



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, 18 December 2018

Time: 2.00 pm

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

Governance Officer: Kate Morris, Constitutional Services, Tel: 0115 8764353 **Direct Dial:** 0115 8764353

AGENDA

Pages

16 RE-ADMISSION OF THE PUBLIC

17 BUDGET CONSULTATION 2019/20

Report of the Portfolio Holder for Finance, Resources and Commercial Services.

3 - 28

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EXECUTIVE BOARD – 18 December 2018

Subject:	Budget Consultation 2019/20
Corporate Director(s)/Director(s):	Laura Pattman, Strategic Director of Finance
Portfolio Holder(s):	Councillor Graham Chapman, Deputy Leader/Portfolio Holder for Finance, Resources and Commercial Services
Report author and contact details:	Theresa Channell – Head of Strategic Finance & Deputy Section 151 Officer 0115 8763649 theresa.channell@nottinghamcity.gov.uk
Subject to call-in:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Key Decision:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Criteria for Key Decision:	
(a)	<input 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
and/or	
(b)	Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
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):	
This report contains draft proposals for the revenue element of the Council's draft Medium Term Financial Plan (MTFP) for 2019/20 to 2021/22.	
Headlines include:	
<ul style="list-style-type: none"> • Demand for services such as Adult Social Care and Children in Care continues to increase • Local services increasingly funded by local tax payers as Government funding continues to fall • 2019/20 is the final year of the 4-year settlement • Revenue Support Grant (RSG) reduced from £126.8m in 2013/14 to an expected £25.3m in 2019/20 • Total savings of £22.085m for 2019/20 • Aim to minimise the impact of service reductions on vulnerable citizens • Look to maximise commercial opportunities that generate income • Assumes a basic council tax increase of 2.99%, and no increase for the Adult Social Care precept • Provisional settlement announcement due on 6 December has been delayed due to Brexit, at the time of writing this report the provisional settlement is yet to be announced • Remaining 2019/20 gap of £1.173m will be addressed by the final MTFP proposals, including any changes arising from the settlement and consultation, considered by Executive Board in 	

February 2019 for recommendation to Full Council in March 2019.

Exempt information: State 'None' or complete the following

None

Recommendation(s):

1 To note, endorse and release the consultation proposals as set out in paragraph **2.4** and **Table 5** of the report for formal public consultation, noting that further details relating to individual consultation proposals are contained in **Appendix 1a-j**.

1 REASONS FOR RECOMMENDATIONS

- 1.1 This report presents and seeks endorsement for currently identified draft budget proposals for 2019/20 to 2021/22 to enable the release of details for public consultation.
- 1.2 Any options that include proposed workforce reductions will be subject to internal consultation, which entails jointly examining and discussing the proposals and issues of concern with the trade unions and affected colleagues. The details of such proposals may, therefore, change during the consultation period and may impact on the way in which identified proposals will be delivered.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

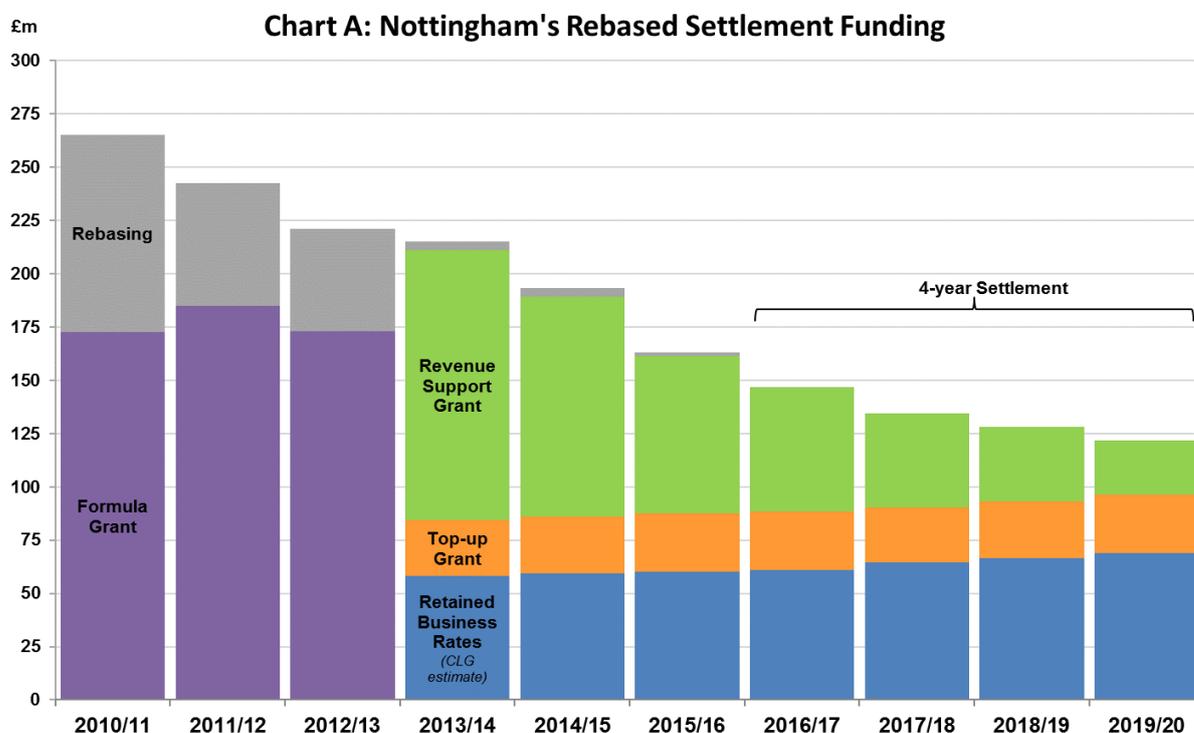
2.1 Economic and funding overview

Local authorities continue to operate in a challenging financial environment of reduced levels of Government funding; with the full consequences of Brexit yet unknown.

