



ADDITIONAL / TO FOLLOW AGENDA ITEMS

This is a supplement to the original agenda and includes reports that are additional to the original agenda or which were marked 'to follow'.

NOTTINGHAM CITY COUNCIL EXECUTIVE BOARD

Date: Tuesday 23 February 2016

Time: 2.00 pm

Place: Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG

Governance Officer: Laura Wilson **Direct Dial:** 0115 8764301

AGENDA

Pages

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Subject:	MEDIUM TERM FINANCIAL PLAN (MTFP) 2016/17 – 2019/20		
Corporate Director(s)/ Director(s):	Geoff Walker, Strategic Director for Finance		
Portfolio Holder(s):	Councillor Graham Chapman, Deputy Leader/Portfolio Holder for Resources and Neighbourhood Regeneration		
Report author and contact details:	Theresa Channell - Head of Strategic Finance 0115 8763649 theresa.channell@nottinghamcity.co.uk		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Reasons: <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total value of the decision: Nil			
Wards affected: All	Date of consultation with Portfolio Holder(s): Throughout the budget process		
Relevant Council Plan Key Theme:			
Strategic Regeneration and Development			<input checked="" type="checkbox"/>
Schools			<input checked="" type="checkbox"/>
Planning and Housing			<input checked="" type="checkbox"/>
Community Services			<input checked="" type="checkbox"/>
Energy, Sustainability and Customer			<input checked="" type="checkbox"/>
Jobs, Growth and Transport			<input checked="" type="checkbox"/>
Adults, Health and Community Sector			<input checked="" type="checkbox"/>
Children, Early Intervention and Early Years			<input checked="" type="checkbox"/>
Leisure and Culture			<input checked="" type="checkbox"/>
Resources and Neighbourhood Regeneration			<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
<p>This report presents the Council's Medium Term Financial Plan (MTFP) for 2016/17 – 2019/20. The MTFP comprises four elements: 1. General Fund revenue budget; 2. General Fund capital programme, 3. Housing Revenue Account (HRA) revenue budget and 4. HRA capital programme. Prudential Indicators are reported separately on this agenda within the Treasury Management Report.</p> <p>The MTFP report contains a large amount of important information. In order to make this accessible, the report comprises 6 annexes as follows:</p> <ol style="list-style-type: none"> 1. Annex 1 sets out the current 2015/16 forecast outturn for all 4 elements of the MTFP. 2. Annex 2 sets out the proposed General Fund revenue MTFP for 2016/17–2019/20, reflecting funding for the delivery of the Council Plan and the various levels of service plan that support it. 3. Annex 3 sets out the Capital Programme for 2015/16 (i.e. revised current year) –2020/21. 4. Annex 4 sets out the HRA budget which forms part of the HRA Business Plan that seeks to ensure that this ring fenced account remains in balance. 5. Annex 5 sets out the Chief Finance Officer's assessment of the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the reserves. 6. Annex 6 sets out the Council's budget consultation activity and the responses to that consultation. <p>This information enables Executive Board to set the HRA rent levels and service charges for 2016/17 and continue the tenant reward scheme and make recommendations to City Council in respect of the MTFP for 2016/17 – 2019/20, in particular in relation to:</p>			

- The General Fund revenue budget and council tax levels for 2016/17.
- The Capital Programme 2015/16 to 2020/21.

As is usual, public consultation has been undertaken in relation to the draft budget. Feedback from the consultation process has been taken into account in making these final recommendations to City Council.

The decision is not subject to call-in as Councillor Brian Parbutt, Chair of the Overview and Scrutiny Committee, has agreed that the decision is reasonable in all the circumstances and should be treated as a matter of urgency as the Council's budget has to be approved at the Full Council meeting on 7 March 2016 (report despatch date is before the call-in period has ended).

Exempt information:

None

Recommendation(s):

1 2015/16 Budget (Annex 1)

- To note the current forecast outturn for the 2015/16 General Fund and HRA revenue budgets and capital programmes, as detailed within **Annex 1**.
- To endorse the allocations from Contingency as set out in **Table 1D** of **Annex 1**.
- To approve the budget virements and reserve movements set out in **Table 3** and **Appendices B and C**.

2 MTFP 2016/17–2019/20 Revenue Element (Annex 2)

- To note:
 - The General Fund revenue aspects of the MTFP as set out in **Annex 2**.
 - That, at the time of despatch of this report, the Fire Authority had not formally approved their final council tax increases. The final precepts will be confirmed prior to the City Council meeting on 7 March 2016.
- To note, endorse and recommend to City Council:
 - The General Fund net budget requirement for 2016/17 of **£243.878m**, including the net movement in earmarked reserves as set out in **Appendix A**
 - A basic amount of Council Tax level (Band D) of **£1,517.32** that will raise a total of **£94.212m** (an increase of **3.95%**)
 - Delegated authority to the appropriate Director to implement all proposals after undertaking any necessary consultation

3 MTFP 2016/17–2020/21 Capital Programme Element (Annex 3)

Executive Board to note, endorse and recommend to City Council:

- the Capital programme as detailed in **Appendix D** of **Annex 3**.
- The additional key principal for the governance and management of the capital programme as set out in **Section 5** and **Section 8** of **Annex 3**
- the extension of the rolling programmes as set out in **Table 3** of Annex 3.
- the revised Local Transport Programme as set out in **Appendix C** of **Annex 3**

4 MTFP 2016/17–2019/20 HRA Element (Annex 4)

Executive Board to note policy changes affecting social housing through the Welfare Reform & Work Bill that is expected to be passed into law before April 2016. The changes will impact on the HRA's financial sustainability and include:

- Reduction of social housing rents by 1% for four years from April
- Enhanced Right to Buy (RTB) criteria and increased RTB Sales

<ul style="list-style-type: none"> iii. Retention of 1-4-1 receipts from RTB Sales iv. Compulsory sale of high value properties v. Changes to Housing Benefit eligibility including “Pay to Stay” vi. Abolition of assured tenancies <p>b. To approve the:</p> <ul style="list-style-type: none"> i. proposed rent decrease of 1.0% for 2016/17, as detailed in Annex 4. i. continuation of the tenant incentive scheme worth up to £100 per annum to each tenant. ii. increased service charge of 2.2% iii. sustainable working balance of £4m iv. Delegation of authority to Nottingham City Homes (NCH) to award capital contracts up to the value of the scheme/programme as set out in Appendix B of Annex 4 of the report <p>c. To note, endorse and recommend to City Council the 2016/17 HRA budget, as set out in Annex 4.</p>
<p>5 To note and endorse the recommendations of the Chief Finance Officer (CFO) in respect of the robustness of the estimates made for the purposes of all aspects of the budget calculations and the adequacy of reserves, as detailed in Annex 5.</p>
<p>6 To note the outcomes of the budget consultation and communication as detailed in Annex 6.</p>
<p>7 To delegate authority to the Strategic Director of Finance, in consultation with the Deputy Leader, to finalise the MTFP for publication following approval of the relevant elements of the budget by City Council.</p>

1 REASONS FOR RECOMMENDATIONS

- 1.1 This report presents and seeks endorsement for the draft MTFP for 2016/17–2019/20 to enable Executive Board to approve rent reductions and make recommendations to City Council for consideration on 7 March 2016 when they meet to set the budget and council tax for 2016/17.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The MTFP translates the Medium Term Financial Strategy (MTFS) into a funded plan of action which enables the Council Plan and its subsidiaries to be delivered. Historically it covered a rolling three-year period, this year it has been extended to a four-year period due to the central Government offer of a four year settlement to authorities. The MTFP comprises four elements:
- 1. General Fund revenue budget,
 - 2. General Fund capital programme,
 - 3. HRA revenue budget and
 - 4. HRA capital programme

An updated MTFS which incorporates all elements of the MTFP will be presented to Council on 7 March 2016.

2.2 Unavoidably, this document contains considerable detail about the composition of the budget and the wide variety of issues taken into account in constructing the MTFP. Therefore, in seeking to make all this detail more accessible, the budget report has been constructed using Annexes, each of which focuses on a particular aspect of the MTFP. Each Annex has appendices to provide relevant additional information. The Annexes are as follows:

- **Annex 1** sets out the current 2015/16 forecast outturn for all 4 elements of the MTFP
- **Annex 2** sets out the proposed General Fund revenue MTFP for 2016/17–2019/20, reflecting funding for the delivery of the Council Plan and the various levels of service plan that support it.
- **Annex 3** sets out the Capital Programme for 2015/16–2020/21
- **Annex 4** sets out the HRA budget which forms part of the HRA Business Plan that seeks to ensure that this ring-fenced account remains in balance. An increase in rents is proposed, which will finance the management and maintenance of the stock and seeks to continue a tenant reward scheme.
- **Annex 5** sets out the Chief Finance Officer's (CFO's) assessment of the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the reserves. This is required under The Local Government Act (Part II) 2003.
- **Annex 6** sets out details of budget consultation activity and the responses from various stakeholders.

2.3 Nottingham City Council, like all other authorities across the Country has seen a substantial reduction in government funding as a consequence of the Government's policies to tackle the national fiscal deficit. Alongside this reduction in grant income, Nottingham has seen increased demand for a number of services, for example Adult Social Care and Children in Care which already account for 50% of the Council's net budget. The Council has in recent years had to pick up new responsibilities such as Public Health and new Adult Social Care responsibilities. In response to these funding cuts, the Council's service and financial planning process has once again facilitated significant proposed movements in resources. This includes:

- take account of the Council's priorities within the Council Plan 2015-2019 agreed by Council on 9 November 2015;
- address demographic and service pressures through investment;
- reflect the significant reductions in external funding (especially general and specific Government reductions) by reducing expenditure on those activities;
- support the Council's determination to be efficient, improve performance and modernise the organisation;
- recognise the very challenging financial landscape and future outlook and the impact on all sectors, including the public sector.

2.4 The draft MTFP reflects the culmination of the extensive work of councillors, colleagues and other stakeholders which has been scrutinised throughout the process to fulfil a legal obligation to enable the setting of a balanced budget for 2016/17 in the context of a 4-year MTFP to fund provision of a wide range of services; many of them statutory.

The main financial objective is to focus on ensuring financial planning and management supports citizens have access to value for money services which are

modern and fit for purpose; maintaining good underlying financial health and good governance and always taking a longer term view.

Consequently the approach to the 2016/17 budget and MTFP has where possible been guided by the following key aims:

- to minimise the impact of service reductions and changes on vulnerable citizens:
- to protect frontline services:
- to pursue commercialisation opportunities to generate income for the Council, and help offset a proportion of the impact of grant reductions.

In Capital Programme element of the MTFP continues the Council's focus on regeneration and growth by investing in infrastructure and assets to create the right conditions for businesses to grow and for the creation of jobs.

- 2.5 The MTFP process is supported by extensive consultation and the Council is committed to maintaining and developing this participation

Pre-budget consultation was carried out in October and November 2015 with **1,834** responses, expressing their views on priority Council services. Further consultation has been undertaken from December 2015 with citizens, colleagues, businesses and the voluntary sector to consider the budget proposals set out in the draft Medium Term Financial Plan. A total of **69** surveys have been completed with **244** comments relating to specific budget proposals and 47 general comments have been received to date.

Full details of the consultation outcomes can be found in **Annex 6**

So far there have been no significant changes to the budget proposals published in December. The consultation period will continue to run until the Council meeting in March 2016.

- 2.6 HRA Tenant Consultation on 2016/17 Budget and Rents

A letter and a questionnaire has been sent to all tenants seeking feedback on the rent and service levels for 2016/17, the deadline for this feedback is Friday 12 February 2016.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Throughout the budget process, a large number of individual cost reduction, income levels and investment options are considered. This in turn impacts on the level of reserves. This is a complex process with many iterations and possibilities too numerous to present as discrete options. This report presents the final overall package of detailed proposals which together seek to balance levels of investment, cost reduction and an appropriate level of income.

- 3.2 General Fund

In prior years the Government issued a Council Tax Freeze Grant (CTFG), however this has ceased for 2016/17 and therefore consideration for this to be an option is no longer possible.

- 3.3 HRA

The Welfare Reform and Work Bill that is expected to be law before April 2016 has directed the budget for the HRA in terms of the required 1% reduction in social housing rents for 4 years. The MTFP proposes to increase service charges by

2.2% and tenants have been issued with letter to consult on rent and service level charges.

4 FINANCE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

4.1 The City Council's MTFP forms the cornerstone of financial management and control and service delivery within the organisation. Details for 2015/16 are contained in **Annex 1**. **Annexes 2–6 inclusive** cover the MTFP for 2016/17–2019/20. The key headlines for each of the four elements are:

General Fund Revenue Budget

- A forecast outturn underspend in 2015/16 (before trading surplus retention and carry forwards) of **£1.625m**
- A 2016/17 net revenue budget requirement of **£243.878m** and a Band D council tax (excluding precepts) of **£1,517.32**;
- At the time of despatch of this report, the fire precepting authority had not formally approved their final council tax increases. The final precept will be confirmed prior to the City Council meeting on 7 March 2016.
- Funding for new pressures of **£4.325m** in 2016/17;
- Portfolio saving proposals of **£19.826m** in 2016/17;

General Fund Capital Programme

- An overall programme of **£660.126m**, of which **£219.125m** relates to 2016/17.
- **£162.965m** is funded from specific grants and contributions, **£40.692m** from capital receipts and other internal contributions, **£426.985m** from prudential borrowing and **£33.811m** relates to resources brought forward.

HRA Revenue Budget

- An HRA expenditure budget **£105.463m** in 2016/17
- A 1% decrease in rents.
- An increase in service charges of **2.2%**, totalling **£77k**.
- An increase in garage rents generating **£18k**
- A closing working balance in 2015/16 of **£4m**
- Increased income from solar panels

HRA Capital Programme

- An overall programme of **£281.603m** of which **£74.200m** relates to 2016/17.
- **£174.006m** is funded from the Major Repairs Allowance, **£9.358m** from specific grants and contributions, **£30.299m** from capital receipts, **£12.779m** from internal funds and **£13.000m** from prudential borrowing and **£45.301m** relates to resources brought forward.

The Council has a robust approach to providing value for money (vfm) through the redesign of services and the identification of cost reductions whilst ensuring delivery of the Council Plan and the MTFP. An embedded approach to vfm lies within the Council's planning and service delivery framework.

The Audit Committee has responsibility for the scrutiny and challenge of the financial and performance framework and its implementation.

4.2 Council Tax Requirement

The Localism Act 2011 has made significant changes to the Local Government Finance Act 1992. As a result, the billing authority is required to calculate a Council Tax Requirement for the year rather than the previous Budget Requirement.

5 LEGAL AND PROCUREMENT COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

5.1 The City Council is required to set a balanced budget for 2016/17 before 11 March 2016

5.2 A detailed and comprehensive risk assessment has been undertaken in order to inform the CFO's assessment of the affordability of these budget plans and the consequent recommended levels of reserves and contingencies. This is summarised in **Annex 5**.

The Council has a duty under the Equality Act 2010 to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between protected groups (such as disabled people or ethnic minority groups) when considering proposed new or changing policies, services or functions, including decisions on funding for services, and decisions on implementation of policies developed outside the Council.

6 STRATEGIC ASSETS & PROPERTY COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE)

6.1 None

7 SOCIAL VALUE CONSIDERATIONS

7.1 None

8 REGARD TO THE NHS CONSTITUTION

8.1 Not applicable

9 EQUALITY IMPACT ASSESSMENT (EIA)

9.1 Has the equality impact of the proposals in this report been assessed?

No

An EIA is not required because:
(Please explain why an EIA is not necessary)

Yes

Attached as Appendix x, and due regard will be given to any implications identified in it.

10 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

10.1 None

11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

11.1 None

12 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

Jo Worster - Team Leader Strategic Finance

☎ 0115 8763448 ✉ joanne.worster@nottinghamcity.gov.uk

Equality Impact Assessment Form

Title of EIA/DDM: Budget 2016-17 Community Impact Assessment **Name of Author:** Jo Worster/Colin Monckton/Imoegen Denton
Department: Resilience **Director:** Geoff Walker
Service Area: Strategic Finance / Commissioning **Strategic Budget EIA** Y/N (please underline)
Author (assigned to Covalent):

Brief description of proposal / policy / service being assessed:

2016/17 Budget Proposals

This document provides an overview of equality issues associated with the revenue element of the Council's draft budget proposals for 2016/17. It summarises the potential equality impacts identified in relation to the budget proposals, and the steps taken to minimise impact on protected groups during the development of the proposals.

This assessment should be read in conjunction with the Executive Board report that sets out the proposals and background in detail. Individual equality impact assessments (EIAs) have been carried out for specific proposals identified as relevant to equality.

During development of the proposals, implications for equality groups were considered. However, the size of the reductions and the speed with which the Council has had to react, due to the draft settlement figures being published on the 17 December 2015, means the Council has had limited time to share the proposals and seek feedback from communities. At the time of publishing this summary the consultation is still on-going until the 29 February 2016, therefore any further issues relating to equality implications of the proposals that are raised will be reported to Full Council.

At the very minimum, each item set out in Table 1 have been the subject of an initial screening assessment that seeks to prevent the Council from making decisions in principle when agreeing the draft budget without being aware of the potential equality impacts. Where the full details of schemes have not yet been developed a stage two impact assessment will be undertaken prior to implementation of the decision to clarify the potential impacts and to identify any possible mitigation. The Equality Duty 2010 is a continuing duty, therefore it will be necessary to monitor the effects of the decision after implementation.

Context

Nottingham City Council, like all other local authorities across the Country, has seen substantial reduction in government funding as a consequence of the Government's policies to tackle the national fiscal deficit. Between 2010/11 and 2015/16 the overall settlement funding for the Council, after taking account of transfers in funding and new burdens, has been reduced by the equivalent of £102m with further significant cuts expected for 2016/17 and beyond. By 2016/17 the Revenue Support Grant (RSG) will have more than halved since 2013, by contrast over the same period, Business Rates will have increased by £10m and Council Tax by £14m.

While the Council has strived to take a careful and measured approach to the budget and has done much to cushion frontline services and vulnerable citizens from the impact of the Government's austerity measures, the indication is that this will be impossible to sustain given the scale of future funding reductions over the longer term.

The Council continues to work with council networks such as the Local Government Association to campaign for a fairer funding settlement from central government for cities like Nottingham. As one of the ten Core Cities in the UK, the Council is campaigning for control over funding, programmes and policy to be devolved to cities to give us more freedom to grow our economy and reform our public services to get better outcomes for citizens.

Nationally and locally the economy has continued to show signs of a steady recovery in the past year, with an increase in the employment rate and significant fall in the number of people claiming out of work benefits, and whilst these continue to lag behind the national average the gap is narrowing. The most recent data shows higher than average growth in both the economy and wages in Nottingham in 2014 and 2015 although economic productivity, both locally and nationally, is yet to recover to pre-recession levels.

The on-going health of local economy is affected by a variety of things including wider global and national economic conditions. Should the economy stagnate or enter another downturn, the Council's funding would likely be subject to further reductions as a result of further cuts to its Revenue Support Grant and/or lower than expected business rate receipts.

The City Council and partners remain focused on improving education and skill levels, investing in modern infrastructure, supporting (new) business formation and growth in key sectors, raising productivity, and strengthening place marketing in order to grow the visitor economy and attract inward investment. In all these areas the City Council remains committed to economic and social inclusion and tackling the underlying causes of poverty and disadvantage.

Council priorities:

The latest Council plan approved by Councillors on 9 November 2015 sets out the Council's ambitions for the city over the next four years up to 2019.

The plan includes five key objectives:-

- Ensure that every child in Nottingham is taught in a school that is judged good or outstanding by Ofsted
- Build 2,500 new homes that Nottingham people can afford to rent or buy
- Cut the number of victims of crime by a fifth and continue to reduce anti-social behaviour
- Tackle fuel poverty by setting up a not for profit energy company, to sell energy at the lowest possible price to Nottingham people
- Guarantee a job, training place or further education plan for every 18 to 24 year old

Our plan also sets out the Council's Equality Objectives to:

- Ensure our workforce reflects the communities we serve
- Create economic growth for the benefit of all communities
- Provide inclusive and accessible services for our citizens; and
- Lead the City in tackling discrimination and promoting equality

In the Forward to the document, City Council Leader Councillor Jon Collins and Chief Executive Ian Curryer write: "In this Plan we set out the purpose and priorities for 2015-2019 with the aim of making us a Great City with citizens at the heart of everything we do. Our plan is about the future of our city for all who live, work and visit here.

"Over the next four years, we are determined to create a city that is fair for everyone and where we all have an equal and positive chance to succeed. We will build on our achievements and continue to provide services that are based on and responsive to your needs.

"Our aim is for Nottingham to be an internationally successful and prosperous city that offers its residents the means and opportunities to realise their potential. Nottingham will be a thriving sustainable city both economically and socially. We will continue to work with our partners and communities to ensure vulnerable citizens are supported to live independently and are safe from harm.

"We will do this despite the significant financial challenges the Council continues to face. It is no secret that we face further cuts to our budget, but we have been successful at managing our finances in the past and we will continue to do so. The scale of our ambition is unchanged.

"We will have difficult decisions to make over the next four years but we will continue to have the best interests of Nottingham's citizens at heart and continue to invest in Nottingham's future."

Council Tax:

Council Tax is proposed to increase by 1.95%. In addition, the proposed MTFP assumes an additional Social Care Precept of 2% per annum to fund Adult Social Care as announced in the Spending Review, this precept must be spent exclusively on Adult Social Care. The level of proposed Council tax has been set with a view to providing the resources the Council needs to manage and meet increasing needs and demand for vulnerable adults and children's services, in a context of decreasing external funding.

Rent and housing:

The level of rent has been set, based on guidance set out by the Government. Due to the way in which eligibility for Council housing is assessed, Council tenants are more likely to have lower incomes and be financially excluded or in financial difficulty. Tenant profile data indicates that Black or Minority Ethnic, female, and age groups 25-44 and 45-74 are statistically more likely to be affected by Council rent increases, although this financial impact is mitigated by compensating increases in Housing Benefit. The Housing Revenue Account Capital programme which forms part of the report includes a number of schemes which will benefit protected groups.

Responding to Welfare Reform:

The Government made significant changes to the welfare system between 2010 and 2015. These changes, which included housing benefit under-occupancy (the “Bedroom Tax”), changes to council tax benefit and the introduction of the benefits cap, had a significant impact on Nottingham’s citizens and will continue to impact on them through the current parliament. In addition, the Government are introducing new reforms from April 2016 onwards including a reduction in the Benefit Cap, a freeze on the value of certain benefits, changes to Housing Benefit and changes to make the new Universal Credit less generous. These will again affect some of the most financially vulnerable households in Nottingham, including low income working households. There is concern that disabled groups could be affected by changes to sickness benefits and potentially reduced support for people living in supported accommodation. The Council have been working with advice services to support citizens affected and has shaped policy responses as far as possible to reduce the impacts. The Council will have to continue to adjust as further changes are rolled out and details of the forthcoming changes are confirmed. The amount of money available for Discretionary Housing Payments is set to increase but this may not cover the increase in demand so the Council will have to continue to ensure that the payments are fully utilised and targeted as effectively as possible.

The Discretionary Hardship Support Scheme was previously amended in 2015 to enable it to respond more flexibly to emerging hardship and the Scheme was been extended through to 2017, to enable the Council to continue to support Nottingham’s most financially vulnerable citizens.

Health and Social Care integration:

The £3.8 billion Better Care Fund (formerly the Integration Transformation Fund) is a single pooled budget to support health and social care services to work more closely together in local areas, based on a plan agreed between the NHS and local authorities. It aims to drive the integration of health and social care services in order to deliver the right care in the right place at the right time. The Nottingham City BCF allocation is £23 million, however only £1.3 million of this is new money to further support the transition to integrated working. Several of the budget proposals relate to the drive to integrate health and social care.

Information used to analyse the effects on equality:

This assessment is based on a process of consultation and equality impact assessment built into the Council’s overall budget development process. This has included:

- screening of all proposals to identify potential equality impact;
- equality impact assessments for specific budget proposals where a potential equality impact has been identified;
- ongoing discussions between Officers and Executive Councillors;
- regular budget development meetings for Councillors to approve, amend, or reject budget proposals, taking into account their potential equality impact;
- additional consideration of cumulative equality and wider community impact of the proposals;
- meetings with Voluntary and Community Sector (VCS) and business representatives;
- consultation on the Council’s budget priorities;
- consideration of the impact of welfare reform and previous efficiency measures.

The Government has continued to implement an extensive programme of policy change, accompanied by significantly reduced funding for the public sector. In response to these funding cuts, the Council's service and financial planning process has once again facilitated significant proposed movements in resources. This includes:

- take account of the Council's priorities within the Council Plan 2015-2019 agreed by Council on 9 November 2015;
- address demographic and service pressures through investment;
- reflect the significant reductions in external funding (especially general and specific Government reductions) by reducing expenditure on those activities;
- support the Council's determination to be efficient, improve performance and modernise the organisation;
- recognise the very challenging financial landscape and future outlook and the impact on all sectors, including the public sector.

Budgets have been redirected to enable resources to be targeted on the Council's current focus of protecting key services and supporting the most vulnerable, keeping Nottingham clean and safe, protecting jobs and stimulating job growth, and bolstering the economy.

The main financial objective is to focus on ensuring financial planning and management supports citizens have access to value for money services which are modern and fit for purpose; maintaining good underlying financial health and good governance and always taking a longer term view.

Consequently the approach to the 2016/17 budget and MTFP has where possible been guided by the following key aims:

- to minimise the impact of service reductions and changes on vulnerable citizens:
- to protect frontline services:
- to pursue commercialisation opportunities to generate income for the Council, and help offset a proportion of the impact of grant reductions.

Of the 100 portfolio proposals, 25% by value are within Adults & Health and mostly focus on service redesign and transformation. A further 25% of proposals are focussed on Resources & Neighbourhood Regeneration where the main emphasis is on income generation.

As a whole, 36% of the budget proposals focus on income generation, 27% on service redesign and transformation, 21% on efficiencies, 11% relate to responding to changing demands and re-commissioning of services, with only 3% proposing service reductions.

Statistical information and research such as demographic and workforce data, and independent reports have been referenced where appropriate. Other information has informed equality impact assessments for specific proposals where appropriate.

Demographic change¹:

The population of the city has increased in the 10 years to 2013 from 275,500² in 2003 to 310,800 in 2013 and Nottingham's population is set to continue growing. The greatest numerical increase in Nottingham expected over the next 25 years is projected to be in the 70-74 age group,

¹ [Sub-national population projections, May 2014](#)

³ Demography chapter, ONS VS tables on live births 1977-2014.

although the 20-24 age band is also projected to see one of the largest numerical increases to 2037, and is projected to remain the largest group – primarily due to the large student population in the City. The over 90s age band is projected to an increase of more than double the 2012 estimate, reflecting increased life expectancy.

The proportion of under 15's is not projected to change - from 17% 2012 to 18% in 2022, and 17% in 2037. Nottingham's young age profile has become more pronounced due to the rising birth rate and the expansion of the City's two universities. The birth rate has increased from an historic low of around 3,200 per year in 2001³ to an historic high of 4,500 in 2010³. This has led to an increase in the 0-4 year olds of 30% over the last 10 years. Around 15% of the City's population are now full time students aged 18 or over, leading to a 38% increase in the 16-24 population of the city.

Nottingham is also becoming more diverse in terms of ethnicity. Over a third (35%) of the population is non-White British, with increases in most ethnic groups but particularly large increases in Pakistani, White Other and African groups. Nottingham has the highest proportion of people of Mixed or multiple ethnic groups outside London. The young population of the city is even more ethnically diverse with 45% of city under 18's being non-White British.

In the 2011 Census 18.1% of Nottingham's population reported health problems or disabilities which limit their day to day activities. This is slightly higher than the national average of 17.6%. However amongst people of working age, 14.2% of people have health problems or disabilities which limit their day to day activities compared to 12.7% nationally. This larger gap shows that the overall figures are higher than might be expected given the relatively young age structure of the City. 40.2% of people who reported long term health problems or disabilities which affected their day to day activities were aged 65 or over, although this age group makes up just 11.6% of the population.⁴

	Could particularly benefit X	May adversely impact X	How different groups could be affected (Summary of impacts)	Details of actions to reduce negative or increase positive impact (or why action isn't possible)
Young People .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Budget proposals have been required to meet a funding shortfall of £20 million in 2016-17 and there will inevitably be an impact on some citizens.	Measures are being taken to manage the changes in a planned way, and seek to minimise adverse impacts. Some of the proposals could bring benefits to citizens. Steps have been taken as part of the
Women	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Disabled People/Carers	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
BME Groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Older People	<input type="checkbox"/>	<input checked="" type="checkbox"/>		

² Demography chapter JSNA ONS 2013 mid year estimates

³ Demography chapter JSNA ONS 2013 mid year estimates

⁴ [Census 2011 key datasets](#)

			<p><u>Children and Young People</u> Approximately one third of the budget proposals relate to schools, early intervention and early years provision.</p> <p>A number of children and young people in the City live in households that will be affected by national and local budget cuts. Reduced staffing levels and a reduction in the range of services offered to young people are likely. This will have a direct impact on the quality and availability of certain types of provision. There may be opportunities through major service reforms involving health and social care to take a more innovative approach with regard to providing services to young people, with particular regard to sexual and mental health services, however there are no details available at this time as to what this might look like. Infants, Children and young people have specific needs that must continue to be addressed. Housing services for disadvantaged young people may contribute to the negative impact of proposals on this group. There may also be additional impacts on young people who are carers looking after disabled parents. Where there are proposals to increase fees and charges, these may affect the affordability of family outings and day trips, as admission fees can form a substantial part of the cost of a day out.</p>	<p>budget process to minimise the impact on vulnerable and protected groups as far as possible. These have included, the revision and rejection of savings proposals on the basis of potential adverse impact on vulnerable groups and the identification of actions to reduce the any negative impact of specific saving proposals.</p> <p><u>Children/Young People</u> Citizens have been involved in various stages of the service design process undertaken by the Council's procurement team. Quality monitoring will be undertaken by contract management teams to ensure that benefits are delivered and that remedial action is taken where necessary.</p> <p>Work is also being done with service providers and partners to maintain sessional offers where possible, and work is also being initiated with colleagues and stakeholders to share resources and to work collaboratively to ensure that needs are addressed where there are shared priorities.</p> <p>Where relevant, service level agreements will be reviewed with targets being renegotiated to ensure that service delivery is viable and that the needs of key groups are able to be met.</p> <p>The profile of young people affected will</p>
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Women

The impacts of budget proposals on women are likely to be multi-layered and interconnected with other protected characteristics e.g. disabled people and BME groups. Women are more likely to use public services and to work in the public sector so are therefore at greater risk of being hit by reductions in staffing levels. They are more likely to be paid less than men, and are more likely to live in poverty. Women are more likely to be lone parents, as well as primary carers for children, older and disabled people. Reductions in the funding of adult social care will affect women as direct service users in addition to affecting those women who will be required to fill the gap as unpaid carers, reducing their ability to work full-time, consequently increasing their reliance on welfare benefits. Increases in fees and charges affect the affordability of leisure services, having a knock on effect with regard to women's general health and wellbeing, which are further exacerbated by reductions in welfare and social care support. Isolation and lack of social contact also place women at greater risk of jeopardising their mental and physical health. The dimming of street-lighting may impact on how safe women feel travelling at night.

be considered as part of the development of future systems, approaches and arrangements which are currently under review.

Adults

The Council will negotiate and work with individual service providers to ascertain the most appropriate way to minimise the impact of a reduction in service funding on citizens.

Changes to adult social care services and policies will be subject to specific consultation and therefore proposals may change. In addition, all proposals will adhere to the Fairer Charging Policy and duties under the Care Act 2014. The benefits of closer integration with health services will help to minimise the impact on our more vulnerable citizens.

In cases where proposals involve service redesign, efficiency and 'stop doing', alternative provision has been investigated to ensure citizens can access support in other ways.

Consultation will need to take place with relevant stakeholders and measures taken to ensure this is inclusive for citizens. Individual consultation letters will be sent to affected citizens or their carers where appropriate, detailing proposals. A helpline will be established to answer

			<p><u>Black and Minority Ethnic (BME) communities</u></p> <p>Data on the life chances of minority groups measured in terms of health, life expectancy, educational achievement and economies in combination, suggest poorer outcomes with regard to inequality and poverty. A combination of job losses and reductions in social care services may exacerbate existing inequalities particularly between BME women and other groups. Most if not all of the issues highlighted above also impact on BME communities. However, it should be noted that much of the diversity monitoring data available is not sophisticated enough to enable analysis between ethnic groups. BME people face multiple disadvantages in the labour market including low paid insecure jobs, sexism and race discrimination. Higher proportions of BME households are within lower income brackets and are more likely to face exploitation by landlords. BME communities may rely on voluntary sector organisations to provide services and specialist advice sensitive to their cultural needs, in a way that mainstream organisations can struggle to match. This is particularly relevant where people have multiple or complex needs and where there is a reduction in face to face contact when accessing benefits and/or services. Whilst cuts to social care provision affect men and</p>	<p>questions and to allay fears.</p> <p>Citizens will be made aware of their right to a financial assessment, and the offer of support to find alternative more cost effective support.</p> <p>With regard to fees and charges linked to leisure activities, disabled people and households with limited or low incomes who hold a citycard can benefit from discounts across a number of activities, and concessions are available in some circumstances.</p> <p>In terms of the proposed dimming of streetlighting, this will continue to conform to the British standard for road lighting, with particular regard to specifications linked to the lighting of roads, public amenity areas and the needs of citizens. This includes the management of risks and designing to the requirements of particular area in respect of issues such as crime rates and traffic flow.</p> <p>In relation to housing support, a strategic commissioning review will identify specific recommendations to deliver the proposals. Discussions will be held with service providers to consider their views on how efficiencies can be delivered. Engagement will also be done with citizens impacted by homelessness as part of the review process. Following this a more in depth</p>
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women from all ethnic groups, research shows that BME women provide proportionately more care. It is also well documented that the health issues and experiences of BME women are different to those of non-BME women and they are less likely to access the care that they need. Again, in terms of the proposed review of housing related support, reduction in the funding of organisations that work with BME communities can reduce support for integration into the wider community, affecting quality of life and future prospects.

Disabled People/Carers

National reports show that the majority of disabled people and families with disabled children are living in poverty, and are significantly less likely to have an adequate standard of living than non-disabled people. More disabled people have to contribute towards the cost of their care, which affects the financial and practical support received to empower people to live as independently as possible. These proposals may impact on the day-to-day activities that non-disabled people often take for granted, such as the time they get up, eat, sleep, wash and dress. Without the right level of support disabled people can be placed at greater risk of avoidable dependency, poverty and isolation. The provision of support with regard to

impact assessment will be undertaken with regard to specific recommendations generated by the review.

The proposal linked to cultural grants will involve a review of service level agreements to ensure delivery meets expectations. The Council will continue to work in partnership with organisations delivering key events e.g. Pride, Nottingham Carnival and Diwali celebrations and will signpost organisations to alternative funding opportunities. All organisations that are funded by the Council receive support and information including strategic and networking support in order to maintain a good understanding of national trends and funding streams.

Workforce

The Council will attempt to mitigate the amount of redundancies wherever possible by making referrals to Project People, where those at risk of redundancy have a three month period to secure an alternative post with the council. Alternative posts are offered based on the individual's transferable skills and potential to undertake the new duties.

All possible steps will be taken to ensure support needs around language, disability, maternity, paternity or pregnancy will be identified at an

			<p>housing for disabled people may be impacted on by the proposed review of housing related support contracts, thus creating an additional threat to independent living.</p> <p><u>Older people</u> A significant proportion of older people have conditions that limit their activities. Where support is required with things like personal care, spouses, partners and female family members provide much of the informal care required. In addition, a higher proportion of disabled older people are women who rely on social care to live independently in their own homes. Reductions in home care services will place independent living at risk. Whilst a significant number of older people live in poverty, means tested charges for services are likely to affect the take-up of support, as some people may find the process complicated and some people may feel stigmatised. As mentioned above, the review of housing related support contracts may create a threat to independent living.</p>	<p>early stage. Mitigating action such as additional support and reasonable adjustments will be offer to individuals as appropriate.</p> <p>Whilst wherever possible, steps are taken to achieve any required workforce reductions through natural turnover and the deletion of vacant posts, the cumulative effect of reduced budgets and required efficiency programmes over recent years means it is not always possible to achieve this. As a consequence, service reviews and restructures may result in individuals being made involuntarily redundant. The Council will attempt to mitigate the amount of redundancies wherever possible by making referrals to Project People, where those at risk of redundancy have a three month period to secure an alternative post with the council. Steps taken to minimise adverse impact and promote equality for different groups relating to the budget proposals are summarised in Table 1.</p>
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Outcome(s) of equality impact assessment:

- No major change needed
- Adjust the policy/proposal
- Adverse impact but continue
- Stop and remove the policy/proposal

Arrangements for future monitoring of equality impact of this proposal / policy / service:

- As consultation for some proposals has yet to take place, this impact assessment will be amended as appropriate should those consultations require significant changes to the proposals.
- Arrangements for future monitoring of impacts are set out in EIAs for specific proposals where appropriate.
- Council officers will meet regularly with the Equality and Fairness Commission to discuss equality issues for specific service areas where relevant.
- Equality impact assessments (paying due regard to equality) are an explicit part of Council reporting and decision making processes and will be carried out for any further decisions arising from the Medium Term Financial Plan with potential equality impact.
- Service reviews to assess the impact of decisions.
- Appropriate diversity monitoring.

Approved by (manager signature):

The assessment must be approved by the manager responsible for the service/proposal. Include a contact tel & email to allow citizen/stakeholder feedback on proposals.

Geoff Walker – Director of Strategic Finance

Date sent to equality team for publishing:

Send document or link to:
equalityanddiversityteam@nottinghamcity.gov.uk

Table 1 – Outline of potential impacts and measures taken to minimise impact for different protected groups

The following is a summary based on findings of equality impact assessments carried out for specific proposals. It provides background information about the profile of the City and notes other factors likely to affect specific sections of the community. It then summarises overall impact for each group, highlights where individual proposals are of particular relevance to a group, and notes steps taken to minimise impact.

Specific details of how individual proposals have been adjusted to minimise impact and promote equality are set out in equality impact assessments for individual proposals.

Equality group	Local context and related factors	Relevant budget savings proposals and steps taken to minimise impact
<p>Younger</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 23</p>	<p>Nottingham has a higher proportion of young people than national average - 41% under 25 compared to 31% in England (mid 2013 estimates)⁵</p> <p>Nationally, youth unemployment is still high at 16.6% of the economically active population (those working or unemployed but looking for work) (Aug - Oct 14), but has fallen by 4.1 percentage points since Aug - Oct 2013⁶. Equivalent figures for Nottingham are available from the Annual Population Survey covering the period July 2013 to June 2014 and</p>	<p>Proposals relating to children and young people have been assessed as also relevant to race equality given the younger profile of Nottingham’s BME community.</p> <p>Budget proposals have considered actions to minimise the impact on younger people by:</p> <ul style="list-style-type: none"> • As with adults, services for children continue to have an early intervention and preventative emphasis, aiming to reduce the need for high cost specialist interventions. • The Priority Families programme seeks to focus on the whole family and unite the skills and expertise of all our frontline partners, rather than support one family member in isolation and tackle one problem at a time. Frontline employees are sharing expertise and being trained to focus on the whole family rather than the individual. • Expanding opportunities for schools to use children centre buildings, while maintaining Children's Centre services to the community. <p>Strategic developments include:</p> <ul style="list-style-type: none"> • Nottingham’s Big Lottery Funded ‘Small Steps, Big Changes’ bid brought £45 million into the city to work on the Early Years agenda over the next 10 years. The money will be used for a wide range of programmes, from peer breast feeding support classes, to nutrition initiatives, supported book-gifting, parent-child relationship programmes, infant massage classes and learning-through-play schemes in the home. • The Family Mentor Service is up and running in the Bulwell and Aspley wards and the service will start in the St Ann’s and Arboretum wards later this year • The Council undertook responsibility for commissioning 0-5 public health services from in October 2015. • The Child Development Strategic Commissioning Review has developed a strengthened

⁵ [ONS 2013 mid-year population estimates](#)

⁶ [ONS - Young people in the labour market \(December 2013\)](#) and [ONS - Young people in the labour market \(December 2012\)](#)

Equality group	Local context and related factors	Relevant budget savings proposals and steps taken to minimise impact
Page 24	<p>show a rate of 27.6% for Nottingham City compared to 18.4% for England. <i>(Although please note Nottingham figures should be treated with caution.)</i></p>	<p>pathway of preventative and early help services for 0-5s by working with partners to consider where opportunities for delivering a greater number of evidence-based programmes and approaches could be taken. The focus on prevention and early intervention aims to reduce the number of children requiring expensive specialist services</p> <p>Phase 2 of the Review is focussed on developing integrated children’s teams to deliver the strengthened pathway of services and interventions. This will provide the opportunity to collapse management structures and release efficiencies</p> <ul style="list-style-type: none"> • The Children and Young People’s Plan is currently being revisited for 2016-2020 to ensure that it is focussed on the key outcomes for children and their families in the coming year and aligns with the newly developed health and Wellbeing Strategy . • In conjunction with health partners, an Emotional Health and Wellbeing Pathway has been developed to support children and young people (ages 0-24 years) with emotional, mental health and wellbeing needs, and their parents/carers. • The Council will continue to drive improvements in our education settings to ensure that all young people are in a good or better school. This includes work on achievement and attainment, behaviour, recruitment, quality of teaching and leadership and governance. • All entry-level Council jobs have been ring-fenced as apprenticeships for City residents, and are targeted towards young people. • Step into Work (Youth Contract underspend): The council’s programme to reduce youth unemployment focuses on the 18-29 age group who are between 13-39 weeks unemployed with a view to preparing them for the labour market and preventing them from becoming long term unemployed. The project is delivered via a partnership of NCC, DWP, Futures and the Council’s 6 Neighbourhood Lead Organisations. It aims to support 3,000 young people between April 2014 and March 2017 with 40% (1,200) securing employment • The Council has worked with the sexual health services in the City to develop an integrated service model which aims to improve sexual health.
Men, Women, Transgender	Nottingham’s population is 50% male and 50% female. ⁷	<p>Potential gender impact has also been assessed in relation to adult social care proposals, as a higher proportion of those receiving social care support are women.</p> <p>Budget proposals have considered actions to minimise the impact on women, men and transgender citizens by:</p>

⁷ [Census 2011 key datasets](#)

Equality group	Local context and related factors	Relevant budget savings proposals and steps taken to minimise impact
		<ul style="list-style-type: none"> Any changes to the fairer charging policy, mean that only citizens who can afford to pay will do so. This is also subject to consultation. Steps to integrate health and social care will bring benefits of a joined-up service, resulting in a clearer customer journey and also aim to reduce waiting times and help citizens maintain independence.
Disabled People /Carers	Nottingham has a higher proportion of people with a disability or long term limiting illness (18.2%) than the England average (17.6%). ⁸	<p>Proposals may have potential adverse impacts on this group, as well as some potential benefits, they have been considered in conjunction with the impact on older people.</p> <p>Budget proposals have considered actions to minimise the impact on people with disabilities by:</p> <ul style="list-style-type: none"> Any changes to the fairer charging policy, mean that only citizens who can afford to pay will do so. This is also subject to consultation. Steps to integrate health and social care will bring benefits of a joined-up service, resulting in a clearer customer journey and also aim to reduce waiting times and help citizens maintain independence. Continuing the move towards early intervention, preventative provision and maintaining independence. Reductions will be as flexible as possible to minimise the impact on citizens and will be monitored to make sure the duties of wellbeing are met. Directing impact to provision that is non-statutory or discretionary and where this is the case, investigating alternative methods of funding/service delivery with partners. Retain a high level of discretionary public transport measures to key disadvantaged groups, including disabled and older citizens. For changes in the delivery of welfare advice, there will be through targeted communications, the development of joint-working arrangements between advice services and the commissioning of external services to ensure choice, consent and data protection. <p>Strategic developments include:</p> <ul style="list-style-type: none"> The Vulnerable Adults Plan 2012-2015⁹ will be refreshed in 2015. It is a preventative strategy: aiming to “invest in services that reduce needs and dependency and lowers future costs; develop innovative and new ways in which to mobilise and make use of all the resources of the community; and enable vulnerable citizens to remain independent for longer

⁸ [Census 2011 key datasets](#)

⁹ [Vulnerable Adults Plan 2012-2015](#)

Equality group	Local context and related factors	Relevant budget savings proposals and steps taken to minimise impact
		<p>and make choice based personalised services a reality.”</p> <ul style="list-style-type: none"> • Mental health is a priority for the Council and the Health and Wellbeing Board, published a Mental Health and Wellbeing Strategy called 'Wellness in Mind'¹⁰, in August 2014 by. The Council has also signed up to the Local Authority Mental Health Challenge and support the Time to Change Campaign.
BME Groups	<p>Nottingham has a higher proportion (34.7%) of Black or Minority Ethnic (BME) citizens than the England rate of 20.2%.¹¹</p> <p>The City also has a high proportion of migrants from EU Accession countries compared to other Core Cities (NINO registrations).¹²</p>	<p>Proposals relating to race have also been assessed as relevant to children and young people given the younger profile of Nottingham’s BME community.</p> <p>Budget proposals have considered actions to minimise the impact on BME citizens by:</p> <ul style="list-style-type: none"> • Ensuring that alternative provision and services are available in the community • There may also be opportunities to advance equality through commissioning and procurement opportunities. • Ensuring the development of accessible information where appropriate • For changes in the delivery of welfare advice, there will be through targeted communications, the development of joint-working arrangements between advice services and the commissioning of external services.
Older	<p>The number of people in the City aged 85 or over is projected to increase by over 2,000 by 2031, an increase of over 40%</p>	<p>Potential gender impact has also been assessed in relation to adult social care proposals, as a higher proportion of those receiving social care support are women.</p> <p>Budget proposals have considered actions to minimise the impact on women, men and transgender citizens by:</p> <ul style="list-style-type: none"> • Any changes to the fairer charging policy, mean that only citizens who can afford to pay will do so. This is also subject to consultation. <p>Steps to integrate health and social care will bring benefits of a joined-up service, resulting in a clearer customer journey and also aim to reduce waiting times and help citizens maintain independence.</p> <ul style="list-style-type: none"> • Continuing the move towards early intervention, preventative provision and maintaining independence. Reductions will be as flexible as possible to minimise the impact on citizens and will be monitored to make sure the duties of wellbeing are met.

¹⁰ [Wellness in Mind](#)

¹¹ [Census 2011 key datasets](#)

¹² [EU Accession note \(May 2014\)](#)

Equality group	Local context and related factors	Relevant budget savings proposals and steps taken to minimise impact
		<ul style="list-style-type: none"> Directing impact to provision that is non-statutory or discretionary and where this is the case, investigating alternative methods of funding/service delivery with partners. Retain a high level of discretionary public transport measures to key disadvantaged groups, including disabled and older citizens. <p>Strategic developments include:</p> <ul style="list-style-type: none"> The City Council is developing, in partnership with Nottingham Clinical Commissioning Group (CCG) and Nottingham Community and Voluntary Service, an initiative to build stronger communities where looking after each other is the norm rather than the exception. The Vulnerable Adults Plan 2012-2015¹³ will be refreshed in 2015. It is a preventative strategy: aiming to “invest in services that reduce needs and dependency and lowers future costs; develop innovative and new ways in which to mobilise and make use of all the resources of the community; and enable vulnerable citizens to remain independent for longer and make choice based personalised services a reality.”
People of different faiths/beliefs and those with none	Nottingham has higher proportions of Muslim, Sikh, Buddhist and citizens with no religion than the England average. ¹⁴	<p>There is no indication that these proposals will impact adversely or disproportionately on this group.</p> <p>The Council has been working more closely with faith groups and similar organisations, for example on helping to manage impacts of welfare reform and build resilience within communities.</p>
Lesbian, gay or bisexual people	The ONS 2012 Integrated Household Survey found 1.5% to be lesbian, gay, or bisexual. ¹⁵ and Stonewall estimates of between 5-7% of the general population. ¹⁶	<p>There is no evidence to suggest that these proposals will impact adversely or disproportionately on the lesbian, gay, bisexual and transgender community. However the Council acknowledges there is a need to work more effectively with citizens and colleagues to improve diversity monitoring to provide a more accurate picture.</p> <p>Strategic priorities include:</p> <ul style="list-style-type: none"> The Council will aim to promote opportunities to advance equality through our commissioning and procurements arrangements. The aim to reduce ‘victim based’ crime and anti-social behaviour including tackling hate crime aiming to ensure people are safe in their neighbourhood and homes (an issue of particular importance to LGBT people) remains a priority.

¹³ [Vulnerable Adults Plan 2012-2015](#)

¹⁴ [Census 2011 key datasets](#)

¹⁵ [Integrated household survey statistics - sexual identity](#)

¹⁶ http://www.stonewall.org.uk/at_home/sexual_orientation_faqs/2694.asp

Equality group	Local context and related factors	Relevant budget savings proposals and steps taken to minimise impact
		<ul style="list-style-type: none"> The Community of Identity review continues to prioritise services which support people around issues in relation to gender and sexual orientation, funding was allocated from April 2014 for 2 years.
Other (e.g. marriage/civil partnership, looked after children, cohesion/good relations, vulnerable children/adults)	<p>32% of the population are married and 0.25 in a civil partnership.¹⁷</p> <p>The number of children in care has increased by 8.9%, since 2012.</p>	<ul style="list-style-type: none"> There is no indication that these proposals will impact disproportionately or adversely on marriage and civil partnership, look after children, cohesion/good relations, vulnerable children/adults.

¹⁷ [Census 2011 key datasets](#)

ANNEX 1

FORECAST OUTTURN 2015/16

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ANNEX 1 - FORECAST OUTTURN 2015/16

Introduction

This annex summarises the current position and forecast outturn for both the revenue and capital elements of the General Fund and HRA. Our risk based forecasting reflects the diverse nature of the Council's activities and the wide range of cost and income drivers. This has been used in finalising the draft MTFP for 2016/17 – 2019/20. Some report tables may not sum exactly due to rounding.

General Fund Revenue - Overview

Table 1A shows the current forecast outturn using best, medium and worst case scenarios. This is based on the ledger position as at 31 December 2015, updated for known future factors and the projected impact of positive management action to address identified pressures, and shows a medium case favourable forecast outturn variance of **£1.625m** before retention of trading account surpluses.

In accordance with the trading account principles set out in the Medium Term Financial Strategy, 50% of traded surplus may be retained for reinvestment in the service. The decision to reserve these surpluses is to be taken in the context of the overall corporate outturn position. The potential impact of traded surplus retention is also shown in Table 1A.

This does not take account of the usual year end council-wide adjustments and carry-forwards, which reflect that the Council is a going concern. This will reduce the figures in Table 1A and is partially reflected in Table 1C. Figures in brackets indicate an underspend.

