



Report sponsor: Simon Riley, Director of
Financial Services
Report author: Toni Nash, Head of Corporate
Finance

2020/21 Quarter 1 Financial Monitoring for General Fund, Capital Budgets, Dedicated Schools Grant, Collection Fund and Housing Revenue Account and Medium-Term Financial Strategy and Plan Update.

Purpose

- 1.1 To summarise the Council's forecasted financial outturn position to 31 March 2021 based on the financial position as at 30th June 2020 and latest Medium-Term Financial Plan (MTFP) position and associated strategy.

Summary

- a) Revenue budget:** The Council is currently forecasting an overspend of £8.330m against our base budget requirement of £238.292m

The Council's forecast overspend for 2020/21 is 3.5% of the current budget. Within this forecast is the expectation that £2.970m savings is delivered against a target of £4.746m included within the 2020/21 budget approved by Council in February

- b) Capital budget:** Capital expenditure to date is £10.786m and our forecast is estimated at £176.610m against an approved capital budget of £183.663m

- c) Reserves:** The General Reserve balance remains at £10.933m and our Earmarked Reserves have a future years' forecast balance of £5.352m after taking account of the current forecast overspend of £8.33m. However, within the Earmarked Reserves future forecast is an over-commitment of £4.1m at 2023/24 against the budget risk reserve, primarily due to the current forecast outturn impacting on our previous forecasts. Given the Council is already forecasting a significant overspend so early in the financial year, then action needs to be taken to reduce this overspend where possible. An assessment of reserve commitments is also being undertaken

- d) Treasury Management:** Total debt is £447.843m and total investments are £106.875m compared to £447.967m and £76.873m as at 31 March 2020. No new long-term borrowing has been made or is anticipated to be made in the year. A large PWLB loan of £20m is due to be repaid in March 2021

- e) Dedicated Schools Grant (DSG):** The total grant of £253.297m has been allocated to schools and retained educational services. There is an overspend forecast on the High Needs Block of the DSG of £3.3m. DSG Reserve Balances were reported at £2.582m at the start of the financial year therefore it is highly probable that the DSG will close in a deficit position. Actions Plans are being

developed to try and mitigate this

- f) **Collection Fund:** Council Tax billed for the 2020/21 financial year is £126.41m of which £32.984m or 26.05% has been collected. Business Rates billed for the 2020/21 financial year is £56.65m of which £15.89m or 27.75% has been collected
- g) **Housing Revenue Account (HRA):** The full year forecast projects a planned use of the HRA reserve of £4.592m
- h) **Performance on sundry debt collection:** As at 30 June we have billed £17.155m in Sundry Debts and we have collected 94.71%.
- i) **Covid forecast:** The current full year potential forecast pressure is £28.7m, this is excluding pressures on the collection fund and expenditure relating to specific grants received to support the market, such as Business grants, Test and Trace, Infection Control, Future High Street Fund and Hardship grants. To date we have received £17.3m in government funding of which £0.527m was used to fund pressures in 2019/20 leaving a balance of £16.8m. The £17.3m funding does not include any allocation for the income guarantee allocation as the Council are awaiting further guidance. There is a risk that the shortfall will need to be funded from reserves if no more Government funding is available. The current forecast pressure will require £11.9m reserves funding. This is expected to reduce following clarification of the Income guarantee but could increase in the event of a second wave or localised lockdown.

- 1.2 Further analysis and explanations of key variances are provided in section 4 of the report.
- 1.3 A summary of the net revenue forecast by directorate is set out in the table below.
- 1.4 An update of the latest Medium-Term Financial Strategy and Plan and National and local funding considerations as set out in section 4.10.

Table 1 – Net Revenue Forecast to 31 March 2021 by Directorate

Directorate position as at 30 th June 2020	Approved Budget £m	Current Budget £m	Actual Spend £m	% of Current Budget to Actual	Full year forecast £m	Forecast Variance £m	Covid 19 Forecasts £m *****
*Peoples Services	155.039	155.521	30.312	19%	162.821	7.300	12.513
***Communities and Place	42.371	44.129	22.947	52%	45.321	1.192	12.537
Corporate Resources	33.810	34.498	9.153	27%	34.980	0.482	1.745
**Corporate	9.752	6.916	(58.980)	(853%)	6.272	(0.644)	0.495
Sub Total	240.972	241.064	3.432	1%	249.394	8.330	****27.290
Original approved transfer from reserves	(2.772)	(2.772)			(2.772)		
TOTAL	238.200	238.292	3.432	1%	246.622	8.330	27.290

* Peoples Directorate, Children's services actual spend includes (£5.8m) credit for schools balances appropriations.

** Corporate, Actuals include Covid Government grants including Council Tax Hardship and BIES.

*** Communities and Place actual spend includes £16m HRA spend. Communities and Place forecast Covid spend includes HRA requirement.

**** There is currently £16.8m funding from Government to mitigate this pressure of £27.290. There will also be further funding from the Income Guarantee allocation the government has announced. Covid 19 impact to be funded from Government Funding and Council Reserves (as required)

Recommendations

2.1 To note:

- The revenue projected outturn and key budget variances set out in the report in section 4.2 and the savings to be delivered in the year in section 4.3
- The current forecast Covid Pressures as set out in appendix 2
- The capital programme forecast, and actual capital expenditure incurred during the quarter summarised in section 4.4
- The changes already approved under scheme of delegation to the capital programme detailed in Appendix 3
- The Council's reserves position, as set out in section 4.5 and Appendix 1
- The Council's treasury position and performance in the quarter, as set out in section 4.6
- The forecast Dedicated Schools Grant position summarised in section 4.7
- The Council Tax and Business Rates Collection Performance as set out in section 4.8
- The Housing Revenue Account Performance and projected outturn as set out in section 4.9
- The latest MTFS and Plan outlined in section 4.10.

2.2 To approve:

- a) To approve changes to the 2020/21 - 2022/23 capital programme outlined in section 4.4 and detailed in Appendix 4
- b) To approve the creation of a revenue reserve for £2m for the City Growth fund and that delegated approval is given to the Director of Finance to utilise this reserve in line with its intended use as appropriate.

Reasons

- 3.1 To provide assurance that the Budget approved by Council on 26th February 2020 is being effectively monitored and any major variances reported to Cabinet on a regular basis.
- 3.2 To provide an update to Members on the latest MTFP Position.

Supporting information

- 4.1 The following notes, in sections 4.2 to 4.9, provide further analysis and explanations of key variances for each element of the financial forecast outturn.

4.2 Revenue Budget

The Council Budget 2020/21 approved at 26th February 2020 Full Council outlined the 2020/21 approved budget position. After this report was approved a number of further technical adjustments were actioned which included cross directorate transfers. These were required to give an accurate reflection of the detailed required budget position by directorate. These adjustments did not change the net approved budget total of £238.200m.

- 4.2.1 **Peoples Services Directorate** – The Directorate's full year revenue forecast indicates an overspend of £7.3m, as set out in the table below:

Directorate position as at 30 June 2020	Approved Budget £m	Current Budget £m	Actual Spend £m	% of Current Budget to Actual	Full year forecast £m	Forecast Variance £m
Adult Services	77.355	77.514	19.641	25%	77.514	-
Children Services	61.749	62.017	7.400	12%	69.317	7.300
Public Health	15.935	15.990	3.271	20%	15.990	-
Sub Total	155.039	155.521	30.312	19%	162.821	7.300

- 4.2.2 The Peoples Services directorate is a significant and complex service area for the Council, providing mainly statutory services to the people of Derby.

- 4.2.3 The services include covering the provision of education and learning in Derby schools, specialist support including services to children in care and care leavers, special educational needs and disabled children services, safeguarding of the most vulnerable children and adults and the associated regulatory duties.
- 4.2.4 Adult social care offers support services to vulnerable adults, as well as providing information and advice about social care to the general public more broadly and to people who fund their own support. Specifically, adult social care supports older people as the single largest group of individuals in the city, plus an increasing number of adults of working age with physical, mental health and learning disability support needs. The Council also has a duty to ensure sufficiency and quality of adult care services in the local area for all residents.
- 4.2.5 The Directorate also discharges the full suite of statutory requirements relating to public health, with responsibility for improving the health of the local population and for public health services including most sexual health services, public health in children's nursing, statutory advice to NHS commissioners and services aimed at reducing drug and alcohol misuse.
- 4.2.6 The coronavirus (Covid 19) pandemic represents a time of severe pressure across society particularly across health and social care services. There have been a raft of new requirements including:

- **NHS Covid 19 Hospital Discharge Service**

The introduction of this was to primarily ensure that the capacity to support people who have acute healthcare needs in hospitals was protected by organising a safe and rapid discharge of those people who no longer need to be in a hospital bed. A Derbyshire wide Strategic Coordination Group across the NHS and social care worked together to ensure the creation and maintenance of acute bed capacity through faster rates of appropriate discharge from NHS beds

- **Additional financial support to care providers including the Infection Control Fund**

The Council, through additional grants received from Central Government, has provided additional financial support to providers of adult social care services to ensure that the additional costs of care are met through the Pandemic. PPE costs and staffing costs have increased and although some government funding has been targeted at care homes to assist them with measures to prevent the spread of the virus amongst staff and residents, this support ends in September 2020.

It is unknown at this time how long the Covid emergency arrangements will continue, nor the impact that the pandemic is likely to have on the social care system and local government over the longer term. There is a high risk that the cost of care will permanently increase without any further long-term funding injected into the system and also that the demand for adult social care will increase. There is a risk in the short term that current funding by the Commissioning Care Group (CCG) for people discharged from hospital during the Covid 19 pandemic will fall back on the Council.

4.2.7 **Adults Services and Public Health** - are forecasting a balanced at the end of 2020/21 although the longer-term impact of the Covid 19 Pandemic is unknown at this time.

4.2.8 **Children's Services**

For Children's Services the Covid 19 Pandemic has also had some significant financial implications. At the start of the pandemic there was an immediate reduction in the numbers of contacts and referrals to children's social care but now as increasingly more children and young people start to be seen by schools and other universal services demand pressures, referrals are at pre Covid 19 levels-with much more to come. We expect a spike in the numbers of new admissions to care and therefore more children and young people who will require placements as we emerge from lockdown. This is an anticipated pressure the Association for the Directors of Children's Services (ADCS) have flagged robustly to the DfE. This increase in demand coupled with a sector where adequate care provision is not sufficient to deal with a national increase in demand has led to significant increases in the cost of care packages in this area.

However, it's not just about new admissions to care, but the reality that children will stay in care for longer durations due to the significant backlog of cases in the family proceedings court which will cause significant bottle necks in placement provision and in some cases, children securing permanence. We also have a significant number of foster carers unable to take additional children because they are shielding from the virus or have existing placements "staying put".

4.2.9 As a result of these issues and the fact that some of the transformational and demand management programme work has temporarily ceased the service is currently forecasting an overspend of £7.3m. This overspend is predominantly linked to the cost of care, at the end of Quarter 1 the numbers of looked after children had risen to 619 from 570 at the point the budget for 2020/21 was set. Forecasts are indicating that the numbers could increase to circa 678 as we reach the end of the financial year.

4.2.10 At the end of Quarter 1 the numbers of care placements commissioned from the private and independent sector had risen to unprecedented levels, beyond that assumed at the time the budget was set where an additional £2.1m had been invested into this area.

