the arrangements commissioned from some providers. However, the scale and pace of the savings targets have proved to be very challenging and there continues to be a shortfall against the figures included in the budget. This has increased since Month 8 due to higher than anticipated costs mainly arising from complex hospital discharges.

- **Supporting People (SP)- balanced position (no movement since Month 8)**

The commissioning of new SP contracts for Disabilities was delayed by three to four months due to the complexity of introducing new arrangements together with the commissioned services from the Third Sector. It has been agreed that this pressure of £1.054m will be covered in 2016/17 by a transfer from the Supporting People reserve.

- **Specialist Care Services - £3.946m underachieved (no movement since Month 8)**

- Enablement £1.500m underachieved (no movement from Month 8): A review of the enablement service is being undertaken. Efficiency gains within the service require a number of further stages of planning, consultation and approval, and hence the saving will now be delivered from 2017/18

- Older Adults Day Care provision and Learning Disability Short Breaks £0.410m underachieved (no movement from Month 8): Cabinet on 13th December 2016 agreed the Full Business Cases for the changes to these service areas. This included revised implementation plans which indicated

that it would not be possible to deliver any savings from these projects in 2016/17

- Care Centres £0.534m underachieved (no movement from Month 8): Cabinet on 26th July 2016 agreed to consult on changes in the use of two of the four Care Centres. The outline Business Case identified that the preferred option would not deliver the savings target of £0.300m in 2016/17 and that there are likely to be one-off costs of £0.214m which would lead to a higher overall pressure
- Day Care provision £0.702m underachieved (no movement from Month 8): Changes to the internal day care provisions are currently subject to consultation. The Directorate is also considering a wider review of Day Care opportunities across both internal and external provision. A report will be presented to a future Cabinet meeting, discussing the findings of the consultation and making recommendations
- Telecare £0.800m underachieved (no movement from Month 8): This is an interim assessment of the likely impact. A report was received by Cabinet on 18th October 2016 outlining the way forward for the Telecare service. There are currently a number of outstanding issues being dealt with as part of the changeover to the new arrangements although the migration to an alternative provider is still expected to be concluded before the end of March.
- **Other mitigations – £0.792m overachieved (no movement since Month 8)**
The net position has been reduced by £0.792m as a result of new savings proposals agreed as part of the Month 4 Revenue Monitoring and Mid-Year review report.

Health - £28.400m underachieved (no movement since Month 8)

The 2016/17 Budget included proposals for savings arising from Health and Social Care integration, including through the Government's Better Care Fund programme. As reported in Month 6 and Month 8, the position across the health and care system means that this saving will not be delivered.

Children - £2.941m underachieved (no movement since Month 8)

- **Travel Assist - £2.853m underachieved (no movement since Month 8)**
An approach was initially identified that would involve three implementation phases. However it has been accepted that full delivery is not achievable in 2016/17 due to over optimistic assumptions.
- Events over the summer term regarding the appeals to proposed changes have prompted a more thorough top down review of Travel Assist's operational capacity. This will lead to fundamental changes in support and practice in order to ensure future year's savings are not compromised.

- **Unattached Playing Fields - £0.088m underachieved (no movement since Month 8)**

Progress against the £0.268m savings target covering 31 unattached Playing fields is not linear in that different solutions and options are being considered ranging from transfer to schools, renegotiating leases, disposal of sites etc. These are giving rise to different issues and timelines resulting in the projected savings shortfall being forecast at £0.088m.

- **Private Finance Initiative (PFI) / Building Schools for the Future (BSF) - balanced position (no movement since Month 8)**

Work has been undertaken by the service to reduce the costs and affordability gap associated with the PFI / BSF contracts. For 2016/17 this is expected to yield total savings of £1.863m, of which approximately £1.000m is non recurrent. This will be used to fully meet the savings target of £0.700m in year and the balance of £1.163m will be used to offset the ongoing PFI pressure from 2015/16 and Education Services Grant base budget shortfall.

2.2 Place Directorate (excluding Housing Revenue Account)

The Directorate is reporting a forecast variation of £15.898m (no movement from Month 8), made up of pressures of £8.484m on the base budget and a net £7.414m of Savings Programme deemed to be not deliverable in 2016/17.

Base Budget

A base budget pressure of £8.484m (no movement from Month 8) is forecast relating to the following:

- **Waste Management Services - £5.107m pressure (no movement from Month 8)**

There is a forecast pressure of £5.107m on Waste Management Services. The forecast assumes that the additional landfill tax liabilities following the operational performance difficulties of the Energy from Waste (EfW) facility at Tysley will be met by the external contractors.

A Service Improvement Plan has been developed and is being implemented to stabilise the operational services. A number of projects and management actions are being implemented including: performance management framework, optimising the route planning, reducing missed collections, waste prevention and enforcement, reducing agency staff (a further reduction of 30 staff has been implemented) and completing the restructuring of the back office support.

This base budget pressure is not expected to continue into 2017/18 as financial and service restructuring will be completed. The Financial Plan 2017+ includes the allocation of additional base budget resources of £4.500m and adjustments for undeliverable savings. This, combined with the implementation of the new proposed employee contracts from July 2017, will ensure that the substantial pressure in 2016/17 will be managed in 2017/18.

- **Sport and Events - £1.000m pressure (no movement from Month 8)**

The Directorate has previously reported a pressure of £1m relating to the externalisation of the Alexander Stadium – this was due to delay in implementing the initial strategy following concerns expressed during the consultation with the market. A new strategy was approved by Cabinet on 20th September 2016 and this will now be implemented as soon as practicable. It is unlikely that the reported pressure in 2016/17 will be reduced but it is expected to be mitigated in 2017/18 providing the externalisation is successfully completed.

- **Homelessness - £3.672m pressure (no movement from Month 8)**

The pressure is a reflection of the external costs for the provision of temporary bed and breakfast accommodation (all the other service budgets for the Hostels, Leased Accommodation and the Housing Options Team are being managed within budget).

It should be noted that there has been a national increase in homelessness of 55% between December 2010 and September 2016 as reported by the Department for Communities and Local Government in December 2016. This national trend is being reflected in Birmingham.

A number of management actions are being implemented including, the completion of the refurbishment programme for hostels (which will provide additional accommodation), working with our partner agencies and registered providers to release more accommodation, converting some existing properties for short term use over three years as temporary accommodation, and establishing a call off contract for external bed and breakfast provision.

The projected overspend on temporary accommodation has been reduced further, but this has been offset by additional provisions for non-collection of income and housing benefit.

These management actions, combined with the allocation of an existing and on-going base budget resource of £3m from 2017/18 will ensure that these pressures do not continue in 2017/18.

- **Neighbourhood and Community Services - £1.002m underspend (no movement from Month 8)**

This underspend is primarily a reflection of a realignment of the funding of services, namely the Neighbourhood Advice and Information Service.

- **Other Services - £0.293m underspend (no movement from Month 8)**

The increase in the net underspend on Other Services since Month 8 relates to:

- £0.152m for other service overspends relating to Private Sector Housing and Equalities
- Bereavement Services underspends of £0.300m relating to slippage on the project at Sutton New Hall and savings on capital finance costs

- Other minor underspends of £0.123m

The remaining net underspend of £0.022m is due to the following:

- £0.150m pressure on Markets, due in part to the on-going legal lease negotiations and the impact from the relocation of the existing traders to the new Wholesale Market in Witton
- Regulatory Services pressure of £0.152m. These relate to a range of services including Registrars, Coroners and Licensing. There is some potential for this pressure to be mitigated by the year end based on the introduction of new income generating services for the Registrar Service and this will be confirmed in the Outturn Report
- Adult Education Services £0.400m underspend as a result of re-alignment of charges for corporate services
- Other minor overspends of £0.076m

In addition, it should be highlighted that a Public Enquiry in relation to the 1974 Birmingham pub bombings is now underway. The estimated costs are difficult to quantify and the initial estimates indicate a potential expenditure of up to £0.500m. National funding for this is being pursued and the outcomes will be reported as soon as these are known and any implications on the Council's finances.

Savings Programme

Place Directorate is forecasting net savings that are considered not deliverable of £7.414m (no movement from Month 8).

The explanation of the savings considered not deliverable is as follows:

- **Community Safety and Equalities - £0.922m underachieved (no change from Month 8)**

This saving includes the re-organisation of the Equalities Team of £0.322m, securing some potential resources from the Local Police and Crime Panel for the public CCTV of £0.300m and the Safer Places Team of £0.500m, offset by £0.200m use of reserves.

In addition, a review of the Equalities Team is in progress and a new structure will be implemented in April 2017.

These pressures are not expected to continue in 2017/18 as the savings relating to CCTV and Safer Places have been reinstated in the base budget.

- **Neighbourhood and Community Services - £2.072m underachieved (no movement from Month 8)**

This relates primarily to the Community Libraries Services due to delays in the development of a new operational model. Detailed model design involving a range of stakeholders and best practice authorities was carried out and a full period of consultation has meant that the savings could not be delivered by April 2016. However, the engagement process enabled cabinet to adopt a model that will deliver the savings in a full year of operation and

staffing numbers have also been reduced to the levels required going forward.

There are also delays in the decommissioning of the Community Play and Development Service and the programme to redesign and rationalise local assets to deliver services in the future with fewer separate buildings. It should be noted that the new operating models for these services have now been approved and the implementation is well advanced, particularly for Neighbourhood Offices and Community Libraries and these pressures are unlikely to continue in 2017/18

- **Waste Management Services - £4.366m underachieved (no movement from Month 8)**

The major savings not deliverable include the transfer of the Queslett Site to private ownership, the partial delivery of the three R's project to Reduce, Reuse and Recycle waste, the redesign of street cleaning and the proposal to pass costs of new bins on to the developers of new estates. A number of management actions (as part of the Service Improvement Plan) continue to be implemented, including the rigorous control of non-essential expenditure to reduce spend as far as possible without impacting on important health and safety issues including development of and consultation on a proposed whole service workforce re-organisation to ensure that service is delivered in the most effective and efficient manner. This is expected to deliver savings in 2017/18.

- **Other Services - £0.054m underachieved (no movement from Month 8)**

This relates to a range of services including Licensing, Coroner and Mortuary, Markets and Parks. This has been offset by additional savings in Business Support, use of reserves and other technical adjustments.

2.3 Economy

Economy is forecasting a break-even position at Month 10 (no movement since Month 8).

Base Budget

The overall forecast year-end base budget financial position is balanced.

The Month 10 position includes an estimated surplus of £1.000m within Highways. In previous months to be prudent only £0.500m had been included in forecasting the year end position. However at month 10 the position is reasonably certain. It is proposed that £0.385m is transferred to reserves to partly fund known Pension Fund Strain (PFS) liabilities due in future years, currently totalling £0.396m. This approach will enable the Directorate to clear all known PFS pressures prior to implementation of the Economy Future Operating Model in 2017/18, which will bring with it additional PFS pressures as yet unknown. The balance of £0.615m will be utilised to mitigate other pressures across the Directorate.

Savings Programme

Economy is reporting a break-even position at Month 10 after agreed corporate mitigations (as reported previously).

2.4 Corporate Resources

Corporate Resources is reporting a pressure of £0.807m (break-even at Month 8) on base budget and break-even position on savings programme (no movement from Month 8).

Base Budget

A base budget pressure of £0.807m (break-even at Month 8) is forecast at Month 10.

Acivico- £0.807m pressure (Month 8 break-even)

The pressure relates to the following:

- Acivico surplus target £0.747m pressure
 - Design, Consultancy & Facilities Management (DCFM) - The service is expected to break-even and therefore not be able to return the targeted surplus of £0.500m to the Council. A substantial reason has been the loss of fees on capital projects.
 - Birmingham City Laboratories – the service is forecasting a loss of £0.060m, which is materially due to the change in contracting arrangements for asbestos work made by the Housing Service. Managers continue to seek alternative work to mitigate this loss
 - Building Consultancy – A pressure of £0.080m is anticipated due to additional expenditure on safety at sports grounds
 - Security Services –There have been agency costs incurred for sickness absence and additional administration costs, resulting in a pressure of £0.107m
- Highbury Hall £0.060m pressure – This property held in Trust by the Council incurs running, repairs and maintenance costs for which no budget exists within the Council. Contributions to these costs are received from Acivico who occupy part of the premises to provide an events and catering service, but the remaining costs relate to those unoccupied or general ownership costs

Savings Programme

Corporate Resources is reporting a break-even position at Month 10.

2.5 Housing Revenue Account

A balanced HRA Budget was approved for 2016/17 (expenditure of £283.4m funded by equivalent income). The budget was based on the new national rent policy of -1% that will be implemented in each year from 2016/17 to 2019/20.

A balanced year-end position is projected. The current budget and the forecast year-end financial position are summarised in the table below:

Service	Current Budget £m	Year End Variation Projection £m
Rent/Service Charges (net of Voids)	(283.4)	1.4
Repairs and Maintenance	65.6	(0.8)
Contributions for Capital Investment	75.2	-
Capital Financing Costs	54.8	0.7
Local Office / Estate Services / Equal Pay	87.8	(1.3)
Net Position	-	-

The Month 10 position reflects the completion of a detailed review and the realignment of funding of services, offset by a reduction in the planned debt repayment.

The overall strategy for debt repayment is considered appropriate as this is prudent and considered value for money (as interest payments on debt outstanding are greater than interest received on balances). It is also in line with the HRA Self Financing Business Plan for the repayment of debt (the debt re-payment has already been re-profiled to take into account the new national rent policy and is expected to be significantly higher by 2025/26 compared to the original plans that were established in April 2012).

The HRA Business Plan for 2017+ was reported to City Council in March 2017 as part of the City Council Financial Plan 2017+.

3. Resource Allocations and Other Corporate Updates

3.1 General Policy Contingency

Birmingham Museum and Art Gallery (BMAG)

Cabinet is asked to approve an allocation of up to £0.500m to support development work on the capital proposals for the Birmingham Museum and Art Gallery, delegated to the Assistant Director Culture & Visitor Economy. This work will form an integrated part of the Council's project for the redevelopment of the Council House complex, to secure economies of scale and enable the management of interdependencies and will be managed through the Council House Works Project Board. It will be delivered by the Council as part of its preparation for making a bid to the Heritage Lottery Fund.

After taking account of the above, there would be an unallocated balance on the General Policy Contingency of £2.299m.

3.2 Other Corporate Mitigations

Further mitigations of £1.000m have been identified as part of this report. This relates to Treasury Management as a result of slippage of the Capital Programme into 2017/18 and a reduction in the long term borrowing requirement.

3.3 Collective Investment Fund (CIF)

A fund of £70m was approved for investment in land and property opportunities across the West Midlands, to be drawn down as required following each approved investment. However, in the event that not all authorities agree to participate, the size of the fund will be scaled back accordingly, with the result that any liability for the City Council will be capped at £10m. During this time, no investment opportunities will be sought in a non-participating area. No other changes to the decision of 22nd March 2017 Cabinet are required.

4. 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 Business Plan and Budget 2016+, with any surplus or deficit being required to be carried forward and taken into account as part of the 2017/18 budget setting process.

Council Tax

The overall net budget for Council Tax income is £289.8m in 2016/17. In addition, the Council collects the precepts on behalf of the Fire and Police Authorities. A surplus is forecast for the year of which the Council's share is £5.052m (£3.717m in year plus £1.335m brought forward from 2015/16). This is the same as the position reported at Month 6.

Business Rates

Currently the Council retains just under half of all business rates collected under the Business Rates Retention Scheme. The overall budgeted level of Business Rates in 2016/17 is £420.1m (excluding the Enterprise Zone), of which the Council's retained share is £205.8m.

An in-year deficit is forecast of which the Council's share is £2.449m. This is an increase of £0.823m compared with the position at Month 6 when a £1.626m deficit was reported. This largely relates to further increasing the provision for appeals.

In addition to the in-year position, a cumulative deficit was brought forward from 2015/16 (over and above that budgeted for) which has previously been reported in the 2015/16 Outturn Report. The Council's share is £2.710m.

An overall forecast deficit of £5.159m (£2.449m in year plus £2.710m brought forward) relating to the Council's share is anticipated.

Taking the position on Council Tax and Business Rates together a total deficit of £0.107m (£5.052m Council Tax surplus less £5.159m Business Rates deficit) relating to the Council's share has been taken into account in the 2017/18 budget setting process.

In addition, aspects of the Business Rates regime also impact on the General Fund in the form of grants as compensation for specific types of reliefs awarded introduced by the government, such as small business relief. There is a forecast increase in this income of £0.398m compared with the budget. This is an increase of £0.137m on the position previously reported at Month 6.

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	Total
	£'m	£'m	£'m	£'m	£'m	£'m
Strategic Director	14.202	(10.983)	(25.319)	0.018	0.000	0.018
Adult Packages of Care	135.492	23.307	158.800	8.401	12.611	21.012
Assessment & Support Planning	35.653	(0.080)	35.572	(0.367)	0.000	(0.367)
Specialist Care Services	39.914	(0.463)	39.451	(0.520)	3.946	3.426
Commissioning Centre of Excellence	45.186	(2.026)	71.699	0.119	0.000	0.119
Business Change	42.660	0.968	43.628	(1.621)	(0.792)	(2.413)
Public Health	(0.006)	0.006	0.000	0.000	0.000	0.000
Subtotal Adults	313.101	10.730	323.831	6.030	15.765	21.795
Education and Skills	53.974	11.940	65.914	0.711	0.000	0.711
Schools Budgets	(143.014)	(13.428)	(156.442)	0.000	0.000	0.000
Commissioning & Performance	(0.000)	0.004	0.003	0.000	0.000	0.000
Children With Complex Needs	104.497	1.925	106.422	1.977	2.853	4.830
Early Help & Childrens Soc Care	153.505	1.718	155.223	(4.166)	0.000	(4.166)
Business Support	21.065	1.063	22.128	0.243	0.088	0.331
Accounting Adjustment/MRP Component of Contract Payments	(6.491)	0.000	(6.491)	0.000	0.000	0.000
Subtotal Children	183.535	3.221	186.757	(1.234)	2.941	1.707
Health	(28.539)	0.000	(28.539)	0.000	28.400	28.400
Subtotal Health	(28.539)	0.000	(28.539)	0.000	28.400	28.400
People Directorate Total	468.098	13.951	482.049	4.795	47.106	51.901
Community Sports & Events	6.916	0.064	6.981	1.000	0.400	1.400
Fleet and Waste Management	52.041	(0.235)	51.806	5.107	4.366	9.473
Parks and Nature Conservation	14.424	(0.272)	14.152	0.000	0.256	0.256
Bereavement Services	(2.782)	(0.038)	(2.820)	(0.300)	0.000	(0.300)
Markets	(1.908)	0.001	(1.907)	0.150	0.150	0.300
Business Support	2.479	(1.756)	0.723	0.000	(0.600)	(0.600)
Equalities, Cohesion & Safety	0.217	0.445	0.662	0.078	0.622	0.700
Engineering & Resilience Services	0.292	0.335	0.627	0.000	0.000	0.000
Regulatory Services	5.393	0.285	5.678	0.252	0.448	0.700
Private Sector Housing	0.098	(0.486)	(0.388)	0.150	0.300	0.450
Neighbourhood Community Services	12.134	2.807	14.941	(1.002)	2.072	1.070
Birmingham Adult Education	0.227	(0.089)	0.137	0.000	0.000	0.000
Central Support Costs	11.210	3.396	14.606	(0.623)	(0.600)	(1.223)
Culture & Visitor Economy	33.099	(0.867)	32.231	0.000	0.000	0.000
City Centre Management	0.007	0.021	0.027	0.000	0.000	0.000
Housing Options	2.877	0.026	2.902	3.672	0.000	3.672
Accounting Adjustment/MRP Component of Contract Payments	(2.625)	0.000	(2.625)	0.000	0.000	0.000
Place Directorate Total	134.096	3.636	137.732	8.484	7.414	15.898
Development Management Services	4.250	5.048	9.298	0.000	0.000	0.000
Planning & Regeneration	4.588	(0.413)	4.174	(0.063)	0.000	(0.063)
Highways Services	33.041	2.461	35.502	(1.000)	0.000	(1.000)
Transportation and Connectivity	49.049	0.353	49.402	0.905	0.000	0.905
Shelforce	(0.101)	0.001	(0.100)	0.100	0.000	0.100
Employment Services	1.117	4.490	5.606	0.059	0.000	0.059
GBSLEP Executive	0.156	0.005	0.161	0.000	0.000	0.000
Accounting Adjustment/MRP Component of Contract Payments	(32.319)	0.000	(32.319)	0.000	0.000	0.000
Economy Directorate Total	59.780	11.944	71.724	0.000	0.000	0.000

Appendix 1

Division of Service Area	FULL YEAR BUDGET			YEAR END		
	Original Budget	M'ments	Revised Budget	Base Budget Pressures / (Savings)	Savings Programme not Deliverable	Total
	£'m	£'m	£'m	£'m	£'m	£'m
City Finance	6.833	2.632	9.466	0.000	0.000	0.000
Birmingham Audit	2.200	0.027	2.227	0.000	0.000	0.000
Elections Office	1.732	0.019	1.751	0.000	0.000	0.000
Legal & Democratic Services	5.822	0.114	5.936	0.000	0.000	0.000
Shared Services Centre	2.198	0.046	2.244	0.000	0.000	0.000
Business Transformation Legacy Costs	39.267	(1.522)	37.746	0.000	0.000	0.000
Charities & Trusts - Support	0.050	0.045	0.095	0.000	0.000	0.000
Directorate Wide Recharges	(28.346)	(0.460)	(28.806)	0.000	0.000	0.000
Insurance	0.014	(0.013)	0.000	0.000	0.000	0.000
Corporate Resources Other Services	1.708	0.037	1.745	0.000	0.000	0.000
Acivico profit share & managed services	(0.100)	0.024	(0.076)	0.807	0.000	0.807
Business Loans & Other Investments	(0.727)	1.090	0.363	0.000	0.000	0.000
Subtotal Finance & Legal	30.651	2.040	32.691	0.807	0.000	0.807
Corporate Strategy	(1.800)	0.856	(0.944)	0.000	0.000	0.000
Procurement	(1.162)	0.199	(0.963)	0.000	0.000	0.000
Human Resources	7.437	1.451	8.887	0.000	0.000	0.000
Revenues & Benefits Division	(2.548)	(2.395)	(4.942)	0.000	0.000	0.000
Core ICT	(9.034)	4.808	(4.226)	0.000	0.000	0.000
Core ICT	1.774	(0.013)	1.761	0.000	0.000	0.000
Customer Services	8.629	0.864	9.494	0.000	0.000	0.000
Subtotal Integrated Support Services and Change	3.296	5.770	9.067	0.000	0.000	0.000
Birmingham Property Services	(1.337)	0.524	(0.813)	0.000	0.000	0.000
Major Projects	0.000	0.060	0.060	0.000	0.000	0.000
Subtotal Major Projects	(1.337)	0.584	(0.753)	0.000	0.000	0.000
Corporate Resources Total	32.610	8.394	41.004	0.807	0.000	0.807
Total Directorate Spending	694.584	37.925	732.510	14.086	54.520	68.606
Policy Contingency	54.469	(32.426)	22.043	0.000	0.000	0.000
Other Corporate Items	86.228	(7.526)	78.701	(10.417)	(22.796)	(33.213)
Centrally Held Total	140.696	(40.952)	100.744	(10.417)	(22.796)	(33.213)
Proposed Transfers to / (from) reserves				0.000	0.000	0.000
Net Budget Requirement	835.281	(2.027)	833.254	3.669	31.724	35.393
Housing Revenue Account	0.000	0.000	0.000	0.000	0.000	0.000

Policy Contingency Month 10 Monitoring to 31st January 2017

	Original Budget 2016/17	Approvals / Adjustments in Voyager	Revised Budget 2016/17	Approvals / Allocations not yet in Voyager as at 31st January	Proposals awaiting approval at 31st January	Declared underspend at Month 8	Remaining Contingency if proposals approved
	£'000	£'000	£'000	£'000	£'000	£0	£'000
Redundancy Costs			0				0
Car Park Closure Resources	350	(98)	252	(252)			0
Carbon Reduction	1,020		1,020			(128)	892
Inflation Allowance	15,641	(12,681)	2,960			(1,813)	1,147
Highways Maintenance	750		750				750
Provision for unachievement of savings	10,750	(750)	10,000	(10,000)			0
Youth Strategy	1,000	(1,000)	0				0
Birmingham Jobs Fund	2,000	(2,000)	0				0
Business Charter for Social Responsibility	6,539	(6,539)	0				0
Improvement Expenditure	11,395	(7,133)	4,262	(1,262)			3,000
Combined Authority	500	(500)	0				0
Subtotal Specific Contingency	49,945	(30,701)	19,244	(11,514)	0	(1,941)	5,789
General Contingency	4,524	(1,725)	2,799		(500)		2,299
Total Contingency	54,469	(32,426)	22,043	(11,514)	(500)	(1,941)	8,088

Directorate Savings Programme – Position at Month 10

Directorate	Description	Savings 2016/17 £m	Actions in place to fully achieve Savings (in line with Policy Decision) £m	Actions in place to fully achieve Savings (new Policy Decision required) £m	Actions in place to achieve savings in year only £m	Actions in place but some risk to delivery £m	Savings not deliverable £m	Savings not deliverable - Month 8 £m
People	Improving efficiencies. We want to make sure that all services have clear plans regarding how they spend money on workforce costs.	5.209	5.209	0.000	0.000	0.000	0.000	0.000
	Reduction in Adult Running Costs.	1.111	1.111	0.000	0.000	0.000	0.000	0.000
	Step up of savings re: Third Sector Commissioning and Supporting People.	3.400	2.346	0.000	1.054	0.000	0.000	0.000
	Adults and Communities Transformation programme.	10.631	0.000	0.000	0.000	0.000	10.631	9.281
	Joint Adults and Children's approach to transitions	2.000	0.000	0.000	0.000	0.000	2.000	2.000
	Redesign and integrate services at scale across the health and social care economy.	20.000	0.000	0.000	0.000	0.000	20.000	20.000
	Better Care Fund	8.400	0.000	0.000	0.000	0.000	8.400	8.400
	Public Health – Commissioning.	1.250	1.250	0.000	0.000	0.000	0.000	0.000
	Public Health – Decommissioning.	3.315	3.315	0.000	0.000	0.000	0.000	0.000
	Step up of previous Early Years savings.	1.000	1.000	0.000	0.000	0.000	0.000	0.000
	Promote independent travel and reduce reliance on council funded transport, underpinned by clear policy.	2.463	0.000	0.000	0.000	0.000	2.463	2.463
	Assistive Technology	1.600	0.800	0.000	0.000	0.000	0.800	0.800
	Further reduction in Younger Adults Care Packages (additional support).	1.068	0.000	0.000	0.000	0.000	1.068	1.068
	Further reduction in Younger Adults Care Packages (BAU).	7.638	0.000	0.000	0.000	0.000	7.638	7.638
	Expansion of Internal Services - Shared Lives	3.492	0.000	0.000	0.000	0.000	3.492	3.492
	Changes to Internal Services - Home Care Enablement	2.530	0.000	0.000	0.000	0.000	2.530	2.530
	Internal Care Review - Home Care Enablement.	1.500	0.000	0.000	0.000	0.000	1.500	1.500
	Abatement of Younger Adults Savings	(15.000)	0.000	0.000	0.000	0.000	(15.000)	(15.000)
	Public Health. Recommission of contracts and change of specifications for 'lifestyle services'.	1.200	1.200	0.000	0.000	0.000	0.000	0.000
	Other	(1.145)	(2.829)	0.000	0.100	0.000	1.584	1.484
People Total		61.662	13.402	0.000	1.154	0.000	47.106	45.656
Place	Discontinue subsidies Non Framework Contract at Health and Wellbeing Centres.	1.410	1.010	0.000	0.000	0.000	0.400	0.400
	Improving efficiencies. We want to make sure that all services have clear plans regarding how they spend money on workforce costs.	2.320	2.320	0.000	0.000	0.000	0.000	0.000
	Library of Birmingham/ Strategic Library Services. This is the full year effect of a saving identified in 2015/16	1.800	1.800	0.000	0.000	0.000	0.000	0.000
	Markets	1.000	0.850	0.000	0.000	0.000	0.150	0.150
	Pest Control	1.300	1.300	0.000	0.000	0.000	0.000	0.000
	Redesign street cleansing and a combination of enforcement, education and community marketing to encourage residents and businesses to keep streets/footpaths tidy.	1.500	0.000	0.000	0.000	0.000	1.500	1.500
	SN7 Reduce Reuse Recycle - Reduce failures/failed waste collections.	3.082	1.400	0.000	0.000	0.000	1.682	1.682
	Other	12.916	8.760	0.024	0.450	0.000	3.682	3.682
Place Total		25.328	17.440	0.024	0.450	0.000	7.414	7.414

Savings not deliverable - Month 4 (after new proposals) £m	Movement from Month 4 £m
0.000	0.000
0.000	0.000
0.000	0.000
6.686	3.945
2.000	0.000
15.400	4.600
0.000	8.400
0.000	0.000
0.000	0.000
0.000	0.000
1.388	1.075
0.800	0.000
1.068	0.000
7.638	0.000
3.492	0.000
2.530	0.000
1.500	0.000
(15.000)	0.000
0.000	0.000
0.830	0.754
28.332	18.774
0.400	0.000
0.000	0.000
0.000	0.000
0.150	0.000
	0.000
1.500	0.000
1.682	0.000
4.332	(0.650)
8.064	(0.650)

Appendix 3

Directorate	Description	Savings 2016/17 £m	Actions in place to fully achieve Savings (in line with Policy Decision) £m	Actions in place to fully achieve Savings (new Policy Decision required) £m	Actions in place to achieve savings in year only £m	Actions in place but some risk to delivery £m	Savings not deliverable £m	Savings not deliverable - Month 8 £m
Economy	Highways Maintenance. Refinance of the PFI contract, review capital expenditure, review routine and reactive maintenance.	1.500	0.000	0.000	1.500	0.000	0.000	0.000
	Highway Maintenance & Management Services (Private Finance Initiative)	1.000	0.000	0.000	1.000	0.000	0.000	0.000
	Other	5.166	1.563	0.464	3.139	0.000	0.000	0.000
Economy Total		7.666	1.563	0.464	5.639	0.000	0.000	0.000
Corporate Resources	Improving efficiencies. We want to make sure that all services have clear plans regarding how they spend money on workforce costs.	2.360	0.000	0.000	2.187	0.173	0.000	0.000
	Reduce Local Welfare Assistance Provision Scheme.	1.600	1.600	0.000	0.000	0.000	0.000	0.000
	Service Birmingham	6.800	0.500	0.000	6.300	0.000	0.000	0.000
	Service Birmingham. We are proposing to reduce our ICT costs.	2.800	0.000	0.000	2.800	0.000	0.000	0.000
	Targeted net improvement in the housing benefit subsidy by reclaiming Housing Benefit Grant overpayments.	2.000	2.000	0.000	0.000	0.000	0.000	0.000
	To reduce the amount the Council spends on Information and Communication Technology (ICT) over the next few years.	2.500	2.500	0.000	0.000	0.000	0.000	0.000
	Human Resources	1.200	0.000	0.000	1.200	0.000	0.000	0.000
	Integrated Support Services restructure	3.200	0.000	0.000	3.200	0.000	0.000	0.000
	Acceleration of savings.	1.500	1.500	0.000	0.000	0.000	0.000	0.000
	Other	4.476	2.882	0.208	1.386	0.000	0.000	0.000
Corporate Resources Total		28.436	10.982	0.208	17.073	0.173	0.000	0.000
Cross Cutting	Other	0.146	0.146	0.000	0.000	0.000	0.000	0.000
Cross Cutting Total		0.146	0.146	0.000	0.000	0.000	0.000	0.000
Grand Total		123.238	43.533	0.696	24.316	0.173	54.520	53.070

Savings not deliverable - Month 4 (after new proposals) £m	Movement from Month 4 £m
0.000	0.000
0.000	0.000
1.250	(1.250)
1.250	(1.250)
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	0.000
0.000	0.000
0.000	0.000
0.290	(0.290)
0.290	(0.290)
0.000	0.000
0.000	0.000
37.936	16.584

Notes:

1. Corporate mitigations of £22.796m have been identified against the Savings Programme. These would result in total net savings not deliverable of £31.724m.

1. Write-offs

1.1 Sundry Debt Write-off

- a. Cabinet is requested to approve the writing off of debts greater than £0.025m due to the Council, totalling £0.151m. Section 1.1b details the nature of the debt and the actions undertaken to seek its recovery.

b. Sundry Debt Write-off

Directorate/ Service Area	Invoice Date(s) or Liability period	Amount (£)	Nature of the Debt
People / Adult Social Care Contributions	Mar 07 - Feb 12	£31,101.93	Social care charges for residential care
People / Adult Social Care Contribution	Jul 07 - May 11	£27,104.03	Social care charges for residential care
People / Adult Social Care Contributions	Sep 07 – Mar 10	£25,715.78	Social care charges for residential care
Economy /Birmingham Property Services	Mar 13 to Mar 16	£66,952.60	Commercial Rent Arrears

1.2 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 returned 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 2016/17, from 1st December 2016 to 31st January 2017, further items falling under this description in relation to Benefit overpayments have been written off under delegated authority. The table overleaf details the total approved gross value of these amounts written off of £0.568m, which Members are asked to note.

Age analysis	Up to 2010/11	2011/12 – 13/14	2014/15 -16/17	Total
	£m	£m	£m	£m
Benefit Overpayments	0.040	0.119	0.409	0.568
Total				0.568

Section 1.2(c) 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 for Service Birmingham Revenues 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 by and to subsequently determine if any monies are available to be paid to creditors. Once it is established this is not to happen, a final search of Companies House is undertaken to confirm the company has been dissolved.

Cabinet are requested to approve the writing off of business rates debts to the Council which are greater than £0.025m, totalling £2.473m as detailed in Section (d) of this Appendix. Further information in respect of these is available on request.

In 2016/17, from 1st December 2016 to 31st January 2017, further items falling under this description in relation to Council Tax and Business Rates have been written off under delegated authority. The table below details the total approved gross value of these amounts written off of £2.572m, which Members are asked to note.

Age analysis	Up to 2010/11	2011/12 - 13/14	2014/15 -16/17	Total
	£m	£m	£m	£m
Council tax	2.572	-	-	2.572
Business rates	-	-	-	-
TOTAL	2.572	-	-	2.572

Section 1.2(e) of this Appendix gives a more detailed age analysis of overpayments and income written off.

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

Detail	2000-2005/6	2006/07	2007/08	2008/09	2009/10	20010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Total	No of Debtors
Housing Benefit debts written off under delegated authority	£16,437	£4,791	£4,951	£4,316	£3,821	£5,443	£7,804	£52,497	£59,240	£95,465	£125,163	£188,270	£568,198	793
TOTAL	£16,437	£4,791	£4,951	£4,316	£3,821	£5,443	£7,804	£52,497	£59,240	£95,465	£125,163	£188,270	£568,198	793

Debt Size	Small		Medium		Large	Total	
Cases	>£1,000	Cases	£1,001-£5,000	Cases	£5,000-£25,000	Cases	
661	£155,612	106	£201,078	26	£211,508	793	£568,198

d. Business Rates Write Offsi) Business Rates

Case No.	Supporting Information Further information in respect of the Business Rates Write Offs listed below is available on request.	Total Debt
1	Liability Period(s)/Account Ref Number (s) Business Rates due for the period 01/12/2013 to 31/05/2015 (6005146627)	£54,814.00
2	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for period 13/11/2014 to 12/11/2015 (6005297454) - £152,079.69 Property 2 - Business Rates due for period 21/11/2014 to 24/03/2015 (6005343935) - £8,700.77	£160,780.46
3	Liability Period(s)/Account Ref Number(s) Business Rates due for period 08/12/2007 to 14/01/2014 (6004262724)	£32,548.80
4	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for period 13/03/2012 to 01/05/2014 (6004917677) - £45,408.79 Property 2 - Business Rates due for period 14/05/2010 to 31/01/2012 (6004768089) - £35,937.85	£81,346.64
5	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for period 24/04/2012 to 30/09/2013 (6004874597) - £50,364.91 Property 2 - Business Rates due for period 21/05/2012 to 14/03/2013 (6004874713) - £6,378.02 Property 3 - Business Rates due for period 19/09/2012 to 13/01/2013 (6004932329) - £12,729.74 Property 4 - Business Rates due for period 19/11/2012 to 10/02/2013 (6005001041) - £10,039.38 Property 5 - Business Rates due for period 27/11/2012 to 10/02/2013 (6005051063) - £46,728.43	£126,240.48
6	Liability Period(s)/Account Ref Number(s) Business Rates due for period 23/07/2012 to 13/05/2014 (6004899841)	£54,327.48
7	Liability Period(s)/Account Ref Number(s) Business Rates due for period 30/09/2011 to 01/06/2014 (6004929917)	£125,831.39
8	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for period 02/09/2010 to 14/04/2014 (6004885323) - £301,095.24 Property 2 - Business Rates due for period 29/08/2009 to 02/09/2010 (6004501915) - £112,509.56	£413,604.80
9	Liability Period(s)/Account Ref Number(s) Business Rates due for period 29/10/2013 to 12/02/2015 (6005166396) - £175,863.34 Business Rates due for period 11/04/2014 to 08/08/2014 (6005269094) - £15,316.71	£191,180.05
10	Liability Period(s)/Account Ref Number(s): Business Rates due for the period 10/12/2009 to 02/09/2012 (6004888128)	£102,738.93
11	Liability Period(s)/Account Ref Number(s) Business Rates due for period 11/03/2011 to 05/10/2011 (6004685185)	£93,294.55
12	Liability Period(s)/Account Ref Number(s): Business Rates due for the period 04/03/2013 to 01/08/2013 (6004993633)	£68,922.45

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13	Liability Period(s)/Account Ref Number(s): Business rates due for the period 01/07/2012 to 11/08/2014 (6004987891)	£44,120.37
14	Liability Period(s)/Account Ref Number(s): Business rates due for the period 01/10/2012 to 29/05/2013 (6004972825)	£37,242.08
15	Liability Period(s)/Account Ref Number(s): Business rates due for the period 30/05/2013 to 30/04/2014 (6005236220)	£50,069.45
16	Liability Period(s)/ Account Ref Number(s) Business Rates due for the period 12/03/2013 to 22/01/2015 (6005053934)	£73,304.25
17	Liability Period(s)/Account Ref Number (s) Business Rates due for the period 01/04/2010 to 31/01/2016 (6003669581)	£66,424.16
18	Liability Period(s)/Account Ref Number(s) Business Rates due for period 01/02/2011 to 18/03/2014 (6004647094)	£43,878.93
19	Liability Period(s)/Account Ref Number(s) Business Rates due for period 15/07/09-14/04/10 – 6004513517	£47,754.80
20	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for period 25/7/08-31/3/12 – 6004506181 - £33,232.63 Property 2 - Business Rates due for period 25/7/08-31/3/10 – 6004919662 - £9,016.18	£42,248.81
21	Liability Period(s)/Account Ref Number(s) Business Rates due for period 1/4/07-31/5/08 - 6004133048	£28,534.88
22	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 04/08/10 to 24/10/11 - 6004593019	£53,268.78
23	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/04/09 to 07/07/09 – 6004055763	£29,405.45
24	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 01/04/09 to 13/03/13 – 6004312923	£116,595.27
25	Liability Period(s)/Account Ref Number(s) Business Rates due for the period 26/01/11 to 31/12/11 – 6004688059	£28,817.57
26	Liability Period(s)/Account Ref Number(s) 1/5/14-4/4/16 – 600523701-8	£30,192.52
27	Liability Period(s)/Account Ref Number(s) Property 1 – 9/4/13-14/5/15 – 600504216-4 - £52,733.87 Property 2 – 9/4/13-14/5/15 – 600503849-7 - £225.05	£52,958.92
28	Liability Period(s)/Account Ref Number(s) Business Rates due for period 22/09/14-08/11/15 - 6005304158	£33,672.20
29	Liability Period(s)/Account Ref Number(s) Property 1 - Business Rates due for period 14/2/09-21/1/10 - 6004428339 - £35,275.77 Property 2 - Business Rates due for period 14/2/09-21/1/10 - 6004428259 - £11,180.57 Property 3 - Business Rates due for period 14/2/09-21/1/10 - 6004428271 - £8,021.68 Property 4 - Business Rates due for period 14/2/09-21/1/10 - 6004428317 - £7,420.74	£61,898.76
30	Liability Period(s)/Account Ref Number(s) Business Rates due for period 01/04/10 to 30/06/11 - 6004404691	£25,171.39

Appendix 4

31	Liability Period(s)/Account Ref Number(s) Business Rates due for period 01/09/10 to 09/07/12 - 6004781359	£66,247.20
32	Liability Period(s)/Account Ref Number(s) Business Rates due for period 01/04/15 to 14/03/16 - 6005419210	£35,831.68
	TOTAL	£2,473,267.50

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

Detail	1997 - 2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2015/16	2016/17	Total
Council Tax written off under delegated authority	£ 2,572,336	-	-	-	-	-	-	-	-	-	£ 2,572,336
Business Rates written off under delegated authority	-	-	-	-	-	-	-	-	-	-	-
Total	£ 2,572,336	-	-	-	-	-	-	-	-	-	£ 2,572,336

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	£ 2,572,336	12,269	-	-	-	-	£ 2,572,336	12,269
Business rates written off under delegated authority	-	-	-	-	-	-	-	-
TOTAL	£ 2,572,336	12,269	-	-	-	-	£ 2,572,336	12,269

Report to:	CABINET
Report of:	Acting Chief Financial Officer
Date of Decision:	21st March 2017
SUBJECT:	CAPITAL AND TREASURY MANAGEMENT MONITORING QUARTER 3 (OCTOBER TO DECEMBER 2016)
Key Decision: Yes	Relevant Forward Plan Ref: 001926/2016
If not in the Forward Plan: (please "tick" box)	Complied with Rule 15 <input type="checkbox"/> Complied with Rule 16 <input type="checkbox"/>
Type of decision:	Executive
Relevant Cabinet Member:	Councillor Ian Ward
Relevant O&S Chairman:	Councillor Mohammed Aikhlaq
Wards affected:	All

1. Purpose of report:

- 1.1 The report notes developments in relation to Birmingham City Council's medium term capital programme up to 31st December 2016.
- 1.2 The report also monitors the treasury management portfolio and actions taken during the quarter under delegations.

2. Decision(s) recommended:

- 2.1 Cabinet is requested to:
- (i) Approve the revised multi-year capital programme of £2,030.669m.
 - (ii) Authorise the Strategic Director of Change & Support Services to place orders up to the value of £2m with suppliers selected in accordance with the Procurement Governance Arrangements.
- 2.2 Cabinet is requested to note that:
- (i) Forecast capital expenditure in 2016/17 is £371.231m.
 - (ii) Actual capital expenditure as at 31st December 2016 was £203.655m, representing 55.0% of the forecast outturn for 2016/17.
 - (iii) The Treasury Management decision to sell BCC's deferred consideration investment back to the NEC.

Lead Contact Officer(s):	Steve Powell, Assistant Director Corporate Finance
Telephone No:	0121 303 4087
E-mail address:	steve_powell@birmingham.gov.uk

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

5.	Relevant background/chronology of key events:
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- 5.1 The City Council's Capital Programme and the Treasury Management Policy and Strategy for 2016/17 was approved by the City Council on 1st March 2016.
- 5.2 A Capital Programme of £965.848m was approved by the City Council on 1st March 2016.
- 5.3 During Quarters 1 & 2 the programme increased by a further £915.518m to £1,881.368m.
- 5.4 **Addition / Reduction in Resources**

During Quarter 3 the programme increased by a further £149.301m to £2,030.669m and this is summarised in the table below.

	2016/17	2017/18	2018/19	Later Years	Total
	£m	£m	£m	£m	£m
Approved Capital Budget Q2	478.377	312.618	223.228	867.145	1,881.368
Addition or (Reduction) in Resources	(16.547)	86.335	39.283	40.230	149.301
Revised Capital Budget Quarter 3	461.830	398.953	262.511	907.375	2,030.669

The main variations for the increase in resources of £149.301m are outlined in Appendix 1. The majority of the additional resources relate to the inclusion of new InReach projects for the Housing Private Sector (£97.270m), additional HRA schemes (£23.699m) and additional use of the capital receipts flexibility to fund revenue reform projects (£21.514m).

5.5 **Forecast Budget Variations**

At Quarter 3 net slippage of £(52.960)m and a net underspend of £(3.165)m is forecast for the financial year ended 2016/17. The forecast expenditure for the year therefore decreases to £371.231m and is summarised in the table below.

	2016/17	2017/18	2018/19	Later Years	Total
	£m	£m	£m	£m	£m
Revised Capital Budget Quarter 3	461.830	399.953	262.511	907.375	2,030.669
Forecast Slippage at Q2	(34.474)	21.981	14.388	(1.855)	0.000
Forecast Slippage at Q3	(52.960)	43.125	(5.233)	15.068	0.000
Add pressures (less underspends)	(3.165)	0.168	5.379	(3.263)	(0.881)
Forecast Outturn Q3	371.231	464.227	277.005	917.325	2,029.788

The reasons for the Quarter 3 slippage of £(52.960)m and the net underspend across the 4 year programme of £(0.881)m are outlined in Appendix 1.

5.6 Expenditure to Date

Actual expenditure on Voyager for the quarter ending 31st December 2016 is £203.655m. This represents 55.0% of the forecast outturn for 2016/17 and compares with 62% in 2015/16 financial year.

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

5.7 10 – Year Capital Programme

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

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

5.5 Treasury Management Monitoring

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

As part of the consideration for the sale of NEC Group to LDC on 1st May 2015 the City Council received loan notes with a face value of £14.8m and 8% coupon and consideration based on the estimated future value of the retained stake in the subsequent resale value of the NEC Business. Following discussions with the NEC and LDC, approval was given under treasury management delegations to realise these assets and the City Council received £17.63m of which £15.6m is a capital receipt and £2.03m is a revenue receipt relating to interest on the loan notes.

6. Evaluation of alternative option(s):

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

7. Reasons for Decision(s):

- 7.1 To inform Cabinet of the latest projected position on the City Council's capital programme against the approved budget, and to monitor treasury management activity and risks.
- 7.2 To seek approval to the revised capital budget at 31st December 2016.

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

Chief Officer(s):

Cabinet Member:.....

Dated:

List of Background Documents used to compile this Report:

1st March 2016 Council Report – Council Business Plan 2016+

Financial Outturn Report – 17th May 2016.

20th September 2016 – Capital & Treasury Management Monitoring Report Quarter 1 (April to June 2016)15th November 2016 – Capital & Treasury Management Monitoring Report Quarter 2 (July to September 2017)**List of Appendices accompanying this Report:**

1. Appendix 1 – Review of major capital monitoring variations at Quarter 3 2016/17
2. Appendix 2 – High level summary of the Capital Programme as at Quarter 3 2016/17
3. Appendix 3– Development and Funding of the Capital Programme at Quarter 3 2016/17
4. Appendix 4 – New Prudential Borrowing Capital Schemes in Quarter 3 2016/17
5. Appendix 5 – 10-Year Capital Programme as at Quarter 3 2016/17
6. Appendix 6 - Summary Debt and Investment Portfolio
7. Appendix 7 - Long Term Transactions in the Quarter
8. Appendix 8 - Treasury Investments Outstanding at 31st December 2016
9. Appendix 9- Treasury Investments made in October to December 2016
10. Appendix 10 - Accountable Body Investments
11. Appendix 11 - Prudential Indicators
12. Appendix 12 – Resources to Support ICT Contract Negotiation

PEOPLE DIRECTORATE - ADULTS & COMMUNITIES		2016/17 £'000	All Years £'000	Project Officer Narratives
Property Schemes	Budget	413	1,713	£1.713m Programme of Refurbishments of Older Adults Services and Learning Disability Services. £0.850m purchase of lease for the Kenrick Centre at Mill Farm Road. All schemes are grant funded.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced) Resources	0	780	£0.780m funding for a Long Leasehold Interest at the Kenrick Centre funded by the Better Care Fund. This scheme was approved by the Deputy Leader, the Cabinet Member for Development, Transportation and Economy and Cabinet Member Commissioning, Contracts and Improvement on 01/09/2015. The purchase of the Long Leasehold is to enable BCC to have control of this site to enable the continuing strategy of developing and modernising residential and day services for Older Adults.
	slippage/acceleration	(121)	0	(£0.121m) slippage against the Refurbishment programmes for Learning Disability Services and Older Adults Services. The future of Adults services provision in terms of these schemes is under review. As a result the capital investment programme has been paused until the outcome of this review is known. Should the City Council decide to retain these services, spending will resume. These schemes are funded by capital grants.
	(Under) / Overspend	0	70	The legal costs of the Kenrick Centre lease purchase are uncertain and may exceed the current budget due to the length of time involved to get relevant approvals including Charity Commission clearance. This increase is a provisional figure which would be funded by the Better Care Fund if required.
	Total revised forecast	292	2,563	
	On Target?			No - as above
IT Schemes	Budget	745	2,024	New and enhanced IT systems to support the delivery of Adults & Communities services.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced) Resources	0	0	
	slippage/acceleration	(425)	0	(£0.260m) of Social Care IT Grant funding has been reprioritised and slipped into 2017/18 to support Carefirst System Replacement programme in 2017/18. (£0.165m) Tech Refresh grant funding slippage due to extensive re-use of devices recovered from the business and reused. The ICT strategy review of the device purchasing model has currently paused purchases of equipment for Refresh purposes. There is currently no impact on service delivery or funding but this cannot be sustained indefinitely.
	(Under) / Overspend	0	0	
	Total revised forecast	320	2,024	
	On Target?			No - as above
Better Care	Opening Budget	6,287	6,380	The Better Care Fund provides funding to local services for the provision of improved health and social care services for elderly and vulnerable adults.
	Quarter 2 forecast changes	(3,000)	0	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced) Resources	(900)	(701)	£(0.900)m of Better Care Funding transferred to cover the additional resources required for the Independent Living Scheme for 2016/17 only. (see below). This is permitted within the approvals arrangements for the Better Care Fund capital resources. £0.199m of Better Care Fund resources to fund Telecare in 2017/18 as approved by Strategic Director for People on a delegated authority report from 04/08/2016.
	slippage/acceleration	(2,087)	0	Slippage of £(2.087)m of Better Care Fund grant resources into future years. There are no further plans for spending the Better Care Fund in 2016/17 as the focus of attention has been on developing the Strategic Transformation Plans (STP) which were submitted to the Department of Health at the end of October 2017. Future schemes will be developed in conjunction with Health Partners.
	(Under) / Overspend	0	0	
	Total revised forecast	300	5,679	
	On Target?			No - as above

Independent Living	Opening Budget	4,600	13,800	Delivery of major adaptation schemes through the Disabled Facilities Grant.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced) Resources	900	900	£0.900m of Better Care Funding transferred to cover the additional resources required for the Independent Living Scheme for 2016/17 only (see above). This activity has previously been funded by a specific grant from Government and from 1st April 2015 was included in the Better Care Fund (BCF). In 2016/17 the grant was combined with other elements of the BCF capital allocation. The opportunity is being taken to use this additional flexibility to temporarily extend the resources available. This is permitted within the approvals arrangements for the Better Care Fund capital resources.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	5,500	14,700	
	On Target?			Yes
	Opening Budget	12,045	23,917	
	Quarter 2 forecast changes	(3,000)	0	Reported in quarter 2 Cabinet Report.
	Additional / (Reduced)	0	980	
	slippage/acceleration	(2,632)	0	
	(Under) / Overspend	0	70	
	Total revised forecast	6,413	24,967	

PEOPLE DIRECTORATE - CHILDREN, YOUNG PEOPLE AND FAMILIES		2016/17 £'000	All Years £'000	Project Officer Narratives
Aiming Higher for Disabled Children	Opening Budget	300	487	Scheme to provide better access to short breaks provision by providing equipment, adaptations and facilities for disabled children's and young people.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	300	487	
	On Target?			Yes
Devolved Capital	Opening Budget	2,525	5,370	Allocated to Maintained Schools to fund capital works.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	2,525	5,370	
	On Target?			This budget is managed and delivered by the individual schools and is currently on target.
School Condition Allowance	Opening Budget	15,454	34,938	School Condition Allowance programme covering programmed capital works, dual funded schemes, improvements to access and kitchen works.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	15,454	34,938	
	On Target?			Yes
Basic Need/Additional Primary Places	Opening Budget	49,753	120,915	Building programme aimed at expanding school provision in order to meet pupil place requirements.
	<i>Quarter 2 forecast</i>	<i>(20,110)</i>	0	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	29,643	120,915	
	On Target?			No as above slippage in quarter 2.

Early Years Schemes	Budget	2,590	2,625	Funding for additional places in the nursery sector - mainly based at primary schools.
	<i>Quarter 2 forecast</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	2,590	2,625	
	On Target?			Yes
Other Minor Schemes	Opening Budget	28	28	Minor value schemes - Burford Community Development £0.014m; Victoria Special School £0.14m; Salix Energy Efficiency £0.080m (this is a loan scheme to fund energy efficiency projects at schools).
	<i>Quarter 2 forecast</i>	0	0	
	Additional / (Reduced)	80	80	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	108	108	
	On Target?			Yes
Business Transformation - Children's	Opening Budget	700	4,633	IT Investment in Children's Services.
	<i>Quarter 2 forecast</i>	0	0	
	Additional / (Reduced)	0	0	
	Resources			
	slippage/acceleration	(175)	0	(£0.225m) slippage into 2017/18 due to the upgrade of the Education recovery system which has limited the pace at which other ICT Improvement expenditure can be deployed due to the rate of change the operational areas can accept. £0.050m other minor scheme adjustments. There is no impact on funding. In terms of Service Provision the funding is currently being used on priority projects as set by the Business and change is taking place as quickly as possible.
	(Under) / Overspend	0	0	
	Total revised forecast	525	4,633	
Section 106 schemes	On Target?			No - slippage as reported above.
	Opening Budget	334	334	Various minor schemes funded by S106 receipts.
	<i>Quarter 2 forecast</i>	26	26	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	360	360	
	On Target?			Yes

Universal Free School Meals	Budget	114	114	Capital funding to support of free school meals for reception years 1 and 2 children originally approved in September 2014.
	<i>Quarter 2 forecast changes</i>	<i>(8)</i>	<i>(8)</i>	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	106	106	
	On Target?			Yes
TOTAL CHILDREN, YOUNG	Opening Budget	71,798	169,444	
	<i>Quarter 2 forecast</i>	<i>(20,092)</i>	<i>18</i>	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced)	80	80	
	slippage/acceleration	(175)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	51,611	169,542	
PEOPLE DIRECTORATE -	Opening Budget	83,843	193,361	
	<i>Quarter 2 forecast</i>	<i>(23,092)</i>	<i>18</i>	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced)	80	1,059	
	slippage/acceleration	(2,808)	0	
	(Under) / Overspend	0	70	
	Total revised forecast	58,023	194,508	

PLACE DIRECTORATE - HOUSING PRIVATE SECTOR GENERAL FUND		2016/17 £'000	All Years £'000	Project Officer Narratives
Affordable Housing	Opening Budget	550	1,250	Expenditure to bring privately owned long term void properties back into use through compulsory acquisition.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	950	Increase due to the inclusion of an additional year (2019/20 - £0.550m), and full anticipated usage of funding in earlier years (increase to £0.550m per annum from £0.350m per annum in 2017/18 and 2018/19).
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	550	2,200	
	On Target?			Yes
Homeless Services	Opening Budget	1,435	1,435	Programme of refurbishment of Temporary Accommodation to improve services for the homeless. Transferred from People Directorate - Adults Services.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	1,136	1,136	£0.995m - Additional scheme, as approved by the Cabinet Member for Housing & Homes and the Strategic Director for Place, to bring 41 properties in Newtown initially identified for demolition into use as temporary accommodation for a period of 5 years. The scheme is substantially funded through prudential borrowing, that will be repaid from the rental income generated by the properties. £0.141m - additional works to allow homeless hostels to be brought back into use (relates to replacement boilers and associated works), funded from revenue contributions.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	2,571	2,571	
	On Target?			Yes
In Reach	Opening Budget	6,003	12,000	Provision of loans to InReach (Birmingham) Limited - a wholly owned company of BCC which has been set up to develop and operate market rent accommodation in Birmingham.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	96,320	Addition of further schemes as approved by Cabinet in October 2016 (4 schemes for development), together with proposals for a programme of acquisition by InReach of 200 void properties per annum from the HRA. Loan funded from prudential borrowing, to be repaid as InReach repays their loan.
	slippage/acceleration	(2,692)	0	Drawdown of the St Vincent Street loan by InReach delayed due to protracted contract negotiations between InReach and their Contractor. Contractor is now on site, and drawdowns commenced.
	(Under) / Overspend	0	0	
	Total revised forecast	3,311	108,320	
	On Target?			Yes, with the exception of issues re St Vincent Street referred to above.

Other Programmes	Opening Budget	160	160	Compensation payable in respect of historic slum clearance schemes.
	<i>Quarter 2 forecast</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(100)	0	Compensation is only paid when individuals come forward. Final cases not yet resolved, and now anticipated to be concluded in 2017/18 or later years.
	(Under) / Overspend	0	0	
	Total revised forecast	60	160	
	On Target?			No as above
TOTAL HOUSING PRIVATE	Opening Budget	8,148	14,845	
	<i>Quarter 2 forecast</i>	0	0	
	Additional / (Reduced)	1,136	98,406	
	slippage/acceleration	(2,792)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	6,492	113,251	

PLACE DIRECTORATE - OTHER GENERAL FUND		2016/17 £'000	All Years £'000	Project Officer Narratives
Swimming Pool Facilities	Opening Budget	28,029	40,391	Sport and physical activity review programme for the new build of Sparkhill Pool, Stechford Leisure Centre, Icknield Port Loop, Erdington Pool and Northfield Pool and the refurbishment of Wyndley Leisure Centre, Beeches Pool, Fox Hollies Leisure Centre, Billesley ITC and Cocks Moor Wood Leisure Centre.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(4,633)	0	The programme for 2016/17 comprises 5 new build and 2 refurbished leisure centres delivered through three Design, Build, Manager and Operate Framework Contracts. The profile of expenditure on the new builds has been amended from that estimated from tender documents, to reflect recently agreed milestone payments and this has resulted in estimated slippage of £4.6m. The construction programme remains on target to achieve expected building completion dates.
	(Under) / Overspend	0	0	
	Total revised forecast	23,396	40,391	
	On Target?			No - as above
Waste Management Services	Opening Budget	2,413	9,464	Waste Depot Modernisation Programme and Mobile IT project. Phase 1 of the Depot Modernisation Programme will deliver improvements to Perry Barr and Lifford Depots and is on target following approval in December 2016 (£1.2m spend in 2016/17 and £3.7m in 2017/18). A further £1.2m of budget provision relates to the Mobile IT Project.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced)	89	0	
	slippage/acceleration	(804)	0	Part of the Mobile IT project will be delayed pending the outcome of the Trade Waste and Street Cleansing service reviews, resulting in slippage of £0.804m. During this time, front line services are being maintained and the delay is not expected to adversely impact on the overall cost of the project.
	(Under) / Overspend	(10)	(10)	
	Total revised forecast	1,688	9,454	
	On Target?			Slippage on Mobile IT; Depot Modernisation is on target.
Parks	Opening Budget	3,743	4,260	Various schemes including - Cofton Nurseries replacement glasshouses £1.833m; Cofton Park Pavillion £0.367m; Reservoirs & Pools £0.268m; Perry Park Skate Park £0.139m; Highgate Park Improvements £0.109m; Minworth Sports Facilities £0.515m; Kings Heath Park Hub £0.136m; Blackroot Pool £0.384m; Other Schemes <£100k £0.509m.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced) Resources	353	366	£0.130m for an extension to Perry Park Skate Park approved by Delegated Authority on 19/08/16 and funded by a mixture of S106 receipts and other contributions. £0.236m other minor scheme approvals of <£100k each.
	slippage/acceleration	(1,836)	0	Forecast slippage of £(1.833)m due to delays relating to the Cofton Nursery replacement project. Quotes for work packages exceeded the budget and it was not possible to satisfactorily bring the costs within budget. The project is therefore on hold pending re-tendering. The project will be funded by service prudential borrowing, subject to a business case. £0.003m other minor slippage adjustments.
	(Under) / Overspend	0	0	
	Total revised forecast	2,260	4,626	
	On Target?			No - slippage on Cofton Nursery. All other schemes currently on target.

