

**2018/19 Quarter 2 Forecast of Outturn for General Fund, Housing  
Revenue Account Revenue, Capital Budgets, Dedicated Schools Grant and  
Collection Fund**

**SUMMARY**

- 1.1 The report summarises the Council's forecasted financial outturn position at the end of September 2018 against the total budget approved by Full Council on 24 January 2018 as follows:
- **Revenue budget:** The full year forecast to 31 March 2019 projects a pressure of £6.277m against approved budget of £217.782m outlined in this report.
  - **Capital budget:** Capital expenditure to date is £29.440m. The year-end forecast to 31 March 2019 is estimated at £128.890m, reflecting the addition of outturn slippage from 2017/18 into 2018/19. The total original approved capital budget was £134.290m.
  - **Reserves:** The General Reserve balance remains at £10.933m and our Earmarked Reserves have a forecast balance of £23.895m.
  - **Treasury Management:** Total debt is £447.584m and total investments are £71.277m compared to £458.540m and £ £ 99.240m as at 1 April 2018, and no new borrowings have been made in the year.
  - **Dedicated Schools Grant (DSG):** The total grant of £226.774m has been allocated to schools and retained educational services, the centrally retained element of £14.4m is expected to be fully spent by 31 March 2019.
  - **Collection Fund:** Council Tax billed for the 2018/19 is £113.7m, of which £62.049m, 54.42% has been collected compared with 54.26% as at the same period last year. Business Rates billed for the 2018/19 is £93.37m of which £52.931m, 56.53% has been collected compared with 51.83% as at the same period last year
  - **Housing Revenue Account (HRA):** The full year forecast projects a balanced position against current forecasted budgeted deficit of £1.895m.
  - **Performance on sundry debt collection and movement on arrears outstanding:** As at 9 October the value of Sundry Debts in arrears is £8.72million.

The level of arrears has reduced significantly by £2.87m since August 2018.

- 1.2 Further analysis and explanations of key variances are provided in sections 4 to 12 of the report.
- 1.3 Included in the revenue forecast are planned savings or mitigating savings of £8.860m, 97% of the £9.104m savings target set by Council for 2018/19.
- 1.4 A summary of the net revenue forecast by directorate is set out in the table below, further detail on the restated budget is set out in section 4.3 of this report:

**Table 1 – Net Revenue Forecast to 31 March 2019 by Directorate**

Directorate position as at 30 September 2018	Approved Budget £m	Restated Budget £m	Current Budget £m	Actual Spend £m	% of Current Budget to Actual	Full year forecast £m	Forecast Variance £m
Peoples Services	142.915	141.382	142.457	56.279*	40%	148.657	6.200
Communities and Place	42.681	36.364	38.865	14.571	37%	39.370	0.505
Corporate Resources	23.708	32.701	32.846	21.313**	65%	33.386	0.540
Corporate	7.601	6.458	6.531	37.828	579%	5.563	(0.968)
<b>Sub Total</b>	<b>216.905</b>	<b>216.905</b>	<b>220.699</b>	<b>129.990</b>		<b>226.976</b>	<b>6.277</b>
Original approved transfer to reserves	0.877	0.877	0.877	0.877		0.877	0
<b>TOTAL</b>	<b>217.782</b>	<b>217.782</b>	<b>221.576</b>	<b>130.867</b>		<b>227.853</b>	<b>6.277</b>

\* Peoples Directorate, Children's services actual spend includes (£11m) credit for schools balances appropriations.

\*\*High spend due to a £39.716m pre-payment into Derbyshire Local Government Pension Fund as approved by Urgent Leaders Approval Report on 16 May 2018.

## RECOMMENDATIONS

- 2.1 Cabinet is requested to note the:
  - i. revenue projected outturn and key budget variances set out in the report in section 4 and the savings to be delivered in the year in section 5.

- ii. capital programme forecast and actual capital expenditure incurred during the quarter summarised in section 6.
- iii. Council's reserves position, as set out in section 7 and appendix 2.
- iv. Council's treasury position, and performance in the quarter, set out in section 8.
- v. forecast Dedicated Schools Grant position summarised in section 9.
- vi. Council Tax and Business Rates Collection Performance as set out in section 10.
- vii. Housing Revenue Account Performance and projected outturn as set out in section 11.
- viii. changes already approved under scheme of delegation to the capital programme detailed in Appendix 3.
- ix. current forecast for the 2018/19 pay award adjustment in section 4.8.

2.2 Cabinet is requested to approve the following:

- i. Changes to the 2018/19 - 2020/21 capital programme outlined in section 6 and detailed in appendices 3 and 4.
- ii. To approve the allocation of further S106 funding outlined in paragraph 6.17 and Appendix 5.

#### REASON FOR RECOMMENDATIONS

- 3.1 To provide assurance that the Budget approved by Council on 24 January 2018 is being effectively monitored and major variance reported on a regular basis.
- 3.2 To report significant changes to the budget, including capital and treasury matters in line with the Council's Financial Regulations.

#### SUPPORTING INFORMATION

- 4.1 The following notes, in sections 4 to 11, provide further analysis and explanations of key variances for each element of the financial forecast outturn.

#### 4.2 **Revenue Budget**

- 4.3 The full year forecast projects a pressure of £6.437m against approved budget of £217.782m outlined in this report. The key variances by directorate are provided below:

#### 4.4 **Peoples Services Directorate**

The Directorate's full year revenue forecast indicates a cost pressure of £6.2 million which is slight increase from the £6 million cost pressure reported at Quarter 1, as set out in the table below:

Directorate position as at 30 September 2018	Approved Budget	Restated Budget	Current Budget	Actual Spend	% of Current	Full year forecast	Forecast Variance
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	£m	£m	£m	£m	Budget to Actual	£m	£m
Adult Services	92.140	89.665	91.707	41.858	46%	91.707	0
Children Services	50.775	51.717	50.750	14.421*	28%	56.950	6.200
<b>Sub Total</b>	<b>142.915</b>	<b>141.382</b>	<b>142.457</b>	<b>56.279</b>	<b>40%</b>	<b>148.657</b>	<b>6.200</b>

\* Peoples Directorate, Children's services actual spend includes (£11m) credit for schools balances appropriations.

#### 4.4.1 The People Services Directorate is a significant and complex service area for the Council, providing mainly statutory services to the people of Derby.

The services include covering the provision of education and learning in Derby schools, specialist support including services to children in care and care leavers, special educational needs and disabled children services, safeguarding of the most vulnerable children and adults and the associated regulatory duties.

Adult social care offers support services to vulnerable adults, as well as information and advice about social care to the general public more broadly and to people who fund their own support. Specifically, adult social care supports older people as the single largest group of individuals, and increasing numbers of adults of working age with physical, mental health and learning disability support needs. The Council also has a duty to ensure sufficiency and quality of adult care services in the local area for the whole population.

The Directorate also discharges the full suite of statutory requirements relating to public health, with responsibility for improving the health of the local population and for public health services including most sexual health services, public health children's nursing, statutory advice to NHS commissioners and services aimed at reducing drug and alcohol misuse.

#### 4.4.2 **Adults Services and Public Health** are forecasting a balanced position after previously approved use of reserves of £2.095m for Adult Social Care and £0.3 million for Public Health Services despite the continued pressures on adult social care with demographic increases and growing complexities of clients. The service continues to work closely with other agencies, including health, planning for current and future service pressures and investing for the preparation of anticipated winter pressures. The service continues to invest in early intervention strategies such as community led support

programmes and local area coordination to alleviate the demands on the service, and this is making an impact.

The demand for adult services is reflected in the performance of the Directorate in relation to performance indicator measuring the numbers of adults aged 18-64 whose long term care needs are met through nursing care per 1000 population where the quarterly target is at a red status.

- 4.4.3 **Children's Services** are forecasting a significant overspend position of £6.2 million. Demands for services are increasing nationally for children's services and this picture is being reflected in Derby.
- 4.4.4 Nationally there are increasing numbers of children being taken into care. In May 2018 it was reported that the number of care applications for children reached the second highest figure ever recorded. The Association of Directors of Children's Services and the Local Government Association have reported to Government that Councils are facing a £2 billion funding gap for children's services by 2020, and were forced to overspend on their children's services budgets by £605 million across England in 2015/16 (Source: LGA Analysis of DCLG).
- 4.4.5 The implementation of new legislation such as the Children and Families Act 2014 (in relation to SEND), Children and Social Work Act 2017 and the Care Act 2014 are the significant pieces of new legislation in the Children's sector. The new requirements arising from the array of legislation present the biggest challenge to People Services than any other in recent times, with new requirements not always sufficiently covered by 'new burdens' funding provided by government – e.g. in relation to new requirements to support all care leavers to the age of 25.
- 4.4.6 Over the past 12-18 months Derby has experienced an increased demand for early help and children's social care services, particularly the numbers of children subject to child protection plans, and since early 2018, the numbers of children coming into care and the costs of looking after those children coming into care is contributing significantly to the overspending position of the Directorate by £4.4 million; this has however significantly reduced from the Quarter 1 position reported earlier in the year where the overspend was projected to be in the region £5.6 million, as a result of robust and concerted action taken by the Directorate. There are a range of red performance indicators within the Directorate within this area that are all contributing to the financial pressure; numbers of child protection plans, numbers of independent foster

agency placements compared to in-house and stability of placements are all indicative of a system under immense pressure.

