

Appendix 1

COUNCIL CABINET 20 December 2023



Report sponsors:

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Finance

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Medium Term Financial Plan 2024/25 to 2026/27 – Update and proposed Consultation

Purpose

- 1.1 This report outlines proposals for the Council's new three-year Medium-Term Financial Plan (MTFP) including detailed plans for a balanced budget for 2024/25. The Council's ambitions are set out in the Council Plan. (An update to this is included in Appendix 6).
- 1.2 The MTFP for 2024/25 to 2026/27 continues to be managed within extremely challenging circumstances. The reform of local government funding has long been in the planning but has failed to materialise. This continued uncertainty, coupled with over a decade of funding reductions makes delivering a balanced budget over the medium term impossible without significant impact on service delivery. The Council has made the £226m of savings since 2010.
- 1.3 The financial situation facing local government in England is the most perilous in living memory. In 2018, Northamptonshire County Council issued the first S114 Notice in the sector in 20 years. A briefing paper issued by the House of Commons Library in January 2023 shows that since 2018, ten councils have issued s114 notices, including Birmingham City Council, the largest local authority in Europe, and have then gone on to pass an amended budget reducing spending on services. More recently Nottingham City Council have issued a s114 notice.
- 1.4 Settlement figures will not be confirmed until the provisional draft local government finance settlement is issued later in December. There is therefore insufficient time to incorporate into this report. This report is based on our assumptions of the likely financial settlement for the Council.
- 1.5 The key objectives of the report are:
 - To consult with the citizens of Derby on the budget proposals
 - To ensure that the Council is financially resilient, stable, and sustainable in the short term and to highlight medium term challenges to financial sustainability
 - To ensure that effective financial planning contributes to the delivery of the Council Plan.

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- 1.6 The report seeks approval to start appropriate consultation to support the 2024/25 Revenue Budget. It also outlines the proposed Capital programme for 2024/25 and the plan for the medium term.
- 1.7 The report comments on the key assumptions included and risks that are facing the Council in the next three years.

Recommendations

2.1 To approve the start of appropriate consultation with citizens/stakeholders, including collective consultation (if appropriate), to consider the savings outlined in Appendix 2.

2.2 To note:

(a) Revenue Budget

- The current medium-term financial position as outlined in section 4.5 and detailed in Appendix 1 including the balanced position for 2024/25
- The current list of savings options outlined in Appendix 2 with an associated estimated reduction in posts by 12.00 full time equivalent (FTE)
- The current estimated service pressures outlined in Appendix 3
- The MTFP modelling assumptions outlined in section 4.4

(b) Capital Budget

- The indicative capital programme as outlined in section 4.9 and Appendix 5

(c) Reserves

- The reserves position outlined in section 4.8 and Appendix 4

(d) Council Tax

- Proposal to levy a Council Tax increase of 2.99% for 2024/25 for Council Services outlined in section 4.10.
- Proposal to levy an additional Council Tax increase of 2% for 2024/25 in respect of the permitted Social Care Precept outlined in section 4.10.

Reasons

- 3.1 To consult on budget proposals for the next three years to support the delivery of a legally balanced budget for 2024/25 and consult with citizens of Derby on the budget proposals prior to the setting of the 2024/25 Council Tax.
- 3.2 The Council is required to set a balanced revenue and capital budget for 2024/25 by 11th March 2024. This report outlines the proposals so far, for 2024/25.
- 3.3 The Council, under the Prudential Code, established by the Local Government Act 2003, must demonstrate the affordability of its revenue budget for the next financial year and two subsequent years, after considering plans for capital expenditure.

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Supporting information

4. Introduction

4.1 Key areas of the report are outlined below:

- I. The budget approach summarised in section 4.2
- II. The Autumn Statement and the Local Government financial picture and Derby context in section 4.3
- III. The MTFP modelling assumptions outlined in section 4.4
- IV. The current MTFP financial position outlined in section 4.5
- V. Savings and pressures outlined in section 4.6 and Appendices 2 and 3
- VI. The impact on workforce outlined in section 4.7
- VII. Reserves and commitments outlined in section 4.8
- VIII. The proposed capital programme outlined in section 4.9
- IX. Indicative council tax levels assumptions for 2025/25 outlined in section 4.10
- X. The proposed consultation process with the public and stakeholders outlined in section 4.11

4.2 Budget Approach

The MTFS approved by Cabinet on 11th October highlighted an indicative budget gap of £22.767m for the 3-year medium term. The report outlines the progress made which shows a balanced position for 2024/25.

- 4.2.1 The Council remains ambitious for the City but has had to propose significant reductions to its expenditure in order to be sustainable in 2024/25. The Medium-Term Financial Strategy outlining the financial planning for the process adopted by Derby can be found here:

[Medium Term Financial Strategy](#)

- 4.2.2 Delivering a sustainable Council will not be achieved through continued 'salami-slicing' of services. The Council has an on-going duty to deliver value for money services, but the so called 'low hanging fruit' of savings opportunities, have long since gone. A continuous drive to be as cost effective as possible, will now only be achieved by creativity and innovation. The Council's strategy to achieve this is through the launch of the Delivery Board. This Board has been established to support the MTFP and build upon the way we work with our colleagues, communities, councillors, and partners to maximise our resources and do the best for our City. By working better together across the Council and with our partners we are:

- Championing change
- Working across organisation and community boundaries – led by individuals, aspirations, and needs
- Seeing our communities and individuals as a strength and help unlock their potential

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- Developing resilience by using the strength of combined partnerships to support communities
- Working together to identify resources and recognise our collective skills and reach

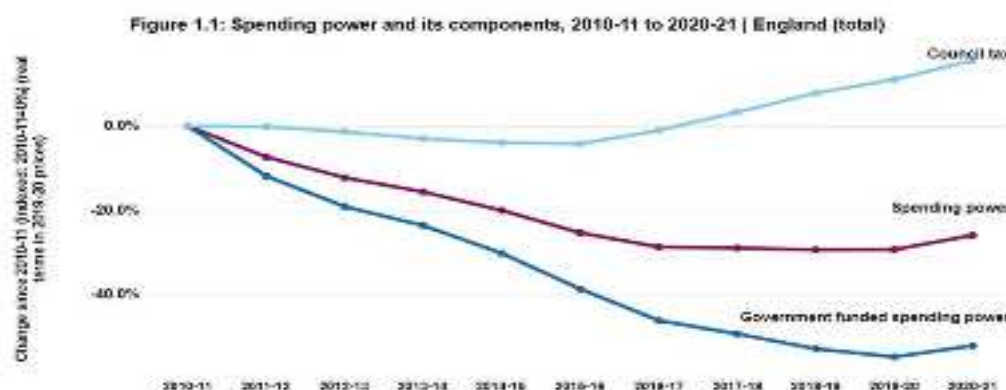
4.3 The Autumn Statement and The Local Government Financial Picture and Derby context

This budget has been developed in the context of a continuing challenging period for both the city and nationally.

- 4.3.1 The financial situation facing local government in England is the most perilous in living memory. In 2018, Northamptonshire County Council issued the first S114 Notice in the sector in 20 years. A briefing paper issued by the House of Commons Library in January 2023 shows that since 2018, ten councils have issued s114 notices, including Birmingham City Council, the largest local authority in Europe, and have then gone on to pass an amended budget reducing spending on services. More recently Nottingham City Council have issued a s114 notice.
- 4.3.2 Derby City Council is not in imminent danger of being in S114 territory, but it would also be misleading to suggest that our financial position is anything less than the most challenging it has been, since the authority became a unitary council in 1997. The proposals contained within this report are to deliver a balanced budget for 2024/2025, although the Council is still faced with significant pressures over the medium term with an estimated funding gap of a further £15m.
- 4.3.3 The recent Autumn Statement has had little impact on the assumptions in the councils MTFP model. No funding has been announced for local authorities beyond the increases that were already expected. There was further reaffirmation about the grant increases for social care in 2024/25 that were announced in the 2022 Autumn Statement. The Chancellor announced that more pressure will be applied to the public sector, with a target of 0.5% annual productivity improvements. The Chancellor has stated he wants to improve productivity in the public sector and to reduce the size of the civil service.
- 4.3.4 The financial model for Local Government has shifted with a greater proportion of overall funding coming from local taxes, council tax and business rates and less from direct Government support through the Revenue Support Grant. The Council, along with other local authorities, has faced reductions in core Government funding from 2010/11 to date and the calculation of the core spending power of local government has more recently changed to include council tax assumptions and is not limited to general Government revenue grant and business rates. This is a very significant change and emphasises the importance of local taxation in the sectors funding model.

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4.3.5



4.3.6 The Council's real term fall in spending power is a result of a reduction in central Governments fall in revenue support grant and although other grants have increased these come with specific grant conditions to fulfil ministerial priorities.

4.3.7 National Picture

Research estimates that there is a £3.5bn shortfall facing Councils in 2024/25. Analysis has shown that in October of this year, at least 114 councils were £10m short of their planned spending requirements, and at least fifteen were £40m short.

4.3.8 With resource levels including staffing being cut for over a decade, further reductions, and potential job losses, may be essential to deliver a balanced position, unless the Government intervenes with extra funding, or the role, structure and responsibilities of local government are revised.

4.3.9 Continued Cost of Living crisis

Despite some small inflationary reductions anticipated, the rising costs of fuel, food and other essentials are combining with existing disadvantage and vulnerability within our communities to put many households at greater risk of both immediate hardship and reduced opportunity and wellbeing.

4.3.10 Councils and local partners need adequate, sustainable resources to provide targeted and effective crisis support alongside services which increase opportunity and lift people out of poverty for good, with a strengthened role for councils in improving financial inclusion and resilience.

4.3.11 Children's Social Care Demand

Four in five of England's largest councils overspent on their children's services budget last year, with local authorities facing a surge in young people requiring care.

4.3.12 Councils in county areas saw some of the largest increases in England for referrals to children's services, which are done when there are concerns about a young person's safety and wellbeing.

4.3.13 The cost-of-living crisis is pushing more families into poverty, and children's services are facing unprecedented demand amid the national funding crisis. There continues to be significant demand for children's social care and the complexity of needs is escalating in response to the multi-faceted challenges children face in their day to day lives.

4.3.14 Adult Social Care

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Continued rising demand and costs for care and support have combined to increase demand for adult social care services within local government while the Adult Social Care market is under stress. The Care England conference in London this year in March revealed that one third of adult social care providers, including half of smaller organisations, have considered exiting the market in the past 12 months.

- 4.3.15 Over 400,000 people rely on care homes nationally and more than 800,000 receive care at home. However more than 165,000 adult social care jobs remain vacant, including more than one in ten care worker posts. Care providers are reporting that inability to recruit staff has negatively affected their service and many have stopped admitting new residents as a result.
- 4.3.16 **Taxation**
The spending power of local government is heavily reliant on the ability to raise resources through local taxation. The increases in core spending power of the sector are formed on the assumption of full maximisation of council tax.
- 4.3.17 In Derby we have a limited ability to raise resources through local council tax when compared to other authorities. Council tax income is limited by the high proportion of low value dwellings where 51 per cent of the Council's domestic properties fall into band A, which is the lowest band, and therefore the occupiers pay the lowest level of council tax charges.
- 4.3.18 **Combined Authority**
In August 2022, Derbyshire County Council, Nottinghamshire County Council, Derby City Council and Nottingham City Council signed a £1.14 billion devolution deal with Government.
- 4.3.19 The primary legislation enabling the deal to proceed received Royal Assent in October 2023. Following government's decision to proceed, each of the constituent members will be considered and consented to the Establishment Order to create EMCCA in December 2023. Inaugural mayoral election planned 2 May 2024.
- 4.3.20 **East Midlands Investment Zone**
The East Midlands has been announced by the government as an Investment Zone. A key characteristic of the new plan is that investment zones are intended to form 'knowledge-intensive growth clusters' as zones will require the cooperation of local research institutions like universities.
- 4.3.21 Each zone will be provided £160m worth of support over a ten-year period which can be used flexibly between spending and tax incentives. The zone was launched in the autumn statement but is subject to certain gateway requirements.
- 4.4 MTFP modelling assumptions**
- 4.4.1 An essential element of the MTFP is to ensure that the financial consequences of risk are adequately reflected.
- 4.4.2 Planning can reduce risk, but the Council must be aware of the potential variations that can arise and have a strategy for mitigating any adverse impacts. Risks can affect in year or future years' budgets.

