



Nottinghamshire and City of Nottingham
Fire and Rescue Authority

REVENUE, CAPITAL AND PRUDENTIAL CODE MONITORING REPORT TO 30 SEPTEMBER 2020

Report of the Chief Fire Officer

Date: 27 November 2020

Purpose of Report:

To report to Members on the financial performance of the Service in the year 2020/21 to the end of September 2020 and to present the Treasury Management mid-year review.

Recommendations:

It is recommended that Members:

- Note the content of this report.
- Approve £255k temporary virements from wholetime pay to:
 - The reactive maintenance budget (£100k) and the planned maintenance budget (£100k) – see Section 2.11.
 - To equipment to cover the costs of replacement hose inflation equipment (£20k) and Red Kite scanners (£35k) – see Section 2.14.

CONTACT OFFICER

Name :	Becky Smeathers Head of Finance
Tel :	0115 967 0880
Email :	becky.smeathers@notts-fire.gov.uk
Media Enquiries Contact :	Vicky Brown (0115) 967 0880 vicky.brown@notts-fire.gov.uk

1. BACKGROUND

- 1.1 Budget monitoring is a key aspect of financial management for the Fire Authority. Regular reporting of spending against the revenue budgets is a check that spending is within available resources and if necessary, allows for financial resources to be re-assigned to meet changing priorities.
- 1.2 This report covers those areas with a higher risk of significant variance. An assessment of this risk has been made in the light of the size of the budgets selected and/or previous experience of variances, as well as the emergence of actual variances. It is vital that an overview of the budgetary position during the year is maintained, so that appropriate action can be taken in respect of significant variances and the budget is managed as a whole.
- 1.3 Monitoring against the revised prudential indicators is also included in this report, as required in the Prudential Code published by the Chartered Institute of Finance and Accountancy (CIPFA).

2 REPORT

REVENUE BUDGET

- 2.1 The revenue monitoring position is set out in Table 1 below. It shows a forecast outturn position of £43.642m, a £1.523m underspend against the revised budget of £45.165m. £241k of the underspend relates to the Section 31 grant for Covid-19 which has not all yet been allocated. The remaining £1.282m largely relates to vacancies in wholetime pay pending recruitment (see section 2.4).

Table 1 – Summary Expenditure and Funding Position

	2020/21 Budget £'000	Revised Budget £'000	Forecast Outturn £'000	Variance £'000
Net Expenditure	45,165	45,165	43,642	(1,523)
RSG/Council Tax/Business Rates	(44,891)	(44,891)	(44,891)	0
General Fund Reserves	0	0	1,199	1,199
Covid-19 Grant Reserve	0	0	241	241
Earmarked Reserves	(274)	(274)	(191)	83
Total	0	0	0	0

- 2.2 The underspend position has increased from the £1.237m reported to Fire Authority in September. The major reasons for the change are:

- Reduction in anticipated overtime costs due to the change of policy to cover absences with overtime. This is no longer happening to prevent the mixing of shifts in line with Covid-19 guidance (£250k) – see Section 2.5;
- Trading company dividend payment of £170k;
- Higher levels of New Dimension and Firelink grant than was anticipated at budget time (£100k);
- £152k Fire Protection grant, some of which will not be spent until 2021/22;
- Increased allocation of the Covid-19 grant (£266k)

2.3 A more detailed analysis of expenditure can be found at Appendix A. Major variances on specific budgets are shown below.

2.4 **WOLETIME PAY:** total wholetime pay is forecast to underspend by £1.3m. This has been caused by a higher than anticipated level of vacancies due to the wholetime training course being delayed until April 2021. The impact of the under establishment is being partially offset by 14 individuals migrating from on-call during September and October. Even with these additional posts, unfilled posts are anticipated to reach nine by the end of the financial year.

2.5 Overtime was originally planned to help cover the vacancies. However, as the number of Covid-19 cases has increased across the county this is no longer considered to be a viable solution as the mixing of watches increases the risk of the spread of Covid-19 across the workforce.

2.6 **ON-CALL PAY:** overall, on-call pay is anticipated to overspend by £233k against the original budget, but £131k of this directly relates to additional costs that can be offset by the Covid -19 grant. There was also a high level of payments brought on by the increased availability as people being furloughed from their primary employment in the spring lockdown. It remains uncertain as to whether there will be a similar pattern of availability in the second lockdown as more workplaces are remaining open.