4.4.7 A range of coordinated actions have been taken to reduce the projected overspend. These are being driven by a project board chaired by the Strategic Director for People Services and includes the following actions:

- A rapid response team made up of existing front line staff across locality and specialist services to directly focus on and work with children either on the edge of care, to prevent children from coming into care, or with children who have come into care to quickly get them home when it is safe to do so;
- Robust targets for the 'Exit From Care' Team to review the care plans of looked after children in order to return children to family/friends or place in alternative placements/arrangements;
- Re-configuring our internal children's home provision so we can ensure the right children are placed in residential care and mitigate where possible placing children in more expensive external provision (noting this strategy was agreed at Cabinet in October 2018);
- Identify up to 6 children in care currently placed in external residential placements for step down to a 'contract care's' scheme being rolled out by the fostering service; we are anticipating the first cohort of carers to be ready in early 2019.

4.4.8 There are national and local problems recruiting experienced social workers particularly in children's services to carry out more complex work and cases. This is attributing to a £1 million of the forecast overspending position. Derby's recruitment strategy is proving to be effective and numbers of agency social workers are reducing. In September 2017 we had 30 FTE agency social workers; currently as at 30 September 2018 we have 21.5 so definitely reducing in the right direction.

Other emerging factors during that last quarter that are contributing towards the forecasted over spend are:

- Youth Offending Service – The cost of accommodating young people whilst on remand is forecasting a cost pressure of £0.2 million due to an increase in young people within the youth justice system being detained, the costs in these circumstances are the responsibility of the local authority until sentencing where responsibility then moves to the Home Office.

Performance in this area is also at a red status where targets for first time entrants to the Youth Justice System are being exceeded;

- Home to School Transport – The pressure on the transport budget for children with special educational needs and children in care is under pressure and is forecasting an overspend £0.5 million and is a direct correlation to the increase in the numbers of children being educated in specialist provision outside of the city.

The numbers of unaccompanied asylum seeking children is increasing and this places a cost pressure on Children's Services where children in these circumstances are the Council's responsibility for accommodating them as a looked after children. This is a direct result of the impact of Laverstock Court which was not anticipated prior the asylum dispersal centre opening earlier this year.

Research recently undertaken by East Midlands Councils concludes that the average cost to local authorities supporting (unaccompanied asylum seeking children in their care is £55,153 per UASC per annum; by comparison, the weighted average Home Office reimbursement per UASC is £30,231 per annum. This issue is contributing to an overspend within the region of £0.3 million.

#### 4.5 Communities and Place Directorate

Directorate position as at 30 September 2018	Approved Budget £m	Restated Budget £m	Current Budget £m	Actual Spend £m	% of Current Budget to Actual	Full year forecast £m	Forecast Variance £m
Communities & Place	42.681	36.364	38.865	14.571	37%	39.370	0.505
<b>TOTAL</b>	<b>42.681</b>	<b>36.364</b>	<b>38.865</b>	<b>14.571</b>	<b>37%</b>	<b>39.370</b>	<b>0.505</b>

4.5.1 The Directorate's full year revenue forecast is a total spend of £39.370m, £505,000 over its allocated budget of £38.865m. The main variances can be explained as follows:-

4.5.2 The overall pressure has arisen through:

- There is a forecast shortfall in income targets within leisure and parks which consists of a pressure of £100,000 created from unachievable income targets at Allestree Golf Course and £209,000 at Queens Leisure Centre, where it is proving difficult to retain and attract customers due to the condition of the

building and facilities.

- There is a pressure of £85,000 on Connect Derby activity costs which are supporting the connectivity for public space Wi-Fi, holding space available for the Nuclear Advance Manufacturing Research Centre is causing a short term income pressure of £47,000 (for which external income is sought) and there are forecast income shortfalls of £38,000 relating to the Kings Chamber income target with the balance of £17,000 across other Connect Buildings,
- A shortfall in income achievement has resulted in a pressure of £199,000 at the Marble Hall,
- A shortfall in income of £180,000 is forecast in Bereavement Services following the recent opening of a competing crematorium,
- Other shortfalls in income include £50,000 linked to Climate Change capital work. £81,000 income pressure against Street Cleansing and £43,000 against Project Water and Flood Risk Management with a consolidated balance of £45,000 for other minor variances.
- Pressure relating to increase in fuel costs £158,000.
- Pressure relating to delay to Libraries Strategic Review process £244,000 in under achieved savings.

These pressures are partially offset by:

- Markets' Cleaning budget savings – Grounds Maintenance (£122,000)
- Savings against utilities (£113,000)
- Savings against staffing costs – Vacancies (£152,000)
- Overachievement of income penalties and licences (£56,000)
- Waste Disposal savings based on planned use for part year (£427,000)
- Other service under/overspends (£121,000)

Waste Collection is overspent on salary and one-off redundancy costs but is being managed using various other underspends. The Trade Waste delegated function to Nottingham City Council is being monitored and the financial impact is being reviewed.

#### **4.5.3 Savings**

Implementation of planned savings totalling £244,000 are forecast not to be achieved and are being managed within the £505,000 forecast pressure, the details of which are provided in section 5.2.2.

- £244,000 of the £337,000 Libraries Strategic Review saving is delayed due to a delay in the implementation of the transfer of ten libraries to Direct Help and Advice through a restructure.

#### **4.5.4 Actions to mitigate overspends**

Every effort is being made to manage or mitigate the pressures within



the current budget and specific actions include:

- Exploring new options for income generation and early implementation of fees and charges across the service and reviewing the health and fitness and swimming programmes to support higher income generation.
- Review cost recovery against capital schemes.
- Carry out detailed analysis against third party charges.
- Incorporate debt management as a priority within revenue monitoring.
- More detailed investigations are being undertaken with greater scrutiny in a number of service areas to identify end of year unexpected favourable changes earlier.
- Delayed savings totalling £244,000 will be closely monitored though the year and any projected changes will be reported through the monitoring process.

#### 4.6 Corporate Resources Directorate and Corporately Held Budgets

The Directorate's full year revenue forecasts an underspend of (£428,000) against current allocated budget of £39.377m, as set out in the table below

Directorate position as at 30 September 2018	Approved Budget £m	Restated Budget £m	Current Budget £m	Actual Spend £m	% of Current Budget to Actual	Full year forecast £m	Forecast Variance £m
Corporate Resources	23.708	32.701	32.846	21.313	65%	33.386	0.540
Corporate	7.601	6.458	6.531	37.828*	572%	5.563	(0.968)
<b>TOTAL</b>	<b>31.309</b>	<b>39.159</b>	<b>39.377</b>	<b>59.141</b>	<b>150%</b>	<b>38.949</b>	<b>(0.428)</b>

\*High spend due to a £39.716m pre-payment into Derbyshire Local Government Pension Fund as approved by Urgent Leaders Approval Report on 16 May 2018.

##### 4.6.1 Corporate Resources

Corporate Resources Budgets are forecasting an overspend of £540,000. This is made up of a:

- Finance are forecasting a (£235,000) underspend mainly due to underspends in Benefits and Exchequer Services as a result of the over-achievement of income targets for court costs raised and one-off funding received for 'new burden' services.
- Digital Services are forecasting an underspend of (£200,000) as a result of prudent management of the directorate base budget.
- Human Resources are forecasting a £55,000 overspend as a result of continued job evaluation support from KornFerry Hay Group.
- Legal & Democratic Services are forecasting an overspend of £596,000 as a result of staffing overspends in the legal services team, funding pressure for local elections and unachieved Land Charges income when compared to income targets.

- Corporate Core and Business Support Services are forecasting an £103,000 overspend, mainly due to insufficient budget being centralised to cover expenditure on business support and translation costs which are being reviewed. The full impact of this pressure is being partially offset by an underspend in occupational health as a result of vacant posts.
- Property and Estates are forecasting a £221,000 overspend mainly due to an underachievement of rechargeable income from various capital projects in property design and maintenance and from overspends on staffing budgets; which has been partially offset by other underspends within the same service.

#### 4.6.2 Corporate Budgets

The full year forecast projects an underspend of (£968,000) against a current base budget of £6.531m. This is mainly due to additional Business Rates Transitional Protection funding in year (£720,000) and Treasury Management forecasting a (£450,000) underspend due to investment income being revised for an increase in investment balances and interest rate from the original budget assumptions. There has also been an increased Corporate Dedicated Schools Grant pressure of £222,000 due to further reductions in funding from more schools going to academy status, plus minor variances of (£20,000).

#### 4.7 Pay Award

The 11 April 2018 Cabinet Compliance and Contractual Financial Procedure Rules report approved the use of the Budget Risk Reserve to mitigate the anticipated increased pressure from the increased pay award of 2% agreed for 2018/19, of which 1% (plus higher than 2% increases at the lower bands of the pay scale) was not included in original budget agreed by Full Council on 28 January 2018.

Below is the current forecast of the additional pay award, the Section 151 Officer will determine the actual allocation throughout the year as appropriate.