The provisional settlement detailing the final year of the previously agreed 4-year settlement was due on 6 December. However this has been delayed due to parliamentary proceedings with regard to Brexit. At the time of writing this report the provisional settlement has yet to be announced and therefore any changes as a subsequent result of the provisional and final settlements will be reflected within the February 2019 MTFP Executive Board report.

2019/20 will be in the final year of a 4-year settlement agreed with the Ministry of Housing, Communities and Local Government (MHCLG). RSG is expected to fall by **£48.5m** or **66%** since the start of this funding settlement. Future levels of funding post 2019/20 will be dependent on the outcomes on the next Government spending review and Fair Funding review, however the expectation is that by 2020/21 RSG will disappear altogether. There also remains uncertainty over the impact of the Universal Credit rollout and Brexit.

RSG as a proportion of the Council's total revenue funding has reduced and this trend will continue in future years. **Chart A** illustrates how RSG will fall from **£126.8m** in 2013/14 to **£25.3m** in 2019/20.



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. These increasing care costs, alongside continuing funding cuts, will have a significant impact on the Council's ability to fund other local services.

In the period from 2010/11 to 2018/19 the Council has had to make savings totalling **£267.4m** and will have to continue making difficult decisions about the services it provides in order to close the initial projected budget gap of **£23.258m** next year.

Table 1 shows the currently assumed MTFP funding figures.

Final funding figures in the February Executive Board report will alter following the statutory return of our detailed business rates projections to MHCLG and the final settlement announcement both in late January. The trend of local taxpayers increasingly funding services will continue as Government grant funding falls further.

TABLE 1: ASSUMED FUNDING			
DESCRIPTION	2019/20 £m	2020/21 £m	2021/22 £m
<u>Current Projections</u>			
Retained Business Rates ¹	(68.956)	(70.335)	(71.742)
Top-up ¹	(28.105)	(28.667)	(29.240)
Revenue Support Grant ¹	(25.332)	(17.271)	(9.477)
Provisional Settlement	(122.393)	(116.273)	(110.459)
Council Tax	(116.101)	(119.449)	(122.884)
Assumed Collection Fund surplus	0.000	0.000	0.000
TOTAL FUNDING	(238.494)	(235.722)	(233.343)

¹ For planning purposes MTFP projections assume continuation of current 50% local retention scheme. This will be updated once full details of any future funding scheme are announced by MHCLG.

Retained Business Rates

Under 50% local retention each authority must estimate the amount of business rates it will collect in 2019/20. This means that the financial risk due to potential volatility in business rates income (such as outstanding appeals) has an impact on the Council's overall funding. The projections made in this report will be updated in late January. The Government will announce areas for 75% retention of Business Rates in the provisional settlement.

Top-up

Under the retained Business Rates system any authority whose business rates income is less than their initial baseline funding level, as is the case for the Council, will receive the balance as a 'top-up'.

RSG

All authorities not in a retention pilot continue to receive RSG from the Government in addition to their retained business rates. Nottingham has previously accepted the four-year settlement offer and 2019/20 will be its final year. Current figures assume a year-on-year reduction of **27.6%** or **£9.649m** from 2018/19 to 2019/20.

Tax Base

The final 2019/20 council tax base will be agreed at January Executive Board.

Council Tax

The MTFP currently assumes a **2.99% pa** basic increase in 2019/20 with **1.99% pa** in subsequent years. This has been set in the context of the previously announced referendum limits.

Nottingham has already set the maximum allowed Adult Social Precept so no further increase is planned for 2019/20.

Collection Fund surplus

The collection fund is unlikely to continue to deliver any significant surplus for 2019/20. This position will be revisited in the February MTFP when further monitoring information will be available.

New Homes Bonus

The New Homes Bonus rewards local authorities for increasing new or occupied homes. The latest grant award will be confirmed alongside the provisional settlement.

Other Specific Grants

If grant funding falls then ordinarily the associated expenditure and activity will also reduce accordingly. If this is not possible proposals will be identified in the MTFP to cover any shortfall and included in the consultation.

2.2. General Fund Estimated Outturn 2018/19

The 2018/19 estimated outturn has been reported to Executive Board in September and December 2018. The Council continues to operate in a challenging financial environment, the September report predicted an 2018/19 overspend of **£2.491m**, management action has reduced this and the December position is reporting a potential overspend of **£0.968m**. The main areas of overspend relate to Children's services however further work is being

undertaken to mitigate this overspend and the draft MTFP assumes a balanced 2018/19 outturn position.

2.3. Managing the funding reductions and financing ongoing pressures

In order to respond to the funding cuts and manage the increasing pressures the construction of the MTFP has followed the following principles:

- 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;
- reflect the significant reductions in external funding (especially general and specific Government grants) by reducing expenditure on those activities;
- support the City Council's determination to be efficient, improve performance and modernise the organisation;
- minimise the impact of service reductions and changes on vulnerable citizens by protecting frontline services;
- Pursue commercialisation opportunities to generate income for the City Council.

2.4. MTFP

The previous MTFP published in February 2018 set a net budget requirement of **£246.363m** for 2018/19, and an original budget gap of **£16.316m** for 2019/20, rising to **£28.278m** for 2020/21.