2.7 **NON-UNIFORMED PAY:** non-uniformed pay is expected to overspend by £338k (after compensating for secondment income and posts being funded from the earmarked reserves). The budget assumed that staff would receive a pay award of 2%. The final agreed increase was 2.75%, which resulted in additional costs of £50k. Some temporary posts that were to be funded from earmarked reserves are now to be funded from revenue to preserve earmarked reserves to fund transformational projects in future years (see Paragraph 2.24).

2.8 **PENSION COSTS:** there is a net forecast underspend of £11k relating to ill-health charges and injury pension costs.

2.9 **TRAINING COSTS:** the forecasted underspend of £141k relates to the reduction in external training due to Covid-19 and the possibility that future training will be undertaken online rather than face to face.

- 2.10 **PREMISES COSTS:** the forecasted overspend is £286k. £44k is due to the business rates being higher than expected at budget time. Additional cleaning has been undertaken to the value of £20k – this is being funded from the Covid-19 grant.
- 2.11 There are numerous high priority building maintenance works that are to be brought forward to ensure that the estate is maintained to a high standard and to avoid reactive maintenance costs if work is held off until next financial year. The Fire Authority is requested to approve virements totalling £200k from wholetime underspends to planned maintenance (£100k) and reactive maintenance (£100k) to cover the cost of this work.
- 2.12 **TRANSPORT COSTS:** are forecasted to underspend by £53k. Travel related expenses have significantly reduced due to Covid-19 (£122k) and fuel is anticipated to underspend by £70k. There is an overspend on the fleet maintenance of £143k which mainly relates to the savings identified from the new contract not being fully realised in the year, due to backlog of maintenance works.
- 2.13 **SUPPLIES AND SERVICES COSTS:** supplies and services are in line with the budget overall, although this does include an underspend on community safety equipment and smoke alarms of £41k due to the reduction in the number of safe and well visits. It is difficult now to know when the levels of activity will resume. Offsetting this is an anticipated overspend of £18k on the external audit fees for the 2018/19 accounts.
- 2.14 The Service was due to replace its hose inflation equipment at a cost of £20k and update its Redkite scanners (£35k) during 2020/21. These were not included in the original budget setting process and approval is requested to transfer £55k of the budget underspend on wholetime pay to the equipment budget to cover these costs.
- 2.15 **THIRD PARTY PAYMENTS** £89k of the £103k overspend is for joint control charges from Derbyshire Fire and Rescue. This is due to additional staff being employed to cover long-term sickness. It is assumed at this stage this cover will continue for six months. In addition, legal costs are anticipated to overspend by £14k.
- 2.16 **GOVERNMENT GRANTS:** The Service has received additional funding for Covid-19 of £1,058k. £191k was included in the 2019/20 outturn and a further £867k has been received in 2020/21. The grant can only be allocated to additional expenditure, so any redirection to staff from other duties, for example, cannot be claimed. The estimated spend as at the end of September is shown in Table 2 below.

Table 2 – Expenditure to be funded from Covid-19 Government Grant

Expenditure	Actual to Sept £'000	Estimated spend 20/21 £'000
Non-Uniformed Pay	12	141
Operational Pay and Overtime	5	5
On Call Firefighters Other Work	36	128
Cleaning Materials / Decontamination Supplies	20	75
Operational Equipment Uniforms and PPE	31	64
Recruitment / Return to Work Costs / Consultancy	14	46
ICT Infrastructure and Licencing	50	167
Total	168	626

- 2.17 Grant allocation is undertaken and monitored by the Strategic Leadership Team (SLT). Work is being undertaken to identify key areas of work which will address the ongoing risks of Covid-19 to ensure that the grant is used with best effect. Expenditure is likely to rise later in the year as the Service responds to requests for help from partners as cases rise once again.
- 2.18 **CAPITAL CHARGES:** the total forecast overspend is £31k. Minimum revenue provision is underspent by £16k due to the slippage of £4m from the capital programme in 2019/20.
- 2.19 There is a forecasted deficit of £80k on interest receivable following a significant drop in interest rates. There was significant market uncertainty during the early part of the year. To protect the Service's cashflow, cash was kept in shorter term investments which attract lower rates of interest. Interest charges on debt are expected to overspend by £48k. This is due to the taking out loans earlier than originally anticipated. Two loans totalling £3m were taken from the Public Works Loans Board in March 2020 which took advantage of the fall in loan rates brought about by the economic impact of the pandemic. This had the additional advantage of securing the Authority's cash flow position at the beginning of the Covid-19 pandemic. This borrowing, whilst within the Authority's prudential limits, was taken ahead of schedule. As a result of this, the interest costs had not been factored into the budget.