Directorate	£m
Peoples	0.720
Communities and Place	0.515
Corporate Resources	0.247
<b>Total</b>	<b>1.482</b>

#### 5.1 Savings delivery

The Council's Revenue budget for 2018/19 included savings targets for each directorate in order to support a balanced budget position.

#### Forecast Savings Delivery in 2018/19

2018/19 Directorate Savings Targets	Approved Savings Targets £m	*Restated Savings Targets £m	Savings Delivered £m	Year End Shortfall £m	Forecast Variance %
Peoples Services	2.688	0.761	0.761	0	100%
Communities and Place	2.304	1.710	1.466	244	86%

Corporate Resources	7.767	6.633	6.633	0	100%
<b>Total</b>	<b>12.759</b>	<b>9.104</b>	<b>8.860</b>	<b>244</b>	<b>97%</b>

\*Savings that related to a reduction in pressures which in the budget setting process were classed as savings have been restated to be included as a reduction in pressures.

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

5.2.1 **People's Services:** All savings proposals for the directorate have been delivered.

5.2.2 **Communities and Place** are planning on achieving £1.466m of the target, a shortfall of £244,000. Savings not yet delivered is attributable to:

- Delay in the achievement of savings related to the Strategic review of libraries service £244,000.

5.2.3 **Corporate Resources:** £4.577m of the planned £6.057m target has been achieved. A shortfall of £1.480m is due to an unachievable cross directorate staffing efficiencies target; however this has been mitigated in 2018/2019 with a temporary solution. This savings target has been reduced in our 2019/20 base budget plans within the Medium Term Strategy 2019/20 – 2022/23 that was agreed by Cabinet on 18 July 2018.

## 6.1 **Capital**

6.2 The capital expenditure forecast for 2018/19 has been reviewed and the updated forecast is now £128.890m and detailed at 6.3. There have been (£5.400m) net changes to the approved budget of £134.290m agreed by Full Council on 24 January 2018.

- 6.3 The table below analyses the main variances by service against the profiled Quarter 2 budget and the actual spend.

2018/19 Capital Programme by Service Area	Approved Capital Budget	Actual Spend	% of Approved Budget	Current full year forecast/ Revised Budget	% spend of forecast budget	Forecast Variance
	£000's	£000's	£000's	£000's		£000's
<b>Schools</b>	14.843	5.472	36.87	12.791	42.78	(2.052)
<b>Housing General Fund</b>	4.155	1.093	26.31	4.737	23.07	0.582
<b>Property Improvement</b>	25.503	1.679	6.58	10.824	15.51	(14.67)**
<b>Flood Defence</b>	13.341	0.161	1.21	1.277	12.61	(12.064)*
<b>Highways &amp; Transport</b>	14.103	5.909	41.90	24.794	23.83	10.691
<b>Vehicles Plant &amp; Equipment *</b>	25.480	0.200	0.78	25.810	0.77	0.330
<b>Regeneration</b>	14.723	8.612	58.49	24.494	0.35	9.771*
<b>Information and Communication Technologies (ICT)</b>	2.925	1.458	49.85	3.464	42.09	0.539
<b>Housing Revenue Account (HRA)</b>	19.217	4.856	25.27	20.699	23.46	1.482
<b>Total</b>	<b>134.290</b>	<b>29.440</b>	<b>21.92</b>	<b>128.890</b>	<b>22.81</b>	<b>(5.400)</b>

\*Our City Our River transferred from Flood Defence to Regeneration

\*\* Market Hall Refurbishment transferred from Property to Regeneration

- 6.4 Capital expenditure to date is low against the original approved budget due to the heavy profiling of schemes spend towards the end of the year.
- 6.5 At the end of 2017/18 a total of £9.521m of the capital programme budget was carried forward into 2018/19, further net increases of £4.894m have been previously approved by cabinet and changes this Quarter requiring approval of (£19.815m) to reduce the programme, are detailed below and in Appendices 3 and 4.
- 6.6 The main changes over and above outturn slippage are increases in the A52 scheme due to overspend, together with the addition of slippage from Quarter 3 which was reported after the budget report was approved to Full Council on 24 January 2018. Further slippage reported this quarter is mainly on the regeneration programme and including the Our City Our River scheme has also impacted on the changes overall.

## 6.7 **Schools**

The schools capital programme requires net changes of (£438,000) as detailed in Appendices 3 and 4. The significant changes over £200,000 being:

- £387,000 addition to the fire alarm scheme at Littleover Secondary school. This is the schools contribution to additional works requested for window replacement works whilst works are ongoing on the new fire alarm system.
- (£312,000) reduction/slippage for the Bemrose school expansion. Reallocation of £100,000 to West Park expansion scheme, slippage of £200,000 which is due to the receipt of the delayed final account from Department for Education on Bemrose expansion.
- (£400,000) slippage on the Hackwood Farm Primary scheme. Delays in receiving planning permission and additional costs following procurement have required a revised programme.
- (£265,000) slippage on the Derby Moor Expansion scheme. There has been a procurement delay due to changes requested to the standard form contracts, requests by contractors for additional information during the procurement window, and the council requiring further information from contractors following procurement process.

## 6.8 **Housing General Fund**

The Housing General Fund capital programme requires no net changes and more detail of the programme is set out in Appendix 3.

## 6.9 **Property Improvement (including Parks and Open Spaces)**

The Property Improvement capital programme requires net changes of (£8.113m) as detailed in Appendix 4. Additions and significant changes over £0.200m being:

- (£8.197m) slippage for Moorways swimming pool. The project continues to progress and a value engineering exercise is being carried out, construction will not commence for the scheme until at least this has been concluded
- £20,000 addition of the Chellaston Brickworks path improvements scheme within the parks programme. This scheme will create new steps, footpath improvements and signage.

## 6.10 **Flood Defence**

The Flood Defence capital programme requires no changes this quarter. The £12m variance is due to the transfer of the Our City Our River scheme to the regeneration programme.

## 6.11 **Highways and Transport**

The Highways and Transport capital programme requires net changes of £3,246m this quarter as detailed in Appendix 3 & 4. The significant changes over £200,000 being:

- £3.712m increase to the A52 scheme. Cabinet approved the addition of £7.650m at 13 June 2018 meeting with a further £8.287m at 12 September 2018 meeting, bringing the total budget to £33m. Based on the current known situation, this additional funding (totalling £15.937m) has now been phased as 2018/2019 - £3.712m and 2019/2020 - £12.225m.

- (£200,000) slippage for the cycle derby scheme. The planned cycle route will pass through an area of Public Open Space, which is still owned by the developers and will remain so until a number of outstanding issues are resolved, at which point it will come under the control of the council. Our Parks Team have agreed with the developers to undertake the necessary works funded by the developer, however discussions to agree this way forward have been protracted, and resulted in delays in receiving the funding from the developer and actually undertaking the works described above. This means that there will not be sufficient time in 2018/19 to construct the cycle path as originally intended.

#### 6.12 **Vehicles Plant and Equipment**

The Vehicles Plant and Equipment capital programme require net changes of (£104,000) as detailed in Appendix 3 and 4.

£25m of the budget is for the council's financial contribution to the Sinfin Waste Plant where the building of the plant has passed its construction completion stage from 19 September 2018, but has not yet passed its acceptance test which is the trigger point for the council's £25m payment.

There are therefore no significant changes over £200,000 to report under this category of the capital programme.

#### 6.13 **Regeneration**

The Regeneration capital programme requires net changes of (£17.819m) as detailed in Appendices 3 and 4. The significant changes over £200,000 being:

- (£1.040m) slippage on the Market Hall high level glazing scheme. This budget is to be re-allocated into 2019/20, in line with the confirmed contractor profile for the Market Hall project. This budget has recently been transferred to the Regeneration Capital Programme from the Property Programme.
- (£431,000) slippage to the Access Osmaston scheme. A review of the project is underway for Cabinet to consider options to maximise the impact of Local Growth Fund in the area, to deliver public realm and highways improvements while also accelerating housing development on the Main Works site. An element of the budget has been re-profiled to 2019/20 to enable the review to be completed and work implemented.
- (£212,000) slippage to the T12 phase 2 scheme. Work is underway to commission future landscaping works, there have been delays in identifying and agreeing the scope of the landscaping works required to fulfil a planning condition on the site which means works will not be completed in 2019/20. Outstanding works connected to the utilities have been confirmed and a programme is being prepared and the works will now be completed in 2019/20.