Table 2 summarises the impact of the current proposals and updates contained within this report on the new draft MTFP. A revised budget gap of **£23.258m** needs to be addressed to balance the currently projected MTFP in 2019/20, this gap rises to **£66.059m** in 2021/22.

TABLE 2: DRAFT MEDIUM TERM FINANCIAL PLAN			
BUDGET ITEM	2019/20 £m	2020/21 £m	2021/22 £m
2018/19 Net Budget Requirement	246.363	246.363	246.363
Updated Budget Assumptions	15.390	35.735	53.040
SUB-TOTAL	261.752	282.098	299.403
Retained Business Rates, Top-up & RSG	(122.393)	(116.273)	(110.459)
Council Tax	(116.101)	(119.449)	(122.884)
Collection Fund surplus	0.000	0.000	0.000
ASSUMED FUNDING	(238.494)	(235.722)	(233.343)
INITIAL GAP	23.258	46.376	66.059
Portfolio Consultation Proposals	(15.037)	(14.768)	(16.312)
Big Ideas	(2.400)	(2.400)	(2.400)
Corporate	(4.648)	(2.000)	(2.000)
TOTAL SAVINGS	(22.085)	(19.168)	(20.712)
OUTSTANDING GAP	1.173	27.208	45.348

Updated Budget Assumptions

Budget assumptions are refreshed on an ongoing basis to reflect the Council's latest understanding in relation to inflation, corporate adjustments, previous MTFP proposals and emerging pressures/overspend risks.

Table 3 summarises the updated budget assumptions. Most notably:

- Demand, demographic and service pressures of **£15.162m**
- Assumed 2019/20 pay inflation of **£5.921m** (based on the Local Government Employers pay offer of 2% pay award, which also included a higher percentage increase for lower pay points) and contractual inflation of **£1.173m**
- Corporate Adjustments including **£6.175m** net movement in reserves and assumed **£1.850m** extra income from specific grants/contributions
- Continuing net impact of savings decisions made in previous budgets of **£0.172m**

TABLE 3: BUDGET REFRESH			
BUDGET ITEM	2019/20 £m	2020/21 £m	2021/22 £m
Pressures / Overspend Risks	15.162	25.222	35.331
Pay / Inflation	7.094	13.336	19.613
Corporate Adjustments	(6.694)	(2.198)	(1.279)
Previously Agreed Savings	(0.172)	(0.625)	(0.625)
TOTAL	15.390	35.735	53.040

Further details of the funded pressures and potential overspend risks are summarised in **Table 4**.

TABLE 4: PRESSURE / OVERSPEND RISK			
BUDGET ITEM	2019/20 £m	2020/21 £m	2021/22 £m
Adults - demographics	4.380	8.907	13.139
Adults - NLW	4.013	7.378	10.832
Children in Care - demographics	1.683	3.251	4.823
Education - transport service	0.623	0.623	0.623
Waste Collection Service	0.150	0.150	0.150
Markets	0.301	0.000	0.000
Workplace Parking Charge	0.137	0.137	0.137
Utilities (to be held in contingency)	0.762	1.262	1.762
Waste & Disposal (to be held in contingency)	1.102	1.452	1.804
Customer Access Programme	0.390	0.390	0.390
Individual Electoral Registration	0.142	0.192	0.192
Works Perks Car Plus scheme	0.101	0.101	0.101
Pensions	0.240	0.240	0.240
NCH	1.138	1.138	1.138
TOTAL	15.162	25.222	35.331

Portfolio Consultation Proposals

Table 5 summarises the **£15.037m** consultation proposals to be delivered by Portfolio Holders with more detail provided in **Appendix 1a-j**.

TABLE 5: PORTFOLIO CONSULTATION PROPOSALS			
LEAD PORTFOLIO	2019/20 £m	2020/21 £m	2021/22 £m
Adult Social Care & Health	(2.689)	(2.011)	(2.793)
Education & Skills	(0.435)	(0.235)	(0.235)
Community Protection	(1.185)	(1.292)	(1.292)
Early Intervention & Early Years	(4.225)	(4.337)	(4.523)
Energy & Environment	(0.864)	(0.864)	(0.864)
Leisure & Localities	(0.896)	(0.896)	(0.896)
Transport & HR	(2.117)	(2.263)	(2.263)
Housing & Planning	(0.095)	(0.095)	(0.095)
Finance, Resources & Commercial Services	(2.047)	(2.195)	(2.655)
Regeneration & Growth	(0.485)	(0.581)	(0.696)
TOTAL	(15.037)	(14.768)	(16.312)

Big Ideas

The Budget Strategy for 2019/20 included a 'Big Ideas' programme where Corporate Leadership Team (CLT) and Directors worked together in order to generate significant savings. In addition to the proposals within **Appendix 1** are two further streams of savings, namely Management Review and Nottingham City Homes (NCH).

Management Review

CLT is working on a full Management Review of the Council and consultation with relevant colleagues will commence shortly. This review is expected to deliver ongoing annual savings of **£1.200m** per annum.

NCH

A programme of work to review joint working arrangements and identify efficiencies through NCH. This is expected to generate General Fund savings of **£1.200m** per annum, in addition to proposals already contained within Appendix 1.

Corporate

The draft MTFP assumes corporate savings of **£4.648m** for 2019/20, and **£2.000m** for 2020/21 and 2021/22. **£2.648m** in 2019/20 from the use of Social Care Support Grant announced in the Autumn Budget to partially offset Adults/Children's pressures and **£2.000m** from Minimum Revenue Provision (MRP).

