

EXECUTIVE BOARD – 18 DECEMBER 2018

Subject:	Review of 2018/19 Revenue and Capital Budgets at 30 September 2018 (Quarter 2)
Corporate Director(s)/Director(s):	Laura Pattman, Strategic Director for 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 0115 8763649 theresa.channell@nottinghamcity.gov.uk
Subject to call-in:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Key Decision:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Criteria for Key Decision:	
(a) <input checked="" type="checkbox"/> Expenditure <input checked="" 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 checked="" type="checkbox"/> No	
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital
Total value of the decision: £16.283m	
Wards affected: All	
Date of consultation with Portfolio Holder(s): Throughout July – September 2018	
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 provides an up to date assessment of the Council's current and forecast year-end financial position for the General Fund revenue account, Capital Programme and the Housing Revenue Account (HRA) based on activity to the end of September 2018.</p> <p>The 2017/18 outturn showed a net overspend of £4.215m and this will be repaid in 2018/19 through a one off review of reserves. The Quarter 1 2018/19 position showed a net overspend of £2.491m, and the Quarter 2 2018/19 position is showing a net overspend of £0.968m. This is predominantly due to a reduced position in the following portfolios:</p> <ul style="list-style-type: none"> • Finance, Resources & Commercial Services – reduced by £0.342m • Education & Skills – reduced by £0.291m • Early Intervention & Early Years – reduced by £0.228m • Corporate – reduced by £0.213m • Regeneration & Growth – reduced by £0.184m • Energy & Environment – reduced by £0.153m <p>Management action is in place for the remainder of the year and the Council is committed to delivering on budget at outturn.</p>	
Exempt information:	
None.	

Recommendation(s):	
1	To note: a) the overall current forecast net overspend of £0.968m , as set out in paragraph 2.2 and Appendix A. The Council is committed to delivering services on budget for 2018/19 and repaying the 2017/18 overspend; b) the forecast working balance of £7.727m on the HRA, as set out in paragraph 2.7; c) the forecast position on the Capital Programme, as set out in paragraph 2.9; d) the Capital Programme projections at Quarter 2, as set out in paragraph 2.9 (table 4); e) the additions to the Capital Programme listed in Appendix E; f) the refreshed Capital Programme, including schemes in development, as set out in paragraph 2.9 (tables 5, 6 and 7).
2	To approve: a) The movements of resources set out in paragraph 2.6 and Appendix D.
3	To note and endorse the allocations from the corporate contingency as set out in paragraph 2.4.

1 REASONS FOR RECOMMENDATIONS

- 1.1 It enables formal monitoring of progress against the 2018/19 budget and the impact of actual and planned management action.
- 1.2 The approval for virements of budgets is required by corporate financial procedures.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The 2018/19 revenue budget was approved by City Council in March 2018. This periodic report summarises the current assessment of the Council's forecast outturn of the General Fund and HRA. Some report tables may not sum exactly due to rounding.
- 2.2 Forecasting is risk-based, reflecting the diverse nature of the Council's activities and the wide range of issues impacting on the financial position. Table 1 shows the current forecast and is based on the ledger position as at 30 September 2018.

Following Executive Board in May, the portfolios have changed and the forecast outturn in Table 1 below reflects the new portfolios. The 2017/18 outturn variance column has been restated as per the current portfolios.

Appendix A provides more detail and Appendix B explains the main variances.

TABLE 1: CURRENT FORECAST OUTTURN AS AT 30.09.18 (Q2)		
OUTTURN VARIANCE 2017/18 £m	PORTFOLIO	FORECAST OUTTURN £m
0.713	Adult Social Care & Health	(0.170)
(0.696)	Community Protection	(0.394)
2.529	Early Intervention & Early Years	0.555
0.947	Education & Skills	0.750
(0.609)	Energy & Environment	0.756
(0.021)	Finance, Resources & Commercial Services	(0.400)
0.659	Housing & Planning	0.172
(0.311)	Leisure & Localities	(0.245)
0.608	Regeneration & Growth	(0.026)

(0.785)	Transport & HR	(0.050)
3.036	TOTAL PORTFOLIOS	0.947
1.149	Corporate budgets	0.021
10.111	Health Integration	0.000
(10.081)	Corporate Mitigation and Management Action*	0.000
4.215	TOTAL	0.968

* For further details, please refer to the 2017/18 Outturn Report, approved by Executive Board in June 2018

2.3 General Reserves

These provide a financial safety net to cover above-budget costs during the year. Variations in forecast outturn will impact on general reserves. Underspends increase reserves and overspends decrease them. Table 2 shows the potential impact of the current medium case forecast variance on the general reserve.