- (£581,000) slippage for the iHub plot preparation scheme. The implementation of the project has been impacted by a number of factors including abortive design works to accommodate the parking requirements of a potential iHub occupier and strong interest from an end-user to develop part of the iHub Phase 2 site. There has also been a need to re-design the scheme to alleviate environmental and drainage issues ahead of submission of the planning application. The budget has been re-profiled to reflect the amended delivery programme of the scheme.
- (£402,000) reduction to the Derby Enterprise Growth Fund (DEGF) recycled scheme. DEGF is a demand led fund, grants and loans to businesses are managed within the envelope of the DEGF recycled loan repayments. The budget has been adjusted to reflect the current DEGF cash flow, the project budget is being reduced for 2018/19.
- £1.677m increase for the D2EGF Growth and Innovation scheme. D2EGF is a scheme that provides capital grant support to small and medium sized enterprises in Derby and Derbyshire. The budget has increased in 2018/19 to reflect the approved ERDF grant income and match funding ring fenced within the DEGF cash flow.
- (£515,000) reduction for Castleward Enhancement of Public Realm. The Castleward budget relates to an indicative allocation for Local Growth Fund for the project added at 17 January 2018 Cabinet meeting. A funding agreement is not yet in place for the project and therefore the budget has been removed from the programme until D2N2 have agreed the LGF allocation and a funding agreement is in place.
- (£415,000) slippage for Alvaston District Centre. The project is currently under review and will not be delivered in the current financial year.
- (£200,000) slippage for the Infinity Park Derby wayfinding scheme. The project has been delayed due to the need to incorporate feedback from consultation with partners on the wayfinding art work. The art work has been amended which has resulted in the planning application being re-submitted to accommodate changes to the art work, and this has resulted in a delay to the scheme. (£200,000) will be reprofiled in line with the revised delivery programme; the majority of the works will be delivered in 2019/20.
- (£1.000m) slippage for the Becketwell scheme. A programme is currently being worked up for the demolition of the former Debenhams building. The project has been delayed while options are considered for the wider regeneration of the area.
- (£14.500m) slippage on the Our City Our River scheme. This is due to:
  - a revised forecast for 18/19 using a 50% risk pot sum rather than a 95% as the project has not yet realised a 95% situation during delivery of Package1 so far.
  - 2017/18 slippage added to the 2018/19 budget which has now been reviewed to give a more appropriate phasing.
  - Forecast reduced by further £725,000 to £9.517m as a result of the purchase of the former Aida Bliss site through the council's Housing Revenue Account and taking on Revenue costs for security rather than via the OCOR budget

- The slippage in Q2 is a result of the need to re-programme the timetable of works into the next financial year. This is due to the recent notification of a forecast delay to the completion date of the current civils construction contract. Remaining Package 1 works cannot be implemented until the main contract has been completed. Landscape reinstatement is one example of the many elements of works of which OCOR is comprised. Landscaping activities have seasonal weather dependant constraints meaning works have to be rescheduled to reflect this.
- Delay to awarding of contract for Munio I (the working title of the ERDF funded elements)—has also impacted upon the delivery programme.

#### 6.14 **ICT**

The ICT capital programme requires net changes of £60,000 as detailed in Appendix 4.

- £60,000 addition for the Adult Learning Network. This scheme is required to replace hardware and software within the Adult Learning Service to rectify the non-compliant network system.



## 6.15 Housing Revenue Account

- £3.919m addition to the acquisitions and new build programme. There is a pipeline programme of acquisition and new build opportunities which the Council has planned for and the increase in budget is necessary to ensure the planned programme can be met.
- (£400,000) slippage to the Knoll New Build scheme. Procurement via Homes England framework has led to longer than anticipated delays. This was due to the framework coming to an end but no replacement framework in place.
- (£788,000) slippage to the Britannia court scheme. This is due to the fact that the proposed design will have to be amended to overcome a planning condition required by the Environment Agency in relation to access and egress to the building and maintaining services to the apartments in the event of possible overtopping /and or breach of the new flood wall. A partial redesign and revised planning submission will be required. This has delayed start on site, which was previously expected in 2018/19.
- (£200,000) slippage for Gerrard Street New Build scheme. There was a wayleave (an agreed right to install and maintain a service over a given period of time) required before work could start on site. These additional negotiations to agree the position and formalise the agreement have resulted in a delay to work starting which has then had a knock on to the completion.
- (£450,000) slippage to Barlow Street new build scheme. A water service found running under part of the site has resulted in redesign work. This has delayed start on site and therefore reduced expected 2018/19 expenditure.
- £725,000 addition for the Aida Bliss site. Reallocation of funding from the acquisition and new build budget for the acquisition and development of the Aida Bliss site.
- £550,000 addition for Parliament Street new build scheme. Reallocation of funding from the acquisition and new build budget for the purchase of a new build development at Parliament St.

## 6.16 Section 106 Contributions

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

### Additional S106 Allocations

Strategy Area	Scheme	Developer	Ward	£	S106 ref no
Schools	Homeleigh Way Developer Contribution (Primary) - Derbyshire County Council	Bellway	Chellaston	71,000	Holw 3-02
Schools	Chellaston Secondary - Homeleigh Way s106 Contribution (HolW3-03)	Bellway	Chelleston	78,000	Holw 3-03
Property Improvement	Queens Leisure Centre replacement Gym Equipment	Watkin jones	Darley	16,399	BroS 6-05
Parks and Open Spaces	Chellaston Brickworks Footpath Improvements	Hallam Land	Chellaston	95,000	Wool 2-04

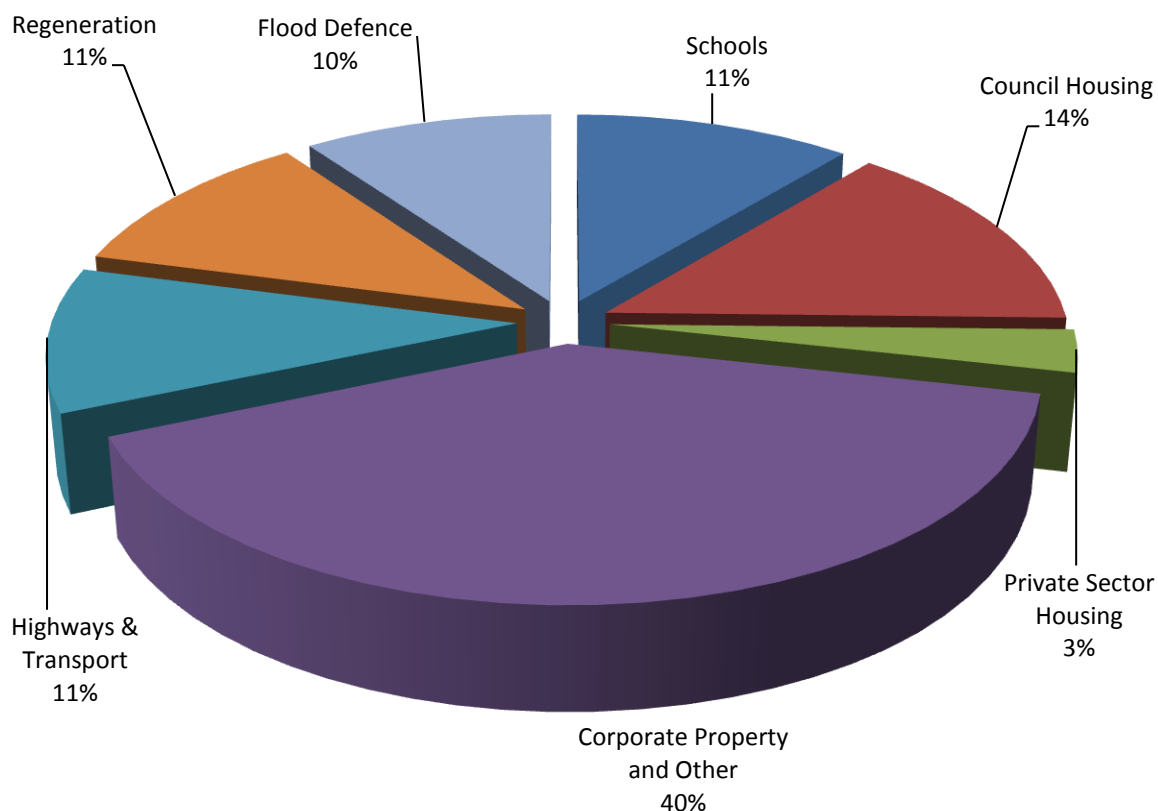
6.17 Current S106 contributions stand at £9.359m The table below shows the balances and committed for all S106 contributions. Appendix 5 shows a detailed breakdown of all S106 contributions by ward and planned use.

Position	£m
Opening balance as at 1/4/18	7.861
Received to date	2.168
<b>Adjustments/Clawbacks/Expired</b>	<b>(0.670)</b>
<b>Total Available</b>	<b>9.359</b>
Committed	1.779
Forecast Available	7.760

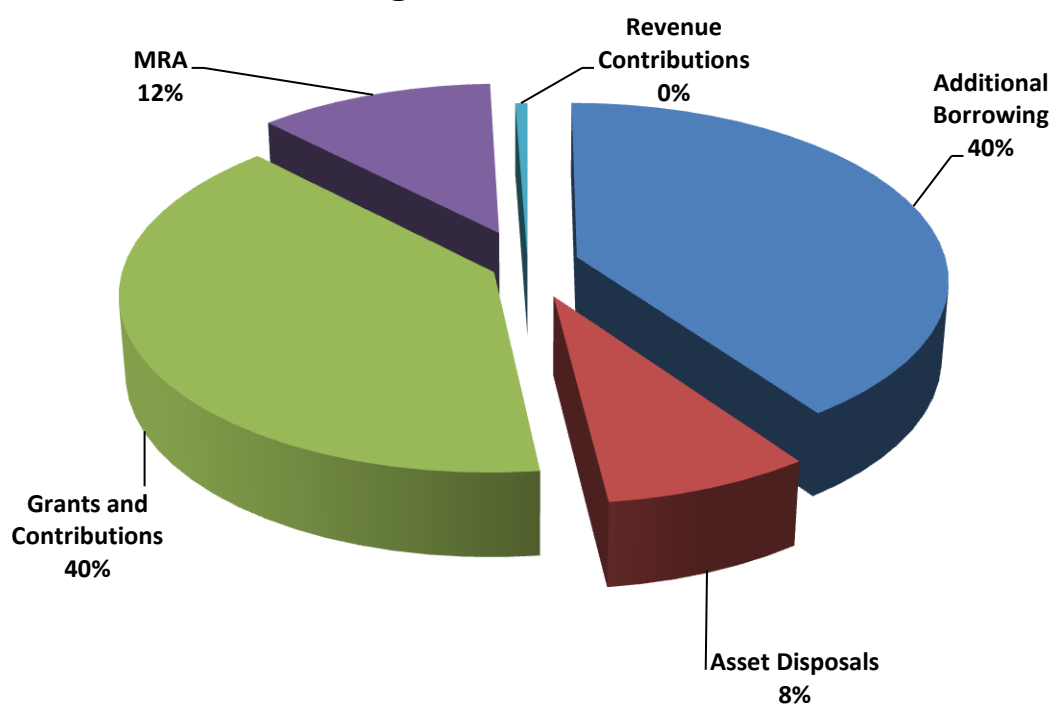
The S106 contributions are held under long term liabilities within the balance sheet as 'capital grant receipts' in advance.