Historical freeze on incremental pay rises – Supreme Court ruling

In November 2018 the Supreme Court refused the Council's application to appeal a previous judgement in relation to the historical freeze on incremental pay rises. The matter will go back to the Nottingham Employment Tribunal to assess the position of individual claimants.

This ruling is likely to result in additional costs to the Council; however as yet this is unknown therefore the draft MTFP doesn't make any adjustment. The full financial implications won't be known until the Nottingham Employment Tribunal process

has been concluded at which time the MTFP will be adjusted accordingly and corresponding action taken.

Outstanding gap

Savings of **£22.085m** are included in this report, which leaves an outstanding budget gap of **£1.173m** to balance the budget in 2019/20.

Unless the Government addresses the continued gap in funding at the final settlement in the New Year then the February Executive Board report will require further savings in order to present a balanced budget position.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Throughout the budget process a range of different options have been considered including various levels of council tax, investment and cost reductions. This is a complex process with many iterations and possibilities too numerous and detailed to present as discrete options here. This report presents the overall set of current draft proposals which together seek to balance levels of investment, income, cost reductions and an appropriate level of council tax.

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

- 4.1 The City Council's annual budget, within the MTFP, forms the cornerstone of financial management and control within the organisation. All revenue spending and income will continue to be monitored against the final MTFP.

Since 2010 the council has approved **£267.4m** savings to balance its budget in response to funding cuts, and unavoidable and unfunded cost increases particularly in Adult Social Care.

Proposals have been made in accordance with our budget strategy and many of these have been achieved by finding alternative and more cost-effective ways to deliver the same level of service, or by improving efficiency without any detriment to service delivery, as well as generating more income. However, the options for achieving budget reductions in this way are becoming more limited.

The City Council has developed a robust approach to providing value for money (VFM) and proposals in support of its Council Plan. The embedding of a robust VFM framework is one of the key strands within the Council's transformation programme, but it is through the mainstream application of such principles within service planning and delivery that VFM will be delivered.

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

- 5.1 The City Council is required to set a balanced budget for 2019/20 before 11 March 2019.
- 5.2 Insofar as the cost reduction proposals as set out in this report contain workforce reduction proposals, Section 188(1) of the Trade Union and Labour Relations (Consolidation) Act 1992 ("TULR(C)A") may well be engaged and sufficient time will need to be set aside for relevant consultation with the appropriate representatives of affected employees.

- 5.3 A detailed and comprehensive risk assessment will be undertaken in order to inform the Chief Finance Officer's (CFO's) assessment of the affordability of the MTFP and the consequent recommended levels of reserves and contingencies. Any increases in these levels, reflect the higher level of risk inherent in the budget arising from significantly reduced external funding sources, transfer of risks from Central Government and the resultant high levels of cost reductions required. The risk assessment will inform the budget report to Executive Board in February 2019.

6 STRATEGIC ASSETS & PROPERTY COLLEAGUE 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 None

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 any decisions relating to the draft budget proposals will be set out in further reports to Executive Board in February and to City Council in March 2019. Equality Impact Assessments are being carried out, where appropriate, for all relevant budget proposals and a summary will be provided with these reports.

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 Council Plan 2015-2019

<http://committee.nottinghamcity.gov.uk/documents/s32068/Council%20Plan%202015-2019.pdf>

Medium Term Financial Plan (MTFP) 2018/19 – 2021/22

<http://committee.nottinghamcity.gov.uk/documents/s69332/MTFPcover%20report.pdf>

12 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

12.1 Jo Worster – Team Leader Strategic Finance

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Adult Social Care & Health

Appendix 1a

	Department	Service Area	Title of Proposal	Narrative	2019/20 £m	2020/21 £m	2021/22 £m
1	C&A - Adults	Adult Social Care	Removal of subsidy for adult care services in line with Government guidance	The proposal is to remove the subsidy for adult social care services for those people who can afford to pay for day care, transport to day care and homecare where more than one carer is needed. This will be done in line with national guidance and the Fairer Charging Policy. Costs will also be increased for day care (from £12 to £20) and transport to day care (from £8 to £16 per return journey)	(0.247)	(0.138)	(0.111)
2	C&A - Adults	Adult Social Care	Deputyship Fee Income	Office of the Public Guardian have set LA fees that can be charged. Citizens with the lowest level of income are exempt from these charges by this guidance	(0.017)	(0.017)	(0.017)
3	C&A - Adults	Adult Social Care	National Living Wage (NLW)	Review proposals for funding NLW against the current MTFP allocation. Expectation on providers to fund part of the additional cost of NLW	(1.600)	0.000	0.000
Page 13	C&A - Adults	Adult Assessment	Business Performance and Adult Assessment	Reconfiguration of staffing	(0.096)	(0.128)	(0.128)
5	C&A - Adults	Adult Social Care	Review of Direct Payments process	Implement changes to the way in which Direct Payment Support providers are paid to exempt payments from VAT. It should be noted that a deflator has been incorporated to this saving as a further initiative is encouraging all new citizens to use card accounts and employment support is being offered at no cost at the support planning stage	(0.053)	(0.078)	(0.078)
6	C&A - Adults	Adult Social Care	Decommissioning of CM2000	Contractual savings relating to the decommissioning of the homecare monitoring system for external care providers. This has been replaced by functionality within the Integrated Social Care and Finance system	(0.090)	(0.090)	(0.090)
7	C&A - Adults	Adult Social Care	Mental Health - Social Impact Bond	The Social Impact Bond has been successful in gaining a grant from the Life Chances Fund to support the Social Impact Bond. The initiative still needs to attract independent investment. It will support those citizens with mental health problems living in residential care who are difficult to engage. The aim of the project will be to maximise the potential of a cohort of 36 working age adults, who are either in residential care or who are at risk of entering into residential care, to lead independent	(0.011)	(0.385)	(0.879)