RESERVES

- 2.20 Details of the use of reserves during 2020/21 can be found in Appendix B.
- 2.21 Expected levels of reserves at 31 March 2020 are £11.0m as detailed in Table 3 below.

Table 3 – Anticipated Movement in Reserves 2020/21

Reserves	Balance 01/04/20 £'000	Anticipated Use 2020/21 £'000	Expected Balance 31/03/21 £'000
Contributions from earmarked reserves	4,329	(113)	4,216
Expected transfer to Covid-19 reserve	177	241	418
General Fund ¹	4,989	1,199	6,188
Total	9,495	1,327	10,822
ESMCP ² Regional Reserve	255	(78)	177
Total	9,750	1,249	10,999

¹ Provisional general fund figure

² Emergency Services Mobile Communications Programme

- 2.22 The Emergency Services Mobile Communications Programme (ESMCP) regional reserve has been shown separately to those reserves held by the Authority to reflect that the funds are to be allocated regionally and do not belong to Nottinghamshire Fire and Rescue Service (NFRS).
- 2.23 The general reserve is predicted to be £6.2m at the end of the financial year. This is above the minimum level of £3.9m set for 2020/21 agreed by Fire Authority in December 2020. This provides the Authority with an element of security and flexibility given the financial uncertainties in 2021/22 and beyond.
- 2.24 The original budget approved by Members in February 2020 reflected the planned use of £274k of earmarked reserves. This related to expenditure from the transformation and collaboration reserve which was approved by Fire Authority in December 2019. The purpose of the reserve is to support the Strategic Plan in line with the Transformation and Efficiency Strategy. Almost £890k of the reserve has been allocated out to projects by SLT to date. However, the 2020/21 expenditure on these projects will now be funded from underspends which will help sustain the earmarked reserve so that it can provide funding for transformational projects in future years.
- 2.25 This is further discussed in the Reserves Strategy which forms part of the Medium Term Financial Strategy which is a separate report on this agenda.

CAPITAL PROGRAMME

- 2.26 The revised capital budget for 2020/21 is £5.873m. The total capital spend to date is £1.574m and the forecast outturn expenditure is £4.469m. The current capital programme is shown at Appendix C. The most significant areas of variances are detailed below.

ICT

- 2.27 The ICT programme (£955k) has been developed from the Digital Strategy. It includes replacement equipment and software and supports the specific schemes which underpin the strategy. The budget is currently expected spend approximately £855k by the end of the year, as one project has found an alternative solution negating the need to invest £100k in server storage capacity.

ESTATES

- 2.28 The property programme flows directly out of the Property Strategy.
- 2.29 The joint Headquarters project is progressing well. The joint legal entity has been created and building work is well underway and is due to be completed early in 2021/22.
- 2.30 Worksop fire station – at the Policy and Strategy Committee meeting held on 1 May 2020 it was agreed the initial proposed site was no longer a workable option and the process of buying this land was to be abandoned. A further site has now been identified and due diligence is ongoing before any formal offer can be made.

EQUIPMENT

- 2.31 The Service has received additional funding of £101k from central government, because of the Grenfell Tower enquiry, this will be used to fund the purchase of the smoke hoods which have now been delivered (£38k).
- 2.32 The structural personal protection equipment (PPE) and lightweight jackets are now operational and final payments are being made.
- 2.33 The CCTV project has gone out to tender and bids have been received, the contract is due to be awarded shortly. The majority of expenditure will be committed in this financial year, but some vehicles may have the CCTV upgrade/installation in the first quarter of the new financial year This will be monitored and reported in the next budget monitoring report.
- 2.34 Air bag replacement: The project business case is now complete, trials will be taking place shortly and it is anticipated that the project will be completed by March 2021.

TRANSPORT

- 2.35 The fleet replacement programme is derived from the Fleet Strategy and reflects current and future expected demand.
- 2.36 The Command Support Unit (CSU) is mobilised to assist with communications, command and control at incidents which require the attendance of five operational pumping appliances or more. At these incidents, it is key that the ICT and other communications equipment function correctly. The CSU has been modified to ensure that the technology and communications software are sufficiently up to date to ensure it meets national resilience requirements. The upgrade has cost £70k and has been

funded from an Earmarked Reserve created from funding received for national resilience purposes. This project is now complete.