6.18 The following graphs summarise where the capital programme is planned and funded:

### Capital Investment 2018/19



### Funding Sources 2018/19



## 7 Usable Reserves

- 7.1 **General Fund Balance** At 30 September 2018 the General Fund Balance is £10.933m and remains marginally above the recommended target ranges at 5.02% of Original approved base budgets.
- 7.2 **Earmarked Reserves** These are set out in full in Appendix 2 and are held to fund specific projects, such as the Council's regeneration fund programme and include other reserves which are not available to the Council for general use; such as School Balances. At 30 September 2018 forecast reserves total £23.895m (excluding HRA ring-fenced balances). At 30 September 2018 the PFI Reserve Forecast Balance is £2.138m.

## 8 Treasury Management

- 8.1 All Treasury Management activities in Quarter 2 were in accordance with the Treasury Management Strategy 2018/19, approved by Full Council Cabinet on 24 January 2018 and are within CIPFA's Prudential Code for Capital Finance in Local Authorities.
- 8.2 The Treasury Management forecast outturn for 2018/19 is a net underspend of £450,000 as at Quarter 2. This has been reduced by £65,000 since previously reported at Quarter 1, due to additional budget needing to be returned to service areas where borrowing costs have ended and due to an additional fee to be paid to our Treasury Advisors for appraising potential options regarding refinancing of LOBO loans where we decided not to proceed.
- 8.3 As at the 30 September 2018 the total debt portfolio of the Council (including HRA debt) was £447.584m offset by investments of £71.277m resulting in an overall net debt position of £376.307m. During Quarter 2 a loan from a Local Authority of £10.000m matured and was repaid resulting in the investment balance falling. No additional borrowing has been completed in 2018/19 to date. The net debt portfolio is set out in the table below:

<b>External Borrowing</b>	<b>£m As at 31/03/18</b>	<b>£m As at 30/09/18</b>
Fixed Rate PWLB	304.347	303.733
Fixed Rate Market (LOBO)	20.000	20.000
Other Local Authorities	35.000	25.000
Other Loans	3.857	3.711
Other Long-term Liabilities:		
- Transferred Debt from other Local Authorities	0.453	0.453
- PFI Financing	94.883	94.687
<b>Total Gross External Debt</b>	<b>458.540</b>	<b>447.584</b>
Investments	(99.240)	(71.277)
<b>Total Net External Debt</b>	<b>359.300</b>	<b>376.307</b>

## **9 Dedicated Schools Grant**

- 9.1 The Dedicated Schools Grant (DSG) is a ring-fenced grant of £226.774 million and is made up of four blocks of funding:

Schools Block £168.596m  
Central School Services Block £3.919m  
High Needs Block £34.588m  
Early Years Block £19.671m

- 9.2 The Schools Block and the Early Years Block is delegated to schools and providers of nursery education in the maintained, private, voluntary and independent settings through a local funding formula and any underspends or overspends arising within this part of the DSG is carried forward by individual schools and providers. The current forecast balances held by maintained schools are £6.8 million although they are reducing year on year as schools face increasing costs, mainly in relation to pension contributions, pay awards and pay incremental pressures.
- 9.3 The High Needs Block is the area within the DSG where there are significant concerns around cost pressures and there is currently a forecast overspend of £3.5 million.
- 9.4 Demand for specialist placements in independent setting outside of the City continue to rise and is forecast to over spend by £2 million alongside a forecast overspend in additional financial support to mainstream schools supporting children with additional needs of £1.2 million. The Special Educational Needs and Disability (SEND) Strategy approved by Council at October Cabinet sets out the Council's strategy in relation to children with specialist educational needs and disabilities providing clear educational pathways for Derby's children.

## **10 Collection Fund**

- 10.1 The forecast Council share of the deficit for the Collection Fund estimated in January 2018 and included in the 2018/19 budget was £3.025m (this wholly related to Business Rates). The actual Council share of the deficit calculated after 31 March 2018 proved to be less at £1.667m.
- 10.2 As payments out of the Collection Fund are controlled by statutory accounting provisions, the amount that can be credited or debited against the General Fund balance for surpluses/deficits in 2018/19 is limited to the previous year's 31 January estimate of £3.025m deficit. Therefore, the amount distributed to the Council in 2018/19, based on the forecast, was overstated by £1.358m. This will be adjusted against the Council's share of the 2019/20 non-domestic rate income.

- 10.3 The collection fund forecast for the position at 31 March 2019 is being reviewed. Council Tax is currently forecasting a balanced position, and further work is required in order to identify the Business Rates position. We have commissioned Wilks, Head and Eve to review the likely future losses on Business Rates appeals at 31 October 2018 as the movement on the provision held for this can have a substantial impact on the forecast surplus/deficit for Business Rates. This will enable us to provide a Business rates Collection Fund forecast in the Quarter 3 forecast of outturn report.
- 10.4 As at 30 September 2018 the amount of Council Tax billed for the 2018/19 financial year is £113.7m and of that we have collected £62.049m, which is 54.42% compared with 54.26% as at the same period last year. Compared with the position 12 months ago, in cash terms, we have collected £4.15m more income from council tax payers.
- 10.5 As at 30 September 2018 the amount of Business Rates billed for the 2018/19 financial year is £93.37m of which we have collected £52.931m or 56.53% compared with 51.83% as at the same period last year. Compared with the position 12 months ago, in cash terms, we have collected £4.82m more in the current year from business ratepayers.

## 11 Housing Revenue Account

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

Department position as at 30 September 2018	Original Budget (annual) £m	Actual Spend Qtr2 £m	% of Budget	Full year forecast £m	Forecast Variance £m
HRA	(1.895)	(1.776)	94%	(1.895)	0

11.2 As part of the 50 year HRA Business Plan, the HRA is budgeted to use £1.895m from the HRA reserve in 2018/19. It is currently forecast to achieve a balanced position against this budget, but this will be influenced by a number of factors, including:

- A review of central support services charges from the General Fund to the HRA is currently being undertaken. This may result in the charge to the HRA differing from the budget and current forecast.
- The impact of the introduction of Universal Credit is being assessed. It is expected it will result in an increase in the level of bad debt; this increase was incorporated into the 2018/19 budget. However, the introduction of Universal Credit was delayed until 11 July 2018, which may result in a positive variance against the 2018/19 budget.
- Although it's possible to estimate, with a reasonable degree of accuracy, the number of Right to Buy sales during the year, it is difficult to estimate the combined overall gain or loss on disposal resulting from these sales (in 2017/18 there was a £1.736m positive variance against the budget).
- Historically, charges for depreciation and impairment have also been difficult to forecast and differed from budget (in 2017/18 there was a £3.074m negative variance against the budget).

## 12 **Performance on sundry debt collection and movement on arrears outstanding**

As at 9 October the value of Sundry Debts which is outside the Council's repayment terms and therefore being classed as in arrears is £8.72m. The level of arrears has reduced significantly (by £2.87m) since August 2018.

12.1 An end to end review of the Sundry Debt process is currently taking place which includes;

- Looking at ways to reduce the number of invoices issued, for example, by collecting payment in full before the service is delivered or the goods are provided,
- Reviewing the debt collection process to ensure all recovery action taken is robust and timely,
- Reviewing how the service departments that raise the invoices engage with the Accounts Receivable team to ensure there is ownership of debt within the services, including not providing goods and services to known bad payers.

The aim of the review will be to build on the good work of the last few months to further reduce the level of Sundry Debt arrears.

<b>OTHER OPTIONS CONSIDERED</b>
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13 No other options are considered. The report is prepared to demonstrate the Council has met its statutory obligation to deliver a balanced budget.