TABLE 2: POTENTIAL IMPACT ON THE GENERAL RESERVE	
ITEM	£m
Opening Balance at 01.04.18	9.643
2017/18 Outturn	(4.215)
Revised Opening Balance	5.428

The minimum level of opening reserves for 2018/19 was set at **£9.643m**. The impact of the outturn for 2017/18 as approved by Executive Board June 2018 was a reduction in the general fund balance of **£4.215m**. Management action is in place to bring the level of reserves back to an appropriate level.

2.4 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 SDF 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 impossible. Contingency is **£1.800m** in 2018/19 and **£0.150m** was approved in Quarter 1. Table 5 shows the allocations approved by the Strategic Director for Finance since the Quarter 1 report, which now require endorsement.

TABLE 3: CONTINGENCY ALLOCATIONS REQUIRING ENDORSEMENT	
Item	Amount £m
NHS 70	0.015
Eurocities	0.029
TOTAL	0.044

This leaves a remaining balance of **£1.606m**, although there are further pending applications, which will be reported as part of the next monitoring report. Forecast outturn assumes full use of contingency.

2.5 Cost reductions and Potential Overspend Risks

The 2018/19 budget includes new cost reductions of **£29.375m** and funding for potential overspend risks of **£4.424m**. Any issues affecting the delivery of these are detailed in Appendix B.

2.6 Movement of Resources

Transfers of services between directorates and/or portfolios are reflected within the monitoring figures. These movements of resources now require approval and are detailed in Appendix D.

2.7 HRA Budget

A balanced HRA budget was approved at the February 2018 Full Council meeting, which would increase the working balance from **£4.000m** to **£7.727m** at 31 March 2019. The working balance acts as a contingency to cover unexpected significant expenditure or loss of income. The increase in the 2018/19 budget is to provide for the introduction of Universal Credit in October 2018 and the impact on arrears and bad debt. The latest forecast is a projected in-year balanced position therefore retaining the working balance at **£7.727m**.

2.8 Debtors Monitoring (Appendix C)

Housing Rents

The position at the end of quarter 2 (97.93%) is an improvement on quarter 1 (97.09%), but slightly behind the position at this point last year (97.96%). The team is working hard to sustain tenancies and to prepare tenants for the roll out of Universal Credit.

Council Tax – on track to deliver the assumed position in the MTFP

Collection for Quarter 2 of 2018/19 was 50.8%, which exceeds the monthly profiled target by 0.3%, but in percentage terms is behind by 0.16% when compared to 2017/18. However financially, collection amounted to **£68.2m** compared to collection of **£64m** for the same period in 2017/18. Net debt collectable over the two financial years has increased from **£125.6m** in 2017/18 to **£134.3m** in 2018/19.

National Non- Domestic Rates (NNDR) – on track to deliver the assumed position in the MTFP

Collection for Quarter 2 of 2018/19 was 54.9%%, which was 0.6% below the profiled target. Collection amounted to **£78.4m**, compared to collection of **£78.9m** in 2017/18. Net debt collectable over the year has increased from **£140.6m** in 2017/18 to **£142.7m** in 2018/19.

Sundry Income

The percentage of debts collected within 90 days in the 12 months to September 2018 was 79.8%, which compares slightly less favourably to the corresponding figure for 2017/18 of 81.20%.

The debtor day indicator (which shows how quickly debts are recovered) is currently 36 days, which is worse than the target of 32.30 days and also worse than the corresponding figure for 2017/18 of 34 days. Management action continues to target the application of receipts and the 90 day collection percentage should see an improvement over future periods.

Adult Residential Services

The collection rate for Q2 is 1.8% above target of 95.90%. However, the contractual measure is under review throughout 2018-19. Adult Residential Services moved over to a new financial system in August 2017. This has caused significant operational

challenges in managing debt on the legacy system alongside the new one. There will always be cases with no legal recourse where citizens cannot access funds due to lack of mental capacity and awaiting probate.

Estates Rents

The collection rate of 98.01% is above the set target of 97.50% and individual periods within the quarter have shown a sustained improvement. This is an improvement of 0.97% since Quarter 1.