Bereavement Services	Budget	8,211	8,211	Development of the Cemetery at Sutton New Hall for provision of additional burial plots.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced)	(16)	(16)	
	slippage/acceleration	(6,195)	0	Forecast slippage of (£6.195m) as a result of delays relating to the appointment of a suitable specialist sub-contractor for drainage works. This will not impact on the overall cost of the project and service provision will be maintained until project completion.
	(Under) / Overspend	0	0	
	Total revised forecast	2,000	8,195	
	On Target?			No - as above
Markets	Budget	29,554	30,509	Relocation of Birmingham Wholesale Markets to Witton including purchase of land and construction of a building at a new site.
	Quarter 2 forecast changes	1,500	1,500	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced) Resources	1,314	1,314	Additional service funded prudential borrowing of £1.314m for the Wholesale Market as approved by Cabinet in the Quarter 2 Capital & Treasury Management Monitoring Report on 15th November 2016.
	slippage/acceleration	(1,850)	0	Practical completion of the main building works took place on 4 November 2016. Relocating tenants have yet to sign leases at the new market, which were due to be signed by 18 November, and there is therefore likely to be some delay in the fit out of the new units and the commencement of trading, from the planned start in February 2017. As a consequence slippage is forecast at £1.85m.
	(Under) / Overspend	(1,500)	(1,500)	Reversal of qtr 2 forecast overspend as new resources of £1.314m approved as above.
	Total revised forecast	29,018	31,823	
	On Target?			No - as above
Community Initiatives	Budget	245	392	£0.392m budget for Lozells Community Development Initiative.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(245)	0	A proposal to utilise this funding, originally allocated for the Lozells Community Development Initiative is expected to be brought forward for approval in 2017.
	(Under) / Overspend	0	0	
	Total revised forecast	0	392	
	On Target?			No - as above
Regulation and Enforcement	Opening Budget	372	372	£0.292m Health and Safety Works to the mortuary ventilation system and flooring. £0.080m no longer required.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(366)	0	£(0.292)m of service prudential borrowing for Health and Safety Works on floors and ventilation for the Mortuary and Coroners Services. The project was approved by the Acting Strategic Director Place Directorate in June 2016. It has taken longer than expected to prepare a schedule of works and confirm a start date. As a consequence the expenditure of £(0.292)m will slip into 2017/18. The remaining (£0.080)m of Prudential Borrowing resources is being reviewed for Quarter 4 monitoring.
	(Under) / Overspend	0	0	
	Total revised forecast	6	372	
	On Target?			No - as above

Brasshouse Relocation	Budget	2,081	2,081	Relocation of Brasshouse Adult Education Centre to the Library of Birmingham.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	2,081	2,081	
	On Target?			Project complete. Adult Education services are now being provided at the Library of Birmingham.
Civic House Refurbishment	Opening Budget	1,564	1,564	Major refurbishment of Civic House to create a new Learning Centre in the Erdington Ward.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,564	1,564	
	On Target?	0	0	Project complete. Adult Education services are now being provided at Civic House.
Strategic Libraries	Opening Budget	742	742	Library of Birmingham - residual budgets to complete the fit out of a wide range of relatively small items and to complete works to doors and flooring.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(434)	0	The slippage into 2017/18 of expenditure on the outstanding items to fully deliver the library building project involves complex works, logistics and planning that have to fit in with the running of a public building. This includes substantial work on the library front door and on the floor in the Children's Library. All outstanding items will be completed during 2017/18 and there is no impact on service provision or funding.
	(Under) / Overspend	(158)	(158)	The need for outstanding expenditure to bring the new library fully into 'fit for purpose' condition has been carefully reviewed and many early estimates for the cost of this work have been refined. The overall net underspend is largely due to the removal of a £0.150m provision to build a nitrate store to house archive material safely, in place of which a revenue (instead of capital) based plan will now be developed subject to revenue resources being identified.
	Total revised forecast	150	584	
	On Target?			The Library of Birmingham is open.
Land Drainage & Flood Defences	Opening Budget	1,105	1,105	River Tame Flood Defence Scheme.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(1,103)	0	The project has been delayed due to revised requirements from the Environment Agency resulting in significant slippage into 2017/18. The project is expected to complete in 2017/18. There are no implications to the funding of the scheme.
	(Under) / Overspend	15	15	
	Total revised forecast	17	1,120	
	On Target?			No - as above

Other Minor Schemes	Opening Budget	80	80	Minor Schemes <£100k.
	Quarter 2 forecast	0	0	
	Additional / (Reduced) Resources	110	110	Two additional budgets of <£100k for acquisition of artwork for the Birmingham Museum and Art Gallery approved by Delegated Authority on 07/11/2016 and both funded by Heritage Lottery Fund Grant.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	190	190	
	On Target?	0	0	Yes
TOTAL OTHER GENERAL FUND	Opening Budget	78,139	99,171	
	Quarter 2 forecast	1,500	1,500	Reported in quarter 2 Cabinet Report.
	Additional / (Reduced)	1,850	1,774	
	slippage/acceleration	(17,466)	0	
	(Under) / Overspend	(1,653)	(1,653)	
	Total revised forecast	62,370	100,792	

PLACE DIRECTORATE - DISTRICT SERVICES		2016/17 £'000	All Years £'000	Project Officer Narratives
Community Sport	Opening Budget	135	135	Community Sports - minor schemes.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	135	135	
	On Target?			Yes
Community Libraries	Opening Budget	576	576	£0.456m West Heath Library rebuild; £0.120m other minor schemes.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(456)	0	The West Heath Library project has slipped due to consultation being undertaken on the future delivery of the Community Libraries service. The commencement of consultation, approved by Cabinet in October 2016 was concluded in January 2017 and followed by a Cabinet decision report in February. There is no revenue impact on the Community Libraries service arising from the slippage.
	(Under) / Overspend	0	0	
	Total revised forecast	120	576	
	On Target?			No as per above
Community Development & Play	Opening Budget	4	4	Minor Schemes.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced)	52	52	
	slippage/acceleration	(48)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	8	56	
	On Target?			Yes
Community Parks	Budget	172	172	Minor Schemes.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced)	(5)	(5)	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	167	167	
	On Target?			Yes
Community Chest	Budget	56	56	Minor Schemes.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	56	56	
	On Target?			Yes

Districts and Neighbourhoods	Budget	6	6	Minor Schemes.
	<i>Quarter 2 forecast</i>	<i>0</i>	<i>0</i>	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	6	6	
	On Target?			Yes
TOTAL DISTRICT SERVICES	Opening Budget	949	949	
	<i>Quarter 2 forecast changes</i>	<i>0</i>	<i>0</i>	
	Additional / (Reduced) Resources	47	47	
	slippage/acceleration	(504)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	492	996	

PLACE DIRECTORATE - HOUSING REVENUE ACCOUNT		2016/17 £'000	All Years £'000	Project Officer Narratives
Housing Improvement Programme	Opening Budget	54,967	237,734	Capital Investment Programme - various projects to carry out improvements to stock including major structural works.
	Quarter 2 forecast changes	(236)	0	Reported in quarter 2 Cabinet Report.
	Additional / (Reduced) Resources	0	(14,715)	Realignment of future years capital investment programme to reflect reduced resource availability from tenants' rents (net of HRA revenue expenditure)
	slippage/acceleration	(338)	0	Partial reduction in net slippage and acceleration of lifts refurbishment and electrical rewires programmes previously reported as a part of the Quarter 2 forecast changes due to rigorous contract management.
	(Under) / Overspend	724	724	Increased preparatory work / Structural Investigations for future major works to tower blocks, funded from additional receipts from RTB and BMHT sales.
	Total revised forecast	55,117	223,743	
	On Target?			Yes, subject to the above slippage
Redevelopment	Opening Budget	56,046	185,632	Birmingham Municipal Housing Trust (BMHT) new build housing Stock Replacement Programme and Affordable Rent Programmes, together with related housing development, including sales and clearance.
	Quarter 2 forecast changes	(6,601)	91	Reported in quarter 2 Cabinet Report.
	Additional / (Reduced) Resources	0	38,415	Increased BMHT programme as a result of proposed disposal of 200 properties per annum to InReach (Birmingham) Limited, with approximately 35% reprovision (£29million), together with extensive remediation works at Yardley Brook (£9million) and flood defence works at Bromford (£1.6million) - both funded through HCA grants.
	slippage/acceleration	1,462	0	Partial reduction in slippage reported at Quarter 2 (particularly relating to Perry Common).
	(Under) / Overspend	(985)	1,330	Underspends due to removal of BMHT scheme no longer proceeding (Kellett Road), together with refinement of estimated final scheme costs, with overspends arising as a result of revised cost estimates for clearance programme. This is funded within the HRA Right to Buy (RTB) receipts.
	Total revised forecast	49,922	225,468	
	On Target?			Yes, subject to the above slippage.
Other Programmes	Opening Budget	4,728	19,526	Mainly capital works to void properties and major adaptation works to HRA properties.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced) Resources	0	(1)	
	slippage/acceleration	0	0	
	(Under) / Overspend	807	807	Completion of backlog of adaptations to council dwellings to support independent living. Funded from additional receipts from RTB and BMHT sales.
	Total revised forecast	5,535	20,332	
	On Target?			Yes, subject to the above slippage
TOTAL HRA	Opening Budget	115,741	442,892	
	Quarter 2 forecast changes	(6,837)	91	Reported in quarter 2 Cabinet Report.
	Additional / (Reduced)	0	23,699	
	slippage/acceleration	1,124	0	
	(Under) / Overspend	546	2,861	
	Total revised forecast	110,574	469,543	

PLACE DIRECTORATE -	Opening Budget	202,977	557,857	<i>Reported in quarter 2 Cabinet Report.</i>
	Quarter 2 forecast change	(5,337)	1,591	
	Additional / (Reduced) Resources	3,033	123,926	
	slippage/acceleration (Under) / Overspend	(19,638)	0	
	Total revised forecast	(1,107)	1,208	
		179,928	684,582	

ECONOMY DIRECTORATE - REGENERATION		2016/17 £'000	All Years £'000	Project Officer Narratives
Paradise Circus Redevelopment	Opening Budget	23,358	48,768	The major redevelopment of the Paradise Circus site. An investment plan resourced by the LEP for projects / programmes delivering development and long term growth.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	23,358	48,768	
	On Target?			Yes
Site Development & Access	Opening Budget	2,500	8,450	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. This part of the scheme supports property development coming forward on EZ Sites (other than Paradise Circus).
	<i>Quarter 2 forecast changes</i>	1,855	0	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced)	0	(50)	
	slippage/acceleration	(3,955)	0	With the Curzon St EZ programme being approved in September 2016 it has been decided to review the Site Development and Access Fund (SDAF) (which is profiled in the Enterprise Zone Investment Plan 2014) in line with the new Site Enabling works package contained within the Curzon Investment Plan. There has been no new interest for the fund in 2016 and therefore no new marketing has been completed. The process for which funds are released once an application is made can take 3-6 months and therefore no funding will be released in 2016 except for a small budget required to complete funding agreements. The funding allocated for this EZ profile will be slipped into future years and is expected to be fully utilised. There are no implications regarding the delivery of expected outcomes.
	(Under) / Overspend	0	0	
	Total revised forecast	400	8,400	
	On Target?			No as above
Connecting Economic Opportunities	Opening Budget	75	13,301	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. - This scheme funds a range of projects to improve connectivity and create safe and attractive routes to EZ sites in the Snowhill, Digbeth, Jewellery Quarter and Eastside Areas.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	75	13,301	
	On Target?			Yes

Southern Gateway Site	Opening Budget	1,000	35,470	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. - The Southern Gateway site supports the relocation of the Wholesale Markets to enable the redevelopment of this City Centre Site.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	(940)	Development funding for the Southern Gateway project is now been charged to revenue and the budget has been reduced accordingly. This has been agreed and approved by the Enterprise Zone Board.
	slippage/acceleration	(1,000)	0	The profiled resources for this project was based on a forecast in the Enterprise Zone Investment Plan 2014. An application for funding to develop the full business case including the procurement of the development partner was submitted and approved in November 2016 which has now provided a more accurate profile for spend.
	(Under) / Overspend	0	0	
	Total revised forecast	0	34,530	
	On Target?			Yes - subject to the above approved slippage.
LEP Investment Fund	Opening Budget	0	20,000	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. This funding has been made available to support the implementation of the Strategic Economic Plan and its four delivery programmes.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	0	20,000	
	On Target?			Yes
Snow Hill Public Realm	Opening Budget	601	601	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. Office development at Two Snowhill.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	601	601	
	On Target?			Yes
Southside Links	Opening Budget	175	415	Provision of high quality pedestrian links stretching from Upper Hurst St, Ladywell Walk and Dudley St. This supports the newly opened southern portal at New Street Station to the Birmingham Smithfield development.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	(14)	(23)	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	161	392	
	On Target?			Yes

One Station	Opening Budget	0	727	Enhancement of the areas linking New Street Station and Moor Street Station.
	<i>Quarter 2 forecast changes</i>	207	0	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced)	93	0	
	slippage/acceleration	(93)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	207	727	
	On Target?			Yes
Centenary Square	Opening Budget	2,239	10,115	This project is complementary to the Metro project and will enhance the public square in line with the new Paradise Circus and Arena Central developments. This budget relates to Phase 1 of the programme of works.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	50	
	slippage/acceleration	(2,070)	0	There are ongoing discussions between Birmingham City Council and the Contractor in order to bring down the costs of the contract. A target cost has not yet been agreed, therefore there is slippage of £2m into future years. Until a target cost is agreed we are unable to confirm either an underspend or overspend on this project. Any further delays in agreeing costs will have a negative impact on the delivery of this scheme.
	(Under) / Overspend	0	0	
	Total revised forecast	169	10,165	
	On Target?			No as above
Making the Connection	Opening Budget	552	552	£0.552m Making the Connection - Public Realm Enhancements around New Street, linking Paradise Circus, Arena Central and Southern Gateway.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	0	
	slippage/acceleration	(84)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	468	552	
	On Target?			No - minor slippage
Curzon Extension	Opening Budget	1,500	668,500	Curzon Investment Plan to deliver regeneration of local infrastructure over and above the High Speed Rail 2 that will integrate the new Curzon rail terminus and unlock wider development. This is to be delivered by 2026.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(1,500)	0	The Curzon Investment Plan was launched in September 2016 and work is progressing on a number of projects that focus on integrating the station with the City Centre and delivering new infrastructure that connects the Curzon area with other developments such as Smithfield. The overall financial profile has been revised to reflect the current programme and no capital spend is forecast for 2016/17.
	(Under) / Overspend	0	0	
	Total revised forecast	0	668,500	
	On Target?			No as above

HS2 Curzon St	Opening Budget	0	30,000	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. This forms part of the Birmingham Curzon HS2 Masterplan which has been prepared to ensure the City makes the most of the investment into the proposed High Speed 2 Terminus.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	0	30,000	
	On Target?			Yes
HS2 Interchange	Opening Budget	0	20,000	Investment plan resourced by the LEP for projects / programmes delivering development and long term growth. This forms part of the Birmingham Curzon HS2 Masterplan which has been prepared to ensure the City makes the most of the investment into the proposed High Speed 2 Terminus.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	0	20,000	
	On Target?			Yes
East Aston RIS	Opening Budget	4,856	4,856	East Aston Regional Investment Site - Advanced Manufacturing Hub. Programme of land acquisition, demolitions, remediation and site assembly to enable developers to relocate to a strategically important manufacturing site.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	0	
	slippage/acceleration	(2,000)	0	(£2.000m) of slippage due to complex and protracted property negotiations at Concentric Business Park which further delays associated demolition and remediation works. There is no overall impact on service delivery or funding.
	(Under) / Overspend	0	0	
	Total revised forecast	2,856	4,856	
	On Target?			No as above
Life Sciences	Budget	12,920	12,920	Creation of a new Life Science Campus.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(1,300)	0	The acquisition of Life Sciences Campus by Birmingham City Council was completed in November 2016 and is due to be sold to the University of Birmingham. The slippage of £(1.3)m is for a contribution to infrastructure works to the owners of the site which will be paid in 2017/18. On completion of the disposal the Council and the University of Birmingham will finalise a site servicing solution for implementation by the University within 18 months of the completion of the sale.
	(Under) / Overspend	0	0	
	Total revised forecast	11,620	12,920	
	On Target?			Project all complete apart from the final £1.3m payment.

Women's Enterprise Centre	Budget	100	100	Redevelopment of the east wing of the Southside Business centre, Sparkbrook into a Women's Enterprise Centre.
	<i>Quarter 2 forecast</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	(97)	(97)	
	Total revised forecast	3	3	
Longbridge Regeneration	Opening Budget	872	3,502	Regeneration of Longbridge and the former Rover sites. This comprises of a number of projects - upgrades to existing rail facilities (being delivered by Network Rail) improvements to existing bus interchanges and extension of existing park and ride site (being delivered by Transport for West Midlands - TFWM). BCC is the Accountable body for this project as we are acting as an applicant for the Local Growth Fund Grant funding.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(664)	0	Works to Longbridge Railway Station have been delayed whilst Network Rail reconsider their procurement route. The Park and Ride scheme delivered by TFWM is currently being reappraised as part of a new parking strategy and the contractor could be on site in autumn 2017.
	(Under) / Overspend	0	0	
	Total revised forecast	208	3,502	
Local Centres	Opening Budget	970	1,246	Improvements to Local Centres, including shop frontages.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	25	25	
	slippage/acceleration	(414)	0	(£.0288m) slippage against the Tesco/Aston Lane project pending a Deed of Variation to extend the life of the S106 agreement. (£0.126m) other minor schemes slippage of <£100k each.
	(Under) / Overspend	(211)	(211)	(£0.204m) underspend of Corporate Resources funding against the Irish Quarter project - this has now been completed. (£0.007m) underspends against minor completed projects (funded by a mix of Earmarked Receipts and Corporate Resources).
	Total revised forecast	370	1,060	
Conservation	Opening Budget	326	1,646	Improvements to Warstone Lane Cemetery including repairs, conservation and new building works, reinstatement of historical boundary railings, stones piers and entrance gates, restoration of catacombs.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(261)	0	(£0.261m) slippage on Warstone Lane Cemetery pending agreement to detailed design works being agreed with Heritage Lottery Fund (HLF).
	(Under) / Overspend	0	0	
	Total revised forecast	65	1,646	
	On Target?			No - as above

Business Growth Programme	Budget	375	8,865	ERDF Business Support Programmes comprises two projects - Business Growth Programme and Property Investment Programme to provide grant assistance targeted at up to 576 existing small and medium enterprises.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	52	2,000	£2.000m added for the ERDF Property Investment Programme approved by Cabinet on 18/10/2016. This is a new grant programme to encourage the improvement and development of key vacant, derelict or underused properties and sites for economic use. The grant programme will operate in the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) area.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	427	10,865	
	On Target?			Yes
Grand Hotel	Budget	1,000	1,000	This is a £1m repayable grant to support the refurbishment of this Grade 2* listed building. This was approved by Cabinet on 20th October 2015.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	(1,000)	0	The proposed conditions associated with the repayable grant require it to only be drawn down post completion of the capital refurbishment works (estimated to be August 2017), hence the movement from 2016/17 budgets to 2017/18 budgets.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	0	1,000	
	On Target?			The grant is to be paid in August 2017 as per the original Cabinet approval.
Planning Other	Opening Budget	370	471	Various minor schemes <£100k.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	1	
	slippage/acceleration	(12)	0	
	(Under) / Overspend	(95)	(196)	(£0.151m) Direct Revenue Financing underspend against the IDOX Management System budgets as the project is now complete. (£0.045m) Corporate Resources funded minor scheme underspends.
	Total revised forecast	263	276	
	On Target?			Minor slippage on one scheme.
A34 Perry Barr Corridor	Opening Budget	1,360	1,360	A34 Perry Barr Corridor Developments - Phase 1. Infill of Subways (delivered by Transportation); Design of Replacement Bus Interchange; Acquisition of Warehouse and office premises at Gailey Park to unlock development land.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	0	
	slippage/acceleration	(430)	0	The acquisition of the Gailey Park building was completed in July 2016, however the associated bus interchanges works by Centro were delayed due to the sale of the One Stop Shopping Centre and the need to consult with the new owners on its design, hence slippage of £0.430m into 2017/18.
	(Under) / Overspend	0	0	
	Total revised forecast	930	1,360	
	On Target?			No - as above

Unlocking Housing Sites	Opening Budget	3,180	9,000	Project for providing Grants and/or Loans to property developers to unlock sites with problems which make them uneconomical to develop. This project is demand led. The first nine months were launching the project and attracting applications from private developments and housing associations. These applications have to go through due diligence by Finance Birmingham and the costs are claimed by the developers as the housing is constructed.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(3,180)	0	This is a relatively complex programme and to deliver it effectively and efficiently, there was some delay in generating expression of interests (EoIs) and setting up the systems for appraisals, approval and governance. Since the launch, the programme has generated a number of Expressions of Interest and a number of applications have been approved and funding has been allocated. These projects are likely to go on site in the 4th quarter and the funds are likely to be spent in quarter 1 of 2017/18. There is no spend expected in 2016/17. Regular monitoring has been provided to the Local Growth Fund and there are no expected funding implications.
	(Under) / Overspend	0	0	
	Total revised forecast	0	9,000	
	On Target?			No - as above
	Opening Budget	58,329	901,865	
	Quarter 2 forecast changes	2,062	0	Reported in quarter 2 Cabinet Report.
	Additional / (Reduced)	(844)	1,063	
	slippage/acceleration	(16,963)	0	
	(Under) / Overspend	(403)	(504)	
	Total revised forecast	42,181	902,424	

ECONOMY DIRECTORATE - EMPLOYMENT & SKILLS		2016/17 £'000	All Years £'000	Project Officer Narratives
National College for High Speed Rail	Opening Budget	22,038	24,174	Construction of a new building that will serve as the operational training headquarters for High Speed Rail College at Birmingham.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	(1,718)	A net reduction of £1.718m budget to reflect a £(3.218)m reduction in grant from the Department of Business Innovation & Skills (BIS) re an unrequired allocation for irrecoverable VAT and an increase of £1.500m in Local Growth Fund grant to cover additional site remediation costs.
	slippage/acceleration	(9,028)	0	The National College for High Speed Rail construction is progressing well. The works are entering week 33 of an overall 67 week programme and are currently one week ahead of schedule. The rephasing of the forecast reflects the latest profile of expenditure.
	(Under) / Overspend	0	0	
	Total revised forecast	13,010	22,456	
	On Target?			Yes - although slippage is reported as part of quarter 3 monitoring the college is still expected to open in September 2017.

ECONOMY DIRECTORATE - TRANSPORTATION		2016/17 £'000	All Years £'000	Project Officer Narratives
Gateway / Grand Central residual budgets	Opening Budget	13,245	13,245	Budget to support residual costs of the Gateway and Grand Central schemes.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	(6,520)	(6,520)	This budget represents resources for contingencies following the sale of Grand Central. It has been reduced to reflect current spending forecasts.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	6,725	6,725	
	On Target?			Yes
A34 North Perry Barr	Opening Budget	673	673	The project is for the infilling of the Perry Barr subway and creation of a new pedestrianised route. This is part of the Public Realm & Infrastructure Plan for Aston, Newton and Lozells Area.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	673	673	
	On Target?			Scheme complete
Inner Ring Road schemes - Iron Lane, Ashted Circus	Opening Budget	537	537	Iron Lane / Ashted Circus - projects to reduce congestion on the Inner Ring Road. Budgets are allocated for Development costs awaiting Full Business Cases which are in progress.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	501	7,283	£7.3m added for Ashted Circus funded by a mixture of Local Growth Fund and Prudential Borrowing (in lieu of Business Rates) approved by Cabinet on 11th January 2017. This project is to enable access to key development sites, reducing congestion, improving road safety and providing additional highway capacity.
	slippage/acceleration	0	0	
	(Under) / Overspend	41	41	
	Total revised forecast	1,079	7,861	
	On Target?			Yes
Minworth A38 & Peddimore Access	Opening Budget	1,929	1,929	Major project in conjunction with Highways to improve traffic management at Peddimore including safety and accessibility for pedestrians and cyclists. Works are also being undertaken on the A38 Sutton Coldfield Bypass to repair and replace a number of life expired assets.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	0	
	slippage/acceleration	(300)	0	The start of the works was delayed due to the A38 being used as a diversion by Highways England for M42 traffic. The diversion proposals were not confirmed until July 2016, as a result the construction start date slipped to September 2016. Construction works are well underway and scheduled to finish March 2017 and within the allocated budget. The £(0.300)m slippage figure relates to final payments to statutory undertakers which will be made in 2017/18.
	(Under) / Overspend	0	0	
	Total revised forecast	1,629	1,929	
	On Target?			No as above

Battery Way	Opening Budget	550	3,737	Unlocking access to development sites and an alternative route between Warwick Road and Reddings Lane which bypasses residential areas improving safety and access for road users.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	101	ITB resources transferred from Local Growth fund holding pot as approved by Cabinet in July 2016.
	slippage/acceleration	(230)	0	Slippage is due to the reprogramming of main contract works owing to complex land acquisition timescales and ground conditions. The works are programmed to start summer 2017 and finish Summer 2018. The project remains within the allocated budget.
	(Under) / Overspend	0	0	
	Total revised forecast	320	3,838	
	On Target?			No as above
Longbridge Connectivity	Opening Budget	370	5,234	A number of schemes at Longbridge to improve traffic management and accessibility for pedestrians and cyclists.
	<i>Quarter 2 forecast changes</i>	305	0	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced)	0	0	
	Resources			
	slippage/acceleration	88	0	
	(Under) / Overspend	0	0	
	Total revised forecast	763	5,234	
Dudley Road	Opening Budget	1,150	7,450	A457 Dudley Road Improvements including road widening to a dual carriageway and improving pedestrian and cyclist facilities to reduce congestion and improve reliability.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(1,000)	0	The project requires a Compulsory Purchase Order (CPO) to secure private land and property interests. Additional CPO approvals are to be sought through a PDD report in spring/summer 2017. It has been necessary to reprofile the project expenditure to reflect the current delivery / land acquisition programme.
	(Under) / Overspend	0	0	
	Total revised forecast	150	7,450	
	On Target?			No

Other Minor Schemes	Opening Budget	1,032	1,032	Minor schemes comprising Journey Reliability £0.427m; Peddimore Improvement Works £0.295m; Heartlands Spine Road £0.180m; Selly Oak New Road £0.128m; other minor schemes <£0.100m totalling £0.229m.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	221	221	£0.211m Local Growth Fund grant resources added to the "Journey Time Reliability to Growth Areas Pilot Project" as approved by Cabinet Member for Development, Transport & Economy and the Cabinet Member for Commissioning Contracting and Improvement jointly with the Strategic Director for Economy in April 2016. £0.010m net other minor scheme adjustments.
	slippage/acceleration	(222)	0	All the slippage is for Peddimore Improvement works. As a result of a Government Holding Direction placed on the Birmingham Development Plan (BDP) the progression of the Peddimore Highway scheme has been delayed.
	(Under) / Overspend	6	6	
	Total revised forecast	1,037	1,259	
Selly Oak Relief Road - Improved Access at Birmingham & Worcester Canal	Opening Budget	421	489	Project for improving cycling and pedestrian access at the Worcester & Birmingham Canal adjacent to the University Railway Station In Edgbaston
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	(48)	Removal of ITB resources, which will be utilised on other projects as and when they come forward from the overall Transportation and Highways Capital Programme. This movement was approved by the Head of Growth and Transportation who oversees the resourcing of the Transportation and Highways capital programme.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	421	441	
Chester Road	Opening Budget	0	0	Works to improve traffic congestion on the Chester Road.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	597	597	As reported in the Cabinet Report of 19/04/2016 a number of unforeseen events were encountered during construction mainly related to the utilities works and the need to upgrade signals and significantly increase drainage which impeded progress and resulted in a delay to the completion by 9 months with the consequential impact on the cost of the project. The settlement of the account at £8.96m has now been provisionally agreed with the Contractor and funding for the increase in expenditure found from within existing Transportation & Highways resources. The Cabinet Member, Legal Services and Finance have agreed the settlement figure and a formal agreement is being drafted for signature by the parties. The settlement does not relieve the contractor of its obligations in clearing defects.
	Total revised forecast	597	597	
	On Target?			The scheme has completed but ongoing issues as above are still to be resolved.

Tame Valley Viaduct		563	563	Phase 2 and 3 of the A38 (M) Tame Valley Viaduct Management Strategy.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	(47)	(47)	Removal of ITB resources, which will be utilised on other projects as and when they come forward from the overall Transportation and Highways Capital Programme. This movement was approved by the Head of Growth and Transportation who oversees the resourcing of the Transportation and Highways capital programme.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	516	516	
	On Target?			Yes
Metro Extension	Opening Budget	9,248	15,713	This is a multi year multi funded programme to build a metro system across the City Centre from New Street Station to Centenary Square. The major funding sources are Enterprise Zone and Local Growth Fund.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	(1,999)	As part of a revised funding strategy TfWM will progress the works using their own funding from contributions that were originally due to the Council in respect of Holloway Circus £1.5m and the Swallow St Scheme £0.5m
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	9,248	13,714	
	On Target?			Yes
Infrastructure Development	Opening Budget	3,796	9,784	£2.622m projects and activities to develop future year programmes. ITB Match funding across all years £7.162m - to be allocated to projects as and when schemes are approved.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	(107)	(147)	
	slippage/acceleration	(1,778)	0	Slippage of £(1.778)m due to delays with these projects associated with design, land acquisition and consultation issues match funding resources are required to be reprofiled into future years in accordance with revised delivery programmes. Further information will be provided in the next Transportation and Highways Capital Funding Strategy report to Cabinet in March 2017 where appropriate.
	(Under) / Overspend	(437)	(437)	£(0.437)m underspends on ITB resources funding overspends in other areas - £0.200m to partially fund Chester Road overspend as above. £0.041m underspend funding Iron Lane overspend (see above). £0.067m underspend funding overspend on Road Safety Cameras (see below). £0.078m funding Enabling Growth and Tackling Congestion (see below). £0.051m other minor underspends across a number of schemes. Alternative uses and virements have been approved under chief officer delegations and agreed with the Cabinet Member where appropriate.
	Total revised forecast	1,474	9,200	
	On Target?			No - as above.

S106/278 Schemes	Opening Budget	482	482	Projects funded from S106 and S278 funds.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	134	134	£0.101m budget added to Paradise Circus S278 works approved by Delegated Authority 26.09.2016 and funded by S106 receipts. This is the contribution from Paradise to Metro for Transport and Works Act changes as per S106 requirement. £0.033m other minor scheme additions.
	slippage/acceleration	(101)	0	Minor scheme slippage of <£100k on two schemes due to developers adjusting their programmes.
	(Under) / Overspend	80	80	
	Total revised forecast	595	696	
	On Target?			No - minor slippage on two schemes.
Walking & Cycling	Opening Budget	7,877	11,913	Projects to reduce congestion, improve air quality, improve access and improve health and physical fitness as part of a country-wide government initiative. This programme is made up of many smaller schemes which in total create a significant programme of works.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	3,375	4,150	£1.850m of Department for Transport (DfT) Grant funding added to the programme as approved in the Project Definition Document of March 2015. £0.884m of ITB grant resources added in as per the BCR Progress Update and Programme Revision report approved by Cabinet on 13/12/16. £0.525m Canal Links funded by DfT Grant approved 18/05/2015. £0.500m of DfT Grant Resources for the Top Cycle Grants scheme as approved by the Cabinet Member for Transport and Roads on 14/12/2016. £0.504m budgets transferred from Local Accessibility back to Holding code for use against other schemes (see Local Accessibility below). (£0.113m) other minor scheme adjustments of less than £0.100m.
	slippage/acceleration	(1,890)	0	Slippage has occurred on elements of the programme as a result of a change in scope following initial implementation and feedback from stakeholders. A number of schemes have been delayed or deleted as identified in the report approved by Cabinet in Dec 16 in respect of a revised delivery strategy including changes to the programme from those originally approved in the PDD documents for Phases 1, 2 & 3. Budgets have been reallocated to a reduced number of higher quality proposals. As a result of the changed strategy funding will need to be slipped and utilised in future years to deliver the revised programme which remains in line with the DfT's overall funding allocations
	(Under) / Overspend	67	67	
	Total revised forecast	9,429	16,130	
	On Target?			Yes

Local Accessibility	Opening Budget	1,209	1,209	Local Accessibility Schemes programme, which seeks to improve accessibility for local people wishing to access education, employment, retail and leisure facilities in their local area. £0.469m Bike North Birmingham Projects; £0.527m ITB funding to support projects as allocated by the Transport and Highways Capital Programme approved in February 2016.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	(504)	(504)	Integrated Transport Block funding originally earmarked against delivery of two schemes within the Capital Programme. (i) The Controlled Parking Zone scheme relating to Birmingham City Football Club has been removed from the programme due to a lack of support within the local community. (ii) Bus Lane Enforcement (BLE) which it is proposed will now be funded through prudential borrowing subject to Cabinet approval not due until after Qtr 3.
	slippage/acceleration	0	0	
	(Under) / Overspend	(330)	(330)	The underspent budget relates to an element of the Bike North Birmingham grant funding which was to be used to support cycling measures implemented as part of the Chester Rd Improvement scheme. This funding will now offset some of the potential further overspend on the Chester Road project as approved by the Strategic Director Economy as part of the Chester Rd funding provision (See Chester Road above).
	Total revised forecast	375	375	
	On Target?			Yes
Inner Ring Road schemes - Bordesley, Curzon, Haden, Holloway and Circus	Opening Budget	1,029	2,395	Projects to reduce congestion on the Inner Ring Road - includes Curzon Circle, Bordesley Circus, Haden Circus and Holloway Circus.
	<i>Quarter 2 forecast changes</i>	(392)	0	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced) Resources	(392)	0	£0.392m movement from 2016/17 budget to 2017/18 budget relates to Holloway Circus works, the works rely on the phased completion of utility diversions the City Council is having difficulty in obtaining updated works programmes from some of the utility companies.
	slippage/acceleration	392	0	Reversal of quarter 2 forecast change, as it is now a budget reduction as above additional/(reduced) resources.
	(Under) / Overspend	0	0	
	Total revised forecast	637	2,395	
	On Target?			No as above
Economic Growth Zone	Opening Budget	365	365	Projects to take forward the Councils' 6 economic growth zones and other schemes to unlock growth and reduce congestion across the city. £0.122m for East Aston RIS; £0.138m other minor schemes with a value of <£0.100m each.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	(38)	(38)	
	slippage/acceleration	0	0	
	(Under) / Overspend	(67)	(67)	
	Total revised forecast	260	260	
	On Target?			Yes

Enabling Growth & Tackling Congestion	Budget	265	265	ITB in year and future years funding to support projects comprising measures to address congestion and public transport issues as allocated by the Transport and Highways Capital Programme approved in February 2016.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	(44)	(44)	
	slippage/acceleration	0	0	
	(Under) / Overspend	78	78	
	Total revised forecast	299	299	
	On Target?			No - as above.
Road Safety	Budget	485	485	Road safety schemes to reduce accidents across the City by redesigning roads or the implementation of safety measures.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	67	67	
	Total revised forecast	552	552	
	On Target?			No - as above.
Digital Districts	Opening Budget	3,621	3,621	£0.709m ERDF funding for the Big Data Corridor - A New Business Economy. The Connectivity Project is now complete.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	67	327	£0.327m of ERDF Resources added following approval of the Strategic Director for Change & Support Services Report to Cabinet on 15/11/2016 for the project Big Data Corridor - A New Business Economy.
	slippage/acceleration	0	0	
	(Under) / Overspend	(3,239)	(3,239)	The Birmingham Connectivity Project was funded by the Department of Culture, Media and Sport (DCMS) to provide grant vouchers to Small and Medium Enterprises (SME's) to enable ultrafast broadband. The scheme has now finished, having provided £3.624m of grants. The underspend is due to less take up on this scheme than originally anticipated. The grant was paid via claims, so there is no repayment of grants to DCMS.
	Total revised forecast	449	709	
	On Target?			Yes
TOTAL TRANSPORTATION	Opening Budget	48,847	81,121	
	<i>Quarter 2 forecast changes</i>	(87)	0	Reported in quarter 2 Cabinet Report.
	Additional / (Reduced)	(3,354)	2,869	
	slippage/acceleration	(5,041)	0	
	(Under) / Overspend	(3,137)	(3,137)	
	Total revised forecast	37,228	80,853	

ECONOMY DIRECTORATE - HIGHWAYS		2016/17 £'000	All Years £'000	Project Officer Narratives
Safer Routes to School	Budget	606	1,206	Highway engineering schemes to improve safety and sustainable access in the vicinity of schools across the City. This programme is funded by an allocation of Integrated Transport Block grant.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(59)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	547	1,206	
	On Target?			Slippage on two schemes only. All other schemes are currently on target.
Ward Minor Transport Measures	Budget	423	423	Projects across all wards to deliver reactive high priority highways services to improve highways infrastructure. Works can include provision of parking bays for people with disabilities, speed humps, and pedestrian crossings. These are funded from the Integrated Transport Block grant.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	244	244	Funds moved from Network Integrity holding code - various schemes all less than £100k and approved by Delegated Authority, funded from ITB grant (see below).
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	667	667	
	On Target?			Yes
Minworth A38 Improvements	Budget	3,069	3,232	Joint delivery of the Minworth Island Improvement Scheme delivered by Transporation and A38 Sutton Coldfield Bypass scheme delivered by Highways as approved by Cabinet on 20/10/2015.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(2,618)	0	(£2.618m) slippage is because the Procurement team have advised that there is to be a re-tendering process due to the size and complexity of the A38 Sutton Coldfield By-Pass works. It is expected that the works will be completed by the end of 2017/18 financial year.
	(Under) / Overspend	0	0	
	Total revised forecast	451	3,232	
	On Target?			No - see above slippage and narrative.
Network Integrity	Opening Budget	622	1,832	The Network Integrity and Efficiency programme is made up of relatively small value schemes to enhance and protect the highway network and support the localism agenda through measures to address local transport issues identified at ward level. This is all funded by the Integrated Transport Block grant. It also includes a holding budget of ITB resources for funding the various schemes including Ward Minor Transport Measures above.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	(244)	(244)	Funds moved to Ward Minor Transport Measures - various schemes all less than £100k and approved by Delegated Authority, funded from ITB grant (see above).
	slippage/acceleration	(115)	0	(£0.115m) Slippage against Kings Norton Green due to unforeseen complications in the agreement of the project redesign to reduce construction costs to within budget. Tender submissions received for the previously agreed projects were in excess of the available budget. Works include the reconstruction of the existing layout with new footways and kerblne materials to conservation area stands. Retendering will take place in January/February 2017 with commencement on site in April 2017 and completion in June 2017.
	(Under) / Overspend	0	0	
	Total revised forecast	263	1,588	
	On Target?			Slippage on one scheme only. All other schemes are currently on target.

Road Safety	Budget	601	1,201	Road safety schemes to reduce accidents across the city by the redesigning of roads or implementation of safety measures. These schemes are funded by Integrated Transport Block Grant.
	Quarter 2 forecast changes	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	(73)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	528	1,201	
	On Target?			Slippage on one scheme only. All other schemes are currently on target.
District Schemes	Budget	595	595	£0.286m S278 works at Perry Beeches; £0.310m other minor schemes <£100k.
	Quarter 2 forecast changes	(47)	0	Reported in quarter 2 Cabinet Report.
	Additional / (Reduced)	0	0	
	slippage/acceleration	(136)	0	Minor slippage into 2017/18 of <£0.100m across two schemes.
	(Under) / Overspend	0	0	
	Total revised forecast	412	595	
	On Target?			No - some minor slippage on schemes
TOTAL HIGHWAYS	Opening Budget	5,916	8,489	
	Quarter 2 forecast changes	(47)	0	Reported in quarter 2 Cabinet Report.
	Additional / (Reduced)	0	0	
	slippage/acceleration	(3,001)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	2,868	8,489	
ECONOMY DIRECTORATE - OVERALL MOVEMENTS	Opening Budget	135,130	1,015,649	
	Quarter 2 forecast changes	1,928	0	Reported in quarter 2 Cabinet Report.
	Additional / (Reduced)	(4,198)	2,214	
	slippage/acceleration	(34,033)	0	
	(Under) / Overspend	(3,540)	(3,641)	
	Total revised forecast	95,287	1,014,222	

CORPORATE RESOURCES DIRECTORATE		2016/17 £'000	All Years £'000	Project Officer Narratives
Revenue Reform Projects	Opening Budget	17,750	38,000	Costs of redundancy, pension strain and revenue costs of transformation funded by capital receipts as part of the Government's capital receipts flexibility scheme.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	(9,476)	21,250	Additional resources available from the generation of capital receipts to be used in line with Government guidance to fund temporary costs that will help to deliver savings for the public sector. In particular the Council will use the resources to fund redundancy costs, pension fund strain and the implementation costs of change.
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	8,274	59,250	
	On Target?			
IT Projects	Opening Budget	2,124	2,383	Various IT projects to support and update the Council's IT Infrastructure.
	<i>Quarter 2 forecast changes</i>	(116)	(116)	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced) Resources	46	46	
	slippage/acceleration	(126)	0	(£0.126m) slippage against the Centralised Desktop Refresh programme. Following approval of the ICT and Digital Strategy (2016-2021) on 18/10/2016 the rolling programme of desktop refresh has been paused to ensure alignment to the Agility theme, as part of the overall ICT and Digital Services Strategy, which aims to ensure provision of the most appropriate solutions and devices. The Agility Theme includes provision of appropriate devices and secure access to Corporate Data, voice and video conferencing accessible from any location.
	(Under) / Overspend	150	150	£0.150m overspend against the CMS Replacement programme. This is due to the appointment of an external project manager to oversee the programme and scope changes and enhancements as a result of customer feedback. These changes have added additional costs to the design phase. The overspend is less than 10% of the Full Business Case upfront costs and will be funded from available reserves within Revenues and Benefits that have been earmarked for the Customer Services Transformation Programmes of which CMS Replacement is a part.
	Total revised forecast	2,078	2,463	
	On Target?			No - as above
Birmingham Property Services Projects	Opening Budget	14,249	14,849	Projects as part of the Attwood Green area redevelopment £1.185m; Arena Central works £1.676m; Red Rose Shopping Centre redevelopment £11.493m; Access to Buildings £0.478m; Council House Complex Refurbishment Work £0.500m; Other Minor schemes £0.017m.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	250	500	£0.500m of Corporate Resources development funding for the Council House Complex options appraisal approved by Cabinet on 18/10/2016. This funding will inform and progress the implementation of proposals for the refurbishment works to Full Business Case.
	slippage/acceleration	(751)	0	Savings of £(0.591)m were made on the acquisition of the Red Rose Shopping Centre. However the remaining budget is being slipped pending future commercial opportunities. (£0.160m) other minor scheme slippage.
	(Under) / Overspend	0	0	
	Total revised forecast	13,748	15,349	
	On Target?			No - as above

Corporate Resources - Software	Opening Budget	877	877	Software developments in Corporate Resources Directorate due to legislative or increased capacity requirements.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced) Resources	42	42	
	slippage/acceleration	(121)	0	(£0.121m) slippage against the DMS Replacement Project. This is because some of the technical aspects of the work have been more complex than originally anticipated, but are necessary to ensure that the planned service benefits are delivered. Service benefits include faster processing, larger variety of electronic document formats, faster responses to customers and faster and more cost effective communication. Completion is now expected in May 2017. There are no cost or service delivery implications of the delay.
	(Under) / Overspend	0	0	
	Total revised forecast	798	919	
	On Target?			No - slippage on the DMS Replacement Project.
ICentrum	Opening Budget	519	519	Residual budget for a loan of £7.5m to Birmingham Technology (Property) Ltd for the Innovation Birmingham Icentrum Building. The final instalment has been paid in 2016/17.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	519	519	
	On Target?			Scheme complete
Capital Loans & Equity	Opening Budget	9,606	9,606	Capital Equity Investments.
	<i>Quarter 2 forecast changes</i>	0	0	
	Additional / (Reduced)	0	0	
	slippage/acceleration	0	0	
	(Under) / Overspend	0	0	
	Total revised forecast	9,606	9,606	
	On Target?			Yes
ICT Infrastructure	Opening Budget	8,521	41,846	A ten year programme for Enhancements to Core ICT across Birmingham City Council made up of various projects including replacement servers, infrastructure and enhancements to software.
	<i>Quarter 2 forecast changes</i>	(5,315)	(151)	<i>Reported in quarter 2 Cabinet Report.</i>
	Additional / (Reduced) Resources	(6,324)	0	Revised budget approvals as reported to Cabinet on 18/10/2016 by the Strategic Director of Change and Support Services. This has resulted in reducing the resources in the current financial year. However, they have been built back in for future years. The programme is fully funded by prudential borrowing. There is no change in the overall cost of the programme.
	slippage/acceleration	4,815	0	Reversal of quarter 2 slippage as this has been superseded by the ITC Cabinet Report 18/10/2016.
	(Under) / Overspend	(10)	(10)	
	Total revised forecast	1,687	41,685	
	On Target?			Yes, as per revised cabinet report

SAP Investment Plan	Opening Budget	2,781	6,421	New Developments to SAP software.
	Quarter 2 forecast changes	(1,200)	0	Reported in quarter 2 Cabinet Report.
	Additional / (Reduced) slippage/acceleration	0	0	This additional slippage is as a consequence of the delayed implementation of the SAP upgrade project and delays with progressing a number of the Integrated Support Services (ISS) technology solutions. In addition a fundamental review of the SAP Customer Relationship Management (CRM) solution is being undertaken and planned CRM work has had to be re-phased pending the outcome of this review.
		(298)	0	
	(Under) / Overspend	0	0	
	Total revised forecast	1,283	6,421	
	On Target?			No - see above
TOTAL CORPORATE RESOURCES DIRECTORATE - OVERALL	Opening Budget	56,427	114,501	Reported in quarter 2 Cabinet Report.
	Quarter 2 forecast changes	(6,631)	(267)	
	Additional / (Reduced) slippage/acceleration	(15,462)	21,838	
	(Under) / Overspend	3,519	0	
		140	140	
	Total revised forecast	37,993	136,212	
OVERALL MOVEMENTS	Opening Budget	478,377	1,881,368	Reported in quarter 2 Cabinet Report.
	Quarter 2 forecast changes	(33,132)	1,342	
	Additional / (Reduced) slippage/acceleration	(16,547)	149,037	
	(Under) / Overspend	(52,960)	0	
		(4,507)	(2,223)	
	Total revised forecast	371,231	2,029,524	

CAPITAL - CAPITAL EXPENDITURE PLAN - FORECAST 2016/17 QUARTER 3

Appendix 2

	2016/17									All Years - 2017-2020			
	Quarter 2 Budget 2016/17 £'000's	Qtr 3 New Schemes £'000's	Revised Quarter 3 Budget £'000's	Forecast Slippage / Acceleration Qtr 2 £'000's	Forecast Slippage / Acceleration Qtr 3 £'000's	Forecast Over / Under spend Qtr 3 £'000's	Year End Forecast at Quarter 3 £'000's	Actual Spend at Quarter 3 £'000's	Actual to Date as % of Forecast %	All Years Quarter 2 Budget £'000's	New Schemes All Years £'000's	Over/under spend All Years £'000's	All years Quarter 3 Forecast £'000's
PEOPLE DIRECTORATE													
Adults & Communities													
Property Schemes - incl Kenrick Centre	413	0	413	0	(121)	0	292	206	70.5	1,713	780	70	2,563
IT Schemes	745	0	745	0	(425)	0	320	38	11.9	2,024	0	0	2,024
Better Care Fund	6,287	(900)	5,387	(3,000)	(2,087)	0	300	0	0.0	6,380	(700)	0	5,680
Independent Living	4,600	900	5,500	0	0	0	5,500	5,076	92.3	13,800	900	0	14,700
Total Adults & Communities	12,045	0	12,045	(3,000)	(2,632)	0	6,413	5,320	83.0	23,917	980	70	24,967
Children, Young People & Families													
Aiming Higher for Disabled Children	300	0	300	0	0	0	300	300	100.0	487	0	0	487
Devolved Capital Allocation to Schools	2,525	0	2,525	0	0	0	2,525	2,164	85.7	5,369	0	0	5,369
Capital Maintenance	15,954	(500)	15,454	0	0	0	15,454	6,924	44.8	34,938	0	0	34,938
Basic Needs / Additional Primary Places	49,753	0	49,753	(20,110)	0	0	29,643	15,011	50.6	120,915	0	0	120,915
Special Schhols - Additional Places	0	0	0	0	0	0	0	2,985	0.0				
Early Years	2,590	0	2,590	0	0	0	2,590	235	9.1	2,624	0	0	2,624
Other Minor Schemes	28	0	28	0	0	0	28	12	42.9	28	0	0	28
IT Investment - Children's Services	200	500	700	0	(175)	0	525	296	56.4	4,633	0	0	4,633
Section 106	335	0	335	0	0	26	361	137	38.0	334	0	26	360
Universal Infant Free School Meals	114	0	114	0	0	(8)	106	108	101.9	114	0	(8)	106
Salix Energy Efficiency	0	80	80	0	0	0	80	26	32.5	0	80	0	80
Total Children, Young People & Families	71,799	80	71,879	(20,110)	(175)	18	51,612	28,198	54.6	169,442	80	18	169,540
TOTAL CAPITAL - PEOPLE DIRECTORATE	83,844	80	83,924	(23,110)	(2,807)	18	58,025	33,518	57.8	193,359	1,060	88	194,507

CAPITAL - CAPITAL EXPENDITURE PLAN - FORECAST 2016/17 QUARTER 3										Appendix 2			
	2016/17									All Years - 2017-2020			
	Quarter 2 Budget 2016/17 £'000's	Qtr 3 New Schemes £'000's	Revised Quarter 3 Budget £'000's	Forecast Slippage / Acceleration Qtr 2 £'000's	Forecast Slippage / Acceleration Qtr 3 £'000's	Forecast Over / Under spend Qtr 3 £'000's	Year End Forecast at Quarter 3 £'000's	Actual Spend at Quarter 3 £'000's	Actual to Date as % of Forecast %	All Years Quarter 2 Budget £'000's	New Schemes All Years £'000's	Over/under spend All Years £'000's	All years Quarter 3 Forecast £'000's
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	%	£'000's	£'000's	£'000's	£'000's
PLACE DIRECTORATE													
<u>Other - General Fund</u>													
Sport & Swimming Pool Facilities	28,029	0	28,029	0	(4,633)	0	23,396	13,252	56.6	40,391	0	0	40,391
Fleet & Waste Management	2,413	89	2,502	0	(804)	(10)	1,688	434	25.7	9,464	0	(10)	9,454
Parks	3,743	352	4,095	0	(1,836)	0	2,259	1,047	46.3	4,260	366	0	4,626
Bereavement Services	8,211	(16)	8,195	0	(6,195)	0	2,000	159	8.0	8,211	(16)	0	8,195
New Wholesale Market	29,554	1,314	30,868	0	(1,850)	0	29,018	25,438	87.7	30,509	1,314	0	31,823
Community Initiatives	245	0	245	0	(245)	0	0	0	0.0	392	0	0	392
Regulation and Enforcement	372	0	372	0	(366)	0	6	5	83.3	372	0	0	372
Adult Education - Brasshouse Relocation	2,081	0	2,081	0	0	0	2,081	1,895	91.1	2,081	0	0	2,081
Adult Education - Civic House	1,564	0	1,564	0	0	0	1,564	1,382	88.4	1,564	0	0	1,564
Strategic Libraries	742	0	742	0	(434)	(158)	150	17	11.3	742	0	(158)	584
Museums & Arts	80	109	189	0	0	0	189	177	93.7	80	109	0	189
Other Services	0	0	0	0	0	0	0	0	0.0	0	0	0	0
Highways - Land Drainage and Flood Defences	1,105	0	1,105	0	(1,103)	15	17	14	82.4	1,105	0	15	1,120
Total Place Other GF	78,139	1,848	79,987	0	(17,466)	(153)	62,368	43,820	70.3	99,171	1,773	(153)	100,791
Community Sport	135	0	135	0	0	0	135	58	43.0	135	0	0	135
Community Libraries	576	0	576	0	(456)	0	120	3	2.5	576	0	0	576
Community Development & Play	4	52	56	0	(48)	0	8	10	125.0	4	52	0	56
Community Parks	172	(4)	168	0	0	0	168	11	6.5	172	(5)	0	167
Community Chest	56	0	56	0	0	0	56	4	7.1	56	(1)	0	55
Districts and Neighbourhoods	6	0	6	0	0	0	6	(78)	0.0	6	0	0	6
Total District Services	949	48	997	0	(504)	0	493	8	1.6	949	46	0	995
Total General Fund	79,088	1,896	80,984	0	(17,970)	(153)	62,861	43,828	69.7	100,120	1,819	(153)	101,786
Empty Homes	550	0	550	0	0	0	550	0	0.0	1,250	950	0	2,200
Housing Related Loans	6,003	0	6,003	0	(2,692)	0	3,311	921	27.8	12,000	96,320	0	108,320
Homeless Centres	1,435	1,136	2,571	0	0	0	2,571	1,298	50.5	1,435	1,136	0	2,571
Other Programmes	160	0	160	0	(100)	0	60	0	0.0	160	0	0	160
Total Private Sector Housing GF	8,148	1,136	9,284	0	(2,792)	0	6,492	2,219	34.2	14,845	98,406	0	113,251
HRA													
Housing Improvement Programme	54,967	0	54,967	(236)	(338)	724	55,117	25,853	46.9	237,734	(14,715)	724	223,743
Redevelopment	56,046	0	56,046	(6,692)	1,462	(894)	49,922	26,774	53.6	185,632	38,414	1,421	225,467
Other Programmes	4,728	0	4,728	0	0	807	5,535	2,166	39.1	19,526	0	807	20,333
Total HRA	115,741	0	115,741	(6,928)	1,124	637	110,574	54,793	49.6	442,892	23,699	2,952	469,543
TOTAL CAPITAL - PLACE DIRECTORATE	202,977	3,032	206,009	(6,928)	(19,638)	484	179,927	100,840	56.0	557,857	123,925	2,799	684,581

CAPITAL - CAPITAL EXPENDITURE PLAN - FORECAST 2016/17 QUARTER 3										Appendix 2			
	2016/17									All Years - 2017-2020			
	Quarter 2 Budget 2016/17 £'000's	Qtr 3 New Schemes £'000's	Revised Quarter 3 Budget £'000's	Forecast Slippage / Acceleration Qtr 2 £'000's	Forecast Slippage / Acceleration Qtr 3 £'000's	Forecast Over / Under spend Qtr 3 £'000's	Year End Forecast at Quarter 3 £'000's	Actual Spend at Quarter 3 £'000's	Actual to Date as % of Forecast %	All Years Quarter 2 Budget £'000's	New Schemes All Years £'000's	Over/under spend All Years £'000's	All years Quarter 3 Forecast £'000's
ECONOMY DIRECTORATE													
Planning & Regeneration													
Enterprise Zone - Paradise Circus	23,358	0	23,358	0	0	0	23,358	12,086	51.7	48,768	0	0	48,768
Enterprise Zone - Site Development & Access	2,500	0	2,500	1,855	(3,955)	0	400	355	88.8	8,450	(50)	0	8,400
Enterprise Zone - Connect Economic Opportunities	75	0	75	0	0	0	75	0	0.0	13,301	0	0	13,301
Enterprise Zone - Southern Gateway Site	1,000	0	1,000	0	(1,000)	0	0	0	0.0	35,470	(940)	0	34,530
Enterprise Zone - LEP Investment Fund	0	0	0	0	0	0	0	0	0.0	20,000	0	0	20,000
	26,933	0	26,933	1,855	(4,955)	0	23,833	12,441	140	125,989	(990)	0	124,999
Enterprise Zone - Snow Hill Public Realm	601	0	601	0	0	0	601	582	96.8	601	0	0	601
Enterprise Zone - Southside Links	175	(14)	161	0	0	0	161	0	0.0	415	(23)	0	392
Enterprise Zone - One Station	0	93	93	207	(93)	0	207	7	0.0	727	0	0	727
Enterprise Zone - Metro Centenary Square	2,239	0	2,239	0	(2,070)	0	169	97	57.4	10,115	50	0	10,165
Enterprise Zone - Making the Connection	552	0	552	0	(84)	0	468	3	0.6	552	0	0	552
	3,567	79	3,646	207	(2,247)	0	1,606	689	155	12,410	27	0	12,437
Enterprise Zone Phase II - Curzon Extension	1,500	0	1,500	0	(1,500)	0	0	0	0.0	668,500	0	0	668,500
Enterprise Zone - HS2 Curzon St Site	0	0	0	0	0	0	0	0	0.0	30,000	0	0	30,000
Enterprise Zone - HS2 Interchange Site	0	0	0	0	0	0	0	0	0.0	20,000	0	0	20,000
	1,500	0	1,500	0	(1,500)	0	0	0	0	718,500	0	0	718,500
Total Enterprise Zone	32,000	79	32,079	2,062	(8,702)	0	25,439	13,130	295	856,899	(963)	0	855,936
Other Planning & Regeneration Schemes													
East Aston RIS	4,856	0	4,856	0	(2,000)	0	2,856	1,864	65.3	4,856	0	0	4,856
Life Sciences	12,920	0	12,920	0	(1,300)	0	11,620	9,880	85.0	12,920	0	0	12,920
Women's Enterprise	100	0	100	0	0	(97)	3	2	66.7	100	0	(97)	3
Longbridge Regen	872	0	872	0	(664)	0	208	0	0.0	3,502	0	0	3,502
Local Centres	970	25	995	0	(414)	(211)	370	149	40.3	1,246	25	(211)	1,060
Conservation	326	0	326	0	(261)	0	65	0	0.0	1,646	0	0	1,646
Business Support Programme	375	52	427	0	0	0	427	295	0.0	8,865	2,000	0	10,865
Grand Hotel	1,000	(1,000)	0	0	0	0	0	0	0.0	1,000	0	0	1,000
Planning - Other	370	0	370	0	(12)	(95)	263	451	171.5	471	0	(196)	275
A34 Corridor - Perry Barr	1,360	0	1,360	0	(430)	0	930	925	99.5	1,360	0	0	1,360
Unlocking Housing Sites	3,180	0	3,180	0	(3,180)	0	0	0	0.0	9,000	0	0	9,000
Total Other Planning & Regeneration Projects	26,329	(923)	25,406	0	(8,261)	(403)	16,742	13,566	81.0	44,966	2,025	(504)	46,487
National College for HS2	22,038	0	22,038	0	(9,028)	0	13,010	7,501	57.7	24,174	(1,718)	0	22,456
Total Employment Services	22,038	0	22,038	0	(9,028)	0	13,010	7,501	57.7	24,174	(1,718)	0	22,456
Total Planning & Regeneration	80,367	(844)	79,523	2,062	(25,991)	(403)	55,191	34,197	62.0	926,039	(656)	(504)	924,879