This report has been approved by the following officers:

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Estates/Property officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	<p>Toni Nash, Head of Finance Corporate Resources</p> <p>Don McLure, Strategic Director of Corporate Resources and S151 Officer</p>
<b>For more information contact:</b> <b>Background papers:</b> <b>List of appendices:</b>	<p>Toni Nash: <a href="mailto:Toni.Nash@derby.gov.uk">Toni.Nash@derby.gov.uk</a></p> <p>None</p> <p>Appendix 1 – Implications</p> <p>Appendix 2 – Summary of reserves</p> <p>Appendix 3 – Changes to capital programme under delegation</p> <p>Appendix 4 – Further changes to the capital programme</p> <p>Appendix 5 - 2017/18 Private Finance Initiative (PFI) Reserve Movements</p>



<b>IMPLICATIONS</b>
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**Financial and Value for Money**

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

**Legal**

- 2.1 The report confirms that the Council has met its statutory requirement to deliver a balance budget.

**Personnel**

- 3.1 None directly arising.

**IT**

- 4.1 These were assessed in full when the budget was approved by Council.

**Equalities Impact**

- 5.1 None directly arising.

**Health and Safety**

- 6.1 None directly arising.

**Environmental Sustainability**

- 7.1 The report sets out the implications of the capital programme.

**Property and Asset Management**

- 8.1 The report demonstrates that a key risk of not balancing the Council's budget has been fully mitigated, with potential use of reserves in respect of 2017/18.

**Risk Management and Safeguarding**

- 9.1 The report demonstrates it has the resources available to deliver the Council's priorities.

**Corporate objectives and priorities for change**

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

## Appendix 2

### Summary of Reserves Movement

Statement of Reserves	Opening Balance as at 01/04/2018 £m	In Year Movements £m	Future Forecast Use £m	Closing Balance £m
<b>General Fund</b>				
Unallocated General Fund Balance	(10,933)	0	0	(10,933)
Balances Held By Schools	(7,926)	(2,360)	10,286	0
<b>TOTAL</b>	<b>(18,859)</b>	<b>(2,360)</b>	<b>10,286</b>	<b>(10,933)</b>
<b>Revenue Earmarked Reserves</b>				
Budget Risk Reserve	(35,909)	9,382	21,927	(4,600)
MTFP Specific Reserve	(3,559)	0	0	(3,559)
Central Schools Budget Reserve	(4,923)	0	4,923	0
General Insurance Reserve	(2,411)	0	0	(2,411)
Trading Services Reserve	(536)	0	506	(30)
Year end grants with restrictions	(4,730)	0	4,518	(212)
DEGF Interest Reserve	0	145	(145)	0
Regeneration Fund Reserve	(2,256)	0	2,256	0
Assembly Rooms Insurance Settlement	(1,503)	0	687	(816)
Delivering Change Reserve	(3,707)	0	1,508	(2,199)
PFI Reserves	(26,046)	0	23,908	(2,138)
Better Care Fund Reserve	(4,780)	2,095	2,685	0
Other Service Reserves	(7,362)	(876)	7,469	(769)
Earmarked Reserves to support the capital programme	(2,136)	(2,000)	2,315	(1,821)
Equal Pay Reserve	0	(5,000)	160	(4,840)
HR Reserve	0	(500)	0	(500)
Treasury Management Reserve	0	0	0	0
<b>TOTAL</b>	<b>(99,858)</b>	<b>3,246</b>	<b>72,717</b>	<b>(23,895)</b>
<b>Housing Revenue Account (Ring-fenced)</b>				
Housing Revenue Account (Ring-fenced)	(47,049)	0	1,895	(45,154)
Major Repairs Reserve	(6,280)	0		(6,280)
Other Earmarked HRA Reserves	(683)	0		(683)
<b>TOTAL</b>	<b>(54,012)</b>	<b>0</b>	<b>1,895</b>	<b>(52,117)</b>

*Note - Business Rates Pilot reserve of circa £6m not yet included in the above table until firmer estimates are worked up.*

*Future forecast use includes all known commitments and do not specifically relate to 2018/198 only.*

### Appendix 3

#### Changes to the Capital Programme made under Delegation.

<b>Scheme Area</b>	<b>Latest Approved Capital Programme 2018/19 £000</b>	<b>Revised Capital Programme 2018/19 £000</b>	<b>Change £000's</b>
<b>Schools</b>			
Wren Park Primary Gas Main Replacement	49	78	29
Gayton Primary FRA Works	0	6	6
Bemrose Secondary FRA Works	41	6	(35)
Oakwood Junior School - Phase 2 Fire Risk Assessment (FRA) Works	2	0	(2)
Oakwood Junior School - Phase 3 FRA Works	378	380	2
Littleover Secondary - Fire Alarm	198	585	387
Chellason Junior School	213	213	0
Rosehill Infant School - Remodelling	62	72	10
Bemrose Primary School - Phase 2 expansion	0	4	4
Pear Tree Infant School - Roofing works	0	4	4
Buildings at Risk	89	104	15
Markeaton Primary School - Primary Capital Programme Works	21	1	(20)
Ashgate remodelling works	30	10	(20)
<b>Total Delegated Changes Schools</b>	<b>1,083</b>	<b>1,463</b>	<b>380</b>
<b>Housing General Fund</b>			
Health Housing Assistance	150	170	20
Disabled Facilities Grant	2,356	2,336	(20)
<b>Total Delegated Changes Housing General Fund</b>	<b>2,506</b>	<b>2,506</b>	<b>0</b>
<b>Highways and Transport</b>			
Cycle Derby	796	596	(200)
Structures Maintenance	1,040	742	(298)
Smarter Choices	946	901	(45)
Public Transport	4,519	2,266	(2,253)
Highways Maintenance	3,039	3,079	40
Network Management	534	3,032	2,498
Traffic Management	653	473	(180)
Intelligent Transport Systems Maintenance	267	237	(30)
Pedestrian Accessibility	45	47	2
<b>Total Delegated Changes Highways and Transport programme</b>	<b>11,839</b>	<b>11,373</b>	<b>(466)</b>

<b>Vehicles Plant and Equipment</b>			
Waste Disposal – Sinfin Waste Plant	25,000	25,062	62
<b>Total Delegated Changes Vehicles, Plant and Equipment</b>	<b>25,000</b>	<b>25,062</b>	<b>62</b>
<b>Regeneration</b>			
Sadler Square Site Acquisition	25	0	(25)
IPD Wayfinding	250	50	(200)
<b>Total Delegated Changes Regeneration</b>	<b>275</b>	<b>50</b>	<b>(225)</b>
<b>Total Net Changes</b>	<b>40,703</b>	<b>40,454</b>	<b>(249)</b>

**Further Changes Required to the 2018/2019 Capital Programme**

<b>Summary of Further Changes to the Capital Programme 2018/2019</b>	<b>Latest Approved Capital Programme 2018/19 £000</b>	<b>Revised Capital Programme 2018/19 £000</b>	<b>Change £000</b>	<b>Category</b>
<b>Schools</b>				
Chellaston Secondary - Homeleigh Way s106 Contribution (HolW3-03)	0	78	78	A
Homeleigh Way Developer Contribution (Primary) - Derbyshire County Council	0	71	71	A
Springfield Primary Additional Classrooms	105	62	(43)	S
Ash Croft Primary Temporary Classroom	8	0	(8)	R1
Brackensdale Primary School Temporary Classroom	6	0	(6)	R1
Derby Moor expansion scheme	1,035	770	(265)	S
Lawn Primary School Access Improvements	0	26	26	A
Schools Access Initiative Funding	33	20	(13)	R
Bemrose Secondary School Expansion	482	170	(312)	"R(S) - 100 S - 200
West Park Expansion	1,032	632	(400)	S
Hackwood Farm Primary - New S106 Scheme	336	390	54	A
<b>Total Changes to the Schools Programme</b>	<b>3,037</b>	<b>2,219</b>	<b>(818)</b>	
<b>Parks and Open Spaces</b>				
Chellaston Park	25	75	50	S
Heatherton park	336	318	(18)	R1
Arboretum Park	14	30	16	S
Chellaston Brickworks	0	20	20	A
<b>Property Improvement</b>				
Queens Leisure Centre - Replacement of Gym Equipment	0	16	16	A
Moorways Swimming Pool	11,104	2,907	(8,197)	S
Cattle Market Demolition	138	0	(138)	R1
<b>Total Changes to the Property Improvement Programme</b>	<b>11,617</b>	<b>3,366</b>	<b>(8,251)</b>	
<b>Highways and Transport Programme</b>				
A52	8,130	11,842	3,712	R1