2.9 Capital Programme Update

The quarter 1 report approved an updated overall Capital Programme for 2018/19 of **£134.245m** for the approved (Category 1) General Fund Schemes and **£56.068m** for Public Sector Housing.

During quarter 2 schemes to the value of **£30.305m** have progressed from category 2 Planned Schemes to Category 1 Approved Schemes. However, total approvals for quarter 2 amounts to **£30.778m** while other movements of schemes equate to **(£5.268m)**.

TABLE 4: REVISED CAPITAL PROGRAMME AND ACTUAL SPEND FOR QUARTER 2						
PORTFOLIO	18/19 Forecast Spend £m	18/19 New Approvals £m	Other Movements (Slippage / Reprofiling) £m	Projected Outturn at Qtr2 £m	Actual Spend to Qtr2 £m	New Approvals (Spend 19/20+) £m
Public Sector Housing	56.068	0.866	(5.633)	51.301	11.159	9.200
Category 1 (Approved Schemes)						
Transport Schemes	22.103	0.000	(0.884)	21.219	5.209	0.000
Education / Schools	9.106	0.073	0.059	9.238	1.538	0.000
Other Services	103.036	29.839	1.190	134.065	15.733	39.900
Sub-Total: Public Sector Housing and Category 1	190.313	30.778	(5.268)	215.823	33.639	49.100
Category 2 (Planned Schemes)	142.427	(30.305)	0.000	112.122	0.003	(38.742)
Total Approved & Planned Programme	332.740	0.473	(5.268)	327.945	33.642	10.358

Approvals in Quarter 2

Scheme amendments and additions of **£30.778m** have been approved in quarter 2 where the capital spend is expected to be incurred in 2018/19. Details of approvals over the value of £1.000m in 2018/19 are listed below:

- **£17.589m**, Investment Property Acquisitions: These property purchases are to be funded by Prudential Borrowing. Investment Property Acquisitions are expected to result in increased income to the Chamber Estate investment portfolio to meet MTFP targets.
- **£10.313m**, Broadmarsh Car Park (full scheme approval **£54.795m**): This approval is for the demolition and rebuild of the Broadmarsh Bus Station and Multi-Storey Car Park.

Further details of all quarter 2 approvals are provided in Appendix E.

Other Movements (Slippage / Reprofiling)

Scheme movements (slippages / reprofiling) in 2018/19 during quarter 2 is **(£4.373m)**. Schemes where slippage is over £01.00m are detailed below in **Table 5**.

TABLE 5: QUARTER 2 MOVEMENTS (SLIPPAGES / REPROFILING)			
Scheme	2018/19 Forecast at Outturn £m	2018/19 Scheme Forecast at Qtr2 £m	Movement £m
Public Sector Housing			
Management Fee - Energy	0.563	0.383	(0.180)
Rehousing Costs	0.185	0.000	(0.185)
Demolition	0.115	0.013	(0.102)
Energy Efficiency & Tackling Fuel Poverty	8.757	5.166	(3.591)
Tunstall Drive	0.561	0.000	(0.561)
St Anns Estate Action - Stonebridge Park	0.547	0.019	(0.528)
Empty Homes	0.446	0.000	(0.446)
Public Sector Housing - TOTAL	11.174	5.581	(5.593)
Other Services			
Top Valley Flood Alleviation	0.389	0.167	(0.222)
Debt Management System - Traffic Enforcement	0.200	0.000	(0.200)
ERDF Axis 6 - Highfields Enhancement	0.200	0.050	(0.150)
Joint Service Centre - Bulwell LIFT	0.225	0.025	(0.200)
Growing Places - Loan No.2	4.717	4.539	(0.178)
IT - Internet Extension & Purchase of Bearer	0.130	0.000	(0.130)
IT - Anti Virus	0.329	0.012	(0.317)
Third Party Loan: NCH-RP Church Square	0.000	2.230	2.230
Demo Fairham College	0.000	0.257	0.257
Other Services - TOTAL	6.190	7.280	1.090
Other movements			(0.765)
Scheme Movements at Quarter 2 - TOTAL			(4.373)

Public Sector Housing (HRA) Capital Programme

The Public Sector Housing Capital Programme has been updated to reflect movements in quarter 2, **Table 6** below sets out the updated programme and resources.