				lives in a community setting			
8	C&A - Adults	Adult Social Care	Housing Related Support (HRS)	There are a number of citizens living in residential care who would benefit from a more outcome focussed approach but were not appropriate for a move to supported living. This will enable a number of citizens to move from residential care to HRS, reducing NCC's reliance on residential care	(0.246)	(0.807)	(1.123)
9	C&A - Adults	Adult Social Care	Social Care Advocacy Contract	To reduce the City Council's contribution towards the Advocacy Contract in line with the current levels of utilisation. This level of reduction has been agreed by the County Council	(0.130)	(0.130)	(0.130)
10	C&A - Adults	Adult Social Care	Sign Language Interpretation Service	Contract efficiencies	(0.021)	(0.021)	(0.021)
11	C&A - Adults	Adult Social Care	Learning Disability Development Fund	The Learning Disability Board is now self-sufficient and no longer needs this subsidy	(0.015)	0.000	0.000
12	C&A - Adults	Adult Social Care	Providing support for people with HIV through the council's in-house adult social care service	The proposal is for people with HIV who need social care services to be supported through Nottingham City Council's adult social care offer rather than through a separately-funded service	(0.043)	(0.043)	(0.043)
Page 14	C&A - Adults	Adult Provision	Relocate the Marcus Garvey Day Service to The Willows	The building used by Marcus Garvey Day Service is no longer fit for purpose. The proposal is to move this service to The Willows	(0.067)	(0.067)	(0.067)
14	C&A - Adults	Adult Provision	Lunch Club Meals	Removal of subsidy	(0.053)	(0.105)	(0.105)
					(2.689)	(2.011)	(2.793)

Education & Skills

Appendix 1b

	Department	Service Area	Title of Proposal	Narrative	2019/20 £m	2020/21 £m	2021/22 £m
1	Development & Growth	Economic Development	Futures	Reduction in annual NCC contribution	(0.150)	(0.150)	(0.150)
2	C&A - Education	Various Departments	Partnership Contributions	Increase usage of one off contributions made from schools, trusts and central government funding	(0.200)	0.000	0.000
3	Commercial & Operations	Neighbourhood Services	Woodfield Industries	Continued transformation of Woodfield Industries through moving supported employees into permanent posts throughout the authority. Staff will move into new posts and retain the support of the Community Partnership and Project Development team. The total number of supported placements will be maintained at the current level	(0.085)	(0.085)	(0.085)
					(0.435)	(0.235)	(0.235)

Community Protection

Appendix 1c

	Department	Service Area	Title of Proposal	Narrative	2019/20 £m	2020/21 £m	2021/22 £m
1	Commercial & Operations	Neighbourhood Services	Security efficiency savings and income generation	Promotion of security services to others to generate income streams, as well as consolidating our security offer, including CCTV, to maximise operational efficiencies	(0.100)	(0.100)	(0.100)
2	Strategy & Resources	IT	Commercial service income increase	To continue the successful development of IT commercial services	0.000	(0.020)	(0.020)
3	Strategy & Resources	IT	Voice and WAN savings	To reduce expenditure with Virgin Media by at least £100k per annum	(0.100)	(0.100)	(0.100)
4	Strategy & Resources	IT	Contracts review	To continue the review of small software contracts to maximise value for the Council	(0.040)	(0.120)	(0.120)
5	Strategy & Resources	IT	Continued migration from internal Oracle database hosting to Microsoft SQL	All internal applications require some form of database to support their operation. IT will continue to migrate these databases to lower cost options	(0.030)	(0.030)	(0.030)
Page 16	Commercial & Operations	Community Protection	Community Protection efficiency savings	Community Protection consists of Regulatory Services and the City Council's crime and ASB functions, which are delivered in partnership with Notts Police. This saving is a combination of effective management action to reduce the overall cost of the service whilst retaining our focus on Council priorities	(0.223)	(0.223)	(0.223)
7	Strategy & Resources	IT	Server Monitoring Systems Review	The IT service has developed a complex and comprehensive range of proactive monitoring and BI tools. This proposal suggests the removal of one of four separate monitoring systems	0.000	(0.007)	(0.007)
8	Strategy & Resources	IT	One number / One device	Reduction in corporate expenditure on mobile telephony by 25%	(0.250)	(0.250)	(0.250)
9	Strategy & Resources	IT	IT departmental budget allocation	Reduction in Libraries IT budget allocation	(0.020)	(0.020)	(0.020)
10	Strategy & Resources	IT	Centralisation of LA IT functions	Bringing together various staffing roles within the Council that exist to develop and maintain web based activities. Reduction of two posts	(0.050)	(0.050)	(0.050)
11	Strategy & Resources	IT	CCTV related project work	Offer a broader service for the Council's CCTV network	(0.030)	(0.030)	(0.030)

12	Commercial & Operations	Community Protection	Environmental Health - Deletion of Tobacco Officer	Removal of Tobacco Control Officer Post	(0.047)	(0.047)	(0.047)
13	Commercial & Operations	Community Protection	Reduce Police Partnership Contribution	Asking the PCC to making a reduction of 10% of the spend	(0.045)	(0.045)	(0.045)
14	Commercial & Operations	Community Protection	Review/Reduction of Community facing grants	Strategic Review of all Community facing grants including Voluntary Sector Grants and Area Based Grants	(0.250)	(0.250)	(0.250)
					(1.185)	(1.292)	(1.292)