<b>Total Changes Highways and Transport</b>	<b>8,130</b>	<b>11,842</b>	<b>3,712</b>	
<b>Vehicles Plant &amp; Equipment</b>				
Grounds Maintenance	477	387	(90)	R1
Street Cleansing	146	80	(66)	R1
Highways Vehicles	10	0	(10)	R1
<b>Total Changes Vehicle Plant &amp; Equipment</b>	<b>633</b>	<b>467</b>	<b>(166)</b>	
<b>Regeneration</b>				
Market Hall Refurbishments	3,400	3,400	0	R1
Market Hall high level glazing	1,040	0	(1,040)	S
Access Osmaston	501	70	(431)	S
T12 Phase 1	312	100	(212)	S
T12 Phase 2	1,001	826	(175)	S
IHub plot preparation (iHub Phase 2)	831	250	(581)	S
DEGF (Recycled)	902	500	(402)	R1
D2EGF - Growth & Innovation	-108	1,569	1,677	R1
Castleward Enhancement of Public Square	515	0	(515)	R1
Alvaston DC	415	0	(415)	S
Becketwell	2,071	1,071	(1,000)	S
Our City Our River	20,931	6,431	(14,500)	S
<b>Total Changes to the Regeneration Programme</b>	<b>31,811</b>	<b>14,217</b>	<b>(17,594)</b>	
<b>ICT</b>				
Replacement/Retender Council Tax System	160	246	86	R1
Customer/service delivery GIS	350	0	(350)	R1
Major IT Systems Developments	100	453	353	R1
Online Portal	89	0	(89)	R1
Major IT Hardware Developments	2,365	2,425	60	A
<b>Total Changes to the ICT Programme</b>	<b>699</b>	<b>759</b>	<b>60</b>	
<b>HRA</b>				
Estates Pride - General	500	350	(150)	R1
Kitchens and Bathrooms	2,000	2,500	500	R1/A
One-off Mods/Major Refurbishments	865	1,000	135	R1
Disability Adaptions	700	500	(200)	R1
Solid Wall Installation	300	400	100	R1
Communal Staircases	300	200	(100)	S
Additional General Maintenance - HRA	150	0	(150)	R1
PVCU Windows & Doors	1,000	600	(400)	R1
New & Replacement Central Heating	1,750	2,050	300	R1
Emergency call system replacement	250	125	(125)	S
Fire safety	0	50	50	R1

<b>HRA Maintenance total</b>	<b>7,815</b>	<b>7,775</b>	<b>(40)</b>	
New Build and Acquisitions	1,081	5,000	3,919	R1/A
The Knoll NB	500	100	(400)	S
Richmond Road	15	30	15	R1
Berwick Avenue	175	90	(85)	S
Britannia Court	1,500	712	(788)	S
Mill Hill Flats	1,220	1,336	116	R1
Gerard Street	505	305	(200)	S
Carson Street	230	130	(100)	S
Bracknell	125	0	(125)	S
Hatfield Road	262	162	(100)	S
Barlow Street	500	50	(450)	S
29 Victory Road	0	120	120	R1
Hatton Mews - second property	0	196	196	R1
Aida Bliss	0	725	725	R1
Parliament Street	0	550	550	R1
<b>New Homes total</b>	<b>6,113</b>	<b>9,506</b>	<b>3,393</b>	
<b>Total Changes to The HRA Programme</b>	<b>13,928</b>	<b>17,281</b>	<b>3,353</b>	
<b>TOTAL CHANGES TO PROGRAMME</b>	<b>69,855</b>	<b>50,151</b>	<b>(19,704)</b>	

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



## Appendix 5

### 2017/18 Private Finance Initiative (PFI) Reserve Movements – S106 contributions by Ward

S106	Ward	Received	Expiry	Planned use	Amount £
Parliament Street	Abbey	2011/12	30-Apr-19	Affordable housing within the city	18,641
Kingsway Retail Park	Abbey	2011/12	16-Feb-21	Provision of art in the vicinity of the development	13,351
Kingsway Retail Park	Abbey	2013/14	16-Feb-21	Provision of improvements to or maintenance of transport facilities within the A516 Uttoxeter Road and A5250 Burton Road	22,379
Parliament Street	Abbey	2013/14	31-Aug-22	Provision or enhancement of off-site public open space reasonable capable of serving the application site	1,800
Roebuck Inn, Amy Street	Abbey	2013/14	14-Nov-18	Provision or improvements to public open space and/or public realm reasonably capable of serving the applications site	17,341
Devonshire Drive	Allestree	2015/16	09-Nov-25	Kedleston road corridor to include highway work, public transport, cycling and pedestrian facilities	13,719
Devonshire Drive	Allestree	2015/16	09-Nov-20	POS reasonably capable of serving the site	19,424
Devonshire Drive	Allestree	2015/16	09-Nov-25	Public Realm in the City of Derby	1,367
Palm Court Island	Allestree	2014/15	22-Jan-25	Facilities within the A6 Duffield Road/Kedleston Road corridor to include highway, public transport, pedestrian or cycling	5,994
Palm Court Island	Allestree	2014/15	22-Jan-20	Provision of or improvements to public open space reasonably capable of serving the application site	637
Palm Court Island	Allestree	2014/15	22-Jan-25	Provision of or improvements to public realm reasonably capable of serving the application site	1,457
Belmore Way	Alvaston	2013/14 & 2014/15	26-Jun-23	Provision of improvements to or maintenance of transport facilities within the A6(T) London Road corridor which may include highway works public transport cycling and/or pedestrian facilities	53,769
Belmore Way – Westside Park	Alvaston	2015/16	09-Jun-25	Towards the provision of improvements to or maintenance of transport facilities within the A6 London Rd corridor, which may include highways works, public transport, cycling and/or pedestrian facilities.	81,715
Coleman Street	Alvaston	2015/16	23-Jul-25	For the provision of improvements to or maintenance of transport facilities within the A514 Osmaston Rd corridor, which may include highway works, public transport, cycling and/or pedestrian facilities	27,205
Coleman Street	Alvaston	2015/16	23-Jul-2020	Provision of public art on the cycle route adjacent to the property	10,229

Point, Locomotive Way, Pride Park (Outline)	Alvaston	2013/14	5 years	Provision or enhancement of off site public open space and/or public realm reasonably capable of serving the application site	57,072
Roundhouse PH, London Rd	Alvaston	2016/17	23-May-21	Improvements to public realm within the City of Derby	1,080
Roundhouse PH, London Rd	Alvaston	2016/17	23-May-26	POS reasonably capable of serving the site	12,314
Former Sixt Kenning site, Cathedral Road	Arboretum	2016/17	04-Oct-26	Improvements to health facilities reasonably capable of serving the development	10,220
Bramble Business Centre	Arboretum	2017/18	TBC	Towards the provision or enhancement of offsite POS reasonably serving the application site.	12,704
Bramble Business Centre	Arboretum	2017/18	TBC	Provision of or enhancement of Public realm within the City.	901
Beaconsfield Club	Arboretum	2015/16	18-Mar-26	Towards the provision of improvements to transport facilities reasonably capable of serving the application site.	3,341
Former Sixt Kenning site, Cathedral Road	Arboretum	2016/17	04-Oct-26	Major open space within the vicinity of the property	63,262
Former Sixt Kenning site, Cathedral Road	Arboretum	2016/17	04-Oct-26	Public realm within the city	27,232
Former Sixt Kenning site, Cathedral Road	Arboretum	2016/17	04-Oct-26	Swimming pools reasonably capable of serving the site	15,764
Eagle Centre	Arboretum	2006/07	No time limit specified	Remainder of VMS contribution	75,000
Jurys Inn, King Street	Arboretum	2008/09	No time limit on spending	Provision of Public Art reasonably capable of serving the application site	1,537
Normanton Road/Burton Road	Arboretum	2018/19	30-Apr-28	Public art capable of serving the site	7,515
Normanton Road/Burton Road	Arboretum	2018/19	30-Apr-28	For the provision of improvements to or maintenance of transport facilities within the Normanton Road corridor, which may include highway works, public transport, cycling and/or pedestrian facilities.	50,515
36 St Peter's Churchyard	Arboretum	2016/17	09-Dec-26	Public transport, cycling and pedestrian facilities within the city centre	6,404
36 St Peter's Churchyard	Arboretum	2016/17	09-Dec-26	Public realm within the city centre	1,069

36 St Peter's Churchyard	Arboretum	2016/17	09-Dec-21	Public open space capable of serving the application site	13,269
Stenson Road	Blagreaves	2014/15	31-Mar-21	Provision of cycle route along Sinfin Lane between Redwood Road and Wordsworth Avenue comprising 500m of signing and lining	14,000
Stenson Road	Blagreaves	2014/15	31-Mar-21	650m Heatherton Cycle route between Stenson Road and the proposed City Park	52,650
Stenson Road	Blagreaves	2014/15	31-Mar-21	Real time passenger information for 14 buses and 20 bus stops or by agreement between us and the County alternative enhancement to buses, installation of MOVA and bus detection facilities at Stenson Road bridge.	202,000
Swarkestone Drive	Blagreaves	2004/05	No time limit on spending	provision or enhancement of off-site open space reasonably capable of serving the application site	509
Chaddesden Sidings	Chaddesden	2013/14	10-Feb-24	Improvements/maintenance of highway facilities in the Nottingham Road corridor to include pedestrian, cycling, highway and public transport	36,000
Costco Petrol Station, Wyvern Way	Chaddesden	2017/18	10-May-22	A52/Wyvern Way scheme	16,000
Woodlands Lane, Chellaston	Chellaston	2017/18	12-Apr-22	Affordable housing within the city	151,150
West Chellaston	Chellaston	2005/06	No time limit	Affordable housing within the city-New unties of affordable Accommodation	460,280
Fellow Lands Way	Chellaston	2016/17 & 2017/18	06-Apr-26	Primary education capable of serving the site	677,087
Fellow Lands Way	Chellaston	2016/17 & 2017/18	06-Apr-26	Secondary education serving the application site	730,940
Holmleigh Way (The Tadpole)	Chellaston	2017/18	15-Jan-28	Provision of primary school facilities s	71,254
Holmleigh Way (The Tadpole)	Chellaston	2017/18	15-Jan-28	Provision of secondary school facilities	78,082
Woodlands Lane	Chellaston	2017/18	02-Feb-21	Secondary education in the vicinity of the site	202,191
Fellow Lands Way	Chellaston	2016/17	06-Apr-21	Improvements to sports facilities and open space at Chellaston Park	77,175
Fellow Lands Way	Chellaston	2016/17	06-Apr-26	Improvements to Snellsmoor Community Room	37,429
Fellow Lands Way	Chellaston	2016/17	06-Apr-26	£50,000 for A514 corridor improvements, £20,000 for improvements to signalling at High Street, improved signage and anti-skid surfacing and £30,000 for extending the 40mph limit at Acrefield Way	102,900
Innovation Centre	Chellaston	2015/16	No time limit	For the provision of, or improvements to public transport, cycling and pedestrian facilities within the A514 Osmaston Road corridor (which may include revenue funding to support services, including Council staff time to support,	62,954