TABLE 6: PUBLIC SECTOR HOUSING - CAPITAL PROGRAMME & RESOURCES						
	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	TOTAL £m
Public Sector Housing Capital Programme	51.301	58.265	35.910	35.947	36.569	217.992
Resources Available						
Prudential Borrowing	7.542	12.426	0.390	4.576	4.762	29.696
Grants & contributions	2.951	2.081	1.993	0.000	0.000	7.025
Direct Revenue Financing	0.000	0.000	0.000	0.000	0.000	0.000
Major Repairs Reserve	28.343	32.989	29.752	27.585	28.042	146.711
Secured Capital Receipts	7.181	7.967	1.797	0.000	0.000	16.945
Capital Receipts Unsecured	0.000	0.000	1.978	3.786	3.765	9.529
Total Resources	46.017	55.463	35.910	35.947	36.569	209.906
Cumulative (Surplus)/Shortfall	5.284	8.086	8.086	8.086	8.086	8.086

There is a shortfall of resources compared to investment needed which consists of the programme of fire safety works to high rise blocks which was approved following the tragic fire at Grenfell. The Council is seeking additional financial support from the Government and if it is not provided then other schemes within the programme will need to be deferred to ensure the programme can be fully resourced.

General Fund Capital Programme

The General Fund Programme has been updated to reflect the movements in quarter 2. **Table 7** below sets out the updated programme.

TABLE 7: GENERAL FUND - CAPITAL PROGRAMME AND RESOURCES						
Scheme	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m
Category 1 (Approved Schemes)						
Transport Schemes	21.219	13.059	3.874	0.000	0.000	38.152
Education / Schools	9.238	1.899	0.000	0.000	0.000	11.137
Other Services	134.065	71.002	31.218	10.392	9.354	256.031
Category 2 (Planned Schemes)	112.122	26.744	2.169	0.000	0.000	141.035
Total Programme	276.644	112.704	37.261	10.392	9.354	446.355
Resources						
Prudential Borrowing	187.956	58.026	22.978	5.691	6.155	280.806
Grants & Contributions	71.595	43.925	9.383	2.408	2.236	129.547
Internal Funds / Revenue	8.639	3.956	2.555	1.519	0.198	16.867
Secured Capital Receipts	3.417	0.000	0.000	0.000	0.000	3.417
Unsecured Capital Receipts	5.037	6.797	2.345	0.774	0.765	15.718
Resourcing Subtotal - Category 1 & 2	276.644	112.704	37.261	10.392	9.354	446.355

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 No other options were considered as the Council is required to ensure that, at a corporate level, expenditure and income are kept within approved budget levels and this report sets out how this is being managed.

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

- 4.1 Financial implications appear throughout the report.
- 4.2 The financial plans and budgets support delivery of the Council Plan. Monitoring the financial position in parallel with service plan activity helps to ensure the delivery of corporate priorities. The Council has developed a robust approach to providing value

for money and efficiency savings to support the delivery of the Council Plan and the Medium Term Financial Strategy.

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

5.1 Continuous review and management of the budget and associated performance issues mitigate the risk of not achieving corporate priorities.

5.2 The five year proposed programme is ambitious and will require the Council to use much of its 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 on projected 2018/19 spend by **c£0.977m** per annum;
- major schemes have a long payback 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.

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

- new projects (unable to cover their costs) added to the programme, will result in an existing project being removed or amended;
- all projects must have a robust and viable full business case, which considers and includes whole life costing and revenue implications;
- 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'

5.4 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.

5.5 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.

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:

The report does not contain proposals for new or changing policies, services or functions

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 Medium Term Financial Plan 2018/19 – 2020/21 – Executive Board 20 February 2018

12 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

12.1 Jo Worster – Team Leader (Strategic Finance)

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BUDGET MONITORING 2018/19 - Year to Period 6 (SEPTEMBER) £'m

APPENDIX A

Portfolio	POSITION TO THE END OF P6 (SEPTEMBER)		YEAR END FORECAST POSITION	
	Updated Estimate	Year to Date (P6) Estimate	Estimated Outturn	Variance (under)/ over
Adult Social Care & Health	86.789	52.663	86.619	(0.170)
Community Protection	16.612	8.220	16.218	(0.394)
Early Intervention & Early Years	57.742	36.420	58.297	0.555
Education & Skills	(2.678)	3.698	(1.928)	0.750
Energy & Environment	17.114	7.949	17.870	0.756
Finance, Resources & Commercial Services	22.044	12.783	21.644	(0.400)
Housing & Planning	2.099	0.444	2.271	0.172
Leisure & Localities	8.520	2.467	8.275	(0.245)
Regeneration & Growth	(19.008)	(8.102)	(19.034)	(0.026)
Transport & HR	1.458	(6.523)	1.408	(0.050)
Total Portfolios	190.693	110.018	191.640	0.947
Corporate Budgets	55.670	19.952	55.691	0.021
Total General Fund	246.363	129.970	247.331	0.968