Children's Social Care Agency Placements

2020-21	Budgeted placements	Estimated no. of placements at end of year
Agency Residential	14	31
Agency Residential – Disabled	10	6
Agency Fostering (IFA)	305	393
	329	430

- 4.2.11 With the average cost of a residential placement is £5,000 per week (£260,000 full year) and a fostering placement £850 per week (£44,000 full year) this quickly translates into a substantial overspend with 17 residential places and 88 fostering places over that provided for within the budget.
- 4.2.12 The current temporary closure of two of our internal residential homes, the impact of the pandemic on court proceedings and the ability to move children have all compounded the pressure on placement costs. We estimate that at least 20 children fall into these categories costing an additional £2.5 million per year; 8 children are in external residential places that would otherwise be in our internal provision (circa costs £2 million) 4 children are staying put in current fostering placements post 18 years old and approximately 8 children have not moved to other permanent care arrangements due to a halt in court proceedings.
- 4.2.13 To reduce this overspend, the Council has established a number of transformational work streams to address the market sufficiency issue. These include increased corporate support and governance - a corporate demand management board has been set up, which is coordinating the range of actions and proposals outlined below. The board is chaired by the Strategic Director of Peoples Services. Areas of focus include
- 4.2.14
- A corporate approach to foster care recruitment to improve the number of internal fostering households and reduce the need to buy places from the independent sector which are more expensive than those provided through our own carers; this is making impact with significantly 40% increase more fostering applications and assessments underway this year compared to the last two years. In addition, there has been a 71% increase in friend's family assessments which has reduced the need for independent sector accommodation.
 - Work is underway to reconfigure a building on the site of one of our children's homes leading to the opening of a two bedded home which would then enable step down from the more expensive agency residential placements
 - Strategic Housing and Derby Homes are working closely with children's services to support demand and have purchased four flats that have come on stream which will enable young people to be stepped down from our internal residential homes and in turn we can then appropriately transition young people from external residential care into our own children homes.

- Implementing a new Children in Care placement framework across Derby, Derbyshire, Nottingham and Nottinghamshire LAs (D2N2), to replace the current East Midlands Regional Framework due to expire shortly. The new D2N2 framework will enable more flexible packages of care
- Continued challenge for permanency solutions for children in long term placements
- A review of processes and payments to ensure system efficiencies are maximised with new systems implemented May 2020. It's difficult to quantify what savings this would deliver immediately; the opportunities will become more apparent as we analyse the data from this
- An additional financial investment into the Exit from Care and Child Permanency Teams which will enable the service to employ additional social work capacity to ensure that where appropriate and safely to do so children are supported through to their permanent arrangements and exiting the care system. If we use the average cost per care episode from 2019/20 (£48,549), the number of exits from care through the Exit team could yield £1.1 million based on 24 exits in a full year
- A re-opening of the Council's two in-house care homes will provide valuable in-house placements where we are currently having to place more children that what would be the usual number in expensive independent care homes. This would save £2 million in a full year as 8 external residential placements are returned, and it is anticipated with an opening date of September and October this financial year with an expected five young people returning initially producing in year savings of approximately £0.350.

4.2.15 There are concerns about the significant costs and financial burden on the Council as well as the capacity and sufficiency of transport operators to run safely within a Covid 19 context. There are challenges around the availability of vehicles (bus, coach, taxi); staffing/escort capacity (some tend to be shielded/ in the clinically vulnerable group). All of this means that the cost of home to school transport is a significant unquantifiable risk for the Council; although we are not yet forecasting an overspend position the financial impact of transporting vulnerable children to school in September whilst adopting social distancing measures will almost definitely incur additional costs for the Council. The Government has provided some interim funding to help Councils in respect of additional costs of Home to School Transport.

4.2.16 Communities and Place Directorate

Directorate position as at 30 June 2020	Approved Budget £m	Current Budget £m	Actual Spend £m	% of Current Budget to Actual	Full year forecast £m	Forecast Variance £m
Communities & Place	42.371	44.129	22.947	52%	45.321	1.192
Sub Total	42.371	44.129	22.947	52%	45.321	1.192

*Communities and Place actual spend includes HRA spend of £15.715m.

** Impact of additional 0.75% Pay Award to be confirmed in future monitoring

4.2.17 The Directorate's full year revenue forecast is a total spend of £45.321m is £1.192m over its allocated budget of £44.129m. The main variances can be explained as follows:

- 4.2.18 Prior to the Covid 19 pandemic, Leisure, Culture and Tourism were projecting an underachievement in income which materialised in 2019/20. This underlying pressure is forecast to continue into 2020/21 with an estimated shortfall in income of £0.461m. This relates to historically set income targets, changes to provision in the city and downturn in national trends, and, the impact of the current unavailability of the Guildhall theatre.
- 4.2.19 Parking income fell in 2019/20 due to reducing visitor numbers. This underlying pressure is forecast to continue into this financial year with an estimated £0.600m of underachieved income. In year parking shortfalls are currently charged against the Covid 19 forecast.
- 4.2.20 The Land Drainage service is currently forecasting an underachievement of income of £0.070m as a result of reduced opportunities to earn income.
- 4.2.21 There is a pressure of £0.341m in the Streetpride service relating to trade waste and refuse collection services. This is as a result of salary pressures within the service from low staff turnover rates, the impact of national living wage and other service pressures. Whilst this pressure is currently being managed within the overall Waste service any adverse changes in residual waste forecast will make the salary pressure harder to manage.
- 4.2.22 There is a forecast salary pressure of £0.379m, relating to staff at top of grade, low turnover and salary increases across the directorate. This is partially offset by vacancies across the service (£0.052m).
- 4.2.23 There is a pressure of £0.063m relating to NNDR payment as a result of revaluations to Springwood Leisure Centre and Moorways Stadium.
- 4.2.24 There is £0.100m of additional depot maintenance costs at the Stores Road site anticipated due to the condition of the ageing site.
- 4.2.25 The overspends are mainly offset by a forecast underspend in the Waste Disposal service of (£0.757m) which is due to lower than expected Garden Waste tonnages and a higher than expected diversion away from Residual Waste into other waste streams. The increased diversion results in a lower cost of disposal. There are other smaller departmental underspends across the service (£0.013m).
- 4.2.26 There is an additional pressure of £10.707m (excluding HRA pressures of £1.830m) relating to the Covid 19 Pandemic. This is due to the loss of income across all services and increased costs associated with the pandemic. It is assumed that this pressure will be managed within the Covid Allocations from central government at this point.

4.2.27 Corporate Resources Directorate and Corporately Held Budgets

The Directorate's full year revenue forecasts alongside Corporately held budgets shows an underspend of (£0.162m) against current allocated budget of £41.414m, as set out in the table below:

Directorate position as at 30 June 2020	Approved Budget £m	Current Budget £m	Actual Spend £m	% of Current Budget to Actual	Full year forecast £m	Forecast Variance £m
Corporate Resources	33.810	34.498	9.153	27%	34.980	0.482
Corporate *	9.752	6.916	(58.980)	(853%)	6.272	(0.644)
TOTAL	43.562	41.414	(49.827)	(120%)	41.252	(0.162)

*Corporate actuals include Government Covid 19 funding, including Business Support grant funding and Council Tax Hardship support funding.

4.2.28 Corporate Resources

Corporate Resources budgets are forecasting an outturn overspend of £0.482m, this assumes £1.745m of Covid grant funding is allocated to the directorate to meet associated pressures. The main variances are outlined below:

- 4.2.29 There is a directorate wide additional pressure of £0.219m which has been included in the forecast to allow for an anticipated pay award of 0.75% above the 2% already included in the base budget.
- 4.2.30 Financial Services are forecasting an outturn underspend of (£0.083m) assuming £0.564m of Covid grant funding. The main variances are new burdens grant funding (£0.166m) partially offset by low staff turnover across the service of £0.068m and other minor variances across the service of £0.015m.
- 4.2.31 Legal, Procurement and Democratic Services are forecasting an outturn overspend of £0.536m assuming £0.188m of Covid grant funding. The main variances are £0.382m relating to additional insurance premiums and £0.189m due to forecast additional insurance provisions required. There is unachievable land charges income due to lower demand £0.161m, one-off savings relating to postponement of local elections (£0.128m) and other minor net variances across the service of (£0.068m).
- 4.2.32 Internal Audit are forecasting an outturn overspend of £0.022m as a result of a contribution to Central Midlands Audit Partnership (CMAP) budget shortfall.
- 4.2.33 Human Resources are forecasting an outturn underspend of (£0.043m) assuming £0.008m of Covid grant funding. The main variances are additional internal recharge income for recruitment administration/advert charges (£0.059m) together with other net variances across the service of (£0.016m).
- 4.2.34 Corporate Core are forecasting a balanced outturn position assuming £0.074m of Covid grant funding.
- 4.2.35 Digital Services and Customer Management are forecasting a balanced outturn position assuming £0.411m of Covid grant funding.

4.2.36 Property Services are forecasting an outturn underspend of (£0.169m) assuming £0.500m of Covid grant funding. The main variances are staffing underspends of (£0.100m) due in the main to vacancies across the service and additional property rental income of (£0.157m). There is a loss of feed in tariff at the Hydro Plant because of flood damage of £0.045m coupled with continued pest prevention measures at the Council House of £0.019m and other net variances across the service of £0.024m.

4.2.37 **Corporate Budgets**

The full year forecast projects an underspend of (£0.644m) against a current base budget of £6.916m. This is mainly due to Corporate contingency underspends of (£0.558m), Corporate revenue contingency budget uncommitted balance (£0.205m), forecast overachievement of annual leave purchase saving (£0.083m), a one off banking contract saving of (£0.048m) and a pressure due to an unachievable layers and levels saving £0.250m.

4.2.38 The Corporate budgets contain an income accrual of £1.073m to the Derbyshire Pension fund for the Pension costs for service payment and historical pension deficit. Estimates suggest that the figure supplied by the actuary were overstated and the current forecasts assume that the service pension overpayment will be repaid by Derbyshire County Council to the Council. Negotiations with the fund are ongoing.

4.3 **Savings delivery**

The Council's Revenue budget for 2020/21 included savings targets for each directorate in order to support a balanced budget position.

2020/21 Directorate Savings Targets	Approved Savings Targets £m	Savings Delivered £m	Year End Shortfall £m	Forecast Variance Delivered %
Peoples Services	1.596	0.200	1.396	13%
Communities and Place	1.415	1.035	0.380	73%
Corporate Resources	1.735	1.735	-	100%
Total	4.746	2.970	1.776	63%

4.3.1 The following notes provide a summary of each directorate's performance in delivering its savings targets.

4.3.2 **People's Services:** - of the current £1.396m shortfall, £0.500m for the review of adults care packages and £0.296m for Remodelling of Child Placement Service through Social Impact bonds are at risk of deliverability in year due to Covid priorities, £0.400m foster care and £0.200m Early Help management restructure savings are work in progress, it is too early to assess deliverability of these savings particularly with the impacts of Covid.

4.3.3 **Communities and Place** are forecasting to achieve £1.035m of the target.

Of the current £0.380m shortfall, the £0.280m Carelink saving is currently a work in progress and may not be achieved until 2021/22 due to the delays in implementation during the Covid period.

The only unachievable saving is the £0.100m additional Leisure income due to the reduced income levels whilst the service has been closed.

4.3.4 **Corporate Resources:** There are three savings currently forecast to be unachievable within Corporate budgets. There is a staffing 'layers and levels' saving of (£0.250m), however this has been mitigated in 2020/21 through other one-off underspends within the Corporate budgets. There is an undeliverable Commercialisation saving of (£0.250m) and a grey fleet mileage saving of (£0.035m) which is currently assumed to be funded one off for this year only through Covid funding as these savings cannot be implemented due to the current pandemic. All other Corporate Resources savings are on track to be delivered either wholly or in part with alternative mitigation in place where appropriate.

4.4 **Capital Monitoring**

The capital expenditure forecast for 2020/21 has been reviewed and the updated forecast is now £176.610m and detailed at section 4.4.1 to 4.4.68. There is a forecast underspend of (£7.053) against the approved budget of £183.663m agreed by Full Council on 26th February 2020. The majority of this underspend will slip (along with its financing source) into future years.