TABLE 1A: CURRENT FORECAST OUTTURN AS AT 31.12.15 (Q3)						
OUTTURN VARIANCE 2014/15 £m¹	MEDIUM CASE @ 30.06.15 (Q1)	MEDIUM CASE @ 30.09.15 (Q2)	PORTFOLIO	(UNDER) / OVER SPEND		
				BEST £m	MEDIUM CASE £m	WORST £m
(5.117)	(0.307)	(0.556)	Adults and Health	(0.833)	(0.554)	(0.503)
(1.556)	(0.507)	(1.427)	Community Services	(1.976)	(1.449)	(0.233)
1.036	1.088	0.792	Early Intervention & Early Years	(0.310)	0.792	0.792
(0.452)	0.250	0.153	Energy and Sustainability	0.000	0.036	0.036
0.230	(0.175)	(0.812)	Jobs, Growth and Transport	(0.670)	(0.467)	(0.041)
(0.622)	(0.067)	(0.097)	Leisure and Culture	(0.476)	(0.097)	(0.019)
(0.556)	0.000	(0.023)	Planning and Housing	(0.042)	(0.031)	0.021
(0.014)	(0.220)	(0.265)	Resources and Neighbourhood Regeneration	(0.314)	0.000	0.218
(0.845)	0.000	(0.033)	Schools	(0.035)	(0.035)	0.000
1.061	0.863	0.200	Strategic Regeneration, Development & Community	0.000	0.000	0.010
(6.835)	0.925	(2.068)	TOTAL PORTFOLIOS	(4.656)	(1.805)	0.281
(0.639)	0.725	0.281	Corporate budgets	0.000	0.180	0.430
(7.474)	1.650	(1.788)	NET COUNCIL POSITION²	(4.656)	(1.625)	0.711
			Traded surplus retained	0.666	0.625	0.074
NET COUNCIL POSITION POST TRADING SURPLUS RETENTION				(3.990)	(1.000)	0.785
Change – best to medium				2.990		
Change – medium to worst						1.785

Notes 1: outturn before carry forwards 2. Forecast before traded surplus retentions

The MTFP assumes the use of £1.000m from the trading surplus in 2016/17.

Forecast & Actual Outturns

The Council has had a good track record of financial management in recent years. The current forecast outturn (medium case) is summarised in Table 1B:

TABLE 1B – BROAD CONTRIBUTORS TO THE FORECAST OUTTURN	
OVERALL ISSUE	2015/16 £m
Staff vacancies (temporary impact)	(0.714)
Other small under/overspends against budgets (various)	0.629
Trading Activities	(2.438)
Cost pressure – Safeguarding (Children in Care)	1.069
Action within directorates to mitigate pressures	(1.883)
Reductions in income	0.470
Cost pressure - delays in delivering strategic choice savings	1.242
TOTAL	(1.625)

The final outturn position impacts on general reserves; underspends increase reserves and overspends decrease them. General reserves provide an essential financial safety net to cover above-budget costs. The value of the safety net is advised by the Chief Finance Officer (CFO) following a risk assessment. If general reserves fall below the minimum defined level towards the end of the year, the shortfall should be replenished when setting the budget for the following year.

Table 1C shows the potential impact of the current forecast outturn on general reserves, prior to traded surplus retention. This excludes adjustments for routine carry forwards into 2016/17 and the setting aside of funding for future commitments. This takes place as part of the final accounts process and is expected to reduce net reserves from the figure set out in Table 1C.

TABLE 1C: POTENTIAL IMPACT ON GENERAL RESERVES	
ITEM	£m
Balance @ 01.04.15	9.500
Add: Net underspend (medium case) from above	1.625
ESTIMATED @ 31.03.16 (medium case prior to trading surplus)	11.125
Assumed MTFP use of £1.000m trading surplus in 16/17	(1.000)
ESTIMATED @ 31.03.16 (medium case post trading surplus)	10.125

Variances - Headline Issues

The following sections describe the major issues impacting on the medium case forecast.

Adults and Health Portfolio - £0.554m FAVOURABLE

Adults £85k favourable

Delay in capital investment into a new Learning Disability provision has resulted in a short term revenue saving.

Quality and Commissioning £0.438m favourable

Slippage in recruitment as a result of the recent restructure.

Community Services Portfolio – overall variance £1.449m FAVOURABLE

Community Protection Front line Services - £0.244m favourable

Underspend due to maximisation of external grant/income to cover core costs.

Community Cohesion - £0.207m adverse

Unplanned grant reductions (£50k), additional pressures due to external secondments (£20k) and increased cost of core services (£0.137m). The team are currently working through plans to bring in on budget, and the Community Protection team are currently reviewing their budgets for in year savings.

Uniformed Services - £0.137m favourable

Underspend as a consequence of staff vacancies in early part of the year, recruitment to these posts has now been completed.

Parking - £0.320m adverse

Penalty Charge Notice (PCN) income – due to targeted enforcement, education and marketing, the public are not parking illegally and are therefore using NCC Car Parks creating additional income within Commercial & Operations. The Community Protection team are currently reviewing their budgets for in year savings.

Commercial & Neighbourhood Services £1.516m favourable

Positive action on growing sales and controlling costs as indicated in business plans has led to this improving net budget position in the following traded areas:

- Catering £0.610m
- Cleaning £0.240m
- Commercial Waste £0.240m

Early Intervention and Early Years Portfolio – overall variance £0.792m ADVERSE

Children's Social Care £0.792m adverse

Adverse variances due to demographic increase of Children in Care (+£1.069m) and a delay in the implementation of plans to achieve Big Ticket (+£0.922m); these variances have been offset by the use of 2014/15 carry forwards of £0.800m and the maximisation of external grants by £0.798m.

In order to mitigate the impact the service is undertaking activity to minimise the impact of demographic growth through early interventions, ensure safeguarding packages are fit for purpose, drive delivery of the Big Ticket programme and reviewing all directorate budgets for additional savings.

Jobs, Growth and Transport Portfolio – overall variance £0.467m FAVOURABLE

Commercial & Neighbourhood Services £0.523m favourable

Over achievement of £0.300m income from car parking trading account.

Street Lighting - £84k favourable

Savings realised due to contract management and a change in certain financial policies.

Woodfield Industries - £0.130m adverse

Projected shortfall against revenue growth / cost savings. A revised plan is in place for 2016/17.

Leisure and Culture Portfolio - £97k FAVOURABLE

Markets - £0.186m adverse

Unplanned increase in service charge at Victoria Centre Indoor Market.

Royal Centre - £0.399m favourable

Stronger than budgeted ticket sales for the Royal Concert Hall and Theatre Royal.

Resources and Neighbourhood Regeneration Portfolio – overall nil variance

Works Perks - £0.100m adverse

Income projection reviewed and revised downwards due to slower than forecast uptake of the car lease scheme. The team is working to contain this within service by alternate management action.

Trading Services - £82k adverse

Delay in achievement of heat monitor sales.

Access to Services (Joint Service Centres) - £57k favourable

Efficiencies in the overall financial model including centre management functions.

IT - £0.139m favourable

There are a number of vacancies in IT due to the restructure this year, combined with additional income from training.

Business Support - £0.220m adverse

Income shortfall and non-achievement of vacancy rate target. Overspend reflects increased capacity within services that utilise business support, therefore the compensating underspends will be in these services.

Corporate & Democratic Core (DRM) – £95k favourable

Reduced recharge from Housing Revenue Account (HRA) to corporate management.

Strategic Regeneration, Development and Community Sector Portfolio – overall variance nil

Property Asset Management

Slippage in the programme for Strategic Asset Management (SAM) Big Ticket savings of £3.063m was previously forecast, and subsequently the programme was re-profiled from 3 years to 5 years. £2.863m is required from reserves in 2015/16 to re-profile the SAM income targets from 3 to 5 years.

Corporate Budgets – overall variance £0.180m ADVERSE

Corporate Cross-cutting Savings - £0.180m adverse

Slippage in reviews relating to Voluntary Sector Grants (£0.100m) and Overtime / Allowances (£80k).

Corporate Contingency

This enables management of the financial impact of issues that were not reflected when the budget was set. It is allocated under the delegated authority of the CFO in

consultation with the Deputy Leader using designated criteria. Services are required to accommodate unforeseen expenditure and/or income shortfalls from within their cash limited budgets, only seeking allocations where this is proven to be impossible. Contingency is £2.000m in 2015/16 and Table 1D shows the allocations approved by the CFO and Deputy Leader since the December report, which now require endorsement.

TABLE 1D: CONTINGENCY ALLOCATIONS REQUIRING ENDORSEMENT	
ITEM	£m
Analytical review of all travel associated budgets	0.028
Contribution to D2N2 LEP	0.063
Backfill costs for functional skills	0.006
Promoting voter registration	0.005
Legal costs – employment tribunal	0.060
Refugee Support	0.020
Social cohesion events	0.008
Budget consultation	0.012
TOTAL	0.202

This leaves a remaining balance of £1.346m, although there are further pending applications which will be reported as part of the next monitoring report. Forecast outturn assumes full use of contingency, and any unused element at year end will be reserved.

Progress on implementation of budget decisions

Cost Reductions

Table 2 summarises progress made by portfolio on implementing new budgeted cost reductions totalling £25.033m. At this stage £1.775m (7.09%) is not expected to be achieved, although most of this is being contained by alternate management action within directorates.

TABLE 2: COST REDUCTIONS					
PORTFOLIO	2015/16 TOTAL £m	Projected year end position £m	Not expected to be achieved		Achieved from alternate source £m
			£m	%	
Adults and Health	(8.261)	(7.996)	0.265	3.21	0.265
Community Services	(1.737)	(1.737)	0.000	0.00	0.000
Early Intervention and Early Years	(2.707)	(2.013)	0.694	25.64	0.537
Energy and Sustainability	(0.700)	(0.550)	0.150	21.43	0.150
Jobs, Growth and Transport	(2.535)	(2.535)	0.000	0.00	0.000
Leisure and Culture	(0.997)	(0.997)	0.000	0.00	0.000
Planning and Housing	(0.400)	(0.400)	0.000	0.00	0.000
Resources and Neighbourhood Regeneration	(7.208)	(6.542)	0.666	9.24	0.666
Schools	(0.226)	(0.226)	0.000	0.00	0.000
Strategic Regeneration, Development and Community Sector	(0.263)	(0.263)	0.000	0.00	0.000
TOTAL	(25.033)	(23.258)	1.775	7.09	1.618

Pressures

£0.759m of pressures are included within the 2015/16 budget and are expected to be used by 31 March 2016. This driven by £0.557m Adults demographic and £0.202m Children in Care demographic pressures.

Debtors Monitoring (Appendix D)

Housing Rents

The Q3 collection rate was 98.19%, against the target of 98.40%. Although this is still slightly behind target the trend is continued improvement in performance. Arrears at the end of Q3 had reduced in cash terms from £2.430m at the end of Q2 to £2.226m. Colleagues will be contacting customers outside normal working hours and concentrating on activities designed to maximise income collection. There is also a continuation of measures put in place to mitigate against the effects of welfare reform with additional support for our customers through the Tenancy Sustainment Team.

Council Tax

Collection rate met the Q3 profiled target of 76.60%, but was marginally behind (0.23%) the same period in 2014/15. Collection in the first 3 quarters of 2015/16 amounts to £85.523m compared to £81.976m in the same period in 2014/15.

National Non- Domestic Rates (NNDR)

The collection rate is 1.34% below the Q3 collection target of 82.50%. Collection in the first 3 quarters of 2015/16 amounts to £105.270m against net debt collectable of £130.062m, compared to collection of £104.815m in the same period in 2014/15.

Sundry Income

The percentage of debts collected within 90 days in the 12 months to December 2015 was 80.30% which is an improvement from the Q2 figure of 79.70%. The debtor day indicator (which shows how quickly debts are recovered) is currently 32 days, ahead of the target of 32.30 days.

Management action continues to target the application of receipts and the 90 day collection percentage should maintain an improvement over future periods.

Adult Residential Services

The collection rate for Q3 is 0.05% above the target of 95.90%. Collection in the first 3 quarters of 2015/16 amounts to £6.79m against collectable invoices raised of £7.02m.

Estates Rents

The collection rate of 95.80% is slightly below the set target of 97.50%. The current quarter date commences on 31st December as opposed to 1st of April, July, & October and as collection rates include data up to & including 31st December there is a small timing difference.

Movement of Resources

Transfers of services between directorates and/or portfolios are reflected in the monitoring figures. These transfers now require approval and are listed in Appendix B.

Movements in Earmarked Reserves

Earmarked reserves are funds set aside for specific purposes. At 1 April 2015 the balance of earmarked reserves was £170.118m (including Schools Statutory Reserves,

Job Evaluation, Insurance, and NET Private Finance Initiative (PFI) grant and decisions taken at Outturn 2014/15). During the year there has been a net reduction of £6.839m in earmarked reserves, this includes contributions to capital schemes and movements relating to previously approved decisions. Further movements will be reported at outturn.

Table 3 summarises the movements in each category of reserves during 2015/16. Appendix C provides more details of movement in reserves.

TYPE OF TRANSFER	TOTAL £m
Replenishment of existing reserve	(2.003)
Use of existing reserves	12.973
Previous MTFP decisions*	(4.552)
Reserves to Capital Schemes	0.421
Grand Total	6.839

*already approved by Executive Board

As part of the 2016/17 budget process, a review of earmarked balances has been undertaken to re-affirm the purpose of the reserves and the likely timescale that these reserves will be utilised.

HRA – Revenue Overview

The HRA budget was approved by the City Council at the March 2015 meeting and budgeted for a working balance of £4.000m brought forward at 31 March 2015 and closing balance of £4.000m at 31 March 2016. The working balance acts as a contingency to cover unexpected significant expenditure or loss of income.

Table 4 summarises the HRA budget and forecast outturn for 2015/16.

DESCRIPTION	ORIGINAL BUDGET £m	ESTIMATED OUTTURN £m	VARIANCE £m
INCOME			
Rent income	(101.145)	(98.345)	2.800
Service charges & other income	(7.829)	(7.604)	0.225
TOTAL INCOME	(108.974)	(105.949)	3.025
EXPENDITURE			
Repairs	27.260	27.260	0.000
Management	32.017	31.377	(0.640)
Capital charges	43.062	42.373	(0.689)
Direct Revenue Financing	6.635	5.246	(1.389)
TOTAL EXPENDITURE	108.974	106.256	(2.718)
Deficit / (Surplus)	0.000	0.307	0.307
Working balance B/F	(4.000)	(4.307)	(0.307)
WORKING BALANCE C/F	(4.000)	(4.000)	0.000

Rent Income (+£2.800m)

Rent (+£4.066m) Contribution to Discretionary Housing Payments by HRA (£0.180m) and revised rent income based on outturn 2014-15 (£3.667m) due to the impact of right to buy. Partially offset by a reduction in the provision to Bad Debts (-£1.266m) due to delay in the implementation of the Welfare Reform changes including Universal Credit.

Service Charges and Other Income (+£0.225m)

Service charges were overstated in 2014/15 resulting in a compensating adjustment in 2015/16(+£0.371m).

Management (-£0.640m)

Reduction in number of empty properties incurring Council Tax charges (-£0.400m) and reduction in provision for specialist services (-£0.250m). Responsible Tenant Reward scheme cost less than anticipated (-£0.300m) due to less tenants qualifying than estimated. These savings were partially offset (+£0.289m) with additional revenue costs incurred through decommissioning.

Capital Charges: Reduction (-£0.689m)

Review of period required to repay Prudential Borrowing.

Direct Revenue Financing (-£1.389m)

Reduction to charge required to finance capital programme (-£1.100m) and further reduction due to costs being reclassified as revenue (-0.289m)

Working Balance Brought Forward (-£0.307m)

The actual position of the Working Balance carried forward from 2014-15 was £4.307m, which is an increase of £0.307m from that reported in the Budget. This was in part due to over-stated service charge income (£0.371m).

Capital Programme – Overview

The capital monitoring report for Quarter 2 stated an overall capital programme for 2015/16 of **£234.618m** for General Fund and **£57.194** for HRA. Schemes have since been approved totalling **£8.121m**. Identified variances include net slippage of **£15.339m** and other variances total **£1.252m**.

Table 5 shows a revised programme for each portfolio. After taking account of approvals and variances in year, the overall forecast for 2015/16 is **£228.730m** General Fund and **£54.612m** Public Sector Housing. Actual expenditure to Quarter 3 is **£165.538m** representing 58% of the 2015/16 forecast outturn.

TABLE 5: REVISED PROGRAMME AND ACTUAL SPEND FOR QUARTER 3					
Portfolio	Projected Outturn at Q2 £m	New Approvals £m	Variance £m	Project Outturn Q3 £m	Actual Spend to Q3 £m
Public Sector Housing	57.194	0.000	(2.582)	54.612	25.877
Local Transport Programme	21.433	0.000	(1.325)	20.108	7.186
Education / BSF	16.306	(1.893)	(0.790)	13.623	9.407
All Other Services	196.879	10.014	(11.894)	194.999	123.068
Total	291.812	8.121	(16.591)	283.342	165.538

Total additions and amendments to the programme are **£28.413m** of which **£8.121m** relates to 2015/16 as follows:

- Education (**£1.893m**), of which **£1.050m** is 2015/16 forecast expenditure for Bluecoat and Whitegate primary school expansions offset against (**£2.943m**) of Basic Needs Grant Allocation which is to be used on Primary School Expansions.
- Other Services **£10.014m**, of which **£10.215m** is for two investment property and (**£0.201m**) is in relation to other small movements and approvals. A detailed list of additions and amendments is attached as **Appendix A** to Annex 3.

General Fund Capital Programme

The General Fund capital programme has been updated for total additions of **£20.516m** and variances of (**£16.591m**) which includes slippage identified in Quarter 3 of **£13.558m**.

Details of significant approvals and slippage are listed below are listed below:

Children's Services – Schools

Nottingham City Council is facing increasing pressure to provide additional places for primary children due to an increasing birth rate and inward migration. A number of schools expansions are planned to help to address the need for additional school places in the City, these expansions are funded by the Basic Needs Grant from the Department for Education (DfE). Approvals this quarter include:

£5.227m – Bluecoat Primary School. The construction of a new primary school, which will be part of the Bluecoat Academy, on the site of the former Shepherd Special School in Bilborough.

£4.750m- The expansion of Westbury Special School in order to meet the requirement to ensure that there are school places available in areas of need, promote diversity and increase parental choice.

Resources and Neighbourhood Regeneration

£3.472m for the acquisition of an investment property on Clumber Street.

£6.406m for the acquisition of Flying Horse Walk.

Both of these are acquisitions of investment properties which are to be managed through the property trading account. The acquisitions have been funded by Prudential Borrowing, the cost of which will be financed from positive cash flows generated by the project as demonstrated by the business cases and financial models. A detailed list of additions and amendments is attached as **Appendix A** to Annex 3.

Slippage

Slippage on General Fund schemes in Quarter is **£13.558m** including the following schemes:

Local Transport Programme has identified overall slippage of **£2.320m**, which includes **£1.820m** slippage on the Green Bus Fund. The project has been re-profiled in line with revised schedules.

NET lines 2/3 slippage of **£2.263m** relates to expenditure from 2015/16 in respect of payments for land acquisition, compensation and other payments to third parties for timing differences due to the required negotiation process.

Growing Places – Boots **£2.541m** slippage in expenditure from 2015/16 to 2016/17 which is due to a delay in commencement on site.

Bio City **£2.131m** of slippage is due to a re-profile of spend over the years, following more accurate information, now that the scheme is contractually underway.

A complete list of variances is included as **Appendix A** to this Annex.

Table 6 shows the revised capital programme for each portfolio. Schemes in development arising from the investment strategy approved pending business case are included. The five year programme totals **£652.229m** which includes **£242.342m** of schemes in development pending business cases.

TABLE 6 : GENERAL FUND CAPITAL PROGRAMME						
PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
Local Transport Programme	20.108	22.171	23.188	5.283	0.000	70.750
Education / BSF	13.623	8.172	4.227	0.000	0.000	26.022
Other Services	194.999	65.404	19.486	21.676	11.550	313.115
Total Approved Programme	228.730	95.747	46.901	26.959	11.550	409.887
Schemes in Development	14.327	123.378	97.837	6.800	0.000	242.342
Total Programme	243.057	219.125	144.738	33.759	11.550	652.229

The resource projections have also been updated including those that are likely to be generated by capital receipts. **Table 6a** shows the financing of the capital programme at Quarter 3. The programme predicts surplus of **£4.585m**.

TABLE 6a : GENERAL FUND CAPITAL PROGRAMME RESOURCES						
	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
Fully Approved Programme						
Resources b/fwd	33.811	0.000	0.000	0.000	0.000	33.811
Prudential Borrowing	141.804	47.873	10.367	5.749	9.048	214.841
Grants & Contribution	48.737	36.793	27.934	17.026	1.530	132.020
Internal Funds / Revenue	10.148	2.692	0.935	2.771	0.000	16.546
Total	234.500	87.358	39.236	25.546	10.578	397.218
Schemes in Development						
Prudential Borrowing	4.300	109.170	89.127	3.600	0.000	206.197
Grants & Contribution	6.727	13.258	6.760	3.000	0.000	29.745
Total	11.027	122.428	95.887	6.600	0.000	235.942
Capital Receipts						
Secured	3.512	0.000	0.000	0.000	0.000	3.512
Un-Secured	8.341	6.368	3.902	0.875	0.656	20.141
Total	11.853	6.368	3.902	0.875	0.656	23.653
TOTAL RESOURCES	257.380	216.154	139.025	33.021	11.234	656.813

Cumulative (Surplus)/Shortfall	(14.323)	(11.352)	(5.639)	(4.901)	(4.585)	(4.585)
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Quarter 2 reported a surplus of **£2.060m**. The increase is predominantly due to additional secured receipts on right to buys than was originally forecast.

Public Sector Housing (HRA) Capital Programme

The public sector housing programme has been updated to reflect the **£5.088m** slippage identified in Quarter 3 on a range of works to be carried out on Public Housing. This included **£1.500m** on external wall insulation which will be re-phased in line with the latest schedule of works. **Table 7** sets out the updated programme and resources.

TABLE 7 : PUBLIC SECTOR HOUSING - CAPITAL PROGRAMME AND RESOURCES						
PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
Programme	54.612	74.200	50.183	40.174	31.945	251.114
Resources b/fwd	45.301	0.000	0.000	0.000	0.000	45.301
Prudential Borrowing	0.000	0.000	5.580	7.420	0.000	13.000
Grants & Contribution	2.588	3.995	0.653	1.307	0.815	9.358
Major Repairs Allowance	29.001	29.001	29.001	29.001	29.001	145.005
Internal Funds /Revenue	5.246	4.760	2.573	0.200	0.000	12.779
Secured Capital Receipts	9.761	0.000	0.000	0.000	0.000	9.761
Unsecured Capital Receipts	3.253	5.234	3.528	5.953	1.440	19.408
Total Resources	95.150	42.990	41.335	43.881	31.256	254.612
Maintaining decency C/F	0.000	0.000	0.000	0.000	0.000	3.498
Cumulative (Surplus)/Shortfall	(40.538)	(9.328)	(0.480)	(4.187)	(3.498)	0.000

APPENDIX A

CAPITAL PROGRAMME VARIANCES AT 31 DECEMBER 2015				
Public Sector Housing				
Scheme	Slippage £m	Acceleration £m	Savings £m	Other £m
Denton Green - New Build - scheme re-phased in line with latest works schedule	(0.074)			
Lift Replacement Programme - Future Phases - scheme re-phased in line with latest works schedule	(0.047)			
Roof and Chimney Replacement - scheme re-phased in line with latest works schedule	(0.494)			
Externals (Properties) - scheme re-phased in line with latest works schedule	(0.528)			
No Fines / Solid Wall Insulation Scheme - re-phased in line with works schedule	(0.965)			
BISF Upgrades / External Wall Insulation - re-phased in line with latest works schedule	(1.500)			
Victoria Centre - Major roof repairs	(0.312)			
Demolition Costs - Newgate Court	(0.270)			
Aspley JSC / Stepney Court - New Build	(0.150)			
Morley Court - New Build	(0.150)			
Acquisitions	(0.149)			
HRA Shop Investment Strategy	(0.142)			
Empty Properties	(0.307)			
Unallocated - New Build		0.200		
Asbestos Works		0.100		
Radon Awareness		0.045		
Warmth for Nottingham		0.100		
Estate / Area Impact Work		0.158		
Meadows Social Housing New Build (42 Units) - commencement in 15/16		0.750		
Installation of Solar Panels - re-profiled after a change in financial assumptions		1.072		
Carnforth Close			(0.030)	
Rounding adjustment				(0.001)
Balanced DCR Programme changes over years				0.112
Subtotal - Public Sector Housing	(5.088)	2.425	(0.030)	0.111
Total Variance				(2.582)

Local Transport Programme				
Scheme	Slippage £m	Acceleration £m	Savings £m	Other £m
Green Bus Fund - Various - re-phased in line with wider transport programme	(1.820)			
Growth Fund - Cycle Ambition - re-phased in line with wider transport programme	(0.500)			

Better Bus Areas - Various re-phasing and reallocation of funding between schemes including the introduction of smart ticketing		0.871		
Creative Quarter - S106 Added - funding confirmed				0.028
Cenex 15/16 - added - funding confirmed				0.034
LTP - S106 Added - funding confirmed				0.060
Rounding adjustments				0.002
Subtotal - Local Transport Plan	(2.320)	0.871	0.000	0.124
Total Variance				(1.325)

Education / Schools				
Scheme	Slippage £m	Acceleration £m	Savings £m	Other £m
Contingency for Residual balances payable - needed in future years	(0.065)			
Berridge Primary - Roof / Chimney Improvements - slippage reprogrammed	(0.150)			
Cantrell Primary - Heating Replacement - slippage reprogrammed	(0.075)			
Woodlands Special School - Heating Replacement - slippage reprogrammed	(0.200)			
Westbury Special School - Legionella Works - slippage reprogrammed	(0.050)			
Woodlands Special School - Legionella Works - slippage reprogrammed	(0.050)			
Bentinck Primary School - Boiler Replacement - slippage reprogrammed	(0.100)			
Mellers Primary - Early Design - slippage reprogrammed	(0.100)			
Subtotal - Education / Schools	(0.790)	0.000	0.000	0.000
Total Variance				(0.790)

Other Services				
Scheme	Slippage £m	Acceleration £m	Savings £m	Other £m
Other Services - Adults, Commissioning & Health				
Block Fund - Adult Social Care (DoH Grant) 12/13	(0.029)			
ContrOCC Implementation	(0.010)			
Imps to Community and Cultural Facilities - schedule of works is currently being assessed; the scheme will be re-profiled	(0.151)			
- Cherry Trees - Branding / Additional Beds / Signage	(0.050)			
- Summerwood - Minor Work / Branding	(0.040)			
- Albany - Branding	(0.010)			
- Estate Improvements - Interior Design	(0.010)			

- Laura Chambers-Entrance/Branding/Beds	(0.060)			
- Oakdene Closure and Security	(0.010)			
- Willow Close - Closure and Security	(0.010)			
- Laura Chambers - New Wing - Adult provision programme re-profiled after addition of new schemes	(0.650)			
- Willows - Develop / Mothball / Dispose	(0.200)			
Smartphones, Opticare - savings identified in 15/16, 16/17, and 17/18			(0.007)	
Subtotal Adults, Commissioning & Health	(1.230)	0.000	(0.007)	0.000
Total Variance				(1.237)

Other Services - Energy & Sustainability				
Scheme	Slippage £m	Acceleration £m	Savings £m	Other £m
District Heating Pipes - Canal Street - scheme aligned with latest 5 year works programme	(0.185)			
Subtotal Energy & Sustainability	(0.185)	0.000	0.000	0.000
Total Variance				(0.185)

Other Services - Community Services				
Scheme	Slippage £m	Acceleration £m	Savings £m	Other £m
Area Capital Fund - based on profile of approvals and spend	(0.500)			
Subtotal Community Services	(0.500)	0.000	0.000	0.000
Total Variance				(0.500)

Other Services - Leisure and Culture				
Scheme	Slippage £m	Acceleration £m	Savings £m	Other £m
New Burial System at Wilford Hill	(0.112)			
Lenton Recreation Ground - Outdoor Fitness Area - minor slippage into 16/17	(0.015)			
Wollaton Hall Stable Block - 2 New Retail Units	(0.045)			
Wollaton Hall / Castle - Retail Outlets Imps	(0.045)			
Newstead Abbey - Holiday / Glamping Units	(0.136)			
Nottingham Caves - Audio / Visual Equipment	(0.010)			
Rocket Park / Jersey Gardens Improvements - minor slippage into 16/17	(0.012)			
Tintagel Green Playground Imps - minor slippage into 16/17	(0.030)			
Sunrise Nature Reserve Imps - minor slippage into 16/17	(0.010)			

Lincoln St / Japonica Drive - Remove Playgrounds - minor slippage into 16/17	(0.005)			
Victoria Park and St Mary's Rest Garden - minor slippage into 16/17	(0.020)			
Sutton Passeys Play Park - minor slippage into 16/17	(0.067)			
Wollaton Hall Stable Block - Seasonal Café	(0.040)			
King Edward Park Improvements - minor slippage into 16/17	(0.057)			
Lenton Abbey Parks Imps		0.007		
Ragwort Free Hay Weed Wipe - Charged to revenue			(0.004)	
Subtotal Leisure and Culture	(0.604)	0.007	(0.004)	0.000
Total Variance				(0.601)

Other Services - Jobs, Growth and Transport				
Scheme	Slippage £m	Acceleration £m	Savings £m	Other £m
Carrington Street Car Park Environmental	(0.154)			
NET Lines 2/3 - Slippage from 2015/16 in respect of payments for land acquisition, compensation, and other payments to third parties for which timing is uncertain due the required negotiation process	(2.263)			
Carrington St Townscape scheme		0.004		
Debt Management System - procurement of system slipped to 16/17	(0.200)			
Subtotal Jobs, Growth and Transport	(2.617)	0.004	0.000	0.000
Total Variance				(2.613)

Other Services - Resources & Neighbourhood Regeneration				
Scheme	Slippage £m	Acceleration £m	Savings £m	Other £m
Acquisition of Blueprint	(0.557)			
Growing Places - Boots site - Re-profiled to match latest works programme	(2.541)			
Southglade Food Park - Phase 2 - scheme completed			(0.058)	
1 Gilead Street - Clearance - no longer a requirement			(0.022)	
IT - Loxley House - Resources Management System - Scheme no longer a priority, removed from planned works			(0.030)	
IT - Adults SDS System - Scheme no longer a priority, removed from planned works			(0.131)	
IT - LH-Traffic Control Centre Move - Scheme no longer a priority, removed from planned works			(0.030)	
IT - Microsoft Upgrade - Scheme no longer a priority, removed from planned works			(0.353)	

Acquisition of Property - Oakland Close - Identified as HRA			(0.070)	
Capital Receipts for Reinvestment in Property schemes				(0.754)
Subtotal Resources & Neighbourhood Regeneration	(3.098)	0.000	(0.694)	(0.754)
Total Variance				(4.546)

Other Services - Early Intervention and Early Years				
Scheme	Slippage £m	Acceleration £m	Savings £m	Other £m
Pathfinder Short Breaks	(0.050)			
Subtotal Early Intervention and Early Years	(0.050)	0.000	0.000	0.000
Total Variance				(0.050)

Other Services - Strategic Regeneration				
Scheme	Slippage £m	Acceleration £m	Savings £m	Other £m
Broadmarsh Site Assembly	(0.033)			
Bio City - scheme re-phased to match schedule of works from contractor	(2.131)			
Downtown - Sneinton Market			(0.007)	
Daykene St Factory Project Mgt				0.009
Subtotal Strategic Regeneration	(2.164)	0.000	(0.007)	0.009
Total Variance				(2.162)

Scheme	Slippage £m	Acceleratio n £m	Savings £m	Other £m
Public Sector Housing	(5.088)	2.425	(0.030)	0.111
General Fund	(13.558)	0.882	(0.712)	(0.621)
TOTAL	(18.646)	3.307	(0.742)	(0.510)
				(16.591)

VIREMENT 2015/16 REQUIRING EXECUTIVE BOARD APPROVAL

APPENDIX B

Details	Net Amount £m	Department		Portfolio	
		From	To	From	To
Strategic Choice (cross cutting saving)	2.635	CA&EI	Corporate Budgets	ADH	RNR
	0.324	C&O		CSH	
	0.041	CA&EI		CSH	
	0.037	OT		CSH	
	0.229	CA&EI		ELY	
	0.427	D&G		JGT	
	1.314	C&O		LCT	
	0.063	D&G		PLN	
	0.043	CA&EI		SCH	
	1.322	Resources		within RNR	
	0.123	D&G			
	0.031	CA&EI			
	0.020	OT			
Business Support realignment	0.035	CA&EI	Resources	RNR	ADH
	0.077	C&O			CSH
	0.862	CA&EI			ELY
	0.035	D&G			JGT
	0.118	C&O			LCT
	0.021	D&G			PLN
	0.044	D&G		within RNR	
Voluntary Sector (change portfolio)	1.545	within Early Intervention		ADH	SRD
City Advertising (change portfolio)	0.179	within Early Intervention		RNR	ADH
Marketing & Communications (change portfolio)	1.151	within Early Intervention		RNR	ADH
Corporate Policy (change portfolio)	0.213	within Early Intervention		RNR	SRD

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Details	Net Amount £m	Department		Portfolio	
		From	To	From	To
Commercial & Operations realignment	0.087	within C&O		CSH	LCT
	0.080			ESU	
realignment to cover secondment	0.024	C&O	OT	within CSH	
ESG realignment	0.591	within Children & Adults		SCH	ELY
realignment of mileage budget	0.010	within Children & Adults		ELY	SCH
saving realignment	0.034	within OT		RNR	ESU
Customer Access Programme staff realignment	0.034	D&G	OT	RNR	ESU
PFI (technical adjustment)	4.780	D&G	Corporate Budgets	JGT	RNR
	1.608			within RNR	
	5.014			SCH	RNR
Leisure; Museums & Libraries premises (change portfolio)	3.653	D&G	C&O	RNR	LCT
Commercial, Operational Investment Land & Property (portfolio realignment)	7.406	within D&G		RNR	SRD
	34.211				

Key	Department
CA&EI	Children & Adults / Early Intervention
C&O	Commercial and Operations
D&G	Development and Growth
OT	Organisational Transformation

Key	Portfolio
ADH	Adults and Health
CSH	Community Services
ELY	Early Intervention & Early Years
ESU	Energy & Sustainability
JGT	Jobs, Growth & Transport
LCT	Leisure & Culture
PLN	Planning & Housing
RNR	Resources & Neighbourhood Regeneration
SCH	Schools
SRD	Strategic Regeneration, Development & Community Sector

MOVEMENTS IN RESERVES REQUIRING APPROVAL 2015/16

APPENDIX C

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total
Adults and Health	Public Health Transition Reserve	Public Health	(0.350)	0.000	0.000	0.000	0.000	(0.350)
		Public Health saving	1.400	0.000	0.000	0.000	0.000	1.400
	Agreed budget carry forward	to support saving in MTFP (Public Health)	0.000	0.000	0.000	1.295	0.000	1.295
		Community Centre improvement plan	0.000	0.000	0.000	0.038	0.000	0.038
		Long Meadow/Springwood DC refurb	0.000	0.000	0.000	0.157	0.000	0.157
		School Improvement Activity	0.000	0.000	0.000	0.038	0.000	0.038
	C&F (HCH) Trans Reserve	To support the pressure associated with No Recourse to Public Funds in Adults Social Care	0.029	0.000	0.000	0.000	0.000	0.029
	Community Centre Replacement Works	Community Centre works due to be completed 2015-16	0.129	0.000	0.000	0.000	0.000	0.129
	Customer Focus Reserve	Marketing & Communications	0.075	0.000	0.000	0.000	0.000	0.075
	Emergency Hardship Funds	To fund the Emergency Support Staffing element of the Discretionary Hardship Support Scheme 2015/16	0.000	0.000	0.000	0.170	0.000	0.170
	Job Evaluation - Equal Pay	Being great fund	0.000	0.000	0.000	0.001	0.000	0.001
	Nottingham First Project	Marketing and Communications contribution as part of the Work Place Strategy	0.070	0.000	0.000	0.000	0.000	0.070
Adults and Health Total			1.353	0.000	0.000	1.699	0.000	3.052

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total
Community Services	Agreed budget carry forward	Contribution to the funding of the Project People Scheme	0.000	0.000	0.000	0.003	0.000	0.003
		Corporate Pensions Team additional capacity re changes in the Pensions regulations (TPA & Auto Enrolment, and the increase in Pension Statement requirements)	0.000	0.000	0.000	0.010	0.000	0.010
		Support the Nottingham Apprentice Programme and to provide additional temporary capacity to Corporate ECR projects.	0.000	0.000	0.000	0.015	0.000	0.015
		Fund partnership working with police	0.000	0.000	0.000	0.020	0.000	0.020
		HR Support. Conversion of agency social workers to permanent employees.	0.000	0.000	0.000	0.047	0.000	0.047
		To fund additional capacity to support the NCC employability agenda (through neutral funding)	0.000	0.000	0.000	0.010	0.000	0.010
		Funding of Apprentices programme within Neighbourhood Services	0.000	0.000	0.000	0.111	0.000	0.111
		Burglary Reduction & Safer Housing Enforcement	0.000	0.000	0.000	0.165	0.000	0.165
		To support the Apprenticeship programme and create 3x12 month placements	0.000	0.000	0.000	0.045	0.000	0.045
	Contingency Reserve	Costs in respect of the ET incurred by OT. These relate to legal fees.	0.000	0.000	0.000	0.157	0.000	0.157

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total
	Customer Focus Reserve	Additional Capacity in Pensions	0.038	0.000	0.000	0.000	0.000	0.038
		Disclosure and Barring Service Funding	0.030	0.000	0.000	0.000	0.000	0.030
	Job Evaluation - Equal Pay	Being great fund	0.000	0.000	0.000	0.003	0.000	0.003
		Funding for the People Plus Programme 2015/16 (DDM1971)	0.000	0.000	0.000	0.147	0.000	0.147
		PATRA Places	0.061	0.000	0.000	0.000	0.000	0.061
		Pensions additional capacity	0.049	0.000	0.000	0.000	0.000	0.049
		Support delivery of the Corporate Apprentices Programme 2015/16 (DDM2057)	0.000	0.000	0.000	0.305	0.000	0.305
		Catering (DDM1957)	0.000	0.000	0.000	0.095	0.000	0.095
		Neighbourhood Services Apprentice Programme	0.000	0.000	0.000	0.123	0.000	0.123
		Support delivery of the Targeted Apprentices Programme 2015/16 (PATRA) DDM2057	0.000	0.000	0.000	0.124	0.000	0.124
		Trading Account Traded Surplus	Carry forward 50% trading surplus to support further commercial growth in the 2015/16 business plan	0.000	(0.537)	0.000	0.000	0.000
	Jobs Fund	Neighbourhood Services apprentice programme	0.000	0.000	0.000	0.071	0.000	0.071
	Transforming Services	To support large scale changes in transformation portfolio	0.081	0.000	0.000	0.000	0.000	0.081
Community Services Total			0.259	(0.537)	0.000	1.451	0.000	1.173

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total
Corporate	Agreed budget carry forward	Carry forward 50% trading surplus to support further commercial growth in the 2015/16 business plan	0.000	0.833	0.000	0.000	0.000	0.833
		Reserve to reserve transfer from carry forward reserve as outlined in para 4.4 of July 2015 Exec Board report	0.000	0.190	0.000	0.000	0.000	0.190
		Music Services element to Risk Reserve	0.000	0.084	0.000	0.000	0.000	0.084
		to Transformation Reserve	0.000	0.171	0.000	0.000	0.000	0.171
		to Investment Strategy	0.000	0.350	0.000	0.000	0.000	0.350
		Reserve to Reserve transfer to Royal Centre transformation (Invest to Save)	0.000	0.295	0.000	0.000	0.000	0.295
		To support delivery of future SAM big ticket savings	0.000	0.142	0.000	0.000	0.000	0.142
	Area Committees	MTFP 15/16	0.500	0.000	0.000	0.000	0.000	0.500
	Business Rates Reserve	MTFP 15/16	(2.548)	0.000	0.000	0.000	0.000	(2.548)
	E-Government/IT Fund	MTFP 15/16	(3.275)	0.000	0.000	0.000	0.000	(3.275)
	Emergency Hardship	Reverse 2014-15 adjustment to Nottm Social Investment Fund	0.000	(1.590)	0.000	0.000	0.000	(1.590)
	Good to Great	MTFP 15/16	(1.970)	0.000	0.000	0.000	0.000	(1.970)
Investment reserve	MTFP 15/16	(0.500)	0.000	0.000	0.000	0.000	(0.500)	

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total
Page 52	Job Evaluation - Equal Pay	MTFP 15/16	(2.500)	0.000	0.000	0.000	0.000	(2.500)
	Transforming Services	Reserve to Reserve (from Carry Forwards reserve)	0.000	(0.171)	0.000	0.000	0.000	(0.171)
	Investment Strategy	technical adjustment to correct mis-posting	0.000	0.031	0.000	0.000	0.000	0.031
		Reserve to Reserve (from Carry Forwards reserve)	0.000	(0.350)	0.000	0.000	0.000	(0.350)
		Strategic Asset Management re-phasing	0.000	0.000	0.000	2.863	0.000	2.863
	NET City Reserve Fund	MTFP 15/16	(0.555)	0.000	0.000	0.000	0.000	(0.555)
	Nottingham Social Investment Fund	Reverse 2014-15 adjustment to Emergency Hardship	0.000	1.590	0.000	0.000	0.000	1.590
	Goods Received Not Invoiced	technical - goods received not invoiced adjustment to Royal Centre Maintenance	0.000	0.050	0.000	0.000	0.000	0.050
	Nottingham First Project	MTFP 15/16	(0.500)	0.000	0.000	0.000	0.000	(0.500)
Corporate Total			(11.348)	1.625	0.000	2.863	0.000	(6.860)
Early Intervention & Early Years	Agreed budget carry forward	Demographic Growth of CiC	0.000	0.000	0.000	0.800	0.000	0.800
		Music Services	0.000	0.000	0.000	0.050	0.000	0.050
		Green lance centre of excellence	0.000	0.000	0.000	0.000	0.057	0.057

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total
		School Improvement - school attendance campaign.	0.000	0.000	0.000	0.040	0.000	0.040
	BRLC - Bestwd TopVall CC	Bestwood Centre Maintenance	0.004	0.000	0.000	0.000	0.000	0.004
	BRLC - Huntingdon CC	Huntingdon Centre Maintenance	0.003	0.000	0.000	0.000	0.000	0.003
	C&F (CHS) Transitional Reserve	Social workers - Ofsted outcome	0.130	0.000	0.000	0.000	0.000	0.130
		Asylum Seekers Grant	0.072	0.000	0.000	0.000	0.000	0.072
		technical adjustment to correct mis-posting	0.000	(0.031)	0.000	0.000	0.000	(0.031)
		De-delegated budget - impact of academisation	0.837	0.000	0.000	0.000	0.000	0.837
		Funding of Children's Act (DDM 0926)	0.143	0.000	0.000	0.000	0.000	0.143
		Good to Great	0.200	0.000	0.000	0.000	0.000	0.200
		Impact on services mid-year of academisation	0.754	0.000	0.000	0.000	0.000	0.754
		Integrated Community Equipment Service contractual shortfall	0.376	0.000	0.000	0.000	0.000	0.376
	Contingency Reserve	Additional Social Workers	0.000	0.000	0.000	0.223	0.000	0.223
		Chronology & preparation for Independent Review (Operation Daybreak)	0.000	0.000	0.000	0.025	0.000	0.025
	Job Evaluation - Equal Pay	Being great fund	0.000	0.000	0.000	0.007	0.000	0.007
	Risk Management	from Carry Forward - Music Services	0.000	(0.084)	0.000	0.000	0.000	(0.084)

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total	
	Transforming Services	Temporary project officer requirement in HR to support social worker recruitment and retention	0.039	0.000	0.000	0.000	0.000	0.039	
Early Intervention & Early Years Total			2.558	(0.115)	0.000	1.145	0.057	3.645	
Energy & Sustainability	Job Evaluation - Equal Pay	Being great fund	0.000	0.000	0.000	0.002	0.000	0.002	
Energy & Sustainability Total			0.000	0.000	0.000	0.002	0.000	0.002	
Jobs, Growth & Transport	2010-11 Rev Grants Unapplied	Transport Modelling and design work in respect of HS2	0.000	0.000	0.000	0.020	0.000	0.020	
	2011-12 Rev Grants Unapplied	Expenditure in respect of High Street Innovation activities	0.000	0.000	0.000	0.030	0.000	0.030	
	Bulwell Town Centre	Bulwell Town Centre Action Plan development DDM1979		0.000	0.000	0.000	0.028	0.000	0.028
		to support revenue expenditure in respect of the Bulwell Town Centre Action Plan DDM1979		0.000	(0.118)	0.000	0.000	0.000	(0.118)
	Contingency Reserve	Developing Digital Infrastructure agenda		0.000	0.000	0.000	0.051	0.000	0.051
		Contribution towards the installation costs for a statue of Jimmy Sirrell & Jack Wheeler at Notts County football ground		0.000	0.000	0.000	0.008	0.000	0.008
	Econ Growth Plan DD455	Expenditure incurred in 2015/16 in support of delivery of the Nottingham Growth Plan		0.072	0.000	0.000	0.000	0.000	0.072
	Employer Hub Innovation Fund	Employer Hub		0.140	0.000	0.000	0.000	0.000	0.140

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total
	Investment Strategy	Net expenditure arising from the Council taking the headlease for 37 Park Row (DDM2075)	0.000	0.000	0.000	0.079	0.000	0.079
		Vacant Shop scheme to reduce empty shops (DDM1560)	0.000	0.000	0.000	0.100	0.000	0.100
	Jobs Fund	Jobs fund	0.998	0.000	0.000	0.000	0.000	0.998
	Maintaining car parks	Replacement of equipment at Multi Storey Car Parks	0.150	0.000	0.000	0.000	0.000	0.150
	Nottingham Social Investment Fund	Investment in the Foresight Nottingham Fund, to support high growth businesses in Nottingham (DDM1472)	0.000	0.000	0.000	0.170	0.000	0.170
	Nottm Growth Plan	Economic Development activities to support Nottingham Growth Plan (DDM2128)	0.000	0.000	0.000	0.120	0.000	0.120
		Transfer from revenue generated reserves for capital projects diverted to support Economic Dev activities (DDM2128)	0.000	(0.400)	0.000	0.000	0.000	0.000
	Shopmobility	Contributions from citizens using Shopmobility scooters	0.000	0.000	(0.003)	0.000	0.000	(0.003)
	Trading Account Traded Surplus	Parking Services (DDM1925)	0.000	0.000	0.000	0.115	0.000	0.115
		Confidential Waste Vehicle (PHD2169)	0.000	0.000	0.000	0.234	0.000	0.234
		Trinity Square Car park	0.000	0.000	0.000	0.060	0.000	0.060
	SME Loan Fund	DD0654 establishment of the Creative Quarter Loan fund to support access to credit for local businesses.	0.045	0.000	0.000	0.000	0.000	0.045
Jobs, Growth & Transport Total			1.405	(0.518)	(0.003)	1.015	0.000	1.899

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total	
Leisure & Culture	Job Evaluation - Equal Pay	Being great fund	0.000	0.000	0.000	0.004	0.000	0.004	
	Lawn Tennis Association	Nottingham Open spend 2015/16 - Updating of the Tennis Centre Changing facilities	0.000	0.000	0.000	0.020	0.000	0.020	
	LTA - Contribution	Annual Contribution to Lawn Tennis Association	(0.008)	0.000	0.000	0.000	0.000	(0.008)	
	Mercury Filtration Reserve	Annual Contribution to Mercury Filtration reserve	(0.036)	0.000	0.000	0.000	0.000	(0.036)	
	Newstead Abbey Trans Arrangements	To fund capital spend - Newstead vision	0.000	0.000	0.000	0.000	0.204	0.204	
	R&R Fund - Forest Rec Ground	Annual contribution to R&R fund Forest Rec Ground	(0.031)	0.000	0.000	0.000	0.000	0.000	(0.031)
		Sports Zone - Capital project (DDM1646)	0.000	0.000	0.000	0.000	0.160	0.160	
	Royal Centre Maintenance	Royal Centre capital investment strategy as agreed in Royal Centre MTFP	(0.060)	0.000	0.000	0.000	0.000	0.000	(0.060)
		technical - goods received not invoiced adjustment	0.000	(0.050)	0.000	0.000	0.000	0.000	(0.050)
	Royal Centre Traded Surplus	Carry forward 50% trading surplus to support further commercial growth in the 2015/16 business plan	0.000	(0.296)	0.000	0.000	0.000	0.000	(0.296)
	Royal Centre Transformation (Inv 2 Save)	Use of C/Fwd relating to Royal Centre transformation (match funding Stage 2 ACE)	0.000	(0.295)	0.000	0.000	0.000	0.000	(0.295)
Southglade FP - Contribution	Annual Contribution to Southglade Football Pitches	(0.035)	0.000	0.000	0.000	0.000	0.000	(0.035)	
Leisure & Culture Total			(0.170)	(0.641)	0.000	0.024	0.364	(0.423)	

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total
Planning & Housing	Carrington Townscape	Executive Board report July 2015 - Carrington Street Townscape	0.000	0.000	(0.050)	0.000	0.000	(0.050)
		Executive Board report July 2015 - Carrington Street Townscape	0.000	(0.190)	0.000	0.000	0.000	(0.190)
	Flood Risk Management	Revenue contribution to flood risk reserve. Approvals in place for support joint working with partner agencies	0.000	0.000	(0.080)	0.000	0.000	(0.080)
	Job Evaluation - Equal Pay	Being great fund	0.000	0.000	0.000	0.002	0.000	0.002
Planning & Housing Total			0.000	(0.190)	(0.130)	0.002	0.000	(0.318)
Resources & Neighbourhood Regeneration	Agreed budget carry forward	Apprenticeship role to a school leaver (administrative support)	0.000	0.000	0.000	0.013	0.000	0.013
		Slippage of spend associated with IT for traded services to schools	0.000	0.000	0.000	0.039	0.000	0.039
	Data Network Reserve	To fund the Oracle/East Midlands Shared Service Project costs	0.100	0.000	0.000	0.000	0.000	0.100
	Contingency Reserve	To fund the Oracle/East Midlands Shared Service Project costs	0.000	0.000	0.000	0.770	0.000	0.770
	East Midlands Council	Pension Deficit instalment	0.000	0.000	0.000	0.075	0.000	0.075
		Staffing Review	0.000	0.000	0.000	0.100	0.000	0.100
	E-Government/IT Fund	IT Efficiency Fund - EMSS - Repayment on Borrowing	0.000	0.000	0.000	0.669	0.000	0.669
	Emergency Hardship Funds	To fund the Emergency Support Staffing element of the Discretionary Hardship Support Scheme 2015/16	0.000	0.000	0.000	0.320	0.000	0.320
Emergency Hardship Funds	To Fund Commissioning Review of Welfare Rights for one year	0.094	0.000	0.000	0.000	0.000	0.094	

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total
	EMSS	EMSS	0.206	0.000	0.000	0.000	0.000	0.206
	Good to Great	Reserve to Reserve transfer	0.000	(0.559)	0.000	0.000	0.000	(0.559)
	Housing Benefits	Settlement of 2013-14 claim	0.000	0.000	0.000	1.215	0.000	1.215
	NHB – Economic Development	Reserve to Reserve transfer (Nottingham First) correcting 2014-15 adjustment/ investment strategy	0.000	0.287	0.000	0.000	0.000	0.287
	Job Evaluation - Equal Pay	Being great fund	0.000	0.000	0.000	0.001	0.000	0.001
	Local Gov't Elections	To fund election costs	0.102	0.000	0.000	0.000	0.000	0.102
	Local Housing Investment Reserve	Reserve to Reserve transfer (review of reserves)	0.000	0.772	0.000	0.000	0.000	0.772
	NET City Reserve Fund	Capital Expenditure 14/15 (NET land acquisitions, Station Hub)- increase in PB costs	0.000	0.000	0.000	0.890	0.000	0.890
	NET City Reserve Fund	Capital Expenditure 13/14 reduction in prudential borrowing costs from Treasury Management	0.000	(0.631)	0.000	0.000	0.000	(0.631)
	NHS LIFT - Bulwell	Reserve replenishment-Bulwell Riverside Joint Service Centre	0.000	0.000	(0.478)	0.000	0.000	(0.478)
	NHS Local Imp Finance (LIFT)	Reserve replenishment-Clifton Cornerstone	0.000	0.000	(0.014)	0.000	0.000	(0.014)
		Reserve replenishment-Mary Potter	0.000	0.000	(0.148)	0.000	0.000	(0.148)
	Nottingham First Project	Reserve to Reserve transfer (from Investment Reserve) - review of reserves	0.000	(0.500)	0.000	0.000	0.000	(0.500)

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total	
	Property Maintenance	Property Capital Maintenance Work slippage – now scheduled for 2016-17	0.000	0.000	(0.358)	0.000	0.000	(0.358)	
		Property Capital Maintenance	0.358	0.000	0.000	0.000	0.000	0.358	
	Registrars Commercialisation	Customer Access	0.040	0.000	0.000	0.000	0.000	0.040	
	Rev Reserves for Capital	to support revenue expenditure in respect of the Bulwell Town Centre Action Plan (DDM1979)	0.000	0.118	0.000	0.000	0.000	0.000	0.118
		Economic Dev activities (DDM2128)	0.000	0.400	0.000	0.000	0.000	0.000	0.400
	St Anns Valley JSC	Annual contribution to Lifecycle sinking fund (NCC and NHS)	(0.081)	0.000	0.000	0.000	0.000	0.000	(0.081)
		Funding estimated lifecycle cost incurred	0.014	0.000	0.000	0.000	0.000	0.000	0.014
		To support Joint Service Centre funding agreement	0.005	0.000	0.000	0.000	0.000	0.000	0.005
	Treasury Management Reserve	Capital Expenditure 13/14 reduction in prudential borrowing costs to NET	0.000	0.631	0.000	0.000	0.000	0.000	0.631
	Resources & Neighbourhood Regeneration Total			0.838	0.518	(0.998)	4.092	0.000	4.450

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total
Schools	Agreed budget carry forward	Bluecoat temporary accommodation (DDM1709)	0.000	0.000	0.000	0.042	0.000	0.042
		Feasibility study to address increase in demand for special school places - DD2015	0.000	0.000	0.000	0.210	0.000	0.210
		School Improvement - to support the Education Improvement Board agenda	0.000	0.000	0.000	0.300	0.000	0.300
		Westbury School temp accommodation (DDM1849)	0.000	0.000	0.000	0.100	0.000	0.100
	Agreed budget carry forward	Contribution towards the security and repairs of former school buildings declared surplus due to the BSF programme	0.030	0.000	0.000	0.000	0.000	0.030
	C&F (CHS) Transitional Reserve	SEN & inter authority recoupment	0.498	0.000	0.000	0.000	0.000	0.498
	Farnborough PFI Project	Contribution to BSF/PFI reserve created through approval of the BSF Final Business Case	0.000	0.000	(0.378)	0.000	0.000	(0.378)
	Job Evaluation - Equal Pay	Being great fund	0.000	0.000	0.000	0.002	0.000	0.002
	PFI Life Cycle	Ellis Guilford BSF Lifecycle in accordance with BSF model	0.000	0.000	(0.190)	0.000	0.000	(0.190)
		Hadden Park BSF Lifecycle in accordance with BSF model	0.000	0.000	(0.240)	0.000	0.000	(0.240)
Rosehill BSF Lifecycle in accordance with BSF model		0.000	0.000	(0.063)	0.000	0.000	(0.063)	
Schools Total			0.528	0.000	(0.871)	0.654	0.000	0.311

Portfolio	Reserve Name	Description	MTFP decisions (already approved)	Reserve to Reserve	Replenishment	Use of Reserves	To Capital	Total
Strategic Regeneration, Development & Community Sector	Castlebridge Retail Village	First Sinking Fund Payment as per Business case following acquisition of Property in 2014-15	0.000	0.000	(0.003)	0.000	0.000	(0.003)
	Property Maintenance	To cover cost of dilapidations work in relation to shop at Sherwin Road	0.075	0.000	0.000	0.000	0.000	0.075
	Property Trading Traded Surplus	To support delivery of future SAM big ticket savings	0.000	(0.142)	0.000	0.000	0.000	(0.142)
	Trading Account Traded Surplus	APSE support to Facilities	0.000	0.000	0.000	0.030	0.000	0.030
	R&R Fund - Southglade FP	Replenishment of reserve for Southglade Food Park Repairs	(0.050)	0.000	0.000	0.000	0.000	(0.050)
Strategic Regeneration, Development & Community Sector Total			0.025	(0.142)	(0.003)	0.030	0.000	(0.090)
Grand Total			(4.552)	0.000	(2.003)	12.973	0.421	6.839

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DEBTORS MONITORING TO 31 DECEMBER 2015

Debtors - Performance Review – Q3 2015-16		Q1 June	Q2 Sept	Q3 Dec
BVPI 66a - Housing Rent Collection (%) <i>(cumulative - current tenants only)</i>				
	<i>(arrears + debit)</i> Actual	97.17	97.78	98.19
	Target	98.40	98.40	98.40
	Last Year Actual 2014-15	97.58	98.14	98.71
BVPI 9 - Council Tax Collection (%)				
	<i>(in year cumulative)</i> Actual	26.30	51.00	76.60
	Target	25.90	50.50	76.60
	Last Year Actual 2014-15	26.20	51.10	76.80
BVPI 10 - NNDR Collection (%)				
	<i>(in year cumulative)</i> Actual	31.28	55.62	81.16
	Target	29.20	55.50	82.50
	Last Year Actual 2014-15	27.90	55.80	82.12
Sundry Income Collection (%)				
	<i>(12 month rolling average)</i> Actual	79.40	79.70	80.30
	Target	99.00	99.00	99.00
	Last Year Actual 2014-15	84.00	89.00	83.00
Sundry Income Debtor Days -General				
	Actual	31.00	33.00	32.00
	<i>(12 month rolling average)</i> Target	32.30	32.30	32.30
	Last Year Actual 2014-15	29.60	29.40	32.00
Estates Rents Collection (%)				
	Actual	96.80	96.77	95.80
	<i>(12 month rolling average)</i> Target	97.50	97.50	97.50
	Last Year Actual 2014-15	96.84	97.00	96.45
Adult Residential Services Collection (%)				
	Actual	95.42	95.37	95.95
	<i>(12 month rolling average)</i> Target	95.90	95.90	95.90
	Last Year Actual 2014-15	95.90	96.50	96.50

ANNEX 2

DRAFT REVENUE MTFP 2016/17 to 2019/20

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1. INTRODUCTION

The Council's Revenue Medium Term Financial Plan (MTFP) is the financial representation of the Council's service plans for the next four years.