PRUDENTIAL CODE MONITORING AND TREASURY MANAGEMENT MID-YEAR REVIEW

ECONOMIC UPDATE

- 2.37 The Covid-19 outbreak saw the largest quarterly contraction in the UK economy since Office for National Statistics quarterly records began in 1955, with an estimated decrease in excess of 20%. Whilst Quarter 3 has seen some strong recovery, the impact of the new regional restrictions followed by the national lockdown is expected to create further downward pressure on the economy.
- 2.38 The pandemic also impacted on interest rates with two emergency cuts in bank rate in March: the first to 0.25% and then a second cut to 0.10%. These cuts were accompanied by an increase in quantitative easing, with the Bank of England purchasing £200bn of gilts. With a further downturn expected and the impact of Brexit looming there is now talk of the possibility of negative interest rates in the coming months, the impact of which is difficult to quantify.
- 2.39 The Government has introduced various measures to support jobs and businesses during the pandemic. Expectations are that when the support comes to an end unemployment will rise substantially. The cost of the support will result in a huge increase in the annual budget deficit in 2020/21. The uncertainty caused the Government to cancel the autumn budget and local government will now receive a one-year funding settlement for 2021/22.
- 2.40 Inflation as at September 2020 was 1.1%, which remains below the Bank of England's target rate of 2%.

REVIEW OF THE TREASURY MANAGEMENT STRATEGY

- 2.41 The Treasury Management Strategy approved by the Authority sets out the policies for managing investments and for giving priority to the security and liquidity of those investments. The risk appetite of this Authority is low in order to give priority to security of its investments. Accordingly, the following types of low risk investments may be made:
 - Deposits with the Debt Management Office;
 - Term deposits with banks and building societies;
 - Call deposits with banks and building societies
 - Term deposits with uncapped English and Welsh local authority bodies;
 - Triple-A rated Money Market Funds (CNAV and LNAV);
 - UK Treasury Bills;
 - Certificates of Deposit.
- 2.42 The Treasury Management Strategy states that the Authority will only use approved counterparties from countries with a minimum sovereign credit rating of AA from Fitch ratings. An exception to this policy can be made for the UK in the event that its sovereign credit rating is downgraded to AA-, in

which case the Authority can continue to use counterparties from the UK. The UK was downgraded to AA- by Fitch on 27 March 2020.

- 2.43 The Treasury Management Strategy includes a limit of £4m to be invested with any single counterparty, although this limit is only used in exceptional circumstances and a maximum of £2m is normally adhered to. No term deposits will be made for more than one year without the prior approval of the Treasurer and the Chair of Finance and Resources Committee. The selection of counterparties with a high level of creditworthiness will be achieved by selection of institutions down to a minimum durational band within Link's weekly credit list of potential counterparties.
- 2.44 In terms of cash resources, the strategy is to maintain a bank overdraft facility of £200,000, to continue to use cash flow forecasting to predict cash surpluses and shortfalls so that these can be managed and to invest small bank account balances in the business premium account on a daily basis if the interest rate is favourable. In the first half of the year the current account was overdrawn on three occasions. As a result, the Authority incurred interest charges of £793.