- 4.4.1 The table below analyses the main variances by service against the profiled quarter 1 budget and the actual spend.

2020/21 Capital Programme by Service Area	Approved Capital Budget	Outturn slippage approved July 2020	Revised Approved	Actual Spend	Current full year forecast/ Revised Budget	Forecast Variance to original Approved Budget
	£m	£m	£m	£m	£m	£m
Schools	32.325	0.417	32.742	0.626	14.853	(17.472)
Housing General Fund	6.167	0.272	6.439	0.166	6.439	0.272
Property Improvement	29.552	1.750	31.302	4.737	28.497	(1.055)
Flood Defence	0.250	1.250	1.500	0.044	1.498	1.248
Highways & Transport	28.313	5.948	34.261	2.747	45.944	17.631
Vehicles Plant & Equipment*	2.092	0.294	2.386	0.053	5.851	3.759
Regeneration	42.021	2.191	44.212	0.510	41.248	(0.773)
Information and Communication Technologies (ICT)	3.921	0.581	4.502	0.303	2.364	(1.557)
Housing Revenue Account (HRA)	33.022	0.711	33.733	1.600	26.162	(6.860)
Corporate	6.000		6.000	-	3.754	(2.246)
Total	183.663	13.414	197.077	10.786	176.610	(7.053)

- 4.4.2 Capital expenditure to date is low against the original approved budget due to the heavy profiling of schemes spend towards the end of the year.
- 4.4.3 The revised approved capital programme including outturn slippage was £197.077m. Further increases totalling £1.015m have been previously approved by cabinet and changes this quarter requiring approval of (£21.482m) to reduce the programme, are detailed below and in Appendices 3 and 4.

4.4.4 The main changes over and above outturn slippage are:

- Profiling of the additional funding for the transforming cities scheme on the highways programme
- the addition of the further capital costs for the waste treatment facility
- slippage due to the current economic climate for Project Mulberry
- the impact of Covid 19 on the ability for capital schemes to go ahead as planned
- addition of £28.125m on the Regeneration Capital Programme, of which £12.100m is profiled in 2020/21, for two new schemes resulting from the allocation of £18.875m from the Getting Building Fund (GBF) following the submission of expressions of interest (EOI).

4.4.5 **Schools**

The school's capital programme requires net changes of (£14.071m) as detailed in Appendices 3 and 4. The significant changes are outlined below.

4.4.6 The Council has reviewed the development of the Council's capital programme in response to the SEND Local Area Ofsted Inspection, resulting in a £6.8m slippage into 2021/22 whilst determining proposals to be outlined in a revised SEND Strategy. The SEND Strategy is currently being co-constructed alongside our partners, parents/carers, children and young people, schools and stakeholders.

In developing the revised SEND Strategy, careful consideration is being given to the prioritisation of specialist educational provision. The Council's capital programme will need further adjustment once final proposals have been determined for approval. The revised SEND strategy is expected to be approved in October.

4.4.7 Chellaston Secondary School has slippage of (£0.240m) which relates to the Homeleigh Way s.106 contribution received. The PEAK Academy Trust are required to obtain DfE approval to vary their funding agreement with the Secretary of State as a result of the proposed expansion scheme. The earliest anticipated approval for such an application is October 2020. After discussion with the DfE, PEAK Academy Trust are required to undertake the works in two phases, with phase 2 works only commencing after DfE approval has been secured. Hence the need to amend the capital programme to reflect the schemes anticipated delivery. The capital programme will be reassessed following the DfE approval.

4.4.8 There has been slippage of £6.491m on the basic needs funding pot together with reallocations of £0.520m to other schemes within the schools programme. The Council is allocated Basic Need funding by the Department for Education to meet its statutory duty to provide sufficient school places. Based on the latest pupil number projections in Derby, 2023/24 is expected to be a peak year for secondary intake pupils moving into Year 7. The Council are currently developing proposals to meet this demand. It is anticipated that Council Cabinet will consider proposed schemes to meet the demand in higher pupils numbers during Autumn 2020. Therefore, slippage of the remaining £6.491m Basic Need funding into 2021/22 is necessary whilst proposed schemes are developed further.

- 4.4.9 The addition of a new Scheme at Oakwood Junior School (£0.190m). In July 2020 a routine monitoring process at the school detected the extraction canopy in the school kitchen was not working. This led to the kitchen being closed and school meals being provided from another site. Further investigations were commissioned which concluded that the canopy could not be repaired and is required to be replaced. The works are provisionally scheduled to commence 26 October 2020, with an expected programme length of five weeks. The Council is continuing to work very closely with the school and catering partners to minimise disruption and to open the kitchen as quickly as possible. It is proposed to fund these works from the Buildings at Risk capital budget which has a current balance available of £0.507m.
- 4.4.10 **Housing General Fund**
The Housing General Fund capital programme requires no changes this quarter.
- 4.4.11 **Property Improvement (including Parks and Open Spaces)**
The Property Improvement capital programme requires net changes of (£2.635m) as detailed in Appendices 3 and 4. The significant changes are outlined below:
- 4.4.12 There is a £0.352m addition for the Parklife scheme. The Parklife programme aims to develop financial sustainability through the development of a strategically planned and programmed football hub in collaboration with key partners.
- 4.4.13 The consultant, Gleeds, will conduct feasibility works for the Parklife capital programme further developing the project to RIBA stages 3 and 4 as Gleeds was consulted for Stage 2 for the national Parklife programme delivered with and through the Football Foundation.
- 4.4.14 The scope of the works for this appointment is solely focusing on the development of the building and ancillary facilities at The Racecourse to develop the project and provide pre-tender capital costs for the development of the hub site and to inform the business case.
- 4.4.15 There is (£3.114m) slippage on Moorways sports village. The total budget for the project for 2020/21 is £21.930m with the remaining £15m profiled in 2021/22. Reprofiled the spend to reflect latest construction cash flow forecast has been necessary to consider factors such as new site protocols introduced since the outbreak of Covid 19.
- 4.4.16 **Flood Defence**
The Flood Defence capital programme requires net changes of (£0.002m) this quarter as detailed in Appendix 3. There are no significant changes.
- 4.4.17 **Highways and Transport**
The Highways and Transport capital programme requires net changes of £9.861m this quarter as detailed in Appendix 3 & 4. The significant changes are outlined below:
- 4.4.18 There is a £2.084m increase to the highway's maintenance scheme. This is due to additional funding received for Potholing (£1.713m) and Incentive funding (£0.371m) from the Department of Transport (DFT). This is awarded to local authorities for their adoption of best practice, so over and above the usual needs-based allocation.

- 4.4.19 Additional grant of £1.100m has been received for the Air Quality scheme. This is additional to deliver the Nitrogen Oxide (NO₂) schemes.
- 4.4.20 In March this year the Council were awarded £61.464m for the Transforming Cities Programme. For 2020/21 £10.449m of this funding is required to be added to the capital programme. This funding is for various improvements across the city including the following:
- a) Interchange hubs
 - b) Public Realm improvements
 - c) A Cycle expressway
 - d) Bus Priority lanes
 - e) Park & Ride
 - f) Bus & rapid transit links
 - g) Local Cycling and Walking Improvement Plan (LCWIP)
 - h) Workplace Travel Grants.
- 4.4.21 The Highways Infrastructure programme has reduced by (£3.575m). Due to the current Covid 19 situation and the influx of additional funding from DfT the Infrastructure Board has decided to reduce the spending pressure and re-profile this budget, to move the (£3m) of the spend into 2021/22 when things are more stable, (£0.050m) has been reallocated to the Rykneld Road Land Drainage scheme to aid acceleration of the delivery of the scheme and (£0.525m) reallocated to the Vehicles Plant and Equipment programme for the purchase of a new paving machine. This will allow a more efficient and economic provision of footway maintenance schemes instead of external contractors.
- 4.4.22 There is a £0.201m addition for the Emergency Active Travel Fund. This is a Department of Transport allocation for Derby of capital funding of Tranche 1 which is part of the Emergency Active Travel Fund. This funding is intended to create environments for cycling and walking as an alternative to public transport and car use as part of addressing the impact of the Covid 19 pandemic.
- 4.4.23 There is (£0.375m) slippage on the St Lighting LED scheme. Discussions with the service provider, Balfour Beatty (BB) in respect of the PFI deed of settlement have impacted on this scheme as BB weren't prepared to progress this scheme until these discussions are concluded, this is now expected to be finalised by the end of August.
- 4.4.24 £0.201m addition for Emergency Active Travel (EMAT). This is some recently awarded Government funding aimed at introducing measures to assist in Covid 19 recovery. The Council are progressing schemes to encourage sustainable modes of transport, cycling and walking mainly. Schemes will include temporary cycle lanes and widened pavements in various areas of the city. The expectation is that people will not want to travel by bus, in fact many services remain reduced, so the aim is to try and minimise the amount of people travelling by car.
- 4.4.25 **Vehicles Plant and Equipment**
The Vehicles Plant and Equipment capital programme require net changes of £3.466m as detailed in Appendix 4. The significant changes are outlined below.

- 4.4.26 There is a £0.525m increase for the vehicle fleet scheme. This is a reallocation of funding from the highways and maintenance programme to purchase a new paving machine.
- 4.4.27 There is £0.496m reallocation for a new cremator. This is funding from the Corporate futures pot already on the programme and is to provide resilience to our crematorium.
- 4.4.28 The Waste Treatment plant has a £2.350m addition. This is a capitalisation of existing expenditure funded from approved existing resources. The expenditure is capital and therefore for accounting purposes needs to be shown on the capital programme.
- 4.4.29 **Regeneration**
The Regeneration capital programme requires net changes of (£6.024m) as detailed in Appendices 3 and 4. The significant changes are outlined below:
- 4.4.30 Castleward CPO scheme requires reprofiling of (£2.246m). This comprises (£2.346m) slippage to 2021/21 and an addition of £0.100m in 2020/21 from Local Growth Fund. Since the Council made the CPO order in March 2020 to acquire land for housing, there has been a delay due to Covid 19 in the confirmation of a public inquiry. As such, the Council does not now expect to be able to commence purchases (by the preferred mutual agreement route or CPO) until Spring 2021 at the earliest.
- 4.4.31 The Becketwell Regeneration scheme has slippage of (£0.724m). Council Cabinet in July 2020 approved an addition of £1.4m to the capital programme for the existing Becketwell Regeneration scheme to fund additional demolition and professional fee costs, with delegation to the Director of Financial Services to profile across financial years. The capital programme changes here reflect the reprofiling of the budget in line with the latest scheme spend profile.
- 4.4.32 There is a (£1.100m) change on the Access Osmaston scheme, consisting of (£1m) slippage and (£0.100m) reduction. This is an Infinity Park Derby (IPD) Programme scheme to deliver highways access improvements with the priority being those required by a planning approval condition to mitigate a residential re-development in Osmaston. Delivery is dependent on the progress of the residential re-development proposals which are at an early stage and therefore spend on this scheme is now not anticipated until at least 2021/22. A further update on progress is expected later this year.
- 4.4.33 The Project Mulberry Scheme has slippage of (£10.477m). This project has been delayed in response to the impact of Covid 19. We are in regular communication with our partners and are supportive to our stakeholders involved in the delivery of this project. A further update will be provided in future monitoring to cabinet.