2. THE FINANCIAL FRAMEWORK

The main financial objectives for the City Council focus on: ensuring our financial planning and management support our citizens to have access to value for money services which are modern and fit for purpose; maintaining good underlying financial health and good governance, and always taking a longer term view.

This policy-led, medium term approach to financial planning and management is good practice and ensures that we can fund our vision, values and priorities. The City Council is committed to maintaining financial stability and delivering value for money through effective, economic and efficient services.

3. CONSTRUCTING THE MTFP

The Medium Term Financial Strategy (MTFS) sets out the principles we work to in order to deliver our aims and objectives. The City Council operates on a principal of medium term, policy-led financial planning. This connects the vision, values and priorities with decisions made in setting the annual budget within the MTFP.

In particular, any new investment is considered in the context of how it will contribute to realising the City Council's vision and performance improvement more generally. Options are worked up for consideration and decisions to stop, reduce or reshape services are made in full knowledge of the impact on objectives. All proposals are scrutinised throughout the budget process by peers, senior colleagues and councillors. The whole approach is informed by the use of a variety of performance and financial data.

4. NATIONAL AND LOCAL CONTEXT

Local Government continues to operate in a very challenging financial environment and there is considerable uncertainty and concern about the future levels of funding, in particular around council tax, local share of business rates and specific grants. The Government's rebased settlement funding for Nottingham has reduced by **£119m** between 2010/11 and 2016/17.

The main elements of the final Local Government Finance Settlement issued on 8 February 2016 were:

- **Settlement funding** - the total amount of funding assumed by the Department of Communities and Local Government (DCLG) to be available to an authority through the estimated business rates share and general grant funding
- **Specific grant funding** not included in the settlement funding
- **'Core' Spending Power calculation** - the Government uses this to assess the overall impact on local authority funding. This includes the Council Tax requirement, New Homes Bonus and the Settlement Funding.

Settlement Funding

Table 1 summarises the total amount of funding assumed by DCLG to be available to the authority through an estimated business rates share and general grant funding (including previous specific grants which have been rolled into it).

As part of this year's financial settlement the Government is also offering a 4-year funding settlement to 2019-20 for any council that wishes to take it up. Their expectation is that the future funding certainty will enable more proactive planning of service delivery and will support strategic collaboration with local partners. Authorities will be required to publish an 'efficiency plan' setting out what further collaborative saving opportunities have been created with the acceptance of a multi-year settlement. Further details of the offer and the process for acceptance are expected from DCLG in the near future with a response deadline of 14 October 2016.

Elements of Settlement	Adjusted 2015/16 £m	Settlement			
		2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Revenue Support Grant	73.792	58.379	44.485	34.981	25.332
Business Rates Baseline	60.348	60.851	62.048	63.878	65.920
Business Rates Top-up	27.308	27.536	28.078	28.906	29.830
Rebasing	1.796				
TOTAL	163.244	146.766	134.611	127.766	121.082

The Government has assumed a level of business rates for Nottingham based on its original projections for 2013/14 up-rated by the subsequent annual small business rates multipliers. The 2016/17 MTFP figures included in **Table 14** reflect the forecast of retained business rates income as reported to DCLG in the NNDR1 return. This is **£1.927m** higher than that forecast by DCLG for the 2016/17 settlement.

'Core' Spending Power

Spending power is the Government's assessment of council resources available to spend on their services. This attempts to assess the total resources over which the Council can exercise discretion in how it can spend its funding. The Government has calculated, based on their own estimates, that Nottingham will receive an overall reduction in spending power of **3.7%** in 2016/17 as set out in **Table 2**. This compares unfavourably with the national average reduction of **2.3%** but is slightly better than the average Core City reduction of **4.0%**.

Elements of DCLG Spending Power	Adjusted 2015/16 £m	DCLG estimates			
		2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Settlement Funding Assessment	163.244	146.766	134.611	127.766	121.082
Council Tax requirement	89.108	93.592	98.787	104.372	110.382
2% Social care precept	0.000	1.848	3.930	6.282	8.938
Improved Better Care Fund	0.000	0.000	1.348	7.293	12.372
New Homes Bonus + returned funding	5.014	5.631	5.661	3.557	3.412
TOTAL	257.367	247.837	244.335	249.269	256.186
Annual change		(9.531)	(3.501)	4.934	6.917
Annual change by dwelling		-£71	-£26	+£37	+£51
Annual % change		-3.7%	-1.4%	+2.0%	+2.8%

Retained Business Rates

With the localisation of business rates it is necessary for each authority to estimate the amount of business rates to be collected in 2016/17. The monitoring and estimating of business rates is a local responsibility which transfers financial risks to the council. It has a much greater degree of volatility than council tax due to uncertainties surrounding properties and in particular outstanding appeals.

Under the retained scheme, Government has set the locally retained element of business rates at 50%, of which the council retains 49% and 1% is received by Nottinghamshire and City of Nottingham Fire and Rescue Authority. A provisional estimate of retained business rates has been made for the projections shown in this report.

The rateable value of businesses in Nottingham is **£320.421m** (NNDR1 January 2016). There are currently numerous rating appeals lodged with the government's Valuation Office in respect of rateable values. Not all of these will be successful either in full or part. The cost of any successful appeals will be met from the monies received, and hence there will be a considerable degree of uncertainty and volatility in the actual level of income received by the Council in any one year.

Top-up

Under the retained business rates scheme any authority with business rates income of less than their initial baseline funding level, as is the case for Nottingham, will receive the balance as a 'top-up'. Top-up will be a continuing feature of future funding settlements and will be annually up-rated in line with the small business rates multiplier. For 2016/17 the up-rating is 0.83%.

Revenue Support Grant (RSG)

All authorities still currently continue to receive RSG from central government in addition to their retained business rates. RSG is a grant which can be used to finance revenue expenditure on any service. The amount of RSG to be provided to councils is made through the local government finance settlement.

Specific Grants outside the Settlement

A number of additional grants have been announced which are outside of the settlement. The basis of distribution varies from grant to grant. The budget has again been constructed on the basis that if specific grant funding reduces then the expenditure and activity will reduce accordingly.

New Homes Bonus (NHB)

The non-ring fenced NHB grant was introduced in 2011/12 to incentivise councils to increase their housing supply by match-funding each year the council tax on every new home for each of the following six years. The final 2016/17 NHB for Nottingham was announced on 8 February 2016 as **£5.429m**. The Government also announced **£0.201m** additional one-off funding from the unused national NHB top-slice from the finance settlement.

The Government has begun a consultation on proposed reforms to the New Homes Bonus scheme primarily proposing that the payment is reduced to four years with the objective to "sharpen" the incentives. The deadline for the consultation is 10 March 2016 and the likely result will be a significantly lower NHB grant income in future years.

Transitional Grant

The Secretary of State announced an additional £150m over the next 2 years as transitional grant to smoothen the impact of the current settlement during the first two years of the four-year deal for councils with the sharpest grant reductions. Despite receiving a worse than average settlement this time, and continuously receiving worse than average settlements for the last 5 years, the Council has not been allocated any transitional grant. At the time of writing this report the mechanism for calculating the grant and where the funding for the grant has come from has not been published.

Council Tax New Burdens Grant

The introduction of the Council Tax Support Scheme from 1 April 2013 increases the administrative cost of the Council Tax collection and recovery services as well as the additional cost of publicising and promoting the scheme. To date the Government has not confirmed the 2016/17 figure so this report assumes funding will continue at the current **£0.106m**.

Local Council Tax Support & Housing Benefit Administration Subsidy Grant

The City Council will receive subsidy of **£1.860m** in 2016/17 (a reduction of **£0.388m**) to fund the authority in their statutory duty to administer and process Housing Benefit and directly related enquiries. To date the Government has not confirmed the 2016/17 figure for the administration of Council Tax Support claims so this report assumes this funding will continue at the current **£0.522m**.

Better Care Funding

Funding from Health is delivered through a single pooled budget to support closer integration between health and social care to improve outcomes for patients, citizens and carers. This is a continuation and further investment of the 'NHS Funding for Social Care which also Benefits Health' funding transfer. The 2016/17 revenue allocation for Nottingham is **£23.969m**, the City Councils allocation is still being agreed however in 2015/16 this was **£11.595m**.

Grants to Support the Implementation of the Care Act

DoH Grant

- Social Care in Prisons Grant – 2016/17 allocation has still not been confirmed, this grant was **£0.162m** in 2015/16.

Public Health

From 2013/14 councils have received a ring fenced Public Health (PH) Grant from the DoH which supports the responsibilities transferred from the NHS for Public Health. The Health and Social Care Act 2012 provided the statutory basis for councils to assume their new responsibilities in April 2013. The Public Health grant is a ring fence grant to:

- Improve significantly the health and wellbeing of local populations;
- Carry out health protection functions delegated from the Secretary of State;
- Reduce health inequalities across the life course, including within hard to reach groups;
- Ensure the provision of population healthcare advice.

Nottingham's initial 2015/16 grant allocation was **£27.839m**; during 2015/16 further responsibilities transferred for 0-5 year olds with a part year budget of **£5.319m**.

During 2015/16 in-year grant reductions of **£2.052m** (6.19%) reduced the total 2015/16 allocation to **£31.106m**. This in year reduction was achieved using a one off solution; this was the use of historical and in year Health under spends.

The PH and 0-5 year old grant is now confirmed for 2016/17 and **Table 3** below shows the further reductions expected.

TABLE 3: PUBLIC HEALTH & 0-5 GRANT ALLOCATIONS			
	2015/16 £m	2016/17 £m	2017/18 £m
Nottingham PH Grant Allocation	27.839		
0-5 allocation (6 months)	5.319		
Revised PH Allocation	33.158	36.425	35.601
In-Year Reduction	(2.052)	(0.824)	(0.878)
Cumulative reduction	2.876		
		3.754	
Final Allocation	31.106	35.601	34.723
In year % Reduction	-6.19%	-2.26%	-2.47%
Per head based on fixed 2015/16 population data		£ 113	£ 111

Proposals to mitigate the grant reduction of **£2.876m** on an on-going basis in 2016/17 are being developed in accordance with the corporate principle of reducing areas of spend aligning to the grant funding.

The additional proposals will be agreed with the Portfolio Holder and presented through the appropriate constitutional process for approval in March 2016.

Education Support Grant

The Education Services Grant (ESG) for 2016/17 is **£1.978m**, however this may reduce in year if further schools academies. The 2015/16 allocation was **£2.112m**.

The ESG grant was **£4.382m** in 2013/14; a **£0.750m** reduction was incurred and mitigated during 2014/15 and the current MTFP includes additional proposals of **£0.486m**.

Proposals to mitigate the remaining grant reduction of **£1.168m** are being developed in accordance with the corporate principle of reducing areas of spend aligning to the grant funding.

The additional proposals will be agreed with the Portfolio Holder and presented through the appropriate constitutional process for approval in March 2016.

Dedicated School Grant (DSG)

The DSG is a ring-fenced grant subject to grant conditions requiring it to be used to support the Schools Budget as defined in the School and Early Years Finance Regulations. The Schools Budget consists of delegated budgets allocated to individual schools, Pupil Referral Units (PRUs) and Early Years Provision in Private, Voluntary and Independent (PVIs) providers, and a budget for other provision for pupils which the local authority fund centrally which now covers the bulk of high needs provision, including post-school provision up to age 25.

The delegated budgets are calculated based on factors which align to the Department of Education (DfE) guidance; the use of factors is to ensure a consistent national approach to the setting of schools budgets.

DSG funding supports 3 blocks, Schools, Early Years and High Needs with each allocated budgets for:

- Educational provision – set through the national formula.
- De-delegated Services - specific, for maintained schools only and approved by Schools Forum and
- Central expenditure approved by Schools Forum.

The initial 2016/17 DSG budget allocation for Nottingham is **£243.280m**; this is **before academy recoupment** and assumes:

- Flat cash rate per pupil.
- Funding for 2 year olds.
- Removal of High Needs recoupment of £2.406m place funding.

This figure does not include:

- Pupil Premium.
- Year 7 Catch up Premium Grant.
- Pupil Premium Summer Schools Funding

This figure is updated throughout the year for the following blocks:

- High Needs – updated in March 2016 to reflect the outcome of the 2016 to 2017 place change requests process and for further academy conversions.
- Early Years – updated in January 2016 based on January 2016 pupil numbers.

TABLE 4: 2016/17 DSG BUDGET INCREASE ANALYSIS

	£m
2015/16	
Non-recoupment academies cash adjustment	0.520
3 - 4 Year olds allocation updated to reflect the January 2015 census.	0.540
Early Years Funding for 2 year olds	3.630
2015/16 high needs adjustment to reflect the change from residency to location basis for post-16	0.650
Recoupment of Non Maintained Special School (NMSS) places from the Education Funding Agency (EFA)	(0.540)
Adjustment to Post 16 Income from the EFA	0.091
2016/17	
Increased pupil numbers (36,025 in 2015/16 to 38,050 in 2016/17)	4.962
Additional growth in high needs places to be recouped by EFA	(0.281)
NMSS recouped in 15/16, not recouped in 2016/17 as removed from the baseline	0.670
Summer term funding for places agreed as a part of the AY2015/16 exceptions process	0.017
Total adjustment to reflect the change from residency to location basis for post-16 and NMSS in 2016/17	0.327
Total adjustment for EFA direct NMSS place funding in 2016/17	(0.940)
2016/17 additional high needs block top-up funding	0.570
TOTAL	10.279

The allocation of 2016/17 DSG is shown in **Table 5**:

TABLE 5: DSG BUDGET ALLOCATION				
	Schools £m	Early Years £m	High Needs £m	Total £m
Schools/Academies/PVI budgets	192.302	16.777	21.275	230.354
Central Expenditure	7.812	1.092	4.972	13.876
TOTAL	200.114	17.869	26.247	244.230
EFA - 6 th form in Special Schools				(0.950)
TOTAL				243.280

Central expenditure items relating to the funding of Council services is reflected in the MTFP.

5. DRAFT MTFP 2016/17 – 2019/20

This section provides an update to the draft MTFP report presented to December Executive Board. Several details have been updated following the results of the settlement, further clarification from Government and the outcomes of the consultation exercise.

Budget Overview and Headlines

The draft budget has been constructed in accordance with the MTFS and all relevant corporate financial protocols. It is a balanced budget; policy-led, medium term and risk assessed, reflects the Council Plan priorities and comprises:

- a 2016/17 net General Fund revenue budget of **£243.878m**;
- a council tax requirement of **£94.212m** and council tax increase of **1.95%** plus an additional **2.0%** social care precept;
- provision for appropriate levels of inflation;
- provision for new pressures of **£4.325m** arising from demographics and additional demands (including **£1.694m** for Children in Care and **£1.531m** for Adults respectively);
- a general contingency of **£2.000m**;
- a continuing impact of previous proposals already included in the MTFP of **£4.574m** pressures, **£0.500m** developments and **£8.016m** net savings, totalling an overall **£2.942m** decrease;
- new budget reduction and income generation proposals of **£19.826m**
- one-off corporate proposal for the **£1m** use of trading account surplus generated in 2015/16.

General Fund Revenue Budget

Table 6 summarises the changes required to update the 2015/16 base budget to refresh the starting point for the 2016/17 budget.

TABLE 6: BUDGET REFRESH					
DESCRIPTION	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	TABLE
Inflation	8.143	13.271	18.833	24.553	7A&B
Corporate Adjustments	(0.637)	1.138	2.104	(0.411)	8
Previous MTFP decisions	(2.942)	(2.120)	(2.904)	(2.688)	9
TOTAL	4.564	12.288	18.032	21.454	

Adjustments have been made to reflect estimated pay award, non-pay inflation, the continuing impact of previous MTFP decisions, the removal of one-off proposals in the last budget and other corporate adjustments such as anticipated movements in the financing of the capital programme and the Council's debt portfolio.

Inflation

Tables 7A and **7B** show the pay, general and specific inflation currently assumed for 2016/17 and subsequent years.

TABLE 7A: INFLATION – EMPLOYEE AND GENERAL				
DESCRIPTION	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Direct Employees	4.044	6.097	8.270	10.158
General Inflation	2.096	3.909	5.983	8.465
TOTAL	6.140	10.007	14.253	18.623

Direct Employee increases relating to pay award for 2016/17 are in line with the national pay award agreements.

Pension contributions have been projected based on information from the actuary based on the triennial valuation of the pension fund.

Provision has also been made for the introduction of single-tier state pensions in 2016/17 and pension auto-enrolment in 2017/18:

- Single-tier pensions will require employers with contracted-out schemes to begin paying the standard rate of NI contributions - an increase for each contracted-out employee of 3.4% of relevant earnings.
- Changes to pension law require us to auto enrol colleagues into the pension scheme. This will be implemented on the 1 October 2017.

TABLE 7B: INFLATION – SPECIFIC				
DESCRIPTION	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
- Concessionary Fares	0.788	1.524	2.258	2.998
- Electricity	0.000	0.093	0.188	0.285
- Gas	0.000	0.024	0.049	0.074
- Fuel	0.020	0.042	0.067	0.096
- Rates	0.037	0.148	0.303	0.468
- Waste Disposal	1.159	1.433	1.716	2.009
TOTAL	2.003	3.265	4.580	5.930

Corporate Adjustments

Table 8 summarises the corporate adjustments which include anticipated movements in the financing of the capital programme and the debt portfolio, movements in reserves due to the NET Line 2 PFI, net impact of changes in specific grants and various other technical changes. Provision has also been made for the revenue implications of investment schemes within the capital programme. The adjustment in respect of the Business Rates Reserve represents the falling out of a previous one-off contribution to this reserve.

TABLE 8: CORPORATE ADJUSTMENTS				
DESCRIPTION	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Business Rates reserve	(2.539)	(2.548)	(2.548)	(2.548)
Investment Strategy provision	0.895	2.374	3.311	0.875
Specific grant changes	1.285	1.440	1.369	1.290
Other corporate adjustments	(0.278)	(0.128)	(0.028)	(0.028)
TOTAL	(0.637)	1.138	2.104	(0.411)

General Reserves

The MTFS requires opening general reserves (sometimes known as the *working balance*) of between **2%** and **4%** of the total net General Fund revenue budget each year. The precise level within this range is informed by the risk assessment; the higher the level of risk, the higher the reserve. The MTFP includes a recommended opening balance in 2015/16 of **£9.5m** representing **3.9%** which is considered appropriate given the level of risk in the budget. Details are provided in **Annex 5**.

Earmarked Reserves

Other earmarked reserve adjustments, in addition to those in **Table 8**, which require approval are set out below.

The Strategic Asset Management Big Ticket programme was set up in 2015/16 to establish an integrated approach to asset management and deliver improved outcomes in the short to medium term and measures to improve the performance of property and other physical assets and non-physical assets. Slippage in this programme has resulted in a re-profiling of the previously agreed savings from 3 to 5 years. The resulting shortfall in the early years will require an initial **£4.178m** use of reserves in 2016/17 with a further requirement of **£2.878m** and **£0.978m** in 2017/18 and 2018/19 respectively. These will be met from the Investment Strategy Reserve to be partially reimbursed from future capital receipts.

Appendix A provides details of the net **£1.650m** departmental movements in reserves which require specific approval for 2016/17.

Previously agreed MTFP decisions

Table 9 summarises the impact on the 2016/17 budget of decisions made in previous budgets. This totals a net decrease of **£2.942m** in 2016/17, mostly due to previously agreed pressures in Adult Social Care and Children in Care, increasing transformational savings from established Big Ticket programmes and corporate savings from 2015/16.

TABLE 9: PREVIOUSLY AGREED STRATEGIC CHOICES				
DESCRIPTION	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Pressures	4.574	8.374	8.249	8.249
Developments	0.500	1.086	1.086	1.086
Efficiencies & Other Savings	0.489	(6.140)	(5.602)	(5.602)
Big Ticket* / Transformational Savings	(6.724)	(6.774)	(6.774)	(6.774)
Corporate Proposals	(1.781)	1.333	0.136	0.352
TOTAL	(2.942)	(2.120)	(2.904)	(2.688)

*Includes the Strategic Asset Management Big Ticket which will now be partially met from reserves as set out above.

New Pressures

As in previous years, the Council continues to face significant cost pressures which have a major impact on the MTFP. **Table 10** details the additional funded pressures of **£4.325m** for 2016/17.

TABLE 10: NEW PRESSURES				
PORTFOLIO	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Adults - Demographic Growth	0.000	2.871	4.428	4.428
Adults - National Living Wage impact	1.531	3.295	6.272	9.046
Children - Demographic Growth	1.694	2.773	3.886	3.886
Information Management Legislation	0.150	0.150	0.150	0.150
Procurement	0.950	0.950	0.950	0.950
TOTAL	4.325	10.039	15.686	18.460

Portfolio Proposals

During the budget process, colleagues and councillors work together to identify proposals which, when taken together, direct funding into the Council's priorities and balance the budget. This is a complex and time consuming activity.

Table 11 summarises proposed savings by budgeted portfolios. These will be found from a combination of income generation, demand management, service transformation and efficiencies. **Appendix B** provides further details of all saving proposals by lead portfolios.

TABLE 11: PORTFOLIO PROPOSALS				
PORTFOLIO	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Adults & Health	(5.017)	(7.714)	(10.727)	(10.727)
Community Services	(1.676)	(1.764)	(1.764)	(1.764)
Early Intervention & Early Years	(2.900)	(0.630)	(0.640)	(0.640)
Energy & Sustainability	(0.552)	(0.552)	(0.552)	(0.552)
Jobs, Growth & Transport	(1.751)	(1.751)	(1.751)	(1.751)
Leisure & Culture	(0.623)	(0.623)	(0.623)	(0.623)
Planning & Housing	(0.825)	(0.824)	(0.854)	(0.854)
Resources & Neighbourhood Regeneration	(5.864)	(5.513)	(5.171)	(5.171)
Schools	(0.618)	(0.668)	(0.668)	(0.668)
TOTAL	(19.826)	(20.038)	(22.749)	(22.749)

In addition to the portfolio savings a corporate **£1m** one-off use of the 2015/16 trading surplus will be used to balance the 2016/17 budget as detailed in **Annex 1**.

Table 12 shows the resulting proposed draft overall net budget requirement for 2016/17.

TABLE 12: NET BUDGET REQUIREMENT					
DESCRIPTION	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	TABLE
2015/16 Budget Requirement	255.814	255.814	255.814	255.814	
Budget Refresh	4.564	12.288	18.032	21.454	6
New Pressures	4.325	10.039	15.686	18.460	10
SUB-TOTAL	264.703	278.142	289.533	295.728	
Portfolio Savings	(19.826)	(20.038)	(22.749)	(22.749)	11
Corporate Proposal	(1.000)	0.000	0.000	0.000	
BUDGET REQUIREMENT	243.878	258.104	266.783	272.979	

Funding

The position relating to Retained Business Rate income carries significant risks for the Council. The assumed share of the business rate income is **£62.276m** in 2016/17, which is **£1.927m** above our Business Rate Baseline determined by the Government for the purpose of the settlement.

Under the retention scheme, there are both potential risks and rewards in calculating our share of the yield. The major risks and concerns are; the level of successful rating appeals that may be made in the year, the unknown level of bankruptcies and businesses going into administration, the number of empty properties, the number of new properties and the collection rate achievable. We have to make an estimate of the impact of all these, based on limited trend information. The NNDR1 return submitted to DCLG in January 2016 estimated the net rates as **£132.263m** with **£1.326m** assumed for bad debts (**1.0%**) and **£4.347m** for appeal repayments (**3.3%**) leaving total collectible rates for 2016/17 as **£126.589m**.

The Government has undertaken to compensate councils for the loss of income, suffered as a result of previously announced changes to the business rates multiplier and various reliefs in both 2014/15 and 2015/16, by grants under section 31 of the Local Government Act 2003 based on estimates submitted in January 2016 as shown in **Table 13**. The impact of these grants has been included within the budget refresh figures.

TABLE 13: SECTION 31 GRANTS (BUSINESS RATES)	
DESCRIPTION	2016/17 £m
Multiplier cap	(0.894)
Small business rates relief	(1.534)
Long term empty property relief	(0.027)
TOTAL	(2.455)

Under the current scheme 100% of any business rates uplift in both the Enterprise Zone and the Creative Quarter can be retained and ring-fenced for these areas. As reported in the NNDR1 business rates return it is currently estimated that there will **£0.010m** retained uplift for the Enterprise Zone in 2016/17 but no retained uplift for the Creative Quarter.

There will also be a pro-rata allocation of each element of the Section 31 grants resulting in **£0.139m** being allocated to the Enterprise Zone and the Creative Quarter.

Table 14 sets out the overall funding assumed within the MTFP.

TABLE 14: FUNDING				
DESCRIPTION	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Projections				
- Retained Business Rates	(62.276)	(63.500)	(65.374)	(67.463)
- Top Up	(27.536)	(28.078)	(28.906)	(29.830)
- Revenue Support Grant	(58.379)	(44.485)	(34.981)	(25.332)
SUB-TOTAL	(148.190)	(136.063)	(129.261)	(122.625)
100% Retained Business Rates	(0.010)	0.000	0.000	0.000
NET POSITION	(148.201)	(136.063)	(129.261)	(122.625)

Collection Funds

The Collection Fund is held separately from the General Fund and accounts for income collected from council tax. An annual in-depth appraisal is undertaken to assess the estimated level of collection (as aggregated to include that relating to the current and previous years), the likely balance of the Fund and to advise the precepting authorities (Fire and Police) of their share of any surplus/deficit. This enables them to take this into account in their own budget calculations.

It is estimated that there will be a surplus on the Council Tax collection fund of **£4.076m** for 2016/17. The City Council share of this is **£3.483m**.

In addition there is a collection fund deficit with respect to business rates of **£4.117m** as reported in the NNDR1 return. The City Council share of this deficit is **£2.018m** and will be managed by an appropriate use of the Business Rates Reserve previously created to protect against volatility in business rates collection.

Proposed Council Tax

Table 15 shows the implications for the proposed level of council tax needing to be levied.

If the final budget is in line with the total figures outlined in this report, the proposed total council tax levied for 2016/17 will be **£94.212m**, equating to a Band D of **£1,517.32** and representing an basic increase of **1.95%** plus an additional **2.0%** social care precept

The introduction of this new social care precept by the Government is a consequence of the underfunding of social care costs in the previous and current Spending Reviews. This precept must be spent exclusively on adult social care.

TABLE 15: AMOUNT TO BE RAISED BY COUNCIL TAX	
DESCRIPTION	2016/17 £m
Net Budget Requirement	243.878
Funding	(148.201)
Collection Fund – Council Tax	(3.483)
Collection Fund – Business Rates	2.018
COUNCIL TAX REQUIREMENT	94.212

Council Tax Referendum

On 8 February the Local Government Minister confirmed that any increase in 'relevant basic amount of council tax' of 4% or more for an upper tier authority such as Nottingham will require a binding referendum to be held. This referendum trigger comprises 2% for expenditure on adult social care and 2% for other expenditure.

6. MEDIUM TERM FINANCIAL OUTLOOK (MTFO)

In examining proposals for the 2016/17 budget, the Council considers both the immediate situation and the longer term outlook and assesses the impact of decisions accordingly.

Appendices C.1 to C.4 provide detail of the current MTFO for 2016/17 through to 2019/20. The future years' projections assume:

- Council tax increases of **1.95%** plus an additional **2.0%** social care precept in 2016/17 and for each year of the MTFO
- Revenue Support Grant as announced in the settlement for 2016/167 and subsequent years
- Working assumption of nil underlying growth in retained business over the future years of the MTFO
- Assumed **1%** pay award for all years
- General inflation awarded to appropriate budgets at **0.95%**, **1.05%**, **1.15%** and **1.35%** for 2016/17, 2017/18, 2018/19 and 2019/20 respectively
- No further emerging pressures assumed for the future years of the MTFO
- NHB future estimates reduced to match key proposals proposed by Government for the reformed scheme

All these budget assumptions will be subject to ongoing review in light of changing circumstances. In particular funding projections will be updated to reflect the final results of the Government consultations on New Homes Bonus grant and the proposed implementation of 100% locally retained business rates by 2019/20.

Table 16 includes the impact of the 2016/17 proposals contained elsewhere in this report and confirms the need for ongoing significant cost reductions in the short to medium term.

TABLE 16: MEDIUM TERM FINANCIAL OUTLOOK				
DESCRIPTION	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
2015/16 Net Budget Requirement	255.814	255.814	255.814	255.814
Budget Refresh	4.564	12.288	18.032	21.454
New Pressures	4.325	10.039	15.686	18.460
SUB-TOTAL	264.703	278.142	289.533	295.728
Portfolio Proposals	(19.826)	(20.038)	(22.749)	(22.749)
Corporate Proposals	(1.000)	0.000	0.000	0.000
ASSUMED NET BUDGET	243.878	258.104	266.783	272.979
Retained Business Rates, Top-up & RSG	(148.201)	(136.063)	(129.261)	(122.625)
Council Tax	(94.212)	(98.694)	(103.383)	(108.288)
Collection Funds	(1.465)	0.000	0.000	0.000
ASSUMED FUNDING	(243.878)	(234.757)	(232.644)	(230.913)
NET MTFO POSITION	0.000	23.347	34.139	42.066

NB table may not sum exactly due to rounding

7. Financial Stability and the Management of Risk

The Council's strategy in this regard is to have financial stability and ensure that our financial pressures are known, understood and well managed. The CFO advises on this using the principles within the MTFs, best practice and professional experience.

Under sections 25-27 of the Local Government Act 2003 (part II), the CFO is required to formally report to councillors on the robustness of the budget estimates and the adequacy of the City Council's financial reserves.

A corporate financial risk assessment has been undertaken to determine key risks and their impact on the budget. This ensures that adequate overall corporate budgetary provision is available to cover for unforeseen future events. This approach is embedded within the budget process and is used to inform the level of reserves required. Details appear in **Annex 5**.

In accordance with the MTFs, General Fund balances will be between **2%** and **4%** of the total net general fund revenue budget. The proposed General Fund balance for 2016/17 is **£9.5m**, which is **3.9%** of the net general fund budget, as at 1 April 2016. This level of reserve has been informed by the risk assessment.

Annex 5 details the separate report (incorporating the risk assessment) relating to the robustness of the budget and the adequacy of reserves and has been written by the CFO in his capacity as S151 officer.

8. Accountability

Summary sheets for each portfolio are included below, providing an outline of the key objectives of each portfolio and the headline budget details. Detailed budgets for each portfolio are at **Appendix D**. Portfolio Holders are expected to deliver the City's policies and priorities within the resources made available to them. The budgets set for 2016/17 form the basis by which performance management can take place.

The regular monitoring of budgets takes place at various management levels within the Council, including at CLT and is reported quarterly to Executive Board and the Performance and Resources Standing Panel. This is particularly important in highlighting areas of budget pressures, as early as possible in the process, to enable management action to take place.

The City Council recognises the importance of individual and collective accountability and requires managers to formally sign up to acknowledge they recognise their responsibilities to deliver services on time, to the required standard and within budget, and to implement any savings and investment allocated to their areas. In recognition that financial management is an integral aspect of effective leadership and good management, relevant councillors and managers are required to participate fully in all aspects of financial processes.

Leader / Strategic Regeneration, Development & Community Sector



Councillor Jon Collins

Focus of the Portfolio

- Strategic Regeneration and Development
 - Overview of all regeneration activity across the City
 - City Centre major regeneration
 - Local Economic Partnership and European Funding
 - Strategic Property
 - Commercial, Operational, Investment Land and Property
- Community Sector
 - Lead role with the Community Sector
 - Volunteering
- Chair – Crime and Drugs Partnership
- Education Improvement Board

Key headlines from Council Plan

- Continue to drive Nottingham as a leading retail and business city by delivering investment in our main shopping centres
- Maximise the city's potential by driving regeneration and improvements across the city

Revenue Budget 2016/17: Strategic Regeneration, Development & Community Sector				
Service / Department	Net Base Budget £m	Savings £m	Reserve Adjustments £m	Net Final Budget £m
Facilities and Building Services	1.338	0.000	0.000	1.338
Commercial & Operations	1.338	0.000	0.000	1.338
Estates Management	0.420	0.000	0.000	0.420
Property FM	3.060	0.000	0.000	3.060
Property Trading Account	(10.988)	0.000	(0.037)	(11.025)
Strategic Property Development	0.177	0.000	0.000	0.177
Property Corporate Landlord	0.000	0.000	0.000	0.000
Property Directorate & Asset Management	0.284	0.000	0.000	0.284
Development & Growth	(7.048)	0.000	(0.037)	(7.085)
Corporate Policy	0.183	0.000	0.000	0.183
Voluntary Sector	1.560	0.000	0.000	1.560
Strategy & Commissioning	1.743	0.000	0.000	1.743
Portfolio Total	(3.966)	0.000	(0.037)	(4.003)

Capital Programme: Strategic Regeneration, Development & Community Sector							
PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Property	30.186	0.050	0.000	0.000	0.000	0.000	30.236
Regeneration	18.465	16.726	1.121	0.000	0.000	0.000	36.312
Community Sector	2.314	2.503	0.750	0.750	0.750	0.750	4.817
Portfolio Total	50.965	19.279	1.871	0.750	0.750	0.750	74.365

Deputy Leader / Resources and Neighbourhood Regeneration



Councillor Graham Chapman

Focus of the Portfolio

- Economic Development
 - Investment
 - Commercialisation
 - Neighbourhood Regeneration

- Resources
 - Finance
 - Information Technology, Legal and Democratic Services, Health and Safety, Risk Management and Emergency Planning
 - Collection of Council Tax and National Non Domestic Rates
 - Housing and Council Tax Benefits
 - Welfare Rights

- Shareholder – Nottingham City Transport

- Area Working
 - Neighbourhood Management and Engagement
 - Community Development

Key headlines from Council Plan

- Develop sites across our neighbourhoods, providing access to jobs, services and housing

- Deliver a balanced budget every year

- Expand further the Council's commercial activity in order to reduce the impact of Government cuts on jobs and services

Revenue Budget 2016/17: Resources & Neighbourhood Regeneration				
Service / Department	Net Base Budget £m	Savings £m	Reserve Adjustments £m	Net Final Budget £m
Chief Executive's Office	0.172	0.000	0.000	0.172
Works Perks Savings	(0.080)	0.000	0.000	(0.080)
Civic & Coronial Services	0.699	0.000	0.000	0.699
Chief Executive	0.792	0.000	0.000	0.792
Local Communities	0.277	0.000	0.000	0.277
Energy Services - Commercial Activity	(0.212)	0.000	0.000	(0.212)
Commercial & Operations	0.065	0.000	0.000	0.065
Performance & Resources	0.601	0.000	0.000	0.601
Major Programmes	0.027	0.000	0.000	0.027
Directorate	0.129	0.000	0.000	0.129
Access to Services	1.232	(0.088)	(0.628)	0.516
Development & Growth	1.990	(0.088)	(0.628)	1.274
Strategic Finance	5.102	(0.300)	0.320	5.122
IT	5.172	(0.147)	0.000	5.025
Business Support	0.000	0.000	0.000	0.000
Legal and Democratic	2.849	(0.050)	0.000	2.799
Corporate & Democratic Core	0.129	0.000	0.000	0.129
East Midlands Councils	0.000	0.000	0.000	0.000
EMSS	1.498	0.000	0.669	2.167
Corporate & Democratic Core	0.769	0.000	0.000	0.769
Resilience	15.520	(0.497)	0.989	16.012
Strategic Partnership	0.447	(0.048)	0.000	0.399
Strategy & Commissioning	0.447	(0.048)	0.000	0.399
Portfolio Total	18.815	(0.633)	0.361	18.542

Revenue Budget 2016/17: Corporate Items				
Service / Department	Net Base Budget £m	Savings £m	Reserve Adjustments £m	Net Final Budget £m
PM - Safety & Compliance	2.414	0.000	0.000	2.414
PM - Planned Maintenance Budget	1.610	0.000	0.358	1.968
Public Health Contribution	(0.450)	0.000	0.000	(0.450)
Miscellaneous Corporate Expenses	(0.025)	0.000	0.000	(0.025)
Big Ticket Proposals	(0.058)	0.000	0.000	(0.058)
Corporate / Cross-cutting Savings	(0.519)	0.000	0.000	(0.519)
General Contingency	2.000	0.000	0.000	2.000
Pay Contingency	0.448	0.000	0.000	0.448
Nottingham Express Transit	(17.983)	0.000	0.000	(17.983)
Envir. Agency Flood Defence Levy	0.090	0.000	0.000	0.090
Reserves - Budgeted	(2.067)	(1.000)	(1.650)	(4.717)
New Homes Bonus	(5.429)	0.000	0.000	(5.429)
Economic Development Investment	2.107	(0.500)	0.000	1.607
LGRR Adjustment	(0.201)	0.000	0.000	(0.201)
100% Retained Business Rates	0.172	0.000	0.000	0.172
S31 Grants	(2.455)	0.000	0.000	(2.455)
Pension Deficit	7.102	0.000	0.000	7.102
Nottingham City Homes	(3.500)	(1.000)	0.000	(4.500)
NCT Dividend	(0.500)	0.000	0.000	(0.500)
Ice Centre	0.283	0.000	0.000	0.283
Treasury Management	48.938	(3.731)	0.000	45.207
IT Development Fund	3.275	0.000	0.000	3.275
Housing Benefit Payments	0.275	0.000	0.000	0.275
Enviroenergy	(1.349)	0.000	0.000	(1.349)
Corporate	34.176	(6.231)	(1.292)	26.653
Portfolio Total	34.176	(6.231)	(1.292)	26.653

Capital Programme: Resources and Neighbourhood Regeneration							
PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Resources and Neighbourhood Regeneration	16.287	10.622	0.387	0.347	0.953	0.000	28.596
Portfolio Total	16.287	10.622	0.387	0.347	0.953	0.000	28.596

Adults & Health



Councillor Alex Norris

Focus of the Portfolio

- Adults
 - Corporate strategies for older people
 - Championing independent living:
 - Protection of vulnerable adults
 - Support to vulnerable people, including:
 - Telecare
 - Catering
 - Adult Safeguarding

- Health
 - Public Health and wellbeing, including:
 - Health Inequalities
 - Smoking and avoidable injuries
 - Chair of the Health and Wellbeing Board
 - Public Health Integration
 - Mental health and wellbeing
 - Teenage conception
 - Wider health links

- Commissioning
 - Corporate strategic commissioning
 - Lead on Commissioning of Children's Services
 - Lead on Commissioning of Adults Services/DASS link

- Reputation and Communications

Key headlines from Council Plan

- Make life better for the 35,000 older persons in the city enabling choice and confidence in the care they receive and the way it is delivered, maintaining dignity, independence and control

- Be a city that enables healthy lifestyles, promotes wellbeing and supports community resilience

- To take the lead on improving working between our social care services and the NHS to ensure better care for our vulnerable residents

Revenue Budget 2016/17: Adults & Health				
Service / Department	Net Base Budget £m	Savings £m	Reserve Adjustments £m	Net Final Budget £m
Public Health	(1.998)	0.000	(0.234)	(2.232)
Directorate	1.725	(0.456)	0.029	1.298
Business Improvement	0.000	0.000	0.000	0.000
Adult Assessment Management	(0.282)	(3.000)	0.000	(3.282)
Health Integration	47.000	(0.012)	0.000	46.987
Specialist Services	34.944	0.000	0.000	34.944
ASC Quality & Change	4.147	0.000	0.000	4.147
Prevention Reablement & Support	(0.964)	0.000	0.000	(0.964)
Residential & Day Services	(1.287)	(0.193)	0.000	(1.480)
Commercialism; Sales, Marketing & Development	0.000	0.000	0.000	0.000
Children & Adults	83.285	(3.661)	(0.205)	79.418
Community Centres	1.009	0.000	0.000	1.009
Commercial & Operations	1.009	0.000	0.000	1.009
Quality & Commissioning - Supporting People	7.698	(0.727)	0.170	7.141
City Advertising Trading Account	(0.270)	0.000	0.000	(0.270)
Marketing & Communications	1.104	(0.147)	0.070	1.027
Quality & Commissioning	0.241	(0.482)	0.000	(0.241)
Commissioning & Insight	2.508	0.000	0.000	2.508
Strategy & Commissioning	11.281	(1.356)	0.240	10.166
Portfolio Total	95.575	(5.017)	0.035	90.593

Capital Programme: Adults and Health							
PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Adults and Health	1.974	1.520	0.000	0.000	0.000	0.000	3.494
Portfolio Total	1.974	1.520	0.000	0.000	0.000	0.000	3.494

Early Intervention & Early Years



Councillor David Mellen

Focus of the Portfolio

- Children's Services
 - Performing the lead role for Children's Services in accordance with statutory requirements and guidance
 - Children's safeguarding and children's social care
 - Children in care and care leavers
 - Leading on Early Intervention
 - Children's Partnership and Young People's Plan
 - Integrated Youth Service including the Youth Offending Team
 - Early Years including Children's Centres
 - Children's Disability and Children's Mental Health

- One Nottingham

Key headlines from Council Plan

- To give all Nottingham's children the best start in life

- Enable Nottingham's children and young people to thrive by providing opportunities to utilise their energy and enthusiasm

Revenue Budget 2016/17: Early Intervention & Early Years				
Service / Department	Net Base Budget £m	Savings £m	Reserve Adjustments £m	Net Final Budget £m
Directorates	1.575	0.000	0.000	1.575
Vulnerable Children & Families	(4.804)	(0.334)	0.000	(5.138)
Children's Social Care	22.500	(1.692)	0.000	20.808
Inclusive Learning	3.714	(0.684)	0.000	3.030
Extensive & Specialist Services	5.167	(0.100)	0.000	5.067
Early Help Services	7.253	(0.090)	0.000	7.163
Children in Care	15.595	0.000	0.000	15.595
Child Protection	5.448	0.000	0.000	5.448
Safeguarding & Quality	0.976	0.000	0.000	0.976
Children & Adults	57.424	(2.900)	0.000	54.524
One Nottingham	0.155	0.000	0.000	0.155
Strategy & Commissioning	0.155	0.000	0.000	0.155
Portfolio Total	57.579	(2.900)	0.000	54.679

Capital Programme: Early Intervention and Early Years							
PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Early Intervention and Early Years	0.716	0.050	0.000	0.000	0.000	0.000	0.766
Portfolio Total	0.716	0.050	0.000	0.000	0.000	0.000	0.766

Schools



Councillor Sam Webster

Focus of the Portfolio

- Schools
 - Education Improvement Board
 - Educational provision 3-16 including school re-organisation and governance, Academies and Free Schools
 - Attendance
 - Nottingham Learning Trust
 - Special Educational Needs – Special Education Schools
 - Pupil Referral Units
 - Employability in Schools
 - Capital Programme and General Finance Support

Key headlines from Council Plan

- Access to a good school close to home for every young person in Nottingham
- Enable children in the City to achieve their potential at school and in later life

Revenue Budget 2016/17: Schools				
Service / Department	Net Base Budget £m	Savings £m	Reserve Adjustments £m	Net Final Budget £m
Schools	0.000	0.000	0.000	0.000
Education Partnerships	1.146	(0.288)	0.000	0.858
School Improvement	0.107	(0.135)	0.000	(0.027)
Children & Adults	1.253	(0.423)	0.000	0.831
Building Schools for the Future	0.454	(0.195)	(0.321)	(0.062)
Development & Growth	0.454	(0.195)	(0.321)	(0.062)
Portfolio Total	1.708	(0.618)	(0.321)	0.769

Capital Programme: Schools							
PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Schools/Education	13.623	8.172	4.227	0.000	0.000	0.000	26.022
Portfolio Total	13.623	8.172	4.227	0.000	0.000	0.000	26.022

Community Services



Councillor Nicola Heaton

Focus of the Portfolio

- Community Safety and Enforcement
 - Overview of the Council's Section 17 responsibilities
 - Public and Consumer Protection
 - Community Safety and Respect for Nottingham
 - Community Cohesion
 - Licensing
- Cleansing
 - Waste Collection
 - Street Scene
- Human Resources
 - Corporate HR
 - Performance Management

Key headlines from Council Plan

- Ensure Nottingham is a clean and safe place that people are proud to live in
- Work with the police and other partners to continue to drive down crime and anti-social behaviour (ASB)

Revenue Budget 2016/17: Community Services				
Service / Department	Net Base Budget £m	Savings £m	Reserve Adjustments £m	Net Final Budget £m
Human Resources	2.483	0.000	0.000	2.483
Transformation	1.867	0.000	0.085	1.952
OT Directorate	0.255	(0.098)	0.000	0.157
Chief Executive	4.605	(0.098)	0.085	4.592
CP Front Line Services	1.652	(0.140)	0.000	1.512
Environmental Health & Safer Housing	2.183	(0.250)	0.000	1.933
Community Cohesion	0.138	0.000	0.000	0.138
Neighbourhood Enforcement	0.000	0.000	0.000	0.000
Uniformed Services	3.072	0.000	0.000	3.072
Neighbourhood Operations	9.514	0.000	0.000	9.514
Performance & Improvement	1.117	0.000	0.000	1.117
Trading Operations	(0.079)	(1.141)	0.000	(1.220)
Parking; Permits; Bus Lane Enforcement	0.720	0.000	0.000	0.720
Licensing; Trading Standards & ASB	0.747	0.000	0.000	0.747
Commercial & Operations	19.064	(1.531)	0.000	17.533
Crime & Drugs Partnership	0.239	(0.047)	0.000	0.192
Strategy & Commissioning	0.239	(0.047)	0.000	0.192
Portfolio Total	23.908	(1.676)	0.085	22.317

