

**Targeted Budget Management (TBM) 2018 /19: Month 5**

**GREEN GROUP AMENDMENT**

To add recommendation 2.7, as shown below in ***bold italics***

***2.7 That the Committee create a ring-fenced reserve of £1.094m within the HRA reserves to support the future development of housing in the city for 27.5% Living Wage rent or social rent.***

Additional information:

- The HRA Working Balance at 01/04/19 is projected to be £6.354m, against a CFO- recommended minimum working balance of £3m;
- Pressures on the HRA reserves have reduced due to a recent national government decision not to force Local Authorities to sell high value homes in council ownership;
- A ring-fenced reserve of £1.094m if used to underwrite the financial case for new homes for rent developed by the Council will support the development of 26 homes at 27.5% Living Wage rent or 11 homes at social rent, thereby contributing efficiently to meeting the city's requirement for affordable housing.

Proposed by: Cllr Sykes

Seconded by: Cllr Mac Cafferty

**Recommendations if carried to read:**

- 2.1 That the Committee note the forecast risk position for the General Fund which indicates a budget pressure of £3.078m. This includes an overspend of £1.148m on the council's share of the NHS managed Section 75 services.
- 2.2 That the Committee note that the one-off financial risk safety net of £1.500m is available to mitigate the forecast risk if the risks cannot be completely eliminated by the year-end.
- 2.3 That the Committee note the forecast for the Housing Revenue Account (HRA), which is currently an underspend of £0.480m.

- 2.4 That the Committee note the forecast position for the Dedicated Schools Grant, which is an underspend of £0.150m.
- 2.5 That the Committee agree to create a Sports and Events Strategy Reserve as set out in paragraph 6.2.
- 2.6 That the Committee note the forecast outturn position on the capital programme and approve the variations and slippage in Appendix 5 and the new schemes as set out in Appendix 6.
- 2.7 That the Committee create a ring-fenced reserve of £1.094m within the HRA reserves to support the future development of housing in the city for 27.5% Living Wage rent or social rent.