Portfolio Variances +/- £50k**Adult Social Care & Health Portfolio – overall variance £0.170m favourable**

Adults Gross overspend of **£0.311m** is due to:

- **£0.071m** overspend against external purchasing and contracts budgets reflecting estimated demand and complexity increases in 2018/19.
- **£0.150m** savings shortfall against the **£1m** Partnership Working MTFP proposal. Use of non-recurrent ASC Grant of **£0.850m** is mitigating the majority of this saving.
- **£0.090m** cost relating to increased contractual commitments resulting from increased activity levels within the Northgate contract.

The overspend is being mitigated by:

- **(£0.585m)** underspends against staffing and service budgets resulting from posts being held at the beginning of the year in order to deliver savings included in the MTFP and slippage in estimated recruitment timeframes resulting from the vacancy management process.

Community Protection Portfolio – overall variance £0.394m favourable**Police Partnership £0.234m favourable**

- Renegotiation of the police contribution

Environmental Health £0.069m favourable

- Vacancies within the service

Community Cohesion £0.063m adverse

- Budget pressure within the service due to a reduction in grant funding but increased need for the service including a Hate Crime officer

Uniformed Services £0.137m favourable

- Vacancies within the service

Licencing £0.076m adverse

- Income shortfall due to lack of licensing applications – a direct and conscious consequence of tighter policies

Security & Logistics £0.100m favourable

- Business Plan achievement due to increased efficiencies within the service

Early Intervention & Early Years Portfolio – overall variance £0.555m adverse**Childrens Directorate**

- The current forecast for Childrens directorate is a **£0.027m** underspend.

Childrens Integrated Services

The forecast for P6 2018/19 is a **£2.744m** gross overspend due to the following:

- **£3.704m** overspends in Children in Care costs;
- **(£0.960m)** underspends in other Children services.

The forecast in Period 6 assumes no growth.

The services is forecasting to reduce the overspend by **£2.157m** through:

- Reducing high cost placements
- Increasing foster carers
- Reducing the costs of semi independence

The net position including the **£2.157m** mitigation is a **£0.587m** overspend.

Education & Skills Portfolio – overall variance £0.750m adverse

The current forecast for Education department shows a **£1.409m** gross overspend and is due to the following:

- Shortfall in income targets i.e. Drug Aware
- Complexity / demand on SEN Transport
- Increase in demand for mainstream children's transport
- Other income targets i.e. BST

The net position including the mitigation is a **£0.805m** net overspend.

Mitigation includes minor underspends in others areas

Energy & Environment Portfolio – overall variance £0.756m adverse

Utilities & Waste £1.200m adverse

- This is due to energy inflation being excluded from the 2018/19 budget. This pressure is being monitored, and mitigating plans are in place including reduced usage, already reducing this year's utility pressure by approx. **£0.200m**.

Street Scene and Grounds Maintenance £0.155m favourable

- Business Plan achievement due to efficiencies and the merger of Parks and Street Scene

Waste Management £0.292m favourable

- Business Plan achievement due to increased income growth, however there are also further efficiencies within Domestic Waste, these efficiencies aim to cover the increased demand of additional houses, and increased waste

Finance, Resources & Commercial Services Portfolio – overall variance £0.400m favourable

Nottingham Catering £0.220m favourable

- Business Plan achievement due to increased income growth

Commissioning & Procurement £0.082m adverse:

- **£0.120m** contractual overspend on Financial Vulnerability
- The above has been partly mitigated by vacancy savings

Commissioning & Procurement Director £0.122m favourable:

- Vacancy savings within Commissioning & Procurement

Commercial Finance £0.170m adverse:

- Contractual increases for Revenue and Benefits delivery

Civic & Coronial Services £0.166m favourable:

- Savings on the histology and toxicology contracts

Legal and Democratic £0.050m favourable:

- Vacancy savings within Legal Services

Analysis & Insight Service £0.057m favourable:

- Vacancy savings & underspend on running costs within REC budget

Strategy & Policy £0.106m adverse:

- Unachieved saving

Housing & Planning Portfolio – overall variance £0.172m adverse

Customer Access Programme £0.165m adverse:

- Unallocated Customer Access Programme saving

Leisure & Localities Portfolio – overall variance £0.245m favourable

Cemeteries & Crematoria £0.100m favourable

- Commercial & Operation's strategy is to focus on commercialism and driving external income. A combination of delivery against business plans has seen an overall positive variance

Libraries £0.145m favourable

- Business Plan achievement due to increased efficiencies, and improved processes within the Libraries service

Markets £0.292m adverse

- INTU have significantly increased the service charges for the Victoria Market repeatedly over recent years. The higher stall rents has resulted in an increased number of vacant stalls

Sport & Leisure £0.296m favourable

- Business Plan achievement due to increased income growth

Debtors - Performance Review – 2018/19		Q1 June	Q2 September	Q3 December	Q4 March
BVPI 66a - Housing Rent Collection (%) <i>(cumulative - current tenants only)</i>					
	<i>(arrears + debit)</i> Actual	97.09	97.93		
	Target	98.50	98.50		
	Last Year Actual 2017/18	97.27	97.96	98.57	98.41
BVPI 9 - Council Tax Collection (%)					
	<i>(in year cumulative)</i> Actual	26.10	50.80		
	Target	26.10	50.50		
	Last Year Actual 2017/18	26.35	50.96	76.78	93.16
BVPI 10 - NNDR Collection (%)					
	<i>(in year cumulative)</i> Actual	27.34	54.90		
	Target	28.50	55.50		
	Last Year Actual 2017/18	28.17	56.11	83.05	98.67
Sundry Income Collection (%)					
	<i>(12 month rolling average)</i> Actual	79.00	79.80		
	Target	99.00	99.00	99.00	99.00
	Last Year Actual 2017/18	83.30	81.20	83.00	82.60
Sundry Income Debtor Days –General					
	Actual	31.00	36.00		
	<i>(12 month rolling average)</i> Target	32.30	32.30	32.30	32.30
	Last Year Actual 2017/18	31.00	34.00	38.00	41.00
Estates Rents Collection (%)					
	Actual	97.94	98.01		
	<i>(12 month rolling average)</i> Target	97.50	97.50	97.50	97.50
	Last Year Actual 2017/18	95.54	94.93	96.29	97.48
Adult Residential Services Collection (%)					
	Actual	97.90	97.70		
	<i>(12 month rolling average)</i> Target	95.90	95.90		
	Last Year Actual 2017/18	95.31	94.25	90.86	92.70

VIREMENT 2018-19 REQUIRING EXECUTIVE BOARD APPROVAL

APPENDIX D

Details	Net Amount £m	Department		Portfolio	
		From	To	From	To
Savings realignments	0.048	Corporate	CA	FRCS	ASCH
	0.015	Corporate	CO	FRCS	CP
	0.020	Within CO		CP	LL
	0.019	CO	Corporate	LL	FRCS
	0.052	Corporate	CO	FRCS	EE
	0.048	CA	Corporate	ELY	FRCS
	0.018	SR	Corporate	within FRCS	
	0.001	CO	Corporate	within FRCS	
	0.020	DG	Corporate	RG	FRCS
	0.033	Within DG		ES	RG
	0.057	Within DG		HP	RG
	0.001	Within CO		FRCS	EE
	0.005	Within CO		THR	EE
	0.028	Within CA		ES	ELY
	0.155	Within CA		ASCH	ELY
	0.193	Within CA		ES	ELY
	0.005	Within CA		ES	ELY
	0.005	Within SR		THR	FRCS
	0.049	SR	CA	FRCS	ASCH
	0.007	Within CO		THR	EE
0.127	Within CA		ES	ELY	
0.012	Corporate	CA	FRCS	ELY	
0.096	Within DG		THR	RG	