Energy & Sustainability



Councillor Alan Clark

Focus of the Portfolio

- Sustainability
 - Climate change and carbon reduction
 - Nature conservation – strategy
 - Energy and energy bills
 - Energy from Waste including Enviroenergy (Waste Recycling Group)
 - Nottingham Energy Partnership
 - Waste Disposal
 - Robin Hood Energy

- Customer Care
 - Implementation of Citizen First and Customer Focus

Key headlines from Council Plan

- Bring low cost energy to all through the creation of our own not-for-profit energy company

- Use smart metering and remote control technology to help keep energy bills down

- Make the Council the most customer friendly in the country with even more ways to interact with the council than ever before

Revenue Budget 2016/17: Energy & Sustainability				
Service / Department	Net Base Budget £m	Savings £m	Reserve Adjustments £m	Net Final Budget £m
Customer Access Programme	0.181	0.000	0.000	0.181
Chief Executive	0.181	0.000	0.000	0.181
Energy Services - Policy	5.424	(0.200)	0.000	5.224
Energy Services - Projects	0.805	(0.352)	0.000	0.453
Commercial & Operations	6.229	(0.552)	0.000	5.677
Portfolio Total	6.410	(0.552)	0.000	5.858

Capital Programme: Energy and Sustainability							
PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Energy and Sustainability	4.704	8.376	2.007	1.999	4.817	2.447	24.350
Portfolio Total	4.704	8.376	2.007	1.999	4.817	2.447	24.350

Jobs, Growth & Transport



Councillor Nick McDonald

Focus of the Portfolio

- Jobs and Skills
 - Lead on skills and employment:
 - Post 16 training, further education and higher education
 - Developing opportunities for young people and adults
 - Local Jobs for Local People and Making the Connections
 - Investment initiatives
 - Nottingham and Nottinghamshire Futures
 - Social Enterprise and Enterprise Development

- Business
 - Growth Plan Delivery
 - City centre and neighbourhood retail management
 - Business support, development and liaison
 - Procurement
 - Sector Development
 - Inward Investment
 - Place Management Organisation
 - Heritage
 - International Strategy

- Transportation
 - Traffic Management and Parking
 - Highways Design and Maintenance
 - Public Transport
 - Street Lighting
 - Corporate Council Transport Fleet

Key headlines from Council Plan

- See every person in Nottingham with the skills and ambition to find work and create jobs to give our working age citizens the incentives to seek work and be involved in training and self-improvement by themselves

- Attract international businesses whilst supporting and enhancing our reputation as a leading Science City

- Further develop Nottingham's public transport network, ensuring that citizens and visitors can get around the city as well as it being a reason for business to set up and trade effectively in our city

Revenue Budget 2016/17: Jobs, Growth & Transport				
Service / Department	Net Base Budget £m	Savings £m	Reserve Adjustments £m	Net Final Budget £m
Commercial Services	(14.257)	(0.104)	0.075	(14.286)
Highways & Energy Infrastructure	0.861	(0.300)	0.000	0.561
Trading Operations	2.258	(0.200)	0.000	2.058
Commercial & Operations	(11.138)	(0.604)	0.075	(11.667)
Woodfield Supported Employment	0.486	0.000	0.000	0.486
Street Lighting	5.129	(0.148)	0.000	4.981
Public Transport	0.025	0.000	0.000	0.025
Concessionary Fares	14.297	(0.200)	(0.003)	14.095
Traffic Safety & Development	0.311	(0.490)	0.000	(0.179)
Transport Strategy	0.297	(0.073)	0.000	0.224
Economic Development Partner & Policy	2.203	(0.236)	1.295	3.261
Development & Growth	22.747	(1.147)	1.292	22.892
Quality & Commissioning	0.540	0.000	0.000	0.540
Strategy & Commissioning	0.540	0.000	0.000	0.540
Portfolio Total	12.149	(1.751)	1.367	11.765

Capital Programme: Jobs, Growth and Transport							
PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Local Transport Plan	20.108	22.171	23.188	5.283	0.000	0.000	70.750
Other Services Jobs, Growth and Transport	107.006	15.074	3.820	4.016	3.830	3.500	137.246
Portfolio Total	127.114	37.245	27.008	9.299	3.830	3.500	207.996

Leisure & Culture



Councillor David Trimble

Focus of the Portfolio

- Leisure and Culture:
 - Parks, allotments, open spaces and playgrounds
 - Leisure Transformation Programme
 - Museum and heritage sites
 - Libraries, arts and events, museums, theatres and sport
 - Lead on arms-length venues – Ice Arena, Playhouse, Theatre Royal, Royal Centre
 - Nature conservation – operational
 - Markets, fairs and toilets
 - Cemeteries and crematoriums

- Tourism
 - Tourism and Heritage

Key headlines from Council Plan

- Help families get on in life by providing a good range of leisure activities, free and cheap events and excellent public services, as well as creating a development plan for the new Central Library

- Attract more visitors to our city, for example by investing in making Nottingham Castle a world-class visitor attraction

- Provide more opportunities for participation and excellence in disability sport

Revenue Budget 2016/17: Leisure & Culture				
Service / Department	Net Base Budget £m	Savings £m	Reserve Adjustments £m	Net Final Budget £m
Commercial Development Management	0.452	0.000	0.000	0.452
Cemeteries & Crematoria	(0.711)	(0.100)	(0.036)	(0.847)
C&C Support Services	0.838	0.000	0.000	0.838
Events & Goose Fair	0.114	(0.020)	0.000	0.094
Sports	0.386	0.000	0.000	0.386
Libraries	3.717	(0.010)	0.000	3.707
Museums	2.441	(0.065)	0.000	2.376
Markets	(0.017)	0.000	0.000	(0.017)
Leisure	2.890	(0.178)	(0.043)	2.669
Parks & Open Spaces	3.065	(0.074)	0.000	2.991
Neighbourhood Operations	0.228	0.000	0.000	0.228
Royal Centre	0.281	(0.176)	(0.070)	0.035
Commercial & Operations	13.685	(0.623)	(0.149)	12.913
Tourism	0.252	0.000	0.000	0.252
Development & Growth	0.252	0.000	0.000	0.252
Portfolio Total	13.937	(0.623)	(0.149)	13.165

Capital Programme: Leisure and Culture							
PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Leisure and Culture	10.444	8.443	9.401	12.758	0.000	0.000	41.046
Portfolio Total	10.444	8.443	9.401	12.758	0.000	0.000	41.046

Planning & Housing



Councillor Jane Urquhart

Focus of the Portfolio

- Planning
Planning policy and development management;
- NET
 - Nottingham Express Transit - Phases 1 and 2
- Flood Management
 - Flood Management
- Housing Regeneration
 - Physical neighbourhood transformation and regeneration
 - Estate Management – Council and private estates
 - Private Housing and Private Rented Sector
 - Performance of NCH and Housing Associations
 - Student Housing
 - Support to vulnerable people
 - Homelessness
 - Housing with care and support
 - Strategic and Retained Housing functions
 - Regeneration Land and Property (tied in with above)
 - HiMOs
 - International and European Links

Key headlines from Council Plan

- Enable Nottingham residents to have access to a high standard of accommodation, whether renting or buying
- Respond to the increasing pressure on the housing market by building a substantial number of high quality, new affordable homes
- Plan, encourage and develop the Waterside between Trent Bridge and Colwick Park for housing use

Revenue Budget 2015/16: Planning & Housing				
Service / Department	Net Base Budget £m	Savings £m	Reserve Adjustments £m	Net Final Budget £m
Housing Strategy	0.975	(0.500)	0.000	0.475
Housing Options	0.994	(0.004)	0.000	0.990
Adaptations & PAD Scheme	0.048	0.000	0.000	0.048
Building Control	(0.029)	(0.010)	0.000	(0.040)
Planning	0.221	(0.221)	(0.050)	(0.049)
Planning Strategy	0.408	(0.090)	0.000	0.318
NET Project	(0.022)	0.000	0.000	(0.022)
Traffic Safety & Development	0.228	0.000	0.000	0.228
Development & Growth	2.822	(0.825)	(0.050)	1.947
Quality & Commissioning	1.592	0.000	0.000	1.592
Strategy & Commissioning	1.592	0.000	0.000	1.592
Portfolio Total	4.414	(0.825)	(0.050)	3.539

Capital Programme: Planning and Housing							
PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Planning and Housing	54.612	74.200	50.183	40.174	31.945	30.489	281.603
Other Services							
Planning and Housing	2.903	2.040	2.000	1.806	1.200	1.200	11.149
Portfolio Total	57.515	76.240	52.183	41.980	33.145	31.689	292.752

MOVEMENT IN RESERVES 2016/17

Appendix A

Description	Replenishment of Reserves £m	Use of Reserves £m	Grand Total £m
To support Public Health transition	0.234		0.234
To support No Recourse to Public Funds		(0.029)	(0.029)
To fund the Housing Support (Supported Accommodation) element of the Discretionary Hardship Support Scheme		(0.170)	(0.170)
Agreed contribution as part of the Work Place Strategy		(0.070)	(0.070)
Adults and Health Total	0.234	(0.269)	(0.035)
Funding of Corporate Transformation Initiatives		(0.085)	(0.085)
Community Services Total	0.000	(0.085)	(0.085)
Contribution to replacement / upgrade of scooters to ensure continuation of the Shopmobility service	0.003		0.003
Replacement of equipment at Multi Storey Car Parks		(0.075)	(0.075)
Expenditure in respect of Nottingham Jobs Fund		(0.700)	(0.700)
Creative Quarter Loan fund		(0.045)	(0.045)
Investment in the Foresight Nottingham Fund, to support high growth businesses in Nottingham via the Nottingham Investment Fund		(0.200)	(0.200)
Bulwell Town Centre Action Plan development		(0.042)	(0.042)
Economic Development activities to support Nottingham Growth Plan		(0.260)	(0.260)
Developing Digital Infrastructure agenda		(0.048)	(0.048)
Jobs, Growth & Transport Total	0.003	(1.370)	(1.367)
Annual contribution to Lawn Tennis Association	0.008		0.008
Royal Centre capital maintenance requirement	0.070		0.070
Annual contribution to Mercury Filtration reserve	0.036		0.036
Annual Contribution to Southglade Football Pitches	0.035		0.035
Leisure & Culture Total	0.149	0.000	0.149
Carrington Street Townscape	0.050		0.050
Planning & Housing Total	0.050	0.000	0.050
Mary Potter - Reserve replenishment	0.133		0.133
Clifton Cornerstone - Reserve replenishment	0.007		0.007
Bulwell Riverside Joint Service Centre - Reserve replenishment	0.488		0.488
Repayment on borrowing		(0.669)	(0.669)
Property Capital Maintenance Work (slippage from 2015-16)		(0.358)	(0.358)
To fund Emergency Support Staffing element of the Discretionary Hardship Support Scheme Page 99		(0.137)	(0.137)

To fund the Emergency Support non Staffing element of the Discretionary Hardship Support Scheme		(0.183)	(0.183)
Resources & Neighbourhood Regeneration Total	0.628	(1.347)	(0.719)
Contribution to Building Schools for the Future PFI reserve	0.336		0.336
Contribution towards the security and repairs of former school building -Building Schools for the Future programme		(0.015)	(0.015)
Schools Total	0.336	(0.015)	0.321
Sinking Fund payment	0.017		0.017
Southglade Food Park Repairs - replenishment	0.020		0.020
Strategic Regeneration, Development & Community Sector Total	0.037	0.000	0.037
TOTAL	1.436	(3.086)	(1.650)

Adults & Health

Appendix B (i)

				REVENUE		
	Lead Department	Title of Proposal	Narrative	2016/17 £m	2017/18 £m	2018/19 £m
1	Children & Adults	Residential Care	Remove subsidy for new self-funders	(0.013)	(0.026)	(0.039)
2	Children & Adults	Day Care	Increase charge for Day Care from £12.00 to £15.00 for those who are deemed to be able to afford this in line with national charging guidance	(0.012)	(0.012)	(0.012)
3	Children & Adults	Transforming Adult Social Care Services	Integration of social care budgets with NHS budgets leading to cost efficiencies and tailored care to meet individual needs in a smarter more joined up way. This initiative is in its early stages however it is believed that exploring new ways of working together can give the best possible service to adults who need our help in the community	(3.000)	(6.000)	(9.000)
4	Children & Adults	Homecare	Use of one-off funding to support service delivery	(0.456)	0.000	0.000
5	Children & Adults	Housing Related Support Contractual Review	Review of contractual commitments	(0.140)	(0.280)	(0.280)
Page 101	Strategy & Commissioning	Housing Related Support Service Review	Review of Single Homelessness provision, this was last reviewed in 2012/13	0.000	(0.180)	(0.180)
101	Strategy & Commissioning	Housing Related Support Funding Review	Proposed realignment of the cost of Home Safety Check and Older Persons Independent Living Support Service to the Better Care Fund	(0.587)	(0.587)	(0.587)
8	Strategy & Commissioning	Service Integration	Further integration within the Strategy and Commissioning function with delivery of merged commissioning, insight and procurement functions across areas covering Crime and Drugs Partnership, Adult Services, Children's Services and Public Health	(0.462)	(0.462)	(0.462)
9	Children & Adults	Residential Care Charge For Self-Funders	Move all existing self-funders from the existing rates to full cost per week thereby ensuring all citizens who are assessed as able to fund their own residential care based on national guidance are treated equally	(0.180)	0.000	0.000
10	Strategy & Commissioning	Marketing & Communications	Remove vacant post	(0.047)	(0.047)	(0.047)
11	Strategy & Commissioning	Marketing & Communications:	Cease sending What's On Guide with the Arrow	(0.040)	(0.040)	(0.040)
12	Strategy & Commissioning	Review of Communications & Marketing Functions	A review of service support across the organisation to release efficiencies and focus limited resources on fewer priorities, making the service more effective	(0.060)	(0.060)	(0.060)
				(4.997)	(7.694)	(10.707)

Community Services

Appendix B (ii)

				REVENUE		
	Lead Department	Title of Proposal	Narrative	2016/17 £m	2017/18 £m	2018/19 £m
1	Chief Executive	Internal Recruitment	To undertake a wholesale review of internal recruitment, including the use and business benefits of "People Plus" (the Council's internal job matching system) as a recruitment tool, ensuring safeguarding practices are robust and incorporating feedback from the Council's internal staff engagement programmes	(0.014)	(0.088)	(0.088)
2	Chief Executive	Senior Management Recruitment	To cease the delivery of support to internal senior management recruitment	(0.014)	(0.028)	(0.028)
3	Chief Executive	GEM Awards	To increase external sponsorship and reduce internal recharge costs for the Council's "Going the Extra Mile" awards	(0.020)	(0.020)	(0.020)
4	Chief Executive	Corporate Development	Delete one FTE Training Facilitator Post and reduce the corporate training budget by a further £15k	(0.049)	(0.049)	(0.049)
Page 102	Commercial & Operations	Commercial Waste & Skips	Business Plan Delivery - Income Growth	(0.254)	(0.254)	(0.254)
	Commercial & Operations	Grounds Maintenance	Business Plan Delivery - Income Growth	(0.041)	(0.041)	(0.041)
	Commercial & Operations	Building Cleaning	Business Plan Delivery - Income Growth	(0.189)	(0.189)	(0.189)
8	Commercial & Operations	Commercial Catering	Business Plan Delivery - Income Growth	(0.657)	(0.657)	(0.657)
9	Commercial & Operations	Community Protection Infrastructure	Removal of Business Manager Post	(0.054)	(0.054)	(0.054)
10	Commercial & Operations	Community Protection – Security Costs	Centralise security budgets and review delivery arrangements, using existing Council resources where appropriate	(0.086)	(0.086)	(0.086)
11	Commercial & Operations	Community Protection	Efficiencies released from a review of Environmental Health & Trading Standards service	(0.250)	(0.250)	(0.250)
12	Strategy & Commissioning	Realignment of services	Review of Crime and Drugs Partnership, Emergency Planning and Community Protection to deliver efficiencies. Deletion of vacant Crime and Drugs Director post	(0.047)	(0.047)	(0.047)
				(1.676)	(1.764)	(1.764)

Early Intervention & Early Years

Appendix B (iii)

				REVENUE		
	Lead Department	Title of Proposal	Narrative	2016/17 £m	2017/18 £m	2018/19 £m
1	Children & Adults	Special Needs Team	Utilise Department for Education Grants to ensure this High Needs provision aligns to the requirements of the Children and Families Act	(0.288)	(0.288)	(0.288)
2	Children & Adults	Education Partnerships	Reduction of the non-pay funding available within the Inclusions & Disability budget	(0.030)	(0.030)	(0.030)
3	Children & Adults	Short Breaks & Statutory Assessments	Realignment of budgets to demand	(0.218)	(0.218)	(0.218)
4	Children & Adults	Innovation & Change	Reduction of the non-pay funding available within the Innovation and Change budget used to support service transformation and redesign	(0.034)	(0.034)	(0.034)
5	Children & Adults	Demographic Pressure	Successful interventions delivered through the Children's transformation programme (Big Ticket) to prevent admissions into care and to reduce the cost of care placements means that the demographic pressure for 2016/17 is not required	(1.692)	0.000	0.000
Page 103	Children & Adults	Children's Transformation Programme (Big Ticket)	Acceleration of 2017/18 Children's transformation programme (Big Ticket) assumptions into 2016/17 aiming to reduce costs associated with Children's Social Care by: <ul style="list-style-type: none"> Increasing cost effective in house provisions; Effective procurement of external provisions; Re-abling families; Working with key partners to fund complex needs; Increasing Early Intervention support 	(0.300)	0.000	0.000
7	Children & Adults	Fostering & Adoption	Review of the assessment contract	(0.020)	(0.020)	(0.020)
8	Children & Adults	Voluntary Sector Grants	Reduction in grant to align with 12% funding reduction in 2016/17 but with the full effect not being implemented until 2018/19	(0.010)	(0.020)	(0.030)
9	Children & Adults	Youth & Play	Savings generated by selling under-utilised space within our Play and Youth sites to partner organisations to generate income or reducing the running costs of existing sites	(0.030)	(0.030)	(0.030)
10	Children & Adults	Youth & Play	Vacancy management	(0.050)	(0.050)	(0.050)
11	Children & Adults	Under 5s Services	Release of efficiencies through a review of the 0-5 year old service	(0.088)	(0.088)	(0.088)

12	Children & Adults	Youth Offending Team	<p>Reductions in the Youth Offending Team service. This saving is in addition to:</p> <ol style="list-style-type: none"> 1. The reductions required to mitigate a reduction in the Youth Justice Board (YJB) grant in 2015/16+ of £98k. and 2. Any further reduction of the YJB in 2016/17+ not yet confirmed 	(0.100)	(0.100)	(0.100)
13	Children & Adults	Virtual School Service	Retention of Pupil Premium in relation to Looked After Pupils in external residential education placements	(0.060)	(0.060)	(0.060)
14	Children & Adults	Mitigation of the reduction in the Education Services Grant (ESG)	<p>The ESG allocation is based on the following criteria:</p> <ol style="list-style-type: none"> 1. That Local Authorities statutory duties, for all pupils, is funded at £15 per pupil and 2. For other duties the LA is funded on an individual pupil rate denoted by the type of mainstream maintained School they are enrolled at. <p>As School academise criteria 2 above will be reduced. Over the past 2 years this value has reduced by £1.520m with mitigating proposals of £0.288m incorporated into this budget process.</p> <p>This grant will continue to reduce as more schools academies.</p>	0.000	0.288	0.288
				(2.920)	(0.650)	(0.660)

Energy & Sustainability

Appendix B (iv)

				REVENUE		
	Lead Department	Title of Proposal	Narrative	2016/17 £m	2017/18 £m	2018/19 £m
1	Commercial & Operations	Energy Development Fund	Reduction in Energy Development Fund	(0.352)	(0.352)	(0.352)
2	Commercial & Operations	Energy Savings	Reduction in energy budgets through centralisation as from 01 April 2016 and re-procurement of the Council's Energy Contracts	(0.200)	(0.200)	(0.200)
				(0.552)	(0.552)	(0.552)

Jobs, Growth & Transport

Appendix B (v)

				REVENUE		
	Lead Department	Title of Proposal	Narrative	2016/17 £m	2017/18 £m	2018/19 £m
1	Commercial & Operations	Car Parks	Business Plan Delivery - Income Growth	(0.104)	(0.104)	(0.104)
2	Commercial & Operations	Fleet Services	Business Plan Delivery - Income Growth	(0.200)	(0.200)	(0.200)
3	Commercial & Operations	Highway Operations, Delivery and Infrastructure Asset Management	Business Plan Delivery - Income Growth & Insourcing	(0.300)	(0.300)	(0.300)
4	Development & Growth	Street Lighting - Fee Income	Income generation will take the form of either developer work or handling fees on capital works that fall outside the contract or through being a chargeable resource within the wider Major Projects Directorate	(0.025)	(0.025)	(0.025)
5	Development & Growth	Street Lighting - Electricity	Savings on electricity costs	(0.047)	(0.047)	(0.047)
6	Development & Growth	Street Lighting - Efficiencies	Savings on specialist intervention fees on Private Finance Initiative (PFI) contract to reflect the more mature contract stage.	(0.036)	(0.036)	(0.036)
7	Development & Growth	Street Lighting - Dimming	Consistent application of lighting levels mirroring what we already do on main roads in residential areas	(0.040)	(0.040)	(0.040)
8	Development & Growth	Transport Strategy	Capitalisation of project management costs	(0.071)	(0.071)	(0.071)
9	Development & Growth	Transport Strategy	Reduction of non-pay budgets	(0.002)	(0.002)	(0.002)
10	Development & Growth	Traffic & Safety	Reduction in consultants and appointment of more internal staff	(0.257)	(0.257)	(0.257)
11	Development & Growth	Traffic & Safety	Increased fee income for a range of permits and licences	(0.045)	(0.045)	(0.045)
12	Development & Growth	Traffic & Safety	Increased commercial development to increase income e.g. Highways Act 1980 Section 278, Design and Build	(0.025)	(0.025)	(0.025)
13	Development & Growth	Traffic & Safety	Cost reductions - permit scheme	(0.095)	(0.095)	(0.095)
14	Development & Growth	Traffic & Safety	Cost reductions - Traffic Control Centre. As part of a structured change in communications technology significant operational savings have been identified	(0.045)	(0.045)	(0.045)
15	Development & Growth	Traffic & Safety	Extended Highway inspections to cover increasing amounts of work undertaken by statutory utilities over the weekend and in particular on Sundays	(0.015)	(0.015)	(0.015)

16	Development & Growth	Traffic & Safety	Schools education - growing BTEC training in schools	(0.008)	(0.008)	(0.008)
17	Development & Growth	Public Transport	Further commercialisation of public transport functions including <ul style="list-style-type: none"> greater use of the Linkbus fleet to generate income from contract work with outside agencies including the Health Service, Universities and neighbouring Councils. greater use of existing specialist staff to take on external consultancy work on behalf of other councils and transport operators. re-tendering and rationalisation of various contracts to get better value 	(0.140)	(0.140)	(0.140)
18	Development & Growth	Public Transport	Removal of Park and Ride from concessionary fares scheme for non-City residents. It is proposed that a £3 per car all day charge is applied to the two bus park and ride sites for non-city residents only	(0.060)	(0.060)	(0.060)
19	Development & Growth	Nottingham Futures	Reduction in grant funding, subject to successful European Structural and Investment Funds (ESIF) Bid which will enable service to be maintained and enhanced	(0.205)	(0.205)	(0.205)
20	Development & Growth	Economic Development	Reduction in non-pay budgets - overhead cost savings	(0.006)	(0.006)	(0.006)
21	Development & Growth	Economic Development	Sponsorship income - including for Jobs Fair and related events	(0.025)	(0.025)	(0.025)
				(1.751)	(1.751)	(1.751)

Leisure & Culture

Appendix B (vi)

				REVENUE		
	Lead Department	Title of Proposal	Narrative	2016/17 £m	2017/18 £m	2018/19 £m
1	Commercial & Operations	Sport & Leisure	Review of fees, charges and operational management facilities	(0.178)	(0.178)	(0.178)
2	Commercial & Operations	Royal Centre	Additional income	(0.176)	(0.176)	(0.176)
3	Commercial & Operations	Museums, Heritage Sites & Events	New commercial activities and growth	(0.045)	(0.045)	(0.045)
4	Commercial & Operations	Cultural Grants	Reduction in support to external city groups	(0.040)	(0.040)	(0.040)
5	Commercial & Operations	Parks & Open Spaces	Review of fees, charges and operational management	(0.174)	(0.174)	(0.174)
Page 108	Commercial & Operations	Libraries	New catering income	(0.010)	(0.010)	(0.010)
				(0.623)	(0.623)	(0.623)

Planning & Housing

Appendix B (vii)

				REVENUE		
	Lead Department	Title of Proposal	Narrative	2016/17 £m	2017/18 £m	2018/19 £m
1	Development & Growth	Planning Strategy	Moving towards providing a shared service with other clients and income diversification fully from 2 years' time, utilising reserves to enable savings in transition	(0.050)	(0.050)	(0.050)
2	Development & Growth	Planning Strategy	Acceleration of previously agreed strategic saving from 2017/18	(0.040)	0.000	0.000
3	Development & Growth	Planning Strategy	Short term savings on plan preparation costs beginning in 2018/19, which is proposed to be met from the Local Plan Reserve	0.000	0.000	(0.030)
4	Development & Growth	Housing Aid	Savings on non-pay consumables budget	(0.004)	(0.004)	(0.004)
5	Development & Growth	Development Management	Capitalisation of Nottingham Regeneration Ltd (NRL) support. NRL is paid an annual grant from the Development Management Service budget. It is proposed to reduce this direct payment by 50% in 2016/17 and 100% from 2017/18 and adopt fully a fees based approach	(0.039)	(0.078)	(0.078)
Page 109	Development & Growth	Development Management	A range of saving proposals from reductions in establishment and non-staffing costs to additional income in the Searches Team, Building Control Team, Heritage and Urban Design Team and Area Planning Teams. Some increases in fees and charges for design work	(0.192)	(0.192)	(0.192)
7	Development & Growth	Housing Strategy	Review of options and Housing Revenue Account considerations	(0.500)	(0.500)	(0.500)
8	Corporate	Nottingham City Homes Big Ticket	Review of efficiencies plus income generation activity	(1.000)	(1.000)	(1.000)
				(1.825)	(1.824)	(1.854)

Resources & Neighbourhood Regeneration

Appendix B (viii)

				REVENUE		
	Lead Department	Title of Proposal	Narrative	2016/17 £m	2017/18 £m	2018/19 £m
1	Development & Growth	Joint Service Centres	Efficiency savings from running costs	(0.088)	(0.088)	(0.088)
2	Corporate	New Homes Bonus	Reduced allocation for development of regeneration schemes	(0.500)	(0.500)	(0.500)
3	Resilience	Business Support	Removal of centralised management structure - operational staff to be reintegrated into services	(0.300)	(0.300)	(0.300)
4	Resilience	Income Generation - Finance	Commercial approach to financial services - increasing buy back from schools, partnership income, grant maximisation and investment decisions	(0.080)	(0.080)	(0.080)
5	Corporate	Treasury Management	Review Minimum Revenue Provision (MRP) policy – re-profile repayment of debt to more accurately reflect the use of assets	(3.601)	(3.250)	(2.908)
6	Resilience	Income Generation - Legal	Commercial approach to legal services - increasing buy back from schools, partnership income, grant maximisation and investment decisions	(0.050)	(0.050)	(0.050)
7	Resilience	IT Redesign	Contract savings from Wide Area Network (WAN) and Mobile Telephony	(0.087)	(0.087)	(0.087)
8	Resilience	Democratic Services Review	A review will be undertaken of Democratic Services with a view to reducing the number of supported meetings	(0.050)	(0.050)	(0.050)
9	Strategy & Commissioning	Executive & Majority Support Service Review	Delivery of efficiencies through the review service provision within Executive & Majority Support	(0.048)	(0.048)	(0.048)
10	Resilience	IT	Review of mobile phone budgets and IT training activity	(0.060)	(0.060)	(0.060)
				(4.864)	(4.513)	(4.171)

Schools

Appendix B (ix)

				REVENUE		
	Lead Department	Title of Proposal	Narrative	2016/17 £m	2017/18 £m	2018/19 £m
1	Children & Adults	Transport Services	Rerouting & insourcing transport options and supporting pupils to use Public Transport	(0.270)	(0.270)	(0.270)
2	Children & Adults	Education Services Nottingham (ESN)	Increase income from co-ordinated sales and billing of Cross-Council services to Schools and Academies	(0.050)	(0.050)	(0.050)
3	Children & Adults	Technical Services & Digital Media	Increased income generation by reviewing the pricing modelling and implementing differential charging for equipment hire to City Schools, Academies, Out of City schools and private group/professional hirers	(0.035)	(0.035)	(0.035)
4	Children & Adults	College Street Centre	Increase in external income	(0.040)	(0.040)	(0.040)
5	Children & Adults	Adventure Team	Review of provision on expenditure and increasing income	(0.010)	(0.010)	(0.010)
6	Children & Adults	Environmental & Outdoor Education	Increase in external income	(0.017)	(0.017)	(0.017)
Page 111	Children & Adults	Languages & International Dimension	Increase in external income through discussions on shared services	(0.006)	(0.006)	(0.006)
8	Children & Adults	Nottingham Community Wardrobe Service	Increasing income from hire of costumes to schools, community, amateur and professional groups across Midlands and South Yorks	(0.006)	(0.006)	(0.006)
9	Children & Adults	School Clothing	Realignment of the school clothing budget	(0.055)	(0.055)	(0.055)
10	Children & Adults	School Improvement	Reclaim project management costs for school organisation team from Basic Need Grant as an allowable expense against the overall cost of programmes	(0.080)	(0.080)	(0.080)
11	Children & Adults	Education Partnership funding review	Increase income budgets to support the funding streams to support Education Partnership services	(0.137)	(0.137)	(0.137)
12	Children & Adults	Mitigation of the reduction in the Education Services Grant (ESG)	<p>The ESG allocation is based on the following criteria:</p> <ol style="list-style-type: none"> 1. That Local Authorities statutory duties, for all pupils, is funded at £15 per pupil and 2. For other duties the LA is funded on an individual pupil rate denoted by the type of mainstream maintained school they are enrolled at. <p>As School academise criteria 2 above will be reduced. Over the past 2 years this value has reduced by £1.520m with mitigating proposals of £0.459m incorporated into this budget process.</p> <p>This grant will continue to reduce as more schools academise.</p>	0.459	0.459	0.459

13	Children & Adults	Review of Inclusive Education Service	To restructure and integrate the Inclusive Educational Services, Children Educational Psychologists and Behaviour Support Team (BST) services whilst ensuring statutory duties and core priorities are maintained. To further develop traded services via an invest to save model focusing on income generation across Special Educational Needs (SEN) support services	(0.060)	(0.060)	(0.060)
14	Development & Growth	Building Schools for the Future (BSF) Project & Programme Management	Reduction in core BSF development work now that the programme is fully mature	(0.195)	(0.245)	(0.245)
15	Children & Adults	Education Welfare	Reduction of 2.5 vacant Education Welfare Officer posts	(0.116)	(0.116)	(0.116)
				(0.618)	(0.668)	(0.668)

Strategic Regeneration, Development & Community Sector

Appendix B (x)

			REVENUE		
Lead Department	Title of Proposal	Narrative	2016/17 £m	2017/18 £m	2018/19 £m
	No savings				
			0.000	0.000	0.000

APPENDIX C.1

MTFO 2016/17 BY PORTFOLIO									
PORTFOLIO	2015/16 BUDGET £m	CORP ADJUST £m	INFLATION £m	MTFP DECISIONS £m	PRESSURES £m	2016/17 BASE BUDGET £m	PORTFOLIO SAVINGS £m	CORP SAVING £m	2016/17 FINAL BUDGET £m
Adults & Health	91.569	(1.950)	1.519	2.942	1.531	95.610	(5.017)	0.000	90.593
Community Services	23.416	0.176	0.922	(0.521)	0.000	23.993	(1.676)	0.000	22.317
Early Intervention & Early Years	51.397	2.548	0.951	0.990	1.694	57.579	(2.900)	0.000	54.679
Energy & Sustainability	6.091	(0.089)	0.873	(0.466)	0.000	6.410	(0.552)	0.000	5.858
Jobs, Growth & Transport	12.457	0.746	1.303	(1.940)	0.950	13.516	(1.751)	0.000	11.765
Leisure & Culture	14.335	(0.507)	0.310	(0.349)	0.000	13.788	(0.623)	0.000	13.165
Planning & Housing	3.399	0.940	0.112	(0.086)	0.000	4.364	(0.825)	0.000	3.539
Resources & Neighbourhood Regeneration	24.168	(4.474)	0.839	(1.507)	0.150	19.175	(0.633)	0.000	18.542
Schools	1.613	(0.366)	0.168	(0.029)	0.000	1.387	(0.618)	0.000	0.769
Strategic Regeneration, Development & Community Sector	(5.542)	(0.078)	0.533	1.084	0.000	(4.003)	0.000	0.000	(4.003)
Corporate									
Planned Maintenance	3.986	0.358	0.038	0.000	0.000	4.382	0.000	0.000	4.382
Corporate / Cross-cutting Savings	(6.250)	5.764	0.125	(0.691)	0.000	(1.052)	0.000	0.000	(1.052)
Contingencies	2.000	0.000	0.448	0.000	0.000	2.448	0.000	0.000	2.448
Nottingham Express Transit	(17.991)	(0.142)	0.000	0.150	0.000	(17.983)	0.000	0.000	(17.983)
Flood Defence Levy	0.090	0.000	0.000	0.000	0.000	0.090	0.000	0.000	0.090
Reserves - Budgeted	5.503	(5.542)	0.000	(3.678)	0.000	(3.717)	0.000	(1.000)	(4.717)
New Homes Bonus	(4.730)	0.000	0.000	(0.699)	0.000	(5.429)	0.000	0.000	(5.429)
Econ Dev Investment	2.470	(0.281)	0.000	(0.082)	0.000	2.107	(0.500)	0.000	1.607
Returned NHB Top-slice	(0.281)	0.080	0.000	0.000	0.000	(0.201)	0.000	0.000	(0.201)
100% Retained Business Rates	0.194	(0.023)	0.000	0.000	0.000	0.172	0.000	0.000	0.172
Section 31 Grants	(2.978)	0.523	0.000	0.000	0.000	(2.455)	0.000	0.000	(2.455)
Pension Deficit	6.830	0.272	0.000	0.000	0.000	7.102	0.000	0.000	7.102

APPENDIX C.1

MTFO 2016/17 BY PORTFOLIO (continued)									
PORTFOLIO	2015/16 BUDGET £m	CORP ADJUST £m	INFLATION £m	MTFP DECISIONS £m	PRESSURES £m	2016/17 BASE BUDGET £m	PORTFOLIO SAVINGS £m	CORP SAVING £m	2016/17 FINAL BUDGET £m
Corporate (continued)									
Nottingham City Homes	(3.500)	0.000	0.000	0.000	0.000	(3.500)	(1.000)	0.000	(4.500)
NCT Dividend	(0.500)	0.000	0.000	0.000	0.000	(0.500)	0.000	0.000	(0.500)
Ice Centre	0.280	0.000	0.003	0.000	0.000	0.283	0.000	0.000	0.283
Treasury Management	47.238	1.410	0.000	0.290	0.000	48.938	(3.731)	0.000	45.207
IT Development Fund	3.275	0.000	0.000	0.000	0.000	3.275	0.000	0.000	3.275
Housing Benefit Payments	0.275	0.000	0.000	0.000	0.000	0.275	0.000	0.000	0.275
Enviroenergy	(1.348)	(0.001)	0.000	0.000	0.000	(1.349)	0.000	0.000	(1.349)
CEX Corporate Proposals	(1.650)	0.000	0.000	1.650	0.000	0.000	0.000	0.000	0.000
Future Savings	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	255.814	(0.637)	8.143	(2.942)	4.325	264.703	(19.826)	(1.000)	243.878
						Retained BR, Top-up & RSG		(148.201)	
						Collection Fund Surplus		(1.465)	
						Council Tax Requirement		94.212	
						Taxbase		62,091	
						Band D Council Tax		£1,517.32	
						Increase		3.95%	

APPENDIX C.2

MTFO 2017/18 BY PORTFOLIO									
PORTFOLIO	2016/17 BUDGET	CORP ADJUST	INFLATION	MTFP DECISIONS	PRESSURES	2017/18 BASE BUDGET	PORTFOLIO SAVINGS	CORP SAVING	2017/18 FINAL BUDGET
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Adults & Health	90.593	(0.035)	1.252	2.927	4.636	99.373	(2.697)	0.000	96.676
Community Services	22.317	(0.085)	0.693	(0.025)	0.000	22.900	(0.088)	0.000	22.813
Early Intervention & Early Years	54.679	0.000	0.699	(1.766)	1.079	54.692	2.270	0.000	56.962
Energy & Sustainability	5.858	0.000	0.223	0.000	0.000	6.081	0.000	0.000	6.081
Jobs, Growth & Transport	11.765	(1.615)	1.186	(0.801)	0.000	10.535	0.000	0.000	10.535
Leisure & Culture	13.165	0.149	0.504	0.000	0.000	13.818	0.000	0.000	13.818
Planning & Housing	3.539	0.050	0.071	(0.213)	0.000	3.448	0.001	0.000	3.449
Resources & Neighbourhood Regeneration	18.542	(0.361)	0.359	(0.292)	0.000	18.249	0.000	0.000	18.249
Schools	0.769	0.321	0.086	(0.347)	0.000	0.829	(0.050)	0.000	0.779
Strategic Regeneration, Development & Community Sector	(4.003)	0.037	0.150	(2.050)	0.000	(5.866)	0.000	0.000	(5.866)
<u>Corporate</u>									
Planned Maintenance	4.382	(0.358)	0.042	0.000	0.000	4.066	0.000	0.000	4.066
Corporate / Cross-cutting Savings	(1.052)	0.000	(0.007)	(0.038)	0.000	(1.097)	0.000	0.000	(1.097)
Contingencies	2.448	0.000	(0.133)	0.000	0.000	2.315	0.000	0.000	2.315
Nottingham Express Transit	(17.983)	0.070	0.000	0.000	0.000	(17.913)	0.000	0.000	(17.913)
Flood Defence Levy	0.090	0.000	0.000	0.000	0.000	0.090	0.000	0.000	0.090
Reserves - Budgeted	(4.717)	2.528	0.000	0.762	0.000	(1.427)	0.000	1.000	(0.427)
New Homes Bonus	(5.429)	0.000	0.000	2.857	0.000	(2.572)	0.000	0.000	(2.572)
Econ Dev Investment	1.607	0.000	0.000	0.257	0.000	1.864	0.000	0.000	1.864
Returned NHB Top-slice	(0.201)	0.201	0.000	0.000	0.000	0.000	0.000	0.000	0.000
100% Retained Business Rates	0.172	0.002	0.000	0.000	0.000	0.174	0.000	0.000	0.174
Section 31 Grants	(2.455)	(0.048)	0.000	0.000	0.000	(2.504)	0.000	0.000	(2.504)
Pension Deficit	7.102	0.150	0.000	0.000	0.000	7.252	0.000	0.000	7.252

APPENDIX C.2

MTFO 2017/18 BY PORTFOLIO (continued)									
PORTFOLIO	2016/17 BUDGET £m	CORP ADJUST £m	INFLATION £m	MTFP DECISIONS £m	PRESSURES £m	2017/18 BASE BUDGET £m	PORTFOLIO SAVINGS £m	CORP SAVING £m	2017/18 FINAL BUDGET £m
<u>Corporate (continued)</u>									
Nottingham City Homes	(4.500)	0.000	0.000	(0.500)	0.000	(5.000)	0.000	0.000	(5.000)
NCT Dividend	(0.500)	0.000	0.000	0.000	0.000	(0.500)	0.000	0.000	(0.500)
Ice Centre	0.283	0.000	0.000	0.000	0.000	0.283	0.000	0.000	0.283
Treasury Management	45.207	0.770	0.000	0.050	0.000	46.027	0.351	0.000	46.378
IT Development Fund	3.275	0.000	0.000	0.000	0.000	3.275	0.000	0.000	3.275
Housing Benefit Payments	0.275	0.000	0.000	0.000	0.000	0.275	0.000	0.000	0.275
Enviroenergy	(1.349)	0.000	0.000	0.000	0.000	(1.349)	0.000	0.000	(1.349)
CEX Corporate Proposals	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Future Savings	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(23.347)	(23.347)
TOTAL	243.878	1.775	5.128	0.821	5.715	257.317	(0.213)	(22.347)	234.757
						Retained BR, Top-up & RSG			(136.063)
						Collection Fund Surplus			0.000
						Council Tax Requirement			98.694
						Taxbase			62,573
						Assumed Band D Council Tax			£1,577.26
						Increase			3.95%

£m 17

APPENDIX C.3

MTFO 2018/19 BY PORTFOLIO									
PORTFOLIO	2017/18 BUDGET	CORP ADJUST	INFLATION	MTFP DECISIONS	PRESSURES	2018/19 BASE BUDGET	PORTFOLIO SAVINGS	CORP SAVING	2018/19 FINAL BUDGET
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Adults & Health	96.676	0.000	1.399	0.000	4.534	102.610	(3.013)	0.000	99.597
Community Services	22.813	0.000	0.709	0.000	0.000	23.522	0.000	0.000	23.522
Early Intervention & Early Years	56.962	0.000	0.744	0.000	1.113	58.818	(0.010)	0.000	58.808
Energy & Sustainability	6.081	0.000	0.232	0.000	0.000	6.313	0.000	0.000	6.313
Jobs, Growth & Transport	10.535	(0.274)	1.215	0.000	0.000	11.476	0.000	0.000	11.476
Leisure & Culture	13.818	0.000	0.538	0.000	0.000	14.357	0.000	0.000	14.357
Planning & Housing	3.449	0.000	0.072	0.000	0.000	3.521	(0.030)	0.000	3.491
Resources & Neighbourhood Regeneration	18.249	0.000	0.371	0.000	0.000	18.620	0.000	0.000	18.620
Schools	0.779	0.000	0.086	0.000	0.000	0.865	0.000	0.000	0.865
Strategic Regeneration, Development & Community Sector	(5.866)	0.000	0.165	(2.025)	0.000	(7.726)	0.000	0.000	(7.726)
Corporate									
Planned Maintenance	4.066	0.000	0.047	0.000	0.000	4.113	0.000	0.000	4.113
Corporate / Cross-cutting Savings	(1.097)	0.000	(0.007)	0.000	0.000	(1.104)	0.000	0.000	(1.104)
Contingencies	2.315	0.000	(0.010)	0.000	0.000	2.304	0.000	0.000	2.304
Nottingham Express Transit	(17.913)	0.069	0.000	0.000	0.000	(17.844)	0.000	0.000	(17.844)
Flood Defence Levy	0.090	0.000	0.000	0.000	0.000	0.090	0.000	0.000	0.090
Reserves - Budgeted	(0.427)	1.158	0.000	2.438	0.000	3.168	0.000	0.000	3.168
New Homes Bonus	(2.572)	0.000	0.000	0.667	0.000	(1.905)	0.000	0.000	(1.905)
Econ Dev Investment	1.864	0.000	0.000	(1.864)	0.000	0.000	0.000	0.000	0.000
Returned NHB Top-slice	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
100% Retained Business Rates	0.174	0.003	0.000	0.000	0.000	0.177	0.000	0.000	0.177
Section 31 Grants	(2.504)	(0.074)	0.000	0.000	0.000	(2.578)	0.000	0.000	(2.578)
Pension Deficit	7.252	0.100	0.000	0.000	0.000	7.352	0.000	0.000	7.352

APPENDIX C.3

MTFO 2018/19 BY PORTFOLIO (continued)									
PORTFOLIO	2017/18 BUDGET	CORP ADJUST	INFLATION	MTFP DECISIONS	PRESSURES	2018/19 BASE BUDGET	PORTFOLIO SAVINGS	CORP SAVING	2018/19 FINAL BUDGET
	£m	£m	£m	£m	£m	£m	£m	£m	£m
<u>Corporate (continued)</u>									
Nottingham City Homes	(5.000)	0.000	0.000	0.000	0.000	(5.000)	0.000	0.000	(5.000)
NCT Dividend	(0.500)	0.000	0.000	0.000	0.000	(0.500)	0.000	0.000	(0.500)
Ice Centre	0.283	0.000	0.000	0.000	0.000	0.283	0.000	0.000	0.283
Treasury Management	46.378	(0.016)	0.000	0.000	0.000	46.362	0.342	0.000	46.704
IT Development Fund	3.275	0.000	0.000	0.000	0.000	3.275	0.000	0.000	3.275
Housing Benefit Payments	0.275	0.000	0.000	0.000	0.000	0.275	0.000	0.000	0.275
Enviroenergy	(1.349)	0.000	0.000	0.000	0.000	(1.349)	0.000	0.000	(1.349)
CEX Corporate Proposals	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Future Savings	(23.347)	0.000	(0.268)	0.000	0.000	(23.615)	0.000	(10.524)	(34.139)
TOTAL	234.757	0.966	5.293	(0.784)	5.647	245.879	(2.711)	(10.524)	232.644
						Retained BR, Top-up & RSG			(129.261)
						Collection Fund Surplus			0.000
						Council Tax Requirement			103.383
						Taxbase			63,055
						Assumed Band D Council Tax			£1,639.57
						Increase			3.95%

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APPENDIX C.4

MTFO 2019/20 BY PORTFOLIO									
PORTFOLIO	2018/19 BUDGET	CORP ADJUST	INFLATION	MTFP DECISIONS	PRESSURES	2019/20 BASE BUDGET	PORTFOLIO SAVINGS	CORP SAVING	2019/20 FINAL BUDGET
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Adults & Health	99.597	0.000	1.544	0.000	2.774	103.915	0.000	0.000	103.915
Community Services	23.522	0.000	0.662	0.000	0.000	24.184	0.000	0.000	24.184
Early Intervention & Early Years	58.808	0.000	0.745	0.000	0.000	59.553	0.000	0.000	59.553
Energy & Sustainability	6.313	0.000	0.240	0.000	0.000	6.553	0.000	0.000	6.553
Jobs, Growth & Transport	11.476	(0.276)	1.237	0.000	0.000	12.437	0.000	0.000	12.437
Leisure & Culture	14.357	0.000	0.540	0.000	0.000	14.897	0.000	0.000	14.897
Planning & Housing	3.491	0.000	0.069	0.000	0.000	3.560	0.000	0.000	3.560
Resources & Neighbourhood Regeneration	18.620	0.000	0.348	0.200	0.000	19.168	0.000	0.000	19.168
Schools	0.865	0.000	0.072	0.000	0.000	0.938	0.000	0.000	0.938
Strategic Regeneration, Development & Community Sector	(7.726)	0.000	0.154	(1.178)	0.000	(8.750)	0.000	0.000	(8.750)
<u>Corporate</u>									
Planned Maintenance	4.113	0.000	0.056	0.000	0.000	4.168	0.000	0.000	4.168
Corporate / Cross-cutting Savings	(1.104)	0.000	(0.007)	0.000	0.000	(1.111)	0.000	0.000	(1.111)
Contingencies	2.304	0.000	0.061	0.000	0.000	2.365	0.000	0.000	2.365
Nottingham Express Transit	(17.844)	0.024	0.000	0.000	0.000	(17.820)	0.000	0.000	(17.820)
Flood Defence Levy	0.090	0.000	0.000	0.000	0.000	0.090	0.000	0.000	0.090
Reserves - Budgeted	3.168	(2.184)	0.000	0.978	0.000	1.963	0.000	0.000	1.963
New Homes Bonus	(1.905)	0.000	0.000	0.216	0.000	(1.689)	0.000	0.000	(1.689)
Econ Dev Investment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Returned NHB Top-slice	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
100% Retained Business Rates	0.177	0.004	0.000	0.000	0.000	0.181	0.000	0.000	0.181
Section 31 Grants	(2.578)	(0.082)	0.000	0.000	0.000	(2.660)	0.000	0.000	(2.660)
Pension Deficit	7.352	0.000	0.000	0.000	0.000	7.352	0.000	0.000	7.352

APPENDIX C.4

MTFO 2019/20 BY PORTFOLIO (continued)									
PORTFOLIO	2018/19 BUDGET	CORP ADJUST	INFLATION	MTFP DECISIONS	PRESSURES	2019/20 BASE BUDGET	PORTFOLIO SAVINGS	CORP SAVING	2019/20 FINAL BUDGET
	£m	£m	£m	£m	£m	£m	£m	£m	£m
<u>Corporate (continued)</u>									
Nottingham City Homes	(5.000)	0.000	0.000	0.000	0.000	(5.000)	0.000	0.000	(5.000)
NCT Dividend	(0.500)	0.000	0.000	0.000	0.000	(0.500)	0.000	0.000	(0.500)
Ice Centre	0.283	0.000	0.000	0.000	0.000	0.283	0.000	0.000	0.283
Treasury Management	46.704	0.000	0.000	0.000	0.000	46.704	0.000	0.000	46.704
IT Development Fund	3.275	0.000	0.000	0.000	0.000	3.275	0.000	0.000	3.275
Housing Benefit Payments	0.275	0.000	0.000	0.000	0.000	0.275	0.000	0.000	0.275
Enviroenergy	(1.349)	0.000	0.000	0.000	0.000	(1.349)	0.000	0.000	(1.349)
CEX Corporate Proposals	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Future Savings	(34.139)	0.000	(0.461)	0.000	0.000	(34.600)	0.000	(7.466)	(42.066)
TOTAL	232.644	(2.515)	5.259	0.216	2.774	238.379	0.000	(7.466)	230.913
						Retained BR, Top-up & RSG			(122.625)
						Collection Fund Surplus			0.000
						Council Tax Requirement			108.288
						Taxbase			63,537
						Assumed Band D Council Tax			£1,704.33
						Increase			3.95%

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MTFP 2016/17									
GENERAL FUND PORTFOLIO BUDGETS BY SUBJECTIVE HEADS									
PORTFOLIO	Employees (£m)	Premises (£m)	Transport (£m)	Supplies and Services (£m)	Third Party Payments (£m)	Transfer Payments (£m)	Support Services (£m)	Financing / Technical (£m)	Total External Expenditure (£m)
Children & Adults	25.392	0.923	2.477	21.240	85.996	10.075	0.682		146.785
Commercial and Operations	0.270	0.389	0.020	0.326				0.003	1.009
Strategy & Commissioning	4.133	0.001	0.016	1.660	0.587	7.688			14.085
Adults & Health	29.796	1.313	2.512	23.226	86.583	17.763	0.682	0.003	161.878
Chief Executive	3.812	0.014	0.006	1.420	0.015		0.001		5.268
Commercial and Operations	32.211	1.912	0.255	11.105			(0.012)	0.051	45.522
Strategy & Commissioning	0.420	0.079	0.001	13.126					13.626
Community Services	36.442	2.005	0.263	25.651	0.015	0.000	(0.011)	0.051	64.415
Children & Adults	35.353	1.661	0.670	2.709	31.474	0.422	0.336		72.624
Strategy & Commissioning	0.129		0.001	0.026					0.155
Early Intervention & Early Years	35.482	1.661	0.670	2.734	31.474	0.422	0.336	0.000	72.780
Chief Executive	0.232			0.060					0.292
Commercial and Operations	0.477	(0.190)	0.003	7.307					7.596
Energy & Sustainability	0.709	(0.190)	0.003	7.367	0.000	0.000	0.000	0.000	7.888
Commercial and Operations	7.489	1.052	0.196	11.721			0.050	0.517	21.024
Development & Growth	3.656	2.234	0.072	13.346	15.182			(0.001)	34.488
Strategy & Commissioning	0.509		0.002	0.032					0.543
Jobs, Growth & Transport	11.654	3.286	0.269	25.099	15.182	0.000	0.050	0.515	56.055
Commercial and Operations	18.598	6.161	0.448	15.767	0.362	0.129	(0.208)	0.218	41.476
Development & Growth	0.000	0.004		0.248					0.252
Leisure & Culture	18.599	6.166	0.448	16.014	0.362	0.129	(0.208)	0.218	41.728

MTFP 2016/17							
GENERAL FUND PORTFOLIO BUDGETS BY SUBJECTIVE HEADS							
PORTFOLIO	Government Grants (£m)	Other Grants Reimbursements & Contributions (£m)	Customer & Client Receipts (£m)	Interest (£m)	Recharges (£m)	Total External Income (£m)	Net External Expenditure (£m)
Children & Adults	(1.199)	(50.078)	(16.089)			(67.366)	79.418
Commercial and Operations						0.000	1.009
Strategy & Commissioning	(0.210)	(2.782)	(0.921)		(0.005)	(3.919)	10.166
Adults & Health	(1.409)	(52.860)	(17.011)	0.000	(0.005)	(71.285)	90.593
Chief Executive		(0.566)	(0.110)		(0.001)	(0.676)	4.592
Commercial and Operations	0.000	(10.370)	(16.507)		(1.112)	(27.989)	17.533
Strategy & Commissioning	0.000	(13.434)				(13.434)	0.192
Community Services	0.000	(24.369)	(16.617)	0.000	(1.113)	(42.099)	22.317
Children & Adults	(11.744)	(5.553)	(0.804)			(18.100)	54.524
Strategy & Commissioning						0.000	0.155
Early Intervention & Early Years	(11.744)	(5.553)	(0.804)	0.000	0.000	(18.100)	54.679
Chief Executive		(0.111)				(0.111)	0.181
Commercial and Operations	(0.067)	(0.200)	(1.653)		0.000	(1.919)	5.677
Energy & Sustainability	(0.067)	(0.311)	(1.653)	0.000	0.000	(2.031)	5.858
Commercial and Operations		(0.613)	(31.697)		(0.380)	(32.691)	(11.667)
Development & Growth	(4.455)	(0.545)	(6.096)	(0.500)		(11.596)	22.892
Strategy & Commissioning		0.007	(0.004)		(0.006)	(0.003)	0.540
Jobs, Growth & Transport	(4.455)	(1.151)	(37.796)	(0.500)	(0.387)	(44.289)	11.765
Commercial and Operations		(2.780)	(25.271)		(0.511)	(28.562)	12.913
Development & Growth						0.000	0.252
Leisure & Culture	0.000	(2.780)	(25.271)	0.000	(0.511)	(28.562)	13.165

APPENDIX D

MTFP 2016/17									
GENERAL FUND PORTFOLIO BUDGETS BY SUBJECTIVE HEADS									
PORTFOLIO	Employees (£m)	Premises (£m)	Transport (£m)	Supplies and Services (£m)	Third Party Payments (£m)	Transfer Payments (£m)	Support Services (£m)	Financing / Technical (£m)	Total External Expenditure (£m)
Development & Growth	3.151	0.502	0.028	0.445	0.091		0.072	0.002	4.291
Strategy & Commissioning				1.437	0.156				1.592
Planning & Housing	3.151	0.502	0.028	1.881	0.247	0.000	0.072	0.002	5.883
Chief Executive	1.128	0.154	0.015	0.989	0.000	0.000	0.000	0.000	2.286
Commercial and Operations	0.158			0.277					0.435
Development & Growth	1.574	1.336	0.003	1.151	2.935		(0.831)		6.167
Resources	14.317	0.118	0.076	12.347	2.306		0.140	(0.131)	29.174
Strategy & Commissioning	0.378			0.021					0.399
Resources & Neighbourhood Regeneration	17.555	1.609	0.093	14.785	5.241	0.000	(0.691)	(0.131)	38.460
Corporate	8.924	5.239	0.800	4.934	37.783	150.189		44.569	252.437
Resources & Neighbourhood Regeneration (Corporate Budgets)	8.924	5.239	0.800	4.934	37.783	150.189	0.000	44.569	252.437
Children & Adults	6.334	0.255	0.044	107.745	0.089	0.204	0.007	0.000	114.679
Development & Growth	0.125	0.042		0.499	8.747			(0.408)	9.005
Schools	6.459	0.297	0.044	108.244	8.837	0.204	0.007	(0.408)	123.684
Commercial and Operations	2.134		0.007	(0.765)					1.376
Development & Growth	1.427	4.260	0.019	2.497				0.977	9.179
Strategy & Commissioning	0.173		0.004	1.567					1.743
Strategic Regeneration, Development & Community Sector	3.734	4.260	0.029	3.299	0.000	0.000	0.000	0.977	12.298
TOTAL	172.504	26.146	5.159	233.234	185.724	168.706	0.238	45.796	837.506

MTFP 2016/17							
GENERAL FUND PORTFOLIO BUDGETS BY SUBJECTIVE HEADS							
PORTFOLIO	Government Grants (£m)	Other Grants Reimburse-ments & Contributions (£m)	Customer & Client Receipts (£m)	Interest (£m)	Recharges (£m)	Total External Income (£m)	Net External Expenditure (£m)
Development & Growth	(0.039)	(0.202)	(2.003)		(0.100)	(2.344)	1.947
Strategy & Commissioning						0.000	1.592
Planning & Housing	(0.039)	(0.202)	(2.003)	0.000	(0.100)	(2.344)	3.539
Chief Executive	0.000	(0.726)	(0.730)	0.000	(0.038)	(1.494)	0.792
Commercial and Operations			(0.370)			(0.370)	0.065
Development & Growth	(3.526)	(0.260)	(1.065)	(0.041)		(4.892)	1.274
Resources	(2.570)	(5.438)	(3.972)	(0.003)	(1.179)	(13.162)	16.012
Strategy & Commissioning						0.000	0.399
Resources & Neighbourhood Regeneration	(6.096)	(6.424)	(6.137)	(0.044)	(1.217)	(19.918)	18.542
Corporate	(130.650)	(86.766)	(1.349)	(7.020)		(225.784)	26.653
Resources & Neighbourhood Regeneration (Corporate Budgets)	(130.650)	(86.766)	(1.349)	(7.020)		(225.784)	26.653
Children & Adults	(109.528)	(3.268)	(0.844)	0.000	(0.208)	(113.848)	0.831
Development & Growth	(8.038)	(1.028)				(9.066)	(0.062)
Schools	(117.566)	(4.296)	(0.844)	0.000	(0.208)	(122.915)	0.769
Commercial and Operations		(0.023)	(0.014)			(0.038)	1.338
Development & Growth		(1.736)	(14.527)	(0.001)	0.000	(16.264)	(7.085)
Strategy & Commissioning						0.000	1.743
Strategic Regeneration, Development & Community Sector	0.000	(1.759)	(14.541)	(0.001)	0.000	(16.301)	(4.003)
TOTAL	(272.025)	(186.473)	(124.024)	(7.565)	(3.541)	(593.628)	243.878

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ANNEX 3

CAPITAL PROGRAMME

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A	Quarter 3 Approvals and Additions to the Capital Programme
B	Prudential Borrowing Schedule
C	Local Transport Plan Overview
D	Capital Programme Detail 2015/16 – 2020/21

Annex 3 - Capital Programme

1. Introduction

Annex 3 sets out the draft capital programme, incorporating the capital budget for 2016/17 – 2020/21. The capital budget presents, in financial terms, the Council's plan for investment related to the purchasing, building and improvement of capital assets, together with the implications of any major capital projects or investments in Nottingham; this does not relate to the day-to-day running costs of the Council.