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- 4.4.3 Robustness of Estimates - The Section 151 Officer reviews and reports on the appropriateness of reserve levels to mitigate risk in the budget setting Cabinet Report in February 2024. Planning risk and changes to future funding assumptions are reviewed and updated in the ongoing MTFP. The reserves position represents a risk to the Council with the current in year overspend, if not mitigated before out-turn, will significantly reduce the availability of reserves.
- 4.4.4 Collection fund (Council Tax and Business Rates) – Forecasts are based on the latest intelligence. However, both collection rates, and appeals assumptions can change with minor percentages having a significant impact on funding available. This is monitored on a monthly basis and addressed as appropriate through the year.
- 4.4.5 New Homes Bonus (NHB) – This is not included in current modelling assumptions. At time of writing there has been no new announcement on New Homes Bonus.
- 4.4.6 Social Care Council Tax Precept - The budget is modelled on a level of Council Tax increase for 2024/24 of 4.99% which includes a 2% precept for social care. Any changes in assumed collection rates can affect the funding available and this will be monitored and reported appropriately with alternative solutions found to mitigate these risks.
- 4.4.7 Pay Award – A 4% pay increase is included for each year in the MTFP, this is subject to review of details of awards for local government colleagues. The impact of a 1% difference in pay inflation assumptions equates to circa a £1.4m per annum.
- 4.4.8 Turnover – 6% is built into the budget for a staffing turnover expectation. This means recruitment of staff will need to reflect this expectation and although there is a risk of impact to Council Services in achieving this the target is generally achieved through natural recruitment timings.
- 4.4.9 Savings Plans – With a significant volume of savings required in the short term there is a risk of slippage through unforeseen delays and the timing of savings delivery. Plans within portfolio areas need to be managed robustly and services potentially reduced/stopped in a timely manner in order to identify alternative savings within each directorate to ensure a balanced position and therefore mitigate any use of reserves and help ensure the sustainability of the council’s finances in the medium term.
- 4.4.10 Forecast Budget Pressures – These have been included based on the latest information available however there are risks that these may materialise differently to that assumed at the time of setting the budget. These will be reviewed on an ongoing basis addressed in monthly reports to Corporate Leadership team and Cabinet will be updated quarterly.
- 4.4.11 Workforce profile – Reduction in the workforce could have an impact on delivery of savings and associated delivery of efficiencies in the short term, especially if in year priorities emerge. The reduction in the workforce may also impact on reserves with any costs associated with potential redundancy.
- 4.4.12 Capital programme risk – There is a risk within the capital programme of the Council that rising inflation and lack of available contractors for example will increase the cost

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requirement of projects which could potentially increase borrowing and the revenue bottom line costs associated with this. There are further risks including emerging priorities diverting resources. The programme will be monitored monthly and outlined to Cabinet quarterly to reflect these risks and potentially reduce the programme to avoid incurring extra revenue pressures.

- 4.4.13 Business Rates – As the value of business rates retained in Derby is below the Government’s formula assessment, the Council receives a ‘top up’ grant. Any revaluation of business rates and multiplier change will affect the total rates yield and therefore the amount retained. Business Rates is forecasted using the latest intelligence and past performance to mitigate this and the position is reported to cabinet quarterly for monitoring purposes. The Council makes provision for business rate appeals and bad debt on an annual basis. These are monitored on a quarterly basis.
- 4.4.14 General Inflation – The current Medium Term Financial Plan includes a range of inflation assumptions based on the latest intelligence and indicators. The Budget provides for inflation for specific items (energy, external contracts etc) but has applied a ‘cash freeze’ for more general items of expenditure. Levels of inflation will be monitored as a priority in monthly revenue monitoring to assess the level of risk and volatility and how any such risks could be mitigated in the first instance
- 4.4.15 Energy and Fuel Price rises – This area of inflation continues to be high. Inflation on energy and fuel has seen significant increases but there are some areas of levelling off. Emerging issues will need to be addressed through managing existing budgets in the first instance.
- 4.4.16 Pension costs – The triannual review may impact this medium-term plan in 2026/27. There is no intelligence of impact at this stage and is therefore a risk to the MTFP. The MTFP will be updated when the implications become apparent.
- 4.4.17 Spending Risk - The Council will continue to operate a scrutiny process for reviewing spend. This will help mitigate any unforeseen pressures in current and future year budget allocations. The spending panels focus on the need to spend alongside active vacancy management.
- 4.4.18 Treasury Management Risks - The Council has a portfolio of investments and borrowings and is therefore potentially exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council’s treasury management strategy. The Council is currently under borrowed due to the policy of using internal investments to negate the immediate need to borrow at more expensive rates. The Council has started to borrow in 2023/24, our current strategy is to manage cashflows through short term loans. Active treasury management will seek to delay significant long-term borrowing until interest rates reduce.

Link to the Council’s Treasury Management Mid-Year Report:

[Treasury Management Mid-Year Review](#)

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4.4.19 The Treasury Management model includes an additional £7m contingency fund (£3.5m in 2024/25 and £3.5m in 2025/26) to mitigate inflationary risks.

4.5 The current MTFP position

4.5.1 The Council's last approved MTFP was approved in February 2023. This indicated a balanced budget in 2023/24 with a current permanent budget gap of £15.524m to be addressed in future years.

4.5.2 The table below shows the Council's forecasted MTFP position for 2024/25 to 2026/27 compared to that presented to Council in February 2023:

MTFP	2024/25 £m	2025/26 £m	2026/27 £m
MTFP Budget Gap (Feb 2023)	8.516	17.260	17.260
MTFP Budget Gap (Dec 2023)	-	13.955	15.524
(Decrease)/Increase	(8.516)	(3.305)	(1.736)

4.5.3 The budget proposals include additional demand and economic pressures such as rising inflation and increased demands in social care and therefore, has proposed significant reduction in expenditure.

4.5.4 The table below shows the movements for savings and pressures each year:

Savings and Pressures	2024/25 £m	2025/26 £m	2026/27 £m
Savings/Income Generation			
MTFP Feb 2023 Council	(3.561)	(0.212)	-
Current MTFP	(8.371)	0.130	-
Difference	4.810	0.342	-
Pressures			
MTFP Feb 2023 Council	16.552	9.925	-
Current MTFP	24.676	14.080	7.860
Difference	(8.124)	(4.155)	(7.860)

4.6 Pressures and Savings by Directorate

4.6.1 Savings and pressures in the MTFP have been articulated by Directorate. Details of this can be found at Appendix 2 for savings and Appendix 3 for pressures.

4.6.2 Pressures

Below is the latest forecast pressures included in the Medium-term Financial Plan:

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Directorate	2024/25 £m	2025/26 £m	2026/27 £m
People Services	11.930	4.571	0.500
Place	1.789	0.088	1.236
Chief Executives and Corporate	10.957	9.421	6.124
Total	24.676	14.080	7.860

4.6.3 Next year, provision has been made for key investment in the following areas:

- Provision for increased package costs and demand for adult services of £7.34m. This pressure reflects the impact of the national living wage and inflation on the cost of care packages. Also, the new funding to increase the budget for the workforce and hospital discharge programmes.
- Provision for an increase in demand across children's social care including the cost of placements for looked after children £4m. This pressure reflects the national shortage of placements at the complex end of the spectrum. Derby's demand management programmes have been very successful in this area and the numbers of looked after children are at their lowest since the Pandemic.
- Provision for the increased costs of social worker salaries due to the increased pay award in 2023/24 and the staff complement being mostly at the top of the salary bands £0.850m. Despite this being a financial pressure, this is positive as it means we have a stable social care workforce, and we are not reliant on agency workers.
- Provision to cover the increased costs of staff within street pride mostly due to the increased pay award in 2023/24 £0.600m.
- Increased budgets to cover the rise in electricity costs £0.410

These and other pressures are outlined in Appendix 3.

4.6.4 Savings

Below is the latest forecast savings included in the medium-term Financial Plan:

Directorate	2024/25 £m	2025/26 £m	2026/27 £m
People Services	(5.102)	-	-
Place	(1.695)	0.305	-
Chief Executives	(1.574)	(0.175)	-
Total	(8.371)	0.130	-

4.6.5 These reductions cut across every service area, including:

- Adult Social Care packages - undertake planned social care review and reassessments of vulnerable people living in the community to focus on their essential needs
- A review of the vacant posts across services and removing these where they have been vacant for some time without disruption to services.

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- Increased income from Health for the most complex cases for the joint social care and health packages
- Rationalisation of Home Care Fees
- Further savings following implementation of the Home to School Transport 4-year contract with a Transport Operator.
- Home to School Transport efficiencies
- Redesign Staff resource across Climate, Waste and Property
- Wider Council Income from Commercial Approach
- Review of fees across parking and engineering services
- Carry out an options appraisal for the remaining leisure facilities.

These and other savings are outlined in Appendix 2.

4.7 Impact on Workforce

4.7.1 The Council will seek to minimise compulsory redundancies where possible.

4.7.2 The proposals contained in this report for will potentially reduce the workforce by an estimated 12.40 FTE posts in 2024/25, if implemented. The proposed workforce reductions are across all Council services including front line and back office. The table below summarises the proposed workforce reductions over the MTFP period.

4.7.3

Directorate Proposals 2024/25	Proposals	Vacant Posts	Potential further reduction
	FTE	FTE	FTE
Peoples	6.40	6.40	-
Communities and Place	4.00	3.00	1.00
Corporate Resources	2.00	1.00	1.00
Total	12.40	10.40	2.00

4.7.4 The savings proposals in Appendix 2 marked as to be confirmed (TBC) relate to service redesign proposals that are not yet finalised and will be consulted upon as appropriate, once developed.

4.7.5 The proposed post reductions will be managed through the deletion of vacancies where appropriate. Consultation on any potential redundancies will be carried out in line with the Council's consultation, restructuring and redundancy policy.

4.7.6 The cost of change (redundancies, pension strain costs) will be funded from reserves.

4.8 Reserves

4.8.1 Regular review of reserves is an integral part of the in-year forecast monitoring and MTFP planning. This helps to ensure that the resources and priorities of the Council are aligned.

4.8.2 Where appropriate the Council seeks to smooth the impact of MTFP changes through the application of earmarked reserves for example the Treasury Management reserve. If the forecast overspend of £6.560m outlined in the Qtr.2 forecast monitoring report to cabinet on November 21st materialises this will impact on the reserves position of the council and its sustainability in the medium term.

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4.8.3 The opening balance for 2023/24 outlined in Appendix 1 is £64.385m. These comprise of:

- General Fund Reserve: This is the retained reserve balance and is set at a level recommended by the S151 Officer
- Budget Uncertainties Reserve: This reserve is used as a ‘smoothing reserve’ over the period of the MTFP and is used for balancing in year pressures or surpluses alongside specific allocations to specific initiatives in line with the Councils ambitions
- Earmarked Reserves: These reserves are set aside for specific purposes and are drawn down as planned/required.

In the MTFP agreed in February 2023 there were planned contributions to reserves which the financial sustainability of the Council. The proposals are outlined below with some minor revisions:

Year	Per Feb 2023 Budget setting assumptions £m	Now £m	Reserve
2024/25	2.640	2.640	To General Fund
	2.000	*1.000	To Budget Risk
	1.000	**0.547	To PFI
Sub total	5.640	4.187	
2025/26	2.640	2.640	To General Fund
	1.000	1.000	To Budget Risk
	1.000	1.000	To PFI
Sub total	4.640	4.640	
2026/27	2.000	2.000	To PFI
Sub total	2.000	2.000	
TOTAL	12.280	10.827	

*Reduced replenishment due to pressure on Budget risk reserve reducing and the need to balance the MTFP in year 1.

**The replenishment of the MTFP to the PFI has been reduced in the model because it has not been required for the cost of change reserve therefore £0.453m has been transferred back from the cost of change reserve to PFI reserve and therefore only £0.547m required in this MTFP iteration.