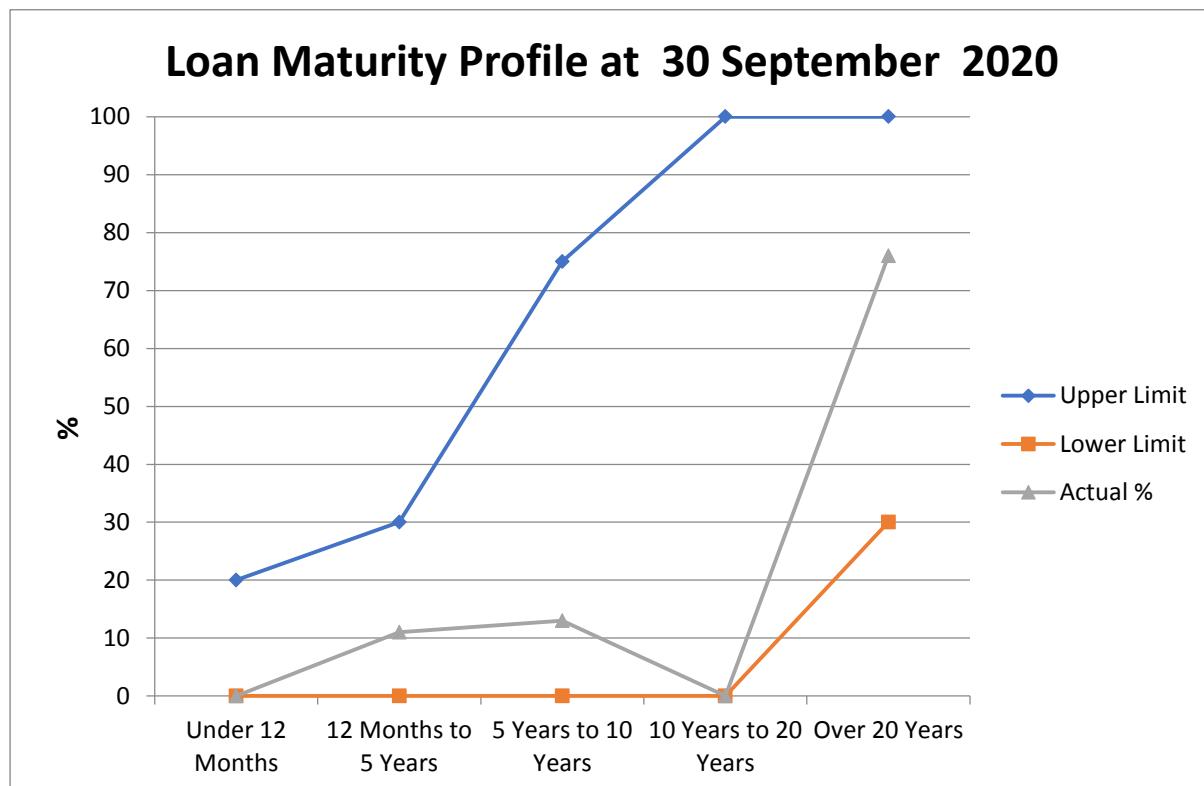
REVIEW OF THE INVESTMENT PORTFOLIO

- 2.45 The Authority's priority is to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with its risk appetite. As shown by interest rate forecasts in Appendix D, investment returns are currently low when compared with rates commonly seen in previous decades. The current economic environment prompts a low risk and short term investment strategy.
- 2.46 Investments as at 30 September 2020 totalled £13.5m. Investment rates are monitored within the benchmarking group supported by Link Asset Services. There are seven councils and NFRS within the group. As at the end of September 2020, NFRS weighted average rate of return is 0.22%, the average of the group is 0.28%.
- 2.47 The approved limits within the Authority's Annual Investment Strategy have not been breached during the period from 1 April 2020 to 30 September 2020.
- 2.48 The Authority's budget for investment interest for 2020/21 is £100k. The forecast outturn for the year is £20k. Investment interest rates have fallen significantly since the Bank of England reduced base rate to 0.10% in March 2020.

REVIEW OF BORROWING STRATEGY

- 2.49 The strategy for 2020/21 is to use a combination of capital receipts, borrowing and internal funds to finance capital expenditure.
- 2.50 In the Treasury Management Strategy, it was predicted that the Authority would need to borrow up to £11m during the three year period from 2020/21 to finance the capital programme and to replace £1.5m of maturing loans. The Authority repaid the £1.5m maturity loan in June 2020.

- 2.51 In October 2019 the PWLB announced an increase in the margin over gilt yields from 0.8% to 1.8%. HM Treasury subsequently launched a consultation on PWLB margins which ended on 31 July 2020. The outcome of the consultation is not yet known, so the Authority will refrain from undertaking new long-term PWLB borrowing until such time as new PWLB margins are determined. Instead, any borrowing requirements will be met by short-term borrowing (although the Authority does not anticipate that any further borrowing will be undertaken during this financial year). PWLB borrowing rate forecasts can be found at Appendix D.
- 2.52 No rescheduling of debt has taken place to date, as the interest rate climate has not resulted in an advantageous environment for rescheduling.
- 2.53 The Authority's capital financing requirement (CFR) as at 31 March 2020 was £26.017m. The CFR denotes the Authority's underlying need to borrow for capital purposes. Total borrowing at the end of September 2020 was £27.00m which is within the operational and authorised limits set out in table 4 below. Borrowing activity has remained within these boundaries throughout the period covered by the report. There has been no borrowing activity since the start of the financial year.
- 2.54 The loan maturity profiles are all within the limits set. These are best demonstrated by graph:



- 2.55 All aspects of the borrowing strategy remain in place at this mid-point in the year.