- 4.4.34 There is a (£0.220m) reallocation between IPD Programme schemes with a net nil change to the Regeneration capital programme for 2020/21. It is proposed to reallocate £0.220m no longer required to complete the T12 Phase 1 scheme to IPD wayfinding (£0.080m) for additional signage and the Accelerated Delivery - IPD Contingency budget (£0.140m) to support further phases of IPD development which will be prioritised through the IPD Board.
- 4.4.35 The Environment Agency (EA) has offered a further award of £10m funding to assist Derby to complete the remaining works for the Package 2 measures of Our City Our River.
- 4.4.36 This funding is not yet subject to a formal Funding Agreement /Offer letter as the Council has not yet formally accepted the funding. The conditions and output expectations from the EA are currently being discussed.
- 4.4.37 Slippage of (£0.500m) is required for the Climate change scheme. The governance framework for delivering the city's response to climate change is currently being developed, linked to the City's economic recovery plans.
- 4.4.38 There is slippage of (£3.223m) into 2021/22 for the Bold lane scheme. A review of the project will be undertaken to allow options for the site to be considered, updating the needs assessment and ensuring that the proposed development remains commercially viable and value for money, in the current economic climate. Pending the outcome of the review, it is prudent at this stage to slip the budget and associated service financed borrowing funding.
- 4.4.39 Slippage of (£0.500m) into 2021/22 for the Alvaston district centre scheme has been necessary to allow for a consultation with Members and other key stakeholders to prioritise the programme of Neighbourhood intervention works. Therefore, it is anticipated that the capital budget allocation in the current capital programme will not be fully spent in 2020/21.
- 4.4.40 Following successful bidding to the Getting Building Fund (GBF) administered by D2N2 £18.88 million of external funding has been secured requiring DCC match funding via prudential borrowing. The GBF has been allocated as part of a competitive Expression Of Interest (EOI) and endorsed by Central Government, with final award subject to submission of a Full Business Case for both projects in 2021.

- 4.4.41 Cabinet is asked to approve the addition to the capital programme for the GBF and matched funding totals for the new capital schemes as shown below, subject to approval through the Gateway Process, approval of additional prudential borrowing of up to £9.25m by Full Council and grant award following submission of the final GBF business case for each project. A full business case is being developed for both schemes and proposals will be presented to Council Cabinet for consideration in due course to include; any implication for the MTFP, an update on the provisional spend profiles below and the proposed split of corporate and self-financing prudential borrowing for the MRC Midlands scheme.

Schemes	Provisional Spend Profile				Funding	
	2020/21	2021/22	2022/23	Total	GBF	DCC Match
	£m	£m	£m	£m	£m	£m
Smartparc	12.000	4.000	0	16.000	12.000	4.000
Manufacturing Research Centre (MRC) Midlands	0.100	7.775	4.250	12.125	6.875	5.250
Total	12.100	11.775	4.250	28.125	18.875	9.250

- 4.4.42 Council Cabinet 15 July 2020 approved additions to the Council's Capital Programme for the New Performance Venue at Becketwell, subject to approval through the Council's gateway process as required, and delegated authority to the Director of Financial Services to profile the Capital Programme for the following:

- Becketwell Performance Arena £35.144m
- Project Management Costs (Capitalised) £0.556m

The project management costs budget of £0.556m has been included in the capital programme totals in this report profiled fully in 2020/21 as it relates to the early stages of scheme preparation including specialist professional services. The Becketwell Performance Arena budget of £35.144m will be added when Gateway stage 3 approval has been obtained and the budget has been profiled in line with the contractual arrangements for acquisition.

4.4.43 **Market Hall**

A detailed review is currently being undertaken of the latest profiled cost estimates required to continue to deliver to programme and project brief for both phase 1 (post receipt of tenders) and phase 2 of this scheme, against a potential total budget envelope of £20.880m (which includes the Future High Street Fund (FHSF) bid of £9.700m).

It is necessary to factor into the review that until the outcome of the FHSF bid is known later this year the total spend commitments should not exceed the approved budget of £11.180m. This might impact on progress, although all possible steps to try to avoid this will be taken. At this stage no changes to the profiled budget have been included, but on completion of the review an update will be provided to Council Cabinet.

- 4.4.44 The council has set up a City Growth Fund and as such £3m capital funding has been reallocated from the corporate futures pot to this fund to help business expand following the corona virus. The expected profile of this is as follows:

Year	£m
20/21	0.750
21/22	1.250
22/23	1.000
Total	3.000

A new revenue reserve will be set up with an allocation of £2m, and it is recommended that delegated approval is given to the Director of Finance to utilise this reserve in line with its intended use as appropriate.

4.4.45 **1 Cathedral Green**

Plans to create a new office space at 1 Cathedral Green, as included in the approved capital programme, are currently paused. With a significant rise in home working and a reduction in demand for office space in a post-COVID world, a review of the proposed capital investment is now necessary. The capital budget for this scheme has not been changed at this stage and there remains £3.985m profiled into 2020/21 funded from prudential borrowing, pending the outcome of the review. The position will be updated to Council Cabinet as appropriate.

4.4.46 **ICT**

The ICT capital programme requires net changes of £2.260m as detailed in Appendices 3 and 4. The significant changes are outlined below:

- 4.4.47 £2.385m slippage on the Major It Systems Development. The planned procurement of the replacement Financial Management System (£2m) has been paused to allow colleagues to focus on the Covid19 response. It is hoped that this process can be restarted later in 2020/21 with the funding being committed in 2021/22.
- 4.4.48 In the first quarter of 2020/21 the Digital by Default Programme has focussed on supporting the Covid 19 response and completing projects currently in track utilising existing resources (tools and staff). We are now exploring further ways to develop the Digital by Default Programme and this will require development staff as well as the procurement and implementation of strategic tools in 2021/22 (£0.385m).
- 4.4.49 **Housing Revenue Account**
The HRA capital programme requires net changes of (£7.569m) as detailed in Appendix 4. The significant changes are outlined below.
- 4.4.50 Due to Covid19 the HRA maintenance programme has experienced delays in the ability to proceed with works on site. This has meant slippage reductions to programmes totalling (£1.685m) including the kitchens and bathroom scheme, new central heating scheme and electrical rewiring upgrades.
- 4.4.51 There is (£0.855m) slippage on the Energiesprong Partnership scheme. The project design including a detailed building survey was delayed due to Covid 19 Lockdown. The design solution will incorporate outcomes of the Grenfell enquiry. Procurement of the project will be completed during 2020/21 for an April 2021 start on site.

- 4.4.52 The Rivermead refurbishment scheme has slippage of (£0.604m). The project development was delayed due to Covid 19 Lockdown and the ability of the contractor to programme in work. Due to the significant amount of external wall insulation in the project, the now anticipated quarter 4 start is not an ideal time to commence work due to winter weather therefore the target start date is now April 2021.
- 4.4.53 The Hackwood Farm scheme has a £1.6m addition. Early completion of 6 properties has meant this scheme has been brought forward with associated spend. The developer chose to re-sequence the build out for the site hence an earlier completion.
- 4.4.54 The Knoll new build scheme has (£2.299m) reduction. Due diligence has resulted in a delay to procurement as work has been carried out on the contract documents which have been re-evaluated due to discrepancies found.
- 4.4.55 There is £3.394m addition to the New Build and acquisition programme. £3m more has been allocated to the acquisitions programme to ensure Right to Buy receipts are spent. There is a programme of acquisitions in place and a pipeline going forward. As lockdown has eased the Council has been able to complete on properties that were in process prior to it starting. In addition, refurbishment work has now restarted.
- 4.4.56 Barlow Street Scheme has (£0.450m) slippage. This is as a result of reworking the design to self-contained flats and capacity issues of architects due to Covid. The redesign of Barlow St has been required due to the financial viability of the scheme.
- 4.4.57 There is a (£0.300m) reduction for the Bridge Street scheme. This budget has been merged into the new build and acquisitions scheme. The university have identified this site as being of interest for an expansion of their education provision within the city. As a result, feasibility has been delayed. In addition, the Council were in discussion with the owner of the adjacent site over its potential purchase to increase the developable area, but the owner's expectations of value did not match ours.
- 4.4.58 There is a (£0.700m) reduction for the Bosworth scheme. The developer withdrew from the original agreement. This is because the developer chose to market the properties on the open market. Although the council had undertaken contract negotiations we were not actually in contract with the developer.
- 4.4.59 The Grange Scheme has slippage of (£1.300m). This is due to a rework of the site entrance, this tied in with limited capacity (Covid) from our architects to finalise the revised plans for planning has meant delays of 3 months.
- 4.4.60 There is (£0.548m) slippage for the Riverview site. Revised planning application submission has been delayed resulting in programme slippage.

- 4.4.61 The Extra Care scheme totalling £31.740m over the 3-year period 2020/21 to 2022/23 has been removed from the programme. In 2020/21 this means a reduction of (£3.7m) and is because the council were undertaking a feasibility into the potential of providing an extra care development on the former DFRS site that was being marketed. This would have been a large development and the site had a number of significant challenges.

This has been removed from the current programme however the HRA still retains the provision for this within its funding envelope and alternatives will be reviewed and added to the programme as appropriate.

4.4.62 **Corporate**

The Corporate capital programme requires net changes of (£2.246m) as detailed in Appendix 4. The significant changes are outlined below:

- 4.4.63 There is a (£0.496m) reallocation to the vehicles plant and equipment programme for the new cremator outlined in section 4.4.27 and (£1m) reallocated to the Regeneration programme for Climate Change.

- 4.4.64 The Council has developed a budget for a City Growth Fund outlined in section 4.4.44 – it is reference in the Corporate Capital for completeness being the funding source for the growth fund.

4.4.65 **Section 106 Contributions**

Section 106 (S106) contributions are allocated through the S106 working group and are required to be reported to cabinet. The table below outlines the additional S106 contributions allocated this quarter totalling £0.214m.

4.4.66 **Additional S106 Allocations**

Strategy Area	Scheme	Developer	Ward	£m	S106 ref no
Parks & Open Spaces	Heatherton Community Centre	Follows	Littleover	0.053	RyKR6-02a
Parks & Open Spaces	Chellaston Park Pavilion	Woodlands Way		0.075	0.038 – WoolL2-03
Parks & Open Spaces	Alvaston Park Improvements	Fellowlands Way	Chellaston	0.012	RouP1-02
Parks & Open Spaces	Allestree Recreation Ground	Former Roundhouse Pub	Alvaston	0.020	DevA1-02
Parks & Open Spaces	Chellaston Community Centre	Devonshire Drive	Allestree	0.054	Merc4-09
				0.214	

- 4.4.67 Current S106 balances are £7.759m. The table below shows these balances and committed for all S106 contributions. Appendix 5 provides a detailed breakdown of all S106 contributions by ward and planned use:

Position	£m
Opening balance as at 1/4/20	10.579
Received to date	0
Adjustments/Clawbacks/Expired	(2.820)
Total Available	7.759
Committed 2020/21	2.759
Forecast Available Future Years	5.000

- 4.4.68 The S106 contributions are held under long term liabilities within the balance sheet as 'capital grant receipts' in advance.

4.5 Usable Reserves

- 4.5.1 **General Fund Balance** At 30th June 2020 the General Fund Balance is £10.933m. This is within the best practice accounting guidelines with expected percentage of budget being at 4.6% of the 2020/21 net budget requirement. Earmarked Reserves have a future year's forecast balance of £5.352m after taking account of the current forecast overspend. Any further residual overspend at the end of 2020/21 would be a call on the reserves and potentially impact on the Council's financial resilience.
- 4.5.2 **Earmarked Reserves** These are set out in full in Appendix 1 and are held to fund specific projects, such as the Council's regeneration fund programme and include other reserves which are not available to the Council for general use; such as School Balances. At 30th June 2020 forecast reserves total £53.608m and £5.352m in future years (excluding HRA ring-fenced balances and general ring-fenced reserve balances).

4.6 Treasury Management

All Treasury Management activities in quarter 1 were in accordance with the Treasury Management Strategy 2020/21, approved by Full Council Cabinet on 26th February 2020 and are within CIPFA's Prudential Code for Capital Finance in Local Authorities.