This draft capital programme shows how we intend to invest **£941.729m** from 2015/16 and to 2020/21, enabling substantial regeneration in and around the City and allowing the Council to deliver the capital requirements that have arisen from service needs. This planned investment will ensure that Nottingham continues to be a Great City with Citizens at the Heart.

2. Understanding the Capital Programme

The programme is divided into two categories:

The General Fund Capital Programme

This is the main fund from which the costs of the majority of capital projects are met; it deals with most functions of the Council and is reported in the following sections:

- Local Transport Plan (LTP) – sets out the policies and programmes of investment for delivering transport improvement initiatives across Nottingham.
- Education – This section includes capital expenditure needed for the maintenance and upkeep of schools in the City together with the investment required to ensure there are sufficient school places for the number of pupils in the City, through the expansion of existing schools or building new ones.
- Other Services – All other capital projects, including the maintenance and upkeep of Council owned assets, capital investments required to maintain and enhance service delivery and significant investment in regeneration projects, aimed at creating jobs, attracting other investment into the city and creating a vibrant and attractive city centre for all.

The General Fund programme of works is further subdivided into two categories, as follows:

Draft Capital Programme for Approval

This comprises the projects that are progressing either currently or in the near future. These projects have all been approved and the funding has been identified and is in place.

Schemes in Development

These projects are currently being developed and are in the early stages of their project life cycle. Projects can move up into the approved programme once approval has been granted, although this will be subject to a process of business case appraisal that includes both due diligence and the identification of funding.

Public Sector Housing Capital Programme

The Housing Revenue Account (HRA) is the Council's landlord account, which provides for the capital expenditure associated with the management and maintenance of the Council's

social housing stock of c26,600 dwellings. Legislation requires that the HRA is kept separate (ring-fenced) from the Council's other financial transactions.

Table 1 summarises the proposed capital programme of **£941.729m** between the General Fund and the Public Sector Housing Capital Programme. **Appendix D** sets out the details.

Programme	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
General Fund	228.730	95.747	46.901	26.959	11.550	7.897	417.784
Schemes in Development	14.327	123.378	97.837	6.800	0.000	0.000	242.342
Total General Fund	243.057	219.125	144.738	33.759	11.550	7.897	660.126
Public Sector Housing	54.612	74.200	50.183	40.174	31.945	30.489	281.603
TOTAL PROGRAMME	297.669	293.325	194.921	73.933	43.495	38.386	941.729

Table 1a below shows the funding of the total proposed capital programme, split by General Fund and the Public Sector Housing Capital Programme.

Programme	Capital Budget £m	Resources b/f £m	Prudential Borrowing £m	Grants & Cont's £m	Internal Funds £m	Major Repair Allowance £m	Capital Receipts £m	Total Funding £m
General Fund & Schemes in Development	660.126	33.811	426.985	162.965	16.546	0.000	24.146	664.453
Public Sector Housing	281.603	45.301	13.000	9.358	12.779	174.006	30.299	284.743
TOTAL	941.729	79.112	439.985	172.323	29.325	174.006	54.445	949.196
General Fund Surplus								(4.327)
Public Sector Housing Surplus*								(3.140)

* The surplus is required to finance maintaining decency costs arising in future years.

3. General Fund Capital Programme

Table 2 shows the revisions to the General Fund approved capital programme since Quarter 2 projections were presented at Executive Board in December 2015. The projected programme to 2020/21 totals **£417.784m**. Details of approved additions to the programme are shown in **Appendix A**. (The refreshed LTP programme is detailed in **Appendix C** and changes in Public Sector Housing are detailed in Annex 4).

Programme	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
Qtr 2 Projections	234.618	87.427	40.942	19.579	3.423	0.000	385.989
Additions	8.121	(0.681)	4.475	1.441	7.160	7.897	28.413
Slippage/acceleration	(12.676)	10.123	0.930	0.656	0.967	0.000	0.000
New Transport proposals	0.000	0.111	0.111	5.283	0.000	0.000	5.505
Savings / other	(1.333)	(1.233)	0.443	0.000	0.000	0.000	(2.123)
Qtr 3 Projections	228.730	95.747	46.901	26.959	11.550	7.897	417.784

The detailed draft capital programme is shown in **Appendix D** and is based on an existing programme of fully approved projects, plus new projects approved since quarter 2.

The main recommended additions into the capital programme include **£9.878m** for investment property acquisitions and **£5.505m** for the New Transport Programme, a summary of the Transport proposals are highlighted on page 7, with the detail included in the Local Transport Plan at **Appendix C**. In addition approval is requested for the expansion of rolling schemes for Eastcroft CAPEX, Vehicle Replacement Programme, Disabled Facility Grants and the District Heating Pipe Network as shown below in **Table 3**.

Table 3: Approval of Rolling Schemes							
Scheme	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Eastcroft Incinerator CAPEX							
Fully Approved Position Quarter 2	2.121	5.138	1.523	0.422	2.607	0.000	11.811
Approval being sought for	(0.288)	(1.941)	(0.502)	0.691	1.324	2.205	1.489
Latest Position Quarter 3	1.833	3.197	1.021	1.113	3.931	2.205	13.300
Vehicle Replacement Programme							
Fully Approved Position Quarter 2	2.226	3.500	3.500	3.500	0.000	0.000	12.726
Approval being sought for	0.000	0.000	0.000	0.000	3.500	3.500	7.000
Latest Position Quarter 3	2.226	3.500	3.500	3.500	3.500	3.500	19.726
Disabled Facilities Grants							
Fully Approved Position Quarter 2	2.000	2.500	2.000	1.806	0.000	0.000	8.306
Approval being sought for	0.000	(0.500)	0.000	0.000	1.200	1.200	1.900
Latest Position Quarter 3	2.000	2.000	2.000	1.806	1.200	1.200	10.206
District Heating Network							
Fully Approved Position Quarter 2	1.931	0.986	0.986	0.886	0.000	0.000	4.789
Approval being sought for	0.027	1.845	0.000	0.000	0.886	0.242	3.000
Latest Position Quarter 3	1.958	2.831	0.986	0.886	0.886	0.242	7.789
Area Capital Fund							
Fully Approved Position Quarter 2	2.500	1.689	0.000	0.000	0.000	0.000	4.189
Approval being sought for	(0.500)	0.500	0.750	0.750	0.750	0.750	3.000
Latest Position Quarter 3	2.000	2.189	0.750	0.750	0.750	0.750	7.189

Eastcroft Capex

Extension of the Capital works required to maintain the Eastcroft Incinerator, which is a contractual commitment for the Council.

Vehicle Replacement Programme

The Council operates a fleet of c430 vehicles which are to be replaced on a rolling basis in order to maintain an efficient and effective fleet and service. The annual programme is **£3.500m** and is funded from prudential borrowing. The revenue costs of repayments can be contained within existing budgets as this is an extension of the existing programme.

Disabled Facilities Grant

Disabled Facilities Grants (DFG) are a means-tested **mandatory grant**, delivered through an integrated service by Occupational Therapy and the Adaptations & Renewal Agency. They are the principle method of financing adaptations for vulnerable disabled people in the private sector i.e. owner occupiers, tenants of housing associations and tenants of private landlords.

From 2019/20 the only funding assumed is indicative grant, there is no Council funding allocated at this point. The Adaptations Agency is expected to deliver approximately **£2.000m** of adaptations during 2015/16 and that level of spend is predicted to continue and potentially increase in succeeding years. In addition, both the Adaptations Agency and Occupational Therapy have backlogs of cases which need to be addressed at some point in the future which would result in additional funding being required. The provision for DFG will continue to be monitored in order to assess changes in demand.

District Heating Network

Approval of **£3.000m** already highlighted in the Investment Strategy for the maintenance and renewal of the District Heating network. The City has a contractual obligation to maintain its assets to a satisfactory standard and in order to do so an effective asset management strategy has been developed with the introduction of quality survey data combined with operational expertise and local knowledge. The end result is targeted maintenance in order that spend is best placed in order to minimise service failure and disruption to our domestic and commercial customers.

The initial expenditure will be funded through prudential borrowing and recovered from Enviroenergy through charges made to the company under established SLA arrangements.

Area Capital Fund

A continuation of the Council's contribution to Area Based Capital Plans, further supported through aligned funding contained within the LTP and public sector housing programmes.

In addition to the above, the draft capital programme includes areas of significant investment in and around the City and some of the major projects are as follows:

- Primary Schools Reorganisation - **c£31m** allocated over the next five years to address the shortfall in primary school places within the City.
- The re-development of Nottingham Castle into a world class visitor attraction - **£23.988m**.
- **£3.5m** investment to refurbish the Highfields park.
- Regeneration schemes - aimed at re-developing areas in order to create employment opportunities and attract investment into the City. Current schemes include **c£29m** investment in the extension of the Bio City facility, substantial investment in the refurbishment of Broadmarsh shopping centre and the Broadmarsh car park.
- The LTP is a significant part of the capital programme and the proposed investment over the next three years is estimated at **£70.750m**, **Table 5** on page 7 shows the current proposed programme and the details are set out in **Appendix C**.
- In addition there are **£222m** of schemes in development, this includes **£114m** of schemes which are aimed at regeneration of areas in and around the city in order to create jobs and attract investment into the area and **£108m** of schemes which are expected to make a commercial return in order to generate an income for the Council.

Revised Capital Programme 2015/16 – 2020/21

Table 4 presents the revised General Fund element of the capital programme of **£637.196m**, by portfolio after amending for the revisions stated above. The detailed capital programme can be found in **Appendix D**.

TABLE 4 : GENERAL FUND CAPITAL PROGRAMME

PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Local Transport Programme	20.108	22.171	23.188	5.283	0.000	0.000	70.750
Education / BSF	13.623	8.172	4.227	0.000	0.000	0.000	26.022
Other Services	194.999	65.404	19.486	21.676	11.550	7.897	321.012
Total Approved Programme	228.730	95.747	46.901	26.959	11.550	7.897	417.784
Schemes in Development							
Regeneration	3.722	54.478	32.830	6.000	0.000	0.000	97.030
Commercial	1.350	64.300	60.407	0.000	0.000	0.000	126.057
Statutory Responsibility	5.655	3.000	2.500	0.200	0.000	0.000	11.355
Health & Safety	2.400	1.600	2.100	0.600	0.000	0.000	6.700
Community Provision	1.200	0.000	0.000	0.000	0.000	0.000	1.200
Total Schemes in Development	14.327	123.378	97.837	6.800	0.000	0.000	242.342
Total Programme	243.057	219.125	144.738	33.759	11.550	7.897	660.126

4. Sources of Programme Funding

The funding of the capital programme is delivered from a diverse range of sources as follows:

Capital Receipts

Receipts from the sale of surplus assets are used as a corporate resource, allowing the Council to fund a range of projects for which there is no external funding or, alternatively, other non-commercial projects that will not generate a return sufficient to cover their costs. Capital receipts are also used as a strategic funding mechanism to deliver projects for which the Council has a statutory responsibility.

Unsecured capital receipts used to fund the capital programme have been subject to a risk assessment that takes current market conditions and other factors into consideration. This ensures that only a prudent amount of unsecured capital receipts are included in our funding allocations.

Prudential Borrowing

Under the rules of the Prudential Code the Council has the power to finance capital projects through borrowing that does not attract support from the Government. The key principle for this prudential borrowing is that it must be affordable and consequently, it is heavily regulated. This method of financing is used for those schemes that demonstrate they can deliver savings or make a return on investment at least sufficient to cover the debt repayments of interest and principal.

All new borrowing is subject to a robust business case that details how the related schemes will cover the costs of borrowing or make a commercial return.

Grants

External funds that are either provided by the Government which may be ring-fenced for specific areas, or external grants from other sources that have been specifically provided in order to deliver specific projects.

Reserves

Earmarked reserves set aside through Executive Board approval, for specific capital projects.

Table 4a below gives a breakdown of how the General Fund capital programme is currently funded.

TABLE 4a : GENERAL FUND CAPITAL PROGRAMME RESOURCES							
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
	£m	£m	£m	£m	£m	£m	£m
Fully Approved Programme							
Resources b/fwd	33.811	0.000	0.000	0.000	0.000	0.000	33.811
Prudential Borrowing	141.804	47.873	10.367	5.749	9.048	5.947	220.788
Grants & Contribution	48.737	36.793	27.934	17.026	1.530	1.200	133.220
Internal Funds / Revenue	10.148	2.692	0.935	2.771	0.000	0.000	16.546
Total	234.500	87.358	39.236	25.546	10.578	7.147	404.365
Schemes in Development							
Prudential Borrowing	4.300	109.170	89.127	3.600	0.000	0.000	206.197
Grants & Contribution	6.727	13.258	6.760	3.000	0.000	0.000	29.745
Total	11.027	122.428	95.887	6.600	0.000	0.000	235.942
Capital Receipts							
Secured	3.512	0.000	0.000	0.000	0.000	0.000	3.512
Un-Secured	8.341	6.368	3.902	0.875	0.656	0.492	20.634
Total	11.853	6.368	3.902	0.875	0.656	0.492	24.146
TOTAL RESOURCES	257.380	216.154	139.025	33.021	11.234	7.639	664.453

Cumulative (Surplus) /Shortfall	(14.323)	(11.352)	(5.639)	(4.901)	(4.585)	(4.327)	(4.327)
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65% of the value of capital schemes is proposed to be funded by prudential borrowing. This is due to Net Line Phase 2 project and significant investment being undertaken in and around the city on commercial schemes that are expected to generate a future return. 25% of projects are funded by external grants and contributions, with less than 4% being funded by capital receipts. **Appendix B** lists the schemes that are being funded by Prudential Borrowing.

The above table shows a surplus of **£4.327m**, which represents 0.7% of the total programme and is to be used as a contingency. The proposed programme is predicated on a number of projects in development, the costs of these projects are estimated and are subject to change, therefore the programme will change as projects progress and costs become more accurate.

5. New and Emerging Projects

As capital projects emerge throughout the year it is common for there to be a number of potential capital schemes being considered. The decision to progress additional schemes will be dependent on securing the required level of external funding or grant as appropriate. Where projects do not attract grant or external funding, inclusion in the capital programme will be based on the assessment of robust business cases and financial models that

demonstrate the necessary return on investment required. All new and emerging capital schemes will be subject to the principles set out in section 8 of this report.

Given the general financial outlook, a rate of return on any investment is desirable. The rate of return that will need to be generated on an investment will depend on the chosen method of financing. For example, any investment funded from prudential borrowing will need to cover the cost of borrowing as the minimum requirement.

In addition to the above it has been recognised that although commercial schemes are expected to make future returns on investment, some business cases demonstrate cash flow shortfalls in the early years. These shortfalls need to be taken into consideration in the wider context of available resources and funding to cover these shortfalls will need to be identified and approved prior to the commencement of projects. It is therefore, recommended that a new principle be adopted and approved as follows:

- all future schemes will need to address the consequences of cash flow shortfalls in the early years, and available funding must be identified and approved prior to the commencement of projects.

It is expected that projects we have contractual commitments for will give rise to **£8.200m** of cash flow shortfalls over the next five years. Funding to cover this has been identified and has been included in the Medium Term Financial Plan.

6. Local Transport Plan (LTP)

The LTP is a significant component of the capital programme. The main LTP programme comprises of Local Transportation Schemes and highways capital maintenance. LTP funding is also used to lever in significant additional external resources. These proposed new schemes total **£5.505m**, the majority of which is the Local Transport allocation for 2018/19.

Although the LTP is set for three years, it is annually reviewed during the budget process to allow flexibility in responding to prevailing new requirements or priorities.

The LTP3 Strategy anticipated lower levels of funding than previous years. It also reflects Council priorities for greater emphasis on supporting the local economy, maintenance activity, small-scale neighbourhood transport schemes and sustainable transport measures, given current funding constraints.

Table 5 below shows the impact the new schemes will have on the proposed programme. The detail and the funding allocations are set out in **Appendix C**. The programme has been compiled on the basis that all schemes are consistent with the objectives set out in the LTP.

TABLE 5: LOCAL TRANSPORT MOVEMENT					
	2015/16	2016/17	2017/18	2018/19	Total
	£m	£m	£m	£m	£m
Local Transport programme as reported at Qtr. 2	21.433	21.081	22.607	0.000	65.121
Additions	0.000	0.111	0.111	5.283	5.505
Slippage	(1.449)	0.979	0.470	0.000	0.000
Other Adjustments	0.124	0.000	0.000	0.000	0.124
Proposed Local Transport Programme	20.108	22.171	23.188	5.283	70.750

7. Public Sector Housing Capital Programme

The Public Sector Housing Programme sets out the five year investment in the housing stock. This programme is within the overall 30 year HRA Business Plan which sets out how the public sector housing stock will be maintained to decency standards over the long term. Although NCH manage the stock under a management agreement, the Council retains ownership and Government funding for the Decent Homes Programme has been awarded to the Council. Allocation of funds to individual schemes is agreed between the Council and NCH. **Table 6** shows investment to 2020/21 of **£281.603m**. The programme overall is balanced.

TABLE 6 : PUBLIC SECTOR HOUSING - CAPITAL PROGRAMME AND RESOURCES							
PORTFOLIO	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Public Sector Housing Programme	54.612	74.200	50.183	40.174	31.945	30.489	281.603
Resources Available							
Resources b/fwd	45.301	0.000	0.000	0.000	0.000	0.000	45.301
Prudential Borrowing	0.000	0.000	5.580	7.420	0.000	0.000	13.000
Grants & Contribution	2.588	3.995	0.653	1.307	0.815	0.000	9.358
Major Repairs Allowance	29.001	29.001	29.001	29.001	29.001	29.001	174.006
Internal Funds /Revenue	5.246	4.760	2.573	0.200	0.000	0.000	12.779
Secured Capital Receipts	9.761	0.000	0.000	0.000	0.000	0.000	9.761
Unsecured Capital Receipts	3.253	5.234	3.528	5.953	1.440	1.130	20.538
Total Resources	95.150	42.990	41.335	43.881	31.256	30.131	284.743
Future commitment to maintaining decency							3.140
Cumulative (Surplus)/Shortfall	(40.538)	(9.328)	(0.480)	(4.187)	(3.498)	(3.140)	0.000

8. Risk Management & Governance

The proposed five-year programme is ambitious and will require the Council to use a high proportion of available resources. Substantial investment of this nature will result in the Council being exposed to additional risks as follows:

- a significant increase in the authority's borrowing over the next five years;
- exposure to interest rate changes; a 0.5% increase in interest rates will increase the cost of borrowing by c£0.700m per annum;
- major schemes have a long pay-back period, which will require the use of reserves in the early years to fund short term deficits in business plans;
- the cost of feasibility studies are all undertaken at risk;
- schemes may not cover their costs or make the desired return.

In order to manage these risks the following key principles will be adopted in managing the capital programme:

- Where new projects are added to the programme that will not cover their costs, an existing project will be removed or amended;
- all projects must have a robust and viable business case, which considers and includes whole life costing and revenue implications (including rate of return);

- all schemes will be subject to robust and deliverable business plans and models which demonstrate the necessary return on investment required;
- all future schemes will need to address the consequences of cash flow shortfalls in the early years, and available funding must be identified and approved prior to the commencement of projects;
- the decision to progress schemes will be dependent on securing the stated level of external funding or grant as appropriate;
- new projects will be considered where the Council can make a return on investment;
- where new sources of external funding/grants become available, the programme will be revisited;
- all schemes will be subject to an independent internal 'Gateway Review Process'.

The Medium Term Financial Strategy includes the following requirements for consideration of the funding of the capital programme:

- The Council will endeavour to maximise grant funding for schemes which will assist in the delivery of the corporate priorities, part/full grant funded bids will be subject to the same prioritisation process
- Prudential or Unsupported Borrowing can be used where it can be demonstrated that it is affordable and sustainable in the medium term. Borrowing must be within approved limits and in accordance with the prevailing guidance in the Treasury Management Strategy
- Capital Receipts generated from the sale of land, buildings and other assets will be a non-earmarked, council-wide resource, to be allocated according to Council priorities only after a thorough and objective options appraisal and consideration of opportunity costs, and not earmarked to a particular project, scheme, service, directorate and/or geographical area.

The City Council recognises the importance of individual and collective accountability and requires managers to formally acknowledge their responsibilities. Financial management is an integral aspect of effective leadership and good management, relevant councillors and managers are required to participate fully in all aspects of capital investment plans.

Corporate Directors will be accountable for the success and deliverability of all capital projects within their remit; including:

- Ownership of business cases and any subsequent changes to them.
- Ensuring that capital projects are delivered in line with agreed targets and resources.
- The successful outcome and benefits realisation of capital projects

The Council is currently undertaking a review of the way it manages its capital programme and delivery with a view to providing greater project assurance whilst maximising efficiencies in the use of the resources available to it. Following the review it is envisaged that improved good practice around reporting and assurance already identified within the Council will be adapted and rolled out further across the organisation. This approach will be further supplemented by enhancing the Council's current portfolio approach to finance and risk management for capital schemes.

APPENDIX A

GENERAL FUND CAPITAL PROGRAMME QUARTER 3 APPROVALS

Children's Services - Schools							
Scheme	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
	£m	£m	£m	£m	£m	£m	£m
Bluecoat Primary	1.000	4.000	0.227	0.000	0.000	0.000	5.227
Basic Grant Allocation	(2.943)	(2.284)	0.000	0.000	0.000	0.000	(5.227)
Westbury Special School	0.000	0.750	4.000	0.000	0.000	0.000	4.750
Basic Grant Allocation	0.000	(3.363)	0.000	0.000	0.000	0.000	(3.363)
Whitegate Primary Ext.	0.050	0.450	0.000	0.000	0.000	0.000	0.500
Total Children's Services - Schools	(1.893)	(0.447)	4.227	0.000	0.000	0.000	1.887

Other Services							
Scheme	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
	£m	£m	£m	£m	£m	£m	£m
Social Care Block grant (to Project Evolution)	(0.463)	0.000	0.000	0.000	0.000	0.000	(0.463)
The Oaks - Phase 2	0.188	0.375	0.000	0.000	0.000	0.000	0.563
Laura Chambers Lodge	0.000	(0.563)	0.000	0.000	0.000	0.000	(0.563)
Total Adults Commissioning & Health	(0.275)	(0.188)	0.000	0.000	0.000	0.000	(0.463)
Vehicle Replacement Programme	0.000	0.000	0.000	0.000	3.500	3.500	7.000
Total Jobs, Growth and Transport	0.000	0.000	0.000	0.000	3.500	3.500	7.000
District Heating Network	0.027	1.845	0.000	0.000	0.886	0.242	3.000
Eastcroft Incinerator	(0.288)	(1.941)	(0.502)	0.691	1.324	2.205	1.489
Total Energy and Sustainability	(0.261)	(0.096)	(0.502)	0.691	2.210	2.447	4.489
Coppice Park Improvements	0.010	0.000	0.000	0.000	0.000	0.000	0.010
Astley Drive Playground	0.005	0.000	0.000	0.000	0.000	0.000	0.005
Sycamore Park Improvements	(0.005)	0.000	0.000	0.000	0.000	0.000	(0.005)
Mickleborough Railway Cutting	(0.010)	0.000	0.000	0.000	0.000	0.000	(0.010)
Royal Centre Transformation	0.119	0.000	0.000	0.000	0.000	0.000	0.119
Forest Recreation Ground Playground	0.062	0.000	0.000	0.000	0.000	0.000	0.062
Total Leisure and Culture	0.181	0.000	0.000	0.000	0.000	0.000	0.181

Other Services (Continued)							
Scheme	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
	£m	£m	£m	£m	£m	£m	£m
Robin Hood Chase	0.230	0.000	0.000	0.000	0.000	0.000	0.230
Equity Loan Scheme	(0.076)	0.000	0.000	0.000	0.000	0.000	(0.076)
Disabled Facilities Grants	0.000	0.000	0.000	0.000	0.700	1.200	1.900
Total Planning and Housing	0.154	0.000	0.000	0.000	0.700	1.200	2.054
Area Based Capital Plans	0.000	0.000	0.750	0.750	0.750	0.750	3.000
Total Community Services	0.000	0.000	0.750	0.750	0.750	0.750	3.000
52 Bedale Road - CPO Acquisition	0.115	0.000	0.000	0.000	0.000	0.000	0.115
Project Evolution	0.171	0.000	0.000	0.000	0.000	0.000	0.171
21 Sneinton Boulevard - CPO Acq	0.051	0.000	0.000	0.000	0.000	0.000	0.051
Land at Clifton - Clearance	0.000	0.050	0.000	0.000	0.000	0.000	0.050
Investment Property Acquisition	3.472	0.000	0.000	0.000	0.000	0.000	3.472
Investment Property Acquisition	6.406	0.000	0.000	0.000	0.000	0.000	6.406
Total Resources & Neighbourhood Regeneration	10.215	0.050	0.000	0.000	0.000	0.000	10.265
Total Other Services	10.014	(0.234)	0.248	1.441	7.160	7.897	26.526

Total Capital Programme	8.121	(0.681)	4.475	1.441	7.160	7.897	28.413
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SCHEMES FUNDED BY PRUDENTIAL BORROWING PROJECTIONS

Prudential Borrowing Schedule							
SCHEME	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
	£m	£m	£m	£m	£m	£m	£m
Public Sector Housing							
HRA General Borrowing Estimate	0.000	0.000	5.580	7.420	0.000	0.000	13.000
Total - Public Sector Housing	0.000	0.000	5.580	7.420	0.000	0.000	13.000
General Fund							
Replacement of Vol Set Aside Receipts	3.215	3.215	0.000	0.000	0.000	0.000	6.430
Leisure Centre Transformation - Balance	1.769	0.000	0.000	0.000	0.000	0.000	1.769
Primary Education	0.000	1.010	0.000	0.000	0.000	0.000	1.010
Vehicle Replacement Programme - Acquisitions	2.268	3.500	3.500	3.500	3.500	3.500	19.768
Victoria Leisure Centre	0.023	0.000	0.000	0.000	0.000	0.000	0.023
Improvements to Community & Cultural Property	0.000	0.264	0.000	0.000	0.000	0.000	0.264
Eastcroft Incinerator	1.833	3.197	1.021	1.113	3.931	2.205	13.300
Nottingham Station Hub	0.303	0.000	0.000	0.000	0.000	0.000	0.303
St Anns Joint Services Centre	0.000	0.000	0.056	0.040	0.594	0.000	0.690
NET Lines 2/3 - Land Acquisitions etc.	102.314	11.120	0.000	0.000	0.000	0.000	113.434
Royal Centre Improvements	0.486	0.000	0.000	0.000	0.000	0.000	0.486
Creative Quarter - City Deal	1.377	2.000	3.000	0.000	0.000	0.000	6.377
Enviro Energy - District Heating Pipes Canal St	0.000	0.185	0.000	0.000	0.000	0.000	0.185
Victoria / Ken Martin Fitness / Southglade	0.426	0.000	0.000	0.000	0.000	0.000	0.426
Horticultural Retail Units	0.050	0.000	0.000	0.000	0.000	0.000	0.050
Car Parking Meters at Major Parks	0.036	0.000	0.000	0.000	0.000	0.000	0.036
Wollaton Hall Stable Block - Seasonal Café	0.000	0.040	0.000	0.000	0.000	0.000	0.040
Nottingham Caves - Audio / Visual Equipment	0.000	0.010	0.000	0.000	0.000	0.000	0.010
Wollaton Hall / Castle - Retail Outlets Imps	0.000	0.045	0.000	0.000	0.000	0.000	0.045
Wollaton Hall Stable Block - Retail Units	0.000	0.045	0.000	0.000	0.000	0.000	0.045
Newstead Abbey - Holiday / Glamping Units	0.000	0.136	0.000	0.000	0.000	0.000	0.136
Unlocking Loxley House	0.022	0.000	0.000	0.000	0.000	0.000	0.022
Solar Panels - Colwick Park and Ride	0.000	1.236	0.000	0.000	0.000	0.000	1.236
Solar Panels - Queens Drive Park and Ride	0.000	0.927	0.000	0.000	0.000	0.000	0.927
Expansion of Bio City	2.931	16.655	1.121	0.000	0.000	0.000	20.707
105 Carlton Road Imps	(0.235)	0.000	0.000	0.000	0.000	0.000	(0.235)
Acquisition of Blueprint	0.177	0.140	0.140	0.140	0.137	0.000	0.734
Playhouse Trust - Loan	0.100	0.000	0.000	0.000	0.000	0.000	0.100
Acq 2/2A Castle Bridge Road	0.062	0.000	0.000	0.000	0.000	0.000	0.062
District Heating - Network Replacement	1.958	2.831	0.986	0.886	0.886	0.242	7.789
Pay on Foot Equipment Replacement	0.265	0.000	0.000	0.000	0.000	0.000	0.265
Acquisition of Ashgate Retail Park	4.223	0.000	0.000	0.000	0.000	0.000	4.223
New Burial System	0.112	0.000	0.000	0.000	0.000	0.000	0.112
Clifton Leisure Centre - Invest to Grow	0.289	0.000	0.000	0.000	0.000	0.000	0.289
Broad Marsh Redevelopment	2.000	0.000	0.000	0.000	0.000	0.000	2.000
New Debt Mgt System - Traffic Enforcement	0.000	0.200	0.000	0.000	0.000	0.000	0.200

Royal Centre Transformation	0.000	1.117	0.543	0.070	0.000	0.000	1.730
Southglade Food Park - Phase 2	(0.778)	0.000	0.000	0.000	0.000	0.000	(0.778)
Investment Property Acquisition - Clumber St	3.472	0.000	0.000	0.000	0.000	0.000	3.472
Investment Property Acquisition - Flying Horse	6.406	0.000	0.000	0.000	0.000	0.000	6.406
Loan to NCH (Acq of Radford Flats)	6.700	0.000	0.000	0.000	0.000	0.000	6.700
Total - General Fund	141.804	47.873	10.367	5.749	9.048	5.947	220.788
Schemes In Development	4.300	109.170	89.127	3.600	0.000	0.000	206.197
Total Prudential Borrowing	146.104	157.043	99.494	9.349	9.048	5.947	426.985

LOCAL TRANSPORT PLAN OVERVIEW

Context

The Nottingham Local Transport Plan 3 (LTP3), adopted in April 2011, sets out the policies and programme of investment for delivering transport improvements across Nottingham. It comprises two components: The Local Transport Strategy 2011 – 2026 (which outlines the long-term transport vision and strategy) and the Implementation Plan (detailing funding allocations and proposed transport measures on a three year rolling basis). The funding allocations set out below will inform the update of the Implementation Plan covering the period April 2016 to March 2019.

Following a review of the funding formula relating to Local Transport, the Council along with all other local transport authorities, was notified of the local transport settlement beyond April 2015 to 2020/21 in June 2014, on the basis of a revised funding formula. The maintenance element of this allocation was confirmed on the 23rd December 2014, again after changes have been made to the funding formula. In both cases, funding up to 2017/18 is confirmed, with funding for the following three years subject to a mid-term review. Inclusion of a Maintenance Incentive fund element has resulted in a separate stream of funding dependent on maintenance performance. This may lead to an increase or decrease in maintenance funding going forward.

1. Total Transport Programme

Table 1 shows the total summary transport programme for 2016/17 – 2018/19 of **£50.642m** when added to the current 2015/16 programme is shows a total LTP programme of **£70.750m** the full details of which are shown in **Section 3**.

TABLE 1: OVERALL SUMMARY TRANSPORT PROGRAMME					
Programme	2016/17 £m	2017/18 £m	2018/19 £m	Total £m	Funding Source
Local Transport Programme	5.232	5.270	5.283	15.785	LTP- Grant
Other Transport Schemes					
Turning Point South	3.500	5.500	0.000	9.000	Local Growth Fund
Cycle Ambition	4.100	0.000	0.000	4.100	Local Growth Fund
Nottm Enterprise Zone	3.000	3.000	0.000	6.000	Local Growth Fund
Southern Growth Corridor	2.000	4.020	0.000	6.020	Local Growth Fund
Southern Gateway Bus Scheme	0.000	2.300	0.000	2.300	Better Bus Areas Grant
Better Bus Schemes	0.519	0.098	0.000	0.617	Better Bus Areas Grant
Green Bus Schemes	1.820	0.000	0.000	1.820	NET Fund (WPL)
Connecting Eastside	2.000	3.000	0.000	5.000	Prudential Borrowing
TOTAL PROGRAMME	22.171	23.188	5.283	50.642	
Programme for 2015/16				20.108	
TOTAL LTP PROGRAMME	22.171	23.188	5.283	70.750	

2. Local Transport Plan

The Local Transport element of the programme is split in to a variety of streams that support local transport infrastructure and maintenance. It is specifically funded by LTP grant

The local transport blocks and associated funding allocations are set out in **Table 2 below**. Scheme details for 2016/18– 2018/19 total **£16.285m** and are listed in **Section 1 - LTP Allocations**.

TABLE 2: LOCAL TRANSPORT PROGRAMME 2016/17 - 2018/19				
	2016/17 £m	2017/18 £m	2018/19 £m	Total £m
Walking & Cycling	0.310	0.355	0.190	0.855
Traffic & Safety	0.275	0.260	0.340	0.875
Public Transport	0.315	0.075	0.460	0.850
Supporting Economic Growth	0.790	1.100	1.000	2.890
Neighbourhood improvements	1.250	1.250	1.250	3.750
Maintenance Schemes	2.142	2.080	1.893	6.115
Other	0.150	0.150	0.150	0.450
Total Local Transport Schemes	5.232	5.270	5.283	15.785
Grant Funding				
Integrated Highways Block (ITB)	3.390	3.390	3.390	10.170
Highways Capital Maintenance	2.031	1.969	1.782	5.782
Maintenance Incentive Fund	0.111	0.111	0.111	0.333
Total Transport Grant Funding	5.532	5.470	5.283	16.285
Transfer to Support Economic Development	(0.300)	(0.200)	0.000	(0.500)
TOTAL	5.232	5.270	5.283	15.785

*Funding for 2018/19 onwards subject to mid-term review by Department for Transport relating to funding formula.

Proposals

Although the LTP is set for three years, it is annually reviewed during the budget process to allow flexibility in responding to prevailing new requirements or priorities. As some schemes may not be completed by the end of March, elements of the 2015/16 programme and associated funding may need to be rolled forward into the next financial year.

The LTP3 Strategy anticipated lower levels of funding than previous years. It also reflects Council priorities for greater emphasis on supporting the local economy, maintenance activity, small-scale neighbourhood transport schemes and sustainable transport measures, given current funding constraints. Priorities for LTP transport investment are therefore:

- **Supporting the local economy** Investment in Nottingham's transport system increases opportunities for local businesses and thus provides a stimulus to the local economy (this includes local contributions to Local Growth Fund schemes);
- **Linking local people to jobs and training** through improving transport services and facilities to key employment areas and education sites;
- **Maintaining our current transport system** Following a decade of substantial investment to improve our transport infrastructure, we are prioritising investment to protect and preserve our existing transport system reflecting the economic and social importance to local communities;
- **Supporting neighbourhood transformation** through enabling local citizens and communities to have a greater say in what local transport improvements are

made in their local areas and neighbourhoods. These include footway improvements, local accessibility, parking and traffic management schemes;

- **Supporting sustainable transport modes** through continued investment in public transport, walking and cycling, including the introduction of more 20mph limits in residential areas across the City;
- **Greening of the transport system** by pursuing clean and efficient vehicle choice for fleets and buses and providing electric charging infrastructure to help improve air quality.

To maximise performance, a combination of internal and levered-in external resources will be used to ensure that the programme will be delivered, whilst conforming to financial regulations and value for money considerations. The three year programme will also be managed flexibly to maximise the potential from new funding opportunities, new development, take account of issues arising from consultation with ward councillors, stakeholders and the public, legal procedures, detailed design and variations to scheme estimates. The programme has been compiled on the basis of:

- Schemes are consistent with the objectives set out in the LTP;
- Enabling wider Council Strategic Choices budget savings to be achieved;
- Achieving co-ordination of schemes with other elements of the programme;
- Schemes that lever in other external funding (including developer contributions and economic development funding, including from the Local Enterprise Partnership);
- Procurement to support the local economy and increase job opportunities for local people;
- Ensuring sufficient advance design is undertaken to maintain future programme delivery;
- Achieving a balance between large and small-scale schemes to ensure efficient use of staff resources.

The main LTP programme is set out under the following headings – Highways Capital Maintenance and Integrated Transport Block. Detailed allocations are set out below.

Highways Capital Maintenance

This programme includes schemes for carriageway and structural maintenance. Priorities are determined through condition surveys, taking account of coordination with the integrated transport block programme and, in the case of residential roads informed by priorities of ward councillors. Significant schemes within this block for the 2016/17 financial year include:

- Carriageway maintenance priorities including Queens Drive, Hucknall Road and Sneinton Dale;
- Residential Roads carriageway programme (to be identified from condition surveys and neighbourhood priorities in consultation with ward councillors);
- Corrosion protection and minor works for bridges and improvements/repairs to London Road Bridge.

More details regarding the maintenance programme can be found in **Section 1**. Detailed programmes for 2017/18 and 2018/19 will be determined over the coming year.

Maintenance Incentive Fund

The Incentive Fund is a new measure that was announced in December 2014, to help improve maintenance performance. The funding is used to “top-up” the existing capital maintenance funding, based on local authorities providing a self-assessment proforma required to be submitted annually to the Department for Transport. Dependent on the scores based on the questions, the local authority is placed into a performance band and will receive additional funding to that level. This funding is tapered, with the lowest performing bands eventually receiving no additional funding in future years.

Table 2a provides a breakdown as to the potential allocations based on performance the council could receive each financial year. Allocations from 2018/19 onwards have been provided by the Department for Transport and are currently indicative (highlighted).

TABLE 2a: MAINTENANCE INCENTIVE FUND					
Performance Band	2016/17 £m	2017/18 £m	2018/19 £m	Total £m	2019/20- 2020/21 £m
Band 3 (Highest Performing)	0.123	0.184	0.371	0.678	0.742
Band 2	0.123	0.166	0.260	0.549	0.297
Band 1 (Lowest Performing)	0.111	0.111	0.111	0.333	0.037

NOTE: Figures are not cumulative.

Based on an earlier exercise, the Council is currently scored as being on band 1, and is anticipated to receive £0.111m as minimum for 2016/17. Efforts are currently being made to reach the higher performing bands, with work currently being undertaken to score as band 2. Details regarding the use of this funding can be found in **Section 1** as part of the maintenance allocations.

Integrated Transport Block (ITB)

This programme comprises a wide range of projects to improve public transport, walking, cycling, highway improvements and measures to influence travel behaviour and support the local economy. Significant 2016/17 schemes included here are:

- Programme of footway improvements, parking and traffic management improvements in neighbourhoods prioritised by ward councillors and Area Committees (continuation of Area Capital Fund transport component);
- Funding for small scale cycle improvements that form the local contribution to the Cycle Ambition Programme and a contribution for the Youth Employment Infrastructure (YEI) project;
- Local contribution towards the Broadmarsh regeneration programme and other future Local Growth Fund schemes;
- Funding contribution towards service enhancements to the Castle Line (Nottingham – Newark rail service to two trains per hour);
- Investment in publically accessible electric charging infrastructure and development of City Centre Clean Air Zone.

The content of the 2017/18 and 2018/19 programmes are indicative. Elements included in the integrated transport block programme will be used as match for other funding streams.

The LTP allocation table is shown in **Section 1** of the 2015/16 Local Transport Programme tables.

Neighbourhood/Area Working

Certain elements of the programme require local input to determine final priorities for scheme delivery, including footway renewals, parking and traffic management improvements, residential road maintenance and elements of the road safety programme. This input is achieved through ongoing consultation with ward councillors, neighbourhood managers, Area Committees, residents and other local stakeholders.

The purpose of the Area Capital Fund (ACF), established in 2006, has been to secure neighbourhood public realm improvements with a particular focus on improving footways. Due to the programme's success it was extended to include small-scale schemes to address local parking and traffic management issues within neighbourhoods. The LTP programme allows for a further continuation of the transport component of this programme, at a level of £1.25m.

The mechanism for allocating ACF to areas is determined by a fixed sum for each (£20,000 per annum), with the remaining funding derived by formulae based on population and deprivation. Allocations for individual areas have changed, due to the new Index of Multiple Deprivation (IMD) 2015 data being made available in September 2015.

The allocations for respective Areas and Wards are shown in **Section 2**. The revised allocations are confirmed for 2016/17 and 2017/18, with allocations for 2018/19 indicative subject to revision in line with changes to the LTP formula grant. Based on feedback from last year, allocations to wards have been provided to the nearest £100.

Rail Funding

In partnership with other local authorities and rail sector, improvements have been secured that will increase the frequency of services on the Castle Line (Nottingham to Newark) service. A pump-priming contribution by local authorities of £250,000 per annum over three years along the route is required. As part of this agreement, a contribution of £25,000 per annum from the LTP programme has been provided from Nottingham for the service up to 2017/18, after which the service will be reviewed.

3. Local Growth Fund Schemes

In July 2014, funding was confirmed for the Local Growth Fund, a national programme to improve local economic growth within each of the Local Enterprise Partnerships (LEPs) areas. Following a prioritisation process, four transport schemes were confirmed as part of the deal for the D2N2 LEP for Nottingham. These are:

- Highway improvements associated with the Broadmarsh Redevelopment including improvements to the Southern Relief Route, re-routing of traffic and pedestrianisation of Collin Street and conversion of Canal Street into a sustainable transport corridor. (Funding approved and works commenced).
- The Cycle City Ambition Package providing improved cycle facilities across the city, including four corridors from the city centre, better cross city centre links and improvements within neighbourhoods/greenspaces. Since funding was approved in the March 2015 Cycle Ambition Programme Executive Board Report, the LEP has requested to change the financial profile of the programme, with funding brought forward to the 2015/16 financial year and a corresponding reduction in

2016/17. This has been reflected within the programme. (Funding approved and works commenced).

- A package of infrastructure works for the Nottingham Enterprise Zone, which will see a proposed new walking and cycling bridge over the rail line to connect the area to into the tram network, upgraded pedestrian and cycle access routes, along with infrastructure for public transport and to support the use of ultra-low emission vehicles. (Scheme subject to development, business case and consultation).
- Southern Growth Corridor, which will see a package of improvements and public transport measures along the corridor along Daleside Road, through the City centre to Thane Road and the Nottingham Enterprise Zone. (Scheme subject to development, business case and consultation).

The funding allocated to Local Growth Fund schemes is provided in **Table 3**. In order to support these schemes, local contributions are required between 2015/16 and 2017/18, which are included within the relevant sections of the three year programme. The three year total Local Growth Fund component totals **£25.120m**.

Scheme	2016/17 £m	2017/18 £m	2018/19 £m	Total £m
Turning Point South / Broadmarsh	3.500	5.500	0.000	9.000
Cycle Ambition Package	4.100	0.000	0.000	4.100
Nottingham Enterprise Zone Package	3.000	3.000	0.000	6.000
Southern Growth Corridor	2.000	4.020	0.000	6.020
TOTAL	12.600	12.520	0.000	25.120

4. Better Bus Funded Schemes

Better Bus Areas (BBA2)

In October 2013, it was announced the City Council was successful in its bid for the Better Bus Areas (BBA2) funding round, which would see funding made available to support bus infrastructure measures. A breakdown of the capital funding is provided in **Table 4**.

Scheme	2016/17 £m	2017/18 £m	2018/19 £m	Total £m
Southern Gateway Area Bus Priority (Broadmarsh)	0.000	2.300	0.000	2.300
Traffic Signal Priority (AVL / CCTV)	0.200	0.000	0.000	0.200
Real-time bus stop displays	0.218	0.098	0.000	0.316
Smartcard Network	0.101	0.000	0.000	0.101
TOTAL	0.519	2.398	0.000	2.917

There has been a variation from the original funding profile to meet changed in year Big Ticket obligations and have been approved by the Department for Transport. In addition to the capital element of the fund, a revenue contribution has been provided over the programme to help support the capital schemes as listed above.

5. Green Bus Schemes

The council has been successful over the past few years in securing grant which has been matched with Workplace Parking Levy to purchase green buses.

New buses complement the existing fleet of electric buses already purchased and contribute towards the Council's plans to introduce a Statutory Bus Quality Partnership scheme for the whole City. This sets a given 'entry' standard for bus services including emission standards.

The scheme is expected to be completed with the remaining expenditure of **£1.820m** in 2016/17 (as shown in **Table 1**).