MONITORING OF PRUDENTIAL INDICATORS

- 2.56 The Fire Authority approved the prudential indicators for 2020/21 at its meeting on 28 February 2020. Amendments were made to the authorised limits and 12-month maturity profile at Policy and Strategy Committee on 1 May 2020 to address the financial impact of Covid-19. The Prudential Code requires that performance against these indicators is reported to Members.
- 2.57 The approved indicators along with performance as at 30 September 2020 are shown in the table below. There are some indicators which cannot be calculated until the year end expenditure is known.

Table 4 - Prudential Code Monitoring

Prudential Indicator	Approved Indicator	As at 30 Sept 2020
Estimate of Ratio of Financing Costs to Net Revenue Stream	5.3%	Year End Only
Estimate of Total Capital Expenditure to be Incurred	£5,576,000	Year End Only
Actual Borrowing		£26,983,493
Estimate of Capital Financing Requirement	£29,073,000	£29,073,000
Operational Boundary	£33,850,000	£33,850,000
Authorised Limit	£37,035,000	£37,035,000
Upper limit for fixed rate interest exposures	100%	100%
Upper limit for variable rate interest exposures	30%	30%
Loan Maturity:	<u>Limits:</u>	
Under 12 months	Upper 30% Lower 0%	See Graph
12 months to 5 years	Upper 30% Lower 0%	See Graph
5 years to 10 years	Upper 75% Lower 0%	See Graph
Over 10 years	Upper 100% Lower 0%	See Graph
Over 20 years	Upper 100% Lower 30%	See Graph
Upper Limit for Principal Sums Invested for Periods Longer than 365 Days	£2,000,000	0
Upper limit for internal borrowing as a % of the Capital Financing Requirement	20%	7.00%

3. FINANCIAL IMPLICATIONS

The financial implications are set out in the body of the report.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are no human resources or learning and development implications arising directly from this report. Some of the efficiency targets will have had staffing implications which were considered as part of the decision-making process at the time.

5. EQUALITIES IMPLICATIONS

An equality impact assessment has not been undertaken because this report is not associated with a policy, function or service. Its purpose is to explain variances to the approved budget which reflects existing policies.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

There are no legal implications arising directly from this report.

8. RISK MANAGEMENT IMPLICATIONS

Budget monitoring and the regular receipt of financial reports is key to managing one of the most significant risks to the organisation, that of financial risk. The process of budget monitoring is a key risk management control measure, as are the management actions which are stimulated by such reporting.

9. COLLABORATION IMPLICATIONS

This report identifies several areas where collaboration is taking place between NFRS, other fire authorities, East Midland Ambulance Service and Nottinghamshire Police. Opportunities for collaboration around asset use and ownership are continually being investigated.

10. RECOMMENDATIONS

It is recommended that Members:

- 10.1 Note the content of this report.
- 10.2 Approve £255k temporary payments from wholetime pay to:
 - The reactive maintenance budget (£100k) and the planned maintenance budget (£100k) – see Section 2.11.
 - The equipment budget to cover the costs of replacement hose inflation equipment (£20k) and Red Kite scanners (£35k) – see Section 2.14.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

John Buckley
CHIEF FIRE OFFICER

**REVENUE BUDGET MONITORING POSITION
AS AT 30 SEPTEMBER 2020**

Budget Area	Annual Budget £'000	Revised Budget £'000	Exp to Date £'000	Forecast Outturn £'000	(Under) / Over Spend Against Revised budget £'000
Employees	36,495	36,053	17,629	35,266	(787)
Premises	2,564	2,599	1,512	2,885	286
Transport	1,637	1,637	1,713	1,583	(54)
Supplies & Services	3,570	3,679	2,811	3,678	(1)
Third Party	783	783	835	886	103
Support Services	191	191	133	191	0
Capital Financing Costs	2,573	2,549	1,758	2,580	32
Fees and Charges	(405)	(405)	(166)	(471)	(66)
Other Income	(2,244)	(1,922)	(2,750)	(2,957)	(1,035)
Net Cost	45,165	45,164	23,476	43,642	(1,523)
Financed by:					
Government Funding	(12,699)	(12,699)	(3,450)	(12,699)	0
Non-Domestic Rates	(3,778)	(3,778)	(5,677)	(3,778)	0
Council Tax	(26,074)	(26,074)	(13,037)	(26,074)	0
Pension Grant	(2,340)	(2,340)	(2,340)	(2,340)	0
Earmarked Reserves	(274)	(274)	(191)	(191)	83
Transfer to Covid reserve	0	0		241	241
Transfer to General Reserve	0	0	0	1,199	1,199
Funding Total	(45,165)	(45,165)	(24,695)	(43,642)	1,523
Total	0	0	1,219	0	0