- 4.6.1 The Treasury Management forecast outturn for 2020/21 is a nil variance. We are however reviewing the accounting treatment in the debt charges model which may result in a projected use of reserves at quarter 2.
- 4.6.2 As at the 30th June 2020 the total debt portfolio of the Council (including HRA debt) was £447.843m offset by investments of £106.875m resulting in an overall net debt position of £340.968m. The net debt portfolio is set out in the table below:

4.6.3

External Borrowing	£m As at 31/03/20	£m As at 30/06/20
Fixed Rate PWLB	312.053	312.023
Fixed Rate Market	20.000	20.000
Other Local Authorities	25.000	25.000
Other Loans	1.873	1.779
Other Long-term Liabilities:		
- Transferred Debt from other Local Authorities	0.318	0.318
- PFI Financing	87.427	87.427
- Finance Lease Liabilities	1.296	1.296
Total Gross External Debt	447.967	447.843
Investments	(76.873)	(106.875)
Total Net External Debt	371.094	340.968

4.7 **Dedicated Schools Grant - Centrally Retained Elements**

- 4.7.1 The 2020/21 allocation for the Dedicated Schools Grant (DSG) is £253.297m and there continues to be significant pressures in the High Needs Block (HNB) supporting children with additional needs.

Working groups involving Council Senior Officers and Head Teachers are working on a number of strategic themes which includes revising the process and panel arrangements for decision making about high needs provision, reviewing current out of authority placements, reviewing the criteria to assess requests for high needs funding and the future configuration of provision for children and young people with social, emotional and mental health needs.

- 4.7.2 High Needs demand remains the single most significant pressure to the school's budget with a forecast £3.3m overspend. Whilst every effort is being made to make savings the demand and cost of higher needs provision is a concern. The DSG reserve is estimated to be depleted by the end of the financial year.

Schools Forum agreed to a 0.5% transfer from the Schools Bock (circa £1 million) of which 50% supported the 2020/21 High Needs pressures and the remaining 50% is being used to fund some transformational programmes to redesign the system into a sustainable model.

4.8 **Collection Fund**

The collection fund forecast for the position at 31 March 2021 has been reviewed at quarter 1 and we are currently forecasting a deficit of which the Councils share will be £5.818m.

Council Tax	1.177m
Business Rates	<u>4.641m</u>
	5.818m

- 4.8.1 It is currently difficult to predict what the impact of Covid 19 will be on our gross rates payable and future collection rates as the impact on businesses in our region unfold, we offered businesses the opportunity to defer payment until June 2020 to assist with the financial burden the pandemic had placed on businesses, approximately 230 businesses in the area utilised this offer. The Council are also anticipating an increase in section 31 grant funding in 2020/21 for Derby City Council of approximately £3.027m (this is mainly due to the expanded retail relief provided being higher than originally forecast).
- 4.8.2 It is currently difficult to predict what the impact of Covid 19 will be on our council tax base growth, losses as a result of local council tax support and future collection rates. The impact of Covid 19 on these areas is being monitored and will be factored into these forecasts throughout the financial year as further information becomes available.
- 4.8.3 As at 30th June 2020 the amount of Council Tax billed for the 2020/21 financial year is £126.41m of which £32.984m or 26.05% has been collected. This compares with 27.71% at the same time last year. Compared with the position 12 months ago, in cash terms, we have collected £0.368m less from Council Taxpayers. Given the on-going Covid 19 pandemic it is very difficult to compare our current year performance with the position 12 months ago. From 01st July, the Council Tax team recommenced recovery action, following a suspension for the first quarter of 2020/21.
- 4.8.4 As at 30th June 2020 the amount of Business Rates billed for the 2020/21 financial year is £56.65m of which £15.89m or 27.75% has been collected. This compares with 27.17% at the same time last year. However, in May we received payments totalling £3,803,206 in respect of Business Rates where the Council is the Business Rate payer. Last year these payments were not received until July and therefore if we strip these payments out the like for like comparison would reduce our 2020/21 collection rate to 21.04%, 6.13% down on last year. As with Council Tax the on-going Covid 19 pandemic it is very difficult to compare our current year performance with the position 12 months ago. From 01st July, the Business Rates Tax team recommenced recovery action, following a suspension for the first quarter of 2020/21.

4.9 Housing Revenue Account

The Housing Revenue Account (HRA) report on the management of the Council's housing stock.

4.9.1

Department position as at 30 June 2020	Original Budget (annual) £m	Actual Spend Qtr1 £m	% of Budget	Full year forecast £m	Forecast Variance £m
HRA	(4,592)	15.715	342%	(4,592)	0

- 4.9.2 As part of the 30-year HRA Business Plan, the HRA is budgeted to use £4.592m from the HRA reserve in 2020/21. It is currently forecast on target to use £4.592m from the reserve. There is currently an assumed use of Covid 19 funding in these assumptions of £1.8m which will be reviewed throughout the coming months.
- 4.10 **Medium Term Financial Strategy**
- 4.10.1 Future year's budgets will need to be set against unprecedented volatility in funding and spend for Local Government nationally and locally in Derby. This makes budget planning extremely difficult and subject to major changes in assumptions as the year develops; visibility of spend and income pressures from Covid 19 firm up and the structural impact on financial sustainability from responding to the pandemic in the short medium and long term is assessed.
- 4.10.2 In February 2020 the Council set a MTFS with a balanced budget in 2020/21 and a small budget gap to be addressed by additional savings or income generation of approximately £3 million in 2021/22. Since setting the budget the Council has experienced:
- a) Unfunded impact of responding to Covid 19 by Central Government
 - b) Increased (and unprecedented) demand pressures in respect of Children's Social Care and potentially in the future Adult Social Care
 - c) Delays in being able to deliver all the savings targets (largely due to external constraints)
- Impacts on Council Tax and Business Rate collection (compared to last year) and a significant reduction in sales, fees and charges, for example, car parking, leisure etc.
- 4.10.3 The cumulative impact of these are detailed in this report will without additional funding and/or additional savings identified in year require a significant drawdown on reserves with a consequential impact on the overall financial sustainability of the Council. This scenario is being experienced by all Councils across the County. National returns to MHCLG indicate that the financial impact on Derby's MTFS is less than most Unitary and Metropolitan Councils.
- 4.10.4 There are many unknowns in preparing the MTFS for the three years. These include and in no particularly order:
- The level of Government support for the impacts of the pandemic this year
 - The impact of the pandemic on expenditure and service level income next year
 - The impact on the collection fund of the pandemic in the current year
 - The impact on both council tax-base and business rates base of the economic downturn
 - The level of future support for business rates
 - The overall level of support in the settlement for 2021/22
 - The size and shape of the economic recovery
 - Possibility of future pandemic waves
 - Demand pressures for Social Care.

- 4.10.5 At the point of writing the report it is still unclear whether a Spending Review will be concluded in the autumn and whether this will include more than 1-year funding. The timing of the Local Government Finance Settlement is still unknown. Given the structural impact of Covid 19 on Central Government Funding and locally generated income there is the potential for significant volatility in available funding.
- 4.10.6 There is still a statutory requirement to set an Annual Balanced Budget and this is a major challenge for next year. In formulating the MTFS projection the following key areas are being modelled:
- a) Potential changes in funding available for Councils. In particular, the fair-funding review and Business Rate Retention changes have been deferred
 - b) The Local impact of reductions in Business Rates leading to less retained growth over and above the business rate baseline
 - c) Current and future demands in respect of Social Care, both Children's and Adults
 - d) Significant impact of 2020/21 loss of income due to Covid 19 and whether current budgeted income levels will be achievable next year
 - e) Increased cost pressures from providers, especially in Social Care
 - f) National Living Wage increases
 - g) Impact on Council Tax base from significant increase in Council Tax support claimants – reduced ability to secure Council Tax Income, even if Council Tax is increased by the maximum permissible
 - h) Growth and service pressures
 - i) Our Economic, Community and Council recovery investment needs.
- 4.10.7 Council Tax and Business Rates are accounted for within the Collection Fund where any surplus or deficit normally needs to be accounted for the following year. The Government has stated that any deficit can be now accounted for over 3 years and that there will be some additional government support to mitigate the impact of collection fund losses. Details are still awaited and therefore collection fund impacts are not yet factored into the MTFS projections in this report.
- 4.10.8 An initial forecast of the Budget Gap (excluding collection fund losses) over the next three years is detailed in the table below. This factors in the impact of current Social Care Pressures (though not future years) and an initial estimate of income loss. As stated earlier in this report these are still extremely volatile and fluid and will continue to be updated and modelled throughout the MTFS process.

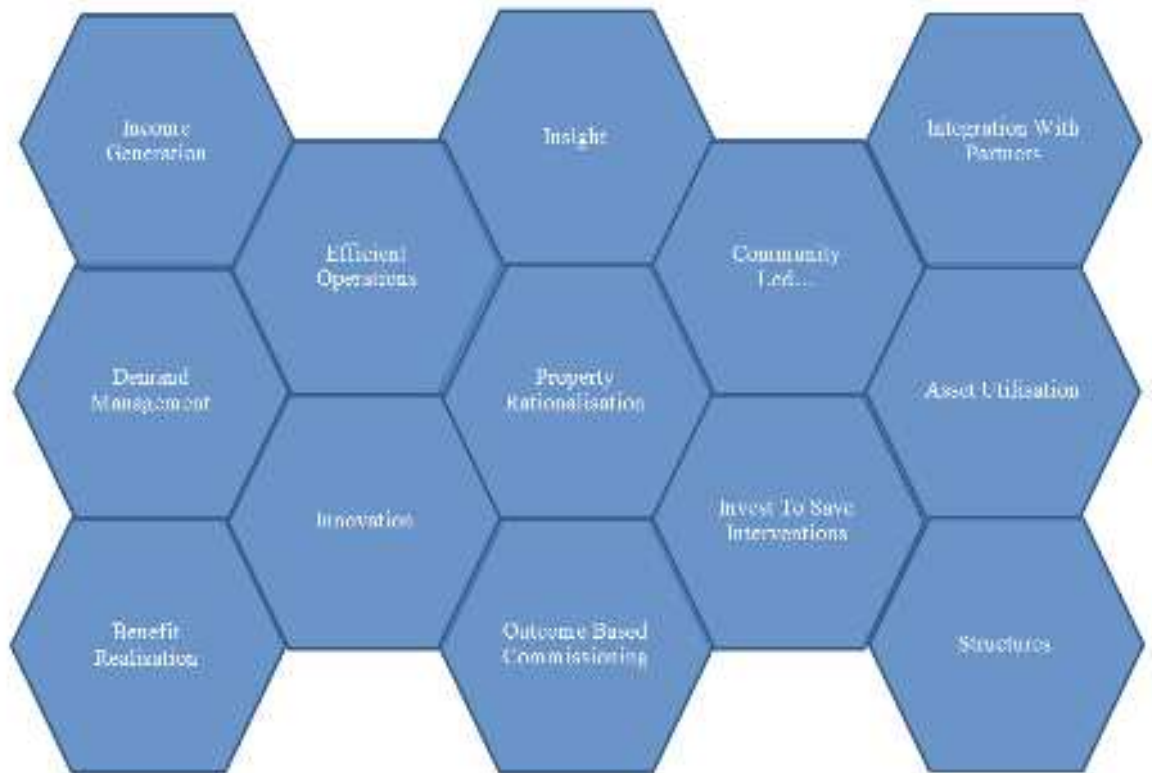
4.10.9

	2021/22	2022/23	2023/24	Total Budget Potential Gap
Budgeted MTFP Gap	3,064	(110)	(225)	
MTFP Refresh	2,611	891	(129)	
Pay Award 2.75%	*825	825	825	
Quarter 1 Projection	*8,330	0	0	
COVID Shortfall	0	0	0	
Structural Realignment (post Covid)	*5,298	0	0	
Potential Gap	20,128	1,606	471	22,205

**Permanent adjustment to add pressures to base budget*

**Current Budget gap, but only if Gap in 2021/22 and 2022/23 is achieved*

- 4.10.10 The budget gap is subject to ongoing review and funding announcements and requires a review of how and what services the Council can provide within the funding envelope. This is exacerbated that in the short term the potential for income generation may be limited. Service re-configuration alongside innovative proposals of working with communities and our partners will be required as part of balancing the budget. The budget process will therefore be focused on outcomes and will require many tough decisions to be implemented. The Council will continually lobby individually and collectively Government for adequate funding to secure sustainability (service and finance) for Local Government going forward.
- 4.10.11 The Corporate Leadership Team and Cabinet are exploring delivery models and opportunities based around the themes detailed below. The focus is that services are looked at as cross-council approaches where outcomes are defined, the most appropriate delivery model is reviewed (preferably co-produced with Partners and communities) and that value for money (economy, efficiency and effectiveness) is assessed in every change.