In addition, the Council has used further income due to them (The successful Vat claim of £0.969m) and unused earmarked reserves of £1.431m to facilitate a balanced position in year 1 of the MTFP)

4.8.4 These have been reviewed and updated to ensure a balanced position for 2024/25 and support remaining sustainable in the medium term.

4.8.5 Based on the forecast revenue position at Qtr. 2, existing commitments, and the proposals in this report the expected balance on the General Fund Reserve and Budget Risk Reserve is estimated to be:

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Reserve	Opening Balance on 1 st April 2023	Utilisation 2023/24	Opening Balance on 1 st April 2024	Forecast Change 2024/25	Opening Balance on 1 st April 2025	Forecast Change 2025/26	Opening Balance on 1 st April 2026	Forecast Change Future Years	Future Years Opening Balance
	£m	£m	£m	£m	£m	£m	£m	£m	£m
General Fund Reserve	8.933	(4.304)	4.629	2.639	7.268	2.639	9.907	-	9.907
Budget Risk Reserve	5.070	(5.070)	-	1.249	1.249	0.812	2.061	(1.809)	0.252

- 4.8.6 The above table assumes that there will not be the requirement for further unplanned drawdown of reserves and that savings are delivered within the MTFP. An assessment of the level of reserves and robustness of estimates will be contained in the Section 25 report from the S151 Officer, to be considered by Cabinet in February 2024.
- 4.8.7 There continues to be a focus on reserves and every opportunity must be considered to either reduce current commitments in reserves or identification of resource to transfer into reserves – for example by utilising emerging further funding and for commitments and replenishing reserves to continue to remain sustainable in the short to medium term.
- 4.8.8 A detailed reserves analysis is attached at Appendix 4.
- 4.9 The Council’s Capital Programme**
- 4.9.1 The Council Plan sets down a series of outcomes and ambitions that will require Capital investment to deliver. The funding of the Capital Programme is from External Contributions, Capital Receipts and Prudential Borrowing and Revenue Contributions.
- 4.9.2 Throughout the summer and autumn, the capital programme has been scrutinised through a series of workshops and meetings within strategy areas, in order to take a prudent approach in the medium term, in response to the limited funding available due to the exceptional increasing pressures facing the council in the short and medium term.
- 4.9.3 The effective utilisation of capital resources is fundamental to realising the Council’s ambition through both the management of the Council’s asset estate and its priorities. A great deal of the capital activity within the programme is either committed to existing schemes or funded through Government grants and therefore the true flexibility comes from either capital receipts or borrowing. Whilst the level of borrowing is still relatively low compared to comparator Councils, in light of the current financial constraints on the Council significant new investment has been limited to essential schemes only.
- 4.9.4 Despite the current financial constraints, the Council retains a capital ambition for the City which delivers across themes such as economic regeneration, health and wellbeing, economic vibrancy, diversification and skills, job creation and the development of the City’s cultural offer. However, it is not possible in the current

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financial climate to bring forward new schemes for inclusion within the published Capital Programme.

- 4.9.5 As part of the capital programme review the Council has looked at forward commitments and the revenue impact this has on prudential borrowing as part of the MTFP process.
- 4.9.6 The Capital Programme (excluding the HRA) detailed below totals £290.371m over the next three years. This programme will have a major positive impact on the City.
- 4.9.7 In February 2023, Council approved a Capital Programme for 2023/24. This represented investment programme in key areas such as:
- Modernisation, renewal, and replacement of key Council buildings
 - Economic regeneration of the City Centre (e.g., Becketwell)
 - Investment in housing
 - Investment into schools including provision of additional places
 - Flood defence works.
- 4.9.8 During 2023/24, monitoring and amendment of the current approved capital schemes is ongoing with spend profiled between financial years to match deliverability assessments and review the financing assumptions linked to individual schemes.
- 4.9.9 The revenue impact of this and the final capital programme has been modelled through the Treasury debt model to determine the financing impact on the Revenue Budget going forward. This is included in the MTFP. This will be refreshed once the Qtr. 3 Capital Monitoring has been reported (including any further slippage).
- 4.9.10 The Capital Programme includes continued investment in rolling programmes:
- 4.9.11 The Cabinet is proposing a three-year general fund Capital programme totalling £290.371m for the years 2024/25 to 2026/27 as set out in the tables below:

General Fund - Summary Capital Expenditure Programme 2024/25 - 2026/27

Programme Area	2024/25 £m	2025/26 £m	2026/27 £m	Total £m
Expenditure				
Schools	21.737	1.670	1.670	25.077
Housing General Fund	4.585	3.494	3.003	11.082
Property	7.889	6.860	6.860	21.609
Parks & Open Spaces	0.836	0.636	0.267	1.739
Flood Defence	0.381	0.250	0.250	0.881
Highways & Transport	8.212	7.338	7.382	22.932
Highways & Transport - TCF	21.914	2.246	-	24.160
Vehicles Plant & Equipment	2.464	1.378	2.317	6.159
Regeneration	52.079	2.452	-	54.531

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OCOR	31.271	36.477	-	67.748
ICT	1.590	0.915	1.365	3.870
Corporate	6.197	37.250	7.136	50.583
Total	159.155	100.966	30.250	290.371

* The above Programme excludes HRA Capital Schemes that will be reported separately to cabinet. This will not affect general fund revenue borrowing requirements outlined in the report

** A contingency has been included in the Treasury Management debt model to support rising inflationary costs on the capital programme as noted in section 4.4.19.

4.9.12 The programme is modelled within years based on latest deliverability assessments, however through refining of ongoing projects and in some cases unforeseen circumstances there can be significant movement between years which will be monitored and reported to Cabinet as appropriate.

4.9.13 Funding

The programme is funded through £156.474m of external funding, £133.897m of council resources (including borrowing). The programme does not include final slippage from 2023/24 which will not be known until 2023/24 outturn is finalised.

4.9.14 In recent years, the Council has been more successful in securing significant external funding to deliver the City's ambition. It is important that the Council continues to target capacity at securing this funding where it delivers on the City's ambitions. It is important that these are evidenced through robust business cases, and gateway review process through the Project Management Office – PMO.

4.10 Council Tax assumptions

4.10.1 A significant proportion of funding for local Government services now comes from locally generated funds, retained business rates and increasingly Council Tax. It is important that the Council maximises income from Council Tax whilst providing support to lower income households through the Local Council Tax Support Scheme (LCTS).

4.10.2 The Council Tax referendum thresholds for 2024/25 are 2.99% with the option to levy an additional 2% social care precept.

4.10.3 The current strategy for Council Tax is to continue to utilise the allowances afforded by Central government. The budget is therefore currently modelled on a level of Council Tax increase for 2024/25 of 4.99% which includes a 2% precept for social care.

4.10.4 The Council Tax base has increased by 367.79 Band D equivalent properties for 2024/25.

The collection rates assumed are:

Council Tax Forecasts	2024/25	2025/26	2026/27
Collection Rate	97.4	97.4	97.4

Appendix 1

4.10.5 The proposed Council Tax for 2024/25 are:

Band	No. of Properties	% in receipt of Council Tax Support	2023/24 Derby City Council Tax	Proposed 2024/25 Derby City Council, Council Tax	Annual Increase	Weekly Increase
			£	£	£	£
Band A	57,914	14,352	1,104.45	1,159.56	55.11	1.06
Band B	22,028	2,087	1,288.52	1,352.82	64.30	1.24
Band C	17,040	996	1,472.60	1,546.08	73.48	1.41
Band D	8,844	258	1,656.67	1,739.34	82.67	1.59
Band E	4,807	52	2,024.82	2,125.86	101.04	1.94
Band F	2,336	40	2,392.97	2,512.38	119.41	2.30
Band G	703	9	2,761.12	2,898.90	137.78	2.65
Band H	54	0	3,313.34	3,478.68	165.34	3.18

4.10.6 Council Tax support is provided to 17,794 properties out of the total number of properties of 113,726. The support is for anyone with a Council Tax liability that is eligible on a low income.

4.11 The Consultation Process

4.11.1 It is proposed that general consultation will begin on 21st December and run until 26th January 2024. This will give people the opportunity to provide feedback on the proposals and this will be used to inform the final decisions at Council Cabinet.

4.11.2 The consultation will be open to anybody who lives, works, or studies in Derby and wants to take part. A consultation document setting out the budget proposals will be prepared and published on the day the consultation opens. An online survey will be available on the website with paper versions available when requested.

4.11.3 Consultation will be undertaken with statutory consultees, business ratepayers, partnership board, voices in action (young people), other equality groups, health.

Public/stakeholder engagement

5.1 The MTFP process has been through Officer and Cabinet engagement. This report outlines all the approved proposals to date (including those approved at February 2023 Council), plus those new proposals requiring consultation. The final budget setting report is due to go to February Cabinet for approval and subsequent recommendation to approve the Budget at Full Council on the 28 February 2024.

Other options

6.1 The Council is required to set a balanced revenue and capital budget for 2024/25 by 11th March 2024.

Financial and value for money issues

Appendix 1

7.1 Outlined in the main body of the report.

Legal implications

- 8.1 The report demonstrates that the Council is taking appropriate action to meet its statutory requirement to deliver a balanced budget. The need to consult before any final decisions are made that translate into a service delivery change is acknowledged within the report. Equally important is the need to ensure that the Council complies with the public sector equality duty by assessing the impact of the savings proposals across all impacted sectors prior to a final budget decision being made.
- 8.1.2 Where changes to the provision of public services are proposed particularly in relation to welfare provision, whether that is in the manner of provision or as a result of the need to accommodate budget reductions, consultation with relevant stakeholders is undertaken and its outcome and implications are considered prior to a final decision being made.
- 8.1.3 Equally important is the need to demonstrate compliance with the public sector equality duty by undertaking equality impact assessments, the outcomes, and implications of which should be fully considered. The report identifies proposals which, if approved, will affect children, older adults, and persons with disabilities, amongst others, all of which are groups that are statutorily protected equality strands under the Equality Act 2010.

Climate Change

- 9.1 All climate implications within the schemes outlined in this report will be considered as appropriate.

Equality and Socio-Economic Implications

- 10.1 Appropriate equality impact assessments will be carried out with regard to the final budget proposals, which includes consideration of socio-economic impacts.

Other significant implications

- 11.1 **Personnel** - Subject to the approval of the recommendations, any proposal which may affect staff if implemented in 2024/25 would be subject to appropriate consultation with staff and trade unions. The proposals, if implemented, could result in redundancies, and the staff and trade union consultation will be carried out in line with the Council's consultation, restructuring and redundancy policy. The numbers of staff potentially affected by the proposals are outlined in detail in section 4.7.3.
- 12.1 **Risk Management and Safeguarding** - The national and local picture continues to indicate growing risks in respect of statutory services and inflation. There are also a range of factors affecting local and national economic recovery or impact.
- 12.1.2 The level of usable reserves to support further economic shocks remain a material risk to the Council's financial sustainability and resilience.