6. City Deal – Creative Quarter Public Realm

Through the City Deal process **£8.000m** of prudential borrowing linked to retention of business rate uplift was negotiated to fund highway improvements and public realm to support the creative quarter. The vision is to maximise employment development opportunities and foster a vibrant Creative Quarter on the eastern side of the City Centre, a package of transport infrastructure and associated access and public realm improvements was developed. The package forms part of the wider City Centre transport strategy to help deliver the City's key Economic Growth Plan objectives.

The required infrastructure includes the completion of the Connecting Eastside traffic reprioritisation scheme and major site access improvements plus further supporting public realm measures. The funding was split as follows; £3m allocated for public realm and junction improvements and £5m for Connecting Eastside Phase 2.

The Public Realm Enhancements, utilising City Deal and additional European Regional Development Funding (ERDF) was completed within the 2015/16 Financial Year.

Connecting Eastside Phase 2 and site access improvements will greatly improve access to the whole Creative Quarter area and allow a more logical route for through traffic to be introduced separated from local access movements. In particular, an extended bus loop will allow services that currently terminate in the north of the City to be re-routed via the Creative Quarter and redeveloped Southside area.

Delivery detail is as follows:

- Two way route on A60 between Southwell Road and London Road.
- Bellar Gate reprioritised for public transport.
- Cycling and local access.

The total remaining scheme cost is **£5.000m** are shown in **Table 5 below**. The scheme is subject to detailed design. The extent and coverage for each element will be modified consistent with the funding available.

TABLE 5: CITY DEAL – CREATIVE QUARTER PUBLIC REALM				
Scheme	2016/17 £m	2017/18 £m	2018/19 £m	Total £m
Connecting Eastside Phase 2	2.000	3.000	0.000	5.000

7. Contribution to Economic Development

In addition to the above the Local transport plan has also contributed **£0.500m** to Economic Development to support schemes regeneration schemes in and around the city.

8. Other

Office for Low Emission Vehicles (OLEV) Go Ultra Low City Bid

In January 2016, the City Council was notified that it had been successful in securing funding through the Office for Low Emission Vehicles (OLEV) City Fund. A total of £6.120 million comprising £6.000m capital and £0.120m revenue has been secured for the period covering 2016 to 2021. The City Council led on behalf of a partnership bid which was supported by Nottinghamshire County Council and Derby City Council. The objectives of the City Fund are to support the uptake in Ultra Low Emission Vehicles (ULEV), deliver significant air quality benefits and create ULEV-related growth opportunities in the local area. Investment over the next four years will see the creation of a city centre low emission zone, expansion of ULEV charging infrastructure at transport interchanges, support programmes offering community and business events, advice, vehicle try outs and grants for businesses, conversion of the City Council pool car fleet to ULEVs and expansion of an electric car club. A full Executive Board report will be written to approve the programme activities at a later date. Local contributions to the OLEV City programme will be met by allocations within the existing LTP programme.

Programme Delivery

To ensure good project management practice, significant or groups of LTP schemes will be subject to Gateway Review.

In addition to the main programme, some reserve schemes are also in development. In the event of non-delivery of any main programme schemes, this can be replaced by a future year or reserve scheme to ensure full expenditure is still achieved for the financial year. This also ensures that a pool of schemes is ready for implementation in future years or bids for alternative sources of funding can be submitted at short notice.

The LTP programme is delivered through a combination of in-house resources and external contractors and suppliers. Wherever possible procurement routes will be used that maximise employment for local people through the creation of direct employment or training opportunities and prioritising the use of local companies. The Nottingham Employment Hub provides a tailored service to match skilled local people to the jobs that will be created including in the transport sector. The Hub will be used to match local people with new employment opportunities created through this programme and other transport investments.

Future Funding Opportunities

As part of the spending review announced in November 2015, several funding opportunities have arisen that will affect future programming over the next five years. A large proportion of this funding is likely to be in the form of specific grants by competitive bidding. As a result, there will be a will need to coordinate bidding for these funding streams and programmes. Key announcements for transport include:

- £580m for the replacement for the “Local Sustainable Transport Fund” (LSTF), although the scope of this scheme may change due to the fund now being largely capital funding and focused on access to work, with only a small element of revenue funding.
- An increase of £100m to £600m for funding over the next five years to the Office for Low Emission Vehicles (OLEV).
- £475m for “Local Large Transport Schemes” for Large Transport schemes.
- £300m for Transport Development, to be administered by the Infrastructure Commission for planning of future infrastructure projects.
- Continuation of the Local Growth Fund programme via the Local Enterprise Partnerships (LEPs).
- An additional £250m for Local Maintenance, likely to be accessed via bidding.

Further details relating to these funding streams will be announced over the coming years. Any additional funding streams will be reported through future Financial Plans where appropriate.

2016/17 Transport Programme Tables

Section 1 - LTP Allocations

SCHEME	DESCRIPTION	2016/17 £m	2017/18 £m	2018/19 £m	TOTAL £m
Neighbourhood Improvements					
Area Capital Fund					
Area Capital Fund	Small scale improvements through Area Committee, determined by ward councillors.	1.250	1.250	1.250	3.750
Total: Area Capital Fund		1.250	1.250	1.250	3.750
Total: Neighbourhood Improvements		1.250	1.250	1.250	3.750
Walking and Cycling					
Smarter Choices					
"Nottingham Gets to Work" Smarter Travel Hubs (contribution to YEI bid)	Match funding for Community hubs as part of Youth Employment Initiative (YEI). Delegated decision 2192.	0.160	0.160	0.000	0.320
Total: Smarter Choices		0.160	0.160	0.000	0.320
Walking					
City Wide General Improvements	Works to the rights of way network to maintain use for public.	0.050	0.050	0.050	0.150
Bulwell Forest Path Improvements	Surface and accessibility improvements to path to facilitate for elderly residents.	0.000	0.035	0.000	0.035
Kingsdown Mount, Wollaton Steps Improvements	Repair works to timber steps.	0.000	0.010	0.000	0.010
Total: Walking		0.050	0.095	0.050	0.195
Cycling					
Manvers Street Toucan (contribution to CCAP)	Toucan Crossing upgrade for cyclists at junction along with associated improvements to junction.	0.100	0.000	0.000	0.100
Handel Street / Dakeyne Street	Side access treatment on Dakeyne Street and provision of two way cycle facility on Handel Street.	0.000	0.100	0.000	0.100
Small Scale Cycle Schemes: Lenton Green Corridor	Installation a raised table at the junction, offering benefits for both cyclists and pedestrians.	0.000	0.000	0.040	0.040
Small Scale Cycle Schemes: Church Street	Cycle schemes along Church Street in Basford as part of River Leen corridor.	0.000	0.000	0.040	0.040
Small Scale Cycle Schemes: Bee Bank, Wilford Resurfacing	Resurfacing works to footpath to enable off-road cycling between Wilford and Clifton.	0.000	0.000	0.030	0.030
Small Scale Cycle Schemes: Clifton Lane -	Resurfacing works to footpath to enable off-road cycling between	0.000	0.000	0.030	0.030

Fabis Drive Resurfacing	Wilford and Clifton.				
Total: Cycling		0.100	0.100	0.140	0.340
Total: Walking and Cycling		0.310	0.355	0.190	0.855
Public Transport (Bus and Rail)					
Rail Service Enhancements					
Castle Line (Nottingham - Newark - Lincoln) Service Enhancement (pump priming contribution)	Contribution towards service increase and reduced journey times along rail line. Contribution required to 2017/18.	0.025	0.025	0.000	0.050
Total: Rail Service Enhancements		0.025	0.025	0.000	0.050
Public Transport Infrastructure					
Daycare Centre Bus Stops (Big Ticket invest-to-save item).	Bus stop infrastructure adjacent to day-care centres to facilitate use of existing bus services.	0.050	0.000	0.000	0.050
Park and Ride Electric Charging Points (Big Ticket invest-to-save item).	Electric Charging infrastructure points for new bus services required for Park and Ride Services.	0.240	0.000	0.000	0.240
On-street ticket Vending Machines (Big Ticket invest-to-save item).	Continuation of provision of on street ticket machines for smartcard ticketing.	0.000	0.050	0.050	0.100
Electric Bus Project (Represents match funding to DfT project).	Expansion of fast charger network and connection to Eastcroft.	0.000	0.000	0.300	0.300
Accessible bus stops: NHS Locations (Big Ticket invest-to-save item).	Bus stop infrastructure adjacent to health centres to facilitate use of existing bus services.	0.000	0.000	0.110	0.110
Total: Public Transport Infrastructure		0.290	0.050	0.460	0.800
Total: Public Transport (Bus and Rail)		0.315	0.075	0.460	0.850
Supporting Economic Growth					
Contributions to Major Schemes					
Southside Transport Strategy (Broadmarsh) (Contribution to Local Growth Fund)	Match contribution to Broadmarsh Roadspace Transformation Scheme as identified by Dec 15 Executive Board.	0.600	0.800	0.000	1.400
Future funding allocations for major schemes contribution (Contribution to Local Growth Fund)	Match contribution to major transport schemes.	0.000	0.000	0.700	0.700
Major Scheme Development Fund (Contribution to Local Growth Fund)	Funding required in order to develop further major transport schemes	0.000	0.100	0.100	0.200
Total: Contributions to Major Schemes		0.600	0.900	0.800	2.300
Economic Development					
Economic Development Fund Contribution	Allocated to Economic Development. Up to / including 2017/18 confirmed in delegated	0.300	0.200	0.000	0.500

	decision 2128.				
Total: Economic Development		0.300	0.200	0.000	0.500
Supporting Regeneration					
Arkwright Walk Highway Works	Highway enabling works required for scheme linked with housing redevelopment in Meadows area.	0.040	0.000	0.000	0.040
Electric vehicle charging infrastructure (OLEV City Bid Contribution)	Development of city-wide electric vehicle charging network.	0.150	0.150	0.150	0.450
Regeneration Schemes	Future schemes to be determined from development list for future funding years.	0.000	0.050	0.050	0.100
Total: Supporting Regeneration		0.190	0.200	0.200	0.590
Total: Supporting Economic Growth		1.090	1.300	1.000	3.390
Traffic and Safety					
Traffic Management					
Sandhurst Road / Squires Avenue continuation	Completion of traffic signal and pedestrian crossing facility upgrade at road junction started in 2015/16.	0.075	0.000	0.000	0.075
A610 Nuthall Road/ Bar Lane Traffic Signal Upgrade	Traffic signal and pedestrian crossing facility upgrade at road junction.	0.000	0.160	0.000	0.160
Derby Road /Johnson Road Traffic Signal Upgrade	Signalled Pedestrian crossing facility upgrade.	0.000	0.000	0.070	0.070
Woodborough Road / Bennett Road Traffic Signal Upgrade	Signalled Pedestrian crossing facility upgrade.	0.000	0.000	0.070	0.070
Total: Traffic Management		0.075	0.160	0.140	0.375
Road Safety					
Bells Lane / Broxtowe Lane Phase 2	Road safety scheme following on from previous scheme completed in 2014/15.	0.150	0.000	0.000	0.150
City Centre traffic Management (Clear Zone / Broad Street Environs) Contribution	Contribution towards Traffic Management within the City Centre and development of a city centre clean air zone.	0.050	0.000	0.000	0.050
Berridge School Safety Improvements	Road safety improvements and physical measures adjacent to local school.	0.000	0.100	0.000	0.100
Heathfield School Safety Improvements	Road safety improvements and physical measures adjacent to local school.	0.000	0.000	0.100	0.100
B682 Corridor Scheme (Phase 1)	Improvement to side access treatments and upgrade to road corridor for road users.	0.000	0.000	0.100	0.100
Total: Road Safety		0.200	0.100	0.200	0.500
Total: Traffic and Safety		0.275	0.260	0.340	0.875

Maintenance					
Streetscape Maintenance					
City Centre Streetscape maintenance	Refurbishment works as a priority from condition surveys.	0.100	0.100	0.100	0.300
Total: Streetscape Maintenance		0.100	0.100	0.100	0.300
Bridges and Structures					
Bridge Inspections	Inspections to identify bridge deterioration.	0.050	0.050	0.050	0.150
London Road Bridge Phase 2	Works to London Road Railway Bridge to install Cathodic Protection for long term durability.	0.150	0.000	0.000	0.150
Bridges Minor Repair Programme	Minor works to 22 bridges including repointing, drainage and structural works to improve lifespan.	0.080	0.000	0.000	0.080
Subway 6512S, under Bestwood Park Drive West	Replacement of defective parapets.	0.000	0.065	0.000	0.065
Trent Lane Footbridge	Replacement of glass parapets with a more durable material.	0.000	0.050	0.000	0.050
Chedworth Close Retaining Wall	Replacement of failing retaining wall.	0.000	0.030	0.000	0.030
Bridge Maintenance (to be confirmed)	Priorities to be determined based on bridge inspections.	0.000	0.085	0.230	0.315
Total: Bridges and Structures		0.280	0.280	0.280	0.840
Road Maintenance					
Queens Drive – Outbound lanes only (Phases 1+2)	Phase 1 Crossgate Drive - Tottle Road outbound lanes, Phase 2 Tottle Road to Queens Drive Park and Ride outbound lanes.	0.200	0.000	0.000	0.200
Hucknall Road	Resurfacing between Arnold Road and Gala Way.	0.115	0.000	0.000	0.115
Wilford Lane	Ashdown Close to Dean Way (Boundary with Highways England)	0.030	0.000	0.000	0.030
Sneinton Dale	Resurfacing between Trent Road and Edale Road.	0.150	0.000	0.000	0.150
Derby Road /Gregory Street junction	Derby Road / Gregory Street Junction resurfacing.	0.060	0.000	0.000	0.060
Nuthall Road / Bar Lane junction	Nuthall Road/ Bar Lane Junction resurfacing.	0.050	0.000	0.000	0.050
Main Roads Resurfacing works	Maintenance programme for the main road network prioritised by condition surveys.	0.000	0.605	0.605	1.210
Residential Resurfacing Programme	Priorities to be determined on technical scores from area highway inspectors and condition surveys.	0.666	0.604	0.417	1.687
Street Furniture, Structural Drainage and Road marking schemes	City wide programme maintaining upkeep of carriageway network.	0.250	0.250	0.250	0.750

Cycle Infrastructure Maintenance	City wide programme of maintenance of strategic cycling routes and facilities.	0.100	0.100	0.100	0.300
Condition Survey	Annual survey of highway condition.	0.030	0.030	0.030	0.090
Total: Road Maintenance		1.651	1.589	1.402	4.642
Maintenance Incentive Fund					
Residential Resurfacing Programme	"Top-up" maintenance allocation for Residential Resurfacing Programme. Priorities to be determined on technical scores from area highway inspectors and condition surveys.	0.111	0.111	0.111	0.333
Total: Maintenance Incentive Fund		0.111	0.111	0.111	0.333
Total: Maintenance		2.142	2.080	1.893	6.115
Other Schemes					
Monitoring and Coordination					
LTP Programme Coordination / Development	Staff Costs and advance design that will inform LTP programmes.	0.100	0.100	0.100	0.300
Sustainable Transport Monitoring	Annual Monitoring of LTP Performance indicators.	0.050	0.050	0.050	0.150
Total: Monitoring and Coordination		0.150	0.150	0.150	0.450
Total: Other Schemes		0.150	0.150	0.150	0.450
Total		5.532	5.470	5.283	16.285
Transfer to Support Economic Development		(0.300)	(0.200)	0.000	(0.500)
TOTAL LOCAL TRANSPORT PROGRAMME		5.232	5.270	5.283	15.785

Section 2 – Area Capital Fund Allocations

Ward	2016/17 Allocation £m		2017/18 Allocation £m		2018/19 Allocation(Indicative) £m	
	Ward allocation	Area Committee Allocation	Ward allocation	Area Committee Allocation	Ward allocation	Area Committee Allocation
Bulwell	0.0856	0.1339	0.0856	0.1339	0.0856	0.1339
Bulwell Forest	0.0483		0.0483		0.0483	
Basford	0.0649	0.1403	0.0649	0.1403	0.0649	0.1403
Bestwood	0.0754		0.0754		0.0754	
Aspley	0.1002	0.2291	0.1002	0.2291	0.1002	0.2291
Bilborough	0.0852		0.0852		0.0852	
Leen Valley	0.0437		0.0437		0.0437	
Arboretum	0.0688	0.1748	0.0688	0.1748	0.0688	0.1748
Dunkirk and Lenton	0.0386		0.0386		0.0386	
Radford and Park	0.0674		0.0674		0.0674	
Berridge	0.0701	0.1242	0.0701	0.1242	0.0701	0.1242
Sherwood	0.0541		0.0541		0.0541	
Wollaton East and Lenton Abbey	0.0364	0.0683	0.0364	0.0683	0.0364	0.0683
Wollaton West	0.0319		0.0319		0.0319	
Dales	0.0671	0.2188	0.0671	0.2188	0.0671	0.2188
St Ann's	0.0932		0.0932		0.0932	
Mapperley	0.0585		0.0585		0.0585	
Bridge	0.0532	0.1606	0.0532	0.1606	0.0532	0.1606
Clifton North	0.0475		0.0475		0.0475	
Clifton South	0.0599		0.0599		0.0599	
Total		1.2500		1.2500		1.2500

Section 3 Total Local Transport Plan and Resources Detail

Local Transport Schemes and Associated Funding													
	LTP Programme						Funding						
	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	Total £m	Prudential Borrowing £m	Local Growth Fund £m	WPL £m	Better Bus Grant £m	Other Funding £m	DfT Grant £m	Total Funding £m
Public Transport Infrastructure Schemes Supporting Regeneration	0.211	0.290	0.050	0.460	0.000	1.011	0.000	0.000	0.000	0.000	0.146	0.865	1.011
Cycling Schemes	0.238	0.100	0.100	0.140	0.000	0.578	0.000	0.000	0.000	0.000	0.060	0.518	0.578
Walking Schemes	0.250	0.050	0.095	0.050	0.000	0.445	0.000	0.000	0.000	0.000	0.000	0.445	0.445
Local Safety Schemes	0.564	0.200	0.100	0.200	0.000	1.064	0.000	0.000	0.000	0.000	0.000	1.064	1.064
Traffic Management Area Capital Fund contribution	0.000	0.075	0.160	0.140	0.000	0.375	0.000	0.000	0.000	0.000	0.054	0.321	0.375
Carriageway Maintenance	2.123	1.651	1.589	1.402	0.000	6.765	0.000	0.000	0.000	0.000	0.000	6.765	6.765
Incentive Fund	0.000	0.111	0.111	0.111	0.000	0.333	0.000	0.000	0.000	0.000	0.000	0.333	0.333
Rail Enhancements	0.000	0.025	0.025	0.000	0.000	0.050	0.000	0.000	0.000	0.000	0.000	0.050	0.050
Bridges	0.492	0.280	0.280	0.280	0.000	1.332	0.000	0.000	0.000	0.000	0.000	1.332	1.332
Other LTP Schemes	0.150	0.150	0.150	0.150	0.000	0.600	0.000	0.000	0.000	0.000	0.000	0.600	0.600
Smarter Choices	0.000	0.160	0.160	0.000	0.000	0.320	0.000	0.000	0.000	0.000	0.000	0.320	0.320
Footway Maintenance (Streetscape)	0.100	0.100	0.100	0.100	0.000	0.400	0.000	0.000	0.000	0.000	0.000	0.400	0.400
Creative Quarter - Contribution	0.823	0.000	0.000	0.000	0.000	0.823	0.000	0.000	0.000	0.000	0.003	0.820	0.823
Major Schemes - Match Funding	0.323	0.600	0.900	0.800	0.000	2.623	0.000	0.000	0.000	0.000	0.000	2.623	2.623
Total Local Transport Schemes	11.074	5.232	5.270	5.283	0.000	26.859	0.000	0.000	0.000	0.000	0.263	26.596	26.859

Local Transport Schemes and Associated Funding

	LTP Programme						Funding						
	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	Total £m	Prudential Borrowing £m	Local Growth Fund £m	WPL £m	Better Bus Grant £m	Other Funding £m	DfT Grant £m	Total Funding £m
Nottingham Station Hub	0.303	0.000	0.000	0.000	0.000	0.303	0.303	0.000	0.000	0.000	0.000	0.000	0.303
Green Bus Fund (Round 3)	0.081	0.026	0.000	0.000	0.000	0.107	0.000	0.000	0.107	0.000	0.000	0.000	0.107
Green Bus Fund (Round 4)	0.000	0.078	0.000	0.000	0.000	0.078	0.000	0.000	0.078	0.000	0.000	0.000	0.078
Green Bus Fund (Round 4A)	0.000	1.716	0.000	0.000	0.000	1.716	0.000	0.000	1.716	0.000	0.000	0.000	1.716
Public Realm Works	2.271	0.000	0.000	0.000	0.000	2.271	1.377	0.000	0.000	0.000	0.894	0.000	2.271
Connecting Eastside	0.000	2.000	3.000	0.000	0.000	5.000	5.000	0.000	0.000	0.000	0.000	0.000	5.000
Southern Gateway Area Bus Priority (Broad Marsh)	0.145	0.000	2.300	0.000	0.000	2.445	0.000	0.000	0.000	2.445	0.000	0.000	2.445
Traffic Signal Priority (AVL / CCTV)	0.974	0.200	0.000	0.000	0.000	1.174	0.000	0.000	0.000	1.174	0.000	0.000	1.174
Real Time Bus Stop Information	0.815	0.218	0.098	0.000	0.000	1.131	0.000	0.000	0.000	1.131	0.000	0.000	1.131
Smartcard Network	1.045	0.101	0.000	0.000	0.000	1.146	0.000	0.000	0.000	1.146	0.000	0.000	1.146
Turning Point South / Broad Marsh	1.300	3.500	5.500	0.000	0.000	10.300	0.000	10.300	0.000	0.000	0.000	0.000	10.300
Cycle Ambition Package	2.000	4.100	0.000	0.000	0.000	6.100	0.000	6.100	0.000	0.000	0.000	0.000	6.100
Nottingham Enterprise Zone Package	0.000	3.000	3.000	0.000	0.000	6.000	0.000	6.000	0.000	0.000	0.000	0.000	6.000
Southern Growth Corridor	0.100	2.000	4.020	0.000	0.000	6.120		6.120					6.120
Total Other Schemes	9.034	16.939	17.918	0.000	0.000	43.891	6.680	28.520	1.901	5.896	0.894	0.000	43.891
TOTAL	20.108	22.171	23.188	5.283	0.000	70.750	6.680	28.520	1.901	5.896	1.157	26.596	70.750

CAPITAL PROGRAMME 2015/16 – 2020/21

CAPITAL PROGRAMME BY DETAIL 2015/16 - 2020/21							
PROGRAMME AND SCHEME	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
Public Sector Housing							
1. Meeting the Decent Homes Standard							
a) Safe	4.563	2.751	2.679	1.002	1.296	0.990	13.281
b) Secure and Warm	10.235	11.179	11.471	12.163	15.222	15.627	75.897
2. Additional Tenant Priorities							
a) City Wide Door Programme	2.299	2.100	0.280	0.280	0.280	0.579	5.818
b) Energy Efficiency & Tackling Fuel Poverty	8.225	12.144	12.914	5.443	4.295	5.250	48.271
c) Modernising Housing for Older People	1.833	1.295	0.980	0.980	0.980	0.717	6.785
d) Decent Neighbourhoods	3.185	3.050	2.791	2.688	3.557	2.691	17.962
e) Existing Stock Investment	2.744	2.829	5.650	7.750	4.180	2.500	25.653
3) Decommissioning, Regeneration & New Build	12.773	28.993	11.283	7.733	0.000	0.000	60.782
Joint NCC / NCH Schemes	8.755	9.859	2.135	2.135	2.135	2.135	27.154
TOTAL - Public Sector Housing	54.612	74.200	50.183	40.174	31.945	30.489	281.603
Local Transport Plan (inc Ring Road Major)							
Public Transport Infrastructure Schemes	0.211	0.290	0.050	0.460	0.000	0.000	1.011
Supporting Regeneration	5.800	0.190	0.200	0.200	0.000	0.000	6.390
Cycling Schemes	0.238	0.100	0.100	0.140	0.000	0.000	0.578
Walking Schemes	0.250	0.050	0.095	0.050	0.000	0.000	0.445
Local Safety Schemes	0.564	0.200	0.100	0.200	0.000	0.000	1.064
Traffic Management	0.000	0.075	0.160	0.140	0.000	0.000	0.375
Area Capital Fund contribution	0.000	1.250	1.250	1.250	0.000	0.000	3.750
Carriageway Maintenance	2.123	1.651	1.589	1.402	0.000	0.000	6.765
Maintenance Incentive Fund	0.000	0.111	0.111	0.111	0.000	0.000	0.333
Rail Enhancements	0.000	0.025	0.025	0.000	0.000	0.000	0.050
Bridges	0.492	0.280	0.280	0.280	0.000	0.000	1.332
Other LTP Schemes	0.150	0.150	0.150	0.150	0.000	0.000	0.600
Network Management	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Smarter Choices	0.000	0.160	0.160	0.000	0.000	0.000	0.320
Footway Maintenance (Streetscape)	0.100	0.100	0.100	0.100	0.000	0.000	0.400
Creative Quarter - Match Funding	0.823	0.000	0.000	0.000	0.000	0.000	0.823
Major Schemes - Match Funding	0.323	0.600	0.900	0.800	0.000	0.000	2.623
Nottingham Station Hub	0.303	0.000	0.000	0.000	0.000	0.000	0.303
Green Bus Fund	0.081	1.820	0.000	0.000	0.000	0.000	1.901
City Deal - Creative Quarter							
Public Realm - Trinity Square	0.025	0.000	0.000	0.000	0.000	0.000	0.025
Public Realm - Bath St / Southwell Rd / Carlton Rd	0.352	0.000	0.000	0.000	0.000	0.000	0.352
Public Realm - Manvers/Pennyfoot St Junction	0.225	0.000	0.000	0.000	0.000	0.000	0.225
Public Realm - Heathcoat St Footway Upgrade	0.178	0.000	0.000	0.000	0.000	0.000	0.178
Public Realm (ERDF) - Castle Approach	0.243	0.000	0.000	0.000	0.000	0.000	0.243
Public Realm (ERDF) - Derby Road	0.725	0.000	0.000	0.000	0.000	0.000	0.725

CAPITAL PROGRAMME BY DETAIL 2015/16 - 2020/21

PROGRAMME AND SCHEME	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
Public Realm (ERDF) - Carrington Street	0.108	0.000	0.000	0.000	0.000	0.000	0.108
Public Realm (ERDF) - Carlton Road	0.022	0.000	0.000	0.000	0.000	0.000	0.022
Public Realm (ERDF) - Station Approach	0.393	0.000	0.000	0.000	0.000	0.000	0.393
Connecting Eastside	0.000	2.000	3.000	0.000	0.000	0.000	5.000
Better Bus Areas Phase 2							
Southern Gateway Area Bus Priority (Broad Marsh)	0.145	0.000	2.300	0.000	0.000	0.000	2.445
Traffic Signal Priority (AVL / CCTV)	0.974	0.200	0.000	0.000	0.000	0.000	1.174
Real Time Bus Stop Information	0.815	0.218	0.098	0.000	0.000	0.000	1.131
Smartcard Network	1.045	0.101	0.000	0.000	0.000	0.000	1.146
Local Growth Fund							
Turning Point South / Broad Marsh	1.300	3.500	5.500	0.000	0.000	0.000	10.300
Cycle Ambition Package	2.000	4.100	0.000	0.000	0.000	0.000	6.100
Nottingham Enterprise Zone Package	0.000	3.000	3.000	0.000	0.000	0.000	6.000
Southern Growth Corridor	0.100	2.000	4.020	0.000	0.000	0.000	6.120
TOTAL Transport Programme	20.108	22.171	23.188	5.283	0.000	0.000	70.750
Schools							
Access Improvements - Minor Schemes	0.229	0.000	0.000	0.000	0.000	0.000	0.229
Contingency for Residual balances payable	0.000	0.065	0.000	0.000	0.000	0.000	0.065
William Booth Primary - Roof	0.280	0.000	0.000	0.000	0.000	0.000	0.280
Walter Halls Primary - Replace of Year 5/6 Block	0.500	0.000	0.000	0.000	0.000	0.000	0.500
Rossllyn Primary Expansion	0.999	0.000	0.000	0.000	0.000	0.000	0.999
Heathfield Primary Expansion - Early Works	3.362	0.000	0.000	0.000	0.000	0.000	3.362
Nottingham Academy Expansion - Grant	2.500	1.500	0.000	0.000	0.000	0.000	4.000
School Kitchen Imps - Phase 2	0.266	0.000	0.000	0.000	0.000	0.000	0.266
Brocklewood Primary - Kitchen	0.381	0.000	0.000	0.000	0.000	0.000	0.381
Bluecoat Primary - New School Early Design	1.398	4.000	0.227	0.000	0.000	0.000	5.625
Berridge Primary - Roof / Chimney Improvements	0.100	0.150	0.000	0.000	0.000	0.000	0.250
Robert Shaw Primary - Roof Improvements	0.325	0.000	0.000	0.000	0.000	0.000	0.325
Melbury Primary - Structural Improvements	0.160	0.000	0.000	0.000	0.000	0.000	0.160
Jubilee Primary - Structural Improvements	0.180	0.000	0.000	0.000	0.000	0.000	0.180
Mellers Primary - Mobile Classrooms	0.000	0.150	0.000	0.000	0.000	0.000	0.150
Djanogly Secondary - Space for Primary Places Design	0.000	0.132	0.000	0.000	0.000	0.000	0.132
Fernwood Infants Nursery - Pupil Places	0.323	0.000	0.000	0.000	0.000	0.000	0.323
Dunkirk Primary - Roof	0.100	0.000	0.000	0.000	0.000	0.000	0.100
Greenfields Primary - Replacement of Roof	0.100	0.000	0.000	0.000	0.000	0.000	0.100
Maintenance - Contingency Fund	0.118	0.000	0.000	0.000	0.000	0.000	0.118
Fernwood Infants & Juniors - Early Work	0.250	0.000	0.000	0.000	0.000	0.000	0.250
Mellers Primary - Early Design	0.100	0.100	0.000	0.000	0.000	0.000	0.200
South Wilford Endowed CE - Early Design	0.080	0.000	0.000	0.000	0.000	0.000	0.080
Westbury Special School	0.000	0.750	4.000	0.000	0.000	0.000	4.750

CAPITAL PROGRAMME BY DETAIL 2015/16 - 2020/21

PROGRAMME AND SCHEME	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
Whitegate Primary - Expansion	0.050	0.450	0.000	0.000	0.000	0.000	0.500
Minor Works	0.496	0.000	0.000	0.000	0.000	0.000	0.496
Boiler and Heating Replacement	0.780	0.375	0.000	0.000	0.000	0.000	1.155
Health and Safety Works	0.212	0.500	0.000	0.000	0.000	0.000	0.712
BSF - WAVE 2							
Bluecoat / Wollaton BSF	0.160	0.000	0.000	0.000	0.000	0.000	0.160
Ellis Guilford School BSF	0.046	0.000	0.000	0.000	0.000	0.000	0.046
ICT Provision BSF	0.043	0.000	0.000	0.000	0.000	0.000	0.043
Manning Academy BSF (inc ICT)	0.085	0.000	0.000	0.000	0.000	0.000	0.085
Total Schools	13.623	8.172	4.227	0.000	0.000	0.000	26.022
OTHER SERVICES							
Adults, Health and Community Sector							
Block Fund - Adult Social Care (DoH Grant) 12/13	0.000	0.029	0.000	0.000	0.000	0.000	0.029
Block Fund - Adult Social Care (DoH Grant) 14/15	0.017	0.600	0.000	0.000	0.000	0.000	0.617
Integrated Community Equipment Services	0.400	0.000	0.000	0.000	0.000	0.000	0.400
Adult Social Care Estate Investment Plan							0.000
- Martin Jackaman - Branding / Roof / Signage	0.039	0.000	0.000	0.000	0.000	0.000	0.039
- The Oaks - Refurbishment / Branding / Signing	0.040	0.000	0.000	0.000	0.000	0.000	0.040
- Cherry Trees - Branding / Additional Beds / Signage	0.000	0.050	0.000	0.000	0.000	0.000	0.050
- Long Meadow - Externals / Internals / Branding	0.863	0.000	0.000	0.000	0.000	0.000	0.863
- Summerwood - Minor Work / Branding	0.000	0.040	0.000	0.000	0.000	0.000	0.040
- Albany - Branding	0.000	0.010	0.000	0.000	0.000	0.000	0.010
- Estate Improvements - Interior Design	0.000	0.010	0.000	0.000	0.000	0.000	0.010
- Laura Chambers - Entrance / Branding / Beds	0.000	0.060	0.000	0.000	0.000	0.000	0.060
- Oakdene Closure and Security	0.000	0.010	0.000	0.000	0.000	0.000	0.010
- Willow Close - Closure and Security	0.000	0.010	0.000	0.000	0.000	0.000	0.010
- Laura Chambers - New Wing	0.150	0.087	0.000	0.000	0.000	0.000	0.237
- Willows - Develop / Mothball / Dispose	0.000	0.200	0.000	0.000	0.000	0.000	0.200
- Martin Jackaman - Pool	0.031	0.000	0.000	0.000	0.000	0.000	0.031
- The Oaks - Refurbishment - Phase 2	0.188	0.375	0.000	0.000	0.000	0.000	0.563
Capacity Building - Technology for Mobile Working	0.018	0.000	0.000	0.000	0.000	0.000	0.018
ContrOCC Implementation	0.070	0.039	0.000	0.000	0.000	0.000	0.109
Smartphones, Opticare	0.100	0.000	0.000	0.000	0.000	0.000	0.100
Assistive Technology - Just Checking Units	0.039	0.000	0.000	0.000	0.000	0.000	0.039
Autism Innovation	0.019	0.000	0.000	0.000	0.000	0.000	0.019
Community Sector							0.000
Imps to Community and Cultural Facilities	0.000	0.302	0.000	0.000	0.000	0.000	0.302
Total - Adults, Health and Community Sector	1.974	1.822	0.000	0.000	0.000	0.000	3.796
Early Intervention & Early Years							
MALT 3 (CAHMS) - Henry Whipple site	0.021	0.000	0.000	0.000	0.000	0.000	0.021
Pathfinder Short Breaks	0.129	0.050	0.000	0.000	0.000	0.000	0.179

CAPITAL PROGRAMME BY DETAIL 2015/16 - 2020/21

PROGRAMME AND SCHEME	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
Foster Carer's Car Loans	0.012	0.000	0.000	0.000	0.000	0.000	0.012
My Place - Castle Gate Purchase / Improvements	0.101	0.000	0.000	0.000	0.000	0.000	0.101
2 Year Old Expansion Programme	0.414	0.000	0.000	0.000	0.000	0.000	0.414
Phoenix Play Centre	0.017	0.000	0.000	0.000	0.000	0.000	0.017
Southglade Access Centre	0.022	0.000	0.000	0.000	0.000	0.000	0.022
Total - Early Intervention and Early Years	0.716	0.050	0.000	0.000	0.000	0.000	0.766
Leisure & Culture							
Flexible Fitness - Equipment	0.107	0.000	0.000	0.000	0.000	0.000	0.107
Nottingham Contemporary	0.069	0.000	0.000	0.000	0.000	0.000	0.069
Nottingham Castle - Heritage Lottery Bid scheme	1.255	1.514	8.500	12.688	0.000	0.000	23.957
Concert Hall Seats / Theatre FOH Lift	0.518	0.000	0.000	0.000	0.000	0.000	0.518
Arboretum Café Development	0.050	0.385	0.000	0.000	0.000	0.000	0.435
Forest Rec Ground - Sports Zone Imp Project	0.660	0.000	0.000	0.000	0.000	0.000	0.660
Highfields Park - Development of Scheme / Bid	0.176	0.000	0.000	0.000	0.000	0.000	0.176
Highfields Park - Refurbishment	0.074	3.556	0.000	0.000	0.000	0.000	3.630
Portland Leisure Centre - Condition Survey Works	0.694	0.000	0.000	0.000	0.000	0.000	0.694
Melbourne Park Pavilion Imps	0.000	0.050	0.000	0.000	0.000	0.000	0.050
Libraries - Self issue Technology	0.124	0.000	0.000	0.000	0.000	0.000	0.124
Victoria / Ken Martin Fitness / Southglade Health	0.428	0.000	0.000	0.000	0.000	0.000	0.428
Horticultural Retail Units	0.050	0.000	0.000	0.000	0.000	0.000	0.050
Car Parking Meters at Major Parks	0.036	0.000	0.000	0.000	0.000	0.000	0.036
Wollaton Hall Stable Block - Seasonal Café	0.000	0.040	0.000	0.000	0.000	0.000	0.040
Nottingham Caves - Audio / Visual Equipment	0.000	0.010	0.000	0.000	0.000	0.000	0.010
Wollaton Hall / Castle - Retail Outlets Imps	0.000	0.045	0.000	0.000	0.000	0.000	0.045
Wollaton Hall Stable Block - 2 New Retail Units	0.000	0.045	0.000	0.000	0.000	0.000	0.045
Newstead Abbey - Holiday / Glamping Units	0.000	0.136	0.000	0.000	0.000	0.000	0.136
Valley Road - Phase 2 (WREN)	0.050	0.000	0.000	0.000	0.000	0.000	0.050
Nottingham Playhouse Trust - Loan	0.100	0.000	0.000	0.000	0.000	0.000	0.100
Newstead Abbey - Vision for the Future	0.370	0.000	0.000	0.000	0.000	0.000	0.370
Victoria Embankment/Meadows Recreation Ground	0.388	0.000	0.000	0.000	0.000	0.000	0.388
Clifton Leisure Centre - Invest to Grow	0.289	0.000	0.000	0.000	0.000	0.000	0.289
New Burial System at Wilford Hill	0.000	0.112	0.000	0.000	0.000	0.000	0.112
Royal Centre Transformation Project	0.119	2.250	0.901	0.070	0.000	0.000	3.340
Parks and Playground Improvements	0.709	0.300	0.000	0.000	0.000	0.000	1.009
Leisure Transformation Project							
Victoria Leisure Centre Scheme	0.023	0.000	0.000	0.000	0.000	0.000	0.023
Project Management	0.062	0.000	0.000	0.000	0.000	0.000	0.062
Harvey Hadden Sports Centre	4.093	0.000	0.000	0.000	0.000	0.000	4.093
Total Leisure and Culture	10.444	8.443	9.401	12.758	0.000	0.000	41.046

CAPITAL PROGRAMME BY DETAIL 2015/16 - 2020/21

PROGRAMME AND SCHEME	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
Jobs, Growth and Transport							
NET Project							
NET Line 1 - Residual Land Costs	0.006	0.000	0.000	0.000	0.000	0.000	0.006
NET Lines 2/3 - Design & Implementation Costs	1.000	0.000	0.000	0.000	0.000	0.000	1.000
NET Lines 2/3 - Land Acquisitions	0.637	5.786	0.000	0.000	0.000	0.000	6.423
NET Lines 2/3 - Quantative Risk Assessment	2.000	5.334	0.000	0.000	0.000	0.000	7.334
NET Lines 2/3 - Capital Injection	100.000	0.000	0.000	0.000	0.000	0.000	100.000
NET 2&3 - Agreements	0.180	0.000	0.000	0.000	0.000	0.000	0.180
NET 2&3 - Land & Property Cost	0.255	0.000	0.000	0.000	0.000	0.000	0.255
NET 2&3 - Design Advance	0.168	0.000	0.000	0.000	0.000	0.000	0.168
Other Schemes						0.000	
Carrington St Area Townscape Heritage Project	0.004	0.100	0.320	0.516	0.330	0.000	1.270
Vehicle Acquisitions etc.	2.226	3.500	3.500	3.500	3.500	3.500	19.726
Replacement of Pay on Foot Equipment	0.530	0.000	0.000	0.000	0.000	0.000	0.530
Carrington St Car Park - Environmentals etc.	0.000	0.154	0.000	0.000	0.000	0.000	0.154
Debt Management System - Traffic Enforcement	0.000	0.200	0.000	0.000	0.000	0.000	0.200
Total Jobs, Growth and Transport	107.006	15.074	3.820	4.016	3.830	3.500	137.246
Energy and Sustainability							
Eastcroft Combined Heat & Power Plant Works	1.833	3.197	1.021	1.113	3.931	2.205	13.300
Enviro Energy District Heating Pipes - Canal St	0.000	0.185	0.000	0.000	0.000	0.000	0.185
Solar Panels - Queens Drive Park & Ride Site	0.000	0.927	0.000	0.000	0.000	0.000	0.927
Solar Panels - Colwick Park & Ride Site	0.000	1.236	0.000	0.000	0.000	0.000	1.236
District Heating - Replacement of Network	1.958	2.831	0.986	0.886	0.886	0.242	7.789
Trent Basin Wall - Improvements	0.325	0.000	0.000	0.000	0.000	0.000	0.325
Solar Panels - Sneinton Market	0.147	0.000	0.000	0.000	0.000	0.000	0.147
Solar Panels - Ken Martin Leisure Centre	0.242	0.000	0.000	0.000	0.000	0.000	0.242
Solar Panels - Daykene Street	0.031	0.000	0.000	0.000	0.000	0.000	0.031
Solar Panels - Harvey Hadden Leisure Centre	0.168	0.000	0.000	0.000	0.000	0.000	0.168
Total - Energy and Sustainability	4.704	8.376	2.007	1.999	4.817	2.447	24.350
Planning and Housing							
Discretionary Grants - Age Concern	0.074	0.000	0.000	0.000	0.000	0.000	0.074
RHG 07/08 - PSA7 Target - Stonebridge	0.199	0.000	0.000	0.000	0.000	0.000	0.199
RHG 07/08 - Decent Homes Warm Front Grants	0.060	0.000	0.000	0.000	0.000	0.000	0.060
Regional Housing Board - Equity Loan Scheme	0.004	0.000	0.000	0.000	0.000	0.000	0.004
Disabled Facilities Grants	2.000	2.000	2.000	1.806	1.200	1.200	10.206
S106-Robin Hood Chase	0.264	0.000	0.000	0.000	0.000	0.000	0.264
Acquisition of The Globe Public House - Grant to NCHA	0.039	0.000	0.000	0.000	0.000	0.000	0.039
Basford Owner / Occupiers - Water ingress	0.030	0.040	0.000	0.000	0.000	0.000	0.070
Arkwright Walk - Acquisition	0.233	0.000	0.000	0.000	0.000	0.000	0.233
Total Planning and Housing	2.903	2.040	2.000	1.806	1.200	1.200	11.149

CAPITAL PROGRAMME BY DETAIL 2015/16 - 2020/21

PROGRAMME AND SCHEME	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
Strategic Regeneration							
Property							
Southglade Food Park - Phase 2	1.438	0.000	0.000	0.000	0.000	0.000	1.438
Unlocking Loxley House	0.022	0.000	0.000	0.000	0.000	0.000	0.022
Unlocking Loxley House - Phase 2 / 2A	1.276	0.000	0.000	0.000	0.000	0.000	1.276
Council House - Lifts / Heating	0.345	0.000	0.000	0.000	0.000	0.000	0.345
Council House - Fire Risk / Compliance	0.438	0.000	0.000	0.000	0.000	0.000	0.438
Demolition - Denewood Centre	0.270	0.000	0.000	0.000	0.000	0.000	0.270
Acquisition of Property - Shakespeare Street	5.300	0.000	0.000	0.000	0.000	0.000	5.300
Acquisition Leasehold of Property - Brook Street	1.046	0.000	0.000	0.000	0.000	0.000	1.046
Grant to Fire Service - Imps to Gresham Works	0.150	0.000	0.000	0.000	0.000	0.000	0.150
Byron House Refurbishment Works	2.630	0.000	0.000	0.000	0.000	0.000	2.630
Sandfield Centre - Demolition	0.945	0.000	0.000	0.000	0.000	0.000	0.945
Acquisition - Ashgate Retail Park	4.223	0.000	0.000	0.000	0.000	0.000	4.223
52 Bedale Road - CPO Acquisition	0.115	0.000	0.000	0.000	0.000	0.000	0.115
21 Sneinton Boulevard - CPO Acquisition	0.051	0.000	0.000	0.000	0.000	0.000	0.051
Investment Property Acquisition (Clumber St)	3.472	0.000	0.000	0.000	0.000	0.000	3.472
Investment Property Acquisition (Flying Horse)	6.406	0.000	0.000	0.000	0.000	0.000	6.406
Relocation of Hyson Green Library	0.771	0.000	0.000	0.000	0.000	0.000	0.771
Re-Investment of Capital Receipts in Property							
Re-investment of Capital Receipts Block Fund	0.493	0.000	0.000	0.000	0.000	0.000	0.493
Imps to 30 Woolpack Lane	0.043	0.000	0.000	0.000	0.000	0.000	0.043
Acquisition of Offices - Castlebridge Road	0.124	0.000	0.000	0.000	0.000	0.000	0.124
Roof Replacement - 15-17 King St	0.014	0.000	0.000	0.000	0.000	0.000	0.014
Camberley Rd Lorry Park - Long Lease	0.439	0.000	0.000	0.000	0.000	0.000	0.439
Roof Units 17-18 Salisbury Square	0.070	0.000	0.000	0.000	0.000	0.000	0.070
9 and 9A Poulton Drive - Improvements	0.105	0.000	0.000	0.000	0.000	0.000	0.105
Land at Clifton - Clearance prior to sale	0.000	0.050	0.000	0.000	0.000	0.000	0.050
Broadmarsh Redevelopment							
Broadmarsh - Southside Plan - Site Assembly	0.000	0.033	0.000	0.000	0.000	0.000	0.033
Broadmarsh - Compensation to tenants	0.017	0.030	0.000	0.000	0.000	0.000	0.047
Broadmarsh - Project Management	0.329	0.000	0.000	0.000	0.000	0.000	0.329
Broadmarsh - Design Works	2.000	0.000	0.000	0.000	0.000	0.000	2.000
Community Safety						0.000	0.000
Stronger Safer Communities Fund	0.059	0.059	0.000	0.000	0.000	0.000	0.118
Housing Enforcement Action-Cavendish Court	0.255	0.255	0.000	0.000	0.000	0.000	0.510
Other Schemes						0.000	0.000
Downtown (Sneinton Market) and Creative Quarter	1.458	0.000	0.000	0.000	0.000	0.000	1.458
Downtown (Sneinton Market) Project Management	0.069	0.000	0.000	0.000	0.000	0.000	0.069
Creative Catalyst - Dakeyne St Factory Refurb	3.947	0.000	0.000	0.000	0.000	0.000	3.947
Dakeyne Street Refurbishment - Project Mgt	0.092	0.008	0.000	0.000	0.000	0.000	0.100
Dakeyne St Factory Refurb - Non ERDF	0.973	0.000	0.000	0.000	0.000	0.000	0.973

CAPITAL PROGRAMME BY DETAIL 2015/16 - 2020/21

PROGRAMME AND SCHEME	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
Expansion of Bio City	9.431	16.655	1.121	0.000	0.000	0.000	27.207
Refurbish 105 Carlton Road	0.004	0.000	0.000	0.000	0.000	0.000	0.004
Sneinton Market Community Space	0.070	0.000	0.000	0.000	0.000	0.000	0.070
Island Site Development - Fees for Stat Processes	0.075	0.000	0.000	0.000	0.000	0.000	0.075
Total Strategic Regeneration	48.965	17.090	1.121	0.000	0.000	0.000	67.176
Community Services							
Area Based Capital Plans (Area Capital Fund)	2.000	2.189	0.750	0.750	0.750	0.750	7.189
Community provision in the Dales	0.032	0.000	0.000	0.000	0.000	0.000	0.032
Total Community Services	2.032	2.189	0.750	0.750	0.750	0.750	7.221
Resources & Neighbourhood Regeneration							
Other Schemes							
Growing Places - Loan No.2	1.200	6.291	0.050	0.000	0.000	0.000	7.541
Acquisition of Blueprint	0.177	0.140	0.140	0.140	0.137	0.000	0.734
Radford Flats - Loan to Nottingham City Homes	6.700	0.000	0.000	0.000	0.000	0.000	6.700
IT Schemes							
IT - Microsoft Upgrade	1.420	0.000	0.000	0.000	0.000	0.000	1.420
IT - Storage Area Network (SAN) Refresh Project	1.021	0.000	0.000	0.000	0.000	0.000	1.021
IT - Electoral Registration Scanners	0.023	0.000	0.000	0.000	0.000	0.000	0.023
IT - SQL Consolidation Project	0.000	0.059	0.000	0.000	0.000	0.000	0.059
IT - Core Infrastructure Refresh	0.095	0.000	0.000	0.000	0.000	0.000	0.095
IT - Childrens and Adults Social Care Project	0.215	0.000	0.000	0.000	0.000	0.000	0.215
IT - PC Hardware Acquisitions	0.700	0.000	0.000	0.000	0.000	0.000	0.700
IT- Project Evolution	1.635	1.299	0.000	0.000	0.000	0.000	2.934
IT - Service Improvement Prog - Citrix	1.125	1.125	0.000	0.000	0.000	0.000	2.250
IT - Service Improvement Prog - New Tools	0.250	0.000	0.000	0.000	0.000	0.000	0.250
IT - Service Improvement Prog - Server 2003	1.200	0.300	0.167	0.167	0.166	0.000	2.000
IT - Additional Microsoft Licences	0.310	0.000	0.000	0.000	0.000	0.000	0.310
IT - Upgrade Delphi and One World	0.049	0.000	0.000	0.000	0.000	0.000	0.049
Joint Service Centres							
Joint Service Centre - Bulwell LIFT	0.075	0.152	0.000	0.000	0.000	0.000	0.227
Joint Service Centre - St Anns	0.020	0.020	0.030	0.040	0.650	0.000	0.760
Joint Service Centre - Strelley Road	0.040	0.934	0.000	0.000	0.000	0.000	0.974
Total Resources and Neighbourhood Regeneration	16.255	10.320	0.387	0.347	0.953	0.000	28.262
TOTAL - OTHER SERVICES	194.999	65.404	19.486	21.676	11.550	7.897	321.012
TOTAL - ALL PROGRAMMES	283.342	169.947	97.084	67.133	43.495	38.386	699.387

TOTAL General Fund	228.730	95.747	46.901	26.959	11.550	7.897	417.784
Total Public Sector Housing	54.612	74.200	50.183	40.174	31.945	30.489	281.603
TOTAL	283.342	169.947	97.084	67.133	43.495	38.386	699.387

ANNEX 4

HOUSING REVENUE ACCOUNT

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Annex 4 - Housing Revenue Account (HRA)

Introduction

This Annex sets out the detail for both the revenue and capital elements of the HRA.

The HRA is the Council's landlord account, which provides for the management and maintenance of the Council's stock. Legislation requires this account to be ring-fenced from the Council's other financial transactions. The budget has been set under the HRA self-financing system whereby the HRA is sustained from the rental income.

The HRA stock at 1 April 2015 was 26,619 (excluding decommissioned properties). The stock will reduce in year by over 400 properties as a result of increased Right to Buy (RTB) sales.

The HRA has to be kept in balance, achieved through raising sufficient income from tenant rents to fund the investment needed to maintain the stock. A working balance is also maintained to deal with emerging pressures. Any balance on the HRA, either positive or negative, has to be carried forward to the following year. This means, for example, that the 2015/16 outturn will impact on the 2016/17 budget through the balance carried forward.

Nottingham City Homes Limited (NCH) is responsible for the management of the housing stock under a partnering agreement with the Council completed in 2011, for which a management fee is paid to cover some of the services provided. This fee paid to NCH by the Council is a charge on the HRA. NCH is also responsible, under a separate agreement that commenced in April 2014, for repairs to the stock through a series of budgets delegated to it from the Council.