4.10.13 The potential budget gap of £20m plus is significant. Due to the level of reserves and the need to drawdown on these in 2020/21 in response to Covid.19 the majority of the estimated budget gap will have to be addressed in 2021/22 with changes in policy, services levels etc. consulted on in the current year.

4.10.14 If a spending review is published this year it is likely that this would be in November. As this is critical in understanding the level of Government support to help Council's manage the seismic impact of Covid 19 it is necessary to move the dates for consultation later the year. A budget report will be issued in December which will then be consulted on and scrutinized in January prior to Council agreeing the budget at Budget Council.

Public/stakeholder engagement

5.1 None directly arising.

Other options

6.1 None directly arising.

Financial and value for money issues

7.1 The financial and value for money implications are set out in the report.

Legal implications

8.1 The report confirms that the Council has met its statutory requirement to deliver a plan for a balanced budget.

Other significant implications

9.1 Environmental Sustainability

The report sets out the implications of the capital programme.

9.2 Risk Management and Safeguarding

The report demonstrates it has the resources available to deliver the Council's priorities, but it will mean application of reserves if overspends are not reduced over the remainder of the year.

9.3 Corporate objectives and priorities for change

The budget provides the financial resources to deliver key objectives and priorities.

9.4 Equality implications

All appropriate equality impact assessments were considered when setting the budget

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Olu Idowu	20/08/2020
Finance	Toni Nash	19/08/2020
Service Director(s)		
Report sponsor	Simon Riley	19/08/2020
Other(s)	Ann Webster, Lead on Equality and Diversity	20/08/2020
	Liz Moore, Head of HR	21/08/2020
For more information contact: Background papers: List of appendices:	Toni Nash: Toni.Nash@derby.gov.uk None. Appendix 1 – Summary of reserves Appendix 2 – Forecast Covid pressures summary Appendix 3 – Changes to capital programme under delegation Appendix 4 – Further changes to the capital programme Appendix 5 – S106 Contributions by Ward	

Summary of Reserves Movement as at 30th June 2020

Statement of Reserves	2020/21 Opening Balance £m	In Year Movement £m	2020/21 Commitments £m	2020/21 Closing Balance £m	Future Years Commitmen ts £m	Ring- fenced £m	Future Years Closing Balance £m
General Fund							
Unallocated General Fund Balance	(10.933)	-	-	(10.933)	-	-	(10.933)
Balances Held By Schools	(5.866)	-	1.317	(4.549)	-	4.549	-
TOTAL	(16.799)	-	1.317	(15.482)	-	4.549	(10.933)
Revenue Earmarked Reserves							
Budget Risk Reserve	(13.044)	0.667	11.878	(0.499)	4.610	-	4.111
Covid 19 Reserve	(7.142)	-	7.142	-	-	-	-
Central Schools Budget Reserve	(2.582)	-	-	(2.582)	-	2.582	-
General Insurance Reserve	(2.667)	-	-	(2.667)	-	-	(2.667)
Trading Services Reserve	(0.117)	-	0.056	(0.061)	0.061	-	-
Year-end grants with restrictions	(3.874)	0.376	1.585	(1.913)	1.813	0.099	-
DEGF Interest Reserve	(0.717)	0.162	(0.014)	(0.570)	0.570	-	-
Regeneration Fund Reserve	(1.493)	-	0.499	(0.994)	0.994	-	-
Assembly Rooms Reserve	(2.030)	-	0.146	(1.884)	1.884	-	-
Delivering Change Reserve	(2.036)	-	1.702	(0.334)	-	-	(0.334)
Better Care Fund Reserve	(0.939)	-	0.939	0.000	-	-	-
Business Rate Pilot Reserve	(2.906)	-	2.740	(0.167)	0.167	-	-
Business Rates Smoothing Reserve	(1.552)	-	1.552	0.000	-	-	-
Treasury Management Reserve	(1.987)	-	-	(1.987)	1.987	-	-
Public Health Reserve	(0.540)	-	0.540	0.000	-	-	-
Adult Social Care Reserve	(0.265)	-	0.265	0.000	-	-	-
Capital Feasibility Reserve	(0.919)	-	0.225	(0.694)	-	-	(0.694)
Other Service Reserves	(8.732)	(0.951)	2.394	(7.289)	1.317	0.464	(5.508)
PFI Reserves	(29.029)	-	(0.842)	(29.871)	29.871	-	-
Earmarked Reserves to support the capital programme	(2.254)	-	0.158	(2.096)	-	1.836	(0.260)
TOTAL	(84.825)	0.254	30.963	(53.608)	43.275	4.981	(5.352)

Statement of Reserves	2020/21 Opening Balance £m	In Year Movement £m	2020/21 Commitments £m	2020/21 Closing Balance £m	Future Years Commitmen ts £m	Ring- fenced £m	Future Years Closing Balance £m
Housing Revenue Account (Ring-fenced)							
Housing Revenue Account (Ring-fenced)	(47.311)	-	4.592	(42.719)	18.184	24.535	-
Major Repairs Reserve	(2.885)	-	-	(2.885)	-	2.885	-
Other Earmarked HRA Reserves	-	-	-	-	-	-	-
TOTAL	(50.196)	-	4.592	(45.604)	18.184	27.420	-

Forecast Covid Pressures Summary

Summary by Directorate	2020/21 £m
Peoples - Adults	3.407
Peoples - Public Health	0.260
Peoples - Children's	8.846
Communities and Place	10.707
Corporate Resources	1.745
Corporate	0.495
Housing Revenue Account	1.830
TOTAL REVENUE PRESSURES:	27.290
Capital	1.427
TOTAL REVENUE AND CAPITAL PRESSURES:	28.717

Covid Pressures	2020/21 £m
Expenditure Pressures	19.499
Income Pressures	9.218
TOTAL PRESSURES:	28.717

- *Collection fund loses are not included within this forecast as these will impact the collection fund in the next financial year 2021/22*
- *Revenue/Capital/HRA pressures included in the above summary*
- *There is currently £16.8m funding from Government to mitigate this pressure. There will also be further funding from the Income Guarantee allocation the government has announced.*

Changes to the Capital Programme made under Delegation.

Scheme Area	Latest Approved Capital Programme 2020/21 £m	Revised Capital Programme 2020/21 £m	Change £m
Schools			
New Castleward School	5.685	5.495	(0.190)
Chellaston Secondary School - Homeleigh Way contribution	1.652	1.412	(0.240)
Basic Need	6.876	6.716	(0.160)
Murray Park Expansion	0.016	0.034	0.018
Landau Expansion	0	0.022	0.022
Total Delegated Changes Schools	14.229	13.679	(0.550)
Flood Defence			
Shardlow Road Drainage	0.007	0	(0.007)
Cotton Brook Flood Alleviation Scheme	0.002	0	(0.002)
Gully Replacement Programme	0	0.007	0.007
Total Delegated Changes Flood Defence Programme	0.009	0.007	(0.002)
Highways and Transport			
Land Drainage	0.150	0.202	0.052
Air Quality	3.310	4.410	1.100
Highways Infrastructure	6.000	2.425	(3.575)
Total Delegated Changes Highways and Transport	9.460	7.037	(2.423)
Total Net Changes	23.698	20.723	(2.975)

Further Changes Required to the 2020/2021 Capital Programme

Summary of Further Changes to the Capital Programme 2020/2021	Latest Approved Capital Programme 2020/21 £m	Revised Capital Programme 2020/21 £m	Change £m	Category
Schools				
Special Educational Needs (SEN) Provision	6.915	0.115	(6.800)	S
Devolved Formula Capital	0.776	0.805	0.029	R1
School Condition work & place planning requirements funding pot	0.099	0	(0.099)	R1
Basic Need	6.651	0	(6.651)	£0.040m R2 £0.0120m R2 to 21/22 S £6.491m
Oakwood School Kitchen	0	0.190	0.190	R2
Buildings AT Risk	0.507	0.317	(0.190)	R2
Total Changes to the Schools Programme	14.948	1.427	(13.521)	
Property Improvement Programme				
Chellaston Park	0.040	0.015	(0.025)	R1
Arboretum Park	0.100	0.088	(0.012)	R1
Heatherton Community Centre	0	0.053	0.053	A
Chellaston Park Pavilion	0	0.075	0.075	A
Chellaston Park Pavilion	0.075	0.025	(0.050)	S
Alvaston Park Improvements	0	0.012	0.012	A
Allestree Recreation Ground	0	0.020	0.020	A
Chellaston Community Centre	0	0.054	0.054	A
Parklife Strategic Football Hub	0	0.352	0.352	A
Darley Abbey Village Hall	0.100	0.001	(0.099)	R2
Littleover Comm School - Bungalow	0.050	0	(0.050)	R2
Preliminary Design- Structural and Buildings at risk	0.290	0.439	0.149	R2
Nunsfield House	0.070	0	(0.070)	R2
Nunsfield House Fire Related Works	0.068	0.138	0.070	R2
Darley Park Changing Rooms- Pressurisation of the cold-water system	0.038	0	(0.038)	R2
Darley Park Playing Fields Changing Mess	0.165	0.203	0.038	R2
Moorways Sports Village	21.740	18.626	(3.114)	S
Total Changes to the Property Improvement Programme	22.736	20.101	(2.635)	

Summary of Further Changes to the Capital Programme 2020/2021	Latest Approved Capital Programme 2020/21	Revised Capital Programme 2020/21	Change £m	Category
Highways and Transport Programme				
Highways Maintenance	5.737	7.821	2.084	R1
Cycle Derby	0.417	0.459	0.042	R1
Transforming Cities Fund (TCF) Tranche 2 - Interchange hubs	0	1.445	1.445	R1
TCF Tranche 2 - Public Realm	0	1.105	1.105	R1
TCF Tranche 2 - Cycle expressway	0	0.527	0.527	R1
TCF Tranche 2 - Bus Priority	0	0.391	0.391	R1
TCF Tranche 2 - Park & Ride	0	1.557	1.557	R1
TCF Tranche 2 - Bus & rapid transit links	0	3.868	3.868	R1
TCF Tranche 2 - LCWIP	0	1.530	1.530	R1
TCF Tranche 2 - Workplace Travel Grants	0	0.026	0.026	R1
Intelligent Transport Systems Maintenance	0.472	0.355	(0.117)	S
Street Lighting LED	1.500	1.125	(0.375)	S
Emergency Active Travel Tranche 1	0	0.201	0.201	A
Total Changes Highways and Transport	8.126	20.410	12.284	
Regeneration				
Castleward – Compulsory Purchase Order	3.346	1.100	(2.246)	£2.346m S/(£0.100m) A
Becket Well	2.628	1.904	(0.724)	S
Derby Enterprise Growth Fund - Recycled	0.526	0.400	(0.126)	R1
Access Osmaston	1.159	0.059	(1.100)	S £1m / R1 £0.100m
Brook Realignment	0	0.186	0.186	R1
Project Mulberry	10.570	0.093	(10.477)	S
DE Carbonise	0.324	0.159	(0.165)	R1
T12 Phase 1	0.495	0.275	(0.220)	R2 £0.220m
Accelerated Delivery – Infinity Park Derby Contingency (IPD)	0.390	0.470	0.080	R2
NAMRC	0	0.100	0.100	A
Smartparc	0	12.000	12.000	A
Climate Change	1.000	0.500	(0.500)	S
High Quality Office Space (Bold Lane)	3.223	0	(3.223)	S
Alvaston District Centre Improvement	0.731	0.231	(0.500)	S
City Growth Fund	0	0.750	0.750	R3
IPD Wayfinding	0.061	0.201	0.140	R2
Total Changes to the Regeneration Programme	24.452	18.428	(6.024)	