Appendix 1

12.1.3 The budget report to February Cabinet will include the S151 Officer's formal assessment of the robustness of estimates in the budget proposals and the adequacy of reserves and provisions, including an assessment of the need for any additional risk provisions. Risks have been assessed throughout the budget process and where possible, reasonable mitigation has been made. When the budget is set the financial risk will be monitored throughout the year and reported to cabinet on a quarterly basis. There are earmarked reserves that, if required, can be used to manage risks, however this will impact on agreed commitments of the Council.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Olu Idowu – Head of Legal Services	
Finance	Toni Nash – Head of Finance - Resources	12/12/2023
Service Director(s)	See below	-
Report sponsor	Alison Parkin – Director of Financial Services	
Other(s)	Liz Moore – Head of HR and OD	
For more information contact:	Toni Nash, Head of Finance Tel: 01332 641491 Email: Toni.Nash@derby.gov.uk	
List of appendices:	Appendix 1 – MTFP Summary Appendix 2 – Savings – Existing and Proposed New by Directorate Appendix 3 – Pressures – Existing and Proposed New by Directorate Appendix 4 – Revenue Reserves Appendix 5 – Draft Capital Programme	

Appendix 1

Medium Term Financial Plan 2024/25 to 2026/27	<i>Previous year (Restated directorates budgets)</i>	Draft MTFP		
	2023/24	2024/25	2025/26	2026/27
	£000's	£000's	£000's	£000's
FUNDING				
- Retained Business Rates	60.916	60.916	62.416	63.916
- Core Government Grants	25.122	28.134	28.134	28.134
- ASC Funding	6.805	11.085	10.104	10.104
- Council Tax	117.688	124.901	132.018	139.450
- Estimated Surplus/(Deficit) on Collection Fund (one-off)	(0.489)	-	-	-
- Better Care Fund	27.087	27.448	27.448	27.448
- Public Health	20.156	20.756	20.756	20.756
- Other Grants	26.823	33.109	33.109	33.109
Total Resources Available	284.107	306.348	313.984	322.916
BUDGET - Prior Year Budget for Directorates:				
People Services:				
Adults & Health:				
- Employee Costs	20.560	20.560	20.658	20.977

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- Running Costs	85.707	85.707	90.469	96.843
- Public Health	16.556	16.556	16.556	16.556
- Inflation Estimates	-	1.772	1.812	1.852
- Grant Income	(0.006)	(0.006)	(0.006)	(0.006)
- Other Income <i>(Client Contributions, FNC, Joint Funding)</i>	(16.441)	(16.441)	(16.992)	(17.353)
- Pressures	-	7.392	4.519	0.500
- Savings	-	(4.854)	-	-
Adults & Health Net Budget:	106.375	110.685	117.016	119.368
Children's:				
- Employee Costs	42.205	42.205	43.402	44.013
- Running Costs	362.375	362.375	366.501	366.993
- Inflation Estimates	-	1.022	1.040	1.714
- Grant Income	(316.721)	(316.721)	(316.721)	(316.721)
- Other Income	(4.309)	(4.309)	(4.319)	(4.329)
- Pressures	-	4.538	0.052	-
- Savings	-	(0.248)	-	-
Children's Net Budget:	83.551	88.864	89.956	91.670
Peoples Total Net Budget:	189.926	199.549	206.972	211.038
Communities and Place:				
- Employee Costs	36.206	36.206	36.672	36.942
- Running Costs	42.944	42.944	44.050	45.406
- Inflation Estimates	-	0.997	1.020	1.045
- Grant Income	(1.591)	(1.591)	(1.591)	(1.591)
- Other Income	(32.961)	(32.961)	(33.443)	(33.656)
- Pressures	-	1.789	0.088	1.236
- Savings	-	(1.695)	0.305	-
Communities and Place Net Budget:	44.598	45.688	47.101	49.382
Medium Term Financial Plan 2024/25 to 2026/27	Previous year (Restated directorates budgets)	Draft MTFP		
	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's
Chief Executive's:	-			
- Employee Costs	31.208	31.208	31.159	31.652
- Running Costs - <i>includes Housing Benefits</i>	92.682	92.682	94.800	94.968
- Inflation Estimates	-	0.643	0.656	0.670
- Grant Income - <i>Includes Housing Benefit</i>	(69.478)	(69.478)	(69.478)	(69.478)
- Other Income	(18.087)	(18.087)	(18.110)	(18.143)
- Pressures	-	2.701	0.146	0.205
- Savings	-	(1.299)	(0.175)	-
Chief Executive's:	36.326	38.371	38.999	39.873
Corporate:	-			
- Treasury Management	13.087	13.087	16.261	21.791
- Bank Charges	0.104	0.104	0.104	0.104
- Pension Cost	0.593	0.593	0.593	0.593

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- Transport Act	0.081	0.081	0.081	0.081
- Support Services Balance	0.099	0.099	0.099	0.099
- Schools DSG Grant Income - Corporate	(0.144)	(0.144)	(0.144)	(0.144)
- Regeneration Contingency	(0.135)	(0.135)	(0.135)	(0.135)
- Corporate Contingency Fund	(0.786)	(0.786)	0.114	0.114
- Corporate Revenue Budget Contingency	0.181	0.181	0.181	0.181
- Scape Dividend	(0.250)	(0.250)	(0.250)	(0.250)
- Opportunity Fund	0.140	0.140	0.140	0.140
- Pay Award - Council wide	-	3.382	6.927	9.646
- Pressures - <i>Including Council Wide pressures</i>	-	4.875	6.531	4.200
- Savings - <i>Including Council Wide pressures</i>	-	(0.275)	(0.275)	(0.275)
Corporate Net Budget:	12.970	20.952	30.227	36.145
Net Budget (prior to movement in reserves)	283.820	304.561	323.300	336.439
Operating Surplus/(Deficit) before use of Reserve	0.287	1.787	- 9.316	- 13.524
Reserves				
- Trf to reserves - General Reserve		2.640	2.639	-
- Trf to reserves - Budget Risk Reserve		1.000	1.000	2.000
- Trf to/from reserves - Earmarked Reserves		(1.853)	1.000	-
- Use of reserves - Collection Fund Smoothing Reserve	1.061			
- Use of reserves - Priority Families Reserve	(0.105)			
- Use of reserves - Treasury Management Reserve	(0.670)			
Net Budget Requirement after use of Reserves	294.106	306.348	327.939	338.439
Budget Gap/(Surplus)	0	0	13.955	15.524

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Appendix 2

PEOPLE'S – ADULTS SAVINGS:

Directorate	Saving	Category	2024/25	2025/26	2026/27	FTE Reduction		
			'£000	£000	£000	Total number of FTE reduction	Vacant Posts FTE	VR/CR FTE
EXISTING PEOPLE'S – ADULTS SAVINGS								
People Services - AH	Scale down care packages for People Living in the Community.	Running	-950	0	0	0	0	0
TOTAL EXISTING PEOPLE'S – ADULTS SAVINGS			-950	0	0	0	0	0
NEW PEOPLE'S – ADULTS SAVINGS:								
People Services - AH	Deletion of vacant Adult Social Care posts.	Employee	-215	0	0	4	4	0
People Services - AH	Increased income from partners towards the cost of complex packages of care.	Other Income	-200	0	0	0	0	0
People Services - AH	AI and Occupational Therapy led reviews of community care packages.	Running	-2,904	0	0	0	0	0
People Services - AH	Use of AI to reduce the need for residential placement - keeping clients in the community.	Running	-125	0	0	0	0	0
People Services - AH	Use of AI to allow Citizens & Professionals to obtain FAQ responses, signposting to services, self-assessment and create enquiries & notifications.	Running	-50	0	0	0	0	0
People Services - AH	Use of AI - outbound proactive chasing of financial debt. The solution is anticipated to generate improved recovery of the existing debt.	Running	-210	0	0	0	0	0
People Services - AH	Rationalisation of Home Care fees.	Running	-200	0	0	0	0	0
TOTAL NEW PEOPLE'S – ADULTS SAVINGS			-3,904	0	0	4	4	0
TOTAL PEOPLE'S - ADULTS SAVINGS:			-4,854	0	0	4	4	0

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PEOPLE'S – CYP SAVINGS:

Directorate	Saving	Category	2024/25	2025/26	2026/27	FTE Reduction		
			'£000	£000	£000	Total number of FTE reduction	Vacant Posts FTE	VR/CR FTE
EXISTING PEOPLE'S - CYP SAVINGS:								
People Services - CYP	Quality Standards and Performance - reduction in School Improvement capacity from September 2023.	Employee	-32	0	0	0.4	0.4	0
People Services - CYP	CYP Integrated Commissioning - Integrated Disabled Services for Children (Lighthouse) - reversal of 23/24 one-off saving.	Running	350	0	0	0	0	0
People Services - CYP	CYP Integrated Commissioning - Integrated Disabled Services for Children (Lighthouse) - savings removed below.	Running	-400	0	0	0	0	0
TOTAL EXISTING PEOPLE'S - CYP SAVINGS			-82	0	0	0.40	0.40	0
NEW PEOPLE'S - CYP SAVINGS:								
People Services - CYP	CYP Integrated Commissioning - Integrated Disabled Services for Children (Lighthouse) - removal of existing saving above.	Running	400	0	0	0	0	0
People Services - CYP	CYP Integrated Commissioning - Further savings following implementation of the Home to School Transport 4-year contract with a Transport Operator.	Running	-350	0	0	0	0	0
People Services - CYP	CYP Integrated Commissioning - Proposal to develop and commission a 4-year contract for Home to School Transport for Out of Authority placements with Transport Operator(s) to develop efficiencies, flexibilities, and stability with an integrated partnership approach.	Running	-80	0	0	0	0	0
People Services - CYP	CYP Integrated Commissioning - Home to School Transport - proposal to continue to further develop Independent Travel Training for children and young people as part of Preparation for Adulthood.	Running	-45	0	0	0	0	0
People Services - CYP	Use of AI - reduction in 3rd party translation costs through the ability to translate documents within the AI solution.		-25	0	0	0	0	0
People Services - CYP	Deletion of vacant posts.	Employee	-66	0	0	2	2	0
TOTAL NEW PEOPLE'S - CYP SAVINGS			-166	0	0	2	2	0

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TOTAL PEOPLE'S - CYP SAVINGS:		-248	0	0	2.40	2.40	0
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PLACE SAVINGS:

Directorate	Saving	Category	2024/25	2025/26	2026/27	FTE Reduction		
			'£000	£000	£000	Total number of FTE reduction	Vacant Posts FTE	VR/CR FTE
			EXISTING PLACE SAVINGS:					
Place	Redesign staff resource / Climate/ Waste / Property savings.	Employee	-100	0	0	1	0	1
Place	Review of Economic Growth structure and budgets - including deletion of international budget (activity and post), reduced grant to Marketing Derby, reduction in consultancy spend.	Employee	-10	0	0	0	0	0
Place	Wider Council income from Commercial Approach.	Other Income	-250	0	0	0	0	0
Place	Engineering - re-charge rates for certain specialist services.	Other Income	-50	0	0	0	0	0
Place	T&T - reintroduction of pre-covid parking fees.	Other Income	-150	0	0	0	0	0
Place	T&T - reintroduction of charging for toilets in bus station.	Other Income	0	-15	0	0	0	0
Place	Engineering - budget reduction 10% in Bridge and Drainage budgets for 1 year being 2023/24 hence the removal in 24/25	Running	25	0	0	0	0	0
Place	Engineering T&T - reduction in energy and C02 by replacement of streetlights to LED.	Running	-80	0	0	0	0	0
Place	T&T - INVEST TO SAVE: reduce energy costs by refurbishment of traffic signals.	Running	-5	-10	0	0	0	0
Place	Leisure - Carry out an options appraisal for the remaining leisure facilities. This would provide a strategic approach to exploring the potential financial benefits for different delivery models. .	Running	-665	0	0	0	0	0
Place	Regulatory Services - restructure following senior leadership restructure.	Employee	-65	0	0	0	0	0
Place	Community Safety and Local Area Coordination - remodelling the team and reduced expenditure within the service.	Employee	-280	0	0	2	2	0

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Place	Community Safety - restructure following senior leadership restructure.	Employee	-65	0	0	1	1	0
Place	Highways - partial savings reversal.	Running	350	0	0	0	0	0
Place	Libraries - City Book Fund - reversal of one-off saving (removed below).	Running	32	0	0	0	0	0
Directorate	Saving	Category	2024/25	2025/26	2026/27	FTE Reduction		
			'£000	£000	£000	Total number of FTE reduction	Vacant Posts FTE	VR/CR FTE
Place	Libraries - pause of Adult Audio book and CD Materials (Reversal of one-off saving - removed below).	Running	71	0	0	0	0	0
Place	Streets - reduce ward-based street cleansing and reduce by 1 FTE (saving removed below).	Employee	-27	0	0	0	0	0
Place	T&T - introduce charging for creating Disabled Parking Bays (saving removed below).	Other Income	-5	0	0	0	0	0
Place	Parks - to pause the replacement of old timber bollards and installation of new bollards in 23/24 and 24/25 to ensure that health and safety related works can be delivered (saving removed below).	Running	0	8	0	0	0	0
Place	Leisure and Public Spaces (including Culture) - Museum Trust payment reduced by 10% (saving for year 24/25 removed below).	Running	-20	-20	0	0	0	0
TOTAL EXISTING PLACE SAVINGS			-1,294	-37	0	4	3	1
NEW PLACE SAVINGS:								
Place	Highways - delaying the reversal of the existing saving above by one year.	Running	-350	350	0	0	0	0
Place	Libraries - City Book Fund - reversal of one-off saving (existing saving above removed).	Running	-32	0	0	0	0	0
Place	Libraries - pause of Adult Audio book and CD Materials (reversal of one-off saving - removed).	Running	-71	0	0	0	0	0
Place	Streets - reduce ward-based street cleansing and reduce by 1 FTE (saving removed).	Employee	27	0	0	0	0	0
Place	T&T - introduce charging for creating Disabled Parking Bays (saving removed).	Other Income	5	0	0	0	0	0
Place	Parks - to pause the replacement of old timber bollards and installation of new bollards in 23/24 and 24/25 to ensure that health and safety related works can be delivered (saving removed).	Running	0	-8	0	0	0	0
Place	Leisure and Public Spaces (including Culture) - Museum Trust payment reduced by 10% - removed saving in year 24/25.	Running	20	0	0	0	0	0