CAPITAL - CAPITAL EXPENDITURE PLAN - FORECAST 2016/17 QUARTER 3										Appendix 2			
	2016/17									All Years - 2017-2020			
	Quarter 2 Budget 2016/17	Qtr 3 New Schemes	Revised Quarter 3 Budget	Forecast Slippage / Acceleration Qtr 2	Forecast Slippage / Acceleration Qtr 3	Forecast Over / Under spend Qtr 3	Year End Forecast at Quarter 3	Actual Spend at Quarter 3	Actual to Date as % of Forecast	All Years Quarter 2 Budget	New Schemes All Years	Over/under spend All Years	All years Quarter 3 Forecast
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	%	£'000's	£'000's	£'000's	£'000's
Highways													
Safer Routes to Schools	607	0	607	0	(59)	0	548	334	60.9	1,206	0	0	1,206
Ward Minor Transport Measures	423	244	667	0	0	0	667	0	0.0	423	244	0	667
Minworth A38 Improvements	3,069	0	3,069	0	(2,618)	0	451	0	0.0	3,232	0	0	3,232
Network Integrity	622	(244)	378	0	(115)	0	263	410	155.9	1,832	(244)	0	1,588
Road Safety	601	0	601	0	(73)	0	528	217	41.1	1,201	0	0	1,201
District Schemes	594	0	594	(47)	(136)	0	411	314	76.4	596	0	0	596
Total Highways GF	5,916	0	5,916	(47)	(3,001)	0	2,868	1,275	44.5	8,490	0	0	8,490
Transportation													
Grand Central	13,245	(6,520)	6,725	0	0	0	6,725	1,140	17.0	13,245	(6,520)		6,725
A34 North Perry Barr	673	0	673	0	0	0	673	591	87.8	673	0		673
Inner Ring Road - Ashted Circus / Iron Lane	537	501	1,038	0	0	41	1,079	323	29.9	537	7,283	41	7,861
Minworth & Peddimore Access	1,929	0	1,929	0	(300)	0	1,629	836	51.3	1,929	0		1,929
Battery Way Extension	550	0	550	0	(230)	0	320	230	71.9	3,737	101		3,838
Longbridge Connectivity	370	0	370	305	88	0	763	676	88.6	5,234	0		5,234
A457 Dudley Road	1,150	0	1,150	0	(1,000)	0	150	73	48.7	7,450	0		7,450
Selly Oak Relief Road	421	0	421	0	0	0	421	372	88.4	489	(48)		441
Chester Road	0	0	0	0	0	597	597	431	72.2	0	0	597	597
Tame Valley Viaduct Phase 2 & 3	563	(47)	516	0	0	0	516	215	41.7	563	(47)		516
Metro Extension	9,248	0	9,248	0	0	0	9,248	307	3.3	15,713	(1,999)		13,714
Other minor schemes	1,032	221	1,253	0	(222)	6	1,037	196	18.9	1,032	221	6	1,259
Infrastructure Development	3,796	(107)	3,689	0	(1,778)	(437)	1,474	788	53.5	9,784	(147)	(437)	9,200
Section 106/278 Schemes	482	134	616	0	(101)	80	595	449	75.5	482	134	80	696
Walking & Cycling	7,877	3,375	11,252	0	(1,890)	67	9,429	6,107	64.8	11,913	4,150	67	16,130
Local Accessibility	1,209	(504)	705	0	0	(330)	375	216	57.6	1,209	(504)	(330)	375
Inner Ring Road - Bordesley, Curzon, Haden, Holloway	1,029	(392)	637	(392)	392	0	637	316	49.6	2,395	0	0	2,395
Economic Growth Zone	365	(38)	327	0	0	(67)	260	(22)	(8.5)	365	(38)	(67)	260
Enabling Growth & Tackling Congestion	265	(44)	221	0	0	78	299	118	39.5	265	(44)	78	299
Road Safety	485	0	485	0	0	67	552	292	52.9	485	0	67	552
Digital Districts	3,621	67	3,688	0	0	(3,239)	449	198	44.1	3,621	327	(3,239)	709
Total Transportation	48,847	(3,354)	45,493	(87)	(5,041)	(3,137)	37,228	13,852	37.2	81,121	2,869	(3,137)	80,853
TOTAL CAPITAL - ECONOMY DIRECTORATE	135,130	(4,198)	130,932	1,928	(34,033)	(3,540)	95,287	49,324	51.8	1,015,649	2,214	(3,641)	1,014,222

CAPITAL - CAPITAL EXPENDITURE PLAN - FORECAST 2016/17 QUARTER 3										Appendix 2			
	2016/17									All Years - 2017-2020			
	Quarter 2 Budget 2016/17 £'000's	Qtr 3 New Schemes £'000's	Revised Quarter 3 Budget £'000's	Forecast Slippage / Acceleration Qtr 2 £'000's	Forecast Slippage / Acceleration Qtr 3 £'000's	Forecast Over / Under spend Qtr 3 £'000's	Year End Forecast at Quarter 3 £'000's	Actual Spend at Quarter 3 £'000's	Actual to Date as % of Forecast %	All Years Quarter 2 Budget £'000's	New Schemes All Years £'000's	Over/under spend All Years £'000's	All years Quarter 3 Forecast £'000's
CORPORATE RESOURCES DIRECTORATE													
Birmingham Property Services:													
Access to Buildings	50	0	50	0	0	0	50	0	0.0	478	0	0	478
Business Transformation - Working for the Future	17	0	17	0	0	0	17	0	0.0	17	0	0	17
Attwood Green Park	59	0	59	0	(59)	0	0	0	0.0	59	0	0	59
Attwood Green - Holloway Head	862	0	862	0	(100)	0	762	728	95.5	1,034	0	0	1,034
Attwood Green - Woodview CC	92	0	92	0	0	0	92	3	3.3	92	0	0	92
Red Rose Shopping Centre	11,493	0	11,493	0	(592)	0	10,901	10,866	99.7	11,493	0	0	11,493
Arena Central	1,676	0	1,676	0	0	0	1,676	256	15.3	1,676	0	0	1,676
Council House Complex Development Costs	0	250	250	0	0	0	250	0	0.0	0	500	0	500
Total Birmingham Property Services Projects	14,249	250	14,499	0	(751)	0	13,748	11,853	86.2	14,849	500	0	15,349
Revenue Reform Projects	17,750	(9,476)	8,274	0	0	0	8,274	2,139	0.0	38,000	21,514	0	59,514
Corporate Resources	877	42	919	0	(121)	0	798	605	0.0	877	42	0	919
IT Projects	2,124	46	2,170	0	(126)	34	2,078	1,865	89.7	2,383	46	34	2,463
ICentrum	519	0	519	0	0	0	519	519	100.0	519	0	0	519
Capital Loans & Equity Funds	9,606	0	9,606	0	0	0	9,606	1,285	13.4	9,606	0	0	9,606
Corporate ICT Investment	8,521	(6,324)	2,197	(5,164)	4,815	(161)	1,687	1,050	62.2	41,846	0	(161)	41,685
SAP New Developments	2,781	0	2,781	(1,200)	(298)	0	1,283	657	0.0	6,421	0	0	6,421
Total Other Corporate Resources	42,178	(15,712)	26,466	(6,364)	4,270	(127)	24,245	8,120	33.5	99,652	21,602	(127)	121,127
TOTAL CAPITAL - CORPORATE RESOURCES DIRECTORATE	56,427	(15,462)	40,965	(6,364)	3,519	(127)	37,993	19,973	52.6	114,501	22,102	(127)	136,476
TOTAL CAPITAL PROGRAMME	478,377	(16,547)	461,830	(34,474)	(52,960)	(3,165)	371,231	203,655	54.86	1,881,368	149,301	(881)	2,029,788

Capital Monitoring as at 31st December 2016					Appendix 3
	2016/17	2017/18	2018/19	Later Years	Total Plan
<u>Expenditure</u>	£'000's	£'000's	£'000's	£'000's	£'000's
Approved Budget Quarter 2 2016/17	478,377	312,618	223,228	867,145	1,881,368
New Resources Quarter 3	(16,547)	86,335	39,283	40,230	149,301
Revised Budget Quarter 3	461,830	398,953	262,511	907,375	2,030,669
Forecast Slippage - Quarter 2	(34,474)	21,981	14,348	(1,855)	0
Forecast Slippage - Quarter 3	(52,960)	43,125	(5,233)	15,068	0
Forecast Overspend (Underspend)	(3,165)	168	5,379	(3,263)	(881)
Forecast Outturn at Quarter 3	371,231	464,227	277,005	917,325	2,029,788
Resources					
Use of Specific Resources:					
Grants & Contributions	118,252	158,856	93,407	8,260	378,775
Earmarked Capital Receipts - RTB & Revenue Reform	9,386	74,775	24,946	12,339	121,446
Revenue Contributions - Departmental	1,886	9,207	31	0	11,124
Revenue Contributions - HRA	75,143	54,014	61,591	66,048	256,796
	204,667	296,852	179,975	86,647	768,141
Use of Corporate or General Resources:					
Unsupported Prudential Borrowing - General*	14,130	28,971	23,889	20,050	87,040
Unsupported Prudential Borrowing - Corporate	6,645	0	0	0	6,645
Unsupported Prudential Borrowing - Directorate	145,789	138,404	73,141	810,628	1,167,962
Forecast Use of Resources	371,231	464,227	277,005	917,325	2,029,788
* General Prudential Borrowing to replace the use of receipts, revenue contributions and corporate resources to fund Equal Pay.					

Prudential Borrowing - Additions or Reductions Quarter 3 (October to December) 2016

	#	2016/17 £'000	2017/18 £'000	2018/19 £'000	Later Years £'000	Total £'000
BORROWING NEEDING BUDGET SUPPORT						
No adjustments at Quarter 3						
TOTAL BORROWING NEEDING BUDGET SUPPORT		0	0	0	0	0
SELF-SUPPORTED						
People:						
Salix Energy Efficiency	N	80	0	0	0	80
Place:						
Sport & Physical Activity	A	(2,838)	2,838	0	0	0
Waste Management	A	78	(89)	0	0	(11)
Strategic Parks	A	(1,798)	1,798	0	0	0
Bereavement Services	A	(6,195)	6,195	0	0	0
Markets	A	(2,036)	1,850	0	0	(186)
Private Sector Housing	N	(1,794)	43,676	30,139	25,197	97,218
Regulation & Enforcement	A	(366)	366	0	0	0
Strategic Libraries	A	(592)	434	0	0	(158)
Housing Improvement	A	(664)	(6,909)	(4,251)		(11,824)
Housing Redevelopment	A	664	(5,525)	(888)	(5,000)	(10,749)
Economy:						
Enterprise Zone	A	(4,970)	(1,290)	0	5,247	(1,013)
Metro Centenary Square	A	(2,070)	2,120	0	0	50
Curzon Street Enterprise Zone	A	(1,500)	(2,250)	(1,250)	5,000	0
Local Growth Fund	A	0	1,000	998	0	1,998
Grand Central	A	(6,520)	0	0	0	(6,520)
Grand Hotel Developments	A	(1,000)	1,000	0	0	0
Other Major Projects	A	0	(1,998)	0	0	(1,998)
Making The Connection	A	(84)	84	0	0	0
Corporate Resources:						
ICT Projects	A	178	126	0	0	304
Birmingham Property	A	(651)	651	0	0	0
Corporate Resources	A	(122)	122	0	0	0
ICT Infrastructure	A	(1,817)	3,798	(6,465)	4,474	(10)
TOTAL SELF-SUPPORTED BORROWING		(34,017)	47,997	18,283	34,918	67,181
TOTAL ADDITIONS / REDUCTION IN PRUDENTIAL BORROWING		(34,017)	47,997	18,283	34,918	67,181

Note: this includes some re-phasing between years.

A - Amendment to existing project spend or resources.

N - New projects or programmes added in the quarter.

(see explanatory Footnote overleaf)

CAPITAL - CAPITAL EXPENDITURE PLAN - FORECAST 2016/17 QUARTER 3

	APPENDIX 5										
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 & Later Years	Total
	Quarter 3 Forecast	Quarter 3 Forecast	Quarter 3 Forecast	Quarter 3 Forecast	Quarter 3 Forecast	Quarter 3 Forecast	Quarter 3 Forecast	Quarter 3 Forecast	Quarter 3 Forecast	Quarter 3 Forecast	Quarter 3 Forecast
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
PEOPLE DIRECTORATE											
Adults & Communities	6,413	13,275	5,279	0	0	0	0	0	0	0	24,967
Children, Young People & Families	51,612	66,378	51,551	0	0	0	0	0	0	0	169,541
TOTAL CAPITAL - PEOPLE DIRECTORATE	58,025	79,653	56,830	0	0	0	0	0	0	0	194,508
PLACE DIRECTORATE											
Highways - General Fund	17	0	0	0	0	0	0	0	0	0	17
Private Sector Housing	6,492	50,254	30,758	25,747	19,000	19,000	19,000	19,000	19,000	19,000	227,251
Other - General Fund	62,353	37,872	550	0	0	0	0	0	0	0	100,775
District services	492	504	0	0	0	0	0	0	0	0	996
HRA											
Housing Improvement Programme	55,117	56,000	55,997	56,629	58,856	59,595	59,579	60,291	60,989	61,699	584,752
Redevelopment	49,922	76,941	54,590	44,014	31,706	36,164	24,911	23,861	24,913	25,513	392,535
Other Programmes	5,535	4,855	4,932	5,011	13,903	14,182	14,465	14,755	15,050	15,351	108,039
Total HRA	110,574	137,796	115,519	105,654	104,465	109,941	98,955	98,907	100,952	102,563	1,085,326
TOTAL CAPITAL - PLACE DIRECTORATE	179,927	226,426	146,827	131,401	123,465	128,941	117,955	117,907	119,952	121,563	1,414,364
ECONOMY DIRECTORATE											
Regeneration											
Paradise Circus Redevelopment	23,358	13,863	8,521	1,285	1,470	0	0	0	0	0	48,497
Site Development & Access	400	0	0	0	0	0	8,000	0	0	0	8,400
Connecting Economic Opportunities	75	925	0	0	0	0	11,909	0	0	0	12,909
Southern Gateway Site	0	0	1,000	6,142	11,345	1,338	14,705	0	0	0	34,530
LEP Investment Fund	0	0	0	5,000	5,000	5,000	5,000	0	0	0	20,000
HS2 - Curzon Street	0	0	0	7,500	7,500	7,500	7,500	0	0	0	30,000
HS2 - Interchange Site	0	0	0	5,000	5,000	5,000	5,000	0	0	0	20,000
Snow Hill Public Realm	601	0	0	0	0	0	0	0	0	0	601
Southside Links	161	231	0	0	0	0	0	0	0	0	392
One Station	207	521	0	0	0	0	0	0	0	0	728
Centenary Square	169	9,996	0	0	0	0	0	0	0	0	10,165
EZ Phase - Curzon Extension	0	3,500	15,950	11,300	11,100	9,700	63,400	69,600	75,800	148,650	409,000
Other Regeneration Schemes	17,210	21,898	7,463	468	0	0	0	0	0	0	47,039
Total Planning & Regeneration	42,181	50,934	32,934	36,695	41,415	28,538	115,514	69,600	75,800	148,650	642,261

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 & Later Years	Total
	Quarter 3 Forecast £'000's	Quarter 3 Forecast £'000's	Quarter 3 Forecast £'000's	Quarter 3 Forecast £'000's	Quarter 3 Forecast £'000's	Quarter 3 Forecast £'000's	Quarter 3 Forecast £'000's	Quarter 3 Forecast £'000's	Quarter 3 Forecast £'000's	Quarter 3 Forecast £'000's	Quarter 3 Forecast £'000's
Total Employment Services	13,010	9,446	0	0	0	0	0	0	0	0	22,456
Total Transportation	40,096	37,980	11,241	25	0	0	0	0	0	0	89,342
Total Economy	95,287	98,360	44,175	36,720	41,415	28,538	115,514	69,600	75,800	148,650	754,059
<u>CORPORATE RESOURCES DIRECTORATE</u>											
Corporate Resources	37,993	59,786	29,173	9,524	0	0	0	0	0	0	136,476
Total Capital Programme	371,231	464,227	277,005	177,645	164,880	157,479	233,469	187,507	195,752	270,213	2,499,408
<u>Resources</u>											
<u>Use of Specific Resources</u>											
Grants & Contributions	118,252	158,856	93,407	8,260	15,904	13,774	11,156	13,306	10,194	10,457	453,566
Use of earmarked Capital Receipts	9,386	74,775	24,946	12,339	19,000	19,000	19,000	19,000	19,000	19,000	235,446
Revenue Contributions - Departmental	1,886	9,207	31	0	0	0	0	0	0	0	11,124
- HRA	75,143	59,789	61,591	66,048	69,561	77,167	68,799	66,601	71,758	73,106	689,563
- Income Generation	0	0	0	0	0	0	0	0	0	0	0
Total Specific Resources	204,667	302,627	179,975	86,647	104,465	109,941	98,955	98,907	100,952	102,563	1,389,699
<u>Use of Corporate or General Resources</u>											
Corporate Resources	14,130	24,155	24,049	0	0	0	0	0	0	0	62,334
Unsupported Prudential Borrowing - Corporate	6,645	0	0	0	0	0	0	0	0	0	6,645
Unsupported Prudential Borrowing - Directorate	145,789	137,445	72,981	90,998	60,415	47,538	134,514	88,600	94,800	167,650	789,278
Total Corporate Resources	166,564	161,600	97,030	90,998	60,415	47,538	134,514	88,600	94,800	167,650	1,109,709
Forecast Use of Resources	371,231	464,227	277,005	177,645	164,880	157,479	233,469	187,507	195,752	270,213	2,499,408
<u>Footnote:</u>											
This appendix shows capital plans over the ten year Long Term Financial Plan period, for those projects where longer term plans have been developed. Long term plans will be subject to ongoing review to ensure that any expenditure plans are within a prudent forecast of resources. Please note that many projects do not have such long term planning horizons, and the absence of forecasts does not mean that no spend is anticipated, just that it cannot yet be reasonably quantified.											

Treasury Portfolio Summary

Appendix 6

	15/16 Q3 31-Dec-15		15/16 Q4 31-Mar-16		16/17 Q1 30-Jun-16		16/17 Q2 30-Sep-16		16/17 Q3 31-Dec-16	
PWLB	2,250,922,000	75.7%	2,275,922,000	76.2%	2,290,922,000	76.8%	2,255,922,000	75.5%	2,255,922,000	76.0%
Bonds	295,630,344	9.9%	295,630,344	9.9%	295,630,344	9.9%	287,971,000	9.6%	327,971,000	11.0%
LOBO's (note 1)	206,350,000	6.9%	206,350,000	6.9%	206,350,000	6.9%	206,350,000	6.9%	166,350,000	5.6%
Long Term Other	1,325	0.0%	1,179	0.0%	1,179	0.0%		0.0%		0.0%
Quasi Loan (Salix loans)	287,531	0.0%	263,495	0.0%	263,495	0.0%	239,459	0.0%	239,459	0.0%
Short Term	280,435,536	9.4%	267,333,639	9.0%	321,831,883	10.8%	292,783,655	9.8%	277,286,049	9.3%
Gross Debt	3,033,626,735	102.0%	3,045,500,657	102.0%	3,114,998,901	104.4%	3,043,266,114	101.8%	3,027,768,508	102.0%
Less Investments	(60,779,700)	-2.0%	(58,725,092)	-2.0%	(132,172,829)	-4.4%	(54,310,206)	-1.8%	(58,672,617)	-2.0%
Net Debt	2,972,847,035	100.0%	2,986,775,565	100.0%	2,982,826,072	100.0%	2,988,955,908	100.0%	2,969,095,891	100.0%
Year-End Budgeted Net Debt	3,279,000,000	90.7%	3,279,000,000	91.1%	3,450,000,000	86.5%	3,450,000,000	86.6%	3,450,000,000	86.1%
Prudential Borrowing Limit	3,740,000,000		3,740,000,000		3,780,000,000		3,780,000,000		3,780,000,000	

Notes

LOBO Loan

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

Appendix 7

1st October 2016 - 31st December 2016

New Long Term Loans

Date of loan	Loan	Counter Party	Interest Rate	Maturity Date
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No new long term loans were taken

Long Term Loans prematurely repaid during the quarter.

Date of repayment	Loan/ (Repayment)	Counter Party	Interest Rate	Maturity Date	Premia/ (Discounts)
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No long term loans were prematurely repaid during the quarter.

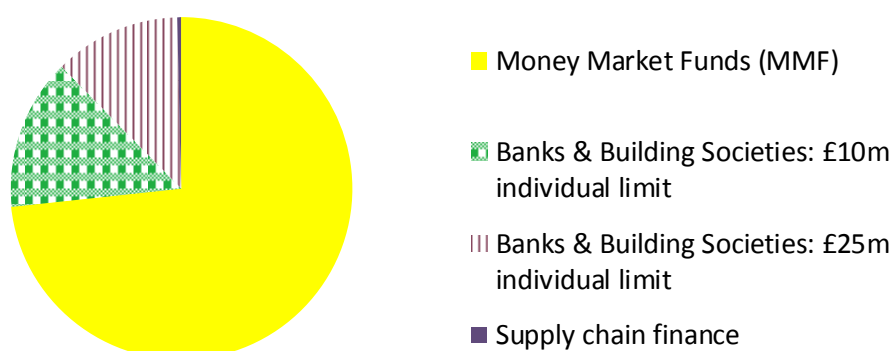
Short term loan debt outstanding at 31 December 2016

Institution	Average Rate %	Amount £
local authorities	0.45%	275,968,542
other lenders	0.23%	1,317,507
total short term loan debt outstanding	0.45%	277,286,049

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

Treasury Investments Outstanding at 31 December 2016

Investments by Institution:	Fitch Rating Short Term / Long Term	End Date	Rate %	Amount £	
Aberdeen MMF	AAAmf	03/01/17	0.30%	39,500,000	
Deutsche MMF	-	03/01/17	0.28%	3,500,000	
HSBC	F1+/AA-	03/01/17	0.30%	7,027,245	
Barclays Bank	F1/A	03/01/17	0.30%	8,420,000	
Supply chain finance	-	03/01/17	3.00%	225,372	
Total				58,672,617	0
Investments by type:					
				Current Quarter £	%
Money Market Funds (MMF)				43,000,000	73.3
Banks & Building Societies: £10m individual limit				8,420,000	14.4
Banks & Building Societies: £25m individual limit				7,027,245	12.0
Supply chain finance				225,372	0.4
Total				58,672,617	100.0

Investments as at 31 December 2016

Treasury Management Investment Details
1st October 2016 to 31st December 2016

New Investments Market Fixed Term Deposits

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

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

New Investments Call Accounts

	<u>No of Transactions</u>		Average Balance £	Average Rate Earned
	Investments	Withdrawals		
Barclays Bank PLC FIBCA A/C	21	15	2,721,773	0.30%
Svenska Handelsbanken	7	7	838,043	0.20%
HSBC	13	12	4,429,134	0.30%

New Investments Money Market Funds

	<u>No of Transactions</u>		Average Balance £	Average Rate Earned
	Investments	Withdrawals		
Aberdeen (SWIP)	9	7	35,043,478	0.34%
Amundi Money Market Fund	4	5	2,293,478	0.35%
Deutsche Managed Sterling Fund	8	6	20,530,435	0.33%
Federated Money Market Fund	2	4	978,261	0.33%
LGIM	5	3	3,969,565	0.33%
Morgan Stanley	0	1	119	0.29%
Standard Life (Ignis) Sterling Liquidity	6	11	7,177,174	0.33%

Appendix 10

Accountable Body Investments - 31st December 2016

	Growing Places Fund	Advanced Manufacturing Supply Chain Initiative	Regional Growth Fund	Total
	£000	£000	£000	£000
Goldman Sachs Money Market Fund	2,386	4,018		6,403
JP Morgan Money Market Fund			12,203	12,203
Total Money Market Funds	2,386	4,018	12,203	18,606
Debt Management Office	12,400	25,000		37,400
Treasury Bills	0	0		0
Total Accountable Body investments	14,786	29,018	12,203	56,006

Note

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

WHOLE COUNCIL

	16/17 Indicators £m	16/17 Forecast £m	17/18 Indicators £m	17/18 Forecast £m	18/19 Indicators £m	18/19 Forecast £m
Capital Finance						
1 Capital Expenditure - Capital Programme	451.2	371.0	265.7	464.2	249.0	277.0
2 Capital Expenditure - other long term liabilities	27.4	27.0	28.3	27.9	30.9	30.4
3 Capital expenditure	478.6	398.0	294.0	492.1	279.9	307.4
4 Capital Financing Requirement (CFR)	4,682.6	4,593.2	4,604.0	4,621.7	4,519.1	4,590.8
Planned Debt						
5 Peak loan debt in year	3,490.5	3,269.4	3,566.1	3,845.9	3,621.2	3,766.2
6 + Other long term liabilities (peak in year)	492.9	493.7	470.5	471.0	448.5	448.8
7 = Peak debt in year	3,983.4	3,763.1	4,036.6	4,316.9	4,069.7	4,215.0
8 does peak debt exceed year 3 CFR?	no	no	no	no	no	no
Prudential limit for debt						
9 Gross loan debt	3,780.0	3,269.4	3,780.0	3,845.9	3,780.0	3,766.2
10 + other long term liabilities	520.0	493.7	520.0	471.0	520.0	448.8
11 = Total debt	4,300.0	3,763.1	4,300.0	4,316.9	4,300.0	4,215.0

Notes

- 4 The Capital Financing Requirement represents the underlying level of borrowing needed to finance historic capital expenditure (after deducting debt repayment charges). This includes all elements of CFR including Transferred Debt.
- 5-7 These figures represent the forecast peak debt (which may not occur at the year end). The Prudential Code calls these indicators the Operational Boundary.
- 8 It would be a cause for concern if the Council's loan debt exceeded the CFR, but this is not the case due to positive cashflows, reserves and balances. The Prudential Code calls this Borrowing and the capital financing requirement.
- 11 The Authorised limit for debt is the statutory debt limit. The City Council may not breach the limit it has set, so it includes allowance for uncertain cashflow movements and potential borrowing in advance for future needs.

DEBT AND PRUDENTIAL INDICATORS

Appendix 11b

HOUSING REVENUE ACCOUNT

	16/17	16/17	17/18	17/18	18/19	18/19
	Indicators	Forecast	Indicators	Forecast	Indicators	Forecast
	£m	£m	£m	£m	£m	£m
Capital Finance						
1 Capital expenditure	133.5	110.6	115.3	137.8	98.5	115.5
HRA Debt						
2 Capital Financing Requirement (CFR)	1,129.3	1,123.0	1,124.4	1,098.2	1,113.0	1,086.9
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	97.5	97.0	97.9	96.5	98.2	96.4
5 HRA revenues	287.0	287.8	284.5	283.8	281.3	279.9
6 HRA financing costs as % of revenues	34.0%	33.7%	34.4%	34.0%	34.9%	34.4%
7 HRA debt : revenues	3.9	3.9	4.0	3.9	4.0	3.9
8 Forecast Housing debt per dwelling	£18,056	£17,956	£18,026	£17,722	£17,926	£17,678
9 Estimate of the incremental impact of new capital investment decisions on housing rents.	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
(expressed in terms of ave. weekly housing rent)						

Notes

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

DEBT AND PRUDENTIAL INDICATORS

Appendix 11c

GENERAL FUND		16/17	16/17	17/18	17/18	18/19	18/19
		Indicators	Forecast	Indicators	Forecast	Indicators	Forecast
		£m	£m	£m	£m	£m	£m
Capital Finance							
1	Capital expenditure (including other long term liabilities)	345.1	287.4	178.7	354.3	181.4	191.8
2	Capital Financing Requirement (CFR)	3,553.3	3,470.1	3,479.7	3,523.5	3,406.1	3,503.9
General Fund debt							
3	Peak loan debt in year	2,361.2	2,146.4	2,441.7	2,747.7	2,508.2	2,679.3
4	+ Other long term liabilities (peak in year)	492.9	493.7	470.5	471.0	448.5	448.8
5	= Peak General Fund debt in year	2,854.1	2,640.1	2,912.2	3,218.7	2,956.7	3,128.1
General Fund Affordability							
6	Total General Fund financing costs	261.9	256.2	272.4	265.6	274.6	273.2
7	General Fund net revenues	835.3	835.3	813.9	821.8	808.5	815.2
8	General Fund financing costs (% of net revenues)	31.4%	30.7%	33.5%	32.3%	34.0%	33.5%
9	Estimate of the incremental impact of new capital investment decisions on Council Tax.	N/A	£0.00	N/A	£0.00	N/A	£0.00

Expressed in terms of Council Tax (Band D equiv)
(impact already included in Council Tax increases assur

Note

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

PRUDENTIAL INDICATORS

Appendix 11d

TREASURY MANAGEMENT

TREASURY MANAGEMENT		16/17	16/17	17/18	17/18	18/19	18/19
		Indicators	Forecast	Indicators	Forecast	Indicators	Forecast
CIPFA Treasury Management Code							
1	Has the authority adopted the TM Code?	Yes	Yes	Yes	Yes	Yes	Yes
Interest rate exposures		Limit	Forecast Maximum	Limit	Forecast Maximum	Limit	Forecast Maximum
2	upper limit on fixed rate exposures	130%	96%	130%	90%	130%	85%
3	upper limit on variable rate exposures	30%	17%	30%	23%	30%	21%
4	Gross Debt as a percentage of Net Debt	130%	101%	130%	101%	130%	101%
Maturity structure of borrowing (lower limit and upper limit)		Limit	Forecast Year End	Limit	Forecast Year End	Limit	Forecast Year End
5	under 12 months	0% to 30%	12%	0% to 30%	19%	0% to 30%	21%
6	12 months to within 24 months	0% to 30%	5%	0% to 30%	6%	0% to 30%	4%
7	24 months to within 5 years	0% to 30%	10%	0% to 30%	6%	0% to 30%	3%
8	5 years to within 10 years	0% to 30%	7%	0% to 30%	9%	0% to 30%	14%
9	10 years to within 20 years	5% to 40%	23%	5% to 40%	20%	5% to 40%	20%
10	20 years to within 40 years	10% to 60%	34%	10% to 60%	33%	10% to 60%	34%
11	40 years and above	0% to 40%	8%	0% to 40%	6%	0% to 40%	5%
Investments longer than 364 days							
upper limit on amounts maturing in:							
		Limit	Forecast	Limit	Forecast	Limit	Forecast
12	1-2 years	200	-	200	-	200	-
13	2-3 years	100	-	100	-	100	-
14	3-5 years	100	-	100	-	100	-
15	later	0	-	0	-	0	-

Note

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

Resources to Support ICT Contract Negotiation

Background

The Financial Plan 2017+ approved by Council on 28th February 2017 included an annual saving requirement of £10m in relation to the Council's ICT spend. In order to secure the saving there is a requirement to engage external resource to support the project where these specialist skills are not available in-house. This resource will allow the Council to review existing ICT arrangements with a view to supporting and undertaking these negotiations to secure efficiencies and the required changes to achieve the ongoing reduction in revenue costs. The Financial Plan 2017+ included a capital amount of £2m to fund these support requirements. Under a current accounting allowance one off revenue costs that result in savings can be capitalised.

Resource Requirements

The resources required to secure this annual saving, along with the proposed procurement route include the following areas:

Resource	Description	Procurement Route
Legal	Forensic analysis of the contract, support the negotiation and inform any consequent changes to service delivery arrangements	A competition exercise using the CCS Legal Services Framework
Finance	A forensic analysis of costs in the contract, cost modelling, tax advice, support the negotiation and inform any consequent changes to service delivery arrangements	Tax advice – to use the Council's existing contract Other advice – a competition exercise using the CCS ConsultancyOne Framework
Technical and Commercial	ICT technical and market knowledge such as enterprise architects. Commercial management/lead negotiator for the negotiation phase.	A full procurement process advertised in OJEU, Contracts Finder and finditinbirmingham.
HR	Advice on any TUPE issues and implications arising from the negotiations and consequent changes to service delivery	The specification is to be determined and will depend upon whether savings are delivered through in-sourcing or a new or more efficient way of delivering the service. The route will be either using a framework agreement or a full procurement process.

Spend

A maximum spend of £2m is required and this amount recognises the range of skills and expertise required to deliver this level of savings. This budget is a maximum amount and officers will tightly control spend against this. It may be that this indicative level of spend can be reduced if both sides enter the discussions willingly. There are also various other factors that can reduce expenditure depending on which savings proposals are further developed and supported, for example an in-sourcing proposal will require HR support, but if not pursued this support will not be required.

Authority to Enter into Contracts and Place Orders

The authority to enter into contracts and place orders will be in accordance with Standing Orders and the Procurement Governance Arrangements dependent upon the value of the proposed contract. These service requirements were sounded out with Members as part of the Planned Procurement Activity Report approved by Cabinet on 14 February 2017.

Governance

The overall delivery of the £10m savings is the responsibility of the Strategic Director of Change and Support Services in their position as Chair of the SB Transition Steering Board. The day to day management, direction and control of this project is the responsibility of the Head of ICT, who will report progress to the SB Transition Steering Board at each meeting, with further reporting to the SBT Core Team.

Each activity engaged will be monitored for progress by the SBT Core Team and actions taken where performance is not considered adequate or where alternative support arrangements are required. The savings are programmed for delivery from 2017/18 and the negotiations are dependent upon continued close partnership working with SB and on council service engagement where appropriate. The directorate ICT boards will have a role to play in engagement, consultation and in driving through changes where approved.

Recommendations

To authorise the Strategic Director of Change and Support Services to place orders up to the value of £2m with suppliers selected in accordance with the Procurement Governance Arrangements.

Report to:	CABINET	Exempt information paragraph number – if private report:
Report of:	CHIEF EXECUTIVE	
Date of Decision:	21 March 2017	
SUBJECT:	2016/17 COUNCIL BUSINESS PLAN MEASURES – APRIL TO DECEMBER 2016 PERFORMANCE MONITORING	
Key Decision: Yes / No	Yes	
If not in the Forward Plan: (please "X" box)	Chief Executive approved	<input type="checkbox"/>
	O&S Chairman approved	<input type="checkbox"/>
Relevant Cabinet Member(s):	Deputy Leader /ALL	
Relevant O&S Chairman:	ALL	
Wards affected:	ALL	

1. Purpose of report:
<p>To:</p> <p>1.1 Provide a summary of progress against our Birmingham Promise measures and Council Business Plan targets for the period April to December 2016 (unless otherwise stated), issues requiring attention, and, where relevant, remedial activity in place to deal with these.</p>

2. Decision(s) recommended:
<p>That Cabinet:</p> <p>2.1 Notes the progress to date, and the issues requiring attention.</p>

Lead Contact Officer(s):	Chris Gibbs	Lourell Harris
Telephone No:	0121 303 2550	0121 675 4602
E-mail address:	chris.gibbst@birmingham.gov.uk	lourell.harris@birmingham.gov.uk

<p>3. Consultation</p> <p>3.1 <u>Internal</u></p> <p>Cabinet Members, Directors and directorate staff have been involved in discussions around the performance against the targets of the Council Business Plan and Birmingham Promise measures contained in this report. Otherwise this paper is a factual report on progress and therefore, no other consultation has been required.</p> <p>3.2 <u>External</u></p> <p>Where relevant, directorates have liaised with external partners to determine results for partnership type measures.</p>	
<p>4. Compliance Issues:</p> <p>4.1 <u>Are the recommended decisions consistent with the Council's policies, plans and strategies?</u></p> <p>This report shows highlights performance against the City Council's strategic targets for 2016/17 in line with strategic outcomes and policy priorities.</p> <p>4.2 <u>Financial Implications</u> (Will decisions be carried out within existing finance and Resources?)</p> <p>The Council Business Plan forms a key part of the budgeting and service planning process for the City Council that takes account of existing finances and resources and sets out the key strategic and operational outcomes that the City Council wish to achieve. Any decisions highlighted will be carried out within existing finances and resources unless otherwise stated.</p> <p>4.3 <u>Legal Implications</u></p> <p>None identified.</p> <p>4.4 <u>Public Sector Equality Duty. (see separate guidance note)</u></p> <p>The Council Business Plan Measures, and Birmingham Promise, are designed to ensure significant improvement in service quality and outcomes for the people of Birmingham – some have a particular focus on disadvantaged groups. Non-achievement may have a negative impact on external assessments of the City Council and could put relevant funding opportunities at risk.</p>	

5. Relevant background/chronology of key events:

5.1 Overall Context

In line with our commitment to keep Cabinet and citizens informed of progress against the delivery of our key Council Business Plan targets and Birmingham Promise measures, this report provides our performance successes and progress against our key Council Business Plan targets, and Birmingham Promise measures **for the period April to December 2016**.

The main focus of this report is based on those areas where we have either performed exceptionally well above our targets, or where we have had some difficulty in achieving them, with a summary of reasons for performance and actions being taken to bring performance back on track (where possible), also being provided.

More details are provided in the attached exception-based report (**Appendix A**) to this report.

5.2 Performance against our Quarter Three (April to December 2016) targets

5.2.1 Birmingham Promises

Overall, 13 of the 14 Birmingham Promise measures performed well, with 10 (71%) fully meeting the Promise and another 3 achieving over 97%. This compares well against that achieved for same period in 2015/16 where overall 57% (8) had either fully met, or achieved above 97%. 12 Promises have either maintained or improved performance.

The Promise that has not fully been met relates to the ability to respond to the council housing emergency repairs within 2 hours. Whilst performance at 81.50% is 16.6 percentage points behind the contractual target of 98.10%, it is the highest achieved so far this year. Contractual penalties have been applied, to those contractors where performance has fallen below required expectations. All contracts have revised approaches to emergency cases, all contractors are starting to see improvements in performance, and our citizens are still receiving quick response times for emergency repairs.

Full details of all Birmingham Promise results can be accessed on the council website at www.birmingham.gov.uk/birminghampromise, and clicking on the 'download our Birmingham Promise results' link.

5.2.2 Council Business Plan Measures

Of the 47 Council Business Plan measures performance **results were available for 40 indicators**. The results for 7 measures are reported on a less frequent basis (e.g., termly, half yearly or annual) and will therefore be provided when the end of year performance monitoring report is provided to Cabinet in June 2017.

Of the 40 available results, 5 are trend measures that do not have a target, of which the following showed a notable adverse performance trend compared to the previous quarter:

- The number of children with a child protection plan (snapshot as of the month end), at 1,010, is up from 820 in September 2016, but our rates per 10,000 children, at 36 children, is below the national average of 43 children. This increase is due to a Post

Ofsted effect, where staff are responding to Ofsted comments. An investigation is looking ahead to see what can be done to ensure that we are able to avoid further increases.

Excluding the five trend measures, of the remaining 35 Council Business Plan measures **22 (63%) met, exceeded, or were within acceptable tolerance levels of their target.** This is one percentage point better than that achieved in December 2015, but two percentages point down on last quarter's result (65% in September 2016).

Against our strategic outcomes, the overall performance position at the end of December 2016, is summarised below:

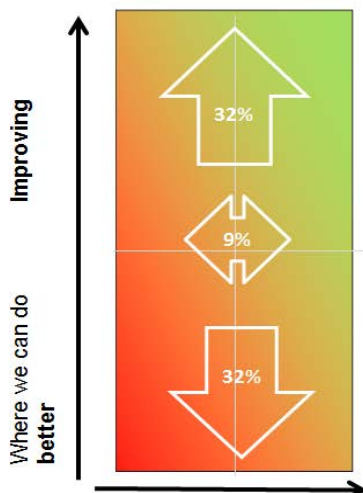
Primary Goals and Outcomes	Total Number of Council Business Plan Measures	Number of Results Available	% Targets Available on Track/ Better
A Fair City <ul style="list-style-type: none"> <i>Safety, Health and Wellbeing; Children, Young People and Families; Tackling Poverty.</i> 	23	21 (includes 4 trend measures)	13 of 17 (77%) (excluding trend measures)
A Prosperous City <ul style="list-style-type: none"> <i>Learning Skills and Local Employment; Enterprise; Infrastructure, Development and Smart; Green and Sustainable; Regional Capital and Reputation.</i> 	19	17 (includes 1 trend measure)	8 of 16 (50%) (excluding trend measure)
A Democratic City <ul style="list-style-type: none"> <i>Engagement, Influence and Contribution; a New Model of City Government; Modern Services that Service our Citizens.</i> 	5	2	1 (50%)

Excluding the 5 trend measures reported on earlier in this report, a performance direction of travel, against the previous quarter, is available for 34 of the remaining 35 measures. Of these, performance for:

- 15 (32%), improved,
- 4 (9%), needed to do better, and
- 15 (32%), stayed at the same level as the previous quarter result.

This performance is also shown in the graph over the page:

Direction of travel against the previous Quarter



Direction of travel breakdown:		
Improving or increasing trend	15	32%
No Change	4	9%
Where we need to improve or where there is a decreasing trend	15	32%
Not comparable/available to report:	13	
TOTAL measures comparable to previous result	47	72%

Note: The above row, shaded in yellow, is not included within the graph due to insufficient information to report the direction of travel against the previous quarter, at this point in the year.

5.2.4 Successes

Listed below are our significant Council Business Plan successes i.e., those where we performed better than when compared to where we planned to be by the end of December 2016.

Corporate Resources Directorate (Council-wide)

Of the seven measures within this directorate, results were available for two, one of which performed particularly well, exceeding its December target:

- Performance against the Council Business Plan measure to **increase the percentage volume of online transactions for our four key services (Benefits, Council Tax, Housing and Waste Management)** continues to improve, with the December result at 35.40%, being the best achieved to date. This measure operates on a profiled target basis and for the previous seven months, the percentage had been between 20 and 23%. The leap in December has been attributed to the reopening of sales for garden waste.

Economy Directorate

Of the seven measures in this directorate, results are available for six, one of which exceeded its December target:

- Reported half yearly, and a quarter in arrears (for the period April to September 2016), 353 of the **new homes built were deemed affordable**, exceeding April to September target by 150 homes.

Directorate for People

Of the twenty seven measures within this directorate, results were available for twenty measures. The following six measures performed particularly well:

- **The percentage of births that receive a face to face new baby visit from a health visitor within 14 days:** Performance has improved during the third quarter to 92%, exceeding the target of 85% by 7 percentage points. The focus going forwards will be to ensure that this good performance remains steady.

- **The percentage of pupils that are not in education, employment or training:** The target (4%) against this measure has been achieved for the last three months resulting in a 3% achievement rate as at December 2016, which is 1 percentage point better than target, and in line with the national average.
- **The number of unallocated cases open for more than 7 days:** The target is to have no more than 20 cases unallocated and open for more than 7 days. This has been achieved for every month this year and in December there were no unallocated cases the same as the previous month and also at the end of the previous quarter in September 2016.
- **The percentage of referrals that are re-referrals within 12 months:** Although experiencing a slight set back in November 2016, performance against this measure has consistently met/slightly exceeded target for the past 15 months. At 23% for December, performance is near the national average of 24%.
- **The percentage of family assessments completed within timescale:** This measure has consistently exceeded target during 2016/17 and at 92%, has exceeded the December target, and the all England average, by 10 percentage points.
- **The percentage of children identified as at risk of harm, seen at assessment:** This measure refers to Sections 17 and 47 of the Children Act (1989) only, which places a duty on the social worker, to investigate when it is believed that a child is at risk of harm. June 2016 marked the step change in performance. It has performed well ever since and although down by 2 percentage points compared to last quarter (September 2016), performance continues to exceed the 68% target.

Place Directorate

Results were available for all six measures in Place directorate, four of which exceeded their target:

- Performance at 99.58% has been maintained above target for the percentage of **available Council Homes as a percentage of total stock**. These homes include properties that are tenanted and those that are void but available to re-let. We have seen continued success throughout the year with the target (98.80%) being exceeded every month by an average of 0.7%.
- **Empty Properties brought back into use:** Between April and December 2016, 262 privately owned empty properties were brought back into use through intervention by the Empty Properties team. The Empty Properties team have, again, through a positive mixture of reactive and proactive work, exceeded this target.
- **Properties improved in the private rented sector as a result of local authority intervention:** A new measure for 2016/17, performed has been good all year and the result of 374 is 158 above the profiled target. The first year that results for this measure have been collected, the target will be reviewed at outturn to determine whether any change is required.
- **The number of cases where homelessness was prevented or relieved:** At 6,117, performance is above the profiled cumulative target by 367 cases and we are confident that we will achieve the year-end target of preventing/relieving 8,000 cases.

Other notable achievements during the Quarter

A number of other notable achievements have been achieved during the quarter, highlighting other areas of good work in partnership with, or by City Council employees. Some of these are noted below:

- Birmingham Financial Inclusion Partnership in collaboration with the Place Directorate and many others provided Financial Capability advice and information to some of our most vulnerable residents in various locations across the City including Erdington, Northfield and the Library of Birmingham.
- Campaigns coordinated by the Cultural Development Service, as part of the 'Year of Arts and Young People', saw many partners across Birmingham engaging more young people aged 0 to 25 in a range of opportunities offered by arts organisations, creative industries, community groups, the education sector and various venues.
- The Birmingham Frankfurt Christmas Market extended its residency to six weeks in 2016/17, and generated £400m of spend. Birmingham also led the way with improved Counter terrorism measures deployed on the market this year to ensure it was a successful and safe event.
- Gold award in the Champion of Champions category at the Royal Horticultural Society (RHS) Britain in Bloom UK Finals Awards. The city was further honored by RHS judges who awarded it the first ever 'RHS Britain in Bloom Award for Overcoming Adversity'. The award was given in recognition of the way the community pulled together to combat the effects of two floods that hit Edgbaston Guinea Gardens in June.
- Thirteen local arts and community organisations are to receive arts grants totaling £500,000 to deliver projects in Aston and Newtown during 2017-18, which will benefit, amongst others, a wide range of young residents (including early years), budding creative entrepreneurs and producers, and community elders not usually engaged in arts activities.
- £400,000 of government funding (Birmingham City Council and Solihull Metropolitan Borough Council) to support the Rough Sleeping Grant and to help people by offering them a safe place to sleep, physical and mental health checks and substance misuse screening. In addition and also from the Department for Communities, £1.7m has been secured to seek to prevent homelessness for as many households as possible over the next two years.
- A £1.2 million Department for Transport funding to continue running the Government's cycle training programme. This will enable Birmingham to continue the Bikeability scheme until March 2020, and will support 37,742 children in Birmingham to be trained over the next three-and-a-half years and further boost the objectives of the council's Birmingham Cycle Revolution.

5.2.4 Council Business Plan Measures – areas where we need to do better

Listed below are the council business plan measures where we are not yet on track:

Corporate Resources – Council-wide

- **Average sick days per full-time equivalent employee:** Year to date sickness for December increased slightly by 0.04 days to 10.26 days compared to November. However, performance is 0.2 days better than that achieved in December 2015, and the percentage of employees who have attended work, at 95.03%, is up 0.27 percentage points compared to previously.

Economy Directorate

- **Youth Promise - Closing the gap in Districts with high levels of unemployment by targeting activities to support training/employment for 18-29 year olds, and**
- **Youth Promise – Closing the gap in unemployment for 18-29 years -**
For both of the above measures, whilst behind target, performance between October and December has shown some improvement with youth unemployment decreasing city-wide, through the autumn period. The Greater Birmingham Solihull Local Enterprise Partnership Employment and Skills Board is repurposing its focus and priorities to tackle high unemployment. This includes re-establishing the Birmingham Employment and Skills Board to bring together partners and take ownership across the city. In addition, the Youth Employment Initiative project is expected to reach full delivery during the final quarter of 2016/17, and will begin to contribute to performance. However, whilst anticipated that performance will improve further as a result, it is unlikely that the year-end target will be met.
- **Jobs created through the Business Growth Programme and Finance**
Birmingham: During October to December 2016, an additional 21 jobs had been created, mainly through the Business Growth programme. Whilst this brings year-to-date total to 35 for December, results are still awaited from Finance Birmingham, who currently have visibility of another 163 jobs, which, when added to the current total of 35, would mean that should these come to fruition, it is likely that the end of year target of 177 will be met.
- **Length of new improved cycle ways within parks, green spaces, canals and highways:** This measure is part of the Birmingham Cycle Revolution target, and update of which was brought to Cabinet in December 2016. At that meeting, it was highlighted that following the agreement of a revised strategy for the delivery element of the Highway routes, the Highways target would be removed from this existing Council Business Plan measure. In relation to the remaining elements of the this measure, both (Canal Routes at 8.5 km, and Green Routes at 2.4 km), have underachieved against their target. Reasons for this are due to factors outside of the City Council's direct control. In the case of Canal Routes, the delay was due to the city awaiting confirmation of the Birmingham Cycle Routes funding from the Department for Transport before schemes could be committed, and in the case of Green Routes, objections received to the Woodgate Valley Green Route scheme have resulted in a delayed start until the early part of 2017/18 whilst these objections were resolved.

Directorate for People

- **The proportion of clients who received residential, nursing or home care from a provider that is rated as 'good':** Performance (64.10%) has been negatively impacted by providers not returning their Self-Assessment questionnaires. This resulted in an increase in the proportion of clients placed at homes rated as inadequate. The approach to commissioning these services is currently being reviewed, and is also on the agenda for today's Cabinet meeting.

- **Key Stage 2 Attainment:** Final results for this measure were released by the Department for Education in December. The result of 47.00% is 7 percentage points below both the target, and the national average (54.00%). The Birmingham Education Partnership is working with schools across the city to support them in trying to improve 2017 Key Stage 2 results, including addressing significant gaps where they exist.
- **Early Years Foundation Stage:** An annual measure, results show that 64.00% of children reached a good level of development at the end of the Early Years Foundation stage in 2016. Whilst an improvement on the previous year's result of 62.00%, it was not enough to achieve our annual target, or the national average of 69.00%.
- **Excluded children without a school place after 6 days:** Since the last report (September 2016), numbers increased to 20 children for both November and December. The main challenges focus around full-time centre provision for permanently excluded, primary aged young people with particular difficulties being faced in the south of the city. Children without full-time education continue to be offered two- hourly, daily 1:1 personalised tuition.
- **Proportion of schools inspected as good or outstanding:** Performance improved slightly up 0.2% to 80.2%. The result is a snapshot of published Ofsted Judgements and therefore may not reflect the latest local knowledge of forthcoming Ofsted announcements. All open schools, (both Academies and Local Authority maintained) are included. For recently converted academies with no existing inspection, a judgement is obtained from the previous establishment. December saw four full inspections, three of which saw their inspection judgement improve. The 90.00% end of year target is unlikely to be met due to the number of schools that would need to be inspected and see their judgements improve. The proportion of Local Authority maintained schools that are Good/Outstanding is currently at 85.00%. Our school improvement partners Birmingham Education Partnership have identified schools to work with as part of their improvement work. These have been prioritised and each receive an appropriate level of support in line with their needs.
- **The number of children and young people placed for adoption, in month and year-to-date:** Whilst we aim to place about 10 or 11 children each month, in the last two months the number of matched placements has reduced slightly, which is normal during December, resulting in an overall performance of 78 placements. Our performance compares well against the all England average (30), Core City average (60), West Midlands (40), and against our Statistical Neighbours (53).
- **The percentage of agency social workers including team managers:** Overall, in all established posts that require a social work qualification, we have 22.00% agency social workers covering vacant posts. This performance is 2 percentage points better than that achieved last quarter but above both the all England and West Midland averages (both at 16%). It is, however, slightly better than the 22.89% average of our statistical neighbours. All agency social workers are being asked to consider transfer to permanent Birmingham City Council employment.

Place Directorate

- **Reducing residual waste, kilogram per household:** Our result of 522.65 kg, whilst above target (smaller is better), our rate of growth is consistent with national trends. Campaigns and education to reduce waste to very ambitious target levels, as well as encourage recycling, are yet to deliver the behavioural changes necessary to control how

much waste is being presented. Year Two and Three of the Zero Hero campaign will specifically address deep-rooted issues on a targeted basis after Year One focused on raising general awareness about how people can reduce, re-use and recycle more waste.

- 5.3 A more detailed breakdown of performance, focusing on where we were well 'ahead of', or have 'missed', our target along with supporting commentary which summarises any remedial actions taken or planned, to bring performance on track, is provided in the attached Performance Monitoring Exception Report (**Appendix A**). The four symbol style for monitoring progress reflects the 'as at position' against targets (the key to these symbols is also provided in the Appendix A). This style of reporting enables services to better manage measures at lower risk and Members to focus on those areas that require particular attention.

5.4 **General**

Once approved by Cabinet, information of progress against all targets in this report will be published on the Council website: www.birmingham.gov.uk/performance in line with previous practice.

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

This report provides progress against the council's strategic outcomes, and the measures in place to achieve them. If this report was not provided Cabinet, in its entirety, would not have an overview of progress against the key Council Business Plan measures, or actions being taken to bring performance back on track. Nor would Cabinet have an update on the Birmingham Promises made to our citizens.

7. **Reasons for Decision(s):**

To advise Members of progress against outcomes, including, any actions being taken, or planned, to bring performance on track.

Signatures	<u>Date</u>
Cabinet Member:
Chief Officer:

List of Background Documents used to compile this Report:

- 2015/16 Council Business Plan Measures – April to December 2015 Performance Monitoring
- 2015/16 Council Business Plan Measures – End of Year Performance Monitoring (April 2015 to March 2016) and 2016/17 Council Business Plan Targets
- 2016/17 Council Business Plan Measures – April to September 2016 Performance Monitoring.

List of Appendices accompanying this Report (if any):

1. **Appendix A – Performance Monitoring – April to December 2016 Exception Report**

Report Version		Dated	
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PROTOCOL PUBLIC SECTOR EQUALITY DUTY

- 1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.
- 2 If there is no adverse impact then that fact should be stated within the Report at section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in the standard section (4.4) of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.
- 3 A full assessment should be prepared where necessary and consultation should then take place.
- 4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.
- 5 Responses to the consultation should be analysed in order to identify:
 - (a) whether there is adverse impact upon persons within the protected categories
 - (b) what is the nature of this adverse impact
 - (c) whether the adverse impact can be avoided and at what cost – and if not –
 - (d) what mitigating actions can be taken and at what cost
- 6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.
- 7 Where there is adverse impact the final Report should contain:
 - a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
 - the full equality impact assessment (as an appendix)
 - The equality duty – see page 9 (as an appendix).

Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:





1	<p>The Council must, in the exercise of its functions, have due regard to the need to:</p> <ul style="list-style-type: none"> (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
2	<p>Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none"> (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; (c) Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
3	<p>The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.</p>
4	<p>Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none"> (a) tackle prejudice, and (b) Promote understanding.
5	<p>The relevant protected characteristics are:</p> <ul style="list-style-type: none"> (a) age (b) disability (c) gender reassignment (d) pregnancy and maternity (e) race (f) religion or belief (g) sex (h) sexual orientation

Appendix A
Performance Monitoring - April to December 2016
Exception Report





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Economy Directorate.....	5
People Directorate.....	11
Place Directorate.....	25

Key

	: Target exceeded/ahead of schedule
	: Performance on track
	: Off target, but, within acceptable tolerance levels
	: Target below allowable tolerance/behind schedule

Corporate Resources - (Council Wide)

Total by measure status							
	1		0		0		1

There are seven measures within this directorate, for which results are available for two measures.

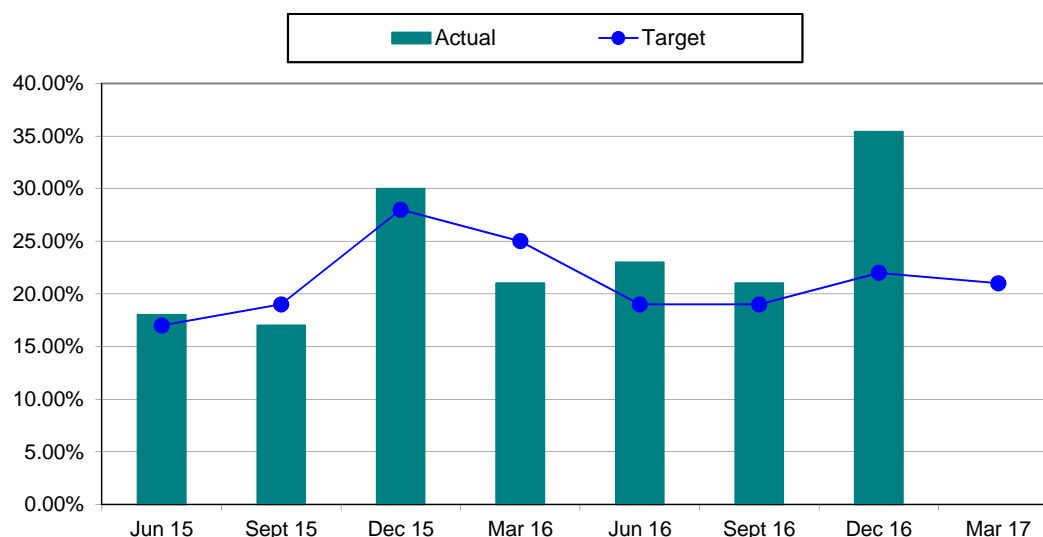
Results for the other five annually reported measures are due in March 2017, and will be reported to Cabinet in June 2017, when the outturn report is presented.

The following pages detail the one measure where we have performed particularly well (i.e. where we have exceeded our target), and, the one measure that requires special management and Member attention i.e. where we have not met our target).

Percentage channel shift for our four key services (Benefits, Council Tax, Housing, Waste Management) - on-line

Continue to improve the customer journey within the Contact Centre and thus improve overall citizen satisfaction for the Council. Working with service areas to reduce avoidable contact to the Council and redirect where appropriate to the digital channels.

Bigger is better



	Jun 15	Sept 15	Dec 15	Mar 16	Jun 16	Sept 16	Dec 16	Mar 17
Actual	18.00%	17.00%	30.00%	21.00%	23.00%	21.00%	35.40%	
Target	17.00%	19.00%	28.00%	25.00%	19.00%	19.00%	22.00%	21.00%
Performance	✓	●	✓	▲	★	★	★	

Commentary

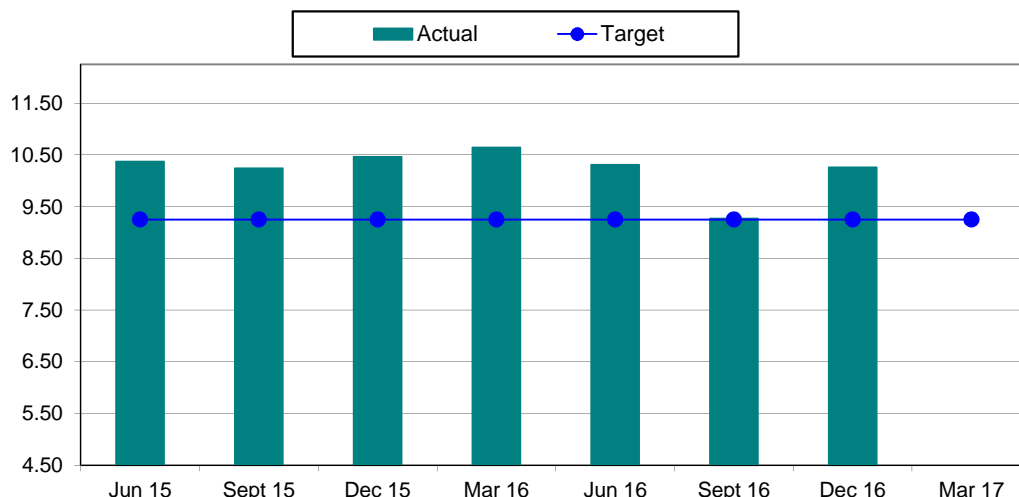
Channel shift performance was 13.40% above target at 35.40%.