Summary of Further Changes to the Capital Programme 2020/2021	Latest Approved Capital Programme 2020/21	Revised Capital Programme 2020/21	Change £m	Category
Vehicles Plant and Equipment				
Refuse Vehicles & Plant	0	0.020	0.020	A
New Vehicle Fleet	1.335	1.860	0.525	R3
Purchase of New Bikes for Derby Arena	0	0.007	0.007	A
Standalone Cremator	0	0.496	0.496	A
Whitespace - Online Case Management System	0	0.068	0.068	A
Waste Treatment Plant	0	2.350	2.350	A
Total Changes Vehicles Plant & Equipment Programme	1.335	4.801	3.466	
ICT				
Major IT Hardware Developments	1.531	1.656	0.125	A
Major IT System Developments	2.639	0.254	(2.385)	S
Total Changes to the ICT programme	4.170	1.910	(2.260)	
HRA	8.340	3.820	(4.520)	
Kitchens and Bathrooms	3.000	2.000	(1.000)	R1
New & Replacement Central Heating	2.055	1.600	(0.455)	R1
Rewiring/Electrical Upgrades	0.530	0.300	(0.230)	R1
Energiesprong Partnership	0.855	0	(0.855)	S
Rivermead Refurbishment	0.654	0.050	(0.604)	S
Hackwood Farm	0	1.600	1.600	R1
The Knoll New Build (NB)	2.799	0.500	(2.299)	R1
New Build and Acquisitions	4.347	7.741	3.394	R1
Perth Street NB	0	0.150	0.150	R1
Barlow Street	0.500	0.050	(0.450)	S
Gerard Street	0.119	0.020	(0.099)	R1
Carson Street	0.024	0.003	(0.021)	R1
Hatfield Road	0.071	0.070	(0.001)	R1
Bridge Street	0.300	0	(0.300)	R1
Bosworth	0.700	0	(0.700)	R1
The Grange	1.400	0.100	(1.300)	S
Potential Extra Care	3.700	0	(3.700)	R1
Riverview Site	1.048	0.500	(0.548)	S
Aida Bliss	1.602	1.531	(0.071)	S
Berwick Avenue	0.170	0.090	(0.080)	S
Total Changes to The HRA Programme	23.876	16.305	(7.571)	
Corporate programme				
Corporate investment fund – Climate Change	6.000	5.000	(1.000)	R3
Corporate investment fund - Cremator	5.000	4.504	(0.496)	R3
Corporate Investment Fund	4.504	3.754	(0.750)	R3
Total Changes to the Corporate Programme	15.504	13.258	(2.246)	
TOTAL CHANGES TO PROGRAMME	115.147	96.640	(18.507)	

Key of Categories	
A	Additional schemes from new funding secured
A1	Scheme increase funded by previous years' reserves income
S	Re-phasing
R1	Other Adjustments - Scheme Reductions/Increases
R2	Re-allocated Within Departments Programme
R3	Re-allocated To Different Departments Programme

S106 Contributions by Ward

S106	Ward	Received	Expiry	Planned use	Amount
Kingsway Retail Park	Abbey	2011/12	16-Feb-21	Provision of art in the vicinity of the development	0.013m
Kingsway Retail Park	Abbey	2013/14	16-Feb-21	Provision of improvements to or maintenance of transport facilities within the A516 Uttoxeter Road and A5250 Burton Road	0.012m
Parcel Terrace	Abbey	2019/20	24-Jul-29	Towards the provision of improvements to the pedestrian route along Parcel Terrace and cycling routes surrounding Parcel Terrace.	0.012m
Devonshire Drive	Allestree	2015/16	09-Nov-25	Kedleston road corridor to include highway work, public transport, cycling and pedestrian facilities	0.014m
Devonshire Drive	Allestree	2015/16	09-Nov-20	POS reasonably capable of serving the site	0.020m
Devonshire Drive	Allestree	2015/16	09-Nov-25	Public Realm in the City of Derby	0.001m
Palm Court Island	Allestree	2014/15	22-Jan-25	Facilities within the A6 Duffield Road/Kedleston Road corridor to include highway, public transport, pedestrian or cycling	0.006m
Palm Court Island	Allestree	2014/15	22-Jan-20	Provision of or improvements to public open space reasonably capable of serving the application site	0.001m
Palm Court Island	Allestree	2014/15	22-Jan-25	Provision of or improvements to public realm reasonably capable of serving the application site	0.001m
Belmore Way	Alvaston	2013/14 & 2014/15	26-Jun-23	Provision of improvements to or maintenance of transport facilities within the A6(T) London Road corridor which may include highway works public transport cycling and/or pedestrian facilities	0.015m
Belmore Way – Westside Park	Alvaston	2015/16	09-Jun-25	Towards the provision of improvements to or maintenance of transport facilities within the A6 London Rd corridor, this may include highways works, public transport, cycling and/or pedestrian facilities.	0.061m

S106	Ward	Received	Expiry	Planned use	Amount
Coleman Street	Alvaston	2015/16	23-Jul-25	For the provision of improvements to or maintenance of transport facilities within the A514 Osmaston Rd corridor, which may include highway works, public transport, cycling and/or pedestrian facilities	0.019m
Coleman Street	Alvaston	2015/16	23-Jul-2020	Provision of public art on the cycle route adjacent to the property	0.010m
Roundhouse PH, London Rd	Alvaston	2016/17	23-May-21	Improvements to public realm within the City of Derby	0.001m
Roundhouse PH, London Rd	Alvaston	2016/17	23-May-26	POS reasonably capable of serving the site	0.012m
Former Sixth Kenning site, Cathedral Road	Arboretum	2016/17	04-Oct-26	Improvements to health facilities reasonably capable of serving the development	0.010m
Bramble Business Centre	Arboretum	2017/18	TBC	Towards the provision or enhancement of offsite POS reasonably serving the application site.	0.013m
Bramble Business Centre	Arboretum	2017/18	TBC	Provision of or enhancement of Public realm within the City.	0.001m
Beaconsfield Club	Arboretum	2015/16	18-Mar-26	Towards the provision of improvements to transport facilities reasonably capable of serving the application site.	0.003m
Former Sixth Kenning site, Cathedral Road	Arboretum	2016/17	04-Oct-26	Major open space within the vicinity of the property	0.030m
Former Sixth Kenning site, Cathedral Road	Arboretum	2016/17	04-Oct-26	Public realm within the city	0.016m
Former Sixth Kenning site, Cathedral Road	Arboretum	2016/17	04-Oct-26	Swimming pools reasonably capable of serving the site	0.011m
Cathedral Road/Willow Row	Arboretum	2017/18	31-Jan-24	Application and implementation of a TRO to restrict loading along the site frontage to times outside the peak period for traffic	0.007m
Full Street	Arboretum	2014/15	20-Jul-24	To be used solely for the provision of improvements to the cycling facilities or other sustainable transport or public transport improvements within the city of Derby.	0.005m
Full Street	Arboretum	2014/15	11-Apr-24	That the Public Realm Contribution shall be used solely for the provision	0.031m

S106	Ward	Received	Expiry	Planned use	Amount
Jurys Inn, King Street	Arboretum	2008/09	No spend Limit	Provision of Public Art reasonably capable of serving the application site	0.002m
45-47 Mount Street	Arboretum	2018/19	19-Apr-23	Improvements to play areas and facilities within Arboretum Park	0.016m
45-47 Mount Street	Arboretum	2018/19	19-Apr-28	improvements to public realm within St Peter's St, Albion St and/or Exchange street or reasonably capable of serving the application site	0.001m
Normanton Road/Burton Road	Arboretum	2018/19	30-Apr-28	Public art capable of serving the site	0.008m
Normanton Road/Burton Road	Arboretum	2018/19	30-Apr-28	For the provision of improvements to or maintenance of transport facilities within the Normanton Road corridor, this may include highway works, public transport, cycling and/or pedestrian facilities.	0.050m
4-6 Stafford Street and car park to rear	Arboretum	2005/06	20-Apr-24	Provision or enhancement of off-site public open space reasonable capable of serving the application site	0.027m
St Joseph's Church, Mill Hill Lane	Arboretum	2015/16	10 Years	Towards the provision of improvements to or maintenance of transport facilities within the A516 Uttoxeter Rd/ A5250 Burton Rd corridor which may include highway works, public transport, cycling and/or pedestrian facilities	0.018m
St Joseph's Church, Mill Hill Lane	Arboretum	2015/16	10 Years	Provision of or enhancements to public realm within the City	0.008m
36 St Peter's Churchyard	Arboretum	2016/17	09-Dec-26	Public transport, cycling and pedestrian facilities within the city centre	0.006m
36 St Peter's Churchyard	Arboretum	2016/17	09-Dec-26	Public realm within the city centre	0.001m
36 St Peter's Churchyard	Arboretum	2016/17	09-Dec-26	Public open space capable of serving the application site	0.013m
69 Wardwick	Arboretum		11-Jun-24	Provision of facilities and/or improvements to Silk Mill Park	0.010m
Stenson Road	Blagreaves	2014/15	31-Mar-21	Provision of cycle route along Sinfin Lane between Redwood Road and Wordsworth Avenue comprising 500m of signing and lining	0.014m

S106	Ward	Received	Expiry	Planned use	Amount
Stenson Road	Blagreaves	2014/15	31-Mar-21	650m Heatherton Cycle route between Stenson Road and the proposed City Park	0.038m
Stenson Road	Blagreaves			Real time passenger information for 14 buses and 20 bus stops or by agreement between us and the County alternative enhancement to buses, installation of MOVA and bus detection facilities at Stenson Road bridge.	0.202m
Swarkestone Drive	Blagreaves	2004/05	No time limit on spending	provision or enhancement of off-site open space reasonably capable of serving the application site	0.001m
Woodlands Lane, Chellaston	Chellaston	2017/18	12-Apr-22	Affordable housing within the city	0.151m
West Chellaston	Chellaston	2005/06	No time limit	Affordable housing within the city-New unities of affordable Accommodation	0.460m
Fellow Lands Way	Chellaston	2016/17 & 2017/18	06-Apr-26	Primary education capable of serving the site	0.481m
Fellow Lands Way	Chellaston	2016/17 & 2017/18	06-Apr-26	Secondary education serving the application site	0.731m
Holmleigh Way (The Tadpole)	Chellaston	2017/18	15-Jan-28	Provision of primary school facilities s	0.071m
Holmleigh Way (The Tadpole)	Chellaston	2017/18	15-Jan-28	Provision of secondary school facilities	0.078m
Chellaston Fields	Chellaston		17-Jan-27	Improvements to A514 Transport Corridor	0.016m
Fellow Lands Way	Chellaston	2016/2017	06-Apr-21	Improvements to sports facilities and open space at Chellaston Park	0.002m
Fellow Lands Way	Chellaston	2016/17	06-Apr-26	Improvements to Snellsmoor Community Room	0.038m
Fellow Lands Way	Chellaston	2016/17	06-Apr-26	£50,000 for A514 corridor improvements, £20,000 for improvements to signalling at High Street, improved signage and anti-skid surfacing and £30,000 for extending the 40mph limit at Acrefield Way	0.103m