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TOTAL NEW PLACE SAVINGS		-401	342	0	0	0	0
TOTAL PLACE SAVINGS:		-1,695	305	0	4	3	1

CHIEF EXECUTIVE'S SAVINGS:

Directorate	Saving	Category	2024/25	2025/26	2026/27	FTE Reduction		
			'£000	£000	£000	Total number of FTE reduction	Vacant Posts FTE	VR/CR FTE
EXISTING CHIEF EXECUTIVE'S SAVINGS:								
Chief Executive's	To review the impact of not undertaking essential repairs to the council's property assets focusing on keeping buildings safe or closure where repairs are not affordable.	Running	-75	-75	0	0	0	0
Chief Executive's	Elections - savings due to 4 yearly local elections from 2023/24.	Running	-225	0	0	0	0	0
Chief Executive's	Land Charges - reversal of a one off saving 2023/24 - funding contribution from HM Land Registry for completion of the digitisation of the Local Land Charges Register.	Running	27	0	0	0	0	0
Chief Executive's	HR and OD - review of services and supplies to deliver saving.	Running	-28	0	0	0	0	0
Chief Executive's	Financial Services - centralization of admin and finance functions into the Business Support operating model.	Employee	-287	0	0	0	0	0
Chief Executive's	Re-specification and re-procurement of network services.	Running	0	-100	0	0	0	0
Chief Executive's	Increased sold service income in Health and Safety team - reversal of one-off saving removed below.	Other Income	20	0	0	0	0	0
Chief Executive's	Existing corporate saving not achievable within timescale. The Insight Led programme has contributed to service-based cost avoidance through better understanding of demand (saving removed below).	Running	-375	0	0	0	0	0
Chief Executive's	Community Managed Libraries - Asset transfer or dispose of non-statutory library buildings (saving removed below).	Running	-25	0	0	0	0	0

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Chief Executive's	Change Derby - review of project manager funding (saving removed below).	Running	-117	0	0	0	0	0
Chief Executive's	IT Support Restructure and further Shadow IT reduction / consolidation - saving already achieved - removed below.	Employee	-150	0	0	0	0	0
TOTAL EXISTING CHIEF EXECUTIVE'S SAVINGS			-1,235	-175	0	0	0	0
Directorate	Saving	Category	2024/25	2025/26	2026/27	FTE Reduction		
			'£000	£000	£000	Total number of FTE reduction	Vacant Posts FTE	VR/CR FTE
NEW CHIEF EXECUTIVE'S SAVINGS:								
Chief Executive's	Increased sold service income in Health and Safety team - removal of reversed one off saving.	Other Income	-20	0	0	0	0	0
Chief Executive's	Existing corporate saving not achievable within timescale. The Insight Led programme has contributed to service-based cost avoidance through better understanding of demand. Saving removed.	Running	375	0	0	0	0	0
Chief Executive's	Community Managed Libraries - Asset transfer or dispose of non-statutory library buildings (saving removed).	Running	25	0	0	0	0	0
Chief Executive's	Change Derby - review of project manager funding (existing saving removed).	Running	117	0	0	0	0	0
Chief Executive's	IT Support Restructure and further Shadow IT reduction / consolidation (existing saving removed).	Employee	150	0	0	0	0	0
Chief Executive's	Reduction in number of Microsoft Licenses.	Running	-10	0	0	0	0	0
Chief Executive's	VR request from a member of the Business Applications Support Team.	Employee	-31	0	0	1	0	1
Chief Executive's	Deletion of Vacancy - Senior Projects Officer - work will be absorbed within wider team.	Employee	-44	0	0	1	1	0
Chief Executive's	Council House - additional rental income (net of maintenance costs). In line with June 2023 Cabinet approvals relating to Council House Optimisation.	Employee	-250	0	0	0	0	0
Chief Executive's	British Sign Language contract renegotiation.	Running	-9	0	0	0	0	0
Chief Executive's	Creation of in-house Single Discretionary Award online form.	Running	-21	0	0	0	0	0
Chief Executive's	Registration Service Charge review.	Other Income	-10	0	0	0	0	0

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Chief Executive's	Use of AI - outbound proactive chasing of Council tax debt. The solution is anticipated to generate improved recovery of the existing debt.	Running	-336	0	0	0	0	0
TOTAL NEW CHIEF EXECUTIVE'S SAVINGS			-64	0	0	2	1	1
TOTAL CHIEF EXECUTIVE'S SAVINGS:			-1,299	-175	0	2	1	1

CORPORATE SAVINGS:

Directorate	Saving	Category	2024/25	2025/26	2026/27	FTE Reduction		
			'£000	£000	£000	Total number of FTE reduction	Vacant Posts FTE	VR/CR FTE
NEW CORPORATE SAVINGS:								
Council-Wide	AI Management of Customer Service enquiries, filtering and signposting responses, increased Citizen self-service through new skills to handle most common complex tasks.	A.I. Solutions	-275	0	0	TBC	TBC	TBC
TOTAL NEW CORPORATE SAVINGS			-275	0	0	0	0	0
TOTAL CORPORATE SAVINGS:			-275	0	0	0	0	0

TOTAL SAVINGS:			-8,371	130	0	12.40	10.40	2.00
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Appendix 3

PEOPLE'S ADULTS PRESSURES:

Directorate	PRESSURES	Category	2024/25	2025/26	2026/27
			£000	£000	£000
EXISTING PEOPLE'S ADULTS PRESSURES:					
People Services - AH	Demographic Social Care Pressures and National Living Wage (pressure removed and replaced with revised pressure below).	Running	950	0	0
People Services - AH	Preparing For Adulthood - complex clients transitioning from children to adults (pressure removed and replaced with revised pressure below).	Running	1,000	0	0
People Services - AH	Demographic and Living Wage (pressure removed and replaced with revised pressure below).	Running	1,516	0	0
People Services - AH	ASC Pressures responsibilities to be funded ASC grants to be announced in settlement and future years settlement (pressure removed and replaced with revised pressure below).	Running	6,222	5,000	0
TOTAL EXISTING PEOPLE'S ADULTS PRESSURES			9,688	5,000	0
NEW PEOPLE'S ADULTS PRESSURES					
People Services - AH	Existing pressures above reversed and replaced with revised pressures listed below.	Running	-9,688	0	0
People Services - AH	Additional Central Govt funding to improve ASC funding and capacity.	Running	1,688	0	0
People Services - AH	Pressure to cover the additional cost of fees based on the national living wage estimated at £11.16 per hour.	Running	1,906	0	0
People Services - AH	Additional national living wage pressure following the autumn statement announcing £11.44 per hour.	Running	500	0	0
People Services - AH	Demographics pressure to cover the increased population needing adult social care services.	Running	691	0	0

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People Services - AH	Additional Central Govt funding to improve ASC funding and capacity.	Running	981	-981	0
People Services - AH	Increased Adult Social Care discharge funding to respond to increased demand for support from people with acute physical and mental health conditions to facilitate timely and appropriate discharge from a hospital setting to the community.	Running	1,126	0	0
People Services - AH	Public Health Inflation.	Running	500	500	500
TOTAL NEW PEOPLE'S ADULTS PRESSURES			-2,296	-481	500
TOTAL PEOPLE'S ADULTS PRESSURES			7,392	4,519	500

PEOPLE'S - CYP PRESSURES:

Directorate	PRESSURES	Category	2024/25	2025/26	2026/27
			£000	£000	£000
EXISTING CYP PRESSURES:					
Peoples - CYP	Regional Adoption Agency - increased contract costs.	Running	56	0	0
Peoples - CYP	Commissioning - Home to School Transport (existing pressure removed below).	Running	2,000	0	0
TOTAL EXISTING CYP PRESSURES			2,056	0	0
NEW CYP PRESSURES:					
Peoples - CYP	Commissioning - Home to School Transport (existing pressure removed).	Running	-2,000	0	0
Peoples - CYP	Safeguarding and Early Help - Pay Award.	Employee	400	0	0
Peoples - CYP	Regional Adoption Agency, additional to the £56k already identified for inter-agency placements. Adoption East Midlands pressure.	Running	100	0	0
Peoples - CYP	Dedicated Schools Grant Central block pressure.	Running	126	0	0
Peoples - CYP	2 x SEND posts temporarily funded, previously funded from PF Reserve.	Employee	-105	0	0
Peoples - CYP	Safeguarding and Early Help - penultimate pay scale funding due to low turnover and stabilisation of the social work workforce.	Employee	450	0	0
Peoples - CYP	Children in Care placements (CIC) - contractual provision for inflation uplift for CIC placement costs through the D2N2 framework.	Running	425	0	0

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Peoples - CYP	Provision for increasing cost of Children in Care placements needed during 2024/25 despite maintenance of stable numbers.	Running	3,000	0	0
Peoples - CYP	Staffing pressure for SEND services.	Employee	0	52	0
Peoples - CYP	Cessation of school improvement grant.	Running	86	0	0
TOTAL NEW CYP PRESSURES			2,482	52	0
TOTAL CYP PEOPLE'S PRESSURES:			4,538	52	0

PLACE PRESSURES:

Directorate	PRESSURES	Category	2024/25	2025/26	2026/27
			£000	£000	£000
EXISTING PLACE PRESSURES:					
Place	Existing Pressures as part of 2020/21 MTFP Feb 20 Cabinet - Removal of Queens Leisure Centre Income Pressure given in 2019/20 - planned removal 2023/24.	Running	-210	0	0
Place	Partial removal of pressure for Libraries - review of CML to a localities approach.	Running	-42	0	0
Place	Partial removal of pressure to Reinstate Neighbourhoods officers.	Employee	-109	0	0
Place	Removal of one-off pressure for the Coronation and other events.	Running	-21	0	0
Place	Futures Pot headroom.	Running	100	100	0
Place	Removal of pressure for Events (host cycle tour series).	Running	0	-20	0
Place	Partial removal of pressure - Christmas Offer - removed below.	Running	-50	0	0
TOTAL EXISTING PLACE PRESSURES			-332	80	0
NEW PLACE PRESSURES:					
Place	Removal of the Christmas Offer Saving above.	Running	50	0	0

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Place	Museums Trust - pressure on the staffing costs.	Running	48	0	0
Place	Maintenance and operational costs of capital works - Walters Walkway bridge inspections.	Running	0	0	44
Place	Pressure to cover unachievable income budgets within planning.	Other Income	160	0	0
Place	Refuse Collection salary pressures (temporary pending outcome of review).	Employee	200	-200	0
Place	Waste Disposal - inflation and waste disposal growth.	Running	209	0	0
Place	Trade Waste pressure within the contract.	Running	170	0	0
Place	Bed and Breakfast Pressures for Temporary Accommodation.	Running	200	0	0
Place	Housing PFI.	Running	0	0	300
Place	Street Pride Pay Award pressure.	Employee	400	0	0
Place	Increased energy costs - traffic signals.	Running	80	0	0
Directorate	PRESSURES	Category	2024/25	2025/26	2026/27
			£000	£000	£000
Place	Maintenance and operational costs of capital works - OCOR flood defence Mill Fleam Pumping Station.	Running	0	50	50
Place	Increased energy costs - street lighting.	Running	330	0	0
Place	Stores Road building maintenance.	Running	100	0	0
Place	Major projects unmitigated 2023/24 Pay Award.	Employee	33	0	0
Place	Emerging pressure due to removing the booking system at Raynesway tip on Sunday afternoons.	Running	141	0	0
Place	Market Hall - operating model budget.	Running	0	158	-158
Place	Street Lighting potential model shortfall Year 3.	Running	0	0	1,000
TOTAL NEW PLACE PRESSURES			2,121	8	1,236
TOTAL PLACE PRESSURES:			1,789	88	1,236