Details	Net Amount £m	Department		Portfolio	
		From	To	From	To
Pay Model Adjustments	0.060	Corporate	CA	FRCS	ELY
	0.012	Corporate	CA	FRCS	ELY
Budget realignment Nottingham Catering & Neighbourhood Services	0.074	Within CO		EE	FRCS
Realignment b/t Parks & Open Spaces and Streetscene	0.039	Within CO		LL	EE
Operational realignment b/t Utilities & Energy Services	0.002	Within CO		EE	LL
Realignment b/t Education Partnerships, Inclusive Learning & Schools Improvement	0.124	Within CA		ELY	ES
Income realignment b/t Neighbourhood Services & Corporate Items	1.777	CO	Corporate	THR	FRCS
Creation of Personalisation Hub	0.099	Within CA		ELY	ASCH
Realignment between Housing Related Support and Commissioning & Procurement	0.020	within SR		ASCH	HP
	0.131	within SR		ASCH	FRCS
Decentralise Workforce Development & Project Officers Budgets	0.108	Within CO		FRCS	EE
	0.024	Within CO		FRCS	THR
Community Engagement Event Contribution	0.003	SR	CO	THR	CP
Realignment b/t Parking, Transport & Fleet & Education Partnerships (Swimming/Why Nott)	0.035	CA	CO	ES	THR
Realignment b/t Supported Employment & Economic Development	0.030	CO	DG	ES	RG
Prudential Borrowing technical adjustment	0.003	CO	Corporate	FRCS	
	0.022	CO	Corporate	LL	FRCS
	0.229	DG	Corporate	RG	FRCS
	0.179	CO	Corporate	THR	FRCS
Whole Life Disability Team	0.631	Within CA		ELY	ASCH
Service Advisor Post	0.023	Within CA		ELY	ASCH
Realignment b/t Traffic Safety & Uniformed Services	0.135	CO	DG	CP	THR

Details	Net Amount £m	Department		Portfolio	
		From	To	From	To
Employee budget realignment Leadership Support Officer	0.003	CO	SR	EE	THR
Technical Adjustment - PFI	4.843	DG	Corporate	ES	FRCS
	1.539	DG	Corporate	within FRCS	
	5.016	DG	Corporate	THR	FRCS
Public Transport post realignment	0.045	Within DG		RG	THR
Post realignment b/t Business Development & Energy Services	0.049	Within CO		EE	FRCS
Fleet Budget realignment	0.008	Within CO		EE	LL
	0.012	Within CO		THR	LL
	16.283				

Portfolio	Key
Adult Social Care & Health	ASCH
Early Intervention & Early Years	ELY
Community Protection	CP
Energy & Environment	EE
Education & Skills	ES
Finance, Resources & Commercial Services	FRCS
Housing & Planning	HP
Leisure & Localities	LL
Regeneration and Growth	RG
Transport and HR	THR

Department	Key
Children & Adults	CA
Commercial & Operations	CO
Chief Executive	CX
Development & Growth	DG
Strategy & Resources	SR
Housing Revenue Account	HRA

CAPITAL PROGRAMME QUARTER 2 APPROVALS**APPENDIX E**

QUARTER 2 APPROVALS				
	2018/19 £m	2019/20 £m	2020/21 - 2022/23 £m	Total £m
Public Sector Housing				
HRA Off Street Drive-ways	0.065	0.000	0.000	0.065
Affordable Homes - Garage Sites (New Build)	0.801	0.000	0.000	0.801
Public Sector Housing - TOTAL	0.866	0.000	0.000	0.866
Education and Skills				
Bentinick Heating	0.020	0.000	0.000	0.020
Berridge Primary Heating	0.008	0.000	0.000	0.008
Southglade Reception Extension	0.030	0.000	0.000	0.030
Southwold Asbestos	0.015	0.000	0.000	0.015
Education / Schools - TOTAL	0.073	0.000	0.000	0.073
Other Services				
Energy and Environment				
CleanMobilEnergy	0.931	0.810	0.000	1.741
Transport and HR				
Low Emission Taxis	0.177	0.000	0.000	0.177
Lesiure and Localities				
ERDF Axis 6 - River Leen Multi Path	0.395	0.000	0.000	0.395
ERDF Axis 6 - Beeston Sidings	0.180	0.000	0.000	0.180
Housing and Planning				
Stonebridge General Fund	0.205	0.005	0.000	0.210
Preventative Adaptations	0.049	0.000	0.000	0.049
Regeneration and Growth				
Investment Property Acquisitions	17.589	0.000	0.000	17.589
Broadmarsh Car Park	10.313	31.060	8.025	49.398
Other Services - TOTAL	29.839	31.875	8.025	69.739
Quarter 2 Approvals - Total	30.778	31.875	8.025	70.678