Early Intervention & Early Years

Appendix 1d

	Department	Service Area	Title of Proposal	Narrative	2019/20 £m	2020/21 £m	2021/22 £m
1	C&A - Children's	Children In Care	Implementation of Pause Programme	Pause works with women who have experienced, or are at risk of, repeat removals of children from their care. It aims to break this cycle and give women the opportunity to develop new skills and responses that can help them create a more positive future	0.000	(0.189)	(0.396)
2	C&A - Children's	Children In Care	DN2 Social Impact Bond	Various interventions including step down from residential, placement stabilisation to prevent coming into residential, re-unification and edge of care	(0.300)	(0.300)	(0.300)
3	C&A - Children's	Children In Care	Increased partnership contribution	Increase in partnership contributions to Children in Care costs	(0.550)	(0.550)	(0.550)
4	C&A - Children's	Children In Care	Reduce the number of Children in Care	Reduction through further early intervention and progressing the right children through the process to permanency	(0.727)	(0.727)	(0.727)
Page 18	C&A - Children's	Children In Care	High Cost Placements	This programme will continue to reduce the average placement costs for children in care and will be supported by the use of innovative approaches and whole-family wrap-around support to enable children to return home safely to their families or for their needs to be met in less costly provision	(1.135)	(1.135)	(1.135)
6	C&A - Children's	Children In Care	Increase foster placements	This work will continue to shift the balance of internal versus external fostering placements to make better use of available resources	(0.637)	(0.637)	(0.637)
7	C&A - Children's	Children In Care	Commissioning and contractual savings for Semi Independence provisions	This work will continue to strengthen commissioning arrangements and contract management around semi-independence provision for 16-18 year olds	(0.200)	(0.200)	(0.200)
8	C&A - Children's	Children In Care	Workforce Review	Reviewing support & managing workforce processes - this project will see a continued reduction in agency social workers as a result of our Grow Our Own Programme and newly qualified social worker recruitment programme	(0.159)	(0.159)	(0.159)
9	C&A - Adults	Adult Assessment	Disabled Children's Service	Release of historical underspends within service	(0.121)	(0.121)	(0.121)
10	C&A - Education	School Improvement	Income generation through training	Increase income through additional training to be delivered to support additional needs	(0.010)	(0.010)	(0.010)

11	C&A - Education	School Improvement	Education - Staffing Efficiencies	Staffing efficiency	(0.030)	0.000	0.000
12	Commercial & Operations	Community Protection (Syrian Management)	Home Office Grant Funding	Maximise Grant Funding	(0.020)	(0.020)	0.000
13	Strategy & Resources	Commissioning & Procurement (ELY)	Funding Reduction	Reduction in contribution to the 'Under 5's Integrated Childrens' contract in partnership with City Care	(0.098)	(0.098)	(0.098)
14	Strategy & Resources	Commissioning & Procurement (ELY)	Funding Reduction	Reduction in contribution to the Appropriate Adult Service	(0.005)	(0.005)	(0.005)
15	C&A - Children's	NGY Contract	Reducing the contribution to the NGY youth centre	Reduce our contribution to the NGY youth centre	(0.030)	(0.030)	(0.030)
16	C&A - Children's	Play & Youth	Reduction of Play and Youth posts	To reduce and realign posts across Play & Youth teams	(0.151)	(0.151)	(0.151)
17	C&A - Children's	Targeted Team	Utilisation of grant funding for Family Support	Review of family support offer across targeting service to utilise opportunities for grant funding	(0.048)	0.000	0.000
Page 19	C&A - Children's	Safeguarding	Safeguarding partnership	Reduction in contribution to partnership funding	(0.005)	(0.005)	(0.005)
					(4.225)	(4.337)	(4.523)

Energy & Environment

Appendix 1e

	Department	Service Area	Title of Proposal	Narrative	2019/20 £m	2020/21 £m	2021/22 £m
1	Commercial & Operations	Commercial & Energy Infrastructure	Energy Services	Expansion of the Energy & Waste Big Ticket	(0.250)	(0.250)	(0.250)
2	Commercial & Operations	Neighbourhood Services	Commercial Waste	Business Plan Delivery through growth and the commercial performance of the Derby Waste Contract	(0.300)	(0.300)	(0.300)
3	Commercial & Operations	Neighbourhood Services	Bin Calendar Sponsorship	Sponsorship proposal for the bin calendar	(0.014)	(0.014)	(0.014)
4	Commercial & Operations	Neighbourhood Services	Housing Revenue Account	Increase the charge to the Housing Revenue Account for Street Cleansing and Grounds Maintenance	(0.300)	(0.300)	(0.300)
					(0.864)	(0.864)	(0.864)

Leisure & Localities

Appendix 1f

	Department	Service Area	Title of Proposal	Narrative	2019/20 £m	2020/21 £m	2021/22 £m
1	Commercial & Operations	Neighbourhood Services	Cemeteries & Crematoriums	Increase fees and additional capacity	(0.100)	(0.100)	(0.100)
2	Commercial & Operations	Sport & Culture	Sport & Leisure	Review of pricing, service redesign and efficiencies	(0.299)	(0.299)	(0.299)
3	Commercial & Operations	Sport & Culture	Theatre Royal & Concert Hall	Maximise business activity from recent transformation investment & continue commercial income growth performance	(0.100)	(0.100)	(0.100)
4	Commercial & Operations	Sport & Culture	Wollaton Hall and Newstead Abbey	Sustain income generation from Wollaton & Newstead sites including catering, retail and new event attraction	(0.050)	(0.050)	(0.050)
5	Commercial & Operations	Sport & Culture	Libraries	Service redesign, income generation and review of current contract	(0.150)	(0.150)	(0.150)
Page 21	Commercial & Operations	Sport & Culture	Cultural Grants	Reduction in cultural grants	(0.032)	(0.032)	(0.032)
7	Commercial & Operations	Sport & Culture	Events	Cease October Festival activity	(0.057)	(0.057)	(0.057)
8	Commercial & Operations	Community Protection	Ward councillor budgets	Reduced funding	(0.088)	(0.088)	(0.088)
9	Commercial & Operations	Community Protection	Area Committee Arrangements	Reduce the current number of Area Committees from 8 to 6	(0.020)	(0.020)	(0.020)
					(0.896)	(0.896)	(0.896)