All services exceeded their targets, but it was the re-opening of sales for the Garden Waste Service that was the main factor in the very strong performance this month, despite the opening of sales being delayed by a week.

Average sick days per full-time equivalent employee (excluding schools staff)

The number of working days lost due to sickness, per full-time equivalent member of staff.

Smaller is better



Number per full-time equivalent member of staff

	Jun 15	Sept 15	Dec 15	Mar 16	Jun 16	Sept 16	Dec 16	Mar 17
Actual	10.37	10.24	10.46	10.64	10.31	9.27	10.26	
Target	9.25	9.25	9.25	9.25	9.25	9.25	9.25	9.25
Performance	▲	▲	▲	▲	▲	●	▲	

Commentary





The percentage of employee capacity in attendance has improved this month from 94.76% to 95.03%.

The main reason for sickness absence continues to be anxiety/stress/depression; its contribution to "working days lost" has increased slightly since last month, from 21.31% to 21.42%. The contribution to "working days lost" from gastro-intestinal problems has also increased during the last 2 months, (from 5.95% in October, and 7.4% in November), to 7.67%.

The Council's sickness Key Performance Indicator has increased by 0.04 Full Time Equivalent days (3.91%) on last month's Year To Date figure of 10.22 Full Time Equivalent days. However, an increase in December is usual, and by comparison, at the same point in the previous year, the month-on-month increase in the Year To Date figure was 0.05 Full Time Equivalent days (4.80%), so this year's figure is less than the same period last year.

The number of current absences over 14 weeks (when our attendance monitoring policy triggers a Full Case Hearing), and also those over 6 months (which triggers an escalated level of attention from senior management), have increased, by 28.00% and 20.00% respectively.

Economy Directorate

Total by measure status							
	1		0		1		4

There are seven measures within this directorate, for which results are available for six measures.

The result for one measure is reported annually, and will be presented to Cabinet as soon as it is available.

Two of the available measures within this directorate are performing as expected, or are within acceptable tolerance levels.

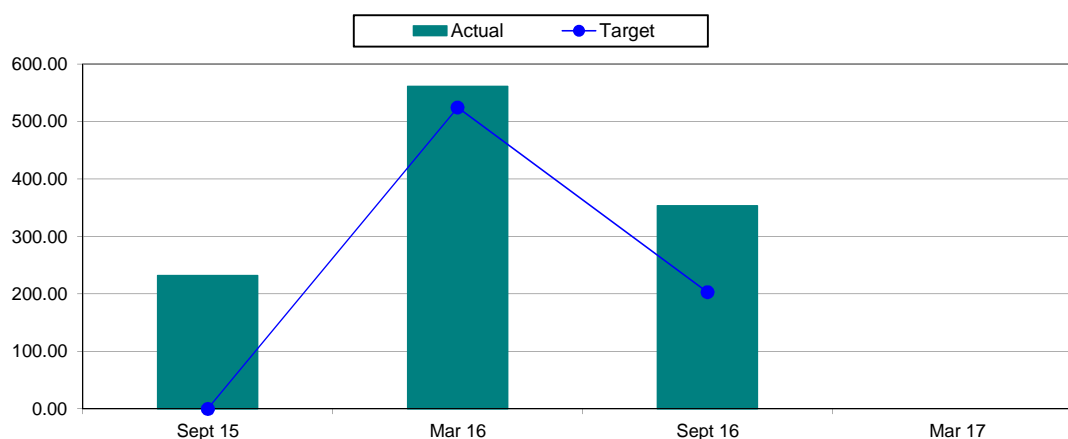
The following pages detail the one measure where we have performed particularly well (i.e. where we have exceeded our target), and, the four measures that requires special management and Member attention i.e. where we have not met our target).

The number of homes built that are 'Affordable' Homes

A property which is social or affordable rent provided by the council or a registered provider, or rented at below market value, shared ownership and Help to Buy Homes.

This Key Performance Indicator is made up of dwellings funded through various Government Programmes or Birmingham City Council Funds.

Bigger is better



Measure is reported half yearly

	Sept 15	Mar 16	Sept 16	Mar 17
Actual	232.00	561.00	353.00	
Target	Not applicable	524.00	203.00	
Performance	Not applicable	★	★	

Commentary

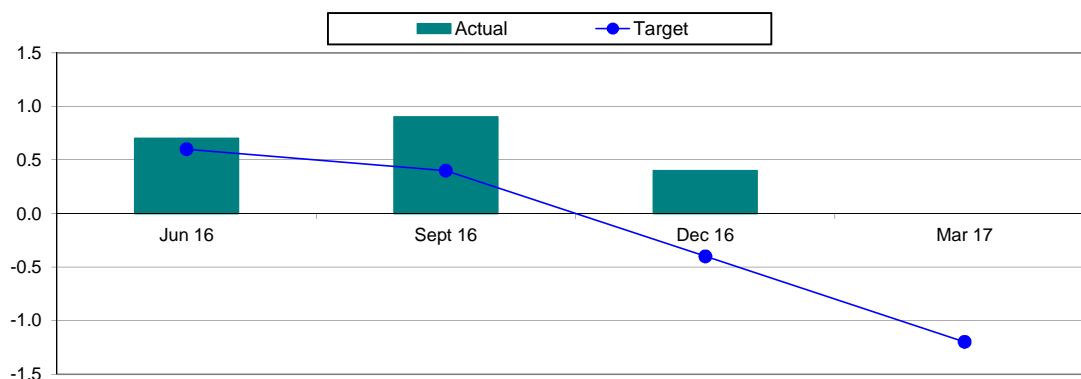
The Affordable Homes measure reports on a half yearly basis and this is the result for the period April 2016 to September 2016. The target for this period was that 203 new affordable homes would be completed. This target has been exceeded with 353 properties completed and ready for occupation. 178 of these homes have been built on city owned land.

Affordable Homes have been developed through a number of different funding programmes to enable a range of housing options to be made available across the city.

Youth Promise - Closing the gap in Districts with high levels of unemployment by targeting activities to support training/employment for 18-29 year olds

To determine how Birmingham is improving the employment prospects of its young people

Smaller is better



New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	Actual Gap 0.7 Percentage Points	Plus 0.9 Percentage Points	Plus 0.4 Percentage Points	
Target	Target Gap 0.6 Percentage Points	Plus 0.4 Percentage Points	Minus 0.4 Percentage Points	Minus 1.2 Percentage Points
Performance	●	▲	▲	

Commentary

The period October to December has shown an improvement in performance with youth unemployment decreasing across the city through the autumn after a period of increase, although the measure remains below target.

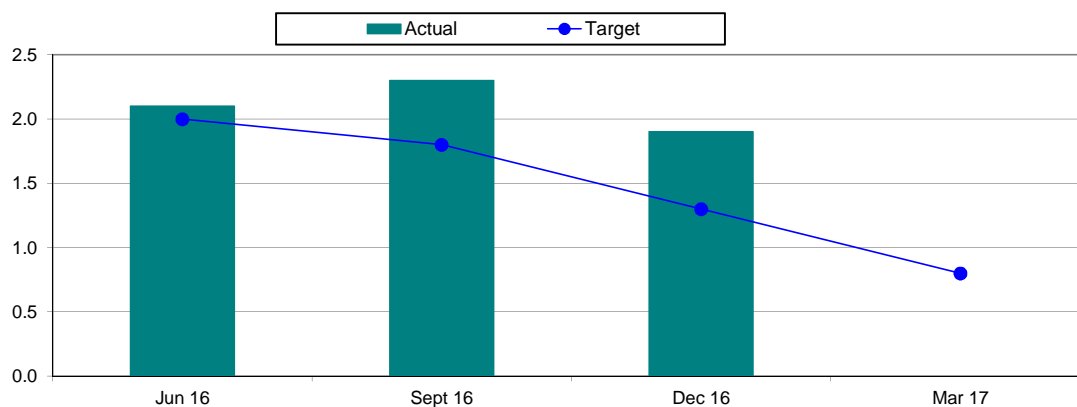
The council set an ambitious target at the start of the year to be delivered in partnership with Department for Work & Pensions (DWP) and other skills and welfare to work providers; supported by full delivery of key objectives set down in District Jobs and Skills Plans under the leadership of local Members and District Champions. Current economic forecasting indicates that this target is unlikely to be met by the end of this year.

The Greater B'ham & Solihull Local Enterprise Partnership (GBSLEP) Employment and Skills Board is repurposing its focus and priorities to tackle high unemployment across their catchment area; the Birmingham Employment and Skills Board is being re-established to coalesce partners and take ownership across the city; and the Youth Employment Initiative will begin to contribute to performance under this Key Performance Measure which remains the responsibility of all Directorates within the City Council and external partners, who hold and influence the majority of resources.

Youth Promise - Closing the gap in unemployment for 18-29 years

To report the number of young people helped into work through Employment Support Activity.

Smaller is better



New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	Actual Gap 0.7 Percentage Points	Plus 0.9 Percentage Points	Plus 1.9 Percentage Points	
Target	Target Gap 0.6 Percentage Points	Plus 0.4 Percentage Points	Plus 1.3 Percentage Points	Plus 0.8 Percentage Points
Performance	●	▲	▲	

Commentary

The period October to December has shown an improvement in performance with youth unemployment decreasing across the city through the autumn after a period of increase, although the measure remains below target.

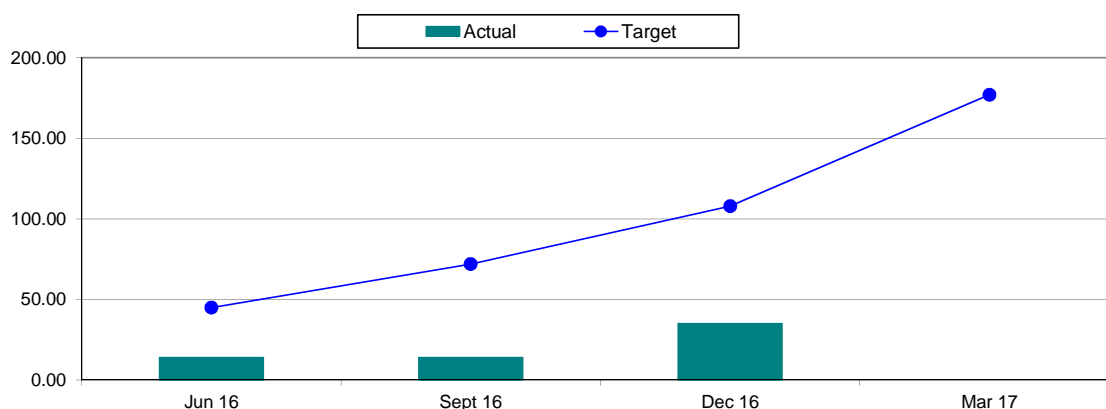
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The Greater B'ham & Solihull Local Enterprise Partnership (GBSLEP) Employment and Skills Board is repurposing its focus and priorities to tackle high unemployment across their catchment area; the Birmingham Employment and Skills Board is being re-established to coalesce partners and take ownership across the city; and the Youth Employment Initiative will begin to contribute to performance under this Key Performance Measure which remains the responsibility of all Directorates within the City Council and external partners, who hold and influence the majority of resources.

Jobs created through the Business Growth programme and Finance Birmingham

To measure the number of jobs created through the activities of the Business Growth Programme and Finance Birmingham.

Bigger is better



New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	14.00	14.00	35.00	
Target	45.00	72.00	108.00	177.00
Performance	▲	▲	▲	

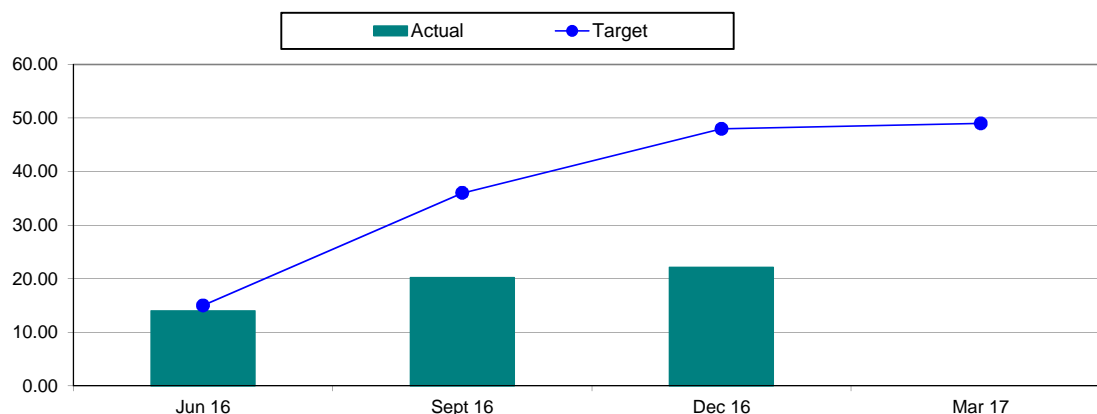
Commentary

In the period October to December 2016, 21 jobs have been created principally through the activities of the Business Growth Programme. The cumulative total year-to-date is 35 jobs well below our profiled target of 108 expected by this point in the year. However, Finance Birmingham currently has visibility of a further 163 jobs. Also, the Business Growth Programme has created 39 jobs to date (early March 2017) and anticipates this will increase by the end of the quarter. We therefore anticipate this measure will reach the end of year target. The nature of this type of funding means that it is not always possible to accurately predict to the exact quarter when jobs will be created.

Length of new/improved cycle ways within Parks, Green Spaces, Canals and Highways

To measure the total length of cycle route delivered on the Highway, the total length of Canal (Cycle) routes delivered, and the total length of Green (Cycle) routes delivered.

Bigger is better



New Council Business Plan Measure for 2016/17
Number of Kilometres

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	Highway: 11km Canals: 3km Green Routes: 0km	Highway : 11.2 km Canals: 7 km Green Routes: 2 km (cumulative)	Highway 11.2km Canals 8.5km Green Routes 2.4km	
Target	Highways: 12km Canals: 3km Green Routes: 0km	Highway: 27km Canals: 6km Green Routes: 3km (cumulative)	Highway: 31km Canals: 12km Green Routes: 5km	Highway: 31km Canals: 13km Green Routes: 5km
Performance	●	▲	▲	





Commentary

Highway Routes: Following a fundamental review of Birmingham Cycle Routes (BCR), a revised delivery strategy was approved by Cabinet at its meeting on 13th December 2016. The new programme consists of a smaller number of higher quality Highway Routes which will now be delivered from mid-2017 onwards following additional development work. Consequently, no further routes will be delivered in the current financial year.

Canal Routes: during the period October to December 2016, a further scheme on the southern section of the Worcester and Birmingham Canal was completed on site. Commencement of schemes around the Soho Loop and the final section of the Birmingham and Fazeley Canal have been delayed pending confirmation of Birmingham Cycle Routes (BCR) funding from the Department for Transport (DfT). This has now been obtained and the schemes are expected to commence on site before the end of the financial year.

Green Routes: there has been a delay to the commencement of the Woodgate Valley scheme pending resolution of objections. The scheme is now expected to commence in the early part of next financial year.

People Directorate

Total by measure status							
	6		3		5		7

Excluding the five trend measures in this directorate, which do not have targets attached, of the remaining twenty two measures, results are available for twenty one measures.

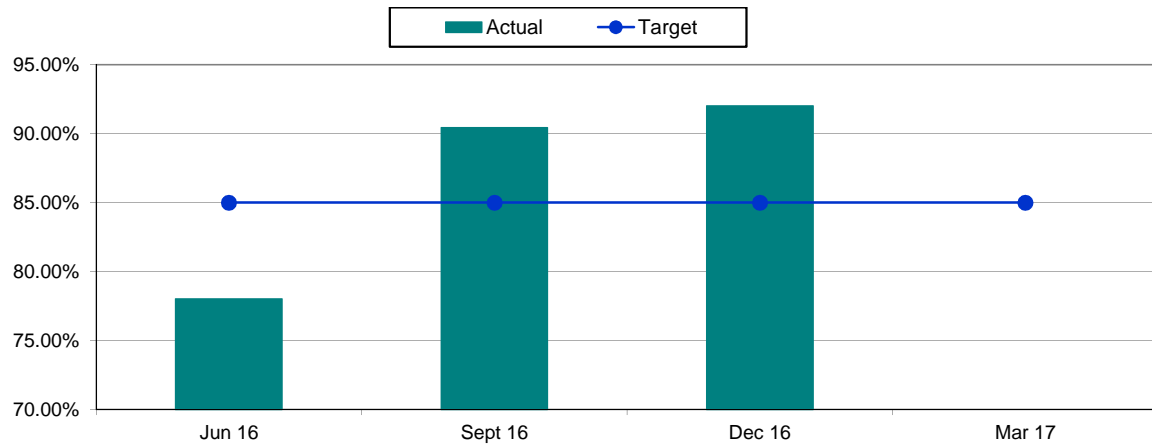
For one measure, the result is reported annually, and will be made available to Cabinet as part of the outturn report in June 2017.

Eight of the available measures within this Directorate are performing as expected, or are within acceptable tolerance levels.

The following pages detail the six measures where we have performed particularly well (i.e. where we have exceeded our target), and, the seven measures that require special management and Member attention (i.e. where we have not met our target).

Percentage of births that receive a face to face new baby visit from a health visitor within 14 days

Bigger is better



New Council Business Plan Measure for 2016/17

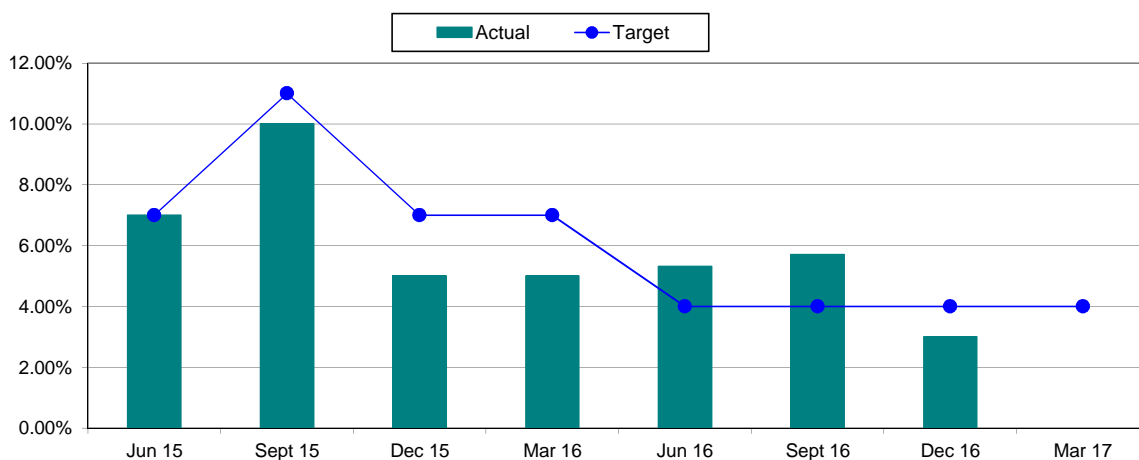
	Jun 16	Sept 16	Dec 16	Mar 17
Actual	78.00%	90.43%	92.00%	
Target	85.00%	85.00%	85.00%	85.00%
Performance	▲	★	★	

Commentary

Performance for the period October to December has seen an increase to 92.00% against a target of 85.00%. Monitoring will continue to ensure that the performance remains steady. There are no issues to report against this target at present.

Percentage of pupils Not in Education, Employment or Training

Smaller is better



	Jun 15	Sept 15	Dec 15	Mar 16	Jun 16	Sept 16	Dec 16	Mar 17
Actual	7.00%	10.00%	5.00%	5.00%	5.32%	5.70%	3.00%	
Target	7.00%	11.00%	7.00%	7.00%	4.00%	4.00%	4.00%	4.00%
Performance	✓	✓	★	★	▲	▲	★	

Commentary

November 2016 is the most recent Department for Education (DfE) issue of data. The December 2016 figure is our internal figure.

Under the new Department for Education (DfE) methodology, the monthly Not in Education, Employment or Training (NEET) rate in Birmingham is in line with the national average.

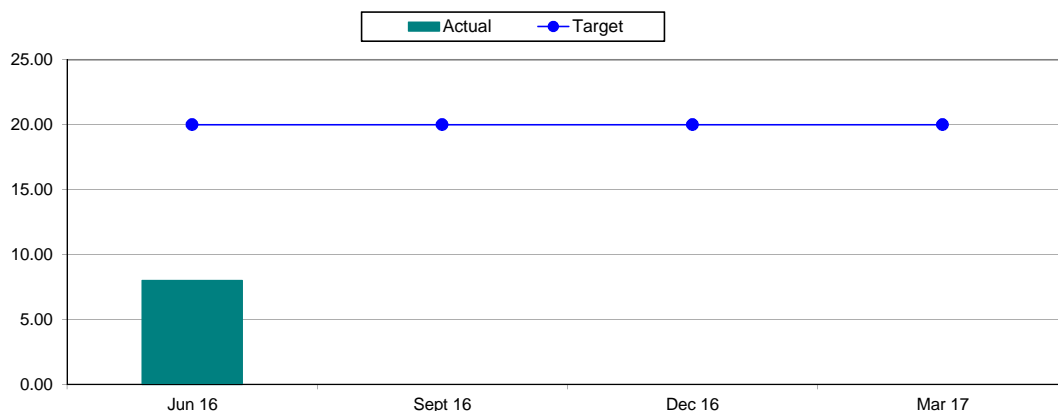
There was an expected rise in Not in Education, Employment or Training (NEET) in December, and we expect a rise in January and February 2017. This is due to extra resources put in place for tracking young people and compliance work undertaken with schools and post 16 providers to ensure they notify the council when young people withdraw from courses.

Please note that data for the last two academic years was presented using different methodology.

Number of Unallocated cases open for more than 7 days

Prompt case allocation is essential to ensure that families receive timely help and intervention. This measure is based on a snapshot of cases that do not have an allocated team or social worker attached.

Smaller is better



New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	8.00	0.00	0.00	
Target	20.00	20.00	20.00	20.00
Performance	★	★	★	

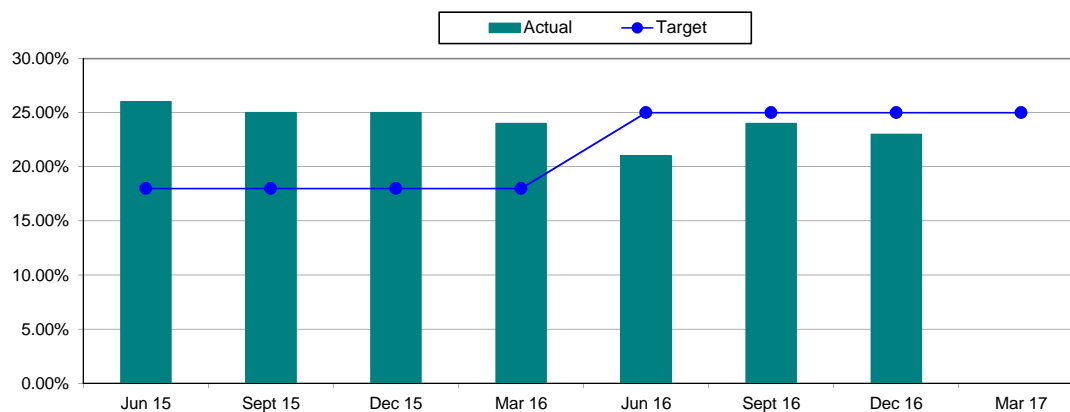
Commentary

This indicator is of open cases post Multi Agency Safeguarding Hub (MASH) where there is no allocated social worker 7 or more days after referral. A report is sent to the heads of service each week, so the cases are ever changing. We have set a target of keeping this number under 20 at any given time. The current position is zero.

Percentage of referrals that are re-referrals within 12 months

To ensure that thresholds are appropriate for the service and the child's needs are being met. This measure is based on a referral to Children's Social Care, made within 12 months of the previous referral.

Smaller is better



	Jun 15	Sept 15	Dec 15	Mar 16	Jun 16	Sept 16	Dec 16	Mar 17
Actual	26.00%	25.00%	25.00%	24.00%	21.00%	24.00%	23.00%	
Target	18.00%	18.00%	18.00%	18.00%	25.00%	25.00%	25.00%	
Performance	▲	✓	✓	✓	★	✓	★	

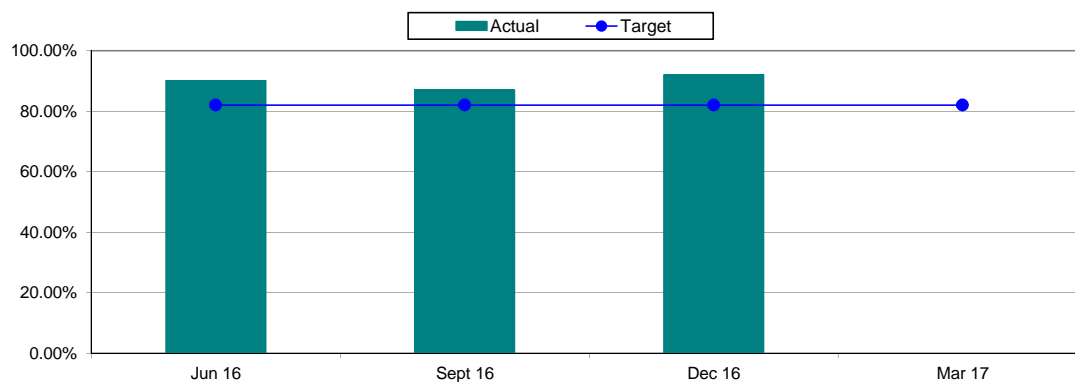
Commentary

Our referral rate is stable over time although there are small monthly variations. We have moved into a new front-door model and we will monitor the impact on contacts, referrals and re-referrals carefully. The rate is close to national average of 24.00%.

Percentage of Family Assessments completed in timescale.

The timeliness of a Social Worker assessing the needs of the child and family.

Bigger is better



New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	90.00%	87.00%	92.00%	
Target	82.00%	82.00%	82.00%	82.00%
Performance	★	✓	★	

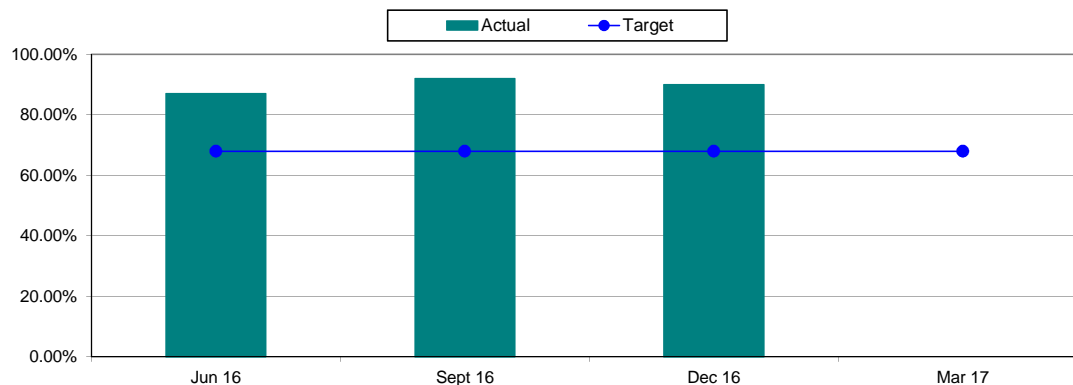
Commentary

At 92.00% this measure exceeds the 82.00% target by 10.00%. The timeliness of assessments is important to prevent drift and we are doing well in relation to the 45 day target. We want to see a greater focus on short-term interventions with more assessments completed within 20 days by the Assessment and Short Term Intervention Team (ASTI) teams.

Percentage of children seen at assessment (S17 and S47 of the Children Act 1989 only which places a duty on a social worker to investigate when it is believed that a child is at risk of harm)

Children are seen within a timely manner after the referrals and during the assessment period.

Bigger is better



New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	87.00%	92.00%	90.00%	
Target	68.00%	68.00%	68.00%	68.00%
Performance	★	★	★	

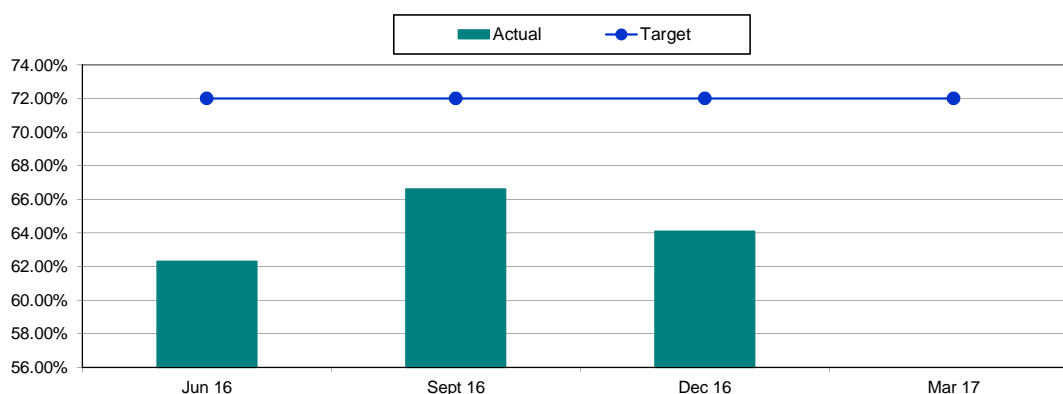
Commentary

Children seen is a good proxy measure for quality of assessment. The focus on this indicator, additional staff guidance and changes to CareFirst has led to substantial improvement.

The proportion of clients receiving Residential, Nursing or Home Care from a provider that is rated as 'Good'.

This measure looks at all clients in receipt of residential nursing or home care and the rating of their service provider - calculated as a combination of self-assessment, questionnaires, care quality, commission ratings and contract compliance. It then identifies these with a combined rating score of 'good' excluding clients with unrated providers.

Bigger is better



New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	62.30%	66.61%	64.10%	
Target	72.00%	72.00%	72.00%	72.00%
Performance	▲	▲	▲	

Commentary

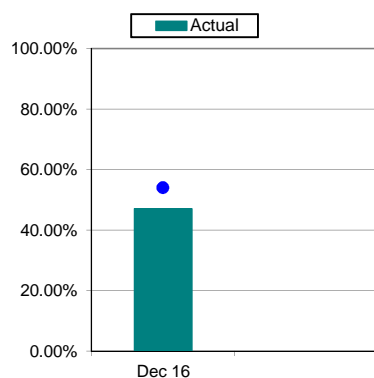
There has been an increase in the proportion of bed based clients placed at providers rated Good in the period October to December compared to the period July to September (56.26% compared to 55.77% previously). However, a further reduction in providers not returning their Self-Assessment Questionnaire (SAQ) has resulted in an increase in the proportion of clients placed at homes rated as inadequate (12.80% in this period compared to 9.30% in the previous period) In addition five bed based providers that did not return an SAQ in the previous period responded in this period but were rated Inadequate (98 clients combined).

The Council is currently reviewing its approach to the commissioning of these services, which recognises the need to drive up quality standards in adult social care. These proposals are due to be considered by Cabinet on 21 March 2017 where permission will be sought to consult with current and potential future service users, as well as the independent provider market.

Key Stage 2 Attainment

Achievement at Level 4 or above in Reading, Writing and Maths

Bigger is better



This is an Annual Measure

Dec 16	
Actual	47.00%
Target	54.00%
Performance	▲

Commentary

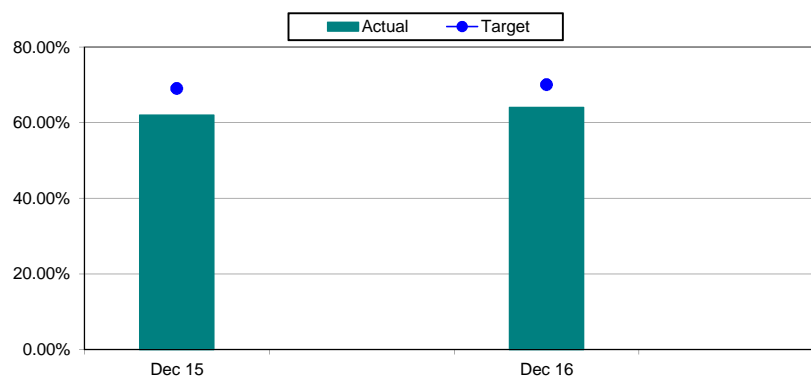
The final Local Authority Key Stage 2 attainment results were released by the Department for Education in December. It indicates that Birmingham's performance of 47.00% was below our target, which was the national average of 54.00%.

The Birmingham Education Partnership was commissioned to deliver 2016/17 School Improvement functions, and is working with schools across the city to support them in trying to improve 2017 Key Stage 2 results, including addressing significant gaps where they exist.

Early Years Foundation Stage

Early Years Foundation Stage (Good Level of Development)

Bigger is better



This is an Annual Measure

	Dec 15	Dec 16
Actual	62.00%	64.00%
Target	69.00%	70.00%
Performance	▲	▲

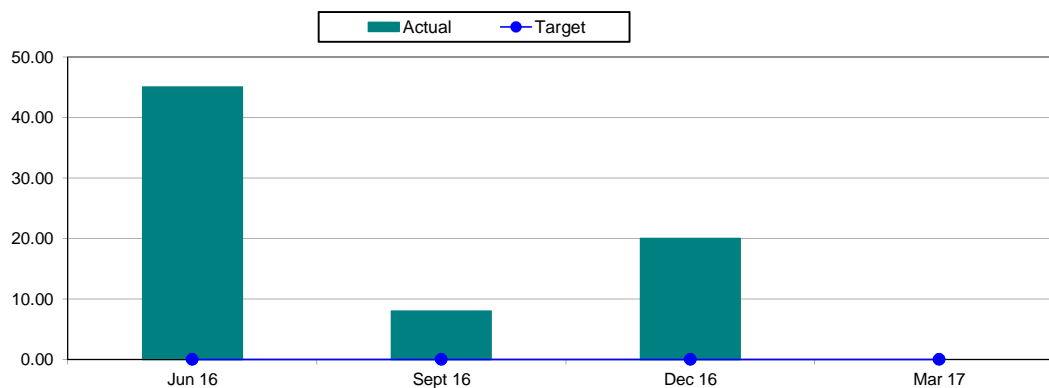
Commentary

The proportion of children reaching a good level of development at the end of the Early Years Foundation stage in 2016 was an improvement on 2015 up from 62.00% to 64.00%. However the gap between Birmingham and the national average of 69.00% increased slightly.

Excluded children without a school place after 6 days

The number of children of school age without a school place for more than 6 days (either failed in sufficiency or schools have excluded them)

Smaller is better



New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	45.00	8.00	20.00	
Target	0.00	0.00	0.00	0.00
Performance	▲	▲	▲	

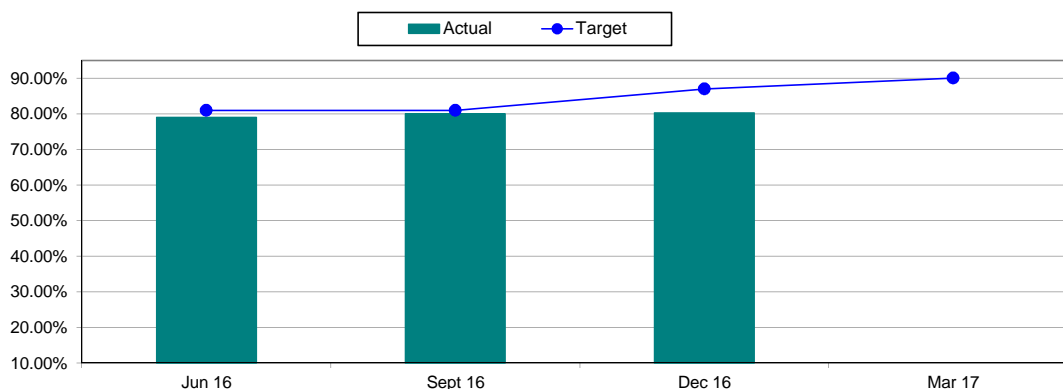
Commentary

The biggest challenge facing the city continues to be full time centre provision for permanently excluded, primary aged young people with particular difficulty in the south of the city. Some movement in centres is anticipated at the start of the new year. Children without a full time place continue to be offered 2 hourly, daily 1:1 personalised tuition.

There are currently no secondary or special school permanently excluded pupils without full-time education. There are no special school pupils without full-time education

Proportion of Schools Inspected as Good or Outstanding

Bigger is better



New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	79.00%	80.00%	80.20%	
Target	81.00%	81.00%	87.00%	90.00%
Performance	●	●	▲	

Commentary

This result is a snapshot of published Ofsted Judgements and therefore may not reflect the latest local knowledge of forthcoming Ofsted announcements. All open schools, (both Academies and Local Authority maintained) are included, where there is a recently converted academy and no existing inspection, a judgement is obtained from the previous establishment.

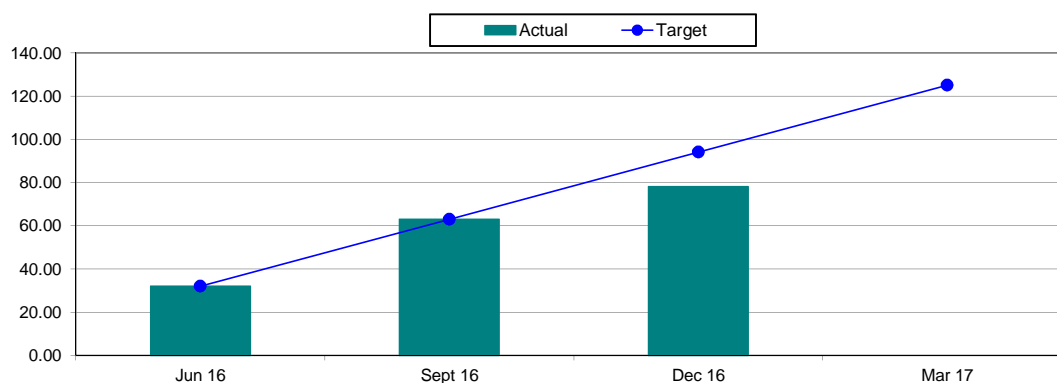
There were 4 full inspections in December with 3 schools seeing their inspection judgement improve, accounting for the slight improvement in performance this month. However, the 90.00% end of year target is unlikely to met due to the number of schools that would need to be inspected and see their judgements improve.

The proportion of Local Authority maintained schools that are Good/Outstanding is currently at 85.00%. Our school improvement partners Birmingham Education Partnership (BEP) have identified schools to work with as part of their school improvement work. These have been prioritised and each receive an appropriate level of support in line with their needs.

The number of children and young people placed for adoption, in month and year-to-date

We have a duty to promote permanence for children in care and adoption is the most secure permanent arrangement for young children. Increasing adoption is government policy. This measure will indicate how well we are achieving.

Bigger is better



New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	32.00	63.00	78.00	
Target	32.00	63.00	94.00	125.00
Performance	✓	✓	▲	

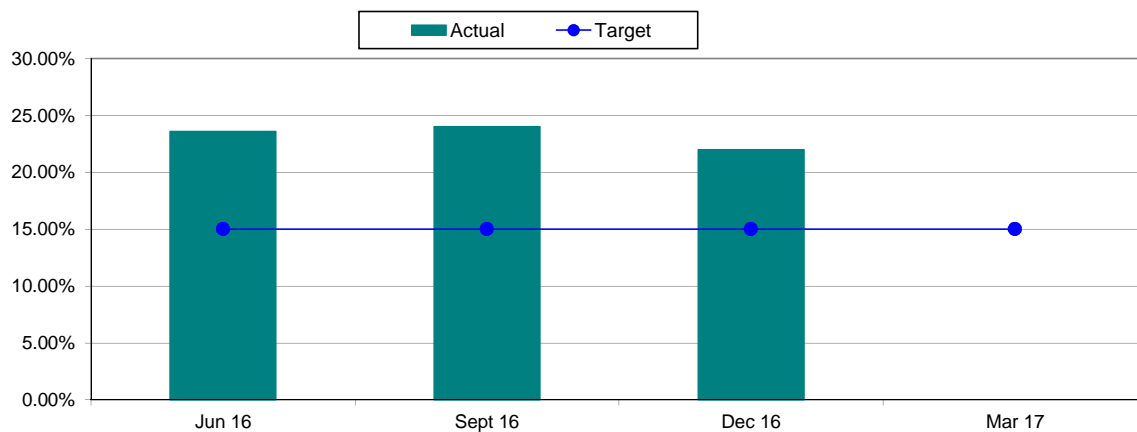
Commentary

The lower number of children being placed in December is a seasonal variation as placements are not normally made during this period due to the Christmas Holidays. This is due to additional stresses on families when vulnerable children need a stable environment to settle in. Latest figures from Adoption Leadership Board indicate there has been a national decrease in new placement orders of 45.00% for the same period between 2013/14 and 2016/17. The Birmingham decrease is just 16.00%. Plans for adoption have also declined nationally for the same period by 42.00% and for Birmingham 21.00%. Taking these factors into account, the number of children placed is likely to be down by 17.00% this year due to the overall reduction in Plans and Placement orders reflecting the overall decline nationally. Birmingham performance however remains above the national trend..

Percentage of agency social workers including team managers

Measure the proportion of agency workers in Social Care to support workforce stability.

Smaller is better







New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	23.60%	24.00%	22.00%	
Target	15.00%	15.00%	15.00%	15.00%
Performance	▲	▲	▲	

Commentary

Overall, in all established posts that require a social work qualification, we have 22.00% agency social workers. These are covering vacant posts. We have just written to all agency social workers asking them to consider transfer to permanent Birmingham City Council employment. We are also reviewing, with areas, what the percentage would be excluding managers

Place Directorate

Total by measure status							
	4		0		1		1

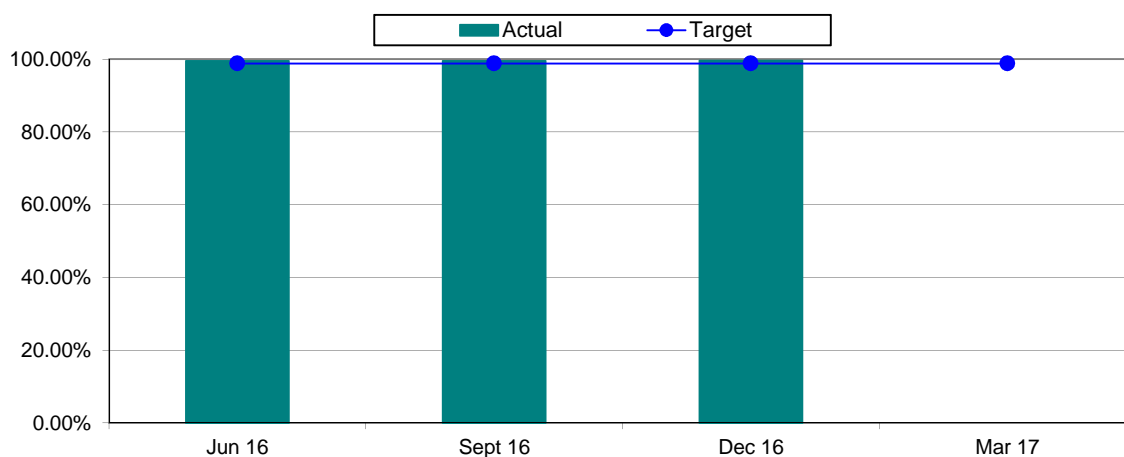
Of the six measures within this directorate, one is performing within expected tolerance levels.

The following pages detail the four measures where we have performed particularly well (i.e. where we have exceeded our target), and, the one measure that requires special management and Member attention (i.e where we have not met our target).

Available Council Homes as a percentage of total stock

To confirm the total number of Affordable Council Homes that are available. This will include properties that are tenanted and those that are Void but available to re-let.

Bigger is better



New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	99.55%	99.54%	99.58%	
Target	98.80%	98.80%	98.80%	98.80%
Performance	★	★	★	

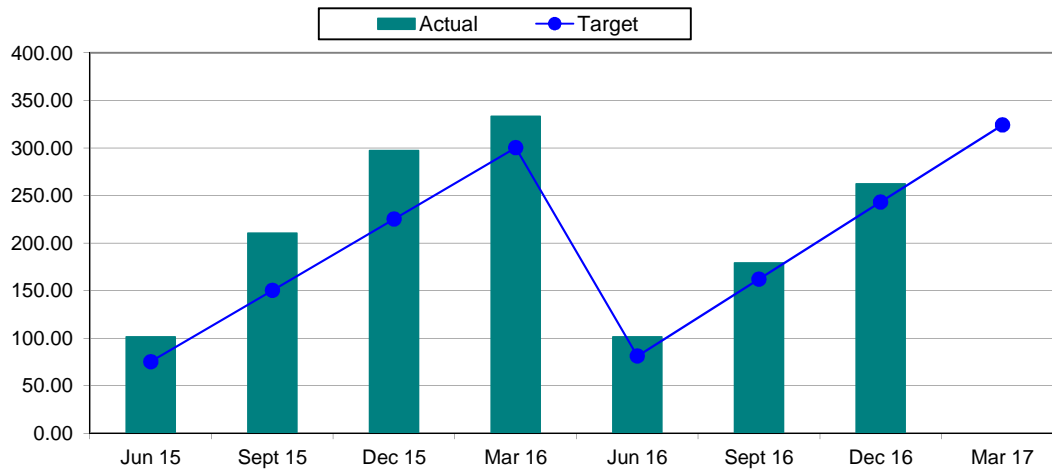
Commentary

Performance is above target as a result of quicker turn-around of void dwellings and successful letting of long term hard to let properties.

Empty properties brought back into use

Number of privately owned empty properties brought back into use through the teams intervention.

Bigger is better



	Jun 15	Sept 15	Dec 15	Mar 16	Jun 16	Sept 16	Dec 16	Mar 17
Actual	101.00	210.00	297.00	333.00	101.00	179.00	262.00	
Target	75.00	150.00	225.00	300.00	81.00	162.00	243.00	324.00
Performance	★	★	★	★	★	★	★	

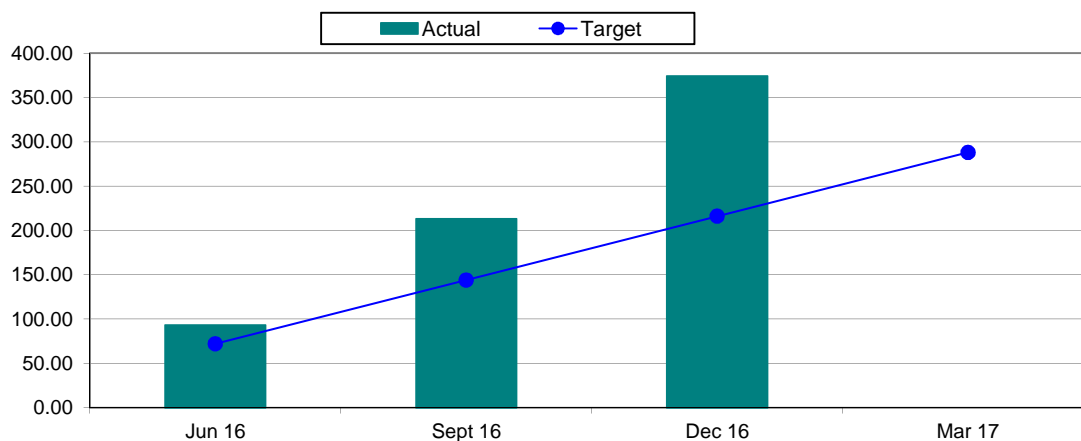
Commentary

The Private Empty Property team has achieved ahead of target for December with 262 properties back into use. It should be noted that there is unlikely to be further properties back into use during Feb and March as the team is assisting the delivery of the budget priority for consultation on Selective Licensing in target wards, approved by the Cabinet.

Properties improved in the private rented sector as a result of local authority

To measure the number of private rented properties improved as a result of intervention by the Council.

Bigger is better



New Council Business Plan Measure for 2016/17

	Jun 16	Sept 16	Dec 16	Mar 17
Actual	93.00	213.00	374.00	
Target	72.00	144.00	216.00	288.00
Performance	★	★	★	

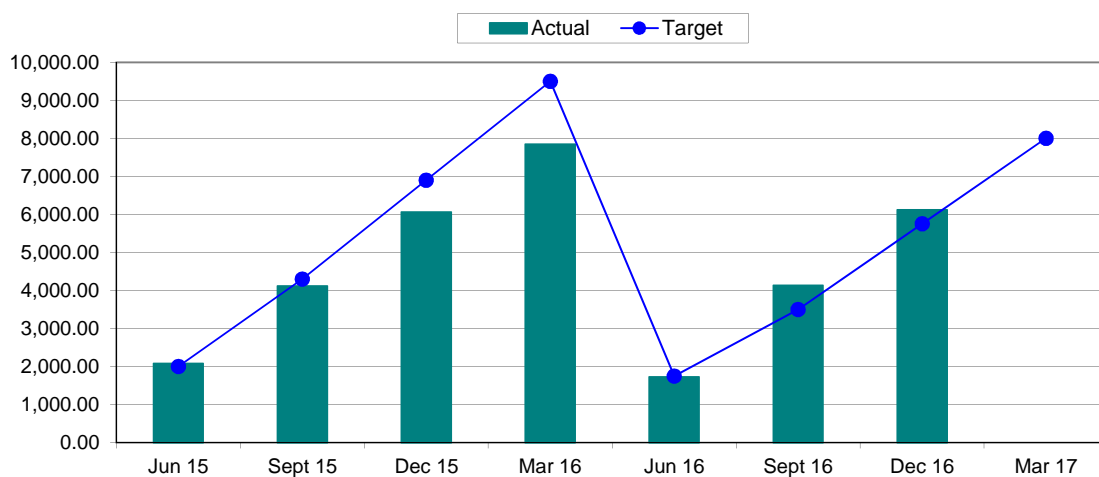
Commentary

The Private Rented Sector team continues to receive a high level of demand for assistance on repairs. Performance is above target and has exceeded the year-end target. The team has been able to sustain some resource from the Rogue Landlord Fund project that will cease at the end of March 2017.

Homelessness prevented or relieved

Increase in the number of cases where homelessness is prevented or relieved

Bigger is better



	Jun 15	Sept 15	Dec 15	Mar 16	Jun 16	Sept 16	Dec 16	Mar 17
Actual	2,081.00	4,112.00	6,057.00	7,843.00	1,729.00	4,134.00	6,117.00	
Target	2,000.00	4,300.00	6,900.00	9,500.00	1,750.00	3,500.00	5,750.00	8,000.00
Performance	✓	●	▲	▲	▲	★	★	

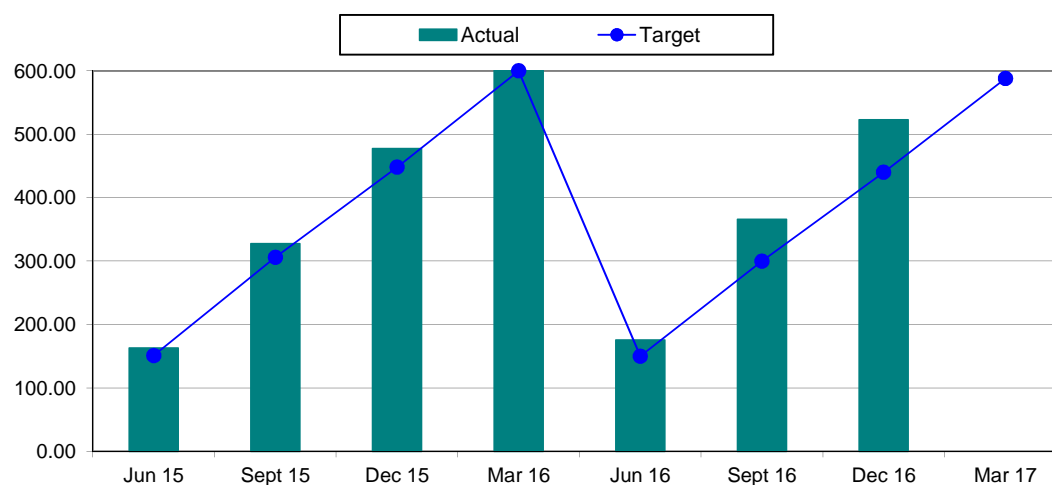
Commentary

Although the target for the 3rd Quarter was not met, overall the service is ahead of target to achieve the annual outcome of 8,000 preventions.

The Council was successful in securing £1.7 million from Department for Communities and Local Government to prevent homelessness. The Housing Options are currently finalising the Trailblazer action plan for implementation a number of actions/services to prevent homelessness.

Reduce residual waste kg per household

Smaller is better



Number of kilogrammes

	Jun 15	Sept 15	Dec 15	Mar 16	Jun 16	Sept 16	Dec 16	Mar 17
Actual	162.67	327.21	477.09	685.99	175.22	365.54	522.65	
Target	151.00	306.00	448.00	600.00	150.00	300.00	440.00	588.00
Performance	✓	●	✓	▲	▲	▲	▲	

Commentary

Although the profiled year to date result of 522.65kg is above our profiled target the rate of growth is consistent with national trends. The campaigns and education messages we are undertaking to control the amount of waste being presented, to very ambitious target levels, are yet to fully deliver the behavioural changes necessary. Years Two and Three of the Zero Hero campaign will specifically address deep-rooted issues on a targeted basis after Year One focused on raising general awareness about how people can reduce, re-use and recycle more waste.

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	CABINET
Report of: Date of Decision:	Director of Commissioning & Procurement 21st March 2017
SUBJECT:	BIRMINGHAM LIVING WAGE POLICY REVIEW AND REVISION
Key Decision: YES	Relevant Forward Plan Ref: 003162
If not in the Forward Plan: (please "X" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
Relevant Cabinet Member(s):	Councillor Majid Mahmood, Cabinet Member, Value for Money and Efficiency
Relevant O&S Chairman:	Councillor Mohammed Aikhlaq Corporate Resources and Governance
Wards affected:	All

1. Purpose of report:
<p>1.1 To provide an update on the implementation of the Council's Living Wage Policy to date.</p> <p>1.2 To seek approval of the revised Birmingham Living Wage Policy.</p>

2. Decision(s) recommended:
That Cabinet:-
2.1 Notes the progress made to date on the implementation of the Council's Living Wage Policy.
2.2 Approves the revised Birmingham Living Wage Policy (Appendix 1)

Lead Contact Officer(s):	Haydn Brown, Head of Procurement Strategy & Development Corporate Procurement Services
Telephone No: E-mail address:	0121 303 0016 haydn.brown@birmingham.gov.uk

3. Consultation

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

3.1 Internal

The Deputy Leader, the Acting Strategic Director Change and Support Services, Assistant Director Workforce Strategy, the Head of Service Delivery and Procurement Law and the Interim Assistant Director Finance - People Directorate have all been involved in the preparation of this report and support the proposed amendments.

3.2 External

The Living Wage Foundation has been kept informed by Corporate Procurement Services of the development of the Council's Living Wage Policy and will be working with the Council to promote Birmingham as an exemplar Council in terms of applying the Living Wage as set out by the Living Wage Foundation.

A separate report is being presented to Cabinet in March 2017 to seek permission to consult the providers of Adult Care on the implementation of the Birmingham Living Wage in the care sector. The feedback and recommendations will be reported post consultation and item 4.7 of this policy would then be amended accordingly.

4. Compliance Issues:

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

This Policy continues to be a key Council priority as a major contributor to creating a stronger local economy through better jobs and improved skills. It builds on the achievements to date and recognises that a living wage generates value locally; prosperity shared and harnesses the distinct and different strengths of our communities. Employment is the route to independence and out of poverty.

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

The changes proposed to the policy do not have an adverse financial implication. The removal of the £200k threshold in the Council's Living Wage Policy has, in effect, no change to current practice, as the requirement to pay the Birmingham Living Wage has been applied as a mandatory element of the Birmingham Business Charter for Social Responsibility to all contracts irrespective of the value. The financial implications of the Birmingham Care Wage will be reported separately.

4.3 Legal Implications

4.3.1 The Council has a best value duty under Section 3 Local Government Act 1999 to make continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness. As the Council progresses further as a commissioning authority, so the importance and effectiveness of its service delivery arrangements become increasingly prominent.

4.3.2 Previously under the well-being powers contained in Section 2 Local Government Act 2000 the Council could do anything which it considered was likely to achieve any one or more of the following objectives:-

- The promotion or improvement of the economic well-being of their area;
- The promotion or improvement of the social well-being of their area; and
- The promotion or improvement of the environmental well-being of their area.

This power could be exercised for the benefit of any person resident or present in the Council's area. There were, however, a number of limitations on the exercise of the well-being powers.

4.3.3 The well-being powers were repealed and replaced by a wider general power of competence in Section 1 Localism Act 2011. This is a power for a local authority to do anything which individuals generally may do. This power includes:-

- Power to do it anywhere in the United Kingdom or elsewhere;
- Power to do it for a commercial purpose or otherwise for a charge or without a charge;
- Power to do it for the benefit of the authority, its area or persons resident or present in its area or otherwise.

4.3.4 Both the Local Government Act 2000 and the Localism Act 2011 were enabling Acts allowing the Council to do these things if they chose to do so.

4.3.5 In the context of procurement the general power of competence was amplified with effect from 31 January 2013 by social value duties in the Public Services (Social Value) Act 2012 ("2012 Act"). The 2012 Act applies primarily to contracts for the provision of services, or the provision of services together with the purchase or hire of goods or the carrying out of works to which the Public Contracts Regulations 2015 apply.

4.3.6 The Public Contracts Regulations 2015 recognise that contract award criteria may include the best price-quality ratio, which has to be assessed on the basis of criteria, such as qualitative, environmental and/or social aspects, linked to the subject-matter of the public contract in question. Contract award criteria may equally include social, environmental and innovative characteristics. Also conditions for the performance of contracts may include economic, innovation-related, environmental, social or employment-related considerations

4.3.7 The 2012 Act imposes a duty on the Council as a contracting authority under the 2015 Regulations to consider before commencing procurement:-

- How what is proposed to be procured might improve the economic, social and environmental well-being of its area; and in doing so it must consider the extent to which it is proportionate in all the circumstances to take those matters into account.
- How in conducting the process of procurement, it might act with a view to securing that improvement. (It must only consider matters that are relevant to what are proposed to be procured and in doing so it must consider the extent to which it is proportionate in all the circumstances to take these matters into account).

