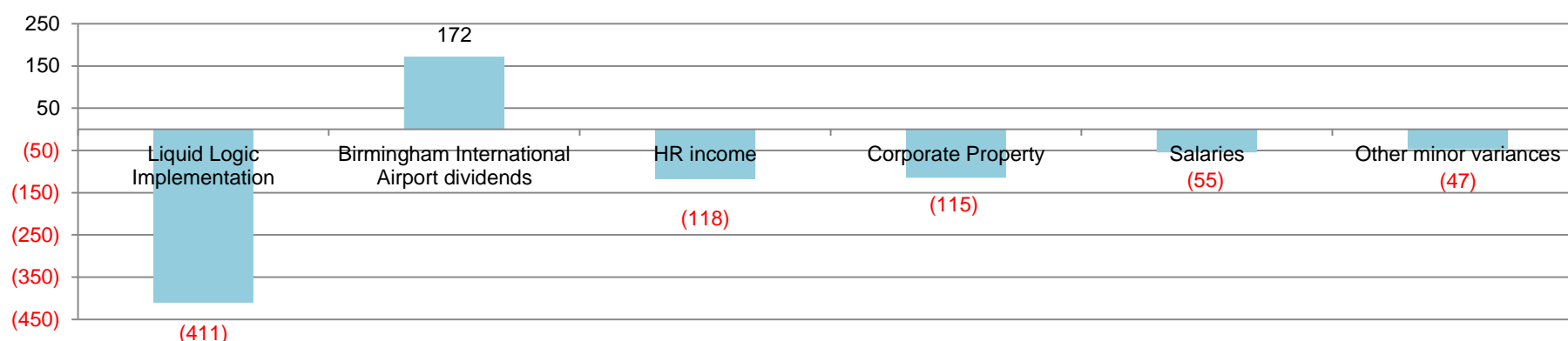


**Resources and Delivering Value Cabinet Portfolio
Financial Monitoring Position Quarter 1 2018/19**

2018/19 Revenue Position

Current Forecast – (£0.574)million favourable variance against a budget of £25.844million

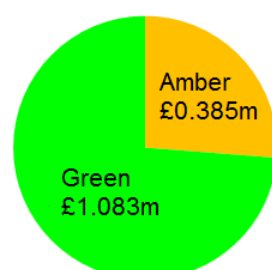
Resources and Delivering Value Forecast Variances £000s

**Explanations for Key Revenue Variances**

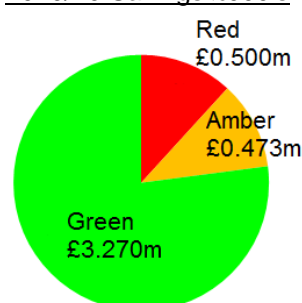
Risk Area	Forecast Variance £000s	Comments
Liquid Logic Implementation	(411)	A programme of staff training on the new Liquid Logic social care information system was planned for 2018/19 at the time the budget was set. At this time the project was in early stages and now that a more detailed project plan has been prepared the training will occur in 2019/20 and 2020/21. It is requested to contribute this variance to a reserve.
Birmingham International Airport dividends	172	The latest forecast from Birmingham International Airport indicates that dividends will be lower than indicated at the time the budget was set.
HR income	(118)	Additional income has been generated through standardising charges for HR advice and payroll support to schools and academies.
Corporate Property	(115)	Favourable variance on Corporate Property running costs including utilities and savings from consolidating the contract for supplies.
Salaries	(55)	Across a number of services there is a favourable variance on salaries due to vacancy management.
Other minor variances	(47)	Total of other net minor variances.
Total	(574)	

2018/19 – 2020/21 Savings

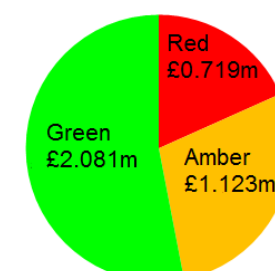
2018/19 Savings £000's



2019/20 Savings £000's



2020/21 Savings £000's

**2018/19 Capital Position**

Current Forecast – (£1.765)million favourable variance against a budget of £7.850million

Schemes	Approved Budget £000s	Forecast Outturn £000s	Forecast Outturn Variance £000s	Comments
Land and Property Management and Maintenance				
Property Services Programme	1,145	1,145	0	A detailed plan of works to Council properties excluding Schools and Housing dwelling stock has been agreed.
Corporate ICT				
Corporate ICT	3,137	3,137	0	This budget includes the staff device replacement programme, refresh of ICT infrastructure and a number of projects including introduction of E-revenues and development of Oracle reporting.
Improving Information Management (Social Care)	2,957	1,192	(1,765)	Timescales in the project plan for Liquid Logic implementation are later than assumed when the budget was set so a request will be made to rephase this variance to 2019/20.
Other				
Basement Storage Facility	237	237	0	The basement storage facility was due to be completed as part of Council House redesign project. This budget is to be removed from the capital programme.
Council House Fees	249	249	0	Budget for upfront costs relating to the redesign of the Council House. This budget is to be removed from the capital programme.
Catering	125	125	0	Budget for creating a training and development kitchen at the Civic Suite and other furniture and equipment.
Total	7,850	6,085	(1,765)	

Key Risks and Opportunities

Risk / Opportunity	Details
Treasury Management	A contribution of £0.750 million from the Treasury Management reserve is budgeted to meet 2018/19 MTFS savings. The current forecast for 2018/19 is a surplus of £2.493million, giving a net contribution to reserves of £1.743 million.
Business Rates	The current forecast is a pressure of £0.326m compared to the MTFS. This is a particularly volatile area and will continue to be monitored closely. Any pressure that materialises will impact in 2019/20 and will be fed into the MTFS.
Council Tax	For 2018/19 the current forecast is a favourable variance of £1.063m, mainly due to a reduction in the council tax reduction scheme and a reduction in the forecast contribution to the impairment allowance.

Reserves

Balance reserves as at 1st April 2018 £000's	Forecast(contribution)/use			Forecast Balance at the end of 2020/21 £000's	Proposed as part of 2021/22 MTFS £000's
	2018/19 £000's	2019/20 £000's	2020/21 £000's		
(6,368)	1,585	1,216	218	(3,349)	69

Approval Requests

Cabinet Portfolio	Description/Additional Information
Resources and Delivering Value	Contribute any favourable variance against the Liquid Logic implementation revenue budget to a new reserve to be used for project costs in future years.