The following policy changes affecting social housing have been implemented recently or are planned including those announced in the Government's July 2015 Budget. The latest legislation is the Housing and Planning Bill 2015 and the Welfare Reform & Work Bill 2015-16 which is currently before Parliament and is expected to be passed into law before April 2016. The changes will impact on the HRA's financial sustainability and include:

- Reduction of social housing rents by 1% for four years from April 2016
- Enhanced Right to Buy (RTB) discount criteria leading to increased RTB sales over predicted levels
- Retention of 1-4-1 receipts from RTB Sales
- Compulsory sale of 'high value' properties
- Changes to welfare benefit eligibility including changes to Tax Credits and a new benefits cap, with resulting impacts on household income
- Changes to Housing Benefit to cap it at the Local Housing Allowance level
- "Pay to Stay" – increased rents for higher income households with finance raised going to HM Treasury
- Introduction of a requirement to prevent councils offering new tenancies longer than five years in most circumstances

The financial impact of these changes where it can be quantified has been included in proposed budget for 2016/17 and incorporated into the Medium Term Financial Plan (2016/17 to 2019/20). The changes affecting the HRA will be included in an update to the 30 Year HRA Business Plan to assess the impact on its financial sustainability and develop plans to ensure it remains in balance.

The key headlines in the HRA budget for 2016/17 are as follows:

HRA Revenue

- A proposed decrease in rents of **1.0%** for 2016/17
- Continuation of tenant incentive scheme of up to £100 per annum
- An increase in service charges of **2.2%**
- A sustainable working balance of **£4m**.

HRA Capital

- An overall Public Sector Housing Programme of **£226.991m** for the next 5 years of which **£74.200m** relates to 2016/17.
- **£28.992m** for 2016/17 has been specifically allocated to decommissioning, regeneration and new build (Building a Better Nottingham).

HRA Forecast Outturn 2015/16

Table 1 summarises the HRA budget and forecast outturn for 2015/16.

TABLE 1: HRA FORECAST OUTTURN 2015/16			
DESCRIPTION	ORIGINAL BUDGET	ESTIMATED OUTTURN	VARIANCE
	£m	£m	£m
INCOME			
Rent income	(101.145)	(98.345)	2.800
Service charges & other income	(7.829) ¹	(7.604)	0.225
TOTAL INCOME	(108.974)	(105.949)	3.025
EXPENDITURE			
Repairs	27.260	27.260	0.000
Management	32.017 ¹	31.377	(0.640)
Capital charges	43.062	42.373	(0.689)
Direct Revenue Financing	6.635	5.246	(1.389)
TOTAL EXPENDITURE	108.974	106.256	(2.718)
Deficit / (Surplus)	0.000	0.307	0.307
Working balance B/F	(4.000)	(4.307)	(0.307)
WORKING BALANCE C/F	(4.000)	(4.000)	0.000

¹ The original budget has been updated to include rents from Highwood House homeless families unit within Income not Expenditure (Management).

The key variances for 2015/16 from the budget are as follows:

- Rent decrease of £2.800m mainly due to increased RTB sales
- Capital charges – reduced repayment of loan principal by £0.600m
- Direct Revenue Financing – reduced by £1.389m

Further details of the variances and the reasons for them are provided in **Annex 1**.

HRA Budget 2016/17

The budget for 2016/17 has been refreshed to take account of proposed reduction in rents, increases in charges, inflation, cost pressures, capital financing costs and changes to assumptions.

Table 2 shows the summary of the 2016/17 budget and the movement from 2015/16 original budget.

TABLE 2: HRA BUDGET 2016/17				
Note	DESCRIPTION	2015-16 BUDGET	2016-17 BUDGET	MOVEMENT
		£m	£m	£m
	INCOME			
1	Rent income	(101.145)	(96.939)	4.206
2	Service charges & other income	(7.829)	(8.524)	(0.695)
	TOTAL INCOME	(108.974)	(105.463)	3.511
	EXPENDITURE			
3	Repairs	27.260	27.260	0.000
4	Management	32.017	31.017	(1.000)
5	Capital Charges	43.062	42.426	(0.636)
6	Direct Revenue Financing	6.635	4.760	(1.875)
	TOTAL EXPENDITURE	108.974	105.463	(3.511)
	Deficit / (Surplus)	0.000	0.000	0.000
7	HRA Working Balance	(4.000)	(4.000)	0.000

1. Rent Income

Rent policy - In July 2015 the Chancellor announced that social rents would be reduced by 1% per annum for four years. This change is to be introduced through legislation which is currently passing through parliament and replaces the latest government policy for social rents which applied from 1st April 2015 which set out an increase in rents by CPI (at September) + 1% for ten years. The latest guidance has provided an exemption from this general rule for supported accommodation.

The Government exercises control over local rents by charging the Council for the housing benefit costs where the average rent has exceeded the limit rent (every £1 rent charged above limit rent requires £0.66 of the increase to be paid back to Government to pay for the increased cost of Housing Benefit). Following the introduction of the Work & Welfare Reform Bill the 2015-16 limit rent will decrease by

1% in 2016/17 and is estimated to be £76.43 per week. It will be decreased by 1% per annum for the next three years. The proposed average rent of £73.74 gives headroom of £2.69 per week. Applying the proposed rent will reduce rental income by **£1.001m** per annum.

It is proposed that for Highwood House, the Council's homeless families unit, an increase of CPI (at September 2015) + 1%, resulting in a 0.9% increase being applied to all new tenancies. For all older persons schemes existing tenants will benefit from the 1% reduction as consulted upon.

There is a further decrease of £3.205m in rent due to the reduction of council housing stock due to council housing sales (from Right to Buy and sales of non-standard "corporate" stock) and demolition as part of the new build programme.

Affordable rent change - For schemes where the HCA provides a grant towards the cost of re-purchase and works to properties or new build properties a condition of the grant is that they must be let at "Affordable Rent", which is 80% of the local market rent. The above legislation also applies to affordable rents and therefore these will be decreased by **1.0%**. The affordable rent must be recalculated for a new tenancy.

Bad debt provision - Part of the reforms introduced by Universal Credit includes payment of housing benefit direct to the tenant monthly in arrears (currently housing benefit is received directly by the landlord) so collecting rent will be harder in future years. The new system is currently being rolled out across the country. Early evidence from pilot schemes suggests that arrears increase as much as threefold, so the provision will be increased by £1m for the years 2017/18 to 2018/19 to give time to assess the impact and develop a robust future strategy.

The HRA working balance has already been increased to £4.000m and will be retained at this level to manage the pressure and uncertainty on the HRA. It is assumed for the MTFP that progress will be made over time to reduce the impact of the changes on the HRA.

TABLE 3: RENT INCOME CHANGES 2016/17	
DESCRIPTION	£m
Rent income	1.001
Rent income - adjusted for stock reduction	3.205
Rent income (net)	4.206

2. Service charges & other income

The Welfare Reform and Work Bill requirement to reduce social rents by 1% per annum is not applicable to service charges. Where a direct service charge is levied, it will increase by **2.2%**, to support the recovery of associated costs. **Appendix A** gives details of the service charges, new charges introduced and the increases to each charge.

Garages not included as part of the rent of a dwelling are currently charged at an average £7.90 per week. It is proposed to increase this by a maximum of £0.23 to an average of £8.06, generating additional annual income of **£0.018m**. For garage

tenants who do not hold a house tenancy or are a leaseholder, VAT is added to the rent charge.

Other changes to income include increased income from solar panels over and above that due to the panels being more efficient than estimated.

TABLE 4: SERVICE CHARGES & OTHER INCOME CHANGES 2016/17	
DESCRIPTION	£m
Service charges	(0.077)
Independent living charges	(0.027)
Scheme charges	(0.003)
Other income	(0.570)
Garage rents	(0.018)
Service charges and other income	(0.695)

3. Repairs

Due to the reduction in rental income resulting from government proposals outlined above, it is proposed that the Housing Repairs budget be cash limited. NCH will manage the delivery of the reduction through increased efficiency.

4. Management

NCH Management Fee - The Management Fee paid to Nottingham City Homes will be reduced by £0.500m to £22.020m, reflecting the need for increased efficiency and managing a declining volume of stock.

Retained Housing - It is proposed that all Retained Housing budgets are cash limited. Within Retained Housing the pay award (1%) and general inflation (0.95%) are in line with the General Fund and have been contained within existing resources.

Responsible Tenant Reward scheme - The scheme rewards responsible tenants who pay rent on time, behave responsibly (e.g. keep gas maintenance appointments) and show respect to their neighbours and NCH staff. Tenants that meet the criteria receive £100 per annum, with the estimated cost of £2.200m in 2015/16. It is proposed that £2.000m is budgeted for the scheme in 2016/17 as a result of applying the eligibility criteria more strictly. The full cost of the scheme has been included in the MTFP and the cost of the scheme will be mitigated to some extent by savings generated from the changes in behaviour that will generate cost savings. The scheme was intended to be in place for at least three years and a review of the scheme will be undertaken in 2016/17 to ensure that the scheme is effective.

Joint working / cost saving initiatives - The City Council and NCH has embarked on a review of services to be delivered in partnership to deliver General Fund savings whilst ensuring that the HRA is charged a proportionate share of the costs.

It is proposed elsewhere in this report that the City Council will require NCH to return a proportion of any surplus generated from trading activity. This proposal has no direct impact upon the HRA.

5. Capital charges

The introduction of self-financing of the HRA requires the HRA to generate sufficient resources to finance the capital investment to maintain the existing housing stock and tenant priorities. The rent reduction required by draft legislation referred to earlier in the report results in a reduced contribution to the capital programme in 2016/17 as reflected in **Table 5**.

TABLE 5: CAPITAL FINANCING COSTS			
DESCRIPTION	Original Budget 2015/16 £m	Original Budget 2016/17 £m	Movement £m
Depreciation	29.001	29.001	(0.000)
Debt charges	14.061	13.425	(0.636)
TOTAL	43.062	42.426	(0.636)

Depreciation - With the introduction of HRA Self Financing, the charge for depreciation is based upon component accounting. The sum that accumulates in the Major Repairs Reserve is only available for investment in major repairs of the stock and cannot be used to support the overall rent level. The value of the depreciation provision in 2016/17 budget is £29.001m.

Debt charges - The HRA continues to benefiting from the historically low short term interest rates, with the estimated average rate to be applied in 2016/17 being **4.37%**. All borrowing is currently at fixed interest rates to remove interest rate risk from the HRA. Over the life of the MTFP the long term average interest rates of between 4.45% and 5% are still expected to be valid for the HRA business plan.

6. Direct Revenue Financing

To ensure full funding of the Housing Investment Programme direct revenue financing of £4.760m has been made in 2016/17, a reduction of £1.875m from the 2015/16 budget reflecting the revised resources available in the HRA to finance capital investment.

7. HRA Working Balance

Under HRA self-financing the Council has taken on new risks arising from the HRA being dependent upon rental income to sustain future investment in the housing stock. The working balance acts as a contingency to cover unexpected significant expenditure or unplanned major additional expenditure. Given the economic climate and uncertainty over the impact of welfare reform it is prudent to retain the increased HRA working balance at **£4.000m**. The overall balance remains within the parameters set out in the MTFP.

HRA Medium Term Financial Plan 2016/17 to 2019/20

The HRA MTFP 4 year projections have been updated to reflect the above changes. **Table 6** shows the HRA MTFP for 2016/17 to 2019/20. The future years' projections are based on information currently available but subject to ongoing review. Projections for 2017/18 to 2019/20 incorporate the following assumptions:

- The inflation indicators are consistent with those used throughout the entire MTFP.
- Rent levels have been assumed to decrease in accordance with the draft legislation (-1% per annum for 4 years) and to reflect stock reductions from Right to Buy (RTB) and decommissioning of property and increases from new build council houses.
- Financing costs take account of the level of debt assumed from the self-financing settlement.
- Depreciation charges are based on data provided by NCH on asset life spans and replacement costs.
- The Tenant Incentive Scheme continues and remains unchanged
- Additional savings of at least £0.759m required to be identified for 2019/20 to ensure the HRA remains in balance.

Table 6: HRA – MEDIUM TERM FINANCIAL PLAN				
DESCRIPTION	BUDGET 2016/17 £m	BUDGET 2017/18 £m	BUDGET 2018/19 £m	BUDGET 2019/20 £m
INCOME				
Rental Income	(98.458)	(97.602)	(96.741)	(95.846)
Provision for Bad Debts	1.519	2.519	3.519	3.519
Service charges	(4.664)	(4.706)	(4.749)	(4.793)
Other rents (inc garage)	(2.902)	(2.956)	(3.010)	(3.065)
Other income including interest	(0.958)	(0.766)	(0.720)	(0.720)
TOTAL INCOME	(105.463)	(103.511)	(101.701)	(100.905)
EXPENDITURE				
Repairs to Dwellings	27.260	27.260	27.260	27.260
NCH Management Fee	22.020	22.020	22.020	22.020
Tenant incentive scheme	2.000	2.000	2.000	2.000
Public Realm	2.846	2.846	2.846	2.846
CCTV	1.358	1.358	1.358	1.358
Retained Housing	2.793	2.793	2.793	2.793
Provision for Depreciation	29.001	29.001	29.001	29.001
Debt Charges	13.425	13.660	14.223	14.386
Direct Revenue Financing	4.760	2.573	0.200	0.000
Additional savings to be identified	0.000	0.000	0.000	(0.759)
TOTAL EXPENDITURE	105.463	103.511	101.701	100.905
Deficit / (Surplus)	0.000	0.000	0.000	0.000
Add Working Balance B/F	4.000	4.000	4.000	4.000
WORKING BALANCE C/F	4.000	4.000	4.000	4.000

Tenant Consultation – Housing Revenue Account

Formal consultation is undertaken with the Tenant Representative Forum as part of the rent setting process, with individual tenants having the opportunity to comment via questionnaire. Details of the feedback are contained within Annex 6 to the report. The main conclusions from the feedback were:-

- Broad support for the 1% reduction in rent in 2016/17
- Broad support for the continuation of the £100 Tenant Reward Scheme
- Mixed opinion on the benefits of additional service charges

PUBLIC SECTOR HOUSING CAPITAL PROGRAMME

Context

HRA capital expenditure is financed from resources generated from rental income to directly finance capital expenditure or fund prudential borrowing subject to the debt cap limit for the HRA. The HRA 30 year Business Plan was refreshed in 2015 to reflect the revised rent policy introduced by the Government from 1 April 2015. The HRA 30 year business plan has not been revised to reflect the changes to rent policy to be introduced from April 2016. The existing plan will not be affordable following the impending changes to rent policy, requiring a fundamental review to be undertaken in 2016. In the interim a review of the Asset Management Plan (AMP) for the next 5 years has been undertaken to inform the revised capital programme.

The Programme

The Public Sector Housing Capital Programme sets out the five year investment in the housing stock. Management of the stock was transferred to NCH under a management agreement but the Council retains ownership. The allocation of these funds to individual schemes is agreed between the Council and NCH. **Table 7** shows the level of investment to 2019/20 against the existing capital programme approved to 2018/19.

TABLE 7: PUBLIC SECTOR HOUSING CAPITAL PROGRAMME							
PROGRAMME MOVEMENT	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
Existing programme	57.194	76.519	53.055	42.455	35.013	0.000	264.236
New/amended schemes	(2.582)	(2.319)	(2.872)	(2.281)	(3.068)	30.489	17.367
TOTAL PROGRAMME	54.612	74.200	50.183	40.174	31.945	30.489	281.603

The detailed programme is shown in **Appendix B** and is based on existing approved commitments, new projects and amendments to existing schemes. **Appendix C** sets out those new/amended schemes recommended for inclusion within the programme. The schemes/programmes shown as requiring NCH approval are delegated to NCH to award contracts up to the value of the scheme/programme shown in **Appendix B**.

Schemes within the programme, including Building a Better Nottingham, will require further approval within the Council, at either Portfolio Holder or Executive Board level (depending on the value) as these are aspirational projects requiring further refinement.

The Public Sector Housing capital programme supports delivery of the Transforming Nottingham's Neighbourhoods priorities within the Housing Nottingham Plan and Council Plan, supporting delivery of the following key themes:

- The standard of existing homes – ensuring existing housing stock remains well maintained, well managed and energy efficient;
- The supply of new homes – maximising funding to deliver new homes across all tenures; and
- Meeting specialist housing need – supporting vulnerable groups by prioritising and using prevention and early intervention measures to the full.

The programme takes account of the NCH AMP (refreshed to 2020/21), known commitments from schemes in progress, health and safety issues and other service investment needs. Overall, the programme has been financed within available financial resources during the period. **Table 8** shows the summary resources identified to support the programme.

TABLE 8: CAPITAL PROGRAMME & RESOURCES							
ELEMENT	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
TOTAL INVESTMENT	54.612	74.200	50.183	40.174	31.945	30.489	281.603
RESOURCES							
Capital Resources	36.352	64.206	44.082	34.021	30.505	29.359	238.525
Capital Receipts	13.014	5.234	3.528	5.953	1.440	1.130	30.299
Direct Revenue Financing	5.246	4.760	2.573	0.200	0.000	0.000	12.779
TOTAL RESOURCES	54.612	74.200	50.183	40.174	31.945	30.489	281.603

The financing of the capital programme is shown in **Appendix D**. The summary HRA capital programme for 2016/17 is shown in **Table 9**.

TABLE 9: 2016/17 SUMMARY CAPITAL PROGRAMME	
DESCRIPTION	£m
Maintaining the Nottingham Decent Homes Standard	16.030
Additional tenant priorities:	
- City wide energy efficiency	12.144
- Additional improvements	17.034
Building a Better Nottingham	28.992
TOTAL	74.200

Maintaining the Nottingham Decent Homes Standard

Nottingham City Council, through its delivery agent NCH, has achieved the Decent Homes standard in the council's housing stock. We are committed to Maintaining Decency and have developed a programme which invests **£74.379m** over 5 years to deliver the Nottingham Standard for decent homes.

Building a Better Nottingham – new build programme

The HRA's Capital Programme for Public Sector Housing includes **£48.009m** for decommissioning, demolition and new build council housing. This supports the aim of the Council Plan 2015-19 to build 2,500 new homes that Nottingham people can afford to rent or buy.

In July 2014 the Council and NCH were successful in bidding for £3.333m of funding from the Housing and Communities Agency (HCA). The funding will contribute 13% of the cost of building 198 new homes within the city by March 2017 and £3.027m will support multiple sites within the city, including a number of former garages as part of Building a Better Nottingham. The remaining £0.306m supports an NCH owned development of 17 family homes in Lenton.

HRA Capital Receipts

Table 10 shows the estimated capital receipts from RTB sales based on updated assumptions after applying the pooling requirement and costs of disposal. Currently the balance of RTB receipts available are used to support the private sector housing programme in the 'All Other Services' programme in the General Fund. The table excludes 1-4-1 receipts of which more detail is given below.

TABLE 10: HRA RTB CAPITAL RECEIPTS							
PROJECTION	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
	£m	£m	£m	£m	£m	£m	£m
RTB Sales	13.779	10.334	7.751	5.812	4.359	3.269	45.304
Less Paid to Government	(2.120)	(1.590)	(1.193)	(0.894)	(0.671)	(0.503)	(6.971)
Less Transaction Costs	(0.473)	(0.355)	(0.266)	(0.199)	(0.150)	(0.112)	(1.555)
Less General Fund share	(2.074)	(1.555)	(1.167)	(0.875)	(0.656)	(0.492)	(6.819)
Less 1-4-1 Receipts (Table10)	(5.191)	(3.893)	(2.920)	(2.190)	(1.642)	(1.232)	(17.068)
Balance to HRA Programme	3.921	2.941	2.205	1.654	1.240	0.930	12.891

Table 11 shows the profile of capital receipts (excluding 1-4-1 receipts), that can be used up to the values stated and may be used to finance any capital expenditure. Previously approved Council policy on the allocation of capital receipts will require these sums to be used for Public Sector Housing. Executive Board approved the disposal of non-purpose built council houses (known as 'corporates') on 20 October 2009.

TABLE 11: HRA OTHER CAPITAL RECEIPTS							
PROJECTION	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
	£m	£m	£m	£m	£m	£m	£m
RTB receipts	3.921	2.940	2.205	1.654	1.240	0.930	12.891
Corporates	0.640	0.640	0.640	0.000	0.000	0.000	1.920
Housing land sales	1.555	0.200	0.200	0.200	0.200	0.200	2.555
Housing sales	6.700	0.000	0.000	0.000	0.000	0.000	6.700
Total	12.816	3.780	3.045	1.854	1.440	1.130	24.066

1-4-1 Receipts from additional Right to Buy (RTB) sales

From 1 April 2012, DCLG introduced changes to the treatment of capital receipts under the RTB. The changes require a proportion of the receipt to be used to repay housing debt. The requirement to pay over to the DCLG 75% of RTB sales receipts remains, but this has been modified to take account of the need to reduce the level of debt. Overall the stated national policy is to use part of the receipts in future to provide replacement homes for those sold under the RTB. These additional retained RTB sales will be used to support the new build programme within the HRA.

Where RTB sales exceed the sales predicted prior to the government's reinvigoration of RTB, the Council may keep an additional proportion of the receipt (known as the 1-4-1 receipt) for spend on new build. Funding must be spent on creating additional social housing (either new build or purchase of properties), the Council must contribute at least 70% of the cost and must be spent within 3 years of the related RTB sale (excluding schemes with HCA grant). Any receipt unspent within the timeframe must be returned to the DCLG.

Table 12 shows the projected 1-4-1 receipts and the use to finance expenditure on schemes that meet the eligibility criteria within the capital programme. The available receipts are those currently without a scheme in the capital programme and if suitable schemes are not identified will need to be repaid to central government.

TABLE 12 : PROJECTED 1-4-1 RECEIPTS							
PROJECTION	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
	£m	£m	£m	£m	£m	£m	£m
Opening balance	0.000	4.993	7.433	9.870	7.961	9.603	
1-4-1 receipts	5.191	3.893	2.920	2.190	1.642	1.232	17.068
HRA use of 1-4-1 receipts	0.198	1.453	0.483	4.099	0.000	0.000	6.233
Available	4.993	7.433	9.870	7.961	9.603	10.835	

Capital Allowance

Under existing regulations the need to pool receipts generated by the disposal of other HRA (i.e. Non RTB receipts) assets can be removed in certain circumstances. This

requires the establishment of a capital allowance relating to works to be undertaken meeting specified criteria, including the provision of affordable social housing and regeneration schemes. **Table 13** shows the capital expenditure on Decent Homes and new build of social housing which qualify for capital allowance.

TABLE 13: CAPITAL ALLOWANCE CALCULATION							
DESCRIPTION	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
	£m	£m	£m	£m	£m	£m	£m
Decent Homes	17.097	16.030	14.430	13.444	16.798	17.196	94.995
New Build	12.772	28.992	11.283	7.734	0.000	0.000	60.781
TOTAL	29.869	45.022	25.713	21.178	16.798	17.196	155.776

HRA debt cap

The HRA has headroom within the amount of debt that it can sustain from the rental streams enabling the sound financial management of the capital investment programme over the 30 year plan and to enable investment in new social housing as shown in **Table 14**. The planned repayment in year is the repayment of the principal associated with the HRA share of annuity loans, thereby reducing the Capital Financing Requirement (CFR) in year:-

TABLE 14: HRA DEBT POSITION	
DESCRIPTION	£m
HRA CFR at 1 April 2015	281.294
Less: debt planned to be repaid in year	(0.505)
HRA CFR at 1 April 2016	280.789
Debt cap	319.748
Estimated headroom at 1 April 2016	38.959

The MTFP assumes the use of the headroom over the life of the plan primarily to support investment in new social housing – see **Table 15** for impact on the debt cap. Additional borrowing can be taken up to the cap subject to affordability. Currently the business plan is in balance such that any additional borrowing would need to generate sufficient revenue resources to fund the repayment of the borrowing and interest.

TABLE 15: HRA DEBT POSITION - PROJECTED	
DESCRIPTION	£m
HRA CFR at 1 April 2016	280.789
Add: borrowing taken out over 5 year investment plan	13.000
Less: debt planned to be repaid over 5 years (£0.405m x 5)	(2.025)
HRA CFR at 1 April 2021	291.764
Debt cap	319.748
Estimated headroom at 1 April 2021	27.984

APPENDIX A – SERVICE CHARGES INCREASES 2016/17

Service charges (over 50 weeks)

It is proposed that service charges are increased by **2.2%**. **Table 1** lists the range of services provided to specific groups of tenants. Two new service charges are being created to make a contribution to the cost of providing services that maintain estates and blocks. A corresponding value is being deducted from the 2015/16 rent resulting in a £0.03 increase. Applying the revised rates would produce additional annual income of **£0.077m**.

TABLE 1: WEEKLY SERVICE CHARGES			
SERVICE	CURRENT 2015/16 £	PROPOSED 2016/17 £	INCREASE £
Caretaking	5.19	5.30	0.11
Cleaning Service	3.05	3.12	0.07
Communal lighting	0.54	0.55	0.01
Communal TV system	0.91	0.93	0.02
Homewatch	0.52	0.53	0.01
Security (CCTV)	5.41	5.53	0.12
Emergency Alarm	2.49	2.54	0.05
Scooter storage	1.02	1.04	0.02
Estate maintenance	n/a *	1.26	0.03 *
Block maintenance	n/a *	1.26	0.03 *

* Estate and block maintenance are included within the rent in 2015/16. In 2016/17 the rent is reduced by the value of the service charge ie £1.23 per week and the service charge is increased in line with other service charges.

Furnished tenancy service charges will also increase by **2.2%**.

Independent Living Charges

TABLE 2: INDEPENDENT LIVING CHARGES			
<u>CHARGE</u>	WEEKLY CHARGE 2015/16 £	PROPOSED CHARGE 2016/17 £	INCREASE £
Independent Living Support	3.06	3.13	0.07
Intensive Housing Management	10.35	10.58	0.23
Total	13.41	13.71	0.30
Independent Living charge where intensive HM not provided	3.23	3.30	0.07

Tenants in Independent Living schemes pay additional charges for intensive housing management, housing related support and emergency alarms that are necessary to assist tenants in retaining their independence. It is proposed that the total Independent Living service charges are increased by **2.2%** to support the recovery of associated costs - see **Table 2** below. Applying the revised rates would produce additional annual income of **£0.027m**.

Scheme Charges

Foxton Gardens is an independent living scheme with its own service charge and charges for heat and water. Charges are recommended to be increased by **2.2%** in line with other recommended service charge increases. The increase will generate additional income of **£0.003m** and has been allowed for in the budget. Details are set out in **Table 3**.

TABLE 3: FOXTON GARDENS CHARGES			
TYPE	WEEKLY CHARGE 2015/16 £	PROPOSED CHARGE 2016/17 £	INCREASE £
FOXTON GARDENS: SERVICE CHARGE	35.19	35.96	0.77
FOXTON GARDENS: WATER			
One bed	2.97	3.04	0.07
Two bed	4.14	4.23	0.09
FOXTON GARDENS: HEATING			
One bed / bedsit	14.53	14.85	0.32
Two bed	19.73	20.16	0.43

Highwood House

Highwood House is the Council's homeless families unit. Charges are recommended to be increased by **2.2%** in line with other proposed service charge increases. The increase will generate additional income of **£0.005m** and has been allowed for in the budget. Details are set out in **Table 4**.

TABLE 4: HIGHWOOD HOUSE CHARGES			
TYPE	WEEKLY CHARGE 2015/16 £	PROPOSED CHARGE 2016/17 £	INCREASE £
Eligible Service Charge	121.28	123.95	2.67
Ineligible Service Charge (Flat heating, lighting, water)			
One bed	12.45	12.72	0.27
Two bed	17.96	18.36	0.40

APPENDIX B - CAPITAL PROGRAMME BY SCHEME 2015/16– 2020/21

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<u>Meeting the Nottingham Decent Homes Standard</u>								
<u>Safe</u>								
City Wide CCTV / Door Entry Imp	NCH	0.067	0.060	0.080	0.086	0.370	0.111	0.774
Fire Alarm Installations	NCH	0.086	0.095	0.090	0.090	0.090	0.114	0.565
Asbestos Works	NCH	1.272	1.000	0.969	0.200	0.200	0.200	3.841
Lift Replacement Programme	NCH	2.200	0.947	1.080	0.349	0.000	0.000	4.576
Radiation Awareness	NCH	0.240	0.138	0.000	0.000	0.000	0.000	0.378
Water Infrastructure Managed Supplies	NCH	0.087	0.035	0.010	0.010	0.000	0.000	0.142
High Rise Sprinkler Systems	NCH	0.130	0.250	0.250	0.169	0.000	0.000	0.799
Window Restrictor Programme	NCH	0.034	0.000	0.000	0.000	0.000	0.000	0.034
Structural Surveys & Rectification Works	NCH	0.227	0.100	0.073	0.050	0.050	0.050	0.550
Renew Bin Store/Refuse Chute	NCH	0.000	0.000	0.000	0.000	0.524	0.468	0.992
Management Fee	NCH	0.220	0.126	0.127	0.048	0.062	0.047	0.630
		4.563	2.751	2.679	1.002	1.296	0.990	13.281
<u>Secure Warm & Modern</u>								
Nottingham Secure	NCH	0.450	1.611	1.903	1.834	2.396	2.692	10.886
Modern Living	NCH	3.502	2.891	2.085	2.926	3.789	5.000	20.193
Warmth for Nottingham - (Includes DLO Heating)	NCH	2.687	1.515	3.030	2.316	3.232	1.191	13.971
Roof & Chimney Replacement	NCH	2.006	2.994	1.533	1.533	1.533	2.000	11.599

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
External Fabric	NCH	1.000	1.635	2.374	2.975	3.547	4.000	15.531
Management Fee	NCH	0.590	0.533	0.546	0.578	0.725	0.744	3.716
		10.235	11.179	11.471	12.162	15.222	15.627	75.896
<u>Additional Tenant Priorities</u>								
<u>City Wide Door Programme</u>								
Composite Doors City Wide	NCH	2.199	2.000	0.267	0.267	0.267	0.551	5.551
Management Fee	NCH	0.100	0.100	0.013	0.013	0.013	0.028	0.267
		2.299	2.100	0.280	0.280	0.280	0.579	5.818
<u>Energy Efficiency & Tackling Fuel Poverty</u>								
No Fines/ Solid Wall Insulation Schemes	NCC	3.785	6.776	6.049	4.934	4.091	5.000	30.635
Green Deal Communities Funding	NCC	0.650	0.000	0.000	0.000	0.000	0.000	0.650
BISF Upgrades / External Wall Insulation	NCC	0.000	1.560	1.500	0.000	0.000	0.000	3.060
LED Communal Lighting	NCH	0.314	0.250	0.250	0.250	0.000	0.000	1.064
Sneinton District Heating - BMK'S	NCC	2.932	0.000	0.000	0.000	0.000	0.000	2.932
Woodthorpe & Winchester - CHP	NCC	0.020	2.980	2.000	0.000	0.000	0.000	5.000
Colwick Woods Court	NCC	0.000	0.000	2.500	0.000	0.000	0.000	2.500
Management Fee	NCH	0.523	0.578	0.615	0.259	0.205	0.250	2.430
		8.224	12.144	12.914	5.443	4.296	5.250	48.271

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<u>Modernising Housing For Older People</u>								
Independent living Re-Design	NCH	0.786	0.683	0.683	0.683	0.683	0.683	4.201
Independent Living Re-Designation	NCH	0.018	0.000	0.000	0.000	0.000	0.000	0.018
Benedict Court Major Alterations	NCC	0.278	0.000	0.000	0.000	0.000	0.000	0.278
Carnforth Court Major Alterations	NCC	0.194	0.000	0.000	0.000	0.000	0.000	0.194
Mobile Scooter Stores	NCH	0.459	0.250	0.250	0.250	0.250	0.000	1.459
Refurbishment Of Sheltered Housing Scheme	NCH	0.000	0.300	0.000	0.000	0.000	0.000	0.300
Management Fee	NCH	0.097	0.062	0.047	0.047	0.047	0.034	0.334
		1.832	1.295	0.980	0.980	0.980	0.717	6.784
<u>Decent Neighbourhoods</u>								
CityWide Environmentals - AREA CAPITAL FUND	NCH	1.394	1.000	1.000	1.000	1.000	1.000	6.394
Estate/Area Impact works	NCH	1.094	1.246	1.000	1.000	1.000	1.000	6.340
Paving Works - AREA COMMITTEE SCHEMES	NCH	0.352	0.360	0.360	0.360	0.360	0.360	2.152
Garage / Outbuildings - CITYWIDE	NCH	0.200	0.298	0.298	0.200	1.028	0.203	2.227
Management Fee	NCH	0.145	0.145	0.133	0.128	0.169	0.128	0.848
		3.185	3.049	2.791	2.688	3.557	2.691	17.961
<u>Existing Stock Investment</u>								
Major Void Works - DLO	NCH	2.600	2.400	2.400	2.400	2.400	2.400	14.600
Fire Damaged Properties - DLO	NCH	0.100	0.100	0.100	0.100	0.100	0.100	0.600
Victoria Centre Roof	NCH	0.020	0.313	0.000	0.000	0.000	0.000	0.333
Victoria Centre External Refurbishment	NCC	0.000	0.000	3.000	5.000	1.600	0.000	9.600
Management Fee	NCH	0.024	0.016	0.150	0.250	0.080	0.000	0.520
		2.744	2.829	5.650	7.750	4.180	2.500	25.653

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<u>Building a Better Nottingham</u>								
Lenton - DECOM, DEMO & NEW BUILD	NCC	2.891	2.126	0.000	0.000	0.000	0.000	5.017
The Chase Phase 1 & 2 + Locksley Phase 1	NCC	0.021	0.000	0.000	0.000	0.000	0.000	0.021
Cranwell Road & Meadows Q Blocks Leaseholder Acquisitions	NCC	0.643	0.000	0.000	0.000	0.000	0.000	0.643
Cranwell Road Flats - DECOM, DEMO & NEW BUILD	NCC	2.005	3.380	0.000	0.000	0.000	0.000	5.385
Meadows Q Blocks - DECOM, DEMO & NEW BUILD	NCC	3.490	3.782	0.000	0.000	0.000	0.000	7.272
Relhousing Costs	NCC	0.020	0.000	2.809	0.000	0.000	0.000	2.829
Demolition	NCC	0.185	0.000	0.000	0.000	0.000	0.000	0.185
Denton Green - DEMO & NEW BUILD	NCC	0.115	0.000	0.000	0.000	0.000	0.000	0.115
Ragdale Road - DEMO & NEW BUILD	NCC	0.000	0.681	0.166	0.000	0.000	0.000	0.847
Meadowvale Road - DEMO & NEW BUILD	NCC	0.000	0.420	0.000	0.000	0.000	0.000	0.420
Aspley JSC / Stepney Court - DECOM, DEMO & NEW BUILD	NCC	0.361	2.738	0.857	0.000	0.000	0.000	3.956
Affordable Homes - Garage Sites - DECOM, DEMO & NEW BUILD	NCC	1.226	7.243	4.180	0.000	0.000	0.000	12.649
New Build Phase 1 - UNALLOCATED	NCC	0.556	0.000	1.084	0.000	0.000	0.000	1.640
New Build Phase 2 - UNALLOCATED	NCC	0.000	0.000	0.000	7.366	0.000	0.000	7.366
Morley School - DECOM, DEMO & NEW BUILD	NCC	0.350	3.100	0.650	0.000	0.000	0.000	4.100
Acquisition	NCC	0.100	0.149	0.000	0.000	0.000	0.000	0.249
Woodthorpe & Winchester - New Build	NCC	0.000	4.000	1.000	0.000	0.000	0.000	5.000
Management Fee	NCH	0.809	1.373	0.537	0.368	0.000	0.000	3.087
		12.772	28.992	11.283	7.734	0.000	0.000	60.781

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<u>Joint NCC / NCH Involvement</u>								
Sanctuary Project	NCC	0.065	0.035	0.035	0.035	0.034	0.035	0.239
HRA Shop Investment Strategy	NCC	0.043	0.144	0.000	0.000	0.000	0.000	0.187
St Anns Estate Action - Stonebridge Park (PHASE 3 & 6)	NCC	0.023	0.490	0.000	0.000	0.000	0.000	0.513
St Anns Estate Action - Stonebridge Park (PLOT)	NCC	0.144	0.000	0.000	0.000	0.000	0.000	0.144
Empty Homes	NCC	0.657	0.307	0.000	0.000	0.000	0.000	0.964
Office Improvements	NCC	0.030	0.000	0.000	0.000	0.000	0.000	0.030
IT Development Programme	NCC	0.012	0.024	0.000	0.000	0.000	0.000	0.036
PV Installation Programme	NCC	4.080	4.945	0.000	0.000	0.000	0.000	9.025
Adaptations For Disabled Persons	NCC	0.980	1.247	0.731	0.731	0.731	0.731	5.151
Adaptations For Disabled Persons - DLO	NCC	1.269	1.269	1.269	1.269	1.269	1.269	7.614
Preventive Adaptations For Older People – PAD	NCC	0.100	0.100	0.100	0.100	0.100	0.100	0.600
Grant to NCH for acquisition of Lenton land	NCC	1.355	0.000	0.000	0.000	0.000	0.000	1.355
Acquisition Of Sheltered Housing Scheme	NCC	0.000	1.300	0.000	0.000	0.000	0.000	1.300
		8.758	9.861	2.135	2.135	2.134	2.135	27.158
TOTAL		54.612	74.200	50.183	40.174	31.945	30.489	281.603

APPENDIX C - CAPITAL PROGRAMME SCHEMES AMENDMENTS FOR APPROVAL 2015/16 – 2020/21

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<u>Meeting the Nottingham Decent Homes Standard</u>								
<u>Safe</u>								
City Wide CCTV / Door Entry Imp	NCH	0.000	0.000	0.000	0.000	0.000	0.111	0.111
Fire Alarm Installations	NCH	0.000	0.000	0.000	0.000	0.000	0.114	0.114
Asbestos Works	NCH	0.100	(0.100)	0.000	0.000	0.000	0.200	0.200
Lift Replacement Programme	NCH	(0.047)	0.047	0.000	0.000	0.000	0.000	(0.000)
Radon Awareness	NCH	0.045	(0.045)	0.000	0.000	0.000	0.000	0.000
Water Infrastructure Managed Supplies	NCH	0.000	0.000	0.000	0.000	0.000	0.000	0.000
High Rise Sprinkler Systems	NCH	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Window Restrictor Programme	NCH	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Structural Surveys & Rectification Works	NCH	0.000	0.000	0.000	0.000	0.000	0.050	0.050
Renew Bin Store/Refuse Chute	NCH	0.000	0.000	0.000	0.000	0.000	0.468	0.468
Management Fee	NCH	0.000	(0.010)	(0.003)	0.005	(0.003)	0.047	0.037
		0.098	(0.108)	(0.003)	0.005	(0.003)	0.990	0.980
<u>Secure Warm & Modern</u>								
Nottingham Secure	NCH	0.000	0.000	0.000	(1.000)	(1.000)	2.692	0.692
Modern Living	NCH	0.000	0.000	0.000	0.000	0.000	5.000	5.000
Warmth for Nottingham - (Includes DLO Heating)	NCH	0.100	0.000	(0.100)	0.000	0.000	1.191	1.191
Roof & Chimney Replacement	NCH	(0.494)	(1.406)	(2.967)	(2.822)	(3.322)	2.000	(9.011)

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
External Fabric	NCH	(0.528)	0.527	0.000	0.000	0.000	4.000	3.999
Management Fee	NCH	0.000	(0.020)	(0.131)	(0.174)	(0.182)	0.744	0.237
		(0.922)	(0.899)	(3.198)	(3.996)	(4.504)	15.627	2.108
<u>Additional Tenant Priorities</u>								
<u>City Wide Door Programme</u>								
Composite Doors City Wide	NCH	0.000	0.000	(0.268)	(0.490)	(0.529)	0.551	(0.736)
Management Fee	NCH	0.000	0.000	(0.013)	(0.025)	(0.026)	0.028	(0.037)
		0.000	0.000	(0.281)	(0.515)	(0.555)	0.579	(0.773)
<u>Energy Efficiency & Tackling Fuel Poverty</u>								
No Fines/ Solid Wall Insulation Schemes	NCC	(0.965)	0.000	0.965	0.000	0.000	5.000	5.000
Green Deal Communities Funding	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
BISF Upgrades / External Wall Insulation	NCC	(1.500)	0.000	1.500	0.000	0.000	0.000	0.000
LED Communal Lighting	NCH	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Sneinton District Heating - BMK'S	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Woodthorpe & Winchester - CHP	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Colwick Woods Court	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Management Fee	NCH	(0.000)	0.043	0.123	0.000	0.000	0.250	0.416
		(2.465)	0.043	2.588	0.000	0.000	5.250	5.416

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<u>Modernising Housing For Older People</u>								
Independent living Re-Design	NCH	0.000	0.000	0.000	0.000	0.000	0.683	0.683
Independent Living Re-Designation	NCH	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Benedict Court Major Alterations	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Carnforth Court Major Alterations	NCC	(0.030)	0.000	0.000	0.000	0.000	0.000	(0.030)
Mobile Scooter Stores	NCH	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Refurbishment Of Sheltered Housing Scheme	NCH	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Management Fee	NCH	(0.000)	0.015	0.000	0.000	0.000	0.034	0.049
		(0.030)	0.015	0.000	0.000	0.000	0.717	0.702
<u>Decent Neighbourhoods</u>								
City Wide Environmentals - AREA CAPITAL FUND	NCH	0.000	0.000	0.000	0.000	0.000	1.000	1.000
Estate/Area Impact works	NCH	0.157	(0.157)	0.000	0.000	0.000	1.000	1.000
Paving Works - AREA COMMITTEE SCHEMES	NCH	0.000	0.000	0.000	0.000	0.000	0.360	0.360
Garage / Outbuildings - CITYWIDE	NCH	0.000	0.000	0.000	0.000	(0.053)	0.203	0.150
Management Fee	NCH	(0.000)	(0.003)	0.005	0.000	(0.003)	0.128	0.127
		0.156	(0.160)	0.005	0.000	(0.056)	2.691	2.636
<u>Existing Stock Investment</u>								
Major Void Works - DLO	NCH	0.000	0.400	0.400	0.400	0.400	2.400	4.000
Fire Damaged Properties - DLO	NCH	0.000	0.000	0.000	0.000	0.000	0.100	0.100
Victoria Centre Roof	NCH	(0.313)	0.313	0.000	0.000	0.000	0.000	(0.000)
Victoria Centre External Refurbishment	NCC	0.000	(3.000)	(2.000)	3.400	1.600	0.000	0.000
Management Fee	NCH	0.000	(0.134)	(0.100)	0.170	0.080	0.000	0.016
		(0.313)	(2.421)	(1.700)	3.970	2.080	2.500	4.115

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<u>Building a Better Nottingham</u>								
Lenton - DECOM, DEMO & NEW BUILD	NCC	(0.163)	0.163	0.000	0.000	0.000	0.000	0.000
The Chase Phase 1 & 2 + Locksley Phase 1	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Cranwell Road & Meadows Q Blocks Leaseholder Acquisitions	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Cranwell Road Flats - DECOM, DEMO & NEW BUILD	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Meadows Q Blocks - DECOM, DEMO & NEW BUILD	NCC	0.750	(1.000)	0.000	0.000	0.000	0.000	(0.250)
Relocating Costs	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Demolition	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Derby Green - DEMO & NEW BUILD	NCC	(0.074)	0.000	0.000	0.000	0.000	0.000	(0.074)
Ragdale Road - DEMO & NEW BUILD	NCC	0.000	0.000	0.009	0.000	0.000	0.000	0.009
Meadowvale Road - DEMO & NEW BUILD	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Aspley JSC / Stepney Court - DECOM, DEMO & NEW BUILD	NCC	(0.150)	0.150	0.000	0.000	0.000	0.000	(0.000)
Affordable Homes - Garage Sites - DECOM, DEMO & NEW BUILD	NCC	0.000	2.200	2.294	0.000	0.000	0.000	4.494
New Build Phase 1 - UNALLOCATED	NCC	0.205	0.000	0.045	0.000	0.000	0.000	0.250
New Build Phase 2 - UNALLOCATED	NCC	0.000	0.000	(2.795)	(1.634)	0.000	0.000	(4.429)
Morley School - DECOM, DEMO & NEW BUILD	NCC	(0.150)	0.000	0.150	0.000	0.000	0.000	(0.000)
Acquisition	NCC	(0.149)	0.149	0.000	0.000	0.000	0.000	0.000
Woodthorpe & Winchester - New Build	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Management Fee	NCH	0.000	0.201	0.044	(0.082)	0.000	0.000	0.164
		0.269	1.863	(0.253)	(1.716)	0.000	0.000	0.164

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<u>Joint NCC / NCH Involvement</u>								
Sanctuary Project	NCC	0.000	(0.030)	(0.030)	(0.030)	(0.030)	0.035	(0.085)
HRA Shop Investment Strategy	NCC	(0.140)	0.143	0.000	0.000	0.000	0.000	0.003
St Anns Estate Action - Stonebridge Park (PHASE 3 & 6)	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
St Anns Estate Action - Stonebridge Park (PLOT)	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Empty Homes	NCC	(0.307)	0.307	0.000	0.000	0.000	0.000	0.000
Office Improvements	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
IT Development Programme	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PV Installation Programme	NCC	1.072	(1.072)	0.000	0.000	0.000	0.000	0.000
Adaptations For Disabled Persons	NCC	0.000	0.000	0.000	0.000	0.000	0.731	0.731
Adaptations For Disabled Persons - DLO	NCC	0.000	0.000	0.000	0.000	0.000	1.269	1.269
Preventive Adaptations For Older People – PAD	NCC	0.000	0.000	0.000	0.000	0.000	0.100	0.100
Grant to NCH for acquisition of Lenton land	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Acquisition Of Sheltered Housing Scheme	NCC	0.000	0.000	0.000	0.000	0.000	0.000	0.000
		0.625	(0.652)	(0.030)	(0.030)	(0.030)	2.135	2.018
TOTAL		(2.582)	(2.319)	(2.872)	(2.281)	(3.068)	30.489	17.367

APPENDIX D

HRA CAPITAL RESOURCES APPLIED							
RESOURCE TYPE	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
	£m	£m	£m	£m	£m	£m	£m
Resources b/f	45.301	40.538	9.328	0.480	4.186	3.498	45.301
Prudential Borrowing	0.000	0.000	5.580	7.420	0.000	0.000	13.000
Major Repairs Reserve	29.001	29.001	29.001	29.001	29.001	29.001	174.006
Grants Capital Grants	2.588	3.995	0.653	1.307	0.815	0.000	9.358
Direct Revenue Financing	5.246	4.760	2.573	0.200	0.000	0.000	12.779
Capital Receipts	13.014	5.234	3.528	5.953	1.440	1.130	30.299
Total resources	95.150	83.528	50.663	44.360	35.443	33.629	284.743
Capital expenditure	54.612	74.200	50.183	40.174	31.945	30.489	281.603
Future commitment to maintaining decency	0.000	0.000	0.000	0.000	0.000	3.140	3.140
Resources c/f	40.538	9.328	0.480	4.186	3.498	0.000	0.000

ANNEX 5

ROBUSTNESS OF THE BUDGET

CONTENTS	
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Introduction	1
Overall Robustness of the Budget	1
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Adequacy of Reserves and Risk Assessment	5

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APPENDIX NUMBER & TITLE	
A	General Fund Risk Assessment
B	Housing Revenue Account Risk Assessment

Robustness of the Budget and Adequacy of Reserves

1. Introduction

The Local Government Act (Part II) 2003 requires a council's Chief Finance Officer (CFO) to report to councillors on the robustness of budget estimates and the adequacy of that council's financial reserves. The City Council's CFO (also known as the Section 151 officer) holds the post of Strategic Director of Finance. A summary of this evaluation is set out below.

2. Overall Robustness of the Budget

The City Council's annual budget is constructed in order to deliver the Council Plan. The Medium Term Financial Strategy (MTFS) is the overarching framework within which the Council's financial planning and management activity takes place. The annual budget is an integral part of the rolling multi-year Medium Term Financial Plan (MFTP). This approach enables it to support delivery of the Council's priorities, services and improvements. It provides the means by which planned spending may be controlled within available resources. Therefore, this assessment of the robustness of the budget focuses on the likelihood that actual spending will vary from the budget and the consequent impact on the financial health of the organisation.

The Council is a going concern and the budget process is part of a continuous service planning and financial cycle. Therefore, a wealth of knowledge and understanding of the previous and current local and national financial and economic environments is used to make informed assumptions and judgements about the future. This activity seeks to establish a robust budget which is appropriate, realistic and constructed having taken a practical and appropriate assessment of risk.

Many of the details used to inform this assessment are set out in the other Annexes of this report and are therefore not replicated here.

Assumptions

Underlying assumptions have been examined and found to be satisfactory as follows:

- The funding for inflationary pressures is considered to be appropriate, being consistent with known trends and reasonable forecasts.
- The income aspects of the overall budget are calculated based on previous and current trends, known influences and identified risks.
- There are appropriate bad debt provisions in place.
- Other known trends and known and potential pressures (e.g.: demographic changes, new legislation, changes of use etc.) have been evaluated, subjected to various peer reviews and professional challenge and adequately provided for.
- The organisational and financial frameworks and processes required in order to operate within the proposed budget are practical and adequately planned.
- Capital receipts used in the funding of the capital programme have been based on professional estimates both of timing and value with a specific risk assessment applied to determine likelihood of receipt.

Other mechanisms have been used in order to confirm the robustness of the budget estimates, which sit within an overarching planning and governance framework. These include:

- The strength and use of current performance and financial management procedures and reporting and forecasting arrangements (including for example: the Annual Governance Statement, internal and external audit reports, monitoring and forecasting reports, the performance appraisal system, performance boards and the accountability letters).
- The extent, value and complexity of the individual and collective proposed savings in the context of the overall MTFP.
- The track record of services in relation to the implementation of previous and current budget proposals.
- The track record of services in being able to deliver services within budget and deal with emerging pressures within budget.
- The degree and quality of engagement by colleagues and councillors in the process to develop and construct the budget.
- The qualifications, experience and contribution of professional colleagues (ie: finance and HR) engaged throughout the process.
- Proposed rent levels and collection rate trends.
- The proportion and profile of savings that is permanent, ongoing and sustainable. For example service transformation, workforce reduction, divestment, increased income etc.
- The level of expenditure and income that is one-off in nature.
- The process for the identification and evaluation of current contingent liabilities as set out in the most recently published Statement of Accounts.
- A review of the movements in and availability of contingency, provisions and earmarked reserves to meet unforeseen and emerging future cost pressures.
- The use of professional experience and best professional judgment, supported by appropriate professional and technical guidance.

Linking Service Delivery to the Budget

In addition to reviewing the framework for the construction of the budget, the CFO has also considered the adequacy of the processes through which it is then delivered, taking account of the fact that:

- Local government continues to see significant reductions in national funding and major changes to national policy.
- The Government's welfare reform programme has brought significant costs for local authorities, such as the localisation of Council Tax Support to replace the national council tax benefit scheme, as well as the other costs associated with helping citizens prepare for the introduction of Universal Credit.
- The Council has a three-year financial plan, providing a clear framework for both financial and non-financial plans and ensuring an alignment of financial resources with organisational priorities.