S106	Ward	Received	Expiry	Planned use	Amount
Innovation Centre	Chellaston	2015/16	No time limit	For the provision of, or improvements to public transport, cycling and pedestrian facilities within the A514 Osmaston Road corridor (which may include revenue funding to support services, including Council staff time to support, design and implement the schemes, services and travel behaviour initiatives) and unless agreed by the Owner to no other purpose.	0.058m
Merrill College	Chellaston	2011/12	07-Feb-22	Improvements to or maintenance of transport facilities within the A514 corridor which may include highway works, public transport, cycling and/or pedestrian facilities	0.069m
Merrill College	Chellaston	2012/13	11-Sep-24	Provision of or improvements to the public realm	0.001m
Merrill College	Chellaston	2011/12	07-Feb-22	Community centres reasonably capable of serving the site	0.054m
Merrill College	Chellaston	2011/12	07-Feb-22	Provision of, or improvements to library facilities	0.015m
Rose & Crown	Chellaston	2018/19	10 Years	For the installation, alteration, improvements and/or maintenance of traffic signals at High St/Station rd./Swarkestone Rd and Improvement and provision of public transport, cycling and pedestrian facilities on or adjacent to the A514.	0.066m
Rose & Crown	Chellaston	2018/19	10 Years	A scheme to be commissioned and implemented by the Council in the vicinity of the application site	0.015m
Swarkestone Road	Chellaston	2015/16	04-Oct-23	Provision of POS reasonably capable of serving the site	0.020m
Swarkestone Road	Chellaston	2015/16	04-Oct-28	Public realm within the city	0.001m
Swarkestone Road	Chellaston	2015/16	04-Oct-23	Towards the provision of improvements to or maintenance of transport facilities within the A514/Osmaston Road corridor which may include highway works, public transport, cycling and/or pedestrian facilities.	0.014m
Woodlands Lane	Chellaston	2015/16	02-Feb-21	Improvements to the Snellsmoor Community Room	0.038m
Woodlands Lane	Chellaston	2015/16	02-Feb-21	Major open space and/or sports facilities reasonably capable of serving the site	0.030m
Woodlands Lane	Chellaston	2015/16	02-Feb-21	Public transport and pedestrian facilities in the A514 corridor	0.041m
S106	Ward	Received	Expiry	Planned use	Amount

Agard Street phase 2 (student)	Darley	2016/17	21-Jan-29	Health facilities reasonably capable of serving the site	0.008m
Agard Street phase 2 (student)	Darley	2016/17	21-Jan-24	Improvements to open space at Darley Fields or Parker's Piece and/or open space in connection with Friar Gate Bridge	0.049m
Agard Street phase 2 (student)	Darley	2016/17	21-Jan-24	Public realm in the vicinity of Friar Gate Bridge	0.008m
Agard Street phase 2 (student)	Darley	2016/17	21-Jan-24	Public art in the vicinity of Friar Gate Bridge	0.011m
Agard Street phase 2 (student)	Darley	2016/17	21-Jan-29	Swimming pools reasonably capable of serving the site	0.019m
Bath Street Mills	Darley	2016/17	Open Ended	Flood mitigation landscaping in the vicinity of the site	0.096m
Broadway Baptist Church	Darley	2014/15	27-Jun-24	Tree planting and maintenance reasonably serving the site.	0.021m
Brook Street builders' yard	Darley	2013/14	17-Sep-23	Provision of or improvements to swimming pools or fitness suites reasonably capable of serving the application site	0.029m
Highfields, Broadway	Darley	2007/08	No time limit on spending	Junction improvements	0.173m
Agard Street Phase 1 DOV	Darley	2016/17	04-Jun-26	Public Realm/public art associated with Friar Gate Bridge	0.016m
Lodge Lane	Darley	2015/16	17-Sep-23	Public realm , highways, affordable housing, open space	0.003m
Milner House	Darley	2012/13	01-Sep-22	Improvements to public realm within the City of Derby	0.001m
Oaklands, 103 Duffield Road	Darley	2017/18	26-Jul-27	Provision of, or improvements to public transport, cycling & pedestrian facilities between junctions at Five Lamps and Broadway, within A6 Duffield Road & Kedleston Road corridor	0.014m
Oaklands, 103 Duffield Road	Darley	2017/18	26-Jul-22	Provision of or improvements to POS reasonably capable of serving application site	0.018m

S106	Ward	Received	Expiry	Planned use	Amount
Oaklands, 103 Duffield Road	Darley	2017/18	26-Jul-27	Provision of or improvements to public realm within City of Derby	0.001m
St Helens Street/King Street	Darley	2015/16	10-Dec-25	Provision of or enhancement of offsite Public Open Space and/or Public Realm reasonably capable for serving the Application Site.	0.035m
St Helens Street/King Street	Darley	2015/16	10-Dec-25	Provision of improvements to or maintenance of transport facilities within the A6(T) Duffield Road/Kedleston Road corridor which may include highway works public transport cycling and/or pedestrian facilities	0.035m
Agard Street/Friar Gate/Ford Street	Darley	2015/16	01-May-25	Public realm and/or public art associated with Friar Gate bridge	0.054m
Mansfield Road, Breadsall Hilltop	Derwent	2016/17	5 years	POS at Darley Park and Darley Playing Fields	0.310m
Mansfield Road, Breadsall Hilltop	Derwent	2016/17	10 Years	Public transport, cycling and pedestrian facilities in the A61 transport corridor	0.149m
Sawley Packaging	Derwent	2014/15	04-Sep-24	Public art serving the site	0.007m
Manor Kingsway Phase 2	Littleover	2014/15	10 years	Primary education reasonably capable of serving the application site	0.350m
Manor Kingsway Phase 2	Littleover	2014/15	20-Jan-25	Towards the provision of community facilities capable of serving the application site.	0.069m
Manor Kingsway site	Littleover	2014/15	20-Jan-25	the provision of improvements to or maintenance of transport facilities within the A516 Uttoxeter Road/A520 Burton Road corridor which may include highway works public transport cycling and/or pedestrian facilities	0.024m
Manor Kingsway site	Littleover	2014/15	20-Jan-25	Improvements to library facilities reasonably capable of serving the application site	0.019m
Manor Kingsway Phase 2	Littleover	2014/15	20-Jan-25	Towards the provision of improvements to or maintenance of transport facilities within the A516 Uttoxeter Rd/ A5250 Burton Road corridor which may include Highway works, public transport, cycling and/or pedestrian facilities.	0.193m
Nuffield Hospital	Littleover	2014/15	15-May-24	Highways improvements	0.016m
Follows, Heatherton	Littleover	2006/07	04-Oct-21	Education facilities and/ or community facilities	0.053m

S106	Ward	Received	Expiry	Planned use	Amount
Arthur Neal House	Mackworth	2011/12	31-Jul-21	Towards the provision of improvements to or maintenance of transport facilities within the A52 Ashbourne Road corridor which may include highway works public transport cycling and/or pedestrian facilities	0.019m
Mackworth College, Prince Charles Avenue	Mackworth	2012/13	31-Jan-22	Provisions of improvements to or maintenance of transport facilities within the A52 Ashbourne Road corridor	0.137m
Mackworth College, Prince Charles Avenue	Mackworth	2012/13	31-Jan-22	Provision of or improvements to public realm	0.022m
Prince Charles Avenue Phase 2	Mackworth	2014/15	08-Apr-25	Improvements to or maintenance of transport facilities within the A52 Ashbourne Rd corridor which may include highway works public transport, cycling and /or pedestrian facilities and/or travel planning	0.137m
Radbourne Lane	Mackworth	2017/18	14-Apr-24	Improvements to alleviate rat running in Mackworth estate, congestion on Station Road/Radbourn Lane and the upgrading of Windmill Hill Lane footpath to a multi-user route	0.354m
Hackwood Farm	Mickleover	2017/18	Open Ended	Architects fees associated with the primary school	0.318m
Hackwood Farm	Mickleover	2017/18	Open Ended	Improvements to a ramp leading to Mickleover greenway	0.017m
Mickleover Campus	Mickleover	2010/11	No time limit	Goal posts	0.003m
Sunny Hill Infants	Normanton	2014/15		Provision of, or improvements to, health facilities reasonably capable of serving the site	0.034m
Grange Hotel, Ingleby Ave	Normanton	2016/17	02-Aug-26	Improvements to the public realm within Derby	0.002m
Former Normanton Junior site, Grange Avenue	Normanton	2017/18	15-Jan-28	For local traffic management measures, including TROs, markings, signage, informal crossing provision, tactile paving, warning signs, pedestrian guardrails or any other works as identified to mitigate local highway impacts	0.015m

S106	Ward	Received	Expiry	Planned use	Amount
Former Normanton Junior site, Grange Avenue	Normanton	2017/18	15-Jan-28	Highway junction improvements between Stenson Road/Village Street and the junction of the A5111 and Stenson Road	0.065m
Grange Hotel, Ingleby Ave	Normanton	2016/17	2-Aug-26	Provision of improvements to the Stenson Road corridor which may include highway work, pedestrian, public transport or cycling	0.023m
Sunny Hill Infants	Normanton	20/03/2013	10 years	Public Realm in the City of Derby	0.005m
Sunny Hill Infants	Normanton	20/03/2013	10 years	POS reasonably capable of serving the site	0.040m
Mansfield Road/Lime Lane	Oakwood	17/03/2016	10 years	Additional meeting room facilities at Oakwood Community Centre	0.203m
Mansfield Road/Lime Lane	Oakwood	17/03/2016	10 years	Improvements to the A61 Mansfield Road corridor which may include highway works, public transport, cycling and/or pedestrian facilities and transport planning	0.312m
Mansfield Road/Lime Lane	Oakwood	17/03/2016	10 years	Improvements to or provision of a swimming pool at Springwood Leisure Centre	0.128m
Mansfield Road/Lime Lane	Oakwood	17/03/2016	5 years	Improvements to Oakwood Park	0.200m
Mansfield Road/Lime Lane	Oakwood	17/03/2016	15 years	Improvements to. Management of and maintenance of Chaddesden Wood	0.113m
Wragley Way	Sinfin	2017/18	11-Jul-27	Facilities at Sinfin Moor Community Centre, Moorways Sports Centre, Sinfin Library, healthcare centre	0.277m
Wragley Way	Sinfin	2014/15	16-Aug-28	public transport, pedestrian or cycle facilities within the Stenson Road corridor	0.220m
Former Spondon Reservoir, Huntley Avenue	Spondon	2013/14	10 years	Provision of improvements to or maintenance of transport facilities within the A52/Nottingham Road corridor which may include highways works, public transport, cycling or pedestrian facilities	0.015m
The Yarn Spinner	Spondon	2017/18	5 years	Improvements to the access to Sandringham Drive park	0.024m
The Yarn Spinner	Spondon	2017/18	10 years	Schemes included in the city centre Masterplan or reasonably capable of serving the site	0.002m
	<u>Total</u>				<u>7.759m</u>

Summary per Ward

Ward	Remaining Balance
Abbey	0.037m
Allestree	0.043m
Alvaston	0.118m
Arboretum	0.287m
Blagreaves	0.255m
Chaddesden	0.000m
Chellaston	2.553m
Darley	0.591m
Derwent	0.466m
Littleover	0.724m
Mackworth	0.669m
Mickleover	0.338m
Normanton	0.184m
Oakwood	0.956m
Sinfin	0.497m
Spondon	0.041m
Total	<u>7.759m</u>