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CHIEF EXECUTIVE'S PRESSURES:

Directorate	PRESSURES	Category	2024/25	2025/26	2026/27
			£000	£000	£000
EXISTING CHIEF EXECUTIVE'S PRESSURES:					
Chief Executive's	Microsoft Enterprise Renewal and New Enablement Requirements – additional price of licenses.	Running	124	0	0
Chief Executive's	Unified Telephony (Dual Running / Changeover Costs).	Running	-140	0	0
Chief Executive's	Council Tax Hardship Fund.	Running	200	0	0
TOTAL EXISTING CHIEF EXECUTIVE'S PRESSURES			184	0	0
NEW CHIEF EXECUTIVES PRESSURES:					
Chief Executive's	Historic unachievable saving from the senior management restructure.	Employee	45	0	0
Chief Executive's	Pressure expected for additional Barrister costs (cross cutting).	Running	200	0	0
Chief Executive's	IHUB sinking fund.	Running	0	0	30
Chief Executive's	Property rental income shortfall.	Other Income	44	26	0

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Chief Executive's	Unachieved historic saving 22/23.	Running	194	0	0
Chief Executive's	Unachieved saving 23/24 - Customer Management in Localities (front door saving).	Running	134	0	0
Chief Executive's	Unachieved permanent saving through new ways of working in Customer Service and Locality/Neighbourhood working.	Running	190	0	0
Chief Executive's	Unachieved saving 2023/24 - Internal Audit.	Employee	40	0	0
Chief Executive's	Housing Benefit Subsidy Loss.	Running	1,500	0	0
Chief Executive's	Impact of Pay Award pressure on Property Services.	Employee	20	0	0
Chief Executive's	Digital & ICT - Core Business Applications RPI Increases.	Running	50	50	0
Chief Executive's	Digital & ICT - Continuing Support for Legacy Finance System.	Running	100	20	0
Chief Executive's	Continuation of Welfare Reform Team for Cost-of-Living Support Services.	Running	0	50	175
TOTAL NEW CHIEF EXECUTIVES PRESSURE			2,517	146	205
TOTAL CHIEF EXECUTIVES PRESSURES:			2,701	146	205

CORPORATE PRESSURES

Directorate	PRESSURES	Category	2024/25	2025/26	2026/27
			£000	£000	£000
EXISTING CORPORATE PRESSURES:					
All Directorates	Pay Award - in year impact of award above base budget allocation.	Pay Award	594	615	0
Corporate	Treasury Management review based on capital requirement (caveat treasury management/capital budgets will continue to be reviewed in line with the capital programme).	Treasury Management	1,000	3,000	0
Corporate	Pay Award - In year impact of above base - additional 1%.	Pay Award	1,188	1,230	0
Corporate	Treasury Management review based on capital requirement (caveat treasury management/capital budgets will continue to be reviewed in line with the capital programme).	Treasury Management	2,174	0	0
TOTAL EXISTING CORPORATE PRESSURE			4,956	4,845	0
NEW CORPORATE PRESSURES					

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Corporate	Treasury Management review based on capital requirement (caveat treasury management/capital budgets will continue to be reviewed in line with the capital programme).	Treasury Management	0	2,530	3,200
All Directorates	Council Wide - any additional Pay Award 2024/25.	Pay Award	1,600	0	0
All Directorates	Council Wide - any additional Pay Award 2025/26.	Pay Award	0	1,700	0
All Directorates	Corporate - latest estimate of third year pay pressure.	Pay Award	0	0	2,719
All Directorates	Unachieved Saving 2022/23 - Council Wide - contract saving.	Running	650	0	0
All Directorates	Unachieved Saving 2023/24 - Council Wide - contract saving.	Running	250	0	0
All Directorates	Revenue cost associated with implementation of AI solutions.	Running	800	200	0
TOTAL NEW CORPORATE PRESSURES			3,300	4,430	5,919
TOTAL CORPORATE PRESSURES:			8,256	9,275	5,919
TOTAL PRESURES:			24,676	14,080	7,860

Reserves Statement

Appendix 4

Statement of Reserves	2023/24 Opening Balance £m	In Year Movement £m	2023/24 Commitments £m	2023/24 Closing Balance £m	Future Years Commitments £m	Ringfenced £m	Future Years Closing Balance £m
General Fund							
Unallocated General Fund Balance	(8.933)	-	4.304	(4.629)	(5.278)	-	(9.907)
Balances Held By Schools	(9.324)	(0.106)	1.500	(7.930)	1.500	6.430	-
Budget Risk Reserve	(5.070)	0.712	4.358	-	(0.252)	-	(0.252)
TOTAL	(23.326)	0.606	10.162	(12.559)	(4.030)	6.430	(10.159)
Revenue Earmarked Reserves							
General Insurance Reserve	(2.804)	-	-	(2.804)	-	-	(2.804)

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Year-end grants with restrictions	(4.392)	0.514	3.687	(0.191)	0.092	-	(0.099)
DEGF Interest Reserve	(0.252)	-	0.022	(0.230)	0.230	-	-
Regeneration Fund Reserve	(0.615)	-	0.318	(0.297)	0.297	-	-
Assembly Rooms Reserve	(1.930)	-	1.930	-	-	-	-
Delivering Change Reserve	(0.050)	-	0.038	(0.012)	-	-	(0.012)
Business Rate Pilot Reserve	(0.001)	-	0.001	-	-	-	-
Collection fund deficit smoothing	(0.580)	-	-	(0.580)	0.580	-	-
Treasury Management Reserve	(4.207)	-	(0.983)	(5.190)	5.190	-	-
Public Health Reserve	(3.777)	-	-	(3.777)	-	3.777	-
Adult Social Care Reserve	(1.839)	-	0.726	(1.113)	-	1.113	-
Capital Feasibility Reserve	(0.479)	-	0.473	(0.005)	-	-	(0.005)
Cost of Change Reserve	(4.000)	-	1.000	(3.000)	3.000	-	-
VAT Reserve	-	-	(0.969)	(0.969)	0.969	-	-
Other Service Reserves	(10.320)	(0.310)	4.152	(6.478)	3.064	2.002	(1.412)
PFI Reserves	(25.576)	-	(1.594)	(27.170)	27.170	-	-
Earmarked Reserves to support the capital programme	(3.565)	-	-	(3.565)	-	3.223	(0.342)
TOTAL	(64.385)	0.204	8.800	(55.381)	40.591	10.116	(4.674)

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Appendix 5

Draft Capital Programme 2024/25 to 2026/27

Strategy Area Name	Scheme Name	Funding Source	DRAFT 2024/25 Budget	DRAFT 2025/26 Budget	DRAFT 2026/27 Budget	DRAFT TOTAL
Schools						
Schools	MULTIPLE - Devolved Formula Cap	SCE C DFC	0.120	0.120	0.120	0.360
Schools	REFCUS - Adaptions For Foster Carers	SCE C BN	0.083	-	-	0.083
Schools	Building at Risk	SCE C SCA	0.659	0.200	0.200	1.059
Schools	School Condition Works	SCE C SCA	1.100	1.100	1.100	3.300
Schools	MULTIPLE - Capital works delivered by schools	RCCO	0.250	0.250	0.250	0.750
Schools	Fellows Lands Way Primary S106	S106	0.124	-	-	0.124
Schools	The Bemrose School - SEN Unit	SCE C HNP	10.660	-	-	10.660
Schools	New Castleward School	S106	0.059	-	-	0.059
Schools	Littleover S106 Expansion - 2021 to 2023	S106	0.324	-	-	0.324
Schools	Childrens Home Accommodation Strategy	UBC	0.999	-	-	0.999
Schools	D2N2 Childrens Homes	UBC	0.300	-	-	0.300
Schools	St Benedict's Expansion Scheme	SCE C BN	3.336	-	-	3.336
Schools	St Clares Expansion	UBC	3.241	-	-	3.241
Schools	Gayton Community School - Boiler Replacement	SCE C SCA	0.141	-	-	0.141
Schools	Gayton Community School - Structural Works	SCE C SCA	0.002	-	-	0.002
Schools	Meadow Farm Primary - Roof Works	SCE C SCA	0.002	-	-	0.002
Schools	Murray Park - Window Replacement	SCE C SCA	0.003	-	-	0.003
Schools	Oakwood Infant - Electrical Rewiring	SCE C SCA	0.003	-	-	0.003
Schools	Ridgeway Infant - Structural Works	SCE C SCA	0.124	-	-	0.124
Schools	Shelton Infant - Boiler Replacement	SCE C SCA	0.004	-	-	0.004
Schools	Shelton Junior - Window Replacement	SCE C SCA	0.004	-	-	0.004
Schools	Bemrose School - Structural Works	SCE C SCA	0.117	-	-	0.117
Schools	Littleover School - Roof Works	SCE C SCA	0.007	-	-	0.007
Schools	St Alban's Catholic Voluntary Academy	SCE C HNP	0.075	-	-	0.075
Schools Total			21.737	1.670	1.670	25.077
Housing General Fund						
Housing General Fund	REFCUS - Disabled Facilities Grant 96 Act	GG/SCE C	3.206	3.003	3.003	9.212
Housing General Fund	REFCUS - Capitalised Salaries	EC	0.085	0.085	-	0.170
Housing General Fund	REFCUS - Healthy Housing Assistance	GG	0.200	0.200	-	0.400
Housing General Fund	REFCUS - Empty Property Assistance	EC	0.180	0.180	-	0.360
Housing General Fund	Home Upgrade Grant - Phase 2	GG	0.792	-	-	0.792
Housing General Fund	Milestone Housing - HGF	UBC	0.032	0.025	-	0.057
Housing General Fund	Park House - HGF	UBC	0.091	-	-	0.091
Housing General Fund Total			4.585	3.494	3.003	11.082
Property						
Property	Planned Maintenance	UBC	-	6.823	6.823	13.646
Property	GEN - Capitalised Salaries - Valuer	SCE C	0.037	0.037	0.037	0.111
Property	Darley Playing Fields	UBC	0.303	-	-	0.303
Property	HOP - Reconfiguration	UBC	-	-	-	-
Property	Kedleston Road Heating System	UBC	0.940	-	-	0.940
Property	HOP Reconfiguration - Perth & Arboretum House Improvements	UBC	0.049	-	-	0.049
Property	Property Improvement - Drainage Works	UBC	0.400	-	-	0.400
Property	Property Improvement - Electrical Services	UBC	0.200	-	-	0.200
Property	Property Improvement - Energy Improvements	UBC	0.340	-	-	0.340
Property	Property Improvement - External Areas	UBC	0.500	-	-	0.500
Property	Property Improvement - Fire Improvement	UBC	0.100	-	-	0.100
Property	Property Improvement - Lifts	UBC	0.640	-	-	0.640
Property	Property Improvement - Mechanical Services	UBC	1.700	-	-	1.700
Property	Property Improvement - Other Plan Works	UBC	0.400	-	-	0.400
Property	Property Improvement - Roofing Works	UBC	0.350	-	-	0.350
Property	Property Improvement - Structural Works	UBC	1.600	-	-	1.600
Property	Property Improvement - Toilet refurbishments	UBC	0.130	-	-	0.130
Property	Property Improvement - Windows & Doors	UBC	0.200	-	-	0.200
Property	Corporate Contingency S151 Approval Only	UBC	-	-	-	-
Property Total			7.889	6.860	6.860	21.609