- 4.3.8 The 2012 Act imposes a duty on the Council to consider whether to undertake any consultation as to the matters listed in Paragraph 4.3.7 above.
- 4.3.9 This necessarily means that whilst the Council may develop its policy and best practice for a range of contracts (not just service contracts), it has still to exercise both the pre-procurement duty and the consideration of consultation duty afresh for each new contract to which the 2012 Act applies.
- 4.4 Public Sector Equality Duty (see separate guidance note)
- 4.4.1 Equality Impact Assessment – A first stage Equality Impact Assessment (Ref: EA001933) undertaken on 24 November 2016 concluded that there is no impact and that a full assessment is not required.

5. Relevant background/chronology of key events:

- 5.1 In this report “Birmingham Living Wage” means the Council’s Living Wage Policy which applies the rate set out by the Living Wage Foundation. This is not the National Living Wage which is the minimum wage payable by law to those aged 25 years and over.
- 5.2 On 18 October 2012 the Council was accredited by the Living Wage Foundation as a UK Living Wage Employer. This accreditation required the Council to pay all its employees aged 18 years or over not less than the Living Wage as set out by the Living Wage Foundation.
- 5.3 The Council’s Living Wage Policy was approved by Cabinet in April 2013, along with the inter-linked Birmingham Business Charter for Social Responsibility and Social Value policies.
- 5.4 Payment of the Birmingham Living Wage was one of the mandatory requirements of the Birmingham Business Charter for Social Responsibility prior to its revision in December 2016 and compliance with the Charter is included in the Council’s conditions of contract and Conditions of Grant Aid.
- 5.5 All the Council’s directly employed staff since July 2012 and agency staff since April 2014 have been paid the Birmingham Living Wage. This includes all maintained schools and their associated nurseries where the Council is the employer. The implementation of the Birmingham Living Wage for directly employed and agency staff is established in the HR procedures. There are no changes proposed to the policy where it relates to directly employed or agency staff.
- 5.6 On 16 February 2016 Cabinet agreed the introduction of the Birmingham Care Wage at £7.50 per hour from April 2016 for staff providing adults’ services and children’s home support financed by the Council. There are no proposals to increase this in 2017/18 as detailed in the approved Financial Plan 2017+. The current position means that the Birmingham Care Wage is aligned with the National Living Wage from April 2017.
- 5.7 On 13 December 2016 Cabinet approved a revised Social Value Policy and a revised Birmingham Business Charter for Social Responsibility.

- 5.8 As well as being included in the Council's tender documents, the Birmingham Living Wage and Birmingham Business Charter for Social Responsibility have been continually promoted. This promotion includes Finditinbirmingham Breakfast events, Councillors' Market Place, awareness and update sessions, Charter Award Ceremonies and regular newsletters.
- 5.9 There are currently 389 (as of 7 February 2017) organisations signed up to the Charter and are therefore required to adhere to the Council's Living Wage Policy. A list of these organisations is available on www.finditinbirmingham.com/charter
- 5.10 As at 28 February 2017, 623 employees of contractors/service providers have now had their pay increased to the Birmingham Living Wage as a result of their organisations being certified to the Birmingham Business Charter for Social Responsibility.
- 5.11 The Council was shortlisted for the Living Wage Foundation's Champion award in 2014 and 2016.
- 5.12 The revised Birmingham Living Wage Policy is contained in Appendix 1. In summary, the key amendments are:
- 5.12.1 removal of the £200k (£500k aggregate) contract value threshold. This will ensure that the Council's Living Wage Policy is applied to all values of contract and makes it consistent with the Council's Living Wage Accreditation Licence which does not include any thresholds.
- 5.12.2 inclusion of the Birmingham Living Wage in both the Council's conditions of contract and Conditions of Grant Aid.
- 5.12.3 makes it clear that once an employee has worked at least 2 hours a day for 8 consecutive weeks, they are eligible to be paid the Birmingham Living Wage both for those initial 8 weeks and for all subsequent weeks.

6. Evaluation of alternative option(s):

- 6.1 An alternative would be not to implement any changes to the policy. However this would not reflect the policy aspirations of the Council. It would make implementation more difficult leading to fewer new accreditations as well as fewer employees benefitting from the Birmingham Living Wage. The policy would remain inconsistent with other interrelating policies and the Council's Living Wage Accreditation Licence.

7. Reasons for Decision(s):

- 7.1 To note the considerable progress on the implementation of the Birmingham Living Wage.
- 7.2 To ensure alignment between the Birmingham Living Wage Policy and the Birmingham Business Charter for Social Responsibility.
- 7.3 To ensure that the Council's Living Wage Policy continues to make the desired impact.

Signatures	<u>Date</u>
Cabinet Member(s): Councillor Majid Mahmood Cabinet Member, Value for Money and Efficiency	
Chief Officer(s): Nigel Kletz Director of Commissioning and Procurement	

List of Background Documents used to compile this Report:	
1.	The Living Wage Policy for Birmingham – Cabinet Report dated 22 nd April 2013
2.	The Leader’s Policy Statement 2014 and 2015
3.	The Living Wage Accreditation Licence 2012
4.	A report published by the Living Wage Foundation in January 2015 following research undertaken by Strathclyde University entitled:- “Living Wage Employers – evidence of UK business cases ¹ .
5.	HMRC - National Minimum Wage compliance in the social care Sector, November 2013 ²

List of Appendices accompanying this Report (if any):
1. Revised Living Wage Policy

¹ [p://www.livingwage.org.uk/sites/default/files/BAR_LivingWageReport%20cropped%2021%2001.pdf](http://www.livingwage.org.uk/sites/default/files/BAR_LivingWageReport%20cropped%2021%2001.pdf)

² <https://www.gov.uk/government/publications/national-minimum-wage-compliance-in-the-social-care-sector>

Appendix 1

BIRMINGHAM CITY COUNCIL

Birmingham Living Wage Policy

1.0 BACKGROUND

- 1.1 The Leader's Statement in June 2012 communicated the intention to introduce the Living Wage, as part of a Business Charter for Social Responsibility, for Council employees and the promotion of this amongst Birmingham businesses.
- 1.2 The Council has paid the Living Wage as set out by the Living Wage Foundation to its employees since July 2012, including Community, Community special, Voluntary Controlled and Maintained Nursery Schools.
- 1.3 In October 2012 the Council obtained Living Wage employer accreditation where it committed to work towards the adoption of the Living Wage within its supply chain.
- 1.4 The Council's Living Wage Policy was approved by Cabinet in April 2013, along with the inter-linked Birmingham Business Charter for Social Responsibility (BBC4SR) and Social Value policies. These policies were adopted against the backdrop of the recently enacted Public Services (Social Value) Act 2012. They are aimed at maximising the social, economic and environmental value of the Council's area derived from its significant procurement spend.
- 1.5 In April 2014 the Birmingham Living Wage was applied by the Council to all its contracted agency staff.
- 1.6 The Council's Living Wage Policy ensures that people working on behalf of the Council are paid the same minimum rate as if they worked directly for the Council. We also believe that since our procurement policies mean that more of them will be Birmingham residents, then putting more money into those people's pockets will help local shops and businesses, creating a virtuous spiral that can treble its value to the local economy. There is plenty of evidence that paying the Living Wage, as set out by the Living Wage Foundation, boosts flexibility and performance, reduces sickness and aids staff retention.

2.0 WHAT WE MEAN BY THE BIRMINGHAM LIVING WAGE

- 2.1 The Birmingham Living Wage is not the same as the National Living Wage which is a legal requirement. The Birmingham Living Wage, is the same as that set out by the Living Wage Foundation and independently determined on an annual basis by the Centre for Research in Social Policy at Loughborough University. The current rate can be found at: www.livingwage.org.uk This Living Wage is not a statutory requirement but a voluntary undertaking.
- 2.2 The Living Wage as described above is intended to recognise the dignity of work and the importance for individuals, families and society of people being able to earn a living. The idea is rooted in notions of contribution, reciprocity and community.

For employees, the Living Wage Foundation's Living Wage means no longer having to work multiple jobs, getting some sleep and being able to provide for and spend time with their family.

For employers, it means higher staff morale, better quality work, improved rates of retention, lower rates of sickness and absence, and reputational gain. For local authorities, it can mean more money being spent by local employees in the local economy.

3.0 THE POLICY CONTEXT

3.1 The strategic context for the Council's Living Wage policy was derived from the following key Council policies:

- Leader's statement (June 2012), specifically:
 - a) To tackle inequality and deprivation, promote social cohesion across all communities in Birmingham, and ensure dignity, in particular for our elderly and safeguarding for children.
 - b) To lay the foundation for a prosperous city, built on an inclusive economy.
 - c) To involve local people and communities in the future of their local area and public services – a city with local services for local people.
- Giving hope, changing lives (the Social Inclusion green paper).

3.2 This Policy continues to be a key Council priority as a major contributor to creating a stronger local economy through better jobs and improved skills. It builds on the achievements to date and recognises that a living wage generates value locally, prosperity shared and harnesses the distinct and different strengths of our communities. Employment is the route to independence and out of poverty.

4.0 IMPLEMENTATION

4.1 The City Council will therefore require, to the extent permitted by law, that any contractor, including subcontractors, who supplies an employee (other than an intern or apprentice) who provides a service or completes works, involving 2 or more hours of work in any given day in a week, for 8 or more consecutive weeks on:

- Council premises; and/or
- Property owned or occupied by the Council; and/or
- Land which the Council is responsible for maintaining or on which it is required to work

will pay employees the Birmingham Living Wage in respect of their time working on a Council contract or grant funded service.

Where the 8 consecutive week threshold is achieved the payment of the Birmingham Living Wage will be made in respect of all of those weeks and any additional weeks worked by such employees.

4.1.1 The following qualifications apply to the above:

- Grants for the purchase of capital assets are exempt from this policy
- Contracts and grants solely for the supply of goods are exempt from this policy.

4.2 Adherence to the Birmingham Living Wage, in accordance with this policy, will be through the standard terms and conditions of Council contracts and Conditions of Grant Aid (COGA).

- 4.3 Any supplier/contractor not willing to apply the Birmingham Living Wage will be deselected during the procurement process.
- 4.4 The Council will implement the annually revised Living Wage rate as set out by the Living Wage Foundation within 6 months of the date on which any increase in the UK Living Wage is officially announced, and will require all suppliers/contractors, sub-contractors and grant recipients to do the same as part of the terms of the contract/grant.
- 4.5 If the application of the Birmingham Living Wage is not considered to be appropriate this will need to be justified by the Chief Officer who is commissioning the relevant works or services and be approved by the Cabinet Member for Value for Money and Efficiency. Reports that are not advocating the application of the Birmingham Living Wage will not be eligible for inclusion in the Council's Procurement Governance Arrangements irrespective of the value.
- 4.6 Where the application of the Birmingham Living Wage is considered to be appropriate regardless of the location, this will need to be financially justified by the Chief Officer who is commissioning the relevant works or services and approved by the Cabinet Member for Value for Money and Efficiency. It will then be included in the appropriate report.
- 4.7 The care sector is a challenging area for the Birmingham Living Wage. The Council will be consulting with the market on the broad terms of the new care contracts during the period of April to October 2017. A review of the response received will help to determine how the Council will implement the Birmingham Living Wage in the care sector.

5.0 REPORTING ON THE LIVING WAGE

5.1 Birmingham City Council will:

- a) Report and promote the suppliers/contractors & grant recipients who have adopted the Birmingham Living Wage within their organisation and supply chain.
- b) Monitor contracts to check that suppliers continue to pay the Birmingham Living Wage, especially after the annual uplift which takes place every November.

Report to:	CABINET
Report of:	STRATEGIC DIRECTOR ECONOMY
Date of Decision:	21 MARCH 2017
SUBJECT:	MARKETING BIRMINGHAM BUSINESS PLAN
Key Decision: Yes	Relevant Forward Plan Ref: 003286/2017
If not in the Forward Plan: (please "X" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
Relevant Cabinet Member	Cllr Ian Ward, Deputy Leader
Relevant O&S Chairman:	Cllr Zafer Iqbal
Wards affected:	ALL

1. Purpose of report:
<p>1.1 To consider the conversion of Marketing Birmingham Limited into the West Midlands Combined Authority Growth Company and the associated changes to the company's Membership and Memorandum and Articles</p> <p>1.2 To confirm the expenditure budgets that the Council will provide to the new Growth Company for the next 3 years</p> <p>1.3 To consider the transitional arrangements to allow Marketing Birmingham to continue to deliver services in 2017-18 under contract, to support inward investment, marketing of the city as a leisure and visitor destination and supporting the visitor economy</p> <p>1.4 To confirm the treatment of company separation and any balance sheet liabilities</p>

2. Decision(s) recommended:
<p>That Cabinet:</p> <p>2.1 Authorise the conversion of Marketing Birmingham Limited to the West Midlands Combined Authority (WMCA) Growth Company.</p> <p>2.2 Approve the payment of a pro-rata fee in 2017/18 for the continuous services from Marketing Birmingham in accordance with the existing SLA between Marketing Birmingham and the City Council until the conversion is completed on 1st May 2017.</p> <p>2.3 Approve the earmarking of £32,700 per annum from the City Council's budget allocation for the new WMCA growth company to cover the pre-existing pension fund liability in relation to past and existing local government pension fund members of Marketing Birmingham.</p> <p>Continued....</p>

2.4	Authorise the novation of the existing 10 year annuity loan to the Growth Company.
2.5	Authorise the novation of the revolving £1.0m working capital loan facility to the Growth Company should this be required.
2.7	Note that new arrangements for nominations to the future Board of Directors of the Growth Company will be a matter for West Midlands Combined Authority to approve.
2.8	To authorise the City Solicitor to negotiate, execute, seal and complete all necessary agreements and documentation to give effect to the above recommendations.

Lead Contact Officer:	Alison Jarrett, Assistant Director Finance - Economy
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E-mail address:	alison.jarrett@birmingham.gov.uk

3. Consultation

3.1	<p><u>Internal</u></p> <p>The Leader of the Council, and Cllr Timothy Huxtable, who are the elected members nominated as Directors of Marketing Birmingham, have been sent a copy of this report. All members support the proposals of this report. Officers from City Finance, Corporate Procurement and Legal and Democratic Services have been involved in the preparation of this report.</p>
3.2	<p><u>External</u></p> <p>The Board of Directors of Marketing Birmingham and the Executive Board of the West Midlands Combined Authority approved the creation of the Growth Company on 3 March 2017.</p>

4. Compliance Issues:

4.1	<p><u>Are the recommended decisions consistent with the Council's policies, plans and strategies?</u></p> <p>The proposals in this report will enable the Council through the new WMCA Growth Company to continue to deliver a service promoting and encouraging businesses to invest in Birmingham and to now extend this under a new corporate structure to the wider WMCA, supporting the Council Financial Plan 2017+ vision for the future.</p>
4.2	<p><u>Financial Implications</u></p>
4.2.1	Transfer to the Growth Company:
4.2.1.1	The City Council has an inward investment and other services approved revenue budget in 2017/18 of £1.613m. This will reduce to £1.363m in 2018/19 and to £1.063m in 2019/20 onwards consistent with the Council's Financial Plan 2017+.
4.2.1.2	The City Council is working with Marketing Birmingham in 2016/17 to ensure the company can achieve a revenue break even position at the year end.

4.2.1.3 Pension Deficit – Marketing Birmingham has employees with membership of the Local Government Pension Scheme (LGPS). Some are retired and some are employees who will transfer to the Growth Company. The deficit is assessed as £0.975m at 1 April 2016. Currently Marketing Birmingham pays an additional £32,700 per annum to balance the company with the pension fund. This will continue to be paid from the Growth Company, resourced from the SLA payment made by the City Council.

4.2.1.4 Loans to Marketing Birmingham – Marketing Birmingham has an inter-company loan from the City Council which relates to the creation of a Business Hub at Baskerville House. The balance on this loan at 31 March 2017 will be £0.630m and is repaid at a 10 year annuity rate of 2.2%. Currently Marketing Birmingham and its sub tenants pay an inclusive charge for the space they occupy which includes the rent paid to the landlord, service charge and a proportionate share of the loan repayment. There are sufficient occupation plans and agreements in place to enable the continued repayment of the loan and consequently the Growth Company will take assignment of the lease on the building from Marketing Birmingham and continue to meet the loan repayments. .

4.2.1.5 Working Capital – currently BCC provides a working capital loan facility of up to £1.0m (approved by Cabinet on the 16 March 2015 and extended by Cabinet on the 8 December 2015 up to the financial year 2018/19) to Marketing Birmingham to cover the specific cash flow gap for the ERDF programme as that grant is paid in arrears. As this is currently a GBSLEP wide scheme BCC will continue to provide the working capital for the approved term, unless the WMCA finance director believes it to be more efficient for the WMCA to do so. Should the WMCA wish to fund this facility, BCC will withdraw the facility and demand repayment of all monies owed under the terms of it. The current balance on this facility is £0.350m

4.2.1.6 Re-organisation costs – should the City Council and Marketing Birmingham agree to any restructuring of the organisation prior to the new Growth Company, the costs of this will fall to Marketing Birmingham and the City Council to resolve. After the transfer of the company to the WMCA Growth Fund, the company will be owned and controlled by the WMCA.

4.2.2 Service Level Agreement

4.2.2.1 It is proposed that the existing SLA, pro-rata to the 2017/18 budget, is extended with Marketing Birmingham to the point the Growth Company comes into operation on the 1st May 2017.

4.2.2.2 The service agreement with the new Growth Company is now being prepared by Officers and Cabinet approval to it will be sought prior to the Growth Company coming into operation.

4.3 Legal Implications

Under the general power of competence per Section 1 of the Localism Act 2011, the Council has the power to enter into the arrangements set out in this report which also are within the boundaries and limits of the general power of competence Section 2 and 4 of the Localism Act 2011.

4.4 Public Sector Equality Duty (see separate guidance note)

An Equality Assessment has been undertaken and is attached at Appendix 2. There are no adverse implications identified from the actions recommended in this report.

5. Relevant background/chronology of key events:

- 5.1 MB (and its predecessor organisation) was established in 1982 and is a not-for-profit organisation. Birmingham City Council has always been its major stakeholder and continues to be its major funder and shareholder.
- 5.2 In March 2016, the WMCA Shadow Board considered establishing a wholly owned Growth Company which would help support delivery of a number of the ambitious targets set out in the region's Strategic Economic Plan. The creation of the company was approved by the WMCA Board on 3 March 2017 to be in place by the 1 May 2017.
- 5.3 Since then, and with support and guidance from a Steering Group, a Delivery Group, PWC and Marketing Birmingham, WMCA partners have worked to pull together initial proposals for the role and functions of the Growth Company, and an indicative governance model. These were considered by the WMCA Programme Board on 8th July 2016. On 3 March the Board approved the creation of the company, the existing board of directors and the Memorandum and Articles will be replaced to reflect the new WMCA Growth Company requirements and the change of control from the City Council to the WMCA.
- 5.4 In order to support delivery of Strategic Economic Plan (SEP) targets such as the additional 500,000 jobs and 20,000 businesses, targets which sit over and above existing LEP targets, a joined-up effort will be required to market the region to potential investors, and to support existing major investors to stay and grow. When successful, this will have a positive impact on delivery of SEP targets, as well as helping to maximise business rate receipts.
- 5.5 The role of the WMCA Growth Company, will be to sit above existing local activities to support small and medium size businesses. It will also seek to avoid situations which have occurred in the recent past where a major investor has been lost to another region, partly as a result of local partners competing with each other, rather than joining forces to maximise the offer.
- 5.6 Furthermore, the Growth Company will be able to lead region-wide activity to attract global investment opportunities where local scale is insufficient to prevail. An example might be bidding to host the Commonwealth Games. A joined-up approach to missions and events around the World can also be co-ordinated by the Growth Company as was successfully demonstrated at MIPIM 2017.
- 5.7 The Growth Company will deliver a range of benefits for the region aligned to the aim of helping to facilitate delivery of the Strategic Economic Plan, including but not limited to the following:
 - Within the first three years, a minimum of 10% year-on-year improvement in the number of overseas businesses establishing themselves in the region (Foreign Direct Investment), which annually is targeted to result in a £40m uplift in Gross Value Added (GVA) and an additional 800 jobs.
 - Increased global competition for West Midlands wide capital investment opportunities from Sovereign wealth funds and private investors.

- Commensurate with the above, increases in Business Rate revenues to the West Midlands which is a key part of the financial modelling to deliver the Strategic Economic Plan and the WMCA investment programme.
- Increases in the number and value of business and leisure tourists visiting the region and the resulting uplift in expenditure and Gross Value Added (GVA).
- At least £10m per annum advertising value equivalent (AVE) of publicity for West Midlands regional investment opportunities;
- A significantly improved and joined up account management service for the region's existing investors, so maximising the opportunity for them to remain and grow in the region, develop local supply chains, and avoiding intra-regional competition for new investments (as detailed earlier in this report).
- A new platform for West Midlands Universities to invest and engage with the region and work collaboratively at programme level to market their collective offer (e.g. skills, research and development, investment) and deliver a joined-up proposition to Government.
- A new collaboration for Universities and all stakeholders to sell the West Midlands proposition both domestically and internationally in a joined up way.
- A more coherent and influential input into the Midlands Engine.
- An indirect benefit of attracting and retaining skills and talent in the region, and an ability to share local skills and talent across the WMCA geography and the wider West Midlands region.
- A vastly improved qualitative impact at global events such as MIPIM and a more attractive proposition for investors and when bidding for national and global events in sport, culture and conferencing to come to the West Midlands.

6. Evaluation of alternative option(s):

- 6.1 Do nothing: Marketing Birmingham will remain a wholly owned company of the City Council. The potential benefits of wider regional joined up activity will not be realised.
- 6.2 Alternative company structures: alternative structures have been considered as part of the WMCA Growth Company Steering Group project, including contractual relationships to the existing company, closure of one company and creation of another. Legal and corporate structure advisors recommend the proposed option of company conversion.

7. Reasons for Decision(s):

- 7.1 To enable the staff and knowledge of Marketing Birmingham Limited to move into a company wholly owned by the WMCA to provide a joined up marketing and business support service to the WMCA region.

Signatures	<u>Date</u>
Deputy Leader Cllr Ian Ward
Strategic Director Economy Waheed Nazir

List of Background Documents used to compile this Report:
European Regional Development Fund (ERDF) Application - Investing In Greater Birmingham Project: Cabinet report 8 th December 2015 Marketing Birmingham Service Schedule 2016-17: Cabinet report 16 th February 2016

List of Appendices accompanying this Report (if any):
1. Equalities Assessment

PROTOCOL PUBLIC SECTOR EQUALITY DUTY

- 1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.
- 2 If there is no adverse impact then that fact should be stated within the Report at section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in the standard section (4.4) of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.
- 3 A full assessment should be prepared where necessary and consultation should then take place.
- 4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.
- 5 Responses to the consultation should be analysed in order to identify:
 - (a) whether there is adverse impact upon persons within the protected categories
 - (b) what is the nature of this adverse impact
 - (c) whether the adverse impact can be avoided and at what cost – and if not –
 - (d) what mitigating actions can be taken and at what cost
- 6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.
- 7 Where there is adverse impact the final Report should contain:
 - a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
 - the full equality impact assessment (as an appendix)
 - the equality duty – see page 9 (as an appendix).

Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

1	<p>The Council must, in the exercise of its functions, have due regard to the need to:</p> <ul style="list-style-type: none">(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act;(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
2	<p>Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none">(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;(b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
3	<p>The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.</p>
4	<p>Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none">(a) tackle prejudice, and(b) promote understanding.
5	<p>The relevant protected characteristics are:</p> <ul style="list-style-type: none">(a) age(b) disability(c) gender reassignment(d) pregnancy and maternity(e) race(f) religion or belief(g) sex(h) sexual orientation

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	CABINET
Report of:	Strategic Director of Economy
Date of Decision:	21 st March 2017
SUBJECT:	A Greater Birmingham for a Greater Britain – Agreement for BCC to accept Growth Deal 3 capital grant funds on behalf of GBSLEP
Key Decision: Yes / No	Relevant Forward Plan Ref: 003167/2017
If not in the Forward Plan: (please "X" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
Relevant Cabinet Member(s) or Relevant Executive Member:	Councillor Ian Ward, Deputy Leader
Relevant O&S Chairman:	Councillor Mohammed Aikhlaq, Corporate Resources and Governance
Wards affected:	All

1. Purpose of report:
<p>1.1 To seek Cabinet approval to the City Council continuing in its role as Accountable Body, on behalf of the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP), for the Local Growth Fund;</p> <p>1.2 To seek Cabinet approval to accept the Local Growth Fund capital grant allocation of £54,200,000 of Section 31 grant allocations over the financial years 2017/18 - 2020/21, as awarded to GBSLEP through the recent Growth Deal Round 3 competitive bidding process with Government. Growth Deal 3 is the continuation of Growth Deal 1 (2014) and the Growth Deal 2 (2015), all of which run until 2020/21;</p> <p>1.3 To seek Cabinet approval to accept and act as Accountable Body for the £16,000,000 of Section 31 grant allocations from HM Treasury to support specific projects and to accept similar funding that supports the ambitions of the Strategic Economic Plan as future opportunities arise; and</p> <p>1.4 To seek Cabinet approval to delegate responsibility for the defrayal of funds relating to the Growth Deal to the Strategic Director of Economy, in accordance with the GBSLEP Assurance Framework.</p>

2. Decisions recommended:
<p>That the Cabinet:</p> <p>2.1 Approves the City Council continuing to act as the Accountable Body on behalf of GBSLEP for funding received as part of the Growth Deal process (Growth Deal 1, 2, and 3) and for additional Section 31 Grants received from HM Treasury to support specific projects. This will include receiving and administering funding over 2017/18 to 2020/21 financial years to support the delivery of projects that are accepted onto the Local Growth Fund programme, in accordance with the GBSLEP Assurance Framework;</p>

- 2.2 Authorises the Strategic Director of Economy, in conjunction with the Strategic Director of Finance and Legal and the City Solicitor, to review the final Grant Offer Letter and to accept it if terms and conditions are acceptable;
- 2.3 Subject to the terms and conditions of the final Grant Offer Letter being accepted, to receive the Local Growth Fund capital grant allocation of £54,200,000 over the financial years 2017/18 - 2020/21 and £16,000,000 of Section 31 grant allocations from HM Treasury to support specific projects;
- 2.4 Delegates to the Strategic Director of Economy responsibility for the defrayal of funds in accordance with the GBSLEP Accountability Framework; and
- 2.5 Authorises the City Solicitor to negotiate and enter into agreements necessary to give effect to the above recommendations.

Lead Contact Officer:	Tom Fletcher GBSLEP Programme Manager
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E-mail address:	tom.fletcher@birmingham.gov.uk

3. Consultation

3.1 Internal

- 3.1.1 Cabinet agreed for the City Council to act as the Accountable Body for the Growth Deal funding on 8th December 2014 and delegated authority for the defrayal of Local Growth Funding was awarded to the Strategic Director of Corporate Resources.
- 3.1.2 The Leader, the Cabinet Member for Transport and Roads; and Jobs and Skills have been consulted on the report and are supportive of the proposal.
- 3.1.3 City Finance and Legal and Democratic Services have advised on the development of the management arrangements for the Local Growth Fund. The proposals contained in this report seek to continue with the arrangements which have previously been approved by Cabinet. Officers from City Finance and Legal and Democratic Services have been involved in the preparation of this report.

3.2 External

- 3.2.1 The GBSLEP Strategic Economic Plan 2016-2030 (SEP) was developed following an extensive consultation exercise with partners across the LEP. The SEP, an update of the 2014 version, was publicly consulted on in August - September 2016 and the final version was approved by the LEP Board on 9th December 2016. The SEP informs the Local Growth Fund decision making in accordance with the GBSLEP Assurance Framework.

4. Compliance Issues:

- 4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?
- 4.1.1 This proposal supports the City Council's priorities, most notably the key outcome 'A strong economy'.
- 4.2 Financial Implications
- 4.2.1 The Growth Deal 3 agreement with GBSLEP will result in capital funding being paid in advance as a single annual instalment as a Section 31 Grant. Based on initial discussions between GBSLEP and Department for Business, Energy & Industrial Strategy (BEIS) and the Department for Communities and Local Government (DCLG) (henceforth *Government*), the Growth Deal 3 instalments are expected to be £12,959,133 (2017/18), £10,637,835 (2018/19), £ 5,315,655 (2019/20), and £25,287,377 (2020/21), amounting to a confirmed total of £54,200,000 capital funding over the four year period. This funding must be used to secure the outcomes specified in Growth Deal 1, 2 and 3. The funding will be required to be deployed solely in accordance with the decisions made through the locally agreed Assurance Framework agreed between GBSLEP and BCC in its Accountable Body role. The Grant Offer Letter for the GBSLEP Growth Deal 3 will be received by GBSLEP following the Growth Deal 3 announcement made on 9th March 2017.
- 4.2.2 In addition to the Growth Deal 3 allocation, HM Treasury have allocated funding for the Birmingham City University's STEAMhouse (£14m capital) and Birmingham City Council's Snow Hill Growth Strategy (£2m revenue) projects. This grant funding is in addition to the Local Growth Fund allocation and will be made available to GBSLEP as a separate Section 31 Grant. Government will provide Grant Letters of Determination for both of these projects which will be reviewed by the Strategic Director of Economy, in conjunction with the Strategic Director of Finance and Legal and the City Solicitor.
- 4.2.3 The Growth Deal 3 grant paid may be used only for capital purposes in accordance with Section 11 of the Local Government Act 2003. This does not extend to the revenue grant allocated for the Snow Hill Growth Strategy.
- 4.2.4 As Section 31 grants, there is no potential for clawback, however the Department for Business, Energy & Industrial Strategy (BEIS) and the Department for Communities and Local Government (DCLG) (henceforth *Government*) has stated that any future allocation of Local Growth Fund will be dependent on the delivery of this Growth Deal. Failure to adhere to the spending guidelines may limit future funding.
- 4.2.5 As the Accountable Body, the City Council will continue to be responsible for holding the funding received through the Growth Deal process and for ensuring that funding is discharged in accordance with Government requirements, financial regulations and the decisions of GBSLEP. The funds will be accounted for separately to the funds of the City Council. The Assurance Framework sets out in detail the role of the Accountable Body.
- 4.2.6 Responsibility for managing project delivery within Growth Deal conditions (e.g. completion within approved timescales, cost management and meeting specified outputs) will continue to rest with those organisations that receive funding. Each project will provide detailed project resource plans at the individual business case approval stage and each organisation will be liable for spend incurred in excess of GBSLEP approved Local Growth Fund grants. Grant award conditions to promoting authorities will specify their responsibilities. In addition, funds will be paid out retrospectively on the basis of

certified invoices confirming that expenditure has been incurred. The GBSLEP will continue to manage the overall Growth Deal programme of projects, as detailed in the Assurance Framework.

- 4.2.7 The GBSLEP Assurance Framework has recently been updated following a number of gaps being identified by an internal audit of Local Growth Fund management arrangements by the BCC Audit Department. This update also addressed a number of changes made to the LEP National Assurance Framework, which reflected Government's current policy and expectations of LEPs in relation to accountability, transparency and value for money.

4.3 Legal Implications

- 4.3.1 Legal agreements will be put in place between BCC and funding recipients to mitigate BCC's liability by setting out the terms and conditions for the use and application of Local Growth Fund monies. This will include a requirement to repay monies if conditions are not met. The GBSLEP Assurance Framework has been developed and recently updated to ensure that there are robust and transparent local systems in place to make sure that resources are spent with regularity, propriety and value for money. The Assurance Framework will also safeguard the position of the City Council in its Accountable Body role by requiring stringent risk management requirements, transparency of decision making and independent evaluation of the allocation of resources. The arrangements set out in this report are in compliance with the powers of general competence as set out in Section 1 of the Localism Act 2011.

4.4 Public Sector Equality Duty

- 4.4.1 Beneficiaries (individual projects that receive funding) must comply with the Equality Act 2010 which will be passed down in any beneficiary funding agreements that are drawn up.
- 4.4.2 An initial Equality Assessment has been completed (Ref. No. EA001465) and a full equality assessment is not required. This is included as Appendix 1. Any beneficiaries within local authorities will be subject to separate equality impact assessments.

5. Relevant background/chronology of key events:

- 5.1 Government announced its Growth Deal 1 with GBSLEP on 7th July 2014 as part of an overall £12bn Local Growth Fund investment across England. This Growth Deal included £357m of Local Growth Fund capital funding over the period to 2020/21 to support a series of pre-agreed projects that would support the objective of creating jobs and growing the economy. This funding was supplemented with Growth Deal 2, which was agreed with Government on 29th January 2015 and saw an additional £21.4m allocated to GBSLEP.
- 5.2 The City Council Cabinet agreed to act as the Accountable Body on behalf of GBSLEP for these resources on 8th December 2014, when the Strategic Director of Corporate Resources and Director of Finance were authorised to put in place appropriate governance and financial management arrangements.
- 5.3 All 38 LEPs in the country were invited by Government to submit bids for a share of the remaining £1.8bn of Local Growth Fund available through Growth Deal 3 on 12th April

2016. The deadline for submission of bids was 28th July 2016 with announcements of the outcome originally expected around the Autumn Statement 2016. As it currently stands, Growth Deal 3 is the final round of £12bn of Local Growth Fund money.

- 5.4 As GBSLEP is part of a mayoral combined authority area, Government has given greater flexibility by allocating on a programme-level, rather than project-level. In practice, this means that GBSLEP can determine its own project funding priorities based on a prioritised list of projects, without this needing to be agreed in advance with Government. Project funding decisions are still subject to the processes detailed in the Assurance Framework.
- 5.5 Government announced that the GBSLEP had been allocated £54.2m of Growth Deal 3 funding allocation on 9th March 2017. This allocation will be profiled across 2017/18 to 2020/21. The profile of the new Local Growth Fund capital funding through Growth Deal 3, alongside the existing Growth Deal 1 and 2 funding, is expected to be as follows:

	2015-16 (£000s)	2016-17 (£000s)	2017-18 (£000s)	2018-19 (£000s)	2019-20 (£000s)	2020-21 (£000s)	TOTAL (£000s)
Growth Deal 3	0	0	12,959	10,638	5,316	25,287	54,200
Growth Deal 1 & 2	47,314	49,175	13,073	9,073	7,483	5,737	131,855
Total Growth Deal (1,2,3)	47,314	49,175	26,032	19,711	12,799	31,024	186,055

- 5.6 This funding profile will be confirmed with Strategic Director of Economy and the Strategic Director of Finance and Legal Services once the Grant Offer Letter is received from Government.
- 5.7 Following full approval by GBSLEP, funding will be defrayed to scheme promoters where it is expected that all local governance and procurement arrangements are complied with.
- 5.8 On 16th March 2016, the HM Treasury announced in the Budget 2016 that £14m and £2m had been allocated for the delivery of the STEAMhouse (Birmingham City University) and Snow Hill Growth Strategy (BCC) projects, respectively. This grant funding is in addition to the Local Growth Fund allocation and will be made available to GBSLEP as a separate Section 31 Grant. The GBSLEP will continue to work with partners and Government to identify potential discrete funding opportunities for projects in the future.

6. Evaluation of alternative option(s):

- 6.1 It is not possible for GBSLEP to be the Accountable Body as it does not have the necessary financial management history or legal status.
- 6.2 Another local authority within the LEP could be the Accountable Body, but given Birmingham City Council's existing role as Accountable Body for GBSLEP funds, the LEP Board on 21st March 2014, endorsed by the Supervisory Board on 30th July 2014, has invited BCC to take on this responsibility. Birmingham City Council's Cabinet originally agreed to take on this role on 8th December 2014.

7. Reasons for Decision(s):

- 7.1 To enable BCC to make the necessary arrangements to become the Accountable Body for GBSLEP Growth Deal 3 and the separate HM Treasury Section 31 Grant, and to ensure the funding is defrayed and administered in accordance with the funding conditions and output requirements stipulated by Government.

Signatures

Date

Councillor Ian Ward
Deputy Leader of the Council		
Waheed Nazir
Strategic Director of Economy		

List of Background Documents used to compile this Report:

GBSLEP Assurance Framework

BCC Cabinet Report (8th December 2014) - *Birmingham City Council acting as the Accountable Body for funding received by the GBSLEP through the Growth Deal*

BCC Cabinet Report (22nd March 2016) - *BCC acting as the Accountable Body for the Local Growth Fund and Growth Hub in 2016/17*

BCC Cabinet Report (20th September 2016) – Local Growth Fund Round 3 – Update and Next Steps

List of Appendices accompanying this Report (if any):

1. Growth Deal 3 Equality Impact Assessment (EA001465)

PROTOCOL PUBLIC SECTOR EQUALITY DUTY

- 1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.
- 2 If there is no adverse impact then that fact should be stated within the Report at section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in the standard section (4.4) of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.
- 3 A full assessment should be prepared where necessary and consultation should then take place.
- 4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.
- 5 Responses to the consultation should be analysed in order to identify:
 - (a) whether there is adverse impact upon persons within the protected categories
 - (b) what is the nature of this adverse impact
 - (c) whether the adverse impact can be avoided and at what cost – and if not –
 - (d) what mitigating actions can be taken and at what cost
- 6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.
- 7 Where there is adverse impact the final Report should contain:
 - a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
 - the full equality impact assessment (as an appendix)
 - the equality duty – see page 9 (as an appendix).

Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

1	<p>The Council must, in the exercise of its functions, have due regard to the need to:</p> <ul style="list-style-type: none">(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act;(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
2	<p>Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none">(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;(b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
3	<p>The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.</p>
4	<p>Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none">(a) tackle prejudice, and(b) promote understanding.
5	<p>The relevant protected characteristics are:</p> <ul style="list-style-type: none">(a) Marriage & civil partnership(b) Age(c) Disability(d) Gender reassignment(e) Pregnancy and maternity(f) Race(g) Religion or belief(h) Sex(i) Sexual orientation

Report to:	CABINET
Report of:	Strategic Director of Economy
Date of Decision:	21 March 2017
SUBJECT:	LAND APPROPRIATIONS TO SUPPORT HOUSING GROWTH
Key Decision: Yes	Relevant Forward Plan Ref: 001961/2016
If not in the Forward Plan: (please "tick" box)	Chief Executive <input type="checkbox"/> Approved O&S Chairman Approved <input type="checkbox"/>
Relevant Cabinet Member:	Councillor John Clancy, the Leader. Councillor Peter Griffiths, Cabinet Member for Housing and Homes. Councillor Majid Mahmood, Cabinet Member for Value for Money and Efficiency.
Relevant O&S Chairman:	Councillor Victoria Quinn – Housing, Homes and the Environment Councillor Mohammed Aikhlaq, Corporate Resources and Governance
Wards affected:	Brandwood, Kingstanding, Ladywood, Northfield, Sparkbrook, Tyburn, and South Yardley.

1. Purpose of report:

- 1.1 To seek approval for the appropriation of 0.73 hectares (1.82 Acres) of Housing Revenue Account (HRA) land into the General Fund (GF) and the appropriation of 3.61 hectares (8.95 Acres) of General Fund land into the Housing Revenue Account. These appropriations will rationalise the Council's property portfolios and facilitate the development of additional housing provision within the City.
- 1.2 To provide details of the tender strategy for the demolition of Greenwood Academy.
- 1.3 The accompanying Private report contains commercially confidential information in relation to the proposed demolition procurement.

2. Decision(s) recommended:

That Cabinet:

- 2.1 Approves the appropriation of 0.73 hectares of HRA land to the General Fund as shown in the site plans at Appendix 2, for the functions as identified within Appendix 1 with the market value of £270,000.
- 2.2 Approves the appropriation of 3.61 hectares of General Fund land as shown in the site plans at Appendix 2, the Council being satisfied that the land is no longer required for its current function as identified within Appendix 1, to the HRA for Housing purposes under the Housing Act 1985, with a total market value of £3,910,000, subject to the procedure at 2.4 having been followed.

Continued/...

- 2.3 Notes that maintenance responsibility for all land appropriated will transfer to the receiving directorate of the Council as identified in Appendix 1.
- 2.4 Authorises the Strategic Director of Economy to advertise loss of public open space and determine objections to public open space adverts, once the sites have been declared surplus.
- 2.5 Delegates to the Director of Property, in consultation with the Strategic Director of Economy the power to vary the boundaries of the sites identified at Appendix 1 and their relevant plans by up to 10% of the total area of the site.
- 2.6 Authorises the City Solicitor to negotiate, execute, and complete all necessary documentation to give effect to the above recommendations.

Lead Contact Officer(s):	Clive Skidmore, Head of Housing Development, Economy Directorate.
Telephone No:	0121 303 1667
E-mail address:	Clive.Skidmore@birmingham.gov.uk

3. Consultation

3.1 Internal

- 3.1.1 The Acting Strategic Director of Place has been consulted on the implications for the Housing Revenue Account (HRA) and supports the proposals.
- 3.1.2 Elected Ward Members and District Chairs of the sites identified in Appendix 1 have been consulted over the contents of this report and support the recommendations. The responses are attached as Appendix 4.
- 3.1.3 Officers in Legal Services, Procurement, City Finance, Birmingham Property Services and Housing Development have been involved in the preparation of this report.

3.2 External

- 3.2.1 Residents in all areas will be consulted as part of the statutory planning application process and their comments taken into account in the determination of future planning applications.

4. Compliance Issues:

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

4.1.1 The development of new homes for a growing city is a key objective of the Council. The development of new affordable housing within the City is in accordance with the objectives of the Housing Revenue Account (HRA) Business Plan 2017+.

4.1.2. Fairness - to tackle inequality and deprivation, promote social cohesion across all communities in Birmingham, and ensure dignity, in particular for our elderly and safeguarding for children – by providing new affordable homes, apprenticeships and bursary programme placements.

4.1.3. Prosperity - to lay the foundations for a prosperous City, built on an inclusive economy – by stimulating the construction industry through the Council's housing building programme.

4.1.4 Democracy - to involve local people and communities in the future of their local area and their Public Services – by consulting communities about proposals for new development and ensure that new homes meet local needs and localised targeting of training, education and employment initiatives to complement the house-building programme.

4.1.5 Birmingham Business Charter for Social Responsibility (BBC4SR)

The estimated value of the demolition contract is below the threshold for the BBC4SR. However, the successful supplier will be required to pay the Birmingham Living Wage as a condition of contract.

4.2 Financial Implications

4.2.1 By law, any appropriation of land between the HRA and General Fund results in a transfer of borrowing between the HRA and General Fund equivalent to the open market value of the land appropriated. In addition, the total level of borrowing that can be incurred by the HRA is constrained to not exceed a cap imposed as a part of the HRA Self-financing settlement, effective from 1 April 2012.

4.2.2 The total open market value of the appropriations included in this report from the HRA to the General Fund is estimated to be £270,000 and the equivalent value for appropriation from the General Fund to the HRA is estimated to be £3,910,000. This results in a net transfer to the General Fund of £3,640,000. The individual site details are set out in Appendix 1.

4.2.3 Assuming an average long term interest rate of 4% per annum, this would result in a revenue cost to the HRA of approximately £145,600 per annum in perpetuity, with revenue savings to the General Fund of a similar value. It is not anticipated that there will be any further significant revenue consequences associated with the maintenance of these sites prior to their redevelopment.

4.2.4 The funding for the demolition of Greenwood Academy will be met from the Public Sector Clearance Capital Budget.

4.3 Legal Implications

4.3.1. The Council has powers to hold and appropriate land under Sections 120-122 of the Local Government Act, 1972. Under Section 122 of the Local Government Act 1972, the Council may appropriate for any purpose for which the Council is authorised by legislation to acquire land; and land which belongs to the Council and is no longer required for which it is held immediately before the appropriation.

4.3.2 Section 122(A) requires that where land is existing public open space, notice of the change of use must be advertised prior to the appropriation taking place.

4.3.3 The legal framework for the release of allotments for housing development is set out in the Local Government Planning and Land Act, 1980 and Local Government and Planning (Amendment) Act 1981, and the Allotments Act of 1925.

4.4 Public Sector Equality Duty

4.4.1 Please see attached Equality Assessment EA001783 (appendix 3). The Equality Assessment has shown that there is no negative impact on the protected characteristic groups and a full assessment is not required.

5. Relevant background/chronology of key events:

5.1 The BMHT Delivery Plan, approved by Cabinet in November 2014, sets out the programme to maintain the size of the BMHT programme at around 450 new homes starting on site every year. However, such is the scale of housing need in the city that in the last two years the Council has exceeded this target by building over 550 new homes each year. This scale of development will require the Council to use its existing land assets more effectively to establish more development land to be made available than currently exists within the HRA, and therefore it is proposed to appropriate a number of sites from the General Fund in order to support housing growth in the City.

5.2 The HRA Business Plan 2017+ proposes the development of over 4,700 new homes to be built using the BMHT model over the next 20 years at a cost to the council of £519 million. This investment will be funded from a combination of rent income and capital receipts.

5.3 Birmingham needs a supply of new homes to address the serious shortage of housing supply, and an estimated 89,000 additional homes are needed in the City by 2031. There is a finite amount of cleared land (or land planned for clearance) held in the HRA. To maximise future development opportunities, appropriations of land into the HRA will increase this figure and allow the Council more control over the timing and nature of residential development on these sites.

5.4 A review of the HRA portfolio has identified that there are a number of assets within the HRA which would be more appropriately located in accounting terms within the General Fund. One of the drivers for this report is therefore to ensure that assets are appropriately placed and accounted for within the HRA and General Fund.

5.5 This report recommends that sites in the General Fund be appropriated into the Housing Revenue Account (HRA) for development of mixed tenure (including affordable) housing

through the Council's housebuilding arm, the BMHT, and that sites which are currently within the HRA and would be more appropriately placed within the General Fund, are appropriated to the General Fund. The appropriation values have been determined by Birmingham Property Services.

5.6 Procurement Strategy for the Demolition of Greenwood Academy. The Greenwood Academy building is currently located on the site as shown on the site plan in Appendix 2 and the Academy is scheduled to relocate to its new building in September 2017. The demolition of the existing building is required to allow the site to be developed for housing.

5.6.1 Scope and Specification

The scope and specification for the site is as follows:

- Preliminaries in preparation for the works to commence
- Demolition including;
 - Removal of fencing and boundaries
 - Removal of communication lines
 - Removal of any fly tipped and surplus materials
 - Identification and disposal of asbestos and toxic waste
 - Site protection
 - Erect temporary security fencing
 - Demolish properties to slab level and material to be crushed or removed from site

5.6.2 Tender Structure (Including Evaluation and Selection Criteria)

The preferred tendering route for this commission is through Find It In Birmingham.

5.6.2.1 Evaluation and Selection Criteria

The quality / price balances below were established having due regard for the corporate document 'Advice and Guidance on Evaluating Tenders' which considers the complexity of the services to be provided. The tender documents will include the form of contract; JCT Measured Contract 2011 with the Council's amendments, specification and standard details.

5.6.2.2 Tenders will be evaluated against the specification in accordance with a pre-determined evaluation model.

5.6.2.3 The evaluation of tenders will be assessed as detailed below:

Assessment A

The criteria below, based on the PAS91:2013 Construction Prequalification Standard, will be assessed on a pass / fail basis:

- Supplier Information
- Economic / Financial Standing
- Health and Safety / Construction Design Management
- Business and Professional Standing
- Equality Legislation
- Environmental and Sustainability Management

- Statement of Good Standing
- Economic and Financial Standing
- Compliance to the Birmingham Business Charter for Social Responsibility
- Scored Section
- Experience and References (100%)

Those organisations that pass all sections of Assessment A and score above 60% for the scored section will proceed to the next stage.

Assessment B - Quality

Criteria	Overall Weighting	Sub-Weighting
Quality - Written Proposals (30% Weighting)		
Technical Competence and Capacity	100%	45%
Organisation and Resources		25%
Project Methodology		30%

An interview with tenderers may take place if required to clarify their understanding of the requirements and the scoring adjusted accordingly, as appropriate. Tenderers will be required to meet a minimum quality threshold.

Assessment C – Pricing (Weighting 70%)

Tenderers would submit a fixed price tender with the demolition of the site.

Overall Evaluation

The evaluation process will result in comparative quality, and price scores for each tenderer. The maximum score will be awarded to the tender that demonstrates the highest for quality. Similarly the maximum price score will be awarded to the lowest acceptable price. Other tenderers will be scored in proportion to the maximum scores in order to ensure value for money.

5.6.3 Evaluation Team

The evaluation of the tenders will be undertaken by:

- Officers from BCC
- Officers from Acivico supported by officers from Corporate Procurement Services

5.6.4 Risk

The Corporate Procurement Services (CPS) approach is to follow the Council Risk Management Methodology and the Category Team is responsible for local risk management. CPS maintains a risk management register and documentation relevant for each contract. The risk

register will be jointly produced and owned by CPS and Planning and Regeneration, with arrangements being put in place to ensure risks are mitigated.

5.6.5 Indicative Implementation Plan

Stage	Date
Delegate Procurement Strategy Report Approval	26th May 2017
Tender Advertised	27th May 2017
Tender Return Deadline	1 st July 2017
Evaluation Period	1st July to 22nd July 2017
Delegated Contract Award	5th Aug 2017
Contract Award	26 Aug 2017
Contract Commenced	19th Sep 2017
Demolition complete	2nd December 2017

5.6.6 Service Delivery Management

Acivico (Building Consultancy) Ltd has been commissioned as the project managers for the procurement and delivery of the demolition contract.

6. Evaluation of alternative option(s):

- 6.1 Failure to appropriate land to the HRA would mean that the BMHT programme would deliver less new homes due to the shortage of development land available.
- 6.2 The appropriation of land into the HRA will provide land for housing development and support housing growth.
- 6.3 It is good asset management practise to ensure that assets which support either HRA or General Fund activity are appropriately accounted for within the relevant portfolio.
- 6.4 Other procurement frameworks are available including Construction West Midlands, Homes and Communities Agency Deliver Partner Panel; however, Procurement officers advise that Find It In Birmingham is the most appropriate portal for this commission.

7. Reasons for Decision(s):

7.1 The proposed recommendations will achieve the twin objectives of appropriately accounting for Council assets within the relevant portfolio and providing development land to the BMHT to support housing growth for Birmingham.

Signatures:

Councillor John Clancy
The Leader

..... Dated:.....

Councillor Peter Griffiths
Cabinet Member for Housing and Homes

..... Dated:.....

Councillor Majid Mahmood
Cabinet Member for Value for Money and Efficiency

.....Dated:.....

Waheed Nazir
Strategic Director of Economy

..... Dated:

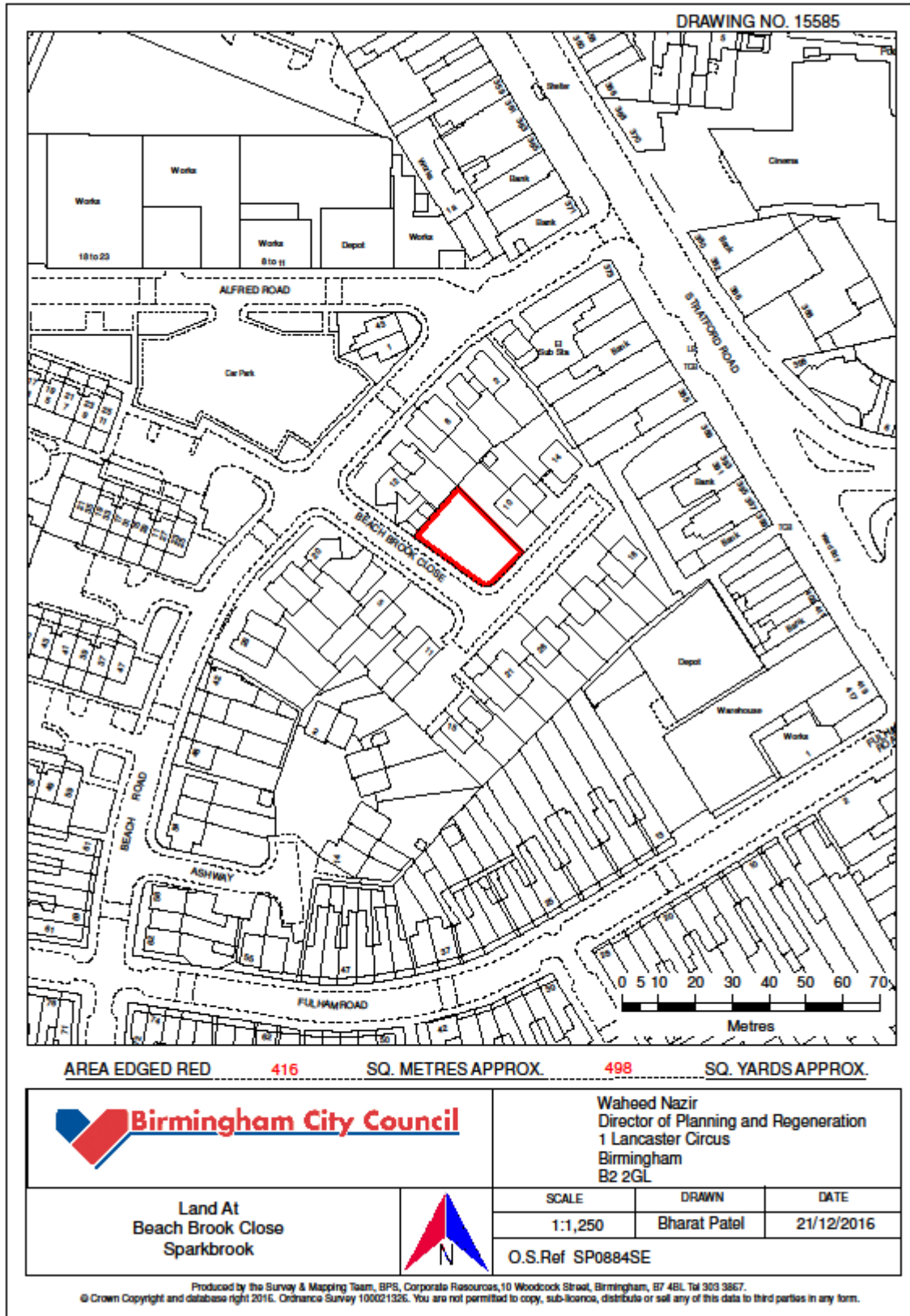
List of Background Documents used to compile this Report:

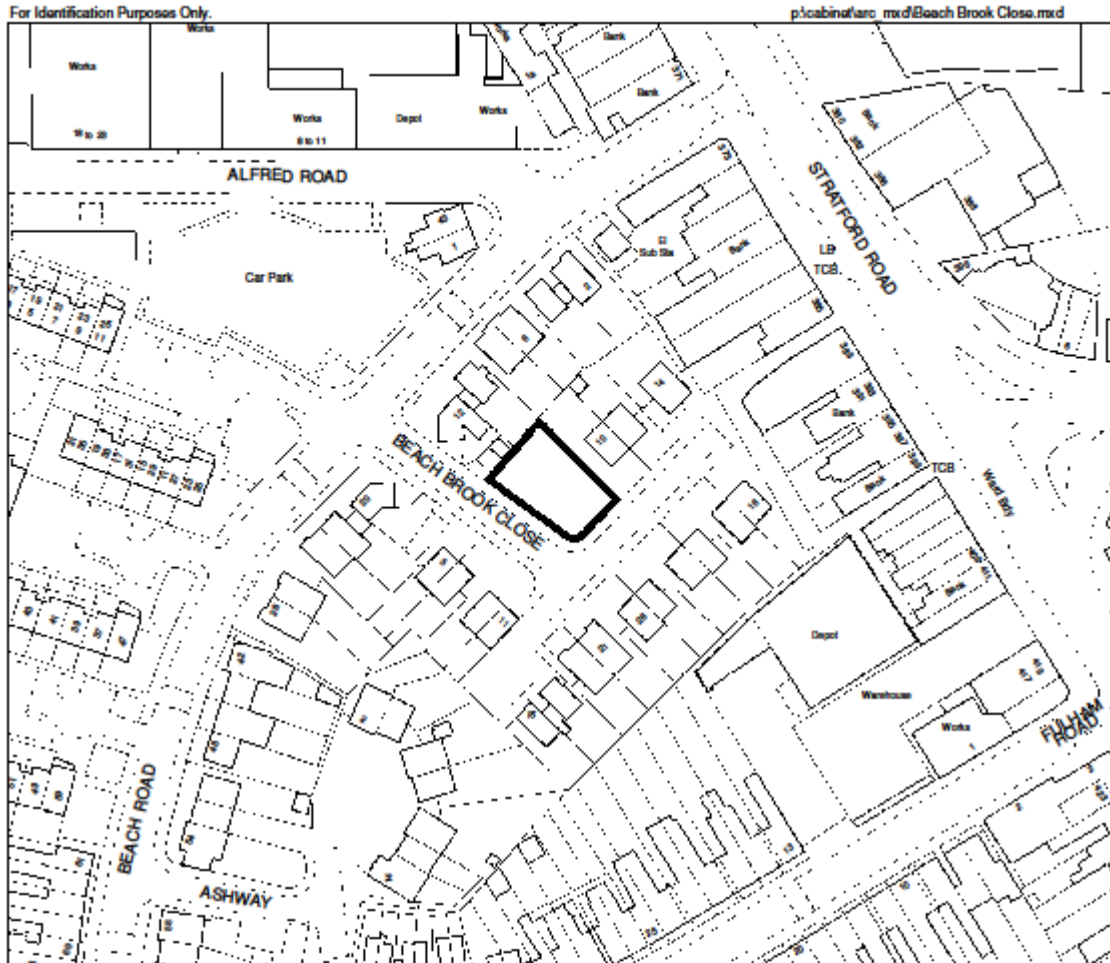
HRA Business Plan 2017+
BMHT Delivery Plan Cabinet Report (November 2014)

List of Appendices accompanying this Report (if any):


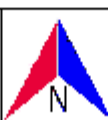
1. Schedule of Sites.
2. Site Plans.
3. Equality Assessment.
4. Consultation Responses.