Transport & HR

Appendix 1g

	Department	Service Area	Title of Proposal	Narrative	2019/20 £m	2020/21 £m	2021/22 £m
1	Commercial & Operations	Commercial & Energy Infrastructure	Highways - Insourcing and staffing efficiencies	Further insourcing and increased productivity in the DLO	(0.200)	(0.200)	(0.200)
2	Commercial & Operations	Neighbourhood Services	Car Parking - Income Growth	Incremental pricing changes to reflect competitor activity	(0.205)	(0.205)	(0.205)
3	Commercial & Operations	Neighbourhood Services	City Centre Car Parking - Sunday Charges	City Centre On-Street Parking - charge Sundays at the same tariff rate as Mon-Sat. Currently Sunday charges are 50p per 1/2 hr (zone 1 (min £1)). Zones 2 and are £1 for 3 hours or £2 all day	(0.041)	(0.100)	(0.100)
4	Commercial & Operations	Neighbourhood Services	City Centre Car Parking - Review of parking zones	Review all on-street zones occupancy levels to ensure they are zoned correctly (Zones 1-5)	(0.023)	(0.030)	(0.030)
5	Development & Growth	Traffic	Incomes from fees and charges	Review current fees and charges across Traffic, particularly in regard to external bodies	(0.060)	(0.060)	(0.060)
Page 22	Development & Growth	Public Transport	Income from the University of Nottingham	Annual fixed income deal with the University of Nottingham for Medilink Bus Service which allows its students to board for free	(0.043)	(0.043)	(0.043)
7	Development & Growth	Major Projects	Reassessment of PFI reserve contribution and models	Reduced contributions following a review of financial model assumptions	(0.020)	(0.020)	(0.020)
8	Development & Growth	Major Projects	Contribution to Tram	Review of model to generate efficiency savings	(0.250)	(0.250)	(0.250)
9	Development & Growth	Traffic	Keeping Nottingham Moving reinvestment	Any red route income is reinvested in Keeping Nottingham Moving	(0.030)	(0.058)	(0.058)
10	Development & Growth	Traffic	Restructure Traffic service	Rationalisation of current structure	(0.180)	(0.180)	(0.180)
11	Development & Growth	Major Projects	Reserves for seasonal street lighting	Reducing annual reserve payments based on actual experience of replacement costs	(0.013)	(0.013)	(0.013)
12	Commercial & Operations	Neighbourhood Services	City Centre Car Parking - On Street Evening Parking	Extend the existing daily charging period to cover 8am-8pm Remove the evening parking rate (£2 between 6-8pm) and charge the same tariff as the day rate	(0.036)	(0.088)	(0.088)
13	Commercial & Operations	Neighbourhood Services	City Centre Car Parking - On Street Parking Periods	This proposal would mean the minimum payment zone 1 remains at 30 mins, but all other zones change to 1 hour for £2 and then payment in hourly	(0.145)	(0.145)	(0.145)

				blocks			
14	Commercial & Operations	Neighbourhood Services	City Centre Car Parking - On Street Evening Parking	Move the evening charge to 8pm - 10pm Introduce the evening parking rate £2 from 6-8pm to 8-10pm	(0.010)	(0.010)	(0.010)
15	Development & Growth	Transport Strategy & Public Transport	Contract Link Bus Services	Delivery efficiencies by the review and withdrawal of some routes	(0.861)	(0.861)	(0.861)
					(2.117)	(2.263)	(2.263)

Housing & Planning

Appendix 1h

	Department	Service Area	Title of Proposal	Narrative	2019/20 £m	2020/21 £m	2021/22 £m
1	Development & Growth	Planning	Building Control	Review of team structure and management, income potential and fees	(0.040)	(0.040)	(0.040)
2	Development & Growth	Planning	Pre-application fees	Review fee schedule and increase pre-application planning fees	(0.010)	(0.010)	(0.010)
3	Development & Growth	Planning	Planning fees	Increase planning fee income target - due to increased development	(0.025)	(0.025)	(0.025)
4	Development & Growth	Planning	Searches team	Staffing rationalisation	(0.020)	(0.020)	(0.020)
					(0.095)	(0.095)	(0.095)