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Strategy Area Name	Scheme Name	Funding Source	DRAFT 2024/25 Budget	DRAFT 2025/26 Budget	DRAFT 2026/27 Budget	DRAFT TOTAL
Parks & Open Spaces						
Parks & Open Spaces	Arboretum Park	S106	0.109	-	-	0.109
Parks & Open Spaces	Darley Park Improvement	S106	0.065	-	-	0.065
Parks & Open Spaces	Heatherton Community Centre	S106	0.037	-	-	0.037
Parks & Open Spaces	Silk Mill Park	S106	0.010	-	-	0.010
Parks & Open Spaces	Stockbrook Street Recreation Ground	S106	0.031	-	-	0.031
Parks & Open Spaces	Chaddesden Wood Local Nature Reserve	S106	0.012	0.012	0.012	0.036
Parks & Open Spaces	Tennis Court Improvements	EC	0.043	-	-	0.043
Parks & Open Spaces	Parks & Open Spaces Rolling Programme	UBC	0.250	0.250	0.250	0.750
Parks & Open Spaces	The Sanctuary	S106	0.004	0.004	0.005	0.013
Parks & Open Spaces	Alvaston Park	S106	0.050	-	-	0.050
Parks & Open Spaces	Markeaton Park Mundy Play Centre	S106	0.153	-	-	0.153
Parks & Open Spaces	Brunswood Recreation Ground	S106	0.072	-	-	0.072
Parks & Open Spaces	Sinfin Recreation Ground	S106	-	0.133	-	0.133
Parks & Open Spaces	Sinfin Moor Park Improvements	S106	-	0.224	-	0.224
Parks & Open Spaces	Sunnyhill Recreation Ground	S106	-	0.013	-	0.013
Parks & Open Spaces Total			0.836	0.636	0.267	1.739
Flood Defence						
Flood Defence	Local flood alleviation scheme	UBC	0.250	0.250	0.250	0.750
Flood Defence	Thulston Brook Flood Study	UBC	0.030	-	-	0.030
Flood Defence	Markeaton Brook Stiling Bay Reinstallation	UBC	0.101	-	-	0.101
Flood Defence Total			0.381	0.250	0.250	0.881
Highways & Transport						
Highways & Transport	Integrated Transport Programme - smaller scheme	UBC/SCE C	1.861	2.536	2.536	6.933
Highways & Transport	Asset Management - Highways Maintenance	UBC/SCE C/GG	3.861	3.509	3.861	11.231
Highways & Transport	Asset Management - Structures Maintenance	SCE C/S106	0.976	0.610	0.610	2.196
Highways & Transport	Asset Management - ITS Network Management Maintenance	UBC/SCE C	0.480	0.375	0.375	1.230
Highways & Transport	Network Management - Strategic Network Management	GG	0.462	0.273	-	0.735
Highways & Transport	MULTIPLE - Network Management - Local Traffic Management	UBC	0.140	-	-	0.140
Highways & Transport	Network Management - Casualty Reduction	UBC	0.095	-	-	0.095
Highways & Transport	Asset Management - Land Drainage & Flood Defence	UBC	0.201	-	-	0.201
Highways & Transport	S31 - Emergency Active Travel Fund	GG	0.100	-	-	0.100
Highways & Transport	Highways Trees	UBC	0.036	0.035	-	0.071
Highways & Transport Total			8.212	7.338	7.382	22.932
Highways & Transport -TCF						
Highways & Transport	The Bus Service Improvement Plan	GG	1.985	2.228	-	4.213
Highways & Transport	TCF Tranche 2 - Public Realm	GG	6.653	-	-	6.653
Highways & Transport	TCF Tranche 2 - Bus & Rapid Transit Links	GG	5.214	-	-	5.214
Highways & Transport	TCF Tranche 2 - LCWIP	GG	5.969	-	-	5.969
Highways & Transport	Future Transport Zone	GG	2.093	0.018	-	2.111
Highways & Transport - TCF Total			21.914	2.246	-	24.160
Vehicle, Plant & Equipment						
Vehicle, Plant & Equipment	MULTIPLE - Grounds Plant & Equipment	RCCO/CR	0.350	0.378	0.245	0.974
Vehicle, Plant & Equipment	MULTIPLE - Refuse Vehicles & Plant	UBSF/RCCO/CR	1.105	1.000	-	2.105
Vehicle, Plant & Equipment	MULTIPLE - Street Cleaning Equipment	UBSF/RCCO/CR	0.540	-	0.352	0.892
Vehicle, Plant & Equipment	Highways Vehicle, Plant & Equipment	RCCO	0.203	-	1.720	1.922
Vehicle, Plant & Equipment	Derby Homes Vehicles	UBSF/RCCO	0.198	-	-	0.198
Vehicle, Plant & Equipment	Flood Risk Management Vehicle Renewal	UBC	0.068	-	-	0.068
Vehicle, Plant & Equipment Total			2.464	1.378	2.317	6.159
Regeneration						
Regeneration	IPD Acceleration Development Contingency	UBC/SCE C/EC	3.918	-	-	3.918
Regeneration	Becket Well	CR	0.055	-	-	0.055
Regeneration	Creative Pathways	S106	0.030	-	-	0.030
Regeneration	MULTIPLE - Derby Enterprise Growth Fund - Recycled	CR	0.096	-	-	0.096
Regeneration	Castleward Enhancement of Public Square - CPO	EC	2.316	-	-	2.316
Regeneration	NAMRC Midlands	UBC	0.434	-	-	0.434
Regeneration	Smartparc	CR	0.940	1.880	-	2.820
Regeneration	Ascend Fund	SCE C	2.000	-	-	2.000
Regeneration	Becketwell Performance Venue	UBC	0.110	-	-	0.110
Regeneration	Carbon Reduction Fund	SCEC	0.500	-	-	0.500
Regeneration	New Becketwell Performance Venue	UBC	30.487	0.572	-	31.059
Regeneration	Market Hall Replacement - Phase 2	UBC	9.190	-	-	9.190
Regeneration	FHSF Eastern Gateway	SCE C/CR	1.502	-	-	1.502
Regeneration	Becketwell Regeneration Contingency	UBC	0.127	-	-	0.127
Regeneration	SPF Loans	GG	0.374	-	-	0.374
Regeneration Total			52.079	2.452	-	54.531

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Strategy Area Name	Scheme Name	Funding Source	DRAFT 2024/25 Budget	DRAFT 2025/26 Budget	DRAFT 2026/27 Budget	DRAFT TOTAL
Regeneration - OCOR						
Regeneration	Our City Our River	GG	0.508	0.623	-	1.131
Regeneration	Our City Our River - Package 1	GG	0.321	-	-	0.321
Regeneration	Our City Our River - Package 2	GG	30.145	35.854	-	65.999
Regeneration	Our City Our River - Munio	GG	0.297	-	-	0.297
Regeneration OCOR Total			31.271	36.477	-	67.748
ICT						
ICT	Major IT Hardware Developments	CR	1.295	0.620	1.070	2.985
ICT	Major IT Systems Developments	CR	0.295	0.295	0.295	0.885
ICT Total			1.590	0.915	1.365	3.870
Corporate						
Corporate	MTFP Provision for Future Investments	UBC/GG	6.197	37.250	7.136	50.583
Corporate Total			6.197	37.250	7.136	50.583
MTFP Total			159.155	100.966	30.250	290.371

**Council Plan 2022 – 2025
2024/25 proposed amendments**

In September 2023, Cabinet approved the 2023/24 Council Delivery Plan. At the time of presenting this document for consideration it was noted that a wider review of the [Council Plan 2022 – 2025](#) would be completed.

The aim of this review was to make sure that the content of the high-level plan remained focused on the right areas, whilst also reflecting the latest context.

Presented in Table 1 is a summary of the main sections of the document, alongside any proposed changes for 2024/25.

Table 1 – high-level review of the 2022-2025 Council Plan

Council Plan section	Proposed amendments	Rationale
Introduction (Page 3)	Remove COVID context and update to reflect wider societal and local government challenges, including the cost of living and climate change	Update the text to present the latest context
Key areas of focus (Page 3)	None	The themes of 'green', 'growth', 'vibrant' and 'resilient' are agreed as the City's partnership areas of focus and align to our local areas of priority
Delivering for Derby (Page 4)	Amend the census data included to reflect the 2021 position	Update the text to present the latest context
Better Together (Page 5)	Update the page to illustrate the developments we have made within this area, and how this is shaping future ways of working	
Working together with the city, for the city (Page 6)	Add information on our alliances, alongside wider developments in partnership working	
Green, Growth, Vibrant, Resilient and Working Smarter* (Pages 7 to 13)	Update the budget position alongside each theme, showing how resources are now apportioned and have changed	
Monitoring our impact (Page 14)	Include examples of completed actions over the last two years, and the impact of these for the City	

* NB – any suggested changes to the must do's are reflected in Table 2.

In addition to considering the covering plan, to align with the refreshed Medium-Term Financial Plan, and reflect any new and emerging areas of focus, set out in Table 2 are the proposed changes to the Delivery Plan for 2024/25, which will also be appropriately mirrored within the 'light touch' refresh of the Summary Plan presented in Table 1.

Appendix 1

Table 2 – Proposed amendments to our agreed areas of focus

NB – changes made in 2023/24 were reflected in appropriate Cabinet reports, and are not shown again, with the review below using the 2023/24 Delivery Plan as the baseline for changes

Outcomes	Current agreed areas of focus	Proposed changes	Rationale	Cabinet portfolio(s)
Green				
Cleaner air and lower CO2 emissions	Continue the delivery of the Our City, Our River programme, to reduce flood risks	No changes	N/A	Climate Change, Transport & Sustainability
	Deliver our City Air Quality Action Plan	No changes	N/A	Climate Change, Transport & Sustainability Integrated Health and Adult Care
	Progress actions towards the adoption of a new Local Plan in 2026, with a renewed focus on sustainability, health and well-being	No changes	N/A	Housing, Property & Regulatory Services
	Deliver the Council's Climate Change Action Plan	Amend the wording to reflect the review required in 2024	The current plan is scheduled for review in 2024	Climate Change, Transport & Sustainability
	Support and contribute to the work of the Sustainable Derby Board	No changes	N/A	Climate Change, Transport & Sustainability
Sustainable waste and transport	Progress our Mobility Programme to improve transport connections and options in Derby	Amended: Progress our Mobility Programme to improve transport connections and options in Derby alongside creating sustainable travel options and contributing positively to climate change	Wording better reflects the aims of the programme	Climate Change, Transport & Sustainability
	Continued introduction of traffic calming measures in target areas (i.e., near schools), alongside updated signage and targeted communications to reduce speed / improve traffic management	Amended: Continued introduction of traffic calming measures in target areas (i.e., near schools), alongside updated signage and targeted communications to reduce speed / improve traffic management and air quality	Wording better reflects the aims of work we are delivering	Communities and Streetpride Climate Change, Transport & Sustainability
	Assess the future of the Waste Treatment Facility	Actions to be updated / closed following the outcomes of the reviews in 2023/24, in line with agreed monitoring cycles	Actions need to be SMART and relevant, focusing on the outcomes of 2023/24 activities to agree priorities for 2024/25	Communities and Streetpride
	Complete an in-depth review of our waste strategy to introduce initiatives and intercept at every stage of waste process to reduce waste			
	Review options for a Climate and Recycling Hub			
	Set up a Task and Finish Group to review approach to the delivery of free bulky waste collection, alongside widening the offer through Raynesway Tip	To be removed if completed by the end of 2023/24	Based on progress to date the action may be completed by the end of 2023/24	Communities and Streetpride
	Launch an engagement campaign on climate change	Amended: Work with key stakeholders, through the Sustainable Derby Board, to communicate and engage communities in climate change conversations	Action to reflect work to date and future areas of focus	Climate Change, Transport & Sustainability
Enhancing our green and blue spaces	Work in partnership to re-wild Allestree Park	Amended: Work in partnership with key stakeholders to continue to develop Allestree rewilding	Wording updated to reflect the current position of the project	Climate Change, Transport & Sustainability
	Make best use of the city's existing parks and blue and green spaces	Amended: Make best use of the city's existing parks and blue and green spaces, including within the city centre	Action to reflect work to date, and future areas of focus	City Centre, Regeneration, Culture & Tourism (Deputy Leader) Communities and Streetpride Climate Change, Transport & Sustainability
Growth				
Thriving, sustainable economy and business community	Deliver our priority programmes and projects including Infinity Park Derby	No changes	N/A	City Centre, Regeneration, Culture & Tourism (Deputy Leader)
	Work with the University of Derby and other partners to continue delivery of the Ascend programme, in support of potentially high value-added business start-ups alongside existing businesses	Amended: Work with the University of Derby and other partners to support potentially high value-added business start-ups alongside existing businesses.	Action definition has been broadened to reflect all work underway within this area	City Centre, Regeneration, Culture & Tourism (Deputy Leader)