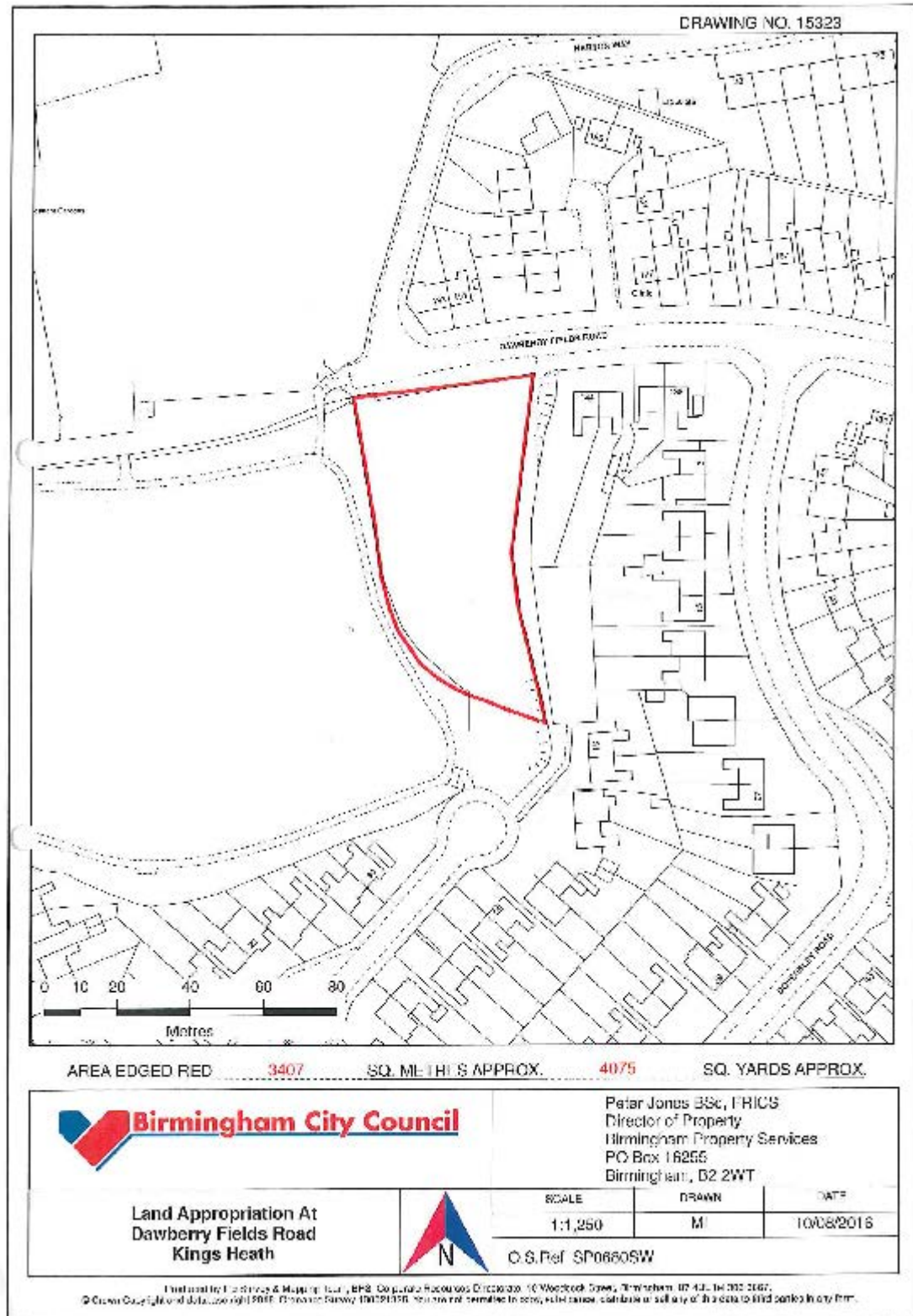
	A	B	C	D	E	F	G	H	I	J
1	APPENDIX 1 (LAND APPROPRIATIONS REPORT - REF 001961/2016)									
2										
3	Appropriate from the Housing Revenue Account (HRA) into the General Fund (GF)									
4	Site	Ward	Site (Ha.)	Site (Ac.)	Valuation (£)	Date of valuation	Appropriate from	Appropriate Into	Purpose	Rationale
5	Perry Common Public Open Space (3 Sites)	Kingstanding	0.54	1.35	£70,000	03/10/2016	HRA	GF Place (Parks)	Public Open Space	To provide public open space
6	Sampson Road Tennis Court	Sparkbrook	0.093	0.229	£90,000	25/10/2016	HRA	GF Housing	Play facility	To continue play area
7	Titterstone Road	Northfield	0.097	0.242	£110,000	25/10/2016	HRA	GF Education	Car park	To continue car parking
8										
9	TOTAL		0.73	1.821	£270,000					
10										
11	Appropriate from the General Fund (GF) into the Housing Revenue Account (HRA)									
12	Site	Ward	Site (Ha.)	Site (Ac.)	Valuation (£)	Date of valuation	Appropriate from	Appropriate Into	Purpose	Rationale
13	Beach Brook close, Sparkbrook	Sparkbrook	0.04	0.1	£60,000	25/10/2016	Place Directorate	HRA	Housing Development	To support Housing Growth
14	Dawberry Fields, Kings Heath	Brandwood	0.34	0.84	£520,000	03/10/2016	Place Directorate	HRA	Housing Development	To support Housing Growth
15	Farnborough Road, Castle Vale, Greenwood Academy site	Tyburn	2.88	7.1	£3,020,000	03/10/2016	Education	HRA	Housing Development	To support Housing Growth
16	Idmiston Croft, Druids Heath	Brandwood	0.09	0.245	£110,000	03/10/2016	Place Directorate	HRA	Housing Development	To support Housing Growth
17	Monument Road, Ladywood	Ladywood	0.08	0.2	£80,000	25/10/2016	Place Directorate	HRA	Housing Development	To ensure consistent maintenance
18	Stockfield Road, Yardley	South Yardley	0.18	0.46	£120,000	03/10/2016	Transportation	HRA	Housing Development	To support Housing Growth
19										
20	TOTAL		3.61	8.945	£3,910,000					



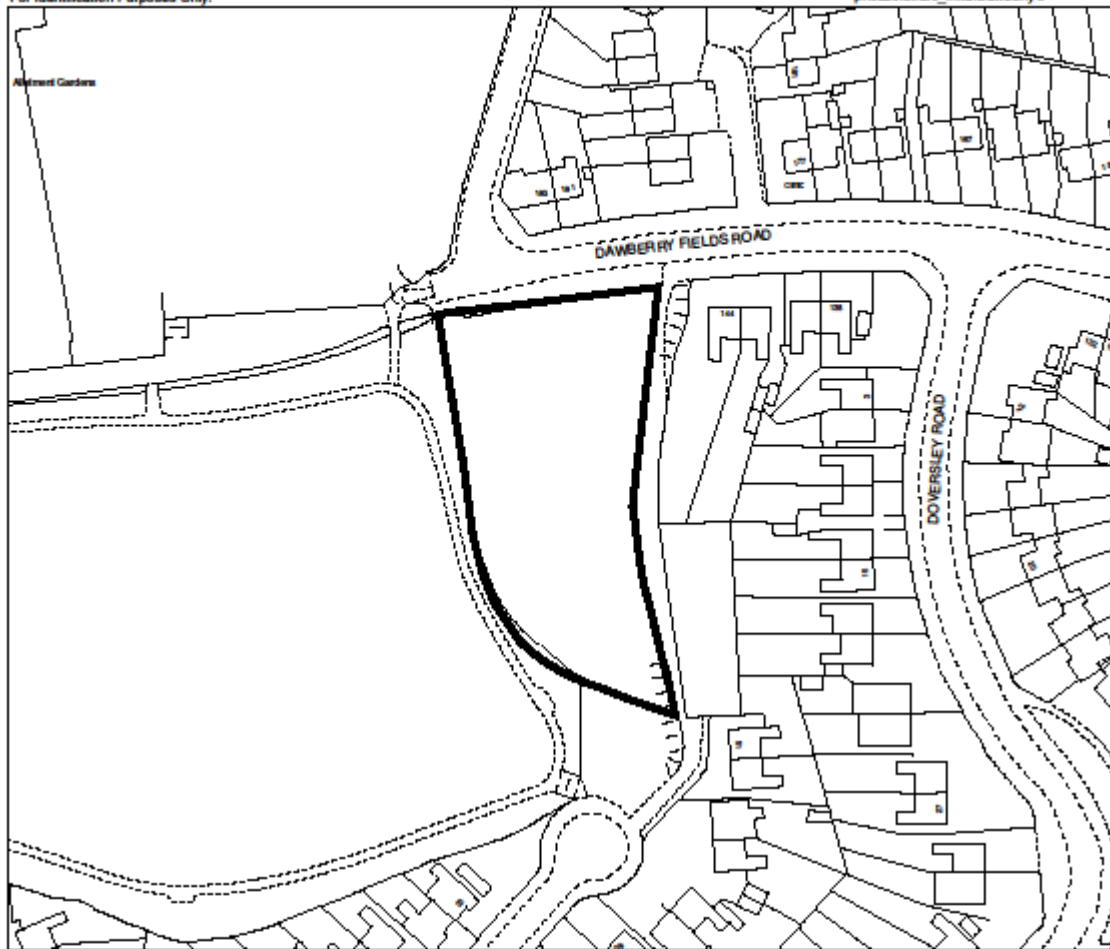


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 Birmingham City Council		Waheed Nazir Director of Planning and Regeneration 1 Lancaster Circus Birmingham B2 2GL		
Land At Beach Brook Close Sparkbrook		Scale (Main Map)	Drawn	Date
		1:1,250	Jon Wilson	20/12/2016
		O.S. Sheet: SP0884SE		

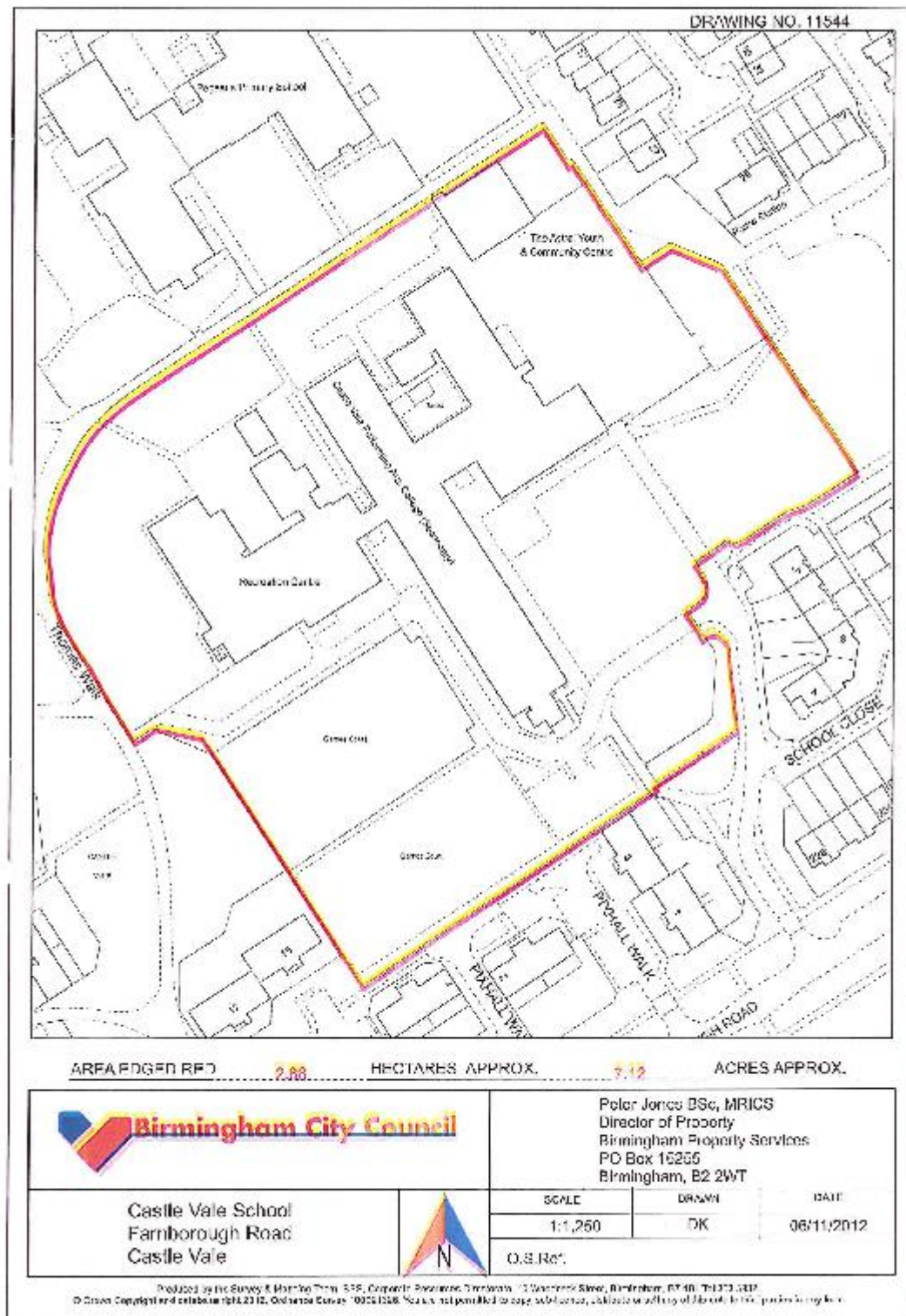


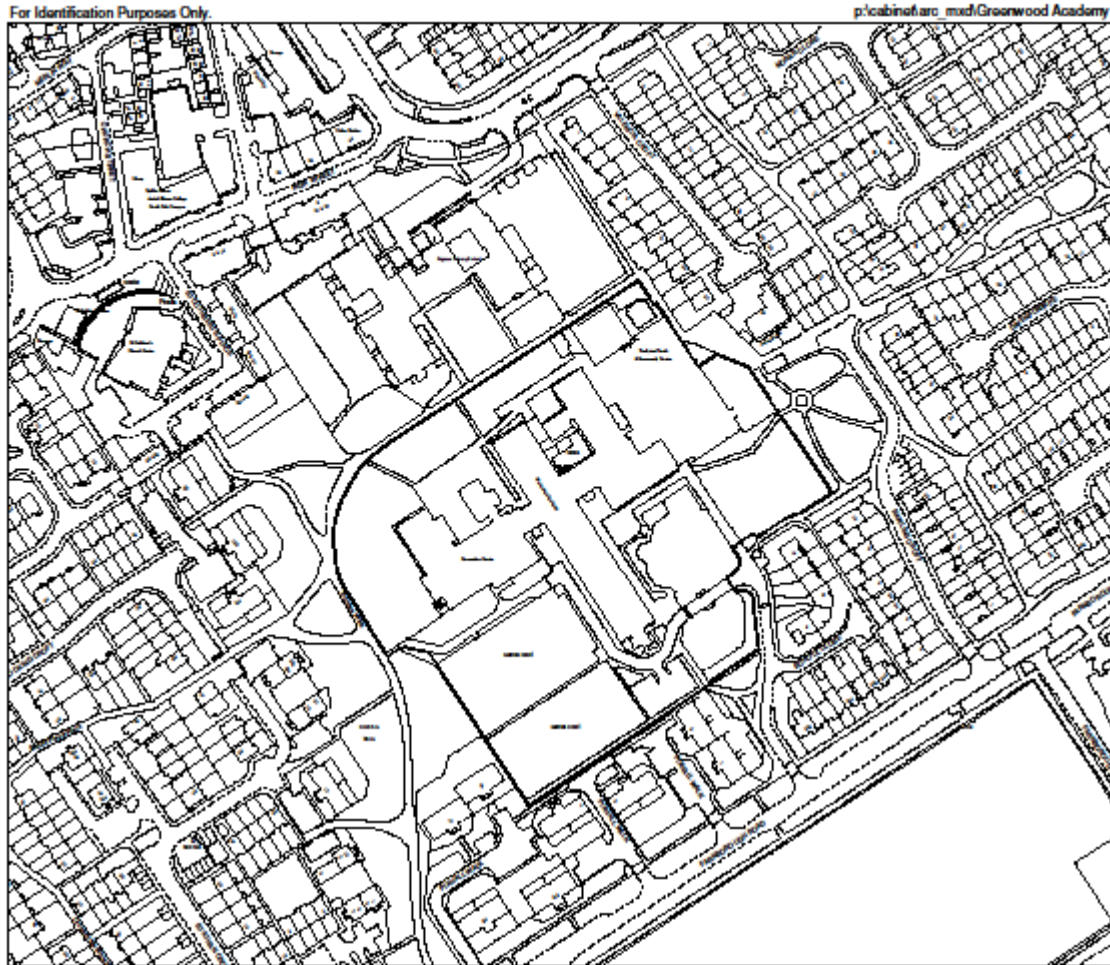
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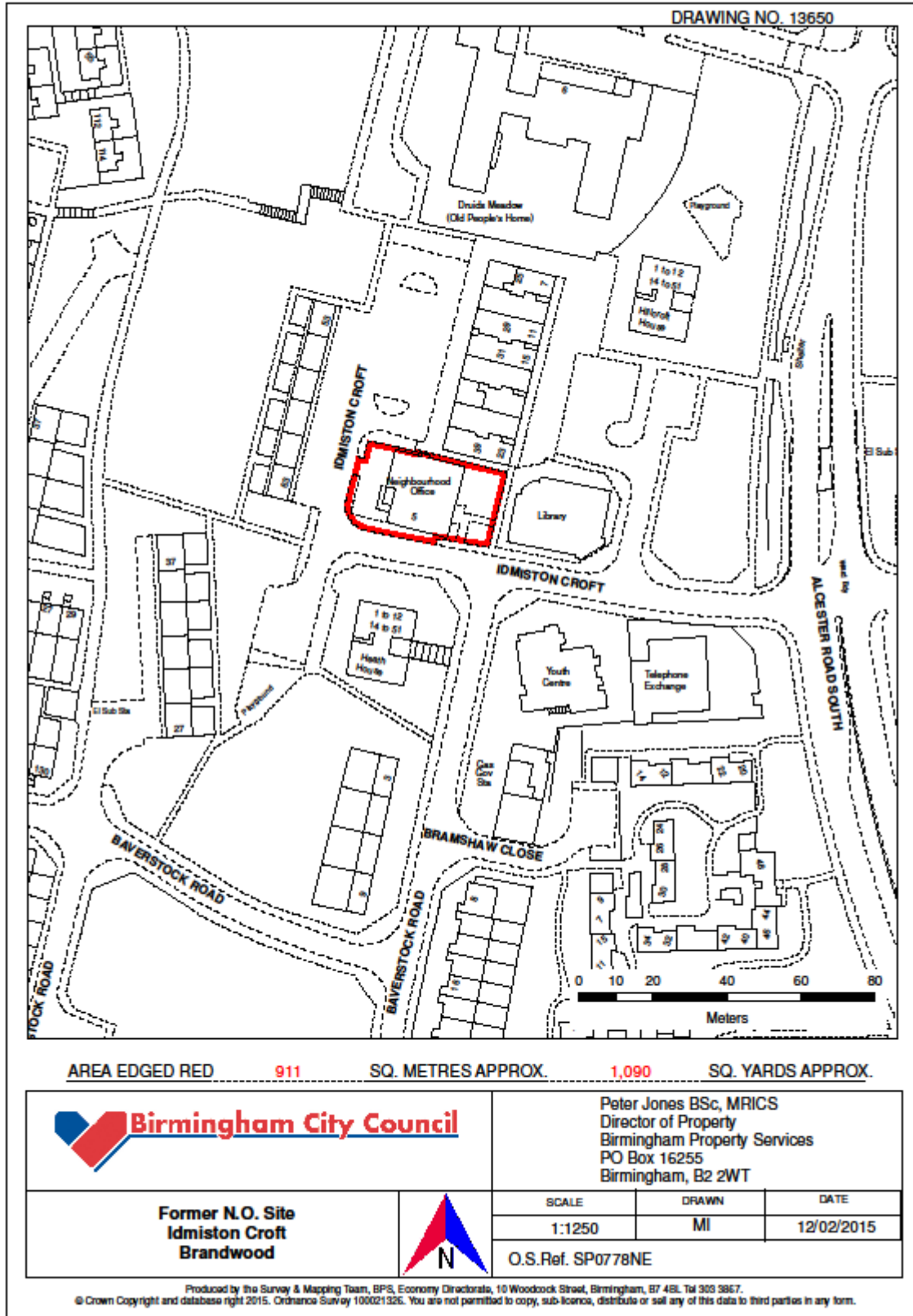
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Land Appropriation At Dawberry Fields Road Kings Heath		Scale (Main Map)	Drawn	Date
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		O.S.Ref. SP0680SW		

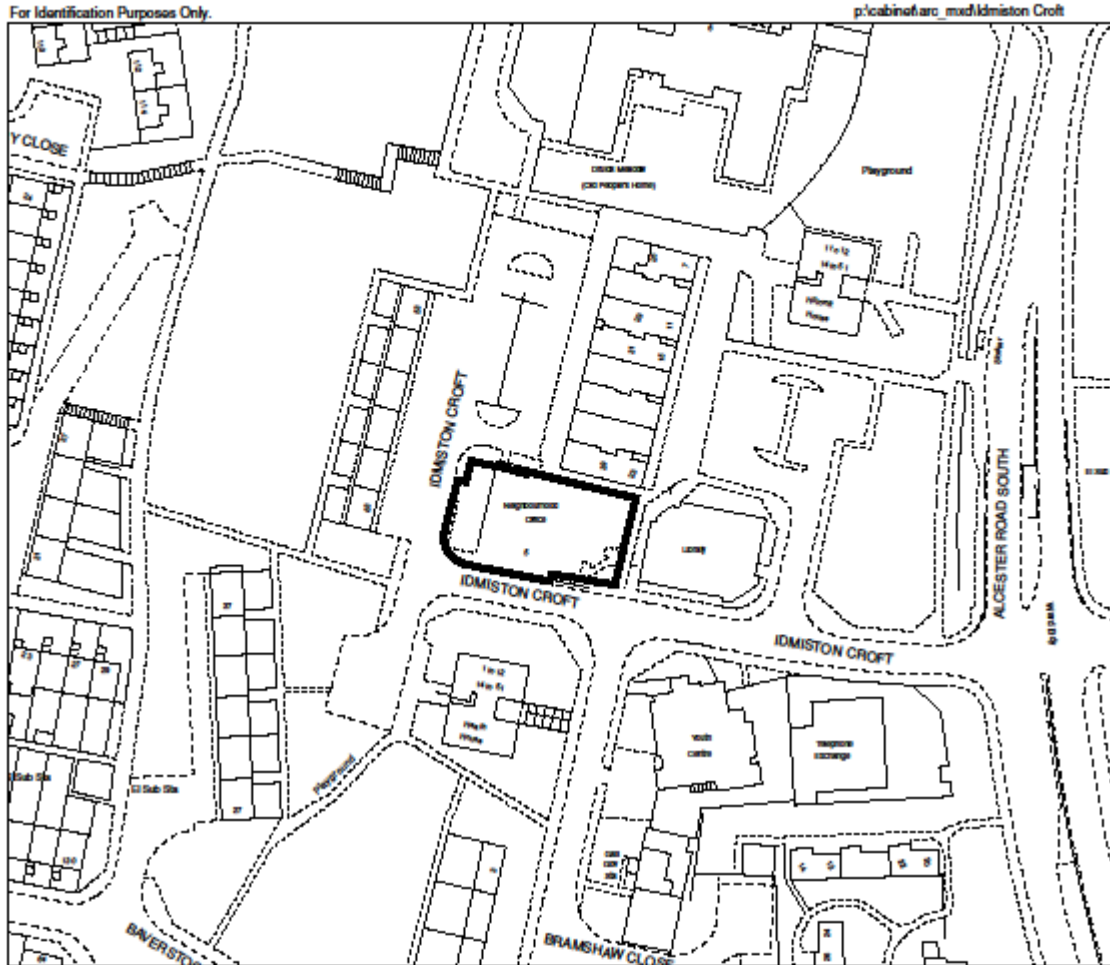






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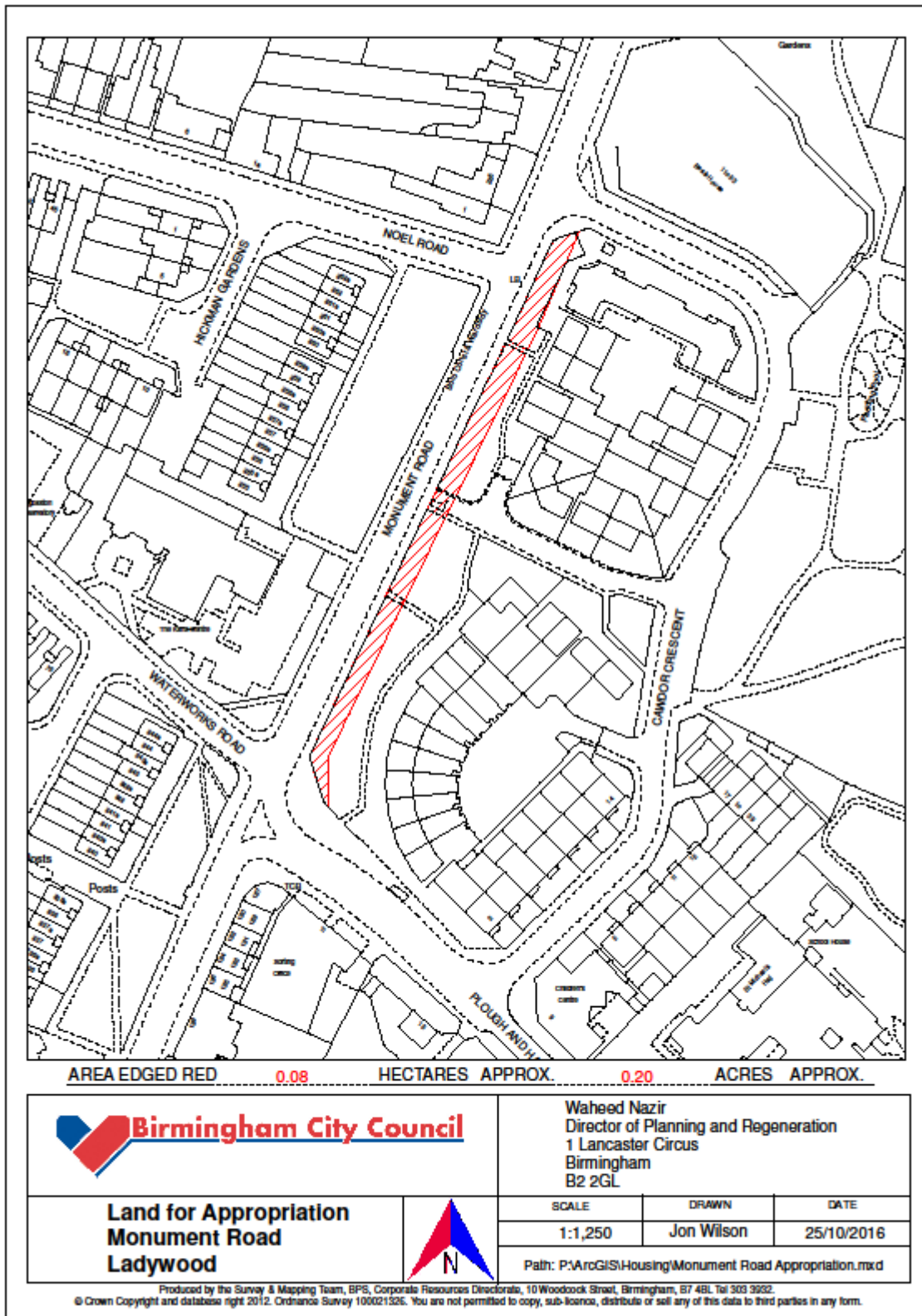
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Greenwood Academy Site Farnborough Road Castle Vale		Scale (Main Map)	Drawn	Date
		1:2,500	Bharat Patel	20/12/2016
		O.S.Ref. SP1491SE		





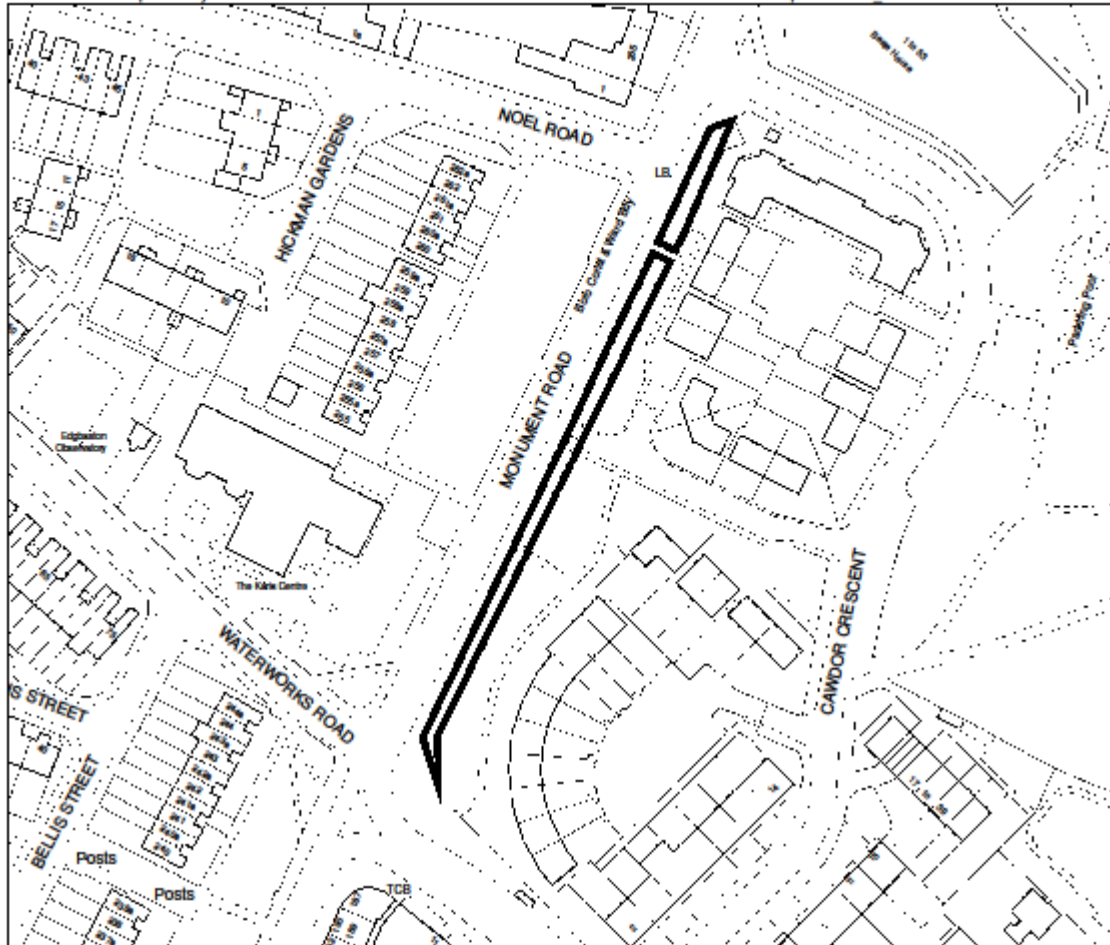
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Former N.O. Site Idmiston Croft Brandwood		Scale (Main Map)	Drawn	Date
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		O.S.Ref. SP0778NE		


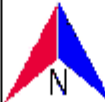


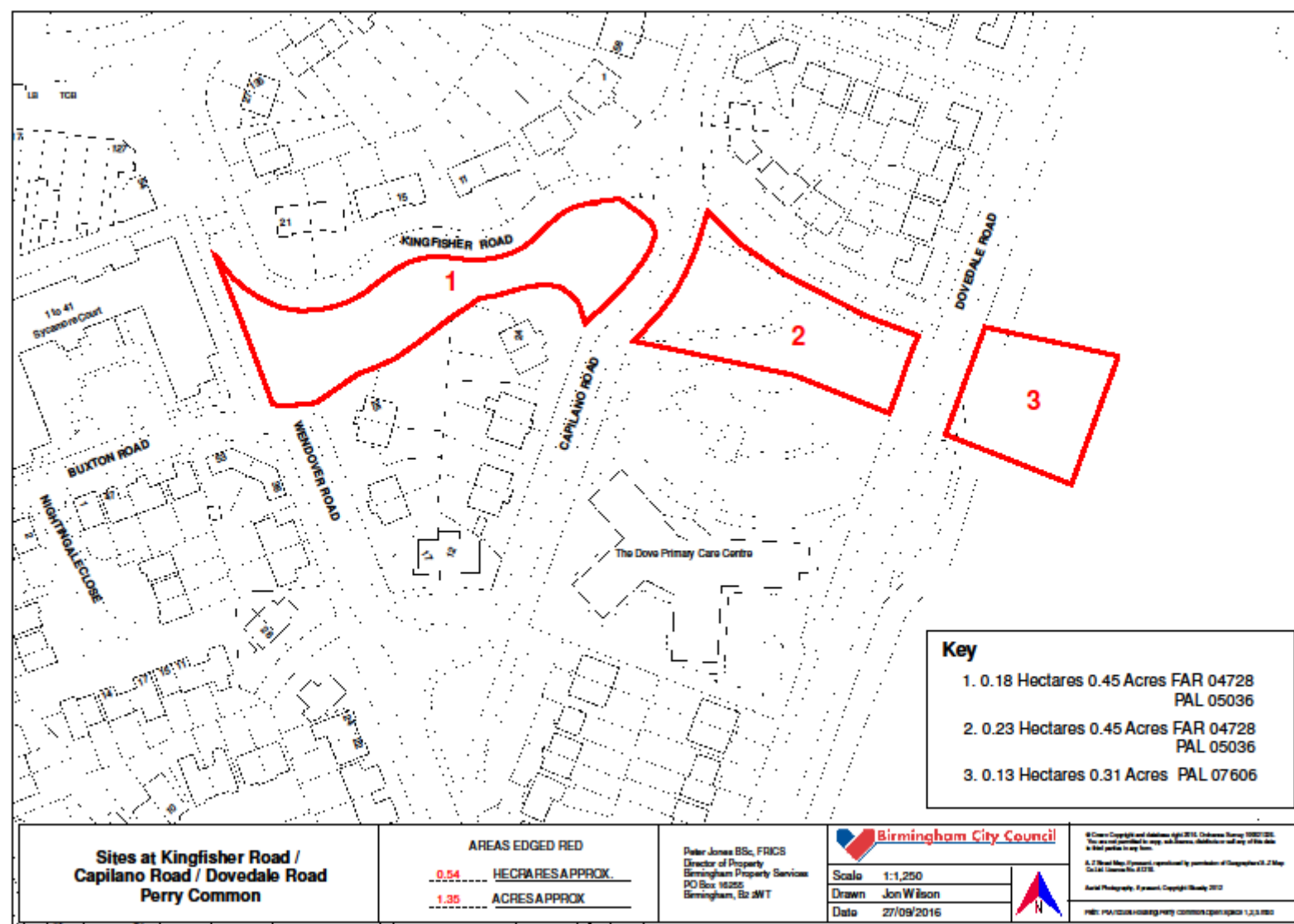
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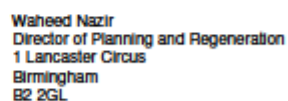
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Land At Monument Road Ladywood		Scale (Main Map)	Drawn	Date
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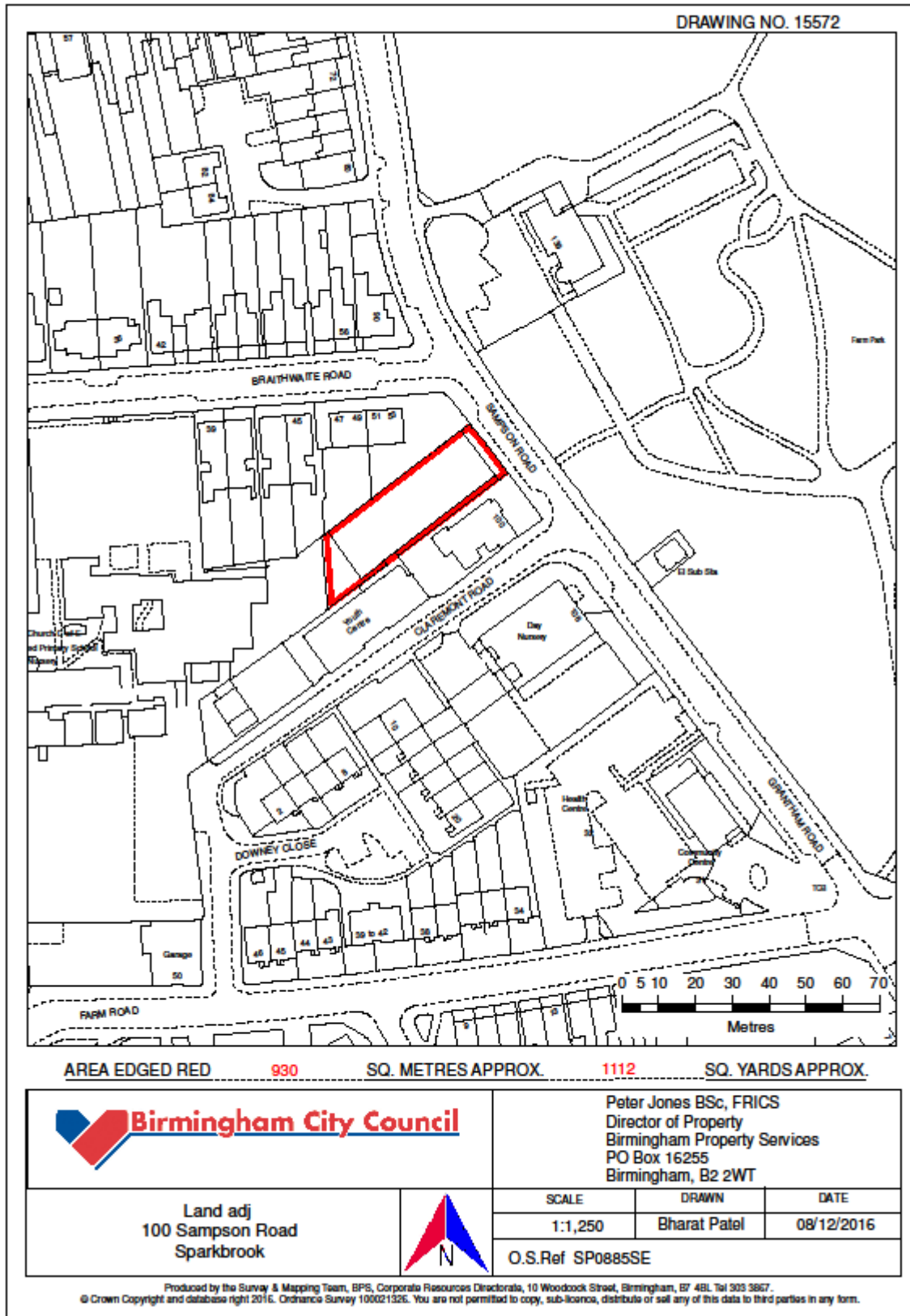
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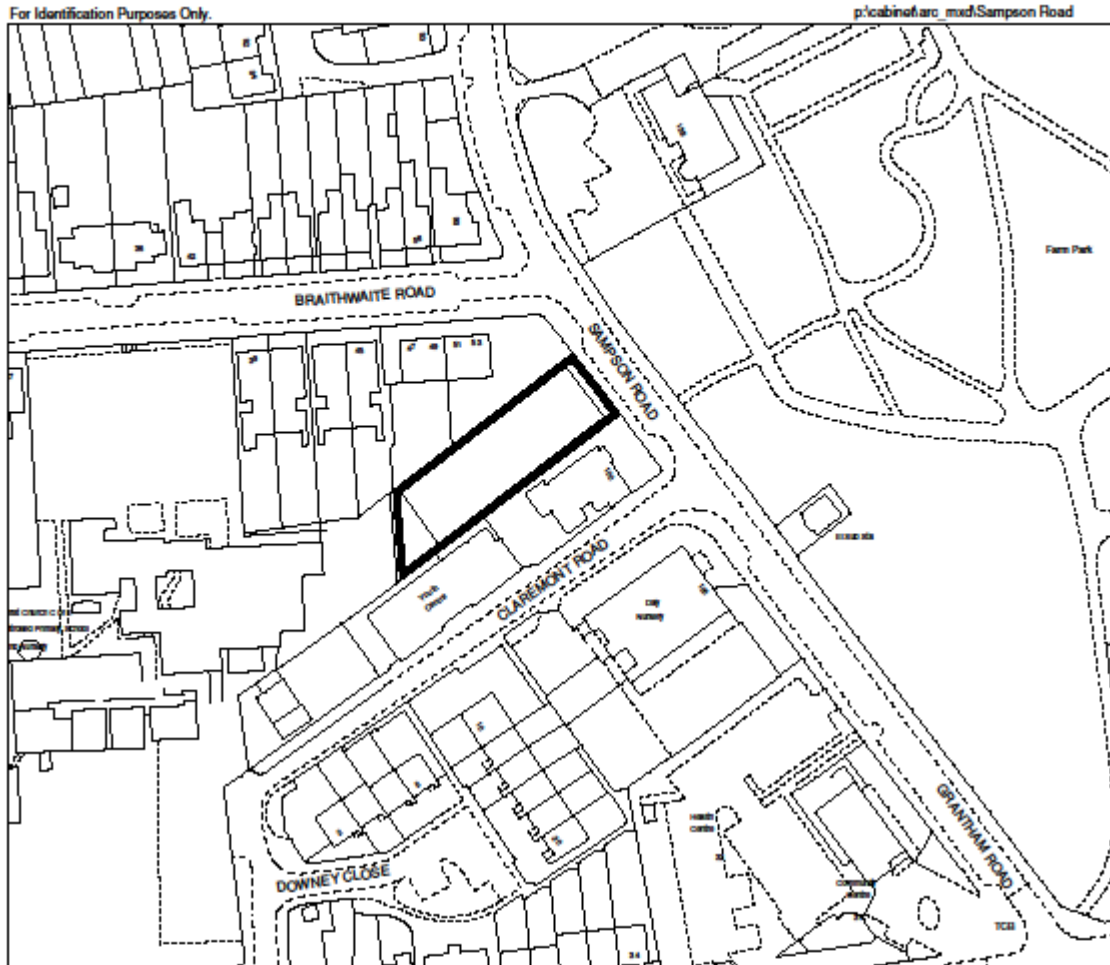


Date _____



19/12/2016

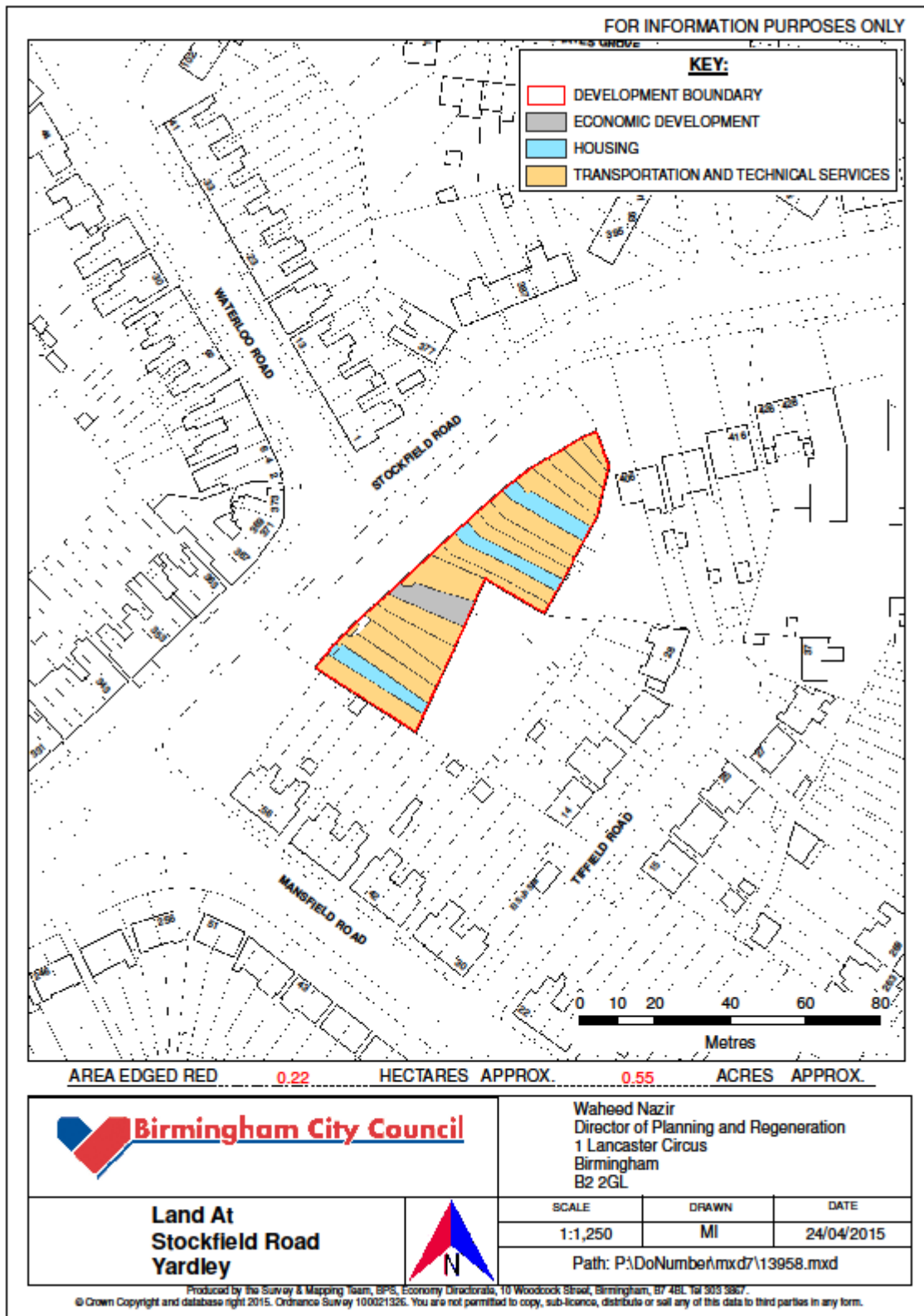
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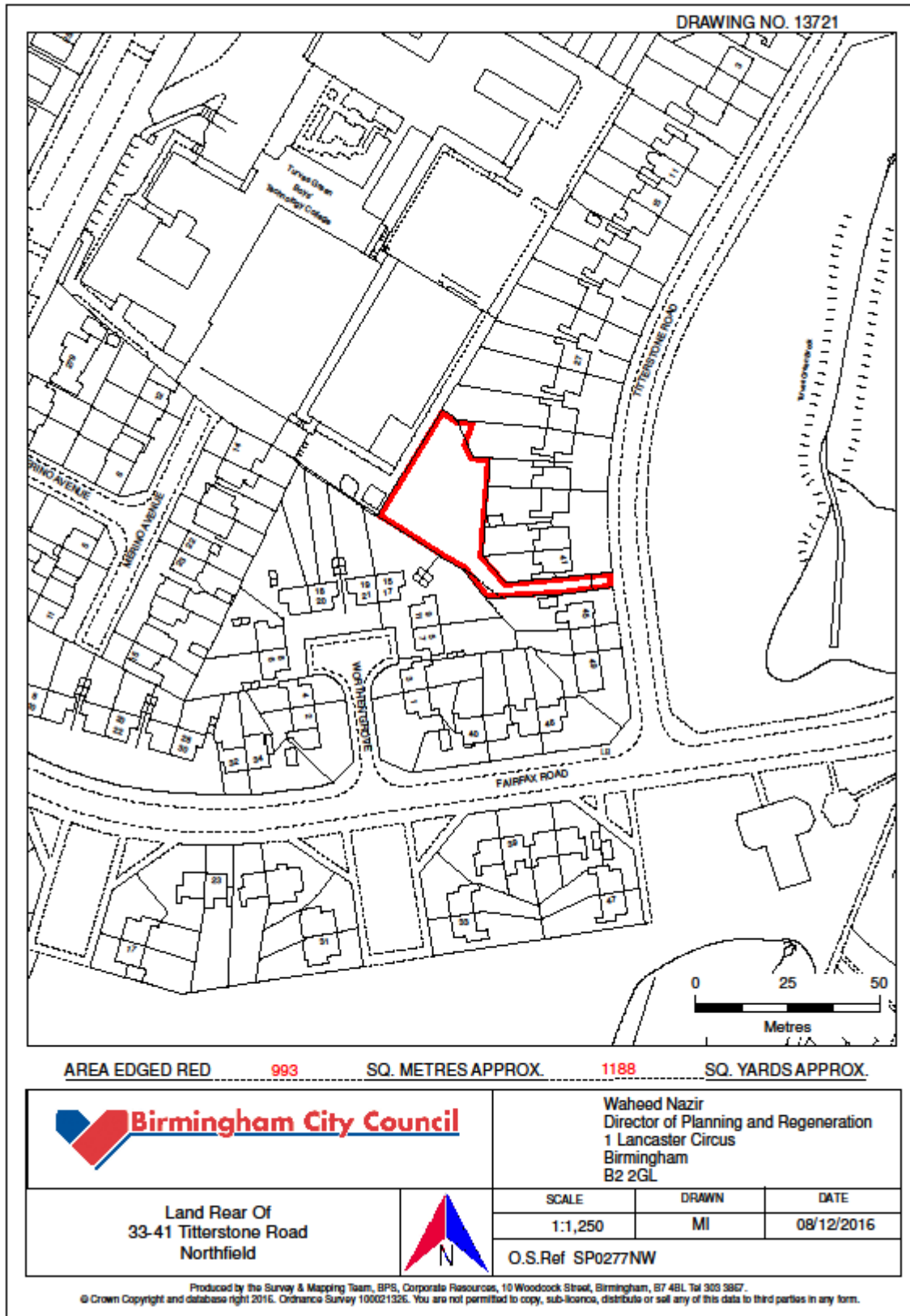
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		O.S.Ref. SP0885SE		

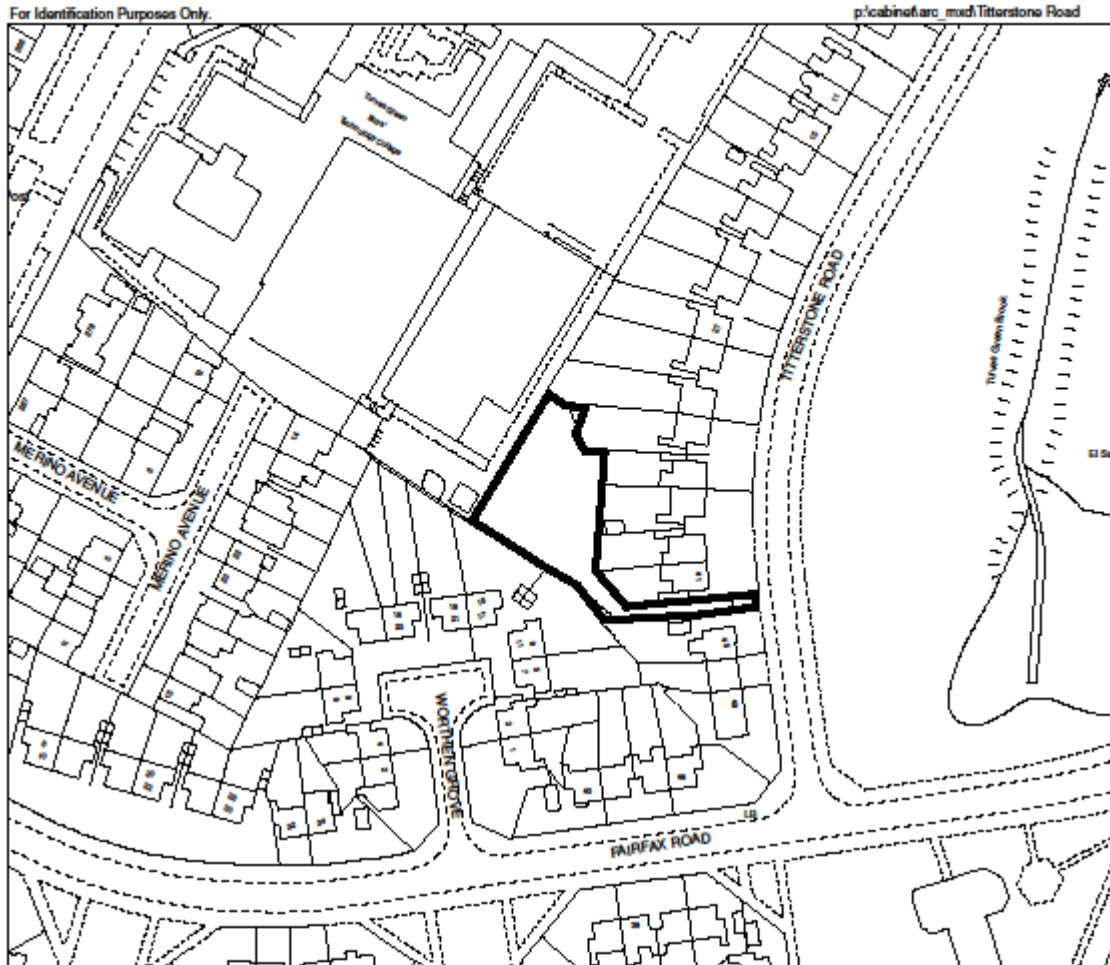






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Land At Stockfield Road Yardley		Scale (Main Map)	Drawn	Date
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		O.S.Ref. SP1284NW		





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Land Rear Of 33-41 Titterstone Road Northfield		Scale (Main Map)	Drawn	Date
		1:1,250	Bharat Patel	19/12/2016
		O.S.Ref. SP0277NW		



Equality Analysis

Birmingham City Council Analysis Report

EA Name	Land Appropriations Report
Directorate	Economy
Service Area	Economy - P&R Planning And Development
Type	New/Proposed Function
EA Summary	This equality analysis will evaluate the appropriation of land between the Housing Revenue Account (HRA) and the General Fund (GF) and vice versa.
Reference Number	EA001873
Task Group Manager	shahid.s.iqbal@birmingham.gov.uk
Task Group Member	
Date Approved	2017-02-28 00:00:00 +0000
Senior Officer	andrew.hood@birmingham.gov.uk
Quality Control Officer	richard.woodland@birmingham.gov.uk

Introduction

The report records the information that has been submitted for this equality analysis in the following format.

Initial Assessment

This section identifies the purpose of the Policy and which types of individual it affects. It also identifies which equality strands are affected by either a positive or negative differential impact.

Relevant Protected Characteristics

For each of the identified relevant protected characteristics there are three sections which will have been completed.

Impact

Consultation

Additional Work

If the assessment has raised any issues to be addressed there will also be an action planning section.

The following pages record the answers to the assessment questions with optional comments included by the assessor to clarify or explain any of the answers given or relevant issues.

1 Activity Type

The activity has been identified as a New/Proposed Function.

2 Initial Assessment

2.1 Purpose and Link to Strategic Themes

What is the purpose of this Function and expected outcomes?

The purpose of the function is to transfer BCC land via appropriation between the Housing Revenue Account and the General Fund and this equality assessment is an appendix to the Land Appropriations Report to Cabinet for 21 March 2017.

A number of sites have been identified in the GF that if appropriated into the HRA can be used for housing development and a number of sites have been identified in the HRA that should be within the GF portfolio, such as public open space, and other leisure facilities.

The appropriations of land will achieve a number of outcomes including; the appropriate accounting of council assets within the relevant portfolio, a cost saving to the council due to better management of land, and it will provide land to support housing growth.

For each strategy, please decide whether it is going to be significantly aided by the Function.

Children: A Safe And Secure City In Which To Learn And Grow. No

Health: Helping People Become More Physically Active And Well. No

Housing : To Meet The Needs Of All Current And Future Citizens. Yes

Jobs And Skills: For An Enterprising, Innovative And Green City. Yes

2.2 Individuals affected by the policy

Will the policy have an impact on service users/stakeholders? No

Will the policy have an impact on employees? No

Will the policy have an impact on wider community? Yes

2.3 Relevance Test

Protected Characteristics Relevant Full Assessment Required

Age. Not Relevant. No

Disability. Not Relevant. No

Gender. Not Relevant. No

Gender Reassignment. Not Relevant. No

Marriage Civil Partnership. Not Relevant No

Pregnancy And Maternity. Not Relevant No

Race. Not Relevant. No

Religion or Belief. Not Relevant. No

Sexual Orientation. Not Relevant. No

2.4 Analysis on Initial Assessment

The appropriation of land between to and from Housing Revenue Account and General Fund will be conducted in line with the Council policies and procedures.

Consultation has been undertaken with Elected Members, Strategic

Director's, Finance, Legal Services, BPS, in compiling the Cabinet report.

The appropriation of land into the General Fund will result in land being transferred into the correct portfolio which will make it easier to manage and maintain and save

the council money. The appropriation of land into the Housing Revenue Account will result in the availability of land becoming available to build a range of house typologies that will provide a wider choice of high quality homes for rent and sale, and contribute to the Council's house building targets and achieve housing growth.

The new housing that will be built on the land that is appropriated into the Housing Revenue Account will improve living standards of those that occupy them, will create training and employment opportunities as part of the build contracts, and improve the wider environment.

Based on the initial assessment, the appropriations of land will result in positive opportunities for residents and therefore, a full assessment is not required.

3 Full Assessment

The assessment questions below are completed for all characteristics identified for full assessment in the initial assessment phase.

3.1 Concluding Statement on Full Assessment

The appropriation of land between to and from Housing Revenue Account and General Fund will be conducted in line with the Council policies and procedures. Consultation has been undertaken with Elected Members, Strategic Director's, Finance, Legal Services, BPS, in compiling the Cabinet report.

The appropriation of land into the General Fund will result in land being transferred into the correct portfolio which will make it easier to manage and maintain and save the council money. The appropriation of land into the Housing Revenue Account will result in the availability of land becoming available to build a range of house typologies that will provide a wider choice of high quality homes for rent and sale, and contribute to the Council's house building targets and housing growth.

The new housing that will be built on the land that is appropriated into the Housing Revenue Account will improve living standards of those that occupy them, will create training and employment opportunities as part of the build contracts, and improve the wider environment.

Based on the initial assessment, the appropriations of land will result in positive opportunities for residents and therefore, a full assessment is not required.

4 Review Date

31/03/17

5 Action Plan

There are no relevant issues, so no action plans are currently required.

APPENDIX 4 – Consultation Responses for Land Appropriations Report with Ward Members.

Stakeholder	Ward	Site	Response to consultation on 9 December 2016
Cllr Josh Jones (District Chair) Councillor Des S Hughes Councillor Gary Sambrook Councillor Ron Storer	Kingstanding	Perry Common POS	No responses received.
Councillor Mohammed Azim Councillor Tony Kennedy Councillor Victoria Quinn	Sparkbrook	Sampson Road / Beach Brook Close	Happy to approve.
Councillor Steve Booton (District Chair) Councillor Randal Brew Councillor Debbie Clancy Councillor Brett O'Reilly	Northfield	Titterstone Road	No responses received.
Councillor Karen McCarthy (District Chair) Councillor Barry Henley Councillor Mike Leddy Councillor Eva Phillips	Brandwood	Dawberry Fields / Idmiston Croft	Agree with proposal. In support, providing homes are built on both sites.

<p>Councillor Josh Jones (District Chair)</p> <p>Councillor Mick Brown Councillor Lynda Clinton Councillor Mike Sharpe</p>	Tyburn	Farnborough Road	<p>Content with proposals. Fine with this course of action.</p>
<p>Councillor Ziaul Islam (District Chair)</p> <p>Councillor Albert Bore Councillor Carl Rice Councillor Kath Hartley</p>	Ladywood	Monument Road	<p>Agreeable to proposals. Looks ok to me.</p>
<p>Councillor Mike Ward (District Chair)</p> <p>Councillor Nawaz Ali Councillor Zaker Choudhry Councillor Zafar A. Iqbal</p>	South Yardley	Stockfield Road	<p>I have no issues.</p>

Report to:	CABINET
Report of:	Strategic Director for People
Date of Decision:	21 March 2017
SUBJECT:	SOCIAL CARE FRAMEWORK - COMMISSIONING STRATEGY AND PERMISSION TO CONSULT
Key Decision: Yes	Relevant Forward Plan Ref: 002351/2016
If not in the Forward Plan: (please "X" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
Relevant Cabinet Member(s) or Relevant Executive Member for Local Services:	Councillor Paulette Hamilton – Health and Social Care Councillor Majid Mahmood – Value for Money & Efficiency Councillor Brigid Jones – Children’s Services
Relevant O&S Chairman:	Councillor John Cotton - Health, Wellbeing and the Environment Cllr Mohammed Aikhlaq – Corporate Resources and Governance Cllr Susan Barnett – School, Children & Families
Wards affected:	All

1. Purpose of report:

- 1.1 To seek permission to consult with service users, carers, independent providers, the public, staff and other stakeholders on a range of proposals in relation to the commissioning of home support, supported living and residential care (with and without nursing). These services are further described in 5.2 and 5.3 below.
- 1.2 To seek authority to extend the current Framework Agreement for the Provision of Care Homes with and without Nursing Services and/or Home Support Services for a further 6 months from 1 October 2017 to 31 March 2018 (“Framework Agreement for Adult Social Care”).
- 1.3 To seek authority to extend the current Framework Agreement for the Provision of Specialist Home Support Services for Children and Young People with Disabilities for a further 6 months from 1 October 2017 to 31 March 2018 to align with the adults’ Framework Agreement (“Framework Agreement for Children’s Home Support”).