APPENDIX B**ESTIMATED RESERVE POSITION AT 31 MARCH 2021**

Reserve	Opening Balance 01/4/20 £'000	Movement During 2020/21 £'000	Closing Balance 31/3/21 £'000
Resilience Crewing and Training	333	(83)	250
Prevention Protection and Partnerships	252	(16)	236
Business Systems and Development	59	0	59
Capital Reserve	1,038	0	1,038
ESN reserves	1,327	(93)	1,234
Transformation and Collaboration	1,387	0	1,387
Operational	188	0	188
Covid-19	177	241	418
Total	4,761	49	4,810
General Reserve	4,989	1,199	6,188
Total Reserves	9,750	1,246	10,999

* Emergency Services Mobile Communications Programme

APPENDIX C

CAPITAL - BUDGET MONITORING REPORT – SEPTEMBER

CAPITAL PROGRAMME	Approved Budget 2020/21	Approved Changes to Budget 2020/21	Revised Budget 2020/21	Expenditure	(Under)/Over Budget	Estimated Outturn to the end of March 2021	Outturn Variance
ICT & COMMUNICATIONS							
HR System Upgrade	51		51	10	-41	51	
Business System Development		20	20		-20	20	
Business Process Automation	50	33	83	34	-49	83	
Mobile Computing	75	25	100	21	-79	100	
HQ - Link ICT Replacement	100		100		-100	100	
Cyber Security	20	17	37		-37	37	
ICT SharePoint Internet/Intranet		26	26		-26	26	
Performance Management System		9	9		-9	9	
ESMCP Grant from DCLG (ESN)		41	41		-41	41	
Tri-Service Control Project		171	171	6	-165	171	
Unit4 Business World Upgrade		37	37	8	-29	37	
Coronavirus - Covid 19		30	30	31	1	30	
Replacement Equipment	250		250	71	-179	150	-100
	546	409	955	180	-775	855	-100
ESTATES							
Joint Headquarters Project	2,500	239	2,739	852	-1,887	1,965	-774
Air Conditioning - London Road		40	40		-40	40	
Worksop Fire, Police and Ambulance Station Project (capital – strategic new build project)	500	100	600	86	-514	50	-550
Newark Fire Station		10	10	4	-6	10	
Hucknall Fire Station	11	158	169	3	-166	169	
	3,011	547	3,558	945	-2,613	2,234	-1,324
EQUIPMENT							
CCTV - vehicles	40	160	200		-200	200	
Structural PPE		230	230	178	-52	230	
Helmets		170	170	172	2	170	
Lightweight Fire Coat		74	74	30	-44	74	
Air Bag Replacements	70		70		-70	70	
	110	634	744	380	-364	744	
TRANSPORT							
Vans & Other Light Vehicles	226	172	398		-398	418	20
Resilience Crewing and Training - Earmarked Reserves		70	70	70		70	
Rescue Pumps	95	53	148		-148	148	
	321	295	616	70	-546	636	20
	3,988	1,885	5,873	1,574	-4,298	4,469	-1,404

TO BE FINANCED BY	Actual	Estimated Outturn
Earmarked Reserve	0	0
Resilience Crewing and Training	70	78
Capital Receipts - Property	0	520
New Borrowing	0	3,866
Revenue contributions to capital	1,574	5
Total	1574	4,469

APPENDIX D**INTEREST RATE FORECASTS**

	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22
Bank Rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
5Y PWLB Rate	1.90%	2.00%	2.00%	2.00%	2.00%	2.00%	2.10%	2.10%
10Y PWLB Rate	2.10%	2.10%	2.10%	2.10%	2.20%	2.20%	2.20%	2.30%
25Y PWLB Rate	2.50%	2.50%	2.50%	2.60%	2.60%	2.60%	2.70%	2.70%
50Y PWLB Rate	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%

Forecasts provided by Link Asset Services