Finance, Resources & Commercial Services

Appendix 1i

	Department	Service Area	Title of Proposal	Narrative	2019/20 £m	2020/21 £m	2021/22 £m
1	Commercial & Operations	Neighbourhood Services	Nottingham Catering	Commercial growth, increased school meal prices and supply chain and operational cost savings	(0.200)	(0.200)	(0.200)
2	Development & Growth	Strategic Assets and Property	Information Management income	Increase in income target within service area	(0.030)	(0.030)	(0.030)
3	Strategy & Resources	Insight & Analysis	Research, Engagement and Consultation Team Income Generation	Continue to deliver an engagement and consultation service but with a focus on income generation through commissioned engagement work as part of external funding bids and consultancy opportunities	(0.020)	(0.020)	(0.020)
4	Strategy & Resources	Strategic & Corporate Finance	Removal of budgeted funding from previous restructure plans	Removal of funding that was previously retained as part of a previous restructure as a different and cheaper model was adopted	(0.100)	(0.150)	(0.200)
5	Strategy & Resources	Commercial Finance	Grant and Income Maximisation	Review of the use of grants	(0.400)	0.000	0.000
6	Strategy & Resources	Legal & Governance	Additional income	Conveyancing income target increase	(0.050)	(0.050)	(0.050)
7	Strategy & Resources	Legal & Governance	Additional income	Conveyancing income target increase - Increase in external fees & charges including an increase in local land charges fees	(0.020)	(0.040)	(0.040)
8	Strategy & Resources	Legal & Governance	Further income generation	Refocus on additional income generation which will have an impact on level of available support to departments	0.000	(0.020)	(0.020)
9	Strategy & Resources	Procurement	Contracting & Procurement - Increased income generation	Further Procurement work with Districts & Boroughs to be agreed during 2018/19.	(0.040)	(0.040)	0.000
10	Corporate	Corporate Items	Increase in NCT dividend	Additional dividend assumption	(0.500)	(0.500)	(0.500)
11	Strategy & Resources	Strategic & Corporate Finance	Contract Renegotiation	EMSS Contract Price Reduction and service provision	(0.050)	(0.100)	(0.150)
12	Strategy & Resources	Procurement	Reducing Contract Costs through more efficient Contract Management	Reducing Contract Costs through more efficient Contract Management across the authority, part of Systems Big Ticket. Savings will be net of the commissioning and procurement team costs	(0.036)	(0.096)	(0.096)
13	Strategy & Resources	Commercial Finance	Business Rates Transformation	Business Rates Transformation - This will include re-organisation of our approach to business rates, inspection, collection and administration. To develop an alternative delivery method aligning	(0.200)	(0.300)	(0.400)

				with council tax administration and the review of policies			
14	Strategy & Resources	Commercial Finance	Revenue & Benefits delivery vehicle	Contract and service delivery review	0.000	(0.100)	(0.200)
15	Strategy & Resources	Commercial Finance	Housing Benefit	Housing Benefit - Reduce the error rates in relation to Housing Benefit, introduce and invest to save quality assurance approach	0.000	(0.100)	(0.300)
16	Strategy & Resources	Insight & Analysis	Removal of budgeted funding from previous restructure plans	Removal of funding that was previously retained as part of a previous restructure as a different and cheaper model was adopted	(0.012)	(0.012)	(0.012)
17	Strategy & Resources	Commissioning	Commissioning	Deletion of vacant posts/reduction in hours	(0.057)	(0.103)	(0.103)
18	Strategy & Resources	Audit & Risk	Audit & Risk Reduction	Increasing income & reduction in resourcing in Audit & Risk	(0.063)	(0.088)	(0.088)
19	Strategy & Resources	Legal & Governance	Constitutional Services	Staffing reduction of 1 FTE in Constitutional Services	(0.031)	(0.031)	(0.031)
20	Strategy & Resources	Legal & Governance	Alignment of Councillor allowance budget to reflect actual spend.	Reduction in Councillor allowances and expenses budget to reflect actual spend.	(0.040)	0.000	0.000
21	Strategy & Resources	Legal & Governance	Service restructure within Legal Services	Staffing reduction in Legal & Governance Services Realignment of resources to meet Corporate priorities	(0.063)	(0.063)	(0.063)
22	Strategy & Resources	Registrars	Registration Service	Delete 1 x Asst Registrar post	(0.019)	(0.019)	(0.019)
23	Strategy & Resources	Insight & Analysis	Public Health Insight Specialist support	Removal of vacant posts	(0.098)	(0.098)	(0.098)
24	Strategy & Resources	Insight & Analysis	Knowledge Resource	Deletion of post	(0.018)	(0.036)	(0.036)
					(2.047)	(2.195)	(2.655)

Regeneration & Growth

Appendix 1j

	Department	Service Area	Title of Proposal	Narrative	2019/20 £m	2020/21 £m	2021/22 £m
1	Strategy & Resources	Marketing & Comms	Income Generation - Advertising	Communications and Marketing will work with departmental services to pursue new opportunities for income generation from advertising	(0.032)	(0.043)	(0.048)
2	Strategy & Resources	Marketing & Comms	Income Generation - Large Format Digital Screens	Fast track phase 2 of the digital screen plan designed to generate advertising revenue (via third party support) from small/large digital screens in the City Centre	(0.015)	(0.015)	(0.015)
3	Corporate	Corporate Items	SCAPE	Increase in dividend	(0.200)	(0.225)	(0.335)
4	Development & Growth	Economic Development	Marketing Nottingham	Rental reduction	0.000	(0.050)	(0.050)
5 Page 27	Development & Growth	Development and Growth	Urban Delivery Unit	Creating team within D&G to focus on Urban Delivery. Savings achieved through unified line management, multi-disciplinary working and increased potential for securing grant income	(0.100)	(0.100)	(0.100)
	Development & Growth	Development and Growth	Management Restructuring	Changes to departmental structure	(0.055)	(0.055)	(0.055)
7	Strategy & Resources	Marketing & Comms	Marketing & Comms	Transformation of Marketing & Comms function. The aim will be to develop an alternative delivery method aligning increasingly limited resources to our highest priorities	(0.083)	(0.093)	(0.093)
					(0.485)	(0.581)	(0.696)

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