2. Decision(s) recommended:

That Cabinet approves:

- 2.1 Commencement of consultation with service users, carers, independent providers, the public, staff and other stakeholders on a range of proposals related to social care services detailed in the Commissioning Strategy contained in **Appendix 1**.
- 2.2 The extension of the current Framework Agreement for Adult Social Care and the Framework Agreement for Children’s Home Support until 31 March 2018 and notes the associated procurement timetable in 5.6 below for its replacement.
- 2.3 The City Solicitor to negotiate, execute and complete all relevant legal documentation to give effect to the above recommendations in relation to the extensions requested in 1.2 and 1.3.

Lead Contact Officer(s):	Alison Malik - Head of Service Commissioning Centre of Excellence, People Directorate
E-mail address:	alison.malik@birmingham.gov.uk

3. Consultation

3.1 Internal

Officers from Legal & Democratic Services, Corporate Procurement Services, City Finance, Assessment and Support Planning and the Commissioning Centre of Excellence have been involved in the preparation of this Cabinet report.

Internal project governance has been established to ensure the proposals are aligned to the Council's priorities and to ensure the project timelines are robustly managed.

Work will continue with Officers from a range of services, to further develop these proposals, particularly in light of the volume and nature of consultation feedback anticipated.

3.2 External

The Council embarked on a series of early engagement sessions with independent providers in Summer 2016 and a range of proposals were put forward by the market for consideration by the Council. These proposals have subsequently been reviewed and have been instrumental in shaping the proposals contained within the Commissioning Strategy in **Appendix 1**.

A panel of citizen's also reviewed the outline proposals in Autumn 2016 and the feedback was used to shape the development of the Commissioning Strategy.

4. **Compliance Issues:**

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

4.1.1 This decision is consistent with the Council's overall objective of "a city of growth where every child, citizen and place matters". The commissioning of these services allows the Council to commission services for those assessed with an eligible need for care and support.

More specifically the proposals contained within the Commissioning Strategy and the further extension of the two Framework Agreements is consistent with the Council priorities as follows:

- **A great city to grow up in** – the proposals will ensure high quality care provision for under 18's with eligible care and support needs that receive home support services.
- **A great city to live in** – the proposals will ensure high quality provision of residential and nursing services for over 18's that have eligible care and support needs.
- **A great city to succeed in** - the proposals contained within the Commissioning Strategy are designed to ensure the care sector remains sustainable and will continue to provide local employment opportunities.
- **A great city to grow old in** – the proposal will ensure high quality provision of social care services to over 9,000 citizens with eligible care and support needs.

4.1.2 Compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR) Including Living Wage Requirements

In recognition that employment is the route to independence and out of poverty, Birmingham City Council approved implementation of the Birmingham Care Wage in February 2016. The purpose of this was to ensure that care staff that are supporting the most vulnerable citizens in the City, are paid a fair wage for the work they do.

The Council has heavily influenced national policy by pushing the Living Wage agenda and ensuring that all care staff are paid the Birmingham Care Wage - regardless of their age. The National Living Wage was introduced for over 25's from 1 April 2016, with the National Minimum Wage remaining in effect for under 25's.

Birmingham City Council remains committed to the Living Wage and closing the wage gap in social care and other services. From 1 April 2017, the National Living Wage will rise to £7.50, which aligns to the current Birmingham Care Wage, implemented from 1 April 2016. Given the change in national policy and the alignment of rates, the challenging budget position of the Council and the price pressures faced by care providers, further consideration needs to be given as to how these commitments are implemented from 2018/2019 and beyond. It is therefore proposed that the consultation detailed in **Appendix 2**, will consider wage increases as part of the Council's overall pricing structure from 1 April 2018 onwards.

During the period of the extension of the two Framework Agreements, providers will continue to be asked to voluntarily sign up to the Birmingham Business Charter for Social Responsibility.

4.2 Financial Implications

The People Directorate will continue to model the financial implications of all potential options arising from the Commissioning Strategy. Detailed financial implications will be provided when specific proposals and recommendations are available following the outcome of the consultation process.

It is estimated that if the Council continues with a dynamic pricing model for the services in 5.2 – 5.3, the cost of care (excluding anticipated increases in demand for services) will rise by £16.5m over the coming four years. It is therefore essential that the Council works closely with the market to ensure affordable, high quality services can be provided in future.

The proposal to move to a fixed fee approach will allow;

- the Council to plan and project the cost of social care, which represented 41% of the Council's net expenditure in 2016/17;
- provide greater certainty to care providers, allowing them to improve their business planning and investment in quality;
- the Council to be transparent about the prices it will pay for social care and provide a level playing field for providers; and
- the Council to reward outstanding quality of care and provide incentives to raise the overall quality of services.

The directorate will need to ensure that the proposed range of fixed fees - which will form the basis of consultation - are contained within the resources available within the 2018/19 Budget and beyond. Initial financial modelling has confirmed this to be the case, but will need to be updated to include feedback from consultation and will be reported in full to Cabinet in September 2017. This will include the financial impact of any further implementation of the Birmingham Care Wage from 1 April 2018.

Based on current projections it is estimated that £73.4m will be committed during the

extension of the current frameworks i.e. between 1 October 2017 - 31 March 2018. These costs will be funded from the existing Third Party Payments approved budget.

The estimated additional costs associated with the undertaking of the consultation itself are assumed to be no more than £25k. The consultation exercise costs will be met within existing budgets in 2017/18.

4.3 Legal Implications

Under Section 8 of the Care Act 2014, a local authority can discharge its duty to meet assessed eligible need for care and support under sections 18 to 20 of the Act, by providing care and support at home or in the community or goods or facilities and the local authority can provide these by arranging for them to be provided by another person or body other than the local authority.

The Council is enabled, by Section 111 of the Local Government Act 1972, to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The Council therefore has a general power to enter into contracts for the discharge of any of its functions.

4.3.1 Pre-Procurement Duty under the Public Service (Social Value) Act 2012

Providers will continue to be invited to voluntarily sign up to the Birmingham Business Charter for Social Responsibility. A key element of the Commissioning Strategy is to make explicit how the provision of social care services will improve the economic, social and environmental well-being of Birmingham.

4.4 Public Sector Equality Duty

An initial Equality Assessment has been completed and will be revised and updated as the proposals are further developed in response to the consultation. This Equality Analysis is contained within **Appendix 3**.

The Equality Assessment has considered the options contained in the Commissioning Strategy and currently identifies that the proposals would have the most significant impact on those with the following protected characteristics; age; disability; gender; race; and religion or belief. These will be the focus of the Equality Analysis as it develops throughout the consultation period and in developing the final Commissioning Strategy due to be presented to Cabinet in September 2017.

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

5.1 Service Background

The Council has a range of statutory duties and powers to assess the needs of citizens for care and support and commission a range of services that meet these needs as detailed in 4.3. The Council currently commissions a wide range of care and support services through two Framework Agreements:

1. Framework Agreement for Adult Social Care; and
2. Framework Agreement for Children's Home Support

However this report focuses on;

- extending the current Framework Agreements; and
- the future approach to commissioning of; home support services for adults' and children; supported living; and residential care (with and without nursing) for all adults' with eligible care and support needs.

These services are described in more detail below.

5.2 Home Support (adults' and children's) and Supported Living

Home support services for adults' and children provide care in the citizen's home and can include help with the following:

- personal care including washing and dressing;
- housekeeping or cleaning;
- cooking and preparing meals;
- taking medications or health care needs; and
- companionship or activity based support.

Any references within this report and associated documentation to 'supported living' relate to the Care Quality Commission's definition which means "schemes that provide personal care to people as part of the support that they need to live in their own homes. The personal care is provided under separate contractual arrangements to those for the person's housing. The accommodation is often shared, but can be single household. Supported living providers that do not provide the regulated activity 'personal care' are not required by law to register with CQC".

5.3 Adults' Residential Care (with and without nursing)

Adult residential care is provided for those citizens who are over 18 and unable to live independently in their own home. Residential care is usually separated into two categories:

1. Homes registered to provide personal care – these homes are able to provide personal care services similar to those provided by home support, but are delivered in a permanent care home setting.
2. Homes registered to provide nursing care – these homes are able to provide personal care services but also have registered nurses to provide care for medical conditions or disabilities. Some nursing homes may also specialise in providing care for certain disabilities or conditions such as dementia.

The Framework Agreement for Adult Social Care is not currently used to commission residential services (with and without nursing) for adults aged 18 - 64. However, permission is being sought to consult upon a Commissioning Strategy that would see the commissioning of social care services for adults' aged 18 - 64, move from the current spot purchase arrangements into a new Framework Agreement from 1 April 2018.

The proposal is to extend the current Framework Agreements until the new contract is in place. The Council will not implement the Cabinet decision made on 27 July 2015 in relation to the use of a Framework Agreement for residential care for adults' aged 18 – 64 until the necessary consultation is concluded and analysed and a further report is presented to Cabinet for further consideration.

5.4 Review of current commissioning practice

Since summer 2016, the Council has been reviewing current commissioning practice in relation to the services described in 5.2 and 5.3 above. This has included early engagement with the independent provider market, as well as a range of internal and external stakeholders, to review both the original business case for the introduction of a framework approach and also best practice in the field of commissioning social care.

The review identified the following intended benefits from the original business case for

the Framework Agreement for Adult Social Care and the associated impact of the current contracts and systems. Whilst important, the Framework Agreement for Children's Home Support currently places a small number of children each year and as such the business case and associated benefits were not captured in the same way. The following table and analysis therefore applies only to the Framework Agreement for Adult Social Care and compares the current position, with that a year prior to introduction of a framework approach and the associated IT systems:

Indicator	Home Support	Residential (with and without nursing)
Market growth since 2012	109%	-7.7%
Change in client base since 2012	+21.6%	-9.4%
No. of new providers/month since 2012	3	7
Current no. of providers with an active CQC registration	125	232
Current % clients placed with 'good' rated provider	72%	50%
% of providers with a 'good' quality rating in 2013/14	52%	31%
% of providers with a 'good' quality rating in 2016/17	72%	56%
Current % requirements fully tendered to the whole market	85%	16%
Current % winning offers from 'good' rated providers	78%	38%
Current % requirements cancelled due to lack of offers	8%	33%

Table 1: Analysis of key performance measures since introduction of the framework

a) Ensure an open and transparent supply chain so that businesses can grow and new ones can start up locally

Whilst the market has grown for home support providers, there has been a reduction in residential (with and without nursing) providers, which broadly reflects changes in demand for services. Using a framework approach has allowed these changes in demand to be managed and has allowed new providers to enter the market.

However, Birmingham City Council has almost 1,000 registered providers on the Framework Agreement for Adult Social Care, albeit only 357 have an active CQC registration and are based within the Birmingham boundary. Given the overall quality of care provision, this volume of providers is challenging for the Council to robustly and consistently manage with a reduced workforce.

b) Assure quality through the 'quality rating' process used to shortlist providers and the contract management process

The quality rating system – including the publication of quality ratings - introduced as part of the framework, has resulted in an increase in the overall quality of provision in both sectors of the adult social care market.

Overall quality standards are lower in residential (with and without nursing) services and this is reflected in the proportion of packages where the winning offer was from 'good' rated providers. However, the system does allow citizens and other stakeholders to gain a clear picture of the quality of services to support citizen choice.

c) Achievement of cashable savings

The Framework Agreement for Adult Social Care and associated micro procurement IT

system implementation has delivered net savings to the Council of £6.631m over the last four years. However, whilst the use of dynamic pricing has reduced the cost of home support services, comparator data with 15 other cities across the UK, shows the Council currently pays the highest price on average for nursing care, and third highest for residential care. Furthermore, the lack of engagement with the framework approach and associated IT systems by the residential (with and without nursing) market, has resulted in a loss of potential savings of approximately £1.9m over the last four years.

Whilst overall savings have been achieved, since 1 April 2016, there has been a 10% increase in the hourly rate the Council pays for home support and an 8% increase in the average weekly fees paid for residential (with and without nursing) rates. This is despite the Council having uplifted fees for the majority of older adult's providers to enable them to pay the Birmingham Care Wage. Therefore, there are clearly other price pressures in the market that the Council currently has limited influence over.

d) Making back office savings and process efficiencies

The implementation of the framework and associated micro procurement IT system (Sproc.net) has not delivered the anticipated efficiencies in back office systems. Back office savings were predicated on a much greater range of service categories being added to the framework. Unfortunately due to a number of factors, it has not been possible to implement further categories and modules into Sproc.net and the capability of the system and potential savings have not been fully realised.

The lack of engagement from the residential (with and without nursing) market has resulted in a reduction in the proportion of requirements fully tendered and an increase in the proportion of requirements that have been cancelled due to a lack of offers. This has driven an increased reliance on making placements outside of the agreed framework and IT system, therefore increasing back office processing.

The implementation of Sproc.net was not far-reaching enough and a number of processes that could have been automated and/or streamlined, remain as predominantly manual processes, therefore reducing efficiency of the commissioning systems and processes.

e) Reduce the Council's exposure to risk

Whilst the framework and associated IT systems have the functionality to reduce risk, the full potential of credit alerts for providers, and the lack of automation and interfacing of IT systems, means that these benefits have not been realised. However, the increase in the number of providers has reduced the Council's previous reliance on a very small number of providers, particularly in the home support market.

f) Commission by outcomes and support the personalisation agenda

A key element of the process for assessing offers from providers for individual packages of care was to manually score against a set of outcomes. These outcomes will have been developed in dialogue between the social worker and the citizen. Whilst this does have the potential to ensure personalised services are commissioned, the subjective nature of the scoring process, the manual intensity of the scoring process, and the lack of high quality responses from the market, have made it difficult to demonstrate the added value of the outcomes focussed stage in the current procurement process.

g) Assist commissioners to meet duties under the Care Act 2014

The use of the Framework Agreement for Adult Social Care and associated IT systems has ensured a diverse local care market and provided a mechanism to deliver choice for citizens, as required by the Care Act 2014.

These findings, along with the national drivers for change included within both the Care Act 2014 and the NHS Shared Planning Guidance (and detailed in **Appendix 1**) have driven the need for the Council to redesign the future approach to commissioning of social care services, to ensure they remain fit for purpose.

5.5 Commissioning Strategy

Birmingham City Council has set out its vision for 2017+ which will see us working with partners to create a great city to grow old in and to help people become healthier. It has set out a challenging agenda to; reduce health inequalities; lead a real change in the mental wellbeing of all people in Birmingham; promote independence of all our citizens; and join up health and social care services so that citizens have the best possible experience of care, tailored to their needs.

The Council's vision therefore needs to translate into actions that will support people to continue to live independently and in their own home for as long as possible, to help all residents to access high quality and affordable social care, and to ensure that service users have choice and control of their own lives. However, there will always be some citizens who will need residential or nursing care or ask for the Council's support in planning and arranging their care – currently around 9,000 adults'.

The Commissioning Strategy in **Appendix 1** outlines our approach to the commissioning of adult social care to address the issues identified in 5.4 and provides a framework for the future commissioning of services that will support us to achieve our key aims to:

1. Improve outcomes
2. Improve quality; and
3. Improve resilience and sustainability of the wider health and social care system.

Please note that whilst the Commissioning Strategy principally uses the term adult social care, there is of course recognition that the new contractual arrangements are intended to apply to home support services for children and young people with a disability. However, given this service is currently utilised by around 130 service users and in the main these are the same home support providers as those commissioned for adult social care, the more general term of adult social care has been used.

5.6 Timescales

The Council is committed to developing a vibrant, diverse and sustainable local health and social care market, which supports the achievement of better outcomes, increased independence and choice and control for adults'. It is therefore crucial that sufficient time is given to developing, planning and implementing the transformational change outlined within the Commissioning Strategy and to ensuring a wide ranging consultation that can shape and influence such changes.

Given the increase in demand for adult social care and the Council's financial position, along with pressures in the care market, a crucial part of this planning will be the cost implication of the proposal to move to a fixed price and the need to plan for future changes in demand and cost of adult social care. As detailed in 4.2 above, the People Directorate will provide a detailed financial assessment following the outcome of the consultation process and will ensure this is appropriately incorporated into the Council budget setting processes for 2018/2019. This will also include the financial impact of

any further implementation of the Birmingham Care Wage beyond 31 March 2018.

An indicative timetable has been developed in conjunction with Corporate Procurement Services to ensure an alternative contractual arrangement is embedded by 31 March 2018. Consultation and engagement activity will take place with providers and citizens who will be involved at all stages of the process. We will ensure that citizens' views are incorporated in all specifications and that the process is clear to all those effected. The proposed timetable is therefore as follows:

Date	Activity
21 March 2017	Cabinet – Permission to Consult
27 March 2017 – 26 June 2017	Consultation period – subject to Cabinet approval
19 September 2017	Cabinet – Authority to commence tendering and delegation of contract award
25 September 2017	OJEU notice issued and tender opened
10 November 2017	Tender closes and evaluation commences
11 November 2017 – mid January 2018	Evaluation
Mid January 2018 – February 2018	Contract award reporting/Delegated Procurement Reporting process
February 2018	Contract award notice
February 2018 – March 2018	Mobilisation including training
1 April 2018	Commencement of new contract

Based on the timetable above, an interim solution is therefore required to ensure that the adults' social care market is not destabilised and that the Council can continue to fulfil care packages for adults' (and children and young people with a disability requiring home support), that are of a fair quality and price. It is therefore proposed that the two Framework Agreements listed in 5.1 are extended until 31 March 2018.

Any further extension to the Sproc.net IT system (which currently expires on 30 September 2017) will be the subject of a separate report in due course.

5.7 Consultation

This report is requesting permission to consult on the Commissioning Strategy contained in **Appendix 1**. The consultation plan is summarised in **Appendix 2**, which will take place over a three month period, due to commence on 27 March 2017.

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

6.1 There are broadly four alternative contractual options to the arrangements proposed in the Commissioning Strategy in **Appendix 1**:

Option 1 - Do nothing. This has been discounted because current arrangements come to an end on 30 September 2017. The future approach to commissioning of these essential services requires planning and development as described in 5.6 and to do nothing would put the Council at significant risk of destabilising the care market and being unable to meet its statutory duties.

Option 2 - Revert to a select list of providers. This option has been discounted for the same reasons as Option 1.

Option 3 - Retain framework arrangements, but limit them, for example: to older adult services, or to home support. This option has been discounted as it would not address the consequences of the current arrangements and address the inefficiencies in systems and processes outlined in 5.4.

Option 4 - extend the scope of a new framework to cover the majority of other services such as day care, to include all age groups and/or include provisions for NHS services such as Continuing Health Care funded nursing care. This option has been considered, however, the Council is keen to increase the number of citizens who direct and control their own care through the use of mechanism such as Direct Payments. There is therefore limited benefit in incorporating all services, particularly those such as day services, into a future framework contract as this may undermine the Council's approach in this area.

The Council continues to work closely with NHS Commissioners to integrate services and processes at every opportunity and the Commissioning Strategy sets out two phases to the future commissioning of adult social care. The Self-Regulation and Integration Phase from 2021 makes clear the Council's intention to integrate services with health partners.

7. Reasons for Decision(s):

- 7.1 To approve the Commissioning Strategy contained in **Appendix 1** and to consult on the future approach to commissioning of adult social care services (and home support for children and young people with disabilities).
- 7.2 To enable the Strategic Director for People to continue to commission a framework of providers to deliver adults' social care services and home support for children and young people with disabilities under the existing Framework Agreements until 31 March 2018.

Signatures

Date

Cllr Paulette Hamilton
Cabinet Member for Health
and Social Care

.....

Cllr Majid Mahmood
Cabinet Member for Value for
Money & Efficiency

.....

Cllr Brigid Jones
Cabinet Member for Children's
Services

.....

Peter Hay
Strategic Director for People

..... 

9 March 2017

List of Background Documents used to compile this Report:

1. Cabinet Report of 30 January 2012 - "To establish a framework of providers for home care and care homes (with and without nursing)".
2. Delegated Authority Report of 22 March 2012 – "C0074 Home Support Services and Care Homes (with and without nursing)".
3. Delegated Award Report of 5 December 2013 – "Framework Agreement Extension for Home Support and Bed Based Care (C0074)".
4. Cabinet Report of 20 October 2014 - "Micro-procurement software for People Directorate".
5. Cabinet Report of 20 April 2015 – "Introduction of a Framework Agreement for Younger Adults' care providers and the use of micro-procurement process to purchase care services for younger adults' (18-64 years)".
6. Cabinet Report of 16 February 2016 – "Framework Agreements Extension for Adults' Services and Children's Home Support (C0074)".
7. Cabinet Report of 21 March 2016 – "Living Wage Policy Review and Revision".

List of Appendices accompanying this Report (if any):

1. Appendix 1 – Commissioning Strategy
2. Appendix 2 – Consultation Plan
3. Appendix 3 – Equality Assessment

Report Version	V5.0	Dated	9 March 2017
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APPENDIX 1

BIRMINGHAM CITY COUNCIL

DRAFT COMMISSIONING STRATEGY

HOME SUPPORT, SUPPORTING LIVING
AND RESIDENTIAL CARE (WITH AND
WITHOUT NURSING)

CONTENTS

1. INTRODUCTION

2. OUR VISION AND STRATEGIC AIMS

3. DRIVERS FOR CHANGE

4. COMMISSIONING INTENTIONS

5. COMMISSIONING PRINCIPLES

6. PERFORMANCE FRAMEWORK

1. INTRODUCTION

“BIRMINGHAM - A CITY OF GROWTH WHERE EVERY CHILD, CITIZEN AND PLACE MATTERS.”

Birmingham City Council has set out its vision for 2017+ which will see us working with partners to create a great city to grow old in and to help people become healthier. It has set out a challenging agenda to reduce health inequalities; lead a real change in the mental wellbeing of all people in Birmingham; promote independence of all our citizens; and join up health and social care services so that citizens have the best possible experience of care, tailored to their needs.

The aim of adult social care is to protect and empower the most vulnerable citizens. This means supporting vulnerable people to maximise their independence, health and wellbeing, whilst ensuring that publically funded care and support provides value for money for Birmingham residents and is provided only when it is really needed.

The Council’s vision therefore needs to translate into actions that will support people to continue to live independently and in their own home for as long as possible, to help all residents to access high quality and affordable social care, and to ensure that service users have choice and control over their own lives. However, there will always be some citizens who will need residential or nursing care or ask for the Council’s support in planning and arranging their care. In recognition of this, the following commissioned services are included within this strategy (collectively described as “adult social care” hereafter):

- Home support – for children and young people with a disability and adults of all ages
- Residential care – for adults of all ages
- Nursing care – for adults of all ages
- Supported Living (as defined by the Care Quality Commission) – for adults of all ages

This commissioning strategy recognises that relationships between health, social care and wider community services are integral to the health and well-being of local communities. Birmingham City Council is mindful of its role as a significant commissioner of these services and also the underlying price pressures in the social care sector - along with rising demand for services which it must provide for through its social care budget. A key requirement in meeting these financial challenges is to work more collaboratively with our partners and increase joint commissioning across health, social care, and housing with support.

This strategy outlines our approach to the commissioning of adult social care and provides a framework for the future commissioning of services that will support us to achieve our key aims to: improve outcomes; improve quality; and improve resilience and sustainability of the wider health and social care system.

2. OUR VISION AND STRATEGIC AIMS

The vision for adult social care in Birmingham recognises the role the Council can play across the health and social care system in the context of both the Care Act 2014 and also the NHS Five Year Forward View, in ensuring we make fundamental changes to promote well-being, independence and within limited resources and to help people to achieve the outcomes that matter to them in their life.

OUR VISION FOR BIRMINGHAM IS TO HAVE A VIBRANT, DIVERSE AND SUSTAINABLE LOCAL HEALTH AND SOCIAL CARE MARKET, WHICH SUPPORTS THE ACHIEVEMENT OF BETTER OUTCOMES, INCREASED INDEPENDENCE AND CHOICE AND CONTROL FOR ADULTS.

This vision is underpinned by three clear aims to:

1. Improve outcomes for those with health, care and support needs
2. Improve the quality of commissioned health and care services
3. Improve the resilience and sustainability of our health and social care system

This recognises that if people are to live better lives and achieve better outcomes then we need to help people, their families and the community to have greater choice and control about the care that they receive, to promote independence and to ensure that all adults have access to the support that they require to live safely and independently.

To deliver this vision a whole systems approach is required which recognises that much of the need for care and support is met by people's own efforts including their families, friends or other carers, and by community networks. Services commissioned by the Council and NHS need to support and complement these individual and personal care and support resources.

This vision will be delivered in two phases which are described in more detail in the 'Commissioning Intentions' section below:

- The Reshaping Phase 2018 – 2021
- The Self-Regulation Phase 2021+

3. DRIVERS FOR CHANGE

CURRENT CHALLENGES AND POSITION

Since Summer 2016, the Council has been reviewing current commissioning practice in relation to the services described in section 1. This has included early engagement with the independent provider market, as well as a range of internal and external stakeholders, to review both the original business case for the introduction of a framework approach and also best practice in the field of commissioning social care.

The review identified the following intended benefits from the original business case for the Framework Agreement for adult social care and the associated impact of the current contracts and systems. The following table and analysis compares the current position, with that a year prior to introduction of a framework approach and the associated IT systems:

Indicator	Home Support	Residential (with and without nursing)
Market growth since 2012	109%	-7.7%
Change in client base since 2012	+21.6%	-9.4%
No. of new providers/month since 2012	3	7
Current no. of providers with an active CQC registration	125	232
Current % clients placed with 'good' rated provider	72%	50%
% of providers with a 'good' quality rating in 2013/14	52%	31%
% of providers with a 'good' quality rating in 2016/17	72%	56%
Current % requirements fully tendered to the whole market	85%	16%
Current % winning offers from 'good' rated providers	78%	38%
Current % requirements cancelled due to lack of offers	8%	33%

Table 1: Analysis of key performance measures since introduction of the framework

Ensure an open and transparent supply chain so that businesses can grow and new ones can start up locally

Whilst the market has grown for home support providers, there has been a reduction in residential (with and without nursing) providers, which broadly reflects changes in demand for services. Using a framework approach has allowed these changes in demand to be managed and has allowed new providers to enter the market.

However, Birmingham City Council has almost 1,000 registered providers on the Framework Agreement for Adult Social Care, albeit only 357 have an active CQC registration and are based within the Birmingham boundary. Given the overall quality of care provision, this volume of providers is challenging for the Council to robustly and consistently manage with a reduced workforce.

Assure quality through the 'quality rating' process used to shortlist providers and the contract management process

The quality rating system – including the publication of quality ratings - introduced as part of the framework, has resulted in an increase in the overall quality of provision in both sectors of the adult social care market.

Overall quality standards are lower in residential (with and without nursing) services and this is reflected in the proportion of packages where the winning offer was from 'good' rated providers. However, the system does allow citizens and other stakeholders to gain a clear picture of the quality of services to support citizen choice.

Achievement of cashable savings

The Framework Agreement for Adult Social Care and associated micro procurement IT system implementation has delivered net savings to the Council of £6.631m over the last four years. However, whilst the use of dynamic pricing has reduced the cost of home support services, comparator data with 15 other cities across the UK, shows the Council currently pays the highest price on average for nursing care, and third highest for residential care. Furthermore, the lack of engagement with the framework approach and associated IT systems by the residential (with and without nursing) market, has resulted in a loss of potential savings of approximately £1.9m over the last four years.

Whilst overall savings have been achieved, since 1 April 2016, there has been a 10% increase in the hourly rate the Council pays for home support and an 8% increase in the average weekly fees paid for residential (with and without nursing) rates. This is despite the Council having uplifted fees for the majority of older adult's providers to enable them to pay the Birmingham Care Wage. Therefore, there are clearly other price pressures in the market that the Council currently has limited influence over.

Making back office savings and process efficiencies

The implementation of the framework and associated micro procurement IT system (Sproc.net) has not delivered the anticipated efficiencies in back office systems. Back office savings were predicated on a much greater range of service categories being added to the framework. Unfortunately due to a number of factors, it has not been possible to implement further categories and modules into Sproc.net and the capability of the system and associated savings have not been fully realised.

The lack of engagement from the residential (with and without nursing) market has resulted in a reduction in the proportion of requirements fully tendered and an increase in the proportion of requirements that have been cancelled due to a lack of offers. This has driven an increased reliance on making placements outside of the agreed framework and IT system, therefore increasing back office processing.

The implementation of Sproc.net was not far-reaching enough and a number of processes that could have been automated and/or streamlined, remain as predominantly manual processes, therefore reducing efficiency of the commissioning systems and processes.

Reduce the Council's exposure to risk

Whilst the framework and associated IT systems have the functionality to reduce risk, the full potential of credit alerts for providers, and the lack of automation and interfacing of IT systems, means that these benefits have not been realised. However, the increase in the number of providers has reduced the Council's previous reliance on a very small number of providers, particularly in the home support market.

Commission by outcomes and support the personalisation agenda

A key element of the process for assessing offers from providers for individual packages of care was to manually score against a set of outcomes. These outcomes will have been developed in dialogue between the social worker and the citizen. Whilst this does have the potential to ensure personalised services are commissioned, the subjective nature of the scoring process, the manual intensity of the scoring process, and the lack of high quality responses from the market, have made it difficult to demonstrate the added value of the outcomes focussed stage in the current procurement process.

Assist commissioners to meet duties under the Care Act 2014

The use of the Framework Agreement for Adult Social Care and associated IT systems has ensured a diverse local care market and provided a mechanism to deliver choice for citizens, as required by the Care Act 2014.

These findings, along with the national drivers for change detailed below have driven the need for the Council to redesign the future approach to commissioning of adult social care services, to ensure they remain fit for purpose.

NATIONAL DRIVERS FOR CHANGE

Adult social care operates within a complex statutory framework. The legislative and regulatory requirements underpin the approach to commissioning as well as the way in which these vital services are delivered. It is important that both commissioners and providers work together to develop and deliver a range of services that meet citizens' needs, provide choice and are of good quality.

The statutory driver for the work of adult social care is currently the Care Act 2014. The Care Act places clear duties on providing care and support to meet the assessed eligible needs of individuals and ensuring that wellbeing is promoted when carrying out any of the Council's care and support functions.

It is therefore critical that both the Council and providers reshape the services that are delivered to citizens. This commissioning strategy sets out a number of ways in which this agenda will be further embedded across services in Birmingham.

The NHS Shared Planning Guidance 16/17 – 20/21 was published in December 2015. This outlined a new approach to help ensure that health and social care services are more integrated. Every health and social care system in England has been asked to produce a multi-year Sustainability and Transformation Plan (STP), showing how local services will evolve and become sustainable over the next five years.

To deliver a plan that is based on the needs of local populations in Birmingham and Solihull, local health and social care partners have come together to develop an STP which will help drive transformation in service user experience and improved outcomes as follows:

- lead fulfilling, healthy, independent lives
- receive consistently high quality health and care services
- have early access to extra help when they need it
- have easy access to support when they can no longer live independently

This commissioning strategy integrates the principles of the STP and provides real opportunities for the joint commissioning and ultimately integrated service delivery to the citizens of Birmingham. Clinical Commissioning Groups across Birmingham are already committed to improving the quality of services and working collaboratively with the Council to take a more joined up approach to managing the market.

LOCAL DRIVERS

In 2012 the Council moved away from traditional block contracting, spot purchasing and large-scale internal provision of some adult social care services, to an open market approach with dynamic pricing. This approach has delivered a number of benefits for the City Council and for citizens including; commissioning a more diverse range of providers catering for the demography of Birmingham and focussed on delivering individual outcomes; ensuring an open and transparent supply chain that allows businesses to grow; adoption of market driven pricing that provides best value for the Council and the wider public; and reducing the Council's reliance on a small number of large providers. However the commissioning of services for citizens under 65 years old remains on a spot purchase basis.

Whilst this approach has allowed the Council to move away from more traditional delivery approaches and provide some structure to the market to allow it to develop, it has not addressed all of the Council's drivers for change and the needs of the market.

Further development is therefore required to ensure the commissioning of adult social care services remains fit for purpose as part of the wider health and social care system.

LOCAL NEEDS

The Council has published a number of Market Position Statements which identify current capacity and predicted demand and will be updated during 2017/2018. These are available on the Council's website by following the link below:

https://www.birmingham.gov.uk/info/20066/for_care_professionals/131/birminghams_market_position_statements

The proposals contained within this strategy and the detailed documents that will result from this, have all been designed to ensure that individual assessed eligible care and support needs can be met and that citizens are given choice and control over their care.

4. COMMISSIONING INTENTIONS

We need to transform the sector but are under no illusions about the scale of change this will involve and the need to take citizens, providers and professionals on that journey with us. We will continue to support the local economy and the care sector and have set out below a phased approach to this that we believe will deliver our vision.

THE RESHAPING PHASE 2018 – 2021

Whilst the commissioning approach adopted in 2012 has created many positive changes, there is still a great deal of work to do to reshape services to meet current and future demands and to address national and local policy drivers.

The 'reshaping' phase of this strategy from 1 April 2018 to 31 March 2021 has been designed to take that first step on the transformation journey and will be focussed on:

- **Investment and stability** – investing existing resources into the care sector in a more structured way to provide stability and allow all parties to plan their businesses, including proposals to move to a **fixed fee** approach.
- **Commissioner-led support** – a package of support from commissioners across the system that promotes quality improvement. Including ways in which social value will be delivered by the care sector and other partners.
- **Incentivising quality** – developing a quality rating system that rewards the best care provision and informs choice.
- **Market shaping** – developing mechanisms and specifications that support reduced reliance on the Council.
- **Efficiency and modernisation** – developing integrated systems and processes that are efficient and fit for the future.
- **Robust contract management** – clear specifications focussed on enablement and that make clear the requirements, with robust and consistent management against these.

This will mean that by 2021 in Birmingham we will have a health and social care system where there is;

- an increase in care and support being focused on improving outcomes and increasing independence.
- independent providers incentivise to work within their local communities to promote health and wellbeing and reduce the need for commissioned services.
- a systematic approach to promoting what choices are available to people locally, the quality of the service they choose and that it is value for money.
- quality processes and procedures that promote active involvement of service users.
- a systematic, transparent and proportionate approach to assessing and managing quality across the health and social care system.

- an increase in the number of independent providers that achieve the highest standards of care.
- market intelligence that is shared regionally and nationally with Core Cities to raise quality standards.
- a balanced budget amongst partners within the health and social care system.
- a sustainable price for care based on quality of services.
- open, respectful and honest relationships with providers and proactive provider engagement.
- development of systems, processes and relationships that integrate with our health partners, those within the wider STP footprint and other commissioners within the region.

A performance framework will be developed to regularly assess the effectiveness of this strategy and to ensure changes are made where necessary.

THE SELF-REGULATION AND INTEGRATION PHASE 2021+

The 'self-regulation' phase of this strategy from 1 April 2021 onwards is designed to further transform the care market across Birmingham and to play a pivotal leadership role across the health and social care system regionally. This will take account of relevant requirements and needs at the time, but is likely to be focussed on:

- **Only doing business with the best** – having transformed and incentivised improvements in quality of service, the Council's aim will be to only do business with Gold and Silver providers.
- **Reduced reliance on commissioned services** – the Council will do further work to; develop alternatives to more traditional models of care commissioning and delivery which will incentivise providers to enhance the independence of citizens; and support the development and understanding of community-based services.
- **Partnership with providers** – having transformed the Council's relationship with the market by being open and transparent, the Council will have a range of high quality providers who want to work with the Council to deliver services in the future, are clear about what is required and are able to work with the Council/NHS to influence the future direction.
- **Integration with health** – the Council will continue to maximise all opportunities to integrate services and transform the market to enable services to be jointly commissioned or to no longer rely solely on Council/NHS input.
- **Self-regulation** – the Council will have worked closely with the market to reshape services and develop models for self-regulation and reduced reliance on the Council's resources to directly manage quality. The Council will then have a more strategic relationship with key providers and their representatives in the City, to deliver innovation and to allow them to regulate themselves.

THE ROLE OF OTHER PARTNERS

The Council is clear that it plays a significant role in the commissioning of services that make up the health and social care system across Birmingham and beyond. However, we also recognise the crucial role of families, carers, communities and third sector organisations. Together, they provide advice, guidance, support and care to a whole range of citizens that the Council may not have visibility of. It is therefore crucial that the Council works with these partners to improve the quality of commissioned services.

CURRENT RESOURCES

Based on current spend and demand profiling it is estimated that £338m will be spent on adult social care by Birmingham City Council in 2017/18, which comprises 41% of the Council's overall net budget. However, this is in the context of the Council having reduced its adult social care net spending by over 15% since 2011.

A further £15.2m of savings are required in 2017/18, rising to £17.4m in 2020/21. Many of these savings plans are very challenging and there are very limited opportunities for alternative plans, however the Council continues to monitor and manage spend rigorously and identify further contingency plans.

5. HOW THE STRATEGY WILL BE IMPLEMENTED

The following section describes how the commissioning strategy will be implemented to support delivery of high quality services, the achievement of better outcomes, increased independence and choice and a more resilient and sustainable health and social care system.

ENTRY CRITERIA INTO THE COUNCIL'S FRAMEWORK 2018 - 2021

The Council will operate a framework contract for all market sectors, however these arrangements will be adapted to reflect current supply and demand. This will mean the following:

- **Home support** – this will be operated as a closed framework, whereby the Council will contract with a fixed group of providers, the detail of which is set out in Section 5.
- **Supported living** (personal care elements only) – this will be operated as an open framework, whereby the Council will allow new providers on to the framework, subject to the relevant entry criteria being met.
- **Residential homes and Nursing homes** – this will be operated as an open framework, whereby the Council will allow new providers to join the contract at any time, subject to the relevant entry criteria being met.

To drive up quality, the Council will not allow a provider who is currently rated by the Care Quality Commission (CQC) as Inadequate to enter the Framework. Where a provider has not received a CQC rating under the new ratings system, the Council will work with the CQC, to seek support with prioritising CQC inspections. Where this is not possible within the time available, the Council or NHS will conduct an inspection prior to contract award, under the Quality Rating System detailed below. Should this identify the provider as Inadequate under the Council's proposed rating system, this provider will not be allowed to enter the Framework.

All providers seeking to join the framework will therefore have to have at least one of the following, the most recent of which will be considered for entry onto the framework:

- a CQC rating of Requires Improvement, Good or Outstanding;
- a Birmingham City Council quality rating of Gold, Silver or Bronze (as detailed in the Quality Framework below); or
- a NHS Joint Quality Assessment Framework (JQAF) score of Amber, Green or Bright Green.

Beyond this, a more detailed set of entry criteria will maximise the quality of providers that can enter the framework and to reduce potential risks to all parties, this will include (but not be limited to) provision of the following:

- CQC registration certificate
- Bank account details and copies of financial accounts
- Employers Liability and Public Liability insurance certificates
- Company registration details

- Details of any bankruptcy or convictions of owners/responsible persons
- Copies of a range of policies e.g. Safeguarding Policy, Health and Safety Policy, Recruitment and Selection Policy

A combination of these results will form the basis of the criteria which determines providers who are eligible to join the framework. The same requirements must be met by both Residential Homes and Nursing Homes should they wish to join the framework at a later date. The only exception being those placements that are outside of the Birmingham City Council boundary, which will be the subject of the arrangements set out below.

TRANSITION ARRANGEMENTS

The Council is keen to stabilise the care being received by our citizens and we believe this is a collective responsibility which we should all take, whilst we are working to transform the market and quality of services across Birmingham in a more structured way. We are keen to work with providers who share this ethos and are comfortable to work with us through this transition period constructively. However, we must also make changes and start to tackle a number of historic issues within the sector and ensure it remains sustainable.

Therefore the terms of the new framework will apply to new packages of care commissioned after 1 April 2018 only, including the proposed relevant fixed fee. All existing placements will remain under the current contractual arrangements as provided for in the necessary contract documents. However to maintain continuity and provide a clear picture of quality for citizens and professionals alike, all providers that are successful in joining the new framework, will receive a quality rating under the new quality rating system.

Should a provider choose to terminate an existing package of care, they will not be eligible to make a further offer to deliver this citizens care. The termination terms will be clearly defined in the contract.

In cases where a provider is unsuccessful in joining the framework but has existing packages of care which are being delivered, the following will apply:

- **Home support** – any citizens currently supported will be contacted by the Council and advised of the outcome of the procurement exercise, alongside the quality rating. They will be offered a choice to either remain with the existing provider by taking up a Direct Payment, or choose for the Council to find them a new provider.
- **Supported Living** – as these citizens will have an independent tenancy and the Council is only commissioning the care element, the same rules will apply as for home support above.
- **Residential and Nursing care** – the provider will no longer receive any new placements from the Council and will be given 6 months to make the necessary quality improvements. Should the provider make the necessary improvements and are then able to meet the entry criteria, they will be allowed to join the new framework. For those providers that are unable to make the necessary improvements after six months, the Council will commence dialogue with citizens and their families around moving to a new home.

CORE STANDARDS

The Council not only has a statutory duty to meet assessed eligible care and support needs but a moral responsibility to the people of Birmingham to ensure the care sector is fit for purpose and supports the wider health and social care system.

To ensure citizens and their families are clear about the standards they can expect from their provider and that providers are clear about what is required, the Council will set out a series of service specifications and core standards. These will be used as the foundation for all quality monitoring assessments undertaken either by the Council, NHS or by the Independent Quality Assessor.

In addition to meeting all regulatory and contractual requirements, each provider must meet the specific core standards which will deliver the following outcomes in the following five domains:

1. Involvement and information

- a. Service Users understand the care and support choices available to them. They are encouraged to express their views and are always involved in making decisions about the way their care and support is delivered. Their privacy, dignity and independence are respected and their (or their carer's) views and experience are taken into account in the way in which the Services are provided.
- b. Where they are able, Service Users give valid consent to the care and support they receive. They understand and know they can change any decision that has been previously agreed about their care and support. Their human rights continue to be respected and are taken into account.

2. Personalised care and support

- a. Service Users experience appropriate, effective, care and support in an enabling way that safely meets their needs, protects their rights and maximises their independence, health and wellbeing.
- b. Service Users are enabled and supported to have a choice of nutritional and balanced food and drink to meet their diverse needs.
- c. Service Users receive safe, coordinated care and support where more than one Service Provider is involved, or where they are moved to another Service Provider.

3. Safeguarding and safety

- a. Service Users are protected from abuse or the risk of abuse and their human rights are respected and upheld.
- b. Service Users experience care and support in a clean environment that protects them from, and reduces the risk of, infection.
- c. Service Users will have the medicines they are prescribed, at the times they need them, and in a safe way.
- d. Service Users, together with those who work in or visit the premises, are in safe and accessible surroundings that promotes and protect their wellbeing.
- e. Service Users, together with those who work in or visit the premises, are not at risk of harm from unsafe or unsuitable equipment (including furnishings or fittings). Service Users benefit from equipment that is comfortable and meets their needs.

4. Suitability of staffing

- a. Service Users are safe and their health and welfare needs are met by staff who have been appropriately recruited and who have the right qualifications, skills and experience.
- b. Service Users and their health and welfare needs are met by sufficient numbers of appropriate staff with the right qualifications, knowledge, skills, approach and experience.
- c. Service Users are safe and their health and welfare needs are met by staff who are appropriately trained, well supervised, and receive the development opportunities they need to carry out their role effectively whilst keeping their skills and training up to date.

5. Quality of management

- a. Service Users benefit from safe, quality care due to effective decision making and management of risks to their health, welfare and safety because lessons are learned and the quality of Services is effectively monitored.
- b. Service Users and / or their nominated representative can be sure that the Service Provider listens to and acts on their complaints and comments. They know that they will not be discriminated against for making a complaint or raising an issue.
- c. Service Users are confident that the records kept by the Service Provider about their care and support (including those that are required to protect their safety and wellbeing) are accurate, fit for purpose, held securely and remain confidential.

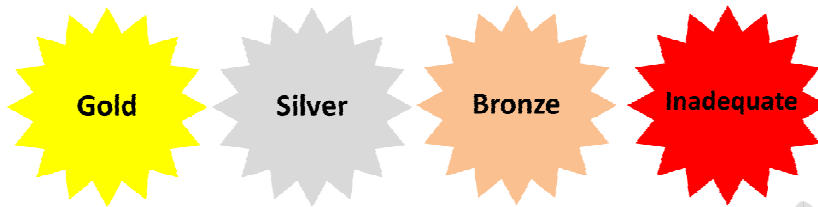
THE QUALITY RATING SYSTEM

The quality rating system is based on the following overarching principles:

- The delivery of outcomes for service users and citizens are at the forefront of care delivery.
- Care providers are responsible for ensuring they deliver good quality care.
- The Council has a duty to provide assurance of and to drive up the overall quality of care in the city.
- The Council aspires only to do business with good quality providers. In the future it does not intend to contract with those providers that are unable to sustain consistently good quality services.
- The Council will provide a range of support to providers to improve services but not indefinitely.
- The Council will incentivise high quality provision.
- The Council will measure the overall quality of provision by taking into account a range of opinions to provide a balanced view.
- Quality will be measured against contractual terms and conditions, core standards and the delivery of outcomes.

- The quality assurance framework mechanism and how it operates is transparent and clear.

Quality of provision will be measured and each service given an overall quality rating of either 'Gold', 'Silver', 'Bronze' or 'Inadequate'. The statements below reflect what services in the different bands will look like.



WHAT DO THESE SERVICES LOOK LIKE?

'Gold'

- People describe the service as exceptional and distinctive, with staff going out of their way to meet personal preferences and individual outcomes.
- The provider is striving to be a leader in their field.
- The provider exceeds the standards set down by CQC, and contractual terms and core standards.
- The exceptional level of service is delivered consistently over time.

'Silver'

- People describe the service as good and that it meets their needs and delivers good outcomes.
- The provider meets the standards set down by CQC, and contractual terms and core standards.
- The good level of service is delivered consistently over time.

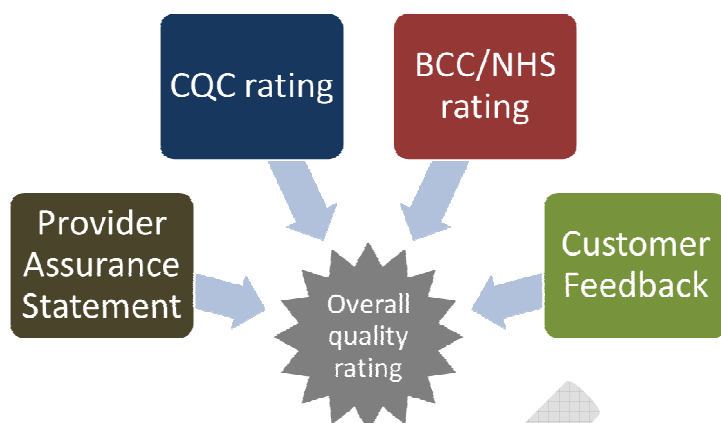
'Bronze'

- People describe the service as not always good and that it does not always meet their needs or deliver good outcomes.
- The provider is working towards meeting all of the standards set down by CQC and contractual terms and core standards, but improvement is still required.
- A good level of service is not consistent over time.

'Inadequate'

- The provider does not meet key standards set by CQC and contractual terms and core standards.
- People using the service are not safe and they are at risk of harm.
- Significant improvement is required, the service will be at risk of losing its registration.

WHAT INFORMATION WILL DRIVE THE RATING?



The Quality Framework aims to capture a range of views of the quality of services and use them to produce a single quality rating that can be used to inform care commissioning processes and facilitate citizens to make informed choices. The rating system will therefore draw upon a balanced range of data sources:

- The view of the regulator: The Care Quality Commission (CQC) inspection rating
- The view of the Commissioner: Birmingham City Council or NHS inspection rating
- The view of the citizen or service user: Customer feedback and social worker feedback
- The view of the provider: Assurance Statement

ANNUAL INSPECTION

Services will receive a minimum annual inspection from the CQC or the Council or the NHS. The most recent full inspection outcome will be used to determine the provider's overall quality rating. Table 2 below describes how the outcomes of these inspections translate into the Council's overall quality rating.

Overall Quality rating	CQC inspection outcome	Council inspection outcome	NHS inspection outcome
Gold	Outstanding	Gold	Bright Green (best achievement)
Silver	Good	Silver	Green (compliance)
Bronze	Requires Improvement	Bronze	Amber (partial compliance)
Inadequate	Inadequate	Inadequate	Red (minimal compliance)

Table 2 Ratings that will be used to determine a providers overall quality rating by Birmingham City Council

The Council will publish the toolkits and questions that will be used to monitor performance against each of these standards and the provider will receive advance notification of their annual inspection. More reactive, focussed inspections may be required as described below, which may remain unannounced; however the Council will endeavour to notify providers where appropriate to do so.

The provider will receive a copy of the inspection findings immediately following the inspection to allow improvement planning to commence without delay should this be required.

CUSTOMER FEEDBACK

Customer feedback will be used to evaluate what customers think about the service, how it involves and consults with citizens and how responsive the service is. Customer feedback will be rated through the Council's inspection of the delivery of the 'Involvement and information' domain core standards.

As a minimum, providers will be required to ask citizens and service users a small number of set questions about the quality of their service and report their results regularly.

The Council will gather data through the social work assessment and review process, about how well the provider delivers outcomes for individuals and whether the citizen feels their needs are being met.

PROVIDER ASSURANCE STATEMENT

Providers will submit an assurance statement every 6 months (annually in the case of 'Gold' standard providers) which will provide a declaration to Commissioners that contractual terms, conditions and core standards are being met and identify openly and transparently those areas of the service where providers are unable to meet the standards and what action is being taken to address this.

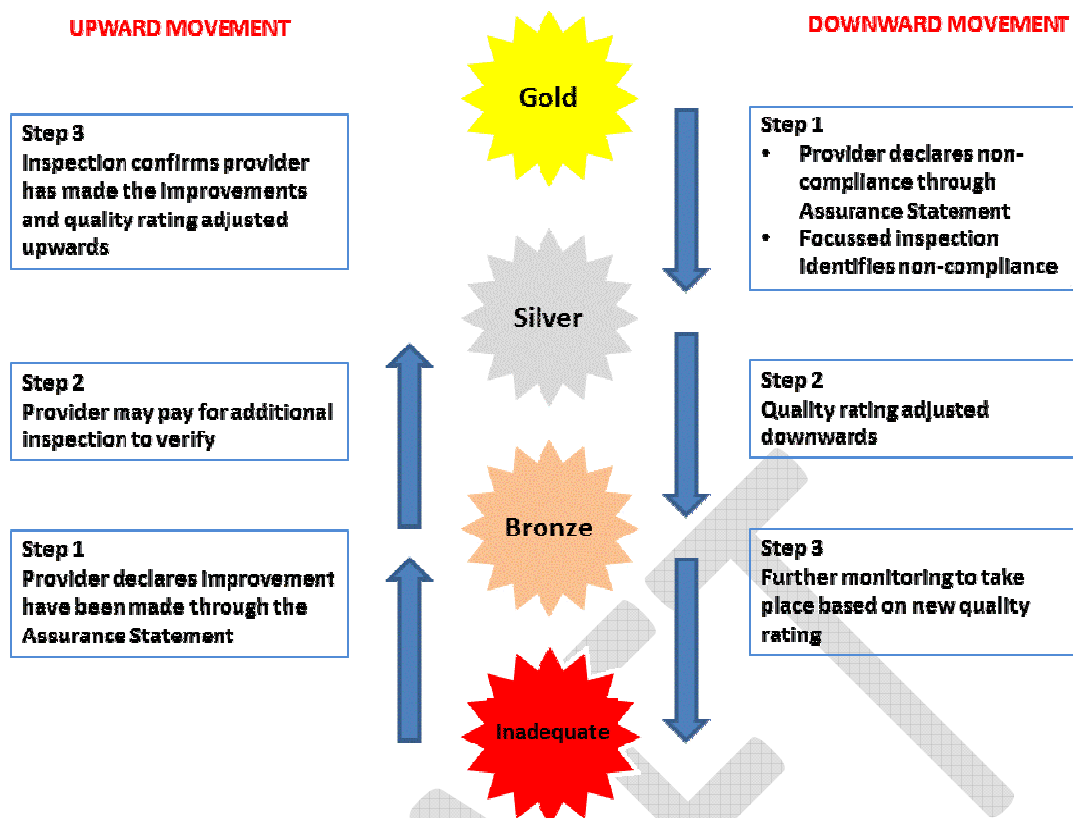
The assurance statement is an opportunity to declare elements of the service that require improvement; or elements of the service that have sufficiently improved. In cases where the provider declares that improvement has been made they can request and pay for an inspection to validate this. If the improvement is validated the provider's overall rating will be adjusted upwards accordingly (with the exception of 'Gold' standard providers). No validation is required in cases where providers self-identify elements that require improvement and the overall rating will be automatically adjusted downwards.

ADJUSTING THE QUALITY RATING

The quality rating will be adjusted between annual inspections under the following circumstances and in line with the diagram below:

1. The provider's Assurance Statement identifies elements of the service that have fallen below the standard identified at the last full inspection. In this case the providers rating will be adjusted downwards in year.
2. Negative intelligence gained about the service may trigger a focussed inspection. Where this inspection identifies elements of the service that have fallen below the level identified at the last full inspection, the provider's rating will be adjusted downwards.

3. The provider's Assurance statement identifies that required improvements identified at the last full inspection have been implemented. If the provider chooses to pay for a further inspection that verifies the evidence submitted, then the providers overall rating is adjusted upwards.
4. One of the conditions of a Gold standard rating is delivery against that standard over a consistent time period. Accordingly, there will be no opportunity to move from the Silver band to the Gold band between full annual inspections.
5. In the case of providers rated Inadequate by the CQC, the provider will remain rated overall Inadequate until the CQC has re-inspected and removed its Inadequate rating. Providers who are rated Inadequate will be suspended from bidding for new packages and if significant improvement is not made within the required time, the Council will consider supporting people to move to a different provider.
6. Failure to submit the Assurance Statement will be treated as a contract breach and an automatic rating of Inadequate will be applied. Should this subsequently be received by the Council, the Inadequate rating will be removed and the usual process for assessing the Assurance Statement (as described above) will continue.
7. Falsification of the Assurance Statement will be treated a contract breach and an automatic rating of Inadequate will be applied.
8. A focussed inspection may result in identification that the provider is no longer meeting the standard to warrant the overall rating achieved at the last full inspection. The overall rating will be adjusted down to the appropriate rating band.
9. A focussed inspection may be triggered by:
 - An unusually high number of concerns or deficiencies which is deemed to present a clear, significant or immediate risk to service users such as quality or safeguarding alerts / issues;
 - A series of concerns or deficiencies which individually may not present a clear, significant or immediate risk but present a pattern which indicates an increasing likelihood of clear, significant or immediate risk to service users;
 - Evidence of a breach of contract;
 - An accumulation of concerns or deficiencies in a rolling three month period that triggers non-compliance;
 - CQC serving an improvement or enforcement notice;
 - High volumes of complaints or concerns received;
 - Feedback from service user and relative meetings and/or questionnaires that is deemed to present a clear, significant or immediate risk to service users;
 - Evidence of financial instability through credit alerts which is likely to place care provision at risk; and/or
 - Consistent feedback from reviews that citizen's outcomes are not being met.



PUBLICATION OF THE QUALITY RATING

The Council will publish online each provider's overall quality rating, alongside their CQC inspection rating, any NHS quality rating and customer feedback data. This will enable citizens to make informed choices about the care providers they choose to meet their needs and how they compare with other providers in the care market. This will also allow the Council to share market intelligence more readily on a regional and national basis where appropriate.

THE SUPPORT OFFER

The Council is committed to ensuring that the care market is supported to make the necessary changes described in this strategy. A wide range of providers operate within Birmingham, from national organisations to some of our smaller and more specialist providers. It is therefore important that, regardless of the wider assets and resources a care provider has, they have equal access to the Council and partners support in making changes and improvements in quality. All Framework providers will therefore be entitled to a package of support from Birmingham City Council and its partners, to incentivise improved quality which will include:

- A **dedicated commissioning team** will be aligned to the geographic areas contained in the Geographic Home Support Model below. This will allow commissioners to work locally to support the further shaping of all sectors of the market, development of and linking to community assets and to have a real understanding of the availability and quality of care in their area. They will provide advice and guidance in relation to the Framework ; be proactive in picking up potential quality issues early on in order to reduce more intensive

interventions in future; signpost providers to targeted and specialist training; and to continually improve quality.

- A quarterly contract review meeting with commissioners for those providers with the largest market share. This will be used to discuss market intelligence, quality, improvements, innovation and address questions and concerns either party may have about the contract and how it is operating.
- Be provided with **marketing materials**/logos that can be used to promote the service and the Birmingham City Council quality rating. Providers will be required to make all service users aware, whether funded by Birmingham City Council or not, of their quality rating.
- A **training and support programme** aimed at driving up quality, including a career pathway and a Birmingham Care Manager accredited course will be developed to ensure the care sector is an attractive employment choice for people.
- The Council is keen to **explore new ways of working with providers** and to ensure that the market remains sustainable in the future. To support a review of different ways of working that may be used to commission services in the Self-Regulation Phase, the Council will work with groups of interested providers to consider alternatives such as lead provider or consortia models.
- The Council will look to develop models through its Social Value Policy and the Birmingham Business Charter for Social Responsibility to **connect organisations that can support and benefit one another** to improve areas of their business and quality.
- The Council will be seeking to **develop a number of 'care associations'** to act as Independent Quality Assessors (IQAs) and to develop the self-regulation model described above. These IQAs will initially undertake inspections of Gold rated providers, as well as start to work with the Council and the market to develop training, shared resources and to represent the care market in discussions with commissioners.

HOW WILL THE COUNCIL WORK WITH GOLD QUALITY PROVIDERS?

The Council seeks to recognise Gold rated providers by:

- Paying a 2% quality premium rate on all new care packages won.
- Reducing the frequency of Assurance Statement submissions from 6-monthly to annually.
- Reduced direct inspection by the Council and delegation of inspections of Gold providers to the Independent Quality Assessor.
- Public acknowledgement through a recognition event and use in marketing materials.
- Involvement in the development of future peer / self-regulation process.

Gold rated providers will also be afforded greater freedoms and flexibilities and asked to deliver the following over time:

- Support reviews of care packages with citizens and agree ways that care packages can enable citizens to improve independence. This may include signposting and working in partnership with local based public/voluntary organisations. Evidence of this will be considered as part of the annual inspection and will form part of the requirements to meet the 'Gold' standard.
- Providers will be encouraged to support the implementation of Individual Service Funds (ISF) with small groups of citizens where appropriate. An ISF is a flexible funding mechanism designed to provide personalised support to people with complex needs. An Individual Service Fund (ISF) is a restricted fund; money is held by the service provider and used to develop an outcomes-focused support solution to meet the citizen's assessed eligible care and support needs. The Council will look to pilot this approach in advance of the new contract, but will only do so once a provider has been assessed under the proposed quality rating system as 'Gold'.
- Providers will be encouraged to support the implementation of assistive technology with the aim of increasing independence and reducing the cost of care to the Council. The Council will look to pilot this approach in advance of the new contract, but will only do so once a provider has been assessed under the proposed quality rating system as 'Gold'.

