

Subject:	Targetted Budget Management (TBM) 2016/17 Month 5- Extract from the proceedings of the Policy, Resources & Growth Committee Meeting held on the 13 October 2016		
Date of Meeting:	15 November 2016		
Report of:	Executive Lead for Strategy, Governance & Law		
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Wards Affected:	All		

FOR GENERAL RELEASE***Action Required of the Audit & Standards Committee***

To receive the item referred from the Policy, Resources & Growth Committee for information:

Recommendation:

That the Committee note the report.

BRIGHTON & HOVE CITY COUNCIL**POLICY, RESOURCES & GROWTH COMMITTEE****4.00pm 13 OCTOBER 2016****COUNCIL CHAMBER, HOVE TOWN HALL, NORTON ROAD, HOVE, BN3 4AH****MINUTES**

Present: Councillor Morgan (Chair) Hamilton (Deputy Chair), G Theobald (Opposition Spokesperson), Mac Cafferty (Group Spokesperson), Daniel, Janio, A Norman, Robins, Sykes and Wealls

PART ONE**50 TARGETTED BUDGET MANAGEMENT (TBM) 2016/17 MONTH 5**

- 50.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Targetted Budget Management (TBM) 2016/17 Month 5. The Targetted Budget Monitoring (TBM) report was a key component of the Council's overall

performance monitoring and control framework. The report set out an indication of forecast risks as at Month 5 (August) on the Council's revenue and capital budgets for the financial year 2016/17.

- 50.2 In response to questions from Councillor Sykes the following responses were provided. In relation to the base budget there were a number of fluctuating factors during the financial year as well as other areas that were based off assumptions. In relation to the consideration of next year's budget, work was already being undertaken with service leads in areas with demand pressures to ensure projections were calculated accurately. All of this work was considered through the Members' Budget Group; as well as reports through the Committee in December and February. 2017/18 was due to be one of the most challenging years for Council financially.
- 50.3 In response to further questions from Councillor Sykes in relation to temporary accommodation costs it was explained that there were two main strands of works being undertaken. The first related to the allocation of supported housing and the sharing of some accommodation between Housing and Adult Social Care Services; which was considered good corporate working. In relation to a final query the projected £2.9M related to the shortfall on savings to be made and additional demand pressures.
- 50.4 In response to questions from Councillor Wealls it was explained that the DCLG had undertaken consultation in relation to Business Rates; the Council had responded, but the main concern related to appeals. The Council were of the view that the risks associated should be offset by Central Government. In relation to collection rates, these were currently at approximately 98.5% and the majority of non-collections related to businesses failing and folding. Where reliefs were offered the collection rates tended to remain high as the Council had relationships with the business organisationally. In terms of performance the authority was performing at a level in the middle of the league table, this was considered good given the number of start-up businesses in the city, Officers agreed to send a copy of the national league table to the Committee.
- 50.5 In response to further questions from Councillor Wealls it was acknowledged that the Planning Service had been through a challenging period, and this had impacted on the financial performance of the service; the work to raise standards was ongoing.
- 50.6 Councillor Hamilton stated that the general fund budget was nearly always different by the end of the financial year. He noted that the level of business rates had increased for the city, but also highlighted the complexity of this revenue stream. The greatest concern related to the increase of the variance from month 2, and this continued to be in Children's and Adults Services; the variance needed to be at zero by the end of the financial year.
- 50.7 In response to Councillor Janio it was explained that the budget the Council set annually was subject to change as it could fluctuate under the impact of factors such as changes in Central Government policy.
- 50.8 In response to Councillor Mac Cafferty it was explained that the authority was already working closely with health colleagues to identify risks and there was an open dialogue to better align budgets. The Better Care Fund submission had been signed off and

approved, and the work on the detailed allocation between health and social care was now being considered.

50.9 The Chair highlighted that the Bike Share Scheme costs were to be met through grant funding and not Council funded.

50.10 The Chair put the recommendations to the vote.

50.11 **RESOLVED:**

1. That the Committee note the forecast risk position for the General Fund, which indicates an in-year budget pressure of £3.916m. This includes a pressure of £0.232m on the council's share of the NHS managed Section 75 services.
2. That the Committee note that total recurrent and one-off risk provisions of £3.000m are available to mitigate the forecast risk if the risks cannot be completely eliminated by year-end.
3. That the Committee note the forecast for the Housing Revenue Account (HRA), which is an underspend of £0.864m.
4. That the Committee note the forecast risk position for the Dedicated Schools Grant which is an underspend of £0.009m.
5. That the Committee note the forecast outturn position on the capital programme and approve the variations and reprofiles in Appendix 4 and the new schemes as set out in Appendix 5.
6. That the Committee approves forward funding of Local Growth Fund Grant to the preferred Bike Share scheme provider up to a maximum value of £1.160m as set out in Paragraphs 6.3 to 6.5.
7. That the Committee approves a budget transfer (virement) of £0.257m to reallocate 2016/17 pressure funding from the Community Care – Learning Disabilities budget to the Physical Support budget as set out in Appendix 2 (Health & Adult Social Care section).