Appendix 1

Outcomes	Current agreed areas of focus	Proposed changes	Rationale	Cabinet portfolio(s)
	Work with partners including Marketing Derby, East Midlands Combined Authority, Midlands Engine, Community Action, Central Co-op and Social Enterprises to diversify and broaden the economy	No changes	N/A	City Centre, Regeneration, Culture & Tourism (Deputy Leader)
	Support and strengthen the existing business base and sectors, including key growth opportunities around nuclear and rail	Amended: Support and strengthen the existing business base and sectors, including key growth opportunities around nuclear, hydrogen and rail; aiding the development of Derby as a social enterprise city	Action to reflect work to date and future areas of focus	City Centre, Regeneration, Culture & Tourism (Deputy Leader)
	Deliver initiatives to support people into employment	No changes	N/A	City Centre, Regeneration, Culture & Tourism (Deputy Leader) Children's Social Care, Learning and Skills Integrated Health and Adult Care
Learning city with access to skills and knowledge for all ages	Work with partners, including through the Combined Authority, to develop and promote skills and learning in the city	No changes	N/A	Children's Social Care, Learning and Skills
	Complete a review of Libraries in the City with the aim to secure their long-term future	Actions to be updated / closed following the outcomes of the reviews in 2023/24, in line with agreed monitoring cycles	Actions need to be SMART and relevant, focusing on the outcomes of 2023/24 activities to agree priorities for 2024/25	Communities and Streetpride
	Work with Ashgate and Central Nursery to resolve financial issues and keep the schools open			Children's Social Care, Learning and Skills
	NEW – Work with professionals across the City to progress the Derby Promise	NEW	Reflects latest council commitment and areas of focus	Children's Social Care, Learning and Skills
Decent, sufficient and affordable housing	Deliver the Housing Strategy to modernise, improve or build specialist, sustainable and affordable accommodation to ensure people are safe and connected to their communities, including supported accommodation for adults with complex needs	Amended: Deliver the housing strategy to provide decent, affordable and climate responsible homes, whilst finding innovative solutions to meet the housing challenges in the city	Plan commitment to be focused on latest agreed priorities and our areas of most significant strategic risk	Housing, Property & Regulatory Services Climate Change, Transport & Sustainability
	Continued delivery of the South Derby Growth Zone project	Amended: Continue to support delivery of the South Derby Growth Zone project	This is a partnership commitment, led by another authority	Housing, Property & Regulatory Services
	Deliver priority housing developments including: <ul style="list-style-type: none"> ○ Bute Walk Conversion ○ Butterfly Project ○ The Knoll Redevelopment ○ Housing Revenue Account (HRA) Capital programme 	List of projects to be reviewed and updated, as required	Plan to be focused on latest priority projects	Housing, Property & Regulatory Services
	Review and re-launch our existing Landlords Charter, supported by targeted communications	Amended: Launch the refreshed Landlords charter	Wording has been updated to reflect the anticipated progress in 2023/24	Housing, Property & Regulatory Services
	Vibrant			
	Destination of choice, dynamic and diverse city centre	Further develop our City Centre Ambition, which sets out a clear longer-term vision for the re-invention of the city centre to also include climate objectives to prioritise re-purposing above demolishing, prioritise social benefits, community health and well-being above commercialisation and focus objectives on a city centre for all	Amended: Further develop our City Centre Ambition, which sets out a clear longer-term vision for the re-invention of the city centre including climate, social benefits, community health and well-being commitments	Plan commitment to be focused on latest agreed priorities and our areas of most significant strategic risk
NEW – Support and contribute to the work of the City Centre Taskforce		NEW	Reflects latest council commitments and areas of focus	City Centre, Regeneration, Culture & Tourism (Deputy Leader)
NEW – Progress plans on our strategic development partner		NEW		
Deliver, in partnership with key partners, priority city centre programmes and projects including: <ul style="list-style-type: none"> • Market Hall • Becketwell (including new performance venue) 		List of projects to be reviewed and updated, as required	Plan to be focused on latest priority projects	City Centre, Regeneration, Culture & Tourism (Deputy Leader)

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Outcomes	Current agreed areas of focus	Proposed changes	Rationale	Cabinet portfolio(s)
	<ul style="list-style-type: none"> • Cultural Heart of the City sites (including Guild Hall and the Assembly Rooms) • Castleward • Derby Riverside • Station Area • Northern Gateway • Eastern Gateway 			
	Review options for increased street cleaning in the city centre	Action to be updated / closed following the outcomes of the review, in line with the 2023/24 monitoring cycle	Action needs to be SMART and relevant, focusing on the outcomes of 2023/24 activities to agree priorities for 2024/25	City Centre, Regeneration, Culture & Tourism (Deputy Leader)
	Complete our review of Tourism and Place, to develop our place management and marketing	To be removed if completed by the end of 2023/24	Positive progress was reported at the end of Q2 and if this continues the action will be completed and then considered 'business as usual'	City Centre, Regeneration, Culture & Tourism (Deputy Leader)
Exciting cultural offer representative of communities	Collaborate with partners, including university to deliver the UKSPF Vibrancy Projects grant funding programme	No change	N/A	City Centre, Regeneration, Culture & Tourism (Deputy Leader)
	An updated Destination Management Plan produced to help support increased numbers of visitors and tourists to the city	Amended: Support the development and delivery of the Strategy for Visit Peak District, Derbyshire and Derby LVEP	Wording to be amended to include/reflect Visit Peak District, Derbyshire and Derby LVEP work / Strategy	City Centre, Regeneration, Culture & Tourism (Deputy Leader)
	Co-produce a vibrant events programme with partners to support the development of our cultural offer and reflect our diversity	No change	N/A	Cost of Living, Equalities & Customer Inclusion
	Continue to establish and work alongside Culture Derby, encouraging one voice, one vision for a vibrant Derby	No change	N/A	City Centre, Regeneration, Culture & Tourism (Deputy Leader)
Resilient				
Reduced inequalities, with healthier and wealthier residents	Publish and implement an updated Health and Wellbeing Strategy for Derby alongside contributing to an Integrated Care Strategy for Derby and Derbyshire	Actions to be combined NEW - Implement commitments in Derby's Health and Wellbeing Strategy and Integrated Care Strategy (including the Health Inequality Strategy) to support improved outcomes for local people	Positive progress was reported at the end of Q2 and if this continues the actions will be completed in 2023/24 and the focus needs to move to the delivery of agreed commitments	Communities and Streetpride
	Contribute to the Integrated Care System (ICS) Health Inequality Strategy to improve health outcomes for local people			Cost of Living, Equalities & Customer Inclusion Integrated Health and Adult Care
	Deliver the Childhood Obesity Strategy	No change	N/A	Cost of Living, Equalities & Customer Inclusion Integrated Health and Adult Care
	Increase drug treatment through grant funds	Amended: Deliver the national 10-years Drugs Strategy	Broader commitment that is more reflective of what we need to deliver against	Integrated Health and Adult Care
	Integrated Care – work with local NHS providers to explore further opportunities to integrate health and care services by 2023/24	To be removed if completed in line with agreed delivery timescales	Once completed this area becomes 'business as usual'	Integrated Health and Adult Care
	Draw up plans for a campaign through the partnership to promote the benefits of employers adopting the living wage	Action to be removed at the end of 2023/24, following forecasted completion	Action to be removed if completed, with further activities to be considered by the Resilient Board	Cost of Living, Equalities & Customer Inclusion
	NEW – Embed our socio-economic impact assessment to inform insight led decisions	NEW	Reflects the latest council commitments and areas of focus	Cost of Living, Equalities & Customer Inclusion
Empowered, strong and independent communities	Develop our Better Together integrated locality model to work more effectively with communities, focus on preventing demand, breaking down silos and driving down avoidable costs	No change	N/A	Communities and Streetpride Cost of Living, Equalities & Customer Inclusion
	NEW - Support and contribute to the work of the Resilient Derby Board	NEW	Reflects partnership developments alongside Derby City priorities	Integrated Health and Adult Care Children's Social Care, Learning and Skills
	Work with partners to deliver the Derby Cost of Living Strategy	No change	N/A	Cost of Living, Equalities & Customer Inclusion

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Outcomes	Current agreed areas of focus	Proposed changes	Rationale	Cabinet portfolio(s)
	Continue to facilitate delivery of a diverse portfolio of quality housing to improve choice and increase the levels of city living and improved standards across the private rented sector	No change	N/A	Housing, Property & Regulatory Services Cost of Living, Equalities & Customer Inclusion
	NEW – Review the current use of temporary accommodation to make sure that we achieve quality and value for money to ensure adequate accommodation	NEW	Action aligns to current pressures and strategic risks	Housing, Property & Regulatory Services
	Implement the Special Educational Needs and / or Disabilities (SEND) high needs transformation programme and address the Delegated Schools Grant Management Plan	No change	N/A	Children's Social Care, Learning and Skills
	NEW – Refresh the City's SEND Strategy and deliver against commitments agreed	NEW	Reflects partnership developments alongside Derby City priorities	Children's Social Care, Learning and Skills
	Implement changes in housing regulations, aided by a risk-based approach	No change	N/A	Housing, Property & Regulatory Services
	Maximise the city's housing supply by taking an evidenced and risk-based approach	No change	N/A	Housing, Property & Regulatory Services
	Deliver our support exempt accommodation project	No change	N/A	Housing, Property & Regulatory Services
	Deliver the Football Hub project	No change	N/A	City Centre, Regeneration, Culture & Tourism (Deputy Leader)
A safe city, where those that need support can access them at the right time for them	Reduce waiting times, improve assessment, and review performance across Adult Social Care services, aided by enhancing the profile of Adult Social Care as a corporate priority	No change	N/A	Integrated Health and Adult Care
	Continue to implement updated Quality Assurance Frameworks across People's Service to support self-awareness and inspection readiness	To be removed if completed in line with agreed delivery timescales	Positive progress was reported at the end of Q2 and if this continues the action will be considered 'business as usual'	Integrated Health and Adult Care Children's Social Care, Learning and Skills
	Listen to the voice of carers and customers to improve services and provide better information and advice	No change	N/A	
	Work with providers to increase Adults Social Care market sufficiency	No change	N/A	Integrated Health and Adult Care
	Work with families, partners and communities to ensure the safeguarding of vulnerable children	No change	N/A	Children's Social Care, Learning and Skills
	Increase the safe and appropriate reunification of looked after children with family and friends	No change	N/A	Children's Social Care, Learning and Skills
	Work with the children's social care market and local providers to contribute towards the sufficiency and sustainability of placements for our children in care	No change	N/A	Children's Social Care, Learning and Skills
	Deliver Family Hubs programme, ensuring effective integration with wider locality model	No change	N/A	Children's Social Care, Learning and Skills
Working smarter				
An insight led Council that delivers value for money	Through the Delivery Board drive forward our agreed priority programmes: • Demand and Insight including the use of Artificial Intelligence • Asset rationalisation programme including maximising the use of the Council House • Efficiency and Innovation programme including financial management	List of projects to be reviewed and updated, as required	Plan to be focused on latest priority projects	Strategy, Governance & Finance (Leader) Cost of Living, Equalities & Customer Inclusion
	Continue to support and influence the development of the East Midlands County Combined Authority (EMCCA)	No change	N/A	Strategy, Governance & Finance (Leader)
Satisfied and enabled residents	Improve communication and engagement with our residents, to shape sustainable services for the future	No change	N/A	Communities and Streetpride Strategy, Governance & Finance (Leader)
Empowered and accountable colleagues and Councillors	Promote an inclusive and diverse culture where colleagues feel empowered and valued to deliver outcomes for and with the city, driven by the People and Culture Board's focus on: - Engagement - Workforce development - Well-being	List of projects to be reviewed and updated, as required	Plan to be focused on latest priority projects	Strategy, Governance & Finance (Leader)

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Outcomes	Current agreed areas of focus	Proposed changes	Rationale	Cabinet portfolio(s)
	- Future service needs			
	Continue to develop enhanced relationships and effective collaboration with #TeamDerby partners through the City Partnership	No changes	N/A	Strategy, Governance & Finance (Leader)