HOW WILL THE COUNCIL WORK WITH SILVER QUALITY PROVIDERS?

The Council will continue to monitor the quality of its benchmark standard providers to ensure that quality is maintained.

HOW WILL THE COUNCIL WORK WITH BRONZE QUALITY PROVIDERS?

In the future it is the Council's intention only to do business with good quality providers (those rated Gold and Silver). The Council will put in place the following with Bronze standard providers to support this intention:

- Not awarding care packages where there is a better quality rated alternative.
- Providers submitting an Improvement Plan.
- If required improvement is not validated within the specified timescale, the Bronze price will be applied to all new care packages and the Council will commence dialogue with citizens and families about changing care providers for those affected.

HOW THE COUNCIL WORK WITH INADEQUATE QUALITY PROVIDERS

The Council does not intend to contract with inadequate rated providers.

Where the provider has been rated inadequate by CQC they will be suspended from bidding for new care packages by the Council until the provider has satisfied the CQC it has put in place the required improvements and the Inadequate rating has been lifted.

Where the Council/NHS has rated a provider Inadequate through its inspection, the Council will put in place the following:

- Immediate suspension from bidding for new care packages.
- Providers will be required to submit an Improvement Plan.
- After submission of the Improvement Plan the provider will be required to attend contract review meetings with Commissioners to review progress/evidence delivery against the Improvement Plan.
- If the Improvement Plan has been completed satisfactorily then the provider is awarded a Bronze overall rating and the suspension is lifted and the Bronze process above will be followed.
- If the Improvement Plan has not been completed satisfactorily within the prescribed timescale, then a multi-agency review meeting will review the care provision, safety of service users and set out the decommissioning plan.

PRICING

It is proposed that the Council will operate a **fixed fee** approach, providing greater transparency of pricing and allowing all parties to plan more effectively. There will be separate fixed fees for each different category of care which are derived from a baseline understanding of the costs of providing adult social care in Birmingham.

The Council has undertaken a range of comparison and benchmarking activities to develop the proposed fees and to further understand the relative costs of care in Birmingham, including use of the following:

- KPMG's Open Book 3 analysis of the costs of care in Birmingham
- Detailed analysis of current pricing data
- Regional market intelligence and costs of care for neighbouring areas
- The analysis provided by the provider Task and Finish Group which provided its analysis in September 2016

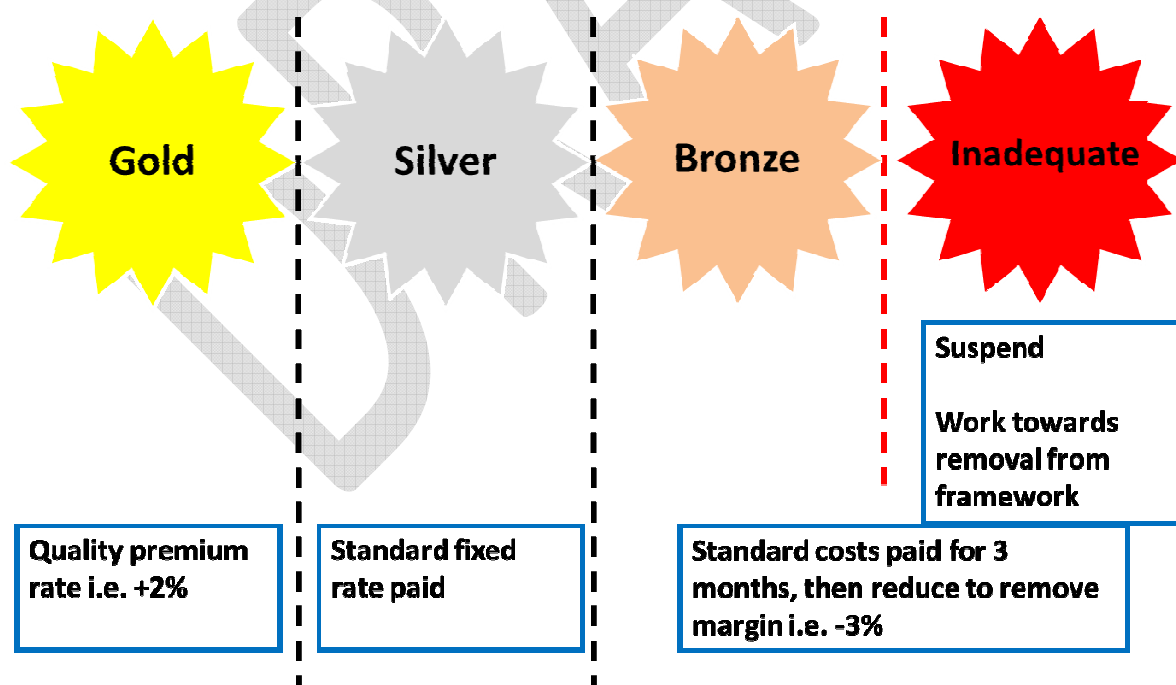
The following general pricing assumptions have been adopted:

- Given the Council has proposed to delay implementation of the Birmingham Care Wage for 2017/18, the proposed rates will enable providers to pay their care workforce an hourly rate of £7.50, which is in line with the National Living Wage from 1 April 2017 and aligned to the Council's current Birmingham Care Wage.
- The Council's analysis has identified huge variances in the fixed costs associated with delivering care (the "hotel costs"). Based on the analysis of all current data sources, there is no strong evidence base for these significant variances and as such, the Council is seeking to set a fixed hotel cost across all bed-based categories of care.
- To reflect the complex range of support provided for those citizens with a learning disability or mental health condition, a banded price model is proposed. This is based on the fixed

hotel cost, with a range of care costs added to reflect the complexity of each package of care.

- In addition to quality incentives and wide range of support, the Council will make a commitment to review fees annually. This review will reflect a number of inflationary and pricing pressures placed on providers. The methodology for this is detailed in the Price Review Methodology section below.
- Providers will meet the CQC requirement that ‘providers must provide sufficient numbers of suitably qualified, competent, skilled and experienced staff to meet the needs of the people using the service at all times and... other regulatory requirements.’
- Third Party Contributions (also known as top ups) will only be required when the person needing care or their family have specifically requested more expensive accommodation or are receiving a genuine upgrade in the services they are receiving.
- The Council will invest in IT systems that ensure prompt payment and secure cashflows, to reduce providers’ financing/borrowing costs.
- Providers will take all opportunities available to reduce overheads and transaction costs and increase occupancy levels.
- All nursing related costs must be met through the Funded Nursing Care (FNC) or Continuing Health Care (CHC) contributions.

These fixed fees will be complemented by incentives and disincentives based on the quality rating of the provider as follows:



In recognition of Gold rated providers that are exceeding the contractual and regulatory requirements and show leadership an innovation over a sustained period of time, the Council will pay a 2% quality premium for new packages.

For those providers that are rated as Silver, they will be paid the standard fixed fee for the relevant category of care being delivered.

Providers that meet the Bronze quality standard will be paid a reduced fee if they fail to make the required improvements within the specific timescale. This is to incentivise improvements in quality and to recognise that the necessary standards are not being met and therefore cannot be paid by the Council. The 3% fee reduction is to ensure that the costs of care can continue to be met, but that the provider cannot continue to make a profit from the delivery of poor quality services.

PRICE REVIEW METHODOLOGY

The Council recognises underlying price pressures within the care sector, particularly those in relation to employee costs, which make up the largest proportion of the cost of delivering care. The Council is committed to ensuring the care sector remains sustainable, not only as it delivers care to some of our most vulnerable citizens, but also as a major employer across the region. We will therefore review prices of care packages placed under the new contract on an annual basis using the following methodology:

Change in Hotel Costs = %age year on year change in CPIH (Consumer Price Index including owner occupiers housing costs)

The Consumer Price Index with housing costs will be the Government's headline measure of inflation and not only covers a range of household expenses but also overall housing costs including Council Tax. The Council believes this to be a fair and objective measure of price pressures on housing and household related costs that would be included within a providers 'hotel' costs where appropriate.

Change in Care Costs = %age year on year change in NLW (National Living Wage) or the Birmingham Care Wage, whichever is the greatest

The Council will ensure that its fee structure continues to keep pace with the National Living Wage and the 'care' costs within the fee structure will be amended in line with the year on year percentage change in the National Living Wage each year.

The Council will use the annual change in inflation rate figures each year to calculate both the Change in Hotel Costs and Change in Care Costs, with any price increases applicable from 1 April the following year.

CARE PACKAGE ALLOCATION PROCESS

Providers will be asked to submit offers for packages of care via an online electronic system. For home support providers, the principles will also operate, but within each geographical area. The following principles will therefore apply:

- Each provider submitting an offer will be required to confirm that they can meet the needs of the citizen based on the individual support plan. This will have been provided as part of the requirement to the market and anonymised as appropriate. This will no longer require a detailed response against each outcome in the support plan.

- The provider's quality rating will be used when evaluating individual offers for care packages.
- In a mini competition process where multiple providers bid for a care package, the provider with the highest quality rating will win the tender. However citizen choice may be exercised in this regard and will be considered in line with statutory requirements.
- In a micro-tender process where there is no clear difference between the quality ratings of the providers who make an offer for the package, citizen choice will come into effect and the service user will select the successful provider. Where it is not possible for the citizen to choose or they decline to do so, the Council will identify the earliest of the successful offers received with the highest quality rating.

GEOGRAPHIC HOME SUPPORT MODEL

The Council proposes to establish a closed framework for home support with a reduced number of providers across five geographical areas. It is intended this will:

- assure supply across Birmingham
- support sustainability in the market and to help providers plan their services
- enhance quality and focus on outcomes
- reduce instances of missed or late calls
- ensure value for money and reduce travel time and costs for providers
- ensure linkages to other local services can be maximised
- develop monitoring arrangements which are manageable and consistent
- allow the market to adapt to new delivery models such as a more enablement focussed service.
- allow the market to adapt to new funding models such as Direct Payments and Individual Service Funds.
- align to the Council's proposed new Wards from 2018.

A key part of the methodology is to provide a fair distribution of care hours in each area taking into account the number of citizens requiring services and, the forecast for future requirements. The geographically-based model will take into account the road route, accessibility and natural barriers so that each area is cohesive and carers can reasonably travel between calls.

Despite the proposed reduction in the number of providers, the proposal seeks to support the principles of the Birmingham Business Charter for Social Responsibility by ensuring that a geographically-based model will provide local employment opportunities; supports locally based businesses; and supports a greater understanding and linkages with community based services.

Whilst the Framework will enable Birmingham City Council to directly commission with providers, citizens will be able to choose other providers of care if they wish, through the encouragement of taking their Personal Budget as a Direct Payment.

The proposal classifies home support providers (based on the current market supply across the proposed geographical model) into one of the three following sizes based on their current weekly hours directly funded by the Council as indicated in Table 1 below:

Table 2: Provide Size Classification

Supplier Size	Number of Weekly Hours
Large	Over 2,000
Medium	Between 1,000 and 2,000
Small	Under 1,000

In line with local policy, the Council is keen to continue to contract with a range of high quality providers, and has developed a model that will continue to support small, local businesses. Based on the above definition of the size of providers Table 2 below indicates the proposed number of large, medium and small providers.

Any provider that is new to Birmingham and meets the required entry criteria for 2018 – 2021 will be classified as 'small'.

Table 2. Allocation of Providers

	No of large providers	No of medium providers	No of small providers	Total
Area 1 (North)	3	7	14	24
Area 2 (West)	3	5	12	20
Area 3 (East)	3	5	12	20
Area 4 (South Central)	3	4	8	15
Area 5 (South West)	3	5	10	18
Min providers	6	16	56	78
Max providers	15	26	56	97

The last two lines on the table show the theoretical minimum (78) and maximum (97) number of providers who could be awarded a 'lot' under the proposed model. This includes the requirement that large providers able to apply for up to three areas, medium providers up to two and small providers one area.

This would consist of up to six large providers, 16 medium providers and 56 small providers for general home support services (up to 78 providers in total). Citywide specialist services, will be in addition to the general home support providers. In addition to this, a provider in each of the five geographic areas will be selected during the contract tender and award process that can support the quick discharge of citizens from hospital that require home support.

The Council believes that this approach will ensure that there are sufficient care hours in each geographical area to support and encourage growth with acceptable competition that will not result in destabilising the home support market. This will also ensure that there is a sufficient mix of size and number of providers (based on the proposed mix of providers above) to meet current and future demand.

The proposed model comprises five areas with an average of 18,000 hours in each area as shown on the map in **Appendix One**:

- North Area (Area 1). This is essentially everything north of the M6 motorway. This acts as a barrier in that it limits accessibility from one side to the other, so this is being used as the

boundary. Area 1 is the largest in both area and weekly care hours, so has been allocated the largest number of providers. There are currently 24,700 weekly care hours in this area.

- West Area (Area 2). This is in the west of the city. Although it covers a fairly large area, the number of care hours is comparable with the other geographical areas. There isn't much in the way of direct connection between the north of this area (Perry Barr and Handsworth) and the south (Quinton and Edgbaston), the area also covers the city centre (Nechells etc.), which offers connectivity between all areas. There are currently **18,500** weekly care hours in this area.
- East Area (Area 3). This is in the east of the city, comprising everything from Alum Rock across to Shard End and down to Acocks Green. There are currently **18,000** weekly care hours in this area.
- South Central Area (Area 4). This is the south central area. It runs from Bordesley and Highgate, straight south through Moseley and Sparkhill down to Druids Heath and Hall Green. There are currently **15,600** weekly care hours in this area.
- South West Area (Area 5). This is in the south west, comprising Bartley Green across to Bournebrook, down to Kings Norton and across to Rubery. There is a natural boundary between Bartley Green at the top of this area and the wards above it, caused by Woodgate Valley (with no roads across it), and the road network and connectivity within the area is fairly straightforward. There are currently **17,000** weekly care hours in this area.

The map in **Appendix 1** illustrates the connectivity that will ensure that citizens actually have the care they require and which will in turn promote independence and support individuals to engage positively in their community. Suppliers will be able to join up streets and roads to deliver support locally and respond to local community requirements. There is also the opportunity for added social value from the supplier within the local communities. The proposed model will help to ensure that the City's most vulnerable people actually receive the quality of care they require and the Council has commissioned, as opposed to potentially short and rushed calls.

The proposal will allow those providers currently providing to the local authority who may not do so under the new arrangements to review their business and contingency plans. This may include developing their provision to support the private market and increase the number of their citizens using a direct payment. This should mitigate the immediate impact on the care market in Birmingham and result in a managed reduction of care providers.

Citywide specialist requirements will be open to all providers who can apply for defined categories of specialist care. The award will be based on the provider's CQC rating and also their evidence to be able to meet the specialist need.

Should a provider under the new model have to hand back large volumes of packages to the Council, either because the provider is exiting the market, deregistration by CQC etc, the Council will make those packages available to other providers within the geographic area and the usual allocation rules will apply relating to quality. Should these providers have insufficient capacity to meet these needs, all such packages of care will be offered to the surrounding geographic areas until such time as all packages have been allocated.

SYSTEMS AND PROCESSES

The Council has undertaken a great deal of consultation already with a range of professionals who currently use the Council's commissioning systems, including providers, commissioners and social workers. This feedback, along with further consultation results, will be used to develop a range of system solutions that are efficient; automated wherever possible; and integrated to deliver the following key functionality:

- **Provider enrolment** – an electronic process for those joining the framework to record and capture compliance with the entry criteria and ensure details remain up to date.
- **Quality rating** – an electronic method for calculating and recording provider quality ratings, using these in the tendering process and publishing these scores.
- **Tendering** – a simple system for providing care requirements to the market and for managing the tender, evaluation and contracting processes and linking these to citizens in the Council client records management system.
- **Supplier relationship management** – a single electronic record of each provider that can hold records of all provider/commissioners interactions including monitoring visits, improvement plans, offers and any correspondence.
- **Data and reporting** – reporting capability that allows the Council to manage providers at both a market and individual level and can provide appropriate public quality information.
- **Payments** – electronic tools to record payments accurately, to reduce the number of payment queries and to ensure providers get paid promptly and accurately for their services.

OTHER PRINCIPLES

SERIOUS INCIDENTS AND SAFEGUARDING

The Care Act 2014 Statutory Guidance makes clear that adults safeguarding responses should not be a substitute for:

- Care providers' responsibilities to provide safe and high quality care and support;
- Commissioners regularly assuring themselves of the safety and effectiveness of commissioned services; and
- The Care Quality Commission (CQC) ensuring that regulated providers comply with the fundamental standards of care.

Adults safeguarding is therefore not intended to replace either existing governance structures or the effective management/oversight of commissioned services. The Council will continue to work with

NHS and other commissioners across Birmingham, to develop a new approach to the reporting of serious incidents and safeguarding alerts that:

- gives better oversight of quality concerns to commissioners.
- offers providers the ability to own, investigate and learn from quality issues and serious incidents.
- ensures providers receive appropriate support and training in investigating and reporting concerns and incidents
- mandates that all quality issues, serious incidents and safeguarding incidents will be reportable
- ensures sustainable improvements in quality and information sharing.

ELECTRONIC CALL MONITORING

To ensure that future invoicing, variation and payments processes are as efficient and prompt as possible, the Council will require all providers of home support to implement an electronic call monitoring system by 1 April 2019. The Council will not specify an individual system for use but will set a range of minimum system requirements to ensure data can be shared with the Council's commissioning and payment systems.

OPEN BOOK ACCOUNTING

Given the significant sums of public money spent on adult social care across Birmingham and the critical nature of these public services, the Council is keen to increase the transparency of payments, performance and rate of return made by providers .

Transparency of operational and financial performance will be a fundamental condition of doing business with the Council. The Council will develop a set of reporting standards and tools that are proportionate and recognise the size of some of the organisations that deliver adult social care across the city. This will be at least an annual data collection exercise.

OUT OF CITY PLACEMENTS

All new placements from 1 April 2018 that are outside of the Birmingham City Council boundary, will have regard to the cost of care in that area. Birmingham City Council will therefore match the host Local Authority rate for care.

The quality rating of providers based outside of Birmingham will be based principally on the latest CQC inspection rating and any other intelligence and feedback available from local commissioners.

DIRECT PAYMENTS AND HOME SUPPORT

The Council will review the rate for use of a home support agency in line with the price review methodology above. This will ensure that those citizens with assessed eligible care and support needs that use a care agency to meet their needs using a Direct Payment can continue to do so.

JOINT FUNDED PLACEMENTS

The Council currently commissions a number of placements for citizens with a Learning Disability that have both health and social care support needs. These placements, although commissioned by Birmingham City Council, may be jointly funded by the Council and the relevant Clinical Commissioning Group. Any such placements will be made under this Framework.

The Council also commissions a number of Continuing Health Care placements for citizens with a Learning Disability, on behalf of the Clinical Commissioning Groups. Any such placements will be made under the Continuing Health Care Specification and pricing structure.

TWO-CARER CALLS

As part of the Council's commitment to commission better social care services, we will be considering the use of equipment to meet care needs by arranging for only one carer to visit, rather than two. The advantages of this approach are that fewer people will have to visit each citizen and there may be more flexibility in when visits can be arranged. It should also save money and enable professional carers to support more service users.

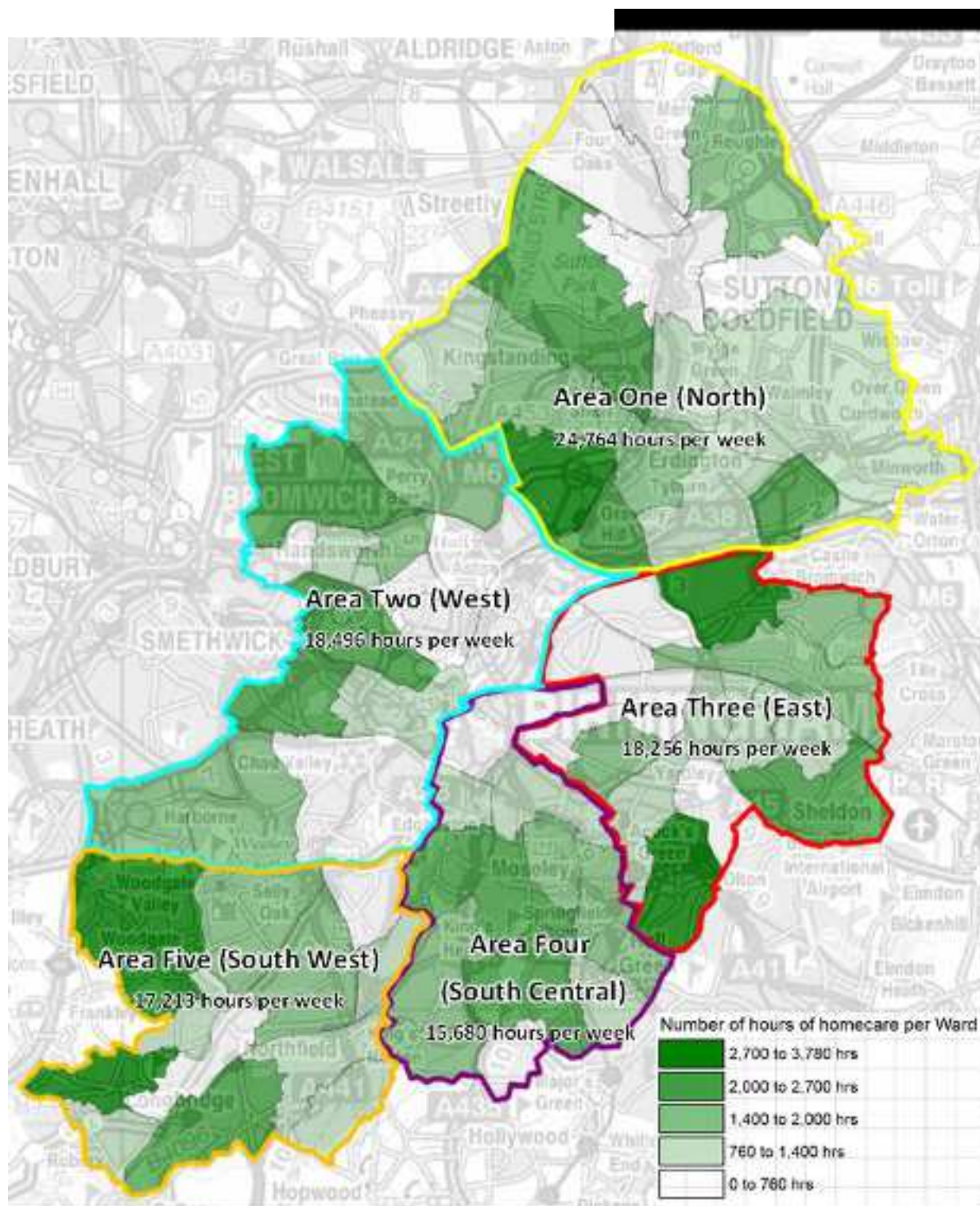
To assess whether individual's will benefit from the new equipment, a qualified Health and Care Professions Council (HCPC) registered Occupational Therapist from Birmingham City Council will visit all citizens to conduct a risk assessment where a two-carer call has been identified during an assessment.

If following the risk assessment, the Occupational Therapist thinks that other changes are required to a care package then they will recommend that a re-assessment is undertaken.

6. PERFORMANCE FRAMEWORK

A performance framework will be developed to monitor delivery of the proposed approach against the aims set out in section 2 above.

Appendix 1 – Map of Geographic home support model



Based upon the Ordnance Survey 1:250000 scale map with the permission of the Controller of Her Majesty's Stationery Office and Crown Copyright. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings. Birmingham City Council Licence No. 100021326/2004

People Directorate
Social Care Framework – Outline Consultation Plan

This schedule gives an overview of the Consultation and Engagement plan for the proposed changes to the commissioning of social care.

Activity and Stakeholder	Detail	Start Date	Completion Date
Develop stakeholder consultation plan.	Detailed planning about how best to communicate and consult with service users, family carers, providers, staff and trade unions.	January 2017	March 2017
Produce consultation documentation	Define and produce content of consultation documentation and questionnaires. Ensure development in accessible formats.	February 2017	March 2017
Cabinet Report approval	Presentation of report to Cabinet for approval	21 March 2017	21 March 2017
Cabinet decision disseminated	Briefing Note to Communications Team	March 2017	March 2017
Be Heard Website	Documents posted on website with comment form and FAQs	March 2017	March 2017
Inform service users, carers, providers and staff of scheduled consultation events	Information issued to service users, carers, providers and staff to advise how to engage with the consultation process.	March/April 2017	March/April 2017
Service user and carer consultation	A range of forums and formats for service users and carers to discuss the Commissioning Strategy and its impact.	April 2017	June 2017
Providers consultation	A range of forums and formats for providers to discuss the Commissioning Strategy and its impact.	April 2017	June 2017
Staff and partner consultation	A range of forums and formats for staff and partner organisations to discuss the Commissioning Strategy and its impact.	April 2017	June 2017
Cabinet member briefings	To discuss the issues raised during consultation	April 2017	June 2017
Evaluation	To summarise and report on the information gathered during the consultation process	July 2017	August 2017
Impact Assessment	Carry out full equality impact assessment	July 2017	August 2017
Development of final Commissioning Strategy	Development and finalisation of the final Commissioning Strategy which takes into account the outcome of all consultation and engagement activity.	August 2017	September 2017
Cabinet Report approval	Presentation of final Commissioning Strategy to Cabinet for approval.	September 2017	September 2017

Equality Analysis

Birmingham City Council Analysis Report

EA Name	Social Care Framework Agreement - Commissioning Strategy And Permission To Consult
Directorate	People
Service Area	People - Policy And Commissioning
Type	New/Proposed Policy
EA Summary	To outline the commissioning strategy for a range of social care services (the "Social Care Framework Agreement") and to seek permission to begin consultation upon the strategy, to be operational from 1st April 2018.
Reference Number	EA001443
Task Group Manager	sharon.d.gentles-garlick@birmingham.gov.uk
Task Group Members	sharon.d.gentles-garlick@birmingham.gov.uk, angela.huggins@birmingham.gov.uk, Osaf.Ahmed@birmingham.gov.uk, jennifer.finch@birmingham.gov.uk
Senior Officer	john.denley@birmingham.gov.uk
Quality Control Officer	peopleequalitycontrol@birmingham.gov.uk

Introduction

The report records the information that has been submitted for this equality analysis in the following format.

Initial Assessment

This section identifies the purpose of the Policy and which types of individual it affects. It also identifies which equality strands are affected by either a positive or negative differential impact.

Relevant Protected Characteristics

For each of the identified relevant protected characteristics there are three sections which will have been completed.

- Impact
- Consultation
- Additional Work

If the assessment has raised any issues to be addressed there will also be an action planning section.

The following pages record the answers to the assessment questions with optional comments included by the assessor to clarify or explain any of the answers given or relevant issues.

1 Activity Type

The activity has been identified as a New/Proposed Policy.

2 Initial Assessment

2.1 Purpose and Link to Strategic Themes

What is the purpose of this Policy and expected outcomes?

The City Council currently has framework arrangements in place for older adult Residential Care & Residential with Nursing Care and children's and younger & older adult Home Support. These arrangements come to an end on 30th September 2017. A new framework gives an opportunity to improve arrangements that will deliver better outcomes to citizens.

For each strategy, please decide whether it is going to be significantly aided by the Function.

Children: A Safe And Secure City In Which To Learn And Grow	No
Health: Helping People Become More Physically Active And Well	Yes

Comment:

The Care Quality Commission is responsible for registering and inspecting providers adult Residential Care & Residential with Nursing Care and adult Home Support. Their inspection regime is a broadly risk based one and there can be significant periods of time between inspections.

In Birmingham only 50% of adults living in rated Residential Care and Residential with Nursing Care are being cared for by providers with a 'good' rating but 72% of adults using rated Home Support agencies are receiving care from providers with a 'good' rating.

The new approach to commissioning adult social care will provide a framework for the future commissioning of services that will support us the city council to achieve key aims of improving outcomes, improving quality of care services and improving the resilience and sustainability of the wider health and social care system.

Housing : To Meet The Needs Of All Current And Future Citizens	No
Jobs And Skills: For An Enterprising, Innovative And Green City	Yes

Comment:

Skills for Care have estimated that there are over 24,000 adult social care jobs in Birmingham, a significant number of them will be associated with the delivery of City Council care contracts.

It is expected that citizens who use City Council contracted care services in Birmingham and their carers will benefit from increased skills development among care staff, increased staff performance and job satisfaction and increased staff retention, as a result of the introduction of the Birmingham Care Wage.

2.2 Individuals affected by the policy

Will the policy have an impact on service users/stakeholders?	Yes
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Comment:

As at 31st March 2016, there were 15,600 adults (18+ years) receiving adult social care support from the City Council. Over the financial year 15/16, the City Council spent £274m (net) on adult social care.

Birmingham's older population, (65+ years) is lower than the UK average. This group is expected to grow by 6.6% by 2021. The rate of growth is however much higher for the more elderly groups:

- . The 65-84 age group will increase by 5.4% over the next five years, to 132,084
- . people.

- . The 85+ age group will increase by 13.5% over the next five years, to 24,341,
- . Having already grown by 12.7% during 2001-2011, and by 12.4% 2011-2016.
- . The 90 and over group has the largest projected percentage increase - by 21%, or 1,602 people.

Another purpose of the proposals made and considered in this Equality Assessment is to ensure that there is sufficient provision of quality care in the City to meet future demands.

Will the policy have an impact on employees?	Yes
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Comment:

Skills for Care have estimated that there are over 24,000 adult social care jobs in Birmingham, a significant number of them will be associated with the delivery of City Council care contracts.

It is expected that citizens who use City Council contracted care services in Birmingham and their carers will benefit from increased skills development among care staff, increased staff performance and job satisfaction and increased staff retention, as a result of the introduction of the Birmingham Care Wage.

This impact of the proposals on employees of Birmingham City Council will be around ways of working and revised processes and procedures to follow.

Will the policy have an impact on wider community?	Yes
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Comment:

Our vision for Birmingham is to have a vibrant, diverse and sustainable local health and social care market, which supports the achievement of better outcomes, increased independence and choice and control for adults.

We recognise that if people are to live better lives and achieve better outcomes then we need to help people, their families and the community to have greater choice and control about the care that they receive, to promote independence and to ensure that all adults have access to the support that they require to live safely and independently.

This will mean that by 2021 in Birmingham we will have a health and social care system where there is;

- . An increase in care and support being focused on improving outcomes and increasing independence.
- . Independent providers working within their local communities to promote health and wellbeing and reduce the need for commissioned services.
- . A systematic approach to promoting what choices are available to people locally, the quality of the service they choose and that it is value for money.
- . Quality processes and procedures that promote active involvement of service users.
- . A systematic, transparent and proportionate approach to assessing and managing quality across the health and social care system.
- . An increase in the number of independent providers that achieve the highest standards of care.
- . Market intelligence that is shared regionally to raise quality standards.
- . A sustainable price for care based on quality of services.
- . Open, respectful and honest relationships with providers and proactive provider engagement.
- . Investment in systems, processes and relationships that integrate with our health partners,

those within the wider STP footprint and other commissioners within the region.

2.3 Relevance Test

Protected Characteristics	Relevant	Full Assessment Required
Age	Relevant	Yes
Disability	Relevant	Yes
Gender	Relevant	Yes
Gender Reassignment	Not Relevant	No
Marriage Civil Partnership	Not Relevant	No
Pregnancy And Maternity	Not Relevant	No
Race	Relevant	Yes
Religion or Belief	Relevant	Yes
Sexual Orientation	Not Relevant	No

2.4 Analysis on Initial Assessment

Our vision for Birmingham is to have a vibrant, diverse and sustainable local health and social care market, which supports the achievement of better outcomes, increased independence and choice and control for adults. We recognise that if people are to live better lives and achieve better outcomes then we need to help people, their families and the community to have greater choice and control about the care that they receive, to promote independence and to ensure that all adults have access to the support that they require to live safely and independently.

The proposed approach to the commissioning of adults social care provides a framework for the future commissioning of services that will support us to achieve our key aims to;

- . Improve outcomes for citizens
- . Improve the quality of care delivered
- . Improve the resilience and sustainability of the wider health and social care system.

Having worked with providers throughout August 2016 and having consulted a group of citizens as to the 'direction of travel', the intention is that proposals would be brought to Cabinet on 21 March 2017.

The new approach includes;

- . A proposed definition of quality care standards in Birmingham- ranking providers.
- . A proposed minimum standard of care to enable entry on to the framework.
- . Fixed prices for care services with financial incentives for excellent care.
- . Robust methods of monitoring including citizen feedback.
- . Support to providers to enable them to provide good quality care and work with each other and other partners to achieve excellence.

If Cabinet gave approval, the requirement would then be to enter into a period of consultation with the public, providers and partners (89 days 27th March - 26th June 2017) followed by a subsequent report to Cabinet in September 2017(date to be confirmed). If approval was given, an OJEU notice would be issued before the end of September 2017. If approval was given, contract award would take place in February 2018, with the new frameworks taking effect from 1st April 2018

3 Full Assessment

The assessment questions below are completed for all characteristics identified for full assessment in the initial assessment phase.

3.1 Age - Assessment Questions

3.1.1 Age - Relevance

Age	Relevant
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3.1.2 Age - Impact

Describe how the Policy meets the needs of Individuals of different ages?

There have previously been different contracting arrangements for citizens of different ages - 18-64 year and 65+. The proposal is for the framework arrangements to cover citizens of all ages.

Of the 13,095 citizens receiving adult social care from Birmingham City Council on 31st March 2016, 35% were aged between 18 and 64 years, while 65% were 65 years or older.

Do you have evidence to support the assessment?	Yes
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Please record the type of evidence and where it is from?

The proposal is for the framework arrangements to cover citizens of all ages.

You may have evidence from more than one source. If so, does it present a consistent view?	Not applicable
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3.1.3 Age - Consultation

Have you obtained the views of Individuals of different ages on the impact of the Policy?	No
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Comment:

The proposals will go to cabinet on 21st March 2017 requesting permission to consult with citizens. If permission is given, consultation is scheduled for 89 days from 27th March 2017.

If not, why not?	There are plans to consult relevant individuals
Have you obtained the views of relevant stakeholders on the impact of the Policy on Individuals of different ages?	No
If not, why not?	There are plans to consult relevant stakeholders
Is a further action plan required?	No

3.1.4 Age - Additional Work

Do you need any more information or to do any more work to complete the assessment?	No
Do you think that the Policy has a role in preventing Individuals of different ages being treated differently, in an unfair or inappropriate way, just because of their age?	Yes
Do you think that the Policy could help foster good relations between persons who share the relevant protected characteristic and persons who do not share it?	No

Please explain how individuals may be impacted.

The proposal is for the framework arrangements to cover citizens of all ages.

3.2 Disability - Assessment Questions

3.2.1 Disability - Relevance

Disability	Relevant
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3.2.2 Disability - Impact

Describe how the Policy meets the needs of Individuals with a disability?

The proposed framework aims to more effectively meet the needs of frail and disabled people.

Do you have evidence to support the assessment?	Yes
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Please record the type of evidence and where it is from?

Consultation proposals

You may have evidence from more than one source. If so, does it present a consistent view?	Not applicable
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3.2.3 Disability - Consultation

Have you obtained the views of Individuals with a disability on the impact of the Policy?	No
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Comment:

The proposals will go to cabinet on 21st March 2017 requesting permission to consult with citizens. If permission is given, consultation is scheduled for 89 days from 27th March 2017

If not, why not?	There are plans to consult relevant individuals
Have you obtained the views of relevant stakeholders on the impact of the Policy on Individuals with a disability?	No
If not, why not?	There are plans to consult relevant stakeholders
Is a further action plan required?	No

3.2.4 Disability - Additional Work

Do you need any more information or to do any more work to complete the assessment?	No
Do you think that the Policy has a role in preventing Individuals with a disability being treated differently, in an unfair or inappropriate way, just because of their disability?	No
Do you think that the Policy could help foster good relations between persons who share the relevant protected characteristic and persons who do not share it?	No
Do you think that the Policy will take account of disabilities even if it means treating Individuals with a disability more favourably?	Yes
Do you think that the Policy could assist Individuals with a disability to participate more?	Yes
Do you think that the Policy could assist in promoting positive attitudes to Individuals with a disability?	Yes

3.3 Religion or Belief - Assessment Questions

3.3.1 Religion or Belief - Relevance

Religion or Belief	Relevant
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3.3.2 Religion or Belief - Impact

Describe how the Policy meets the needs of Individuals of different religions or beliefs?

Of the 13,095 citizens receiving adult social care from Birmingham City Council on 31st March 2016, 40% were Protestant, 14% Roman Catholic, 2.4% Sikh, 9% Muslim, 1.4% Hindu, 2.3% Christian orthodox, 0.25 Buddhist, 0.1% Eastern orthodox, 0.6% Jehovah witness, 0.2% Jewish, 0.1 Rastafarian, 0.4% Seven Day Adventist and 28% are unknown/refused to say.

Do you have evidence to support the assessment?	Yes
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Please record the type of evidence and where it is from?

Carefirst 6, care recording system.

You may have evidence from more than one source. If so, does it present a consistent view?	Not applicable
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3.3.3 Religion or Belief - Consultation

Have you obtained the views of Individuals of different religions or beliefs on the impact of the Policy?	No
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Comment:

The proposals will go to cabinet on 21st March 2017 requesting permission to consult with citizens. If permission is given, consultation is scheduled for 89 days from 27th March 2017

If not, why not?	There are plans to consult relevant individuals
Have you obtained the views of relevant stakeholders on the impact of the Policy on Individuals of different religions or beliefs?	No
If not, why not?	There are plans to consult relevant stakeholders
Is a further action plan required?	No

3.3.4 Religion or Belief - Additional Work

Do you need any more information or to do any more work to complete the assessment?	No
Do you think that the Policy has a role in preventing Individuals of different religions or beliefs being treated differently, in an unfair or inappropriate way, just because of their religion or belief?	No
Do you think that the Policy could help foster good relations between persons who share the relevant protected characteristic and persons who do not share it?	No

3.4 Gender - Assessment Questions

3.4.1 Gender - Relevance

Gender	Relevant
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3.4.2 Gender - Impact

Describe how the Policy meets the needs of Men and women?

Of the 13,095 citizens receiving adult social care from Birmingham City Council on 31st March 2016, 59% were female and 41% were male.

In the age range 18-64 years, 45% were female and 55% male, but in the age range 65+, 67% were female and 33% were male.

o you have evidence to support the assessment?	Yes
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Please record the type of evidence and where it is from?

Care records on Carefirst 6 social care recording system

You may have evidence from more than one source. If so, does it present a consistent view?	Not applicable
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3.4.3 Gender - Consultation

Have you obtained the views of Men and women on the impact of the Policy?	No
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Comment:

The proposals will go to cabinet on 21st March 2017 requesting permission to consult with citizens. If permission is given, consultation is scheduled for 89 days from 27th March 2017

If not, why not?	There are plans to consult relevant individuals
Have you obtained the views of relevant stakeholders on the impact of the Policy on Men and women?	No
If not, why not?	There are plans to consult relevant stakeholders
Is a further action plan required?	No

3.4.4 Gender - Additional Work

Do you need any more information or to do any more work to complete the assessment?	No
Do you think that the Policy has a role in preventing Men and women being treated differently, in an unfair or inappropriate way, just because of their gender?	No

3.5 Race - Assessment Questions

3.5.1 Race - Relevance

Race	Relevant
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3.5.2 Race - Impact

Describe how the Policy meets the needs of Individuals from different ethnic backgrounds?

67% of the 13,095 citizens receiving adult social care as at 31st March 2017 were white UK/other. Of the 65+ cohort, 71% were white UK/other. The largest groups were Black African Caribbean (10%) and Pakistani (7%).

Although the Pakistani community is only 7% of all citizens receiving adult social care, they make up 11% of those aged 18-64 years and only 3% of those aged 65+.

Do you have evidence to support the assessment?	Yes
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Please record the type of evidence and where it is from?

Care records

You may have evidence from more than one source. If so, does it present a consistent view?	Not applicable
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3.5.3 Race - Consultation

Have you obtained the views of Individuals from different ethnic backgrounds on the impact of the Policy?	No
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Comment:

The proposals will go to cabinet on 21st March 2017 requesting permission to consult with citizens. If permission is given, consultation is scheduled for 89 days from 27th March 2017

If not, why not?	There are plans to consult relevant individuals
Have you obtained the views of relevant stakeholders on the impact of the Policy on Individuals from different ethnic backgrounds?	No
If not, why not?	There are plans to consult relevant stakeholders
Is a further action plan required?	No

3.5.4 Race - Additional Work

Do you need any more information or to do any more work to complete the assessment?	No
Do you think that the Policy has a role in preventing Individuals from different ethnic backgrounds being treated differently, in an unfair or inappropriate way, just because of their ethnicity?	No
Do you think that the Policy could help foster good relations between persons who share the relevant protected characteristic and persons who do not share it?	No

3.6 Concluding Statement on Full Assessment

If Cabinet gives approval, the requirement would then be to enter into a period of consultation with the public, providers and partners (89 days 27th March - 26th June 2017) followed by a subsequent report to Cabinet in September 2017(date to be confirmed). If approval was given, an OJEU notice would be issued before the end of September 2017. If approval was given, contract award would take place in February 2018, with the new frameworks taking effect from 1st April 2018.

The EIA would be reviewed following consultation to ensure any issues or concerns raised have been properly considered and actions plans formulated as necessary.

4 Review Date

31/07/17

5 Action Plan

Report to:	Cabinet
Report of:	Strategic Director for People
Date of Decision:	21 March 2017
SUBJECT:	PROVISION OF TRANSPORT SERVICES CONTRACT EXTENSION (T23)
Key Decision: Yes	Relevant Forward Plan Ref: 002301/2016
If not in the Forward Plan: (please "X" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
Relevant Cabinet Member(s)	Councillor Brigid Jones – Children, Families and Schools Councillor Paulette Hamilton – Health & Social Care Councillor Majid Mahmood - Value for Money and Efficiency
Relevant O&S Chairman:	Councillor Susan Barnett: Schools, Children and Families Councillor John Cotton – Health, Wellbeing and Environment Councillor Zafar Iqbal: Economy, Skills and Transport Councillor Mohammed Aikhlaq – Corporate Resources
Wards affected:	All

1. Purpose of report:
<p>1.1 To provide details of the requirement to extend, via single contract negotiations, the current Transport Services Framework and all associated call off orders under the Framework with the current suppliers (listed in Appendix 1). The proposed extension is for a 17 month period, commencing 1st April 2017 for call off 3 and commencing 17th April 2017 for call offs 1,2,4,5,6, all expiring on 31st August 2018.</p> <p>1.2 The estimated annual value for the whole contract is £12.25m. Appendix 1 shows the number of suppliers currently used.</p> <p>1.3 It is proposed for the extension period that all terms and conditions remain the same as the previous extension approved by Cabinet on 29th June 2015.</p>

2. Decisions (recommended):
That Cabinet;
<p>2.1 Approve the commencement of single contractor negotiations.</p> <p>2.2 Delegates authority to extend the contracts of the providers in Appendix 1 following successful single contractor negotiations by the Assistant Director, 14-19 Participation and Skills for the provision of all routes on the current T23 contract for a period of 17 months at an estimated annual cost of £12.25m, commencing 1st April 2017, to the Director of Commissioning and Procurement in conjunction with the Strategic Director – Finance and Legal (or their delegate) and the City Solicitor (or their delegate).</p>

Lead Contact Officer(s):	Anne Ainsworth, Assistant Director 14-19 Participation & Skills 0121 303 2573
Email Address	anne.ainsworth@birmingham.gov.uk
Additional Contact Officers	Jennifer Langan, Team Manager, Travel Assist Team 0121 303 4955
Email Address	jennifer.langan@birmingham.gov.uk
Additional Contact Officers	Richard Tibbatts, Head of Contract Management, Corporate Procurement Services 07827 367 245
Email Address	Richard.tibbatts@birmingham.gov.uk

3. Consultation
<p>3.1 <u>Internal</u></p> <p>3.1.1 The Assistant Director, 14-19 Participation & Skills, People Directorate, the Travel Assist Manager, SENAR, the Funerals & Protection of Property / Transport Operations Service Manager, have been consulted and agree with the contents of this report.</p> <p>3.1.2 Officers from Legal & Finance and Corporate Procurement have been involved in the preparation of this report.</p> <p>3.2 <u>External</u></p> <p>All current suppliers listed in Appendix 1.</p>

4. Compliance Issues:
<p>4.1 <u>Are the recommended decisions consistent with the Council's policies, plans and strategies?</u></p> <p>The recommended decisions are consistent with the Council policies, plans and strategies; including the Council Business Plan and Budget 2016+:</p> <p>Fairness</p> <ul style="list-style-type: none"> • Safety – The Council has a duty to ensure transport arrangements are in place for Children with Special Educational Needs (SEN) and to provide free transport to eligible children based on safe walking routes and low income. Some children and adults have needs that require specialist vehicles and escorts; this can be provided under the proposed contract. • Children and young people – Having access to appropriate travel assistance ensures every child is supported to attend school. Regular reviews of travel plans will support the development of independence where appropriate. • Tackling poverty – Supporting educational attainment and independence helps to tackle the causes of deprivation and inequality through improving educational performance and confidence. Supporting families with caring responsibilities for vulnerable adults enables carers that are of working age to be in employment and have access to affordable day care for relatives. <p>Prosperity</p> <ul style="list-style-type: none"> • Learning, skills and local employment – A key focus of the transport provision is to ensure children have access to a full-time school placement and are attending school regularly. • Local employment – Due to the nature of the work, the suppliers are based locally. <p>4.1.1 Birmingham Business Charter for Social Responsibility (BBC4SR)</p> <p>All the current providers under the Framework are accredited to the BBC4SR. Due to the value of spend for some suppliers being below £200,000, the Birmingham Business Charter for Social Responsibility will not apply to them.</p> <p>For those suppliers with whom we spend £200,000 or more per annum, their current Charter will be reviewed and a new action plan implemented.</p>

4.2. Financial Implications

- 4.2.1 The annual spend under this Framework for all 6 call offs is approximately £12.25m. This has taken into account a 2% uplift for 2017/18, should suppliers request an increase in RPIX. However there are requirements for the service to reduce the overall operating cost over the next two years (2017/18 and 2018/19) in line with the approved Council Budget.
- 4.2.2 Under the Terms & Conditions of the Framework, providers are entitled to an annual price increase. Prices are reviewed based upon any increases or decreases in RPIX published by the Office of National Statistics to achieve amended prices for each successive year.
- 4.2.3 The costs associated with these transport services for the extension period will be met from within the approved budgets of the service directorate's utilising the service.
- 4.2.4 The contract extension allows for the service to implement changes in travel plans that could reduce the use and therefore the cost of the contract.

4.3 Legal Implications

- 4.3.1 The Council has a duty under Section 508A Education Act 1996 to promote sustainable modes of travel.
- 4.3.2 The Council also has a duty under Section 508B Education Act 1996 to make suitable home to school travel arrangements for eligible children.

4.4 Public Sector Equality Duty

- 4.4.1 An initial screening was completed on 9th October 2015 for the proposed strategy for the new Framework and a full Equality Analysis was not required.

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

- 5.1 The T23 Transport Framework Agreement and 5 of the 6 call offs (call offs 1, 2, 4, 5, 6) (call off 3 expires 31st March 2017) were formally extended via single contract negotiations until 31st August 2016 by Cabinet on 29th June 2015; with instructions that the new Framework and call offs would be ready for mobilisation on 1st September 2016.
- 5.2 However, the home to school transport service for children with SEND and from low income families is the subject of an ongoing transformation project. As a result the commissioning approach to transport is still ongoing and a medium term solution needs to be procured for transport provision.
- 5.3 A Strategy report for re-procuring this requirement was agreed by Cabinet on the 17th November 2015 based on a period of 2 years with an option to extend for a further 1 year to accommodate changes arising initially from the Future Council programme, which has now been followed by a transformation project.
- 5.4 The new Transport Framework for the provision of the City's entire Special needs transport for adults, children and ad-hoc corporate taxi services was due to be awarded in July 2016 with a commencement date of 1st September 2016. However a delay occurred for the following reasons:
- 5.4.1 Firstly, during the tender process there were numerous clarifications that resulted in the closing date for suppliers to submit their bids having to be extended.

Furthermore the evaluation of the bids took longer than anticipated.

5.4.2 Secondly, the Travel Assist service was involved with the Future Council programme and a briefing paper was presented to Elected Members in July 2016 outlining the need to reduce the demands placed upon Travel Assist in commissioning specialised transport and explore alternative travel options; specifically through personalisation and independent travel solutions. The effect of this is that the numbers of students accessing transport routes to schools, due to commence on the 1st September 2016 for the new Transport Framework, will not be confirmed until the assessment process has progressed during the summer and autumn terms and the appeal process completed early 2017.

5.5 As a result, a request to extend via single contract negotiations 5 of the 6 current call offs under the T23 Framework for a 7.5 month period from 1st September to 16th April 2017 was obtained as part of the Planned Procurement Activities Report that was approved by Cabinet on 26th July 2016.

5.6 Just prior to Cabinet agreeing the extension request via single contract negotiations on the PPAR on 26th July 2016, the tender evaluations showed that the majority of the submissions scored under the 60% threshold for quality and those bids above the threshold made up a very small share of the market and was insufficient to meet the service requirements.

5.7 As a result, a decision was made to abort the tender process and bidders were informed on the 26th July 2016.

5.8 Once the decision to abort was made it was apparent that the current proposed extension approved by Cabinet for a period of 7.5 months was insufficient to enable a retender to be completed and a further extension period would need to be sought.

5.9 The suppliers were notified of the Council's intention to extend and all have indicated their intention to continue on this basis and under the existing conditions of contract. The single contractor negotiations will confirm this position and price.

5.10 A new strategy for delivery of the service will be completed by the People Directorate and Travel Assist in early 2017 following a review. This will allow the resulting commissioning and procurement activities to be completed in time for September 2018. This gives time for further market engagement to consider a number of issues that became evident during the previous procurement, including the prospective length of contract, environmental standards, pupil guides and whole school provision.

5.11 Throughout the Framework period the suppliers have performed to a satisfactory level and provided the service to the terms and conditions of Framework. Any performance issues are being managed, including enacting penalty clauses where appropriate.

6. Evaluation of alternative option(s):

6.1 There are no alternative viable options to the recommended approach. There is insufficient time to procure a new framework that will be suitably effective in addressing any issues in the market to enable mobilisation to start before the 2017 school holidays. It is not considered possible for the service to change providers on designated routes during the school year due to the disruption this would cause to pupils and their families.

7. Reasons for Decision(s):
7.1 To enable time for a new strategy for the Travel Assist service to be put in place and the resulting procurement from the strategy to be completed.

Signatures	Date
Councillor Paulette Hamilton Cabinet Member for Health and Social Care
Councillor Brigid Jones Cabinet Member for Children, Families & Schools
Councillor Majid Mahmood Cabinet Member for Value for Money & Efficiency
Peter Hay Strategic Director of People

List of Background Documents used to compile this Report:
Travel Assist Strategy Report Delegated Award Report T0023 Transport Framework Extension 9 th September 2016
List of Appendices accompanying this Report (if any):
1. Appendix 1 - List of Suppliers

Report Version	<u>9</u>	Dated	<u>02.03.17</u>
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APPENDIX 1

Supplier Table

No.	Supplier Name	Suppliers in each Lot		
		Lot 1	Lot 2	Lot 3
1	ATG (ACCESSIBLE TRANSPORT GROUP)		√	√
2	LAWRENCE'S GARAGE LTD	√	√	
3	SELECT PRIVATE HIRE LTD	√	√	
4	TOUCHWOOD PRIVATE HIRE LTD	√	√	
5	BEARWOOD COACHES		√	
6	ATTAIN TRAVEL LTD		√	
7	PLAZA CARS (BIRMINGHAM) LTD	√	√	
8	BEAUFORT CARS	√	√	
9	STAR CARS - COACHES LTD	√	√	
10	KINGS NORTON COACHES		√	
11	ROUNABOUT CARS B'HAM LTD	√		
12	ELITE RADIO CARS LTD	√	√	
13	A KHAN T/A CASTLE CARS	√		
14	ENDEAVOUR COACHES LTD		√	
15	NORTH BIRMINGHAM TRAVEL LTD		√	
16	ELMDON CARS (TAXIS) LTD	√	√	
17	CHASEBASE LTD T/A PARKER RADIO CARS	√		
18	MARK TAYLOR PRIVATE HIRE	√		
19	COMMUNITY TRANSPORT		√	
20	GREAT BARR CARS	√		
21	JORDANS TRAVEL		√	
22	MARWAY TRAVEL		√	
23	GALAXY CARS	√		
24	M J GROSVENOR (MOTORS) LTD	√	√	
25	TC CARS	√		
26	EURO LINERS	√	√	
27	SHEN CARE VOLUNTARY TRANSPORT		√	
TOTAL SPEND PER ANNUM		12.25m		

Report to:	CABINET
Report of:	DIRECTOR OF COMMISSIONING & PROCUREMENT
Date of Decision:	21st MARCH 2017
SUBJECT:	PLANNED PROCUREMENT ACTIVITIES (APRIL 2017 – JUNE 2017)
Key Decision: No	Relevant Forward Plan Ref: n/a
If not in the Forward Plan: (please "tick" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
Relevant Cabinet Member(s):	Cllr Majid Mahmood – Value for Money and Efficiency
Relevant O&S Chairman:	Cllr Mohammed Aikhlaq, Corporate Resources and Governance
Wards affected:	All

1. Purpose of report:
1.1 This report provides details of the planned procurement activity for the period April 2017 – June 2017. Planned procurement activities reported previously are not repeated in this report.

2. Decision(s) recommended:
That Cabinet
2.1 Notes the planned procurement activities under officer delegations set out in the Constitution for the period April 2017 – June 2017 as detailed in Appendix 1.

Lead Contact Officer (s):	
Telephone No: E-mail address:	Nigel Kletz Corporate Procurement Services Corporate Resources 0121 303 6610 nigel.kletz@birmingham.gov.uk

3. Consultation

3.1 Internal

This report to Cabinet is copied to Cabinet Support Officers and to Corporate Resources and Governance Overview & Scrutiny Committee and is the process for consulting with relevant cabinet and scrutiny members. At the point of submitting this report Cabinet Members/ Corporate Resources and Governance Overview & Scrutiny Committee Chair have not indicated that any of the planned procurement activity needs to be brought back to Cabinet for executive decision.

3.2 External

None

4. Compliance Issues:

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

Details of how the contracts listed in Appendix 1 support relevant Council policies, plans or strategies, will be set out in the individual reports.

4.2 Financial Implications

Details of how decisions will be carried out within existing finances and resources will be set out in the individual reports.

4.3 Legal Implications

Details of all relevant implications will be included in individual reports.

4.4 Public Sector Equality Duty

Details of Risk Management, Community Cohesion and Equality Act requirements will be set out in the individual reports.

5. Relevant background/chronology of key events:

- 5.1 At the 1 March 2016 meeting of Council changes to procurement governance were agreed which gives Chief Officers the delegated authority to approve procurement contracts up to the value of £10m over the life of the contract. Where it is likely that the award of a contract will result in staff employed by the Council transferring to the successful contractor under TUPE, the contract award decision has to be made by Cabinet.
- 5.2 In line with the Procurement Governance Arrangements that form part of the Council's Constitution, this report acts as the process to consult with and take soundings from Cabinet Members and the Corporate Resources and Governance Overview & Scrutiny Committee.
- 5.3 This report sets out the planned procurement activity over the next few months where the contract value is between the EU threshold (£164,176) and £10m. This will give members visibility of all procurement activity within these thresholds and the opportunity to identify whether any procurement reports should be brought to Cabinet for approval even though they are below the delegation threshold.
- 5.4 Individual procurements may be referred to Cabinet for an executive decision at the request of Cabinet, a Cabinet Member or the Chair of Corporate Resources and Governance Overview & Scrutiny Committee where there are sensitivities or requirements that necessitate a decision being made by Cabinet.
- 5.5 Procurements below £10m contract value that are not listed on this or subsequent monthly reports can only be delegated to Chief Officers if specific approval is sought from Cabinet. Procurements above £10m contract value will still require an individual report to Cabinet in order for the award decision to be delegated to Chief Officers if appropriate.
- 5.6 A briefing note including financial information is appended to the Private report for each item on the schedule.

6. Evaluation of alternative option(s):

- 6.1 A report approved by Council Business Management Committee on 16 February 2016 set out the case for introducing this process. The alternative option is that individual procurements are referred to Cabinet for decision.

7. Reasons for Decision(s):

- 7.1 To enable Cabinet to identify whether any reports for procurement activities should be brought to this meeting for specific executive decision, otherwise they will be dealt with under Chief Officer delegations up to the value of £10m, unless TUPE applies to current Council staff.

Signatures:**Date:**

.....
Nigel Kletz – Director of Commissioning & Procurement

.....

.....
Councillor Majid Mahmood - Value for Money and Efficiency

.....

List of Background Documents used to compile this Report:**List of Appendices accompanying this Report (if any):**

Appendix 1 - Planned Procurement Activity April 2017 – June 2017

Report Version	1	Dated	08/03/2017
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APPENDIX 1 – PLANNED PROCUREMENT ACTIVITIES (APRIL 2017 – JUNE 2017)

Type of Report	Title of Procurement	Ref	Brief Description	Contract Duration	Directorate	Portfolio Value for Money and Efficiency Plus	Finance Officer	Contact Name	Planned CO Decision Date	Comments - including any request from Cabinet Members for more details	Living Wage apply Y / N
Strategy / Award	Installation of Dropped Kerb Crossings	TBC	The installation of dropped kerb crossings to provide access for light vehicles into properties adjacent to the highway network. A competition exercise using the Highways and Infrastructure Works Framework Agreement will be undertaken.	1 year, 6 months	Economy	Transport and Roads	Simon Ansell	Mike Steele / Charlie Short	31/03/2017		Y
Strategy / Award	Insolvency Support for Bankruptcy in relation to Council Tax and Business Rates	P0382	The provision of insolvency support for the Revenues Service is required to act as trustees in bankruptcy proceedings to pursue organisations and individuals for outstanding Council Tax and Business Rates debts.	4 years	Corporate Resources	Deputy Leader	Thomas Myers	Lisa Haycock / Helen Gould	19/05/2017		Y
Approval To Tender (SCN)	Provision of Temporary Accommodation through Private Sector Leasing	C0135	Up to 630 furnished properties of between one and six bedrooms are provided by landlords for use as temporary accommodation for the homeless. Properties supplied under the Scheme must meet the Decent Homes Standard.	6 weeks	People	Housing and Homes	Guy Olivant	Marie Hadley	17/04/2017		Y
Strategy / Award	Technical Advisor – Future Waste Strategy	TBC	For the management and disposal of waste that will take into account current and future projected technical and sustainable developments.	3 years plus 1 year option to extend	Place	Clean Streets, Recycling and Environment	Paul Quinney	Richard Tibbatts	28/04/2017		Y