- Budgets have been constructed following detailed guidelines, based upon a baseline of the current policy framework and previously agreed levels of service, and that all service investments and reductions are identified separately.
- There has been widespread and practical engagement throughout the budget development and construction process with all senior colleagues and Executive Councillors.
- There have been extensive briefings of colleagues and Executive Councillors in relation to the financial position and the reasons for it. There has also been a wide range of communications with stakeholders. All this has built a good degree of understanding of the issues and how this has impacted on the budget.
- Budgets have been subject to review by senior finance colleagues throughout the process in terms of reasonableness and accuracy.
- Elements of the budget have been subjected to peer review and challenge.
- The City Council's budget process provides all stakeholders with an opportunity to analyse and review the financial plans being proposed. Feedback has been sought on the detailed proposals from a number of sources, including councillors, trades unions, colleagues, the business representatives and community groups.
- The Corporate Leadership Team (CLT) has reviewed detailed information on the budget and associated issues and has been fully engaged in working up, analysing and recommending options.
- There is a clear performance management regime in place, with clear accountability of individuals and teams for the delivery of services within budget and including the delivery of all budget proposals. This starts with the individual Accountability Letters issued to all budget managers and financial targets being reflected in performance objectives and continues throughout the year within the performance appraisal process.

Monitoring – a confirmation of the robustness of the budget

The Council's financial controls are set out within financial regulations, allowing significant assurance of the strength of financial management and control throughout the Council. Formal accountability letters are sent to senior managers setting out their personal financial responsibilities, including implementation of savings and investments.

These arrangements provide a framework for financial monitoring and regular reports setting out spending to date and a projection to the year-end are provided to the CFO, Departmental Leadership Teams and CLT. In parallel, section plans are formulated and delivered to manage and minimise any significant variations to approved budgets.

These are supported by the current arrangements for reporting to councillors, through which reports are reviewed approximately quarterly by the Executive Board.

Current Financial Position

General Fund Revenue

Current monitoring indicates that the forecast General Fund outturn for 2015/16 will show an under spend of **£1.625m**. Un-earmarked reserves levels have been informed by the detailed risk assessment undertaken as part of the budget process. These are shown in **Appendix A**.

HRA Revenue

The City Council is required to periodically review the HRA to ensure that it does not move into deficit. In order to allow for unforeseen expenditure or loss of income, a working balance is needed. The 2015/16 budget allowed for a working balance of **£4.000m** and given the potential financial impact of welfare reforms on the HRA, it is recommended that the level of working balance be maintained at this level.

3. Capital Programme Risk Management & Governance

Capital programme schemes often span a number of years, so it is essential that a longer term view is taken on programming and resourcing.

Capital Programme – Current Position

- General Fund

The forecast spend over the capital programme, including schemes in development, is **£660.126m** compared to resources of **£664.453m**. There is a projected surplus of resources in 2020/21 of **£4.327m** this includes unsecured projected capital receipts of **£20.634m**.

- Public Sector Housing

The forecast spend to 2020/21 is **£281.603m** which is fully financed from available resources generated within the HRA. The MTFP is estimated to generate an additional **£3.140m** of resources to fund future commitments to maintaining decent homes.

Capital Programme Risk

The proposed five-year programme is ambitious and will require the Council to use a high proportion of available resources. Substantial investment of this nature will result in the Council being exposed to additional risks as follows:

- a significant increase in the authority's borrowing over the next five years;
- exposure to interest rate changes; a 0.5% increase in interest rates will increase the cost of borrowing by c£0.750m per annum;
- major schemes have a long pay-back period, which will require the use of reserves in the early years to fund short term deficits in business plans;
- the cost of feasibility studies are all undertaken at risk;
- schemes may not cover their costs or make the required return.

Capital Programme Governance

In order to manage these risks the following key principles will be adopted in managing the capital programme:

- where new projects are added to the programme that will not cover their costs, an existing project will be removed or amended;
- all projects must have a robust and viable business case, which considers and includes whole life costing and revenue implications (including rate of return);
- all schemes will be subject to robust and deliverable business plans and models which demonstrate the necessary return on investment required;
- the decision to progress schemes will be dependent on securing the stated level of external funding or grant as appropriate;
- new projects will be considered where the Council can make a return on investment;
- where new sources of external funding/grants become available, the programme will be revisited;

- all schemes will be subject to an independent internal 'Gateway Review Process'.

The Medium Term Financial Strategy includes the following requirements for consideration of the funding of the capital programme:

- The Council will endeavour to maximise grant funding for schemes which will assist in the delivery of the corporate priorities, part/full grant funded bids will be subject to the same prioritisation process
- Prudential or Unsupported Borrowing can be used where it can be demonstrated that it is affordable and sustainable in the medium term. Borrowing must be within approved limits and in accordance with the prevailing guidance in the Treasury Management Strategy
- Capital Receipts generated from the sale of land, buildings and other assets will be a non-earmarked, council-wide resource, to be allocated according to Council priorities only after a thorough and objective options appraisal and consideration of opportunity costs, and not earmarked to a particular project, scheme, service, directorate and/or geographical area.

The City Council recognises the importance of individual and collective accountability and requires managers to formally acknowledge their responsibilities. Financial management is an integral aspect of effective leadership and good management, relevant councillors and managers are required to participate fully in all aspects of capital investment plans.

Corporate Directors will be accountable for the success and deliverability of all capital projects within their remit; including:

- Ownership of business cases and any subsequent changes to them.
- Ensuring that capital projects are delivered in line with agreed targets and resources.
- The successful outcome and benefits realisation of capital projects.

4. Adequacy of Reserves and Risk Assessment

National decisions regarding public funding and expenditure have been taken by Central Government to support their stated intention to reduce the national deficit. The offer of a four year settlement demonstrates continued reduction in funding in the medium term. This has again resulted in a significant reduction in the level of funding available to the City Council. Although this has been met with a robust and detailed approach to the identification and delivery of the savings required as a consequence, this level of cost reduction attracts a heightened degree of risk associated with its delivery. Whilst the current proposed budget fairly represents sufficient resourcing for current planned activity, this risk cannot be ignored and the levels of contingency included within the budget reflect these risks.

The assessment of reserves is even more important in the context of the sustained cuts in funding. It is important to acknowledge that reserves are 'one off' funds and are therefore more suitable for funding 'one off' or unexpected costs. The use of reserves to fund ongoing expenditure is generally not advised, except in emergencies and/or to enable transition to new ways of working.

Taken together, reserves, contingencies and the processes within the financial framework provide capacity to deal with the changes arising from external forces. This will include, for example: increased demand for services from citizens, changes in legislation and guidance from central government, economic changes, interest rate changes and employee relations. This list is indicative rather than exhaustive. The

localisation of both Business Rates and Council Tax Support (formerly benefits) increases the significance of Council reserve levels as these are new significant variables on both income and expenditure.

In recommending an adequate level of reserves, the CFO considers and monitors the opportunity costs of maintaining particular levels of reserves. This opportunity cost may be the lost opportunity of investing those funds in service improvement and/or spending on alternative activities. There is a balance to be struck between setting prudent levels of contingencies and reserves considered to be an adequate 'safety net' to ensure the Council can operate successfully in a very challenging environment and ensuring sufficient funds are in place for service provision and other Council activities. The levels recommended here are considered to have achieved that balance.

Table 1 shows the estimated Net Revenue Expenditure (NRE) and Unallocated Reserves for Nottingham compared with those of other councils. The data is based on 2014/15 CIPFA Finance and General Estimates, demonstrating Nottingham's reserve position is lower relative to similar councils.

TABLE 1 : COMPARISON OF RESERVES WITH CORE CITIES			
Authority	Net Revenue Expenditure * £m	Estimated Unallocated Reserves as at 1 April 2015 £m	Estimated Unallocated Reserves as % of NRE
Birmingham	959.115	136.700	14.25%
Manchester	473.081	27.037	5.72%
Bristol	354.978	20.000	5.63%
Newcastle	251.399	14.134	5.62%
Liverpool	448.867	24.789	5.52%
Leeds	542.335	21.690	4.00%
Nottingham	254.248	9.500	3.74%
Sheffield	401.521	10.616	2.64%

This decision is supported by a comprehensive risk assessment to ensure that the level of reserves represents an appropriately robust financial safety net for the organisation. In assessing these risks the CFO has consulted with relevant colleagues and stakeholders to ensure all risks have been identified. The importance of this work, its depth and accuracy, is further enhanced as a number of the proposals included within the budget plans involve significant changes to current structures, systems and processes, they involve higher levels of risk than those which broadly maintain current arrangements. At the most practical level those risks begin with the possibility of slippage and disruption in the transition from old to new arrangements. The CFO has sought to ensure that issues of this type and their potential budgetary implications are appreciated by relevant colleagues and Councilors.

Given the level of savings included in this MTFP the CFO has undertaken an assessment of their deliverability and set out clearly the implications and contingency plans which apply where savings are not delivered as planned. Robust and timely monitoring of savings delivery plans with ongoing contingency planning will be critically important throughout the year.

General Fund

The MTFFS requires the opening balance on the general reserves to be between 2% and 4% of the total net general fund revenue budget. For 2016/17 this range is **£4.878m to £9.755m**. This level of reserve has been informed by the risk assessment as detailed in **Appendix A** of this Annex. The proposed General Fund balance for 2016/17 is **£9.5m**, which is **3.9%** of the net general fund budget, as at 1 April 2016. This level is expected to be sufficient in all but the most unusual and serious combination of possible events and provides an optimum balance between risk management and opportunity cost.

The MTFFS provides for a central contingency value of between 0.4% and 0.9% of the previous years net revenue budget (NRB). The proposed level is **£2.000m** (i.e. **0.78%**) and takes account of the significant savings package and challenging future financial outlook.

Housing Revenue Account (HRA)

The MTFFS requires the City Council to establish opening HRA reserves of between 2% and 3% of the gross HRA spend (capital and revenue) the precise level within this range being informed by the risk assessment with no opening working balance ever being set below the 2% threshold in an individual year. **Appendix B** details the risks and the working balance required in 2016/17 is **£4.000m**, which is **2.2%** of the gross spend.

Earmarked Reserves

Earmarked Reserves are funds set aside to provide for specific future expenditure plans. The Council held balances of **£160.105m** in earmarked reserves at 31 March 2015 which includes schools budget balances of **£24.120m**. A review of these earmarked balances has been performed to establish the purpose of the reserves and the likely timescale that these reserves will be utilised.

There are 6 main categories of earmarked reserves that the Council holds:

- Sums set aside for major schemes, such as capital developments, or to fund transition and transformation
- Potential Liabilities
- School Balances
- Other specific
- Insurance and risk management
- Traded surpluses

During the course of 2015/16 it is anticipated that a net **£6.839m** will be released from earmarked reserves to fund known commitments and a further net **£5.234m** will be utilised in 2016/17. In addition, a number of movements have been made within the overall reserve balances to realign to commitments against the capital programme and to reflect the level of risk and uncertainty associated with major capital schemes.

A further review of reserves will be undertaken as part of the 2015/16 closedown process.

Conclusions

In conclusion, with contingencies and reserves at the level set out here and in the overall budget report, the CFO considers that the proposed budget for 2016/17 is robust and that the level of reserves is adequate because:

- The overall budget process is established good practice and fit for purpose, there is an annual review of the process and continuous improvement is embedded;

- The process is supported by appropriately qualified and experienced professional colleagues;
- There has been good and extensive engagement in the budget development and construction process by senior colleagues and Executive Councillors;
- There have been thorough arrangements in place to challenge proposals and make revisions as a result;
- Known cost pressures (including inflation) have been identified and resourced at realistic levels;
- Risks have been identified (and where appropriate costed) and will be subject to control and management using established risk management procedures;
- There is clear accountability of both individuals and teams effected through the continued use of accountability letters, individual performance objectives, reporting, peer review and individual performance appraisals;
- There is a wider organisational understanding of the financial position, the reasons for it and the need for good financial management;
- Budget monitoring and scrutiny arrangements are in place, including arrangements for the identification of remedial action;
- There is an overall satisfactory track record within the Council for the implementation of the majority of strategic choices and for delivering services within budget;
- The principles for the control of the capital programme and management of resources are required to manage the ambitious capital programme set out by the Council;
- The levels of contingencies and reserves are considered to be, based on currently known information and professional judgment, adequate to deal with the inherent higher levels of risk within the budget arising from: a continued significant reduction in funding, high value cost reductions, increased demand from citizens, the complex nature of some of those changes requiring major service redesign and organisational change, the prevailing challenging economic situation, the impact of extensive policy changes from central Government; all in the context of the City's demographics;
- It is recognised that contingencies and reserves will continue to need to be constantly reviewed to determine adequacy and there are processes in place to increase such provisions should this be required.

This statement has been prepared in good faith and having made best endeavours to take into account all known prevailing relevant issues.

Geoff Walker
Director of Strategic Finance
Chief Finance Officer
Nottingham City Council

18 February 2016

DEPARTMENT/ POTENTIAL RISK	WORST CASE £m	ASSESSMENT OF RISK £m	ESTIMATED EXPOSURE £m
CHILDREN AND ADULTS RISK			
Slippage in delivering Big Ticket Strategic Choices Slippage in the Big Ticket implementation.	3.400	Low	0.850
Safeguarding - Children in Care Children in Care numbers are higher than predicted for the budget and actions to mitigate demand are not as effective as planned.	1.500	Low	0.375
Adults Safeguarding and Assessment The assessment and safeguarding service continue to experience increased demand over and above current levels budgeted for in the MTFP	1.500	Medium	0.750
Public Health Grant Failure to deliver savings in line with grant reductions	2.500	Low	0.625
TOTAL CHILDREN AND ADULTS RISK	8.900		2.600

DEPARTMENT/ POTENTIAL RISK	WORST CASE £m	ASSESSMENT OF RISK £m	ESTIMATED EXPOSURE £m
COMMERCIAL AND OPERATIONS RISK			
<p>Trading activities</p> <p>There is a range of trading activities in the communities department each with its own trading surplus target. The consequence of under achievement of the target could be an increase to the net charge to the general fund although there are mitigations in the MTFs that could be instigated to offset some of the risk.</p> <p>Harvey Hadden</p> <p>Business plan not achieved due to increased costs not planned for and any mitigations not successful.</p> <p>The new Rateable Value for Harvey Hadden Sports Venue has been classed as £0.675m, an appeal against the new value is being lodged. Once the multiplier has been taken into account, the annual rate value is £0.331m per annum. Budget provision has been made for £0.150m, leaving a shortfall of £0.181m</p> <p>Markets</p> <p>NTU (Victoria Centre) have significantly increased the service charge of the indoor market within the Victoria Centre. To increase this directly to the traders, would cause an immediate loss of business, and a large drop in occupancy that would adversely affect the market traders account. Therefore a phased rental increase has been agreed with Leadership, which will see increases in rental passed to traders, but over a 3 year period. This results in a budget pressure to the markets budget, but not passing the cost through also causes a pressure. A case is currently being considered for the best process.</p> <p>Energy - PV Panels</p> <p>Within the manifesto we are committed to installation of 3000 PV panels onto social housing within the City. As of Feb 2016, the tariff generated by these panels has greatly reduced. This gives a risk to the achievement of the Energy and Waste Big Ticket and the delivery of the Manifesto pledge, without causing a cost</p>	2.220	Very Low	0.222
	0.181	Medium	0.091
	0.200	High	0.180
	0.097	Medium	0.049
TOTAL COMMERCIAL AND OPERATIONS RISK	2.698		0.542

DEPARTMENT/ POTENTIAL RISK	WORST CASE	ASSESSMENT OF RISK	ESTIMATED EXPOSURE
DEVELOPMENT RISK			
<p>Cost overrun on Capital Schemes The Council has an ambitious investment strategy which may be subject to cost overrun. 5% cost overrun on GF programme is £9.675m</p>	9.675	Very Low	0.968
<p>Slippage in achieving Strategic Choice savings and Big Ticket Initiatives A range of challenging savings and Big Ticket initiatives has been included in the budget. There are risks in relation to the timescales for deliverability of these initiatives and their scale of impact.</p>	1.066	Low	0.266
TOTAL DEVELOPMENT RISKS	10.741		1.234

DEPARTMENT/ POTENTIAL RISK	WORST CASE	ASSESSMENT OF RISK	ESTIMATED EXPOSURE
	£m	£m	£m
RESOURCES RISK			
<p>Reduction of external budgeted income from the sale of services to schools</p> <p>Services to schools sold include HR, Legal, IT and Internal Audit. Expenditure could be reduced, but redundancies may be incurred and not all costs may be mitigated</p>	0.220	Medium	0.110
<p>Partners withdraw from services provided under SLA for Finance, HR, Legal and IT (SLA's are reviewed annually)</p> <p>Viability of the business case is compromised. Investment in IT is not prioritised and savings are prevented</p>	0.250	Low	0.063
<p>Finance</p> <p>Demand for support for the commercialism agenda increases</p>	0.150	Medium	0.075
<p>Finance</p> <p>Contract claims arising from partnership arrangement for key service delivery</p>	0.250	Medium	0.125
<p>IT</p> <p>Further investment required to meet performance needed from shared services</p>	0.300	Medium	0.150
<p>Insurance</p> <p>Additional risk related to historical claims not yet assessed</p>	1.500	Low	0.375
TOTAL RESOURCES RISK	2.670		0.898
TOTAL POTENTIAL RISK	42.565		9.881

HRA – RISK ASSESMENT			
POTENTIAL RISK	WORST CASE £m	ASSESSMENT OF RISK £m	ESTIMATED EXPOSURE £m
HRA RISK			
Impact of Welfare reform Potential increase in void properties and impact of the implementation of Universal Credit	0.700	Medium	0.350
Housing repairs Demand for reactive repairs increases	1.200	High	1.080
Capital programme costs increase Increased costs in new build projects not managed	2.400	Low	0.600
Rental income below target Increase in right to buys continues at levels above budget	1.000	High	0.900
Discretionary Housing Payments Demand for support from the fund is greater, requiring additional resources from the HRA	0.900	High	0.810
Capital Programme Funding Shortfall in external funding of the programme creating pressure for additional funding from the HRA	0.600	Medium	0.300
TOTAL - HRA	6.800		4.040

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ANNEX 6

BUDGET CONSULTATION 2016/17

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A	Your City Your Services 2015 Data Report – December 2015

ANNEX 6: BUDGET CONSULTATION 2016/17

SUMMARY

Nottingham City Council is setting its budget within a context of difficult economic conditions, changes in national policy and continued, substantial reductions in funding. In 2016/17, savings of c£20.0m are proposed to be made.

In line with the Council's commitment to citizen involvement, a full programme of consultation has been undertaken to support construction of the Council's Medium Term Financial Plan (MTFP). This report details the results of that consultation and includes responses received up to and including 8 February 2016.

1. BACKGROUND

Context

There are a number of practical difficulties to be faced when undertaking budget consultation. A unitary authority such as Nottingham City Council provides an enormous number of services and this creates a complex picture with many proposals to consult on. This is made more difficult by the short consultation period available between the government notifying the Council of its funding levels and the annual budget-setting Council meeting.

Impact of Consultation

Nottingham City Council has a long term commitment to feed the views of citizens into the processes of policy making and service improvement. This helps the Council understand the issues and services that matter to local communities, as reflected in the priorities that guided the Executive Board in developing the budget proposals. These priorities are:

- Take account of the Council's priorities within the Council Plan 2015-2019 agreed by the Council on 9 November 2015;
- Address demographic and service pressures through investment;
- Reflect the significant reductions in external funding (especially general and specific Government reductions) by reducing expenditure on those activities;
- Support the Council's determination to be efficient, improve performance and modernise the organisation;
- Recognise the very challenging financial landscape and future outlook and the impact on all sectors, including the public sector.

2. THE CONSULTATION

How we consulted

Consultation on the budget was conducted in two phases:

Pre-budget

Before the budget settlement for 2016/17 was announced in December, pre-budget consultation was carried out during October and November 2015. This gathered views through a survey, available both on-line and through the October Arrow. Citizens were asked about:

- Which services are important;
- Issues of concern in the current economic climate;
- How the Council could make further savings;
- How the Council could generate more income:

Following this process, the draft budget was approved for consultation by Executive Board on 22nd December 2015.

Consultation on budget proposals

The Council consulted on the draft budget proposals from December 22nd 2015. A consultation form was made available online and in hard copy to enable everyone to have their say. As part of the consultation, events were arranged across the City, which were publicised locally by neighbourhood management teams. Discussions held at these events were recorded and attendees were also invited to provide individual feedback via the consultation form. Consultation with businesses, colleagues, One Nottingham partners and the voluntary and community sector was also undertaken. Young people's views were also sought via a discussion at Youth Cabinet.

The consultation events

The local public consultation events provided the opportunity for citizens to engage directly with members of the Council's Executive Board. The style of the neighbourhood events varied depending on local need but generally included a presentation that provided background to the budget and summarised the proposals. A short animated video was also shown which explained the current budget position in Nottingham. Citizens also had the opportunity to discuss the budget during regular weekly surgeries with councillors.

Members of the local business community were invited to a breakfast briefing and One Nottingham Partners were invited to a Learning Network event concentrating on the City Council's budget. There was also an additional event organised for representatives from Nottingham's Voluntary and Community Sectors.

A targeted event was held for equalities groups and Communities of Identity. This event was intended to ensure that the views of all of Nottingham's communities could be heard.

Nottingham City Council colleagues were also given the opportunity to be involved in the consultation, this involved:

- Presentations by the Chief Executive or the Deputy Chief Executive and an Executive Councillor, followed by question and answer sessions.
- Intranet news articles
- Trade Union briefings

Feedback to services

Feedback received on the budget proposals from this series of events and via the consultation form is being forwarded to senior officers on a regular basis for appropriate consideration.

3 RESULTS AND FEEDBACK FROM THE CONSULTATION

Pre-budget consultation

1,834 responses were received from the pre-budget consultation with 95% of these coming from the survey in the October Arrow magazine; the remainder responded online or completed a form which was available at local meetings or in Council buildings.

Respondents were asked to rate a cross section of 24 council services on a scale of 1 (Not important) to 5 (Very important). For each service a mean average has been calculated out of 5. The services rated as the top 5 most important by respondents were:

1. Services to elderly and vulnerable people (4.3 out of 5)
2. Child Protection (4.2 out of 5)
3. Tackling crime and antisocial behaviour (4.2 out of 5)
4. Refuse Collection (4.1 out of 5)
5. Public Transport (4.0 out of 5)

The services rated as the five most important by 2015 respondents are the same top five services identified in the 2014 survey although the order has changed slightly.

The full results of the survey are given in **Appendix A** to this report.

Consultation on the budget proposals

Responses via the budget consultation form

69 survey submissions have been received to date.

Feedback specific to budget proposals

244 comments relating to specific budget proposals have been received to date.

The majority of comments received were about the proposals for Jobs, Growth & Transport (87) and Adults, Health & Community Sector (55).

Portfolio	Number of proposals	Number of comments
Adults, Health and Community Sector	9	55
Community Services & HR	12	14
Early Intervention & Early Years	14	23
Energy & Sustainability	2	8
Jobs, Growth & Transport	21	87
Leisure & Culture	6	14
Planning & Housing	8	3
Resources & Neighbourhood Regeneration	8	8
Schools	15	26
Strategic Regeneration & Development	4	6

Other feedback

47 general comments were received which are not specific to individual budget proposals. These covered a range of themes and issues, including:

- Concern about a rise in Council Tax
- Concern about changes to concessionary travel
- Concern about possible cut to Police and fire service funding
- Concern about the amount/cost of transport projects e.g. Ring road roadworks, Tram extension and cycle paths
- Suggestions for raising funds
- More joint working between councils
- The impact on the vulnerable i.e. children in care, elderly and disabled citizens
- The need to reduce bureaucracy and improve efficiency in Council activities

In some cases, feedback showed that citizens were supportive of the Council and its proposals. Several citizens felt that the Council was doing the best it could, given the difficult circumstances. Some citizens stated that they would need more detailed information about the proposals to be able to provide informed comments.

Feedback from events in neighbourhoods

At the nine neighbourhood events citizens gave their views about the proposals and other issues.

Issues raised included:

- Concern that the homelessness services are overstretched and not able to meet all the needs
- Concern that parks may be affected by budget reductions
- Concern about the cost of public transport
- How to make sure leisure centres are fully utilised
- Whether the budget cuts will be 'across the board'
- Level of investment in local areas
- Concern about proposed rise in Council Tax
- Concern about their lack of understanding around the budget process and how it would affect them
- Whether we have lost businesses as a result of the Workplace Parking Levy
- What is being done to increase tourism in the City
- How the Council is focussing on jobs and employment
- The Council should come together with other cities affected by the reduction in central government grants to lobby the government
- Whether fines and/or warnings should be used to encourage citizens to put their bins out at the correct times

At these events citizens acknowledged the difficulties faced by the Council and many said they understood why the reductions had to be made.

Equality Issues

At the session for equalities groups and Communities of Identity the discussion mostly focussed on processes and issues relating to funding, clarifying the arrangements for delivering Area Based Grant and the priorities for Communities of Identity Grant.

Feedback from the business community

The Presentation by Cllr McDonald outlined the following:

- Financial climate for Local Government
- Need for the City Council to make £20m savings in 2016/17
- Significant budget pressures, predominantly in adult services
- Capital programme ambitions of the City Council
- Update on future proposals for business rates

Feedback from business representatives included:

- Concerns around future levels of Business Rates – although attendees suggested that access to a skilled workforce and good infrastructure were more significant factors in making decisions about where to locate
- Support for the Council's ability to plan long term projects e.g. the tram

Feedback from One Nottingham Partners

Partners from the public, private and voluntary sector attended a Learning Network event organised by One Nottingham. Attendees listened to a presentation on the proposed Nottingham City Council Budget for 2016/17 from Councillor Collins and Councillor Heaton.

There were discussions about:

- Social care – increasing costs, the need to work more closely with health and the need for working more innovatively not just focussing on making savings
- The Council's Commissioning approach – ensuring that it doesn't exclude the local voluntary sector
- Impact of reducing budgets on the voluntary sector – both in terms of direct funding and also the voluntary sector picking up increasing needs

Attendees were also:

- Supportive of the Council's creative solutions to reducing costs
- Commenting on the limited value of savings that directly affected service delivery identified in the presentation.

Feedback from the Voluntary and Community Sector

Concerns and queries centred on:

- Personal safety impact of street light dimming
- Impact on the voluntary sector
- Impact of 100% retention of business rates
- Educational attainment and what the council is doing about it
- The benefits of devolution

Feedback from the Youth Cabinet

Councillor Mellen gave a presentation on the background to and intended impact of the proposed Council budget 2016/17. Members of the Youth Cabinet group then discussed the proposals with Councillor Mellen and asked questions about various matters.

The main themes emerging were:

- Reductions in Children's Services spending
- Children's Transformation Programme
- Proposals around under-utilised Play and Youth sites
- The impact of Devolution on the budget

- The proposed reduction or dimming of street lighting
- The future of Pupil Referral Units

Formal responses

In addition to the survey responses and comments made at public meetings, formal submissions were received from Nottingham Contemporary, Nottingham Playhouse, the Equality Fairness Commission and the Nottinghamshire Disabled People’s Movement in which specific concerns were raised and / or additional information was requested.

The full content of these submissions has been supplied to relevant heads of service and directors and responses to concerns and requests have been sent. The main issues highlighted were as follows:

- Nottingham Contemporary raised their disappointment about the proposed 10% funding grant reduction.
- Nottingham Playhouse requested that the Council reconsider the proposed reduction in their funding.
- In their initial correspondence, the Equality and Fairness Commission (EFC) requested further information about specific proposals and the Equality Impact Assessments (EIAs) for these proposals. A formal submission was then made containing further comments and concerns and specifically asked the Council to involve the EFC in their consultation on two of the proposals. They also recommended that EIAs are published on the website to accompany the proposals at the earliest opportunity and that next year’s process should include more detail.
- The Nottinghamshire Disabled People’s Movement gave comments and raised concerns about specific proposals and specifically asked that the Disability Involvement Group be involved in further consultation on two of these proposals. They also urged the Council to publish details of each proposal along with the EIAs and the Community Impact Assessment at the start of the consultation process.

Other responses

In addition to all of the above, a number of citizens have telephoned and emailed to give their views on stopping concessionary bus travel on the Red Arrow bus to Derby. Although this isn’t a proposal in this year’s budget, this is part of the budget process because it is embedded in year three of a proposal from two years ago. These views have been passed to the relevant officers.

Tenant Consultation – Housing Revenue Account

The City Council and its Arms Length Management Company (Nottingham City Homes) undertake formal consultation on the proposed rent level for the c26,000 tenancies, The consultation is undertaken by questionnaire and via the Tenant Forum. As at 4 February 229 responses had been received. The following table shows the responses.

Question	Yes	No
Do you think the rent offers good value for money?	85%	15%
Do you agree that the Council should reduce rents next year?	88%	12%
Do you think that tenants who benefit from additional services should pay a separate charge for them and that this should be clearly explained?	56%	44%
Do you think that the Responsible Tenant Reward Scheme should continue?	98%	2%

4. CONCLUSIONS

Throughout the consultation a large amount of feedback has been received from a wide-ranging group of respondents and this information has been fed into the decision-making process.

Overall there is recognition of the difficult position the Council is in, regarding the scale of savings that have to be made.

Some respondents would have welcomed the availability of more detailed information about the budget proposals. This feedback will be fed into the planning of future budget consultations.

Appendix A: Your City Your Services 2015 Data Report – 11 December 2015

Background

This report presents the findings from the 2015 Your City Your Services (YCYS) survey. This is the fifth annual Your City Your Services survey.

From the beginning of October 2015 the YCYS survey was available online and a paper version was distributed to every household across the City in the autumn edition of the Nottingham Arrow publication. The survey was also circulated using Social media (Facebook and twitter). Paper copies of the survey were made available at customer reception points across the City including at the Joint Service Centres, leisure centres, libraries and Angel Row Contact Centre.

In addition, Neighbourhood Development Officers circulated the survey at a variety of community and neighbourhood meetings across the City.

As in previous years, the 2015 YCYC survey used a self-completion approach. At the date of writing this report a total of 1,834 responses have been received, compared to 1,982 in 2014 and 2,524 in 2013.

The findings from the survey are being used to inform Councillors' decisions in the 2016/17 budget making process.

Interpreting the data

Please note that, as the Your City Your Services survey did not use a truly random sample, the confidence intervals stated within this report should be used as a guide only.

Percentage figures quoted have been rounded up/down to the nearest whole number and mean scores have been rounded up/down to one decimal place. Where percentages do not sum to 100, this may be due to computer rounding, the exclusion of "don't know" categories, or multiple answers.

The base number of respondents for each question is given as (n = base number)

How important are services?

For question 1, respondents were asked to rate on a scale of 1 (Not important) to 5 (Very important) a cross section of 24 Council services.

Based on the views of respondents each service has been given a mean score calculated out of 5. Figures have been rounded up/down to one decimal point.

The services rated as the top five most important by 2015 respondents are the same top five services identified in the 2014 survey.

Table 1: Top Five Rated Services in 2015

2015 ranking	Service (2014 ranking in brackets)	Mean score
1	Services to elderly and vulnerable people (2)	4.3 out of 5
2	Child Protection (3)	4.2 out of 5
3	Tackling crime and antisocial behaviour (1)	4.2 out of 5
4	Refuse Collection (4)	4.1 out of 5
5	Public Transport (5)	4.0 out of 5

Although the top five service rankings remain the same as in 2014, there is a difference in ranking order. **Services to elderly and vulnerable people** have moved up one place to the most important service to respondents. **Child Protection** has moved up one place to the second most important service. **Tackling crime and antisocial behaviour** has dropped from first to third.

The three services rated as the least important by respondents remains the same as in 2014. These are **Support to Voluntary Sector** (3.0 out of 5), **Museums** (3.0 out of 5) and **Events** (2.8 out of 5)

There is no significant difference between the services rated as important by those aged under 45 and those aged 45 and over.

Table 2: 2015 Service Rankings in order highest to lowest

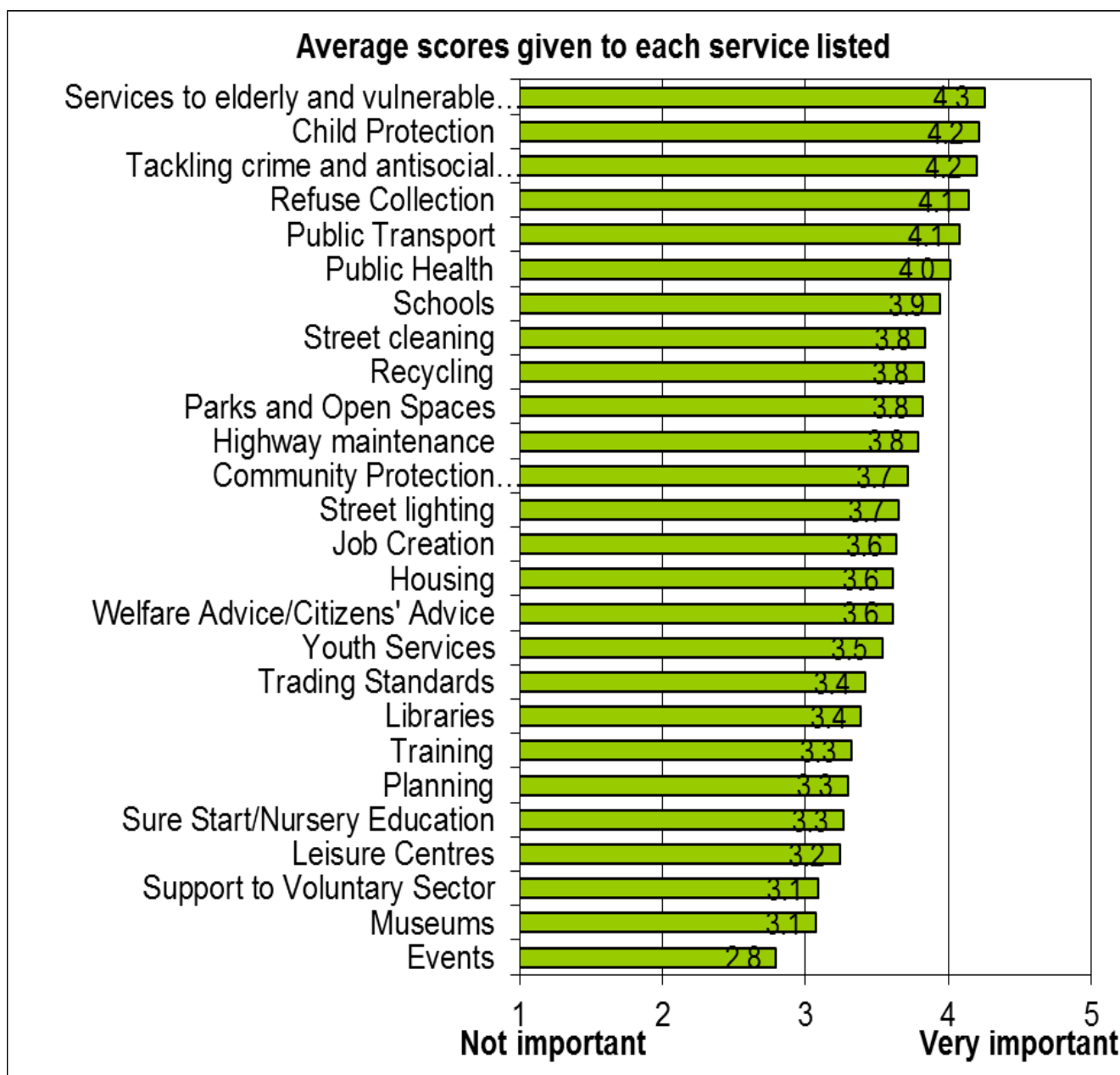


Table 3: 2015 Rankings Compared to 2013

	Service name	Mean Score 2015	Mean Score 2014	Ranking up / same / down compared to 2014
1	Services to elderly and vulnerable people	4.3	4.3	Up 1
2	Child Protection	4.2	4.3	Up 1
3	Tackling crime and antisocial behaviour	4.2	4.4	Down 2
4	Refuse Collection	4.1	4.3	Same
5	Public Transport	4.1	4.1	Same
6	Public Health ⁱ	4.0	N/A	N/A
7	Schools	3.9	4.0	Same
8	Street cleaning	3.8	3.9	Same
9	Recycling	3.8	3.9	Up 1
10	Parks and Open Spaces	3.8	3.9	Up 1
11	Highway maintenance	3.8	3.9	Down 2
12	Community Protection Officers/Wardens	3.7	3.8	Same
13	Street lighting	3.7	3.8	Same
14	Job Creation	3.6	3.7	Same
15	Housing	3.6	3.6	Up 1
16	Welfare Advice/Citizens' Advice	3.6	3.6	Down 1
17	Youth Services	3.5	3.4	Up 1
18	Trading Standards ⁱⁱ	3.4	N/A	N/A
19	Libraries	3.4	3.5	Down 1
20	Training	3.3	3.3	Up 1
21	Planning	3.3	3.3	Down 1
22	Sure Start/Nursery Education	3.3	3.3	Same
23	Leisure Centres	3.2	3.3	Same
24	Support to Voluntary Sector	3.1	3.2	Same
25	Museums	3.1	3.1	Same
26	Events	2.8	2.8	Same

NB: The 2015 Your City Your Services questionnaire included Public Health and Trading Standards for the first time.

In 2015 **Services to elderly and vulnerable people** is the most important service to citizens, moving up one place since 2014.

In general, the mean scores across all the service areas in 2015 have remained the same compared to 2014. This indicates citizens are viewing Council services about the same as they did in 2014.

Which services have moved up/stayed the same/down?

The overall ordering of services has seen some changes since last year.

In the middle third of the table, **'Recycling'**, **'Parks and Open Spaces'**, **'Housing'** and **'Youth Services'** have all moved up one place.

'Highway maintenance' has moved down two places. **'Welfare Advice / Citizens' Advice'** has moved down one place.

ⁱ Included for the first time in 2015

ⁱⁱ Included for the first time in 2015

In the bottom third of the table **'Training'** has moved up one place. 'Libraries' and 'Planning' have each moved down one place in 2015. The bottom five services remain the same as in 2014 with 'Events' remaining at the bottom.

NB: Whilst there have been some upward/downward changes in the rankings, it should be remembered that mean scores have not significantly changed since 2014.

Further savings

Respondents were asked if they have any suggestions where further savings could be made. A total of 667 respondents provided further saving comments.

The main areas identified by respondents for potential further savings have largely remained the same as in 2014.

Main areas identified by respondents for potential further savings

Roads / Highways / Transport – better enforcement of speeding and parking fines, reduce (NCT) bus frequency, plan road works better between agencies, turn off / dim non-essential street lighting, use low energy street lighting, amalgamate transport centres, reduce spending on public transport including the tram, cut back on road and pavement improvement schemes and road works, reduce unnecessary road signage, abandon cycling corridor project

Councillors – reduce spend on Councillors and Civics, including spending on fact finding trips

Council Services / Operation – reduce services, review frequency of refuse and/or recycling collections, stop garden recycling service, reduce library opening times, reduce maintenance services, privatise / sell off some council services, reduce the amount of street cleaning, stop internal charging

Council Staff - review staff structure, merge departments, reduce salaries, encourage job shares, more joined up working, reduce number of staff, stop using consultants

Administration – make back office processes more efficient, improve recovery of rent and council tax arrears, increase the number of online services

Communications and marketing – cut back or stop the Council's publications or make them paperless by circulating online or via email, cut back on advertising, reduce the number of non-essential publicity documents

Events – stop funding events and increase sponsorship from private investors, bid for funding for events, reduce the number of festivals/events

Partnership / Private sector – develop greater co-ordination / joint working between City and County, share back office services with neighbouring authorities, formal joint working with other bodies, pursue more shared service arrangements with D2N2, share buildings

Housing – review NCH vehicles and maintenance services, tackle house tenant fraud, introduce initiative for citizens to report suspected housing benefit fraud, make council tenants responsible for damage they cause

Voluntary Sector – review funding to third sector

Other - Use students, job seekers and low risk offenders to undertake community work, set up community litter picking, teach people how to regulate over-eating, smoking and drinking, stop / reduce number of business trips

Generate Income

Respondents were asked if they had any suggestions on how the Council could generate more income. A total of 608 respondents provided income generating comments.

Main areas identified by respondents on how the Council could generate more income

Charge for services - charge for garden waste collection, admission to museums, for using medilink buses, charge higher commercial rents to large companies, charge late night economy businesses and fast food outlets for clean-up costs, charge for bulky waste collection, increase taxi licensing fees

Council tax – raise council tax for all / those in bigger houses / owners of Houses of Multiple Occupation

Business – invest more in creative industries and technology companies, invest in a business hub for start-ups offering low cost back office solution for new businesses e.g. IT/finance/payroll/legal, reduce business rates to attract more business and support growth in the city, build and rent out more industrial units, look to encourage big names to the city

Housing – recover all rent owed, compulsory purchase of empty properties, set up a maintenance / handyman service, fine private landlords for not maintaining their properties, set up a launderette for tenants

Transport / Roads – increase fares for public transport, introduce a city centre congestion charge, use speed cameras in 20 mph zones, sell Nottingham City Transport or get an increased dividend, set up Nottingham City Transport taxi service, introduce more checks on the tram to ensure passengers pay, introduce a workplace cycle parking levy, introduce a workplace parking levy for all, increase the number of residents' parking schemes

Events – introduce or increase charges for admission

Tourism - host more events/festivals/attractions that bring visitors to the city, invest in large scale attraction, improve tourist amenities to attract more visitors to the city e.g. Wollaton Park, sell the City's history more, encourage foreign investors and advertisers to the city

Parking – raise parking charges, more fines for parking on pavements, provide coach parking in the city to encourage visitors, traffic wardens to work across the whole city, introduce charging for disabled parking

Energy / Environment / Recycling – install solar panels on council buildings, educate how to recycle more, introduce fine for not recycling, roll out solar panel scheme to private housing

Council buildings / land – hire out council buildings, office space and rooms for functions, training, conferences and meetings, open up Loxley restaurant to the public, open up Loxley House car park at weekends, license more buildings for weddings eg Woodthorpe Park, sell off empty / unused buildings, rent out / sell council buildings when not in use, sell council owned brownfield sites, hire out land / parks for events, increase charges for using locations for filming

Commercial services – develop expert briefing services which can be bought by individuals and/or businesses, develop more commercial services and sell to the private sector, develop software to support niche council functions and sell to other local authorities

Communication and Marketing – advertise events better to increase attendance number and revenue, use wheelie bins, refuse disposal trucks etc. to generate income from advertising

Council services – set up a chargeable bin cleaning service, set up a chargeable gardening / tree-cutting service, hold more markets, offer a tree cutting service to private house holders, set up a council run furniture project, convert Council-owned open spaces into car parks, develop wedding packages, improve online bill paying service, develop an ‘App’ which enables citizens to view information, pay bills and fines and contact services

Fines / Taxes - fine people who overload and put the wrong things in dustbins, fine dog owners for not using dog leads, enforce fines for dog fouling, on the spot fines for fly tipping / littering, fine people for leaving wheelie bins on the pavement, fine cyclists for riding on the pavement, use cleaning community orders for those who drop litter, enforcement of parking offences, enforce the Workplace Parking Levy

Other – Lobby central government for more money, set up a city lottery

Suggestions relating to issues outside of Council responsibilities

In addition to the above suggestions for making savings and generating income, many suggestions were made which cannot be considered because they are not within the control of the Council. These suggestions include stopping free school meals for KS1 children and free bus passes for older people, changing benefits and imposing local taxes. These are all part of national policy established by the Government.

Areas of concern

Respondents were asked to indicate their level of concern on a number of issues during the current economic situation.

Table 4: Stated Levels of Concern.

% Very concerned/Concerned	2015	2014	2013	2012
Cuts to public services	92%	92%	93%	90%
Household money problems (Wording changed from previous survey: Debt problems in 2010/11/12/13)	67%	69%	64%	58%
Losing my job	44%	45%	51%	54%
Losing my home ⁱⁱⁱ	47%	N/A	N/A	N/A
Changes to benefits (Wording changed from previous survey: Welfare changes 2010/11/12/13)	54%	58%	77%	N/A
Impact on my health	67%	69%	73%	N/A

Respondents’ levels of concern in 2015 remain similar to 2014. Results indicate that respondents in 2015 are less concerned about changes to benefits than in 2014.

ⁱⁱⁱ Included in 2015 for the first time

In 2015 respondents were asked about their level of concern of losing their home, 47% stated that they were either 'Very concerned (26%)' or 'Fairly concerned (21%)' compared to 53% who stated they were 'Not concerned' about losing their home.

Respondents were asked if they had any 'further concerns' due to the current economic situation. A total of 438 respondents provided comments.

The main areas of further concern to respondents have largely remained the same as in 2014.

The main topics of 'further concern:

Leisure / Culture – possible library closure(s), cuts to arts and education in the city, (central) government policy around heritage and culture

Roads / Highways / Transport – levels of City Centre traffic and resultant pollution, the amount of money that has been spent on the Tram (Phase two and in general), parking charges (Hospitals and other venues), the possible loss of OAP bus pass, street / footpath / pavement maintenance and road standards, expensive car parking (general) and public transport charges

Social Services / Health Care – quality of residential care, the closure of (City) care homes, the reliance on charities, the level of mental health care, the support for the elderly living in their own homes, changes to personal care packages

Housing – lack of suitable housing (in the city), HMO licensing and application checking

ASB / Crime / Police – reduction in Police / PCSO services and numbers, the lack of (Police/PCSO) neighbourhood patrols, an increase in crime (in the city), nuisance dogs and dog fouling, cyclist on pavements

Council Services – (central) government cuts and the impact on services, reduction in public and services and the quality of (Council) services due to (local) budget cuts, the cuts to childcare / community protection / services for the elderly and vulnerable, increased litter / dog fouling, wasting of public money e.g. Council publications / advertising / Tram etc., costs associated with councillors, council job losses, the impact of service cuts on the vulnerable / nursery and primary education, possible library closures and the effect on disadvantaged communities, the level of (council) advertising. Street lighting levels across the City, the upkeep of public parks, reduced (council) support to community groups, possible increase in charges for leisure centres and libraries

Council Charges – increase in council tax, increase in service charges

Employment / Jobs – lack of jobs in general / permanent positions / for over 50's / for graduates (in the city), the current pay freeze and rising (living) costs, job security, losing job and home, finding a full time position, training opportunities for over 25s and over 50s, private sector job security, long term job retention in public sector

Benefits / Taxes – changes to tax credits, benefit reduction in general / for the elderly / vulnerable, the rise in pension age, lack of benefit stability, further council tax increase, universal credit and its impact on housing benefit, bedroom tax, the amount of state pension not a living wage, bedroom tax, tax rises and the impact on disposable income, benefit cuts due to health assessments, difficulties with applying for disability living allowance

Health / NHS – insufficient money in general / people working in disabled / occupational health, cuts to NHS services, cuts to mental health services, cuts to public health, the

economic situation and its impact on mental health, level of (central) government funding for health and social care, delayed implementation of the 2013 Care Act by (central) government, standard of NHS care / services

Money – not being able to support myself / family, the rising living costs i.e. utility / food prices, falling into debt, the low interest rate and the impact on income, having to go without food to feed children, not earning enough to cover housing rent, not being able to afford to use public transport and feeling isolated, lack of pay rise, children not being able to afford a home of their own, rising inflation,

Education – cuts to school budgets and the impact on child (education), lack of school places, lack of opportunity for graduates, lack of books and effect on children literacy levels, getting my child into our local school

Children – cuts to tax credits, closure of Children's Centres and playgroups, less activities for young children (in the city), the effects (budget) cuts will have on the younger generation, costs of childcare, cost of nursery provision, level of youth support, availability of play therapy session for u10s

Energy / Environmental – cost of heating, the lack of investment in green spaces, building on green belt land and open spaces, pollution levels across the city

Elderly – cost of residential care, the cuts to (elderly) services, the rise in retirement age, support to elderly who live alone, the number of care homes in the City, the elderly feeling they are a burden to the young

Vulnerable / Homeless – lack of support, the effects of budget cuts on the poorest in the community, the vulnerable will become more isolated / scared / anxious, seeing greater use of community food banks, loss of services for the vulnerable, the number of people sleeping rough

Voluntary Sector – funding in the voluntary sector, further third sector cuts

Refugees / Immigrants – increase in numbers of immigrants / refugees (in the city), effects of immigration on (Council) services

Nottingham City Homes – cost of repairs and renovations

Business – concern on the (low) numbers of small businesses, the support to small businesses

Misc.- lack of understanding of what it going on, the reduction in the quality of life in Nottingham, concern that working families will struggle more, nationwide inequality of citizens - London and the rest, how cuts backs and charges will affect people's lives

Conclusions

The 2015 Your City Your Services survey shows that Citizens' service priorities have not significantly changed since the previous year.

There have been small changes in the overall ranking of services important to citizens. For example Services to elderly and vulnerable people and Child Protection have both seen a rise in importance. This may in part be due to the level of national and local media coverage in these areas over the last twelve months.

The main areas identified for 'potential further savings' and 'ways the Council could generate income' have largely remained the same as in 2014.

It is clear from the survey responses that there are some misconceptions over what the Council can and cannot do. A number of suggestions for making savings and generating income relate to national policies which the Council has no control over eg free bus passes for older people and free school meals for Key Stage 1 pupils.

Findings from the 2015 Your City Your Services survey were shared with senior officers and councillors so that the views of citizens could inform decisions about the 2016/17 budget proposals.

For further information/analysis contact:

Tony Leafe
Consultation and Engagement Officer
0115 87 63342

Helen Hill
Research, Engagement and Consultation Manager
0115 87 63421

Postcode Data

Of the overall sample (n = 1,834) 1,509 (82%) respondents provided a valid City post code. This information has been used to show the geographical location of respondents as follows:

Table 5: Responses by Area Committee / Ward.

Area Committee / Ward Base: n =		Number of responses	% of overall sample
Area 1	Bulwell (87), Bulwell Forest (87)	174	12%
Area 2	Bestwood (81), Basford (91)	172	11%
Area 3	Bilborough (76), Aspley (51), Leen Valley (67)	194	13%
Area 4	Sherwood (139), Berridge (85)	224	15%
Area 5	Arboretum (28), Radford & Park (62), Dunkirk & Lenton (19)	109	7%
Area 6	Mapperley (116), St Ann's (68), Dales (72)	256	17%
Area 7	Wollaton West (143), Wollaton East & Lenton Abbey (32)	175	12%
Area 8	Bridge (77), Clifton North (76), Clifton South (52)	205	14%
Area Total		1,509	

As in the last three Your City Your Services surveys Area 6: Mapperley, St Ann's and the Dales had the most responses (256). For the 2015 survey Area 5: Arboretum, Radford and Park and Dunkirk and Lenton had the lowest number of responses (109)

Table 6: Responses by Locality

Locality Base: n = 1,834		Number of responses	% of overall sample
North	Area 1, Area 2, Area 3	540	36%
Central	Area 4, Area 5, Area 7	508	34%
South	Area 6, Area 8	461	30%
Area Total		1,509	

Table 7: Demographic data

Base: 1,834	Census 2011	YCYS 2015	+/-
Male	50%	42%	-8%
Female	50%	56%	+6%
Disabled	18%	33%	+15%
White	72%	87%	+15%
Black	7%	3%	-4%
Asian (including Chinese)	13%	4%	-9%
Mixed	7%	2%	-7%
16-24	27%	2%	-25%
25-44	35%	25%	-10%
45-59	19%	27%	+8%
60-64	5%	10%	+5%
65+	14%	35%	+21%

The sample is over represented by female, disabled, white and all age groups over 45. This is most likely to be because the main methodology used was an insert in the Arrow publication, which is predominantly read by age groups over 45.

Annex Report Information

Report authors and contact details:

Helen Hill, Research, Engagement & Consultation Manager
0115 87663421, helen.hill@nottinghamcity.gov.uk

Other colleagues who have provided input:

Tony Leafe, Research and Consultation Officer

LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

Your City Your Services Arrow and Online Survey October to December 2015

Comments made via online survey form: Jan - Feb 2016

Notes of consultation meetings across the City: Jan-Feb 2016

Formal budget submissions from Nottingham Contemporary, Nottingham Playhouse, the Equality & Fairness Commission and the Nottinghamshire Disabled People's Movement: Jan & Feb 2016

PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS ANNEX REPORT

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