				design and implement the schemes, services and travel behaviour initiatives) and unless agreed by the Owner to no other purpose.	
Merrill College	Chellaston	2011/12	07-Feb-22	Improvements to or maintenance of transport facilities within the A514 corridor which may include highway works, public transport, cycling and/or pedestrian facilities	69,460
Merrill College	Chellaston	2012/13	11-Sep-24	Provision of or improvements to the public realm	723
Merrill College	Chellaston	2011/12	07-Feb-22	Community centres reasonably capable of serving the site	53,750
Merrill College	Chellaston	2011/12	07-Feb-22	Provision of, or improvements to library facilities	14,835
Bungalow and Land Adjoining at Sinfin Moor Lane	Chellaston	2009/10	19-Nov-19	Provision of improvements to or maintenance of transport facilities within the Stenson Road/Sinfin Moor Lane corridor which may include highway works public transport cycling and/or pedestrian facilities	20,768
71-73 Weston Park Avenue	Chellaston	2009/10	11-Jun-19	Provision of improvements to or maintenance of transport facilities within the A514 Osmaston Road corridor which may include highway works public transport cycling and/or pedestrian facilities.	5,885
Woodlands Lane	Chellaston	2015/16	02-Feb-21	Improvements to the Snellsmoor Community Room	38,248
Woodlands Lane	Chellaston	2015/16	02-Feb-21	Major open space and/or sports facilities reasonably capable of serving the site	95,000
Woodlands Lane	Chellaston	2015/16	02-Feb-21	Public transport and pedestrian facilities in the A514 corridor	61,264
Bath Street Mills	Darley	2016/17		Provision of, or improvements to, health facilities reasonably capable of serving the site	38,704
Bath Street Mills	Darley	2016/17		Flood mitigation landscaping in the vicinity of the site	95,555
Broadway Baptist Church	Darley	2014/15	27-Jun-24	Tree planting and maintenance reasonably serving the site.	21,349
Brook Street builders yard	Darley	2013/14	17-Sep-23	Provision of or improvements to libraries reasonably capable of serving the application site	6,314
Brook Street builders yard	Darley	2013/14	17-Sep-23	Provision of or enhancements to public realm reasonably capable of serving the application site	6,712
Brook Street builders yard	Darley	2013/14	17-Sep-23	Provision of or improvements to swimming pools or fitness suites reasonably capable of serving the application site	16,399
Highfields, Broadway	Darley	2007/08	No time limit on spending	Junction improvements	186,917
Agard Street Phase 1 DOV	Darley	2016/17	04-Jun-26	Public Realm/public art associated with Friar Gate Bridge	16,052
Lodge Lane	Darley	2015/16	17-Sep-23	Public realm , hihgways, affordable housing, open space	2,940

Milner House	Darley	2012/13	01-Sep-22	Improvements to public realm within the City of Derby	793
Oaklands, 103 Duffield Road	Darley	2017/18	26-Jul-27	Provision of, or improvements to public transport, cycling & pedestrian facilities between junctions at Five Lamps and Broadway, within A6 Duffield Road & Kedleston Road corridor	14,030
Oaklands, 103 Duffield Road	Darley	2017/18	26-Jul-22	Provision of or improvements to POS reasonably capable of serving application site	18,065
Oaklands, 103 Duffield Road	Darley	2017/18	26-Jul-27	Provision of or improvements to public realm within City of Derby	1,272
St Helens Street/King Street	Darley	2015/16	10-Dec-25	Provision of or enhancement of off site Public Open Space and/or Public Realm reasonably capable for serving the Application Site.	45,045
St Helens Street/King Street	Darley	2015/16	10-Dec-25	Provision of improvements to or maintenance of transport facilities within the A6(T) Duffield Road/Kedleston Road corridor which may include highway works public transport cycling and/or pedestrian facilities	35,028
Agard Street/Friar Gate/Ford Street	Darley	2015/16	01-May-25	Public realm and/or public art associated with Friar Gate bridge	54,007
Sawley Packaging	Derwent	2014/15	04-Sep-24	Public art serving the site	7,721
Sawley Packaging	Derwent	2014/15	04-Sep-24	Highways as in the original agreement	5,129
The Rhino	Derwent	2012/13	24-Dec-22	Provision of or improvements to the public realm	1,100
Manor Kingsway site	Littleover	2015/16	21-Aug-25	Primary education in the vicinity of the application site capable of serving the application site.	243,587
Manor Kingsway site	Littleover	2014/15	20-Jan-25	Towards the provision of community facilities capable of serving the application site.	68,559
Manor Kingsway site	Littleover	2014/15	20-Jan-25	the provision of improvements to or maintenance of transport facilities within the A516 Uttoxeter Road/A520 Burton Road corridor which may include highway works public transport cycling and/or pedestrian facilities	24,174
Manor Kingsway site	Littleover	2014/15	20-Jan-25	Improvements to library facilities reasonably capable of serving the application site	18,872
Manor Kingsway Phase 2	Littleover	2014/15	20-Jan-25	Towards the provision of improvements to or maintenance of transport facilities within the A516 Uttoxeter Rd/ A5250 Burton Road corridor which may include Highway works, public transport, cycling and/or pedestrian facilities.	192,760
Nuffield Hospital	Littleover	2014/15	15-May-24	Highways improvements	29,304
Land off Moorway Lane	Littleover	2008/09	01-Apr-19	Provision or enhancement of leisure facilities with the application site	300,945

Follows, Heatherton	Littleover	2006/07	04-Oct-21	Education facilities and/ or community facilities	53,219
Manor Kingsway Phase 2	Littleover	2014/15	10 years	Primary education reasonably capable of serving the application site	1,906,293
Arthur Neal House	Mackworth	2011/12	31-Jul-21	Towards the provision of improvements to or maintenance of transport facilities within the A52 Ashbourne Road corridor which may include highway works public transport cycling and/or pedestrian facilities	18,727
Mackworth College, Prince Charles Avenue	Mackworth	2012/13	31-Jan-22	Provisions of improvements to or maintenance of transport facilities within the A52 Ashbourne Road corridor	137,064
Mackworth College, Prince Charles Avenue	Mackworth	2012/13	31-Jan-22	Provision of or improvements to public realm	21,516
Prince Charles Avenue Phase 2	Mackworth	2014/15	08-Apr-25	Improvements to or maintenance of transport facilities within the A52 Ashbourne Rd corridor which may include highway works public transport, cycling and /or pedestrian facilities and/or travel planning	136,910
Prince Charles Avenue Phase 2	Mackworth	2014/15	08-Apr-25	Provision of art within the vicinity of the site	1,351
Radbourne Lane	Mackworth	2017/18	14-Apr-24	Improvements to alleviate rat running in Mackworth estate, congestion on Station Road/Radbourn Lane and the upgrading of Windmill Hill Lane footpath to a multi-user route	563,033
Mickleover Campus	Mickleover	2010/11	01-Jan-21	Encouraging the use of public transport and cycling and walking	4,771
Mickleover Campus	Mickleover	2010/11	No time limit	Goal posts	2,500
Sunny Hill Infants	Normanton	2014/15		Provision of, or improvements to, health facilities reasonably capable of serving the site	34,398
Grange Hotel, Ingleby Ave	Normanton	2016/17	02-Aug-26	Improvements to the public realm within Derby	1,652
Former Normanton Junior site, Grange Avenue	Normanton	2017/18	15-Jan-28	For local traffic management measures, including TROs, markings, signage, informal crossing provision, tactile paving, warning signs, pedestrian guardrails or any other works as identified to mitigate local highway impacts	15,165
Former Normanton Junior site, Grange Avenue	Normanton	2017/18	15-Jan-28	Highway junction improvements between Stenson Road/Village Street and the junction of the A5111 and Stenson Road	64,784
Grange	Normanton	2016/17	2-Aug-26	Provision of improvements to the	23,038

Hotel, Ingleby Ave				Stenson Road corridor which may include highway work, pedestrian, public transport or cycling	
Sunny Hill Infants	Normanton	20/03/2013	10 years	Public Realm in the City of Derby	4,576
Sunny Hill Infants	Normanton	20/03/2013	10 years	Highways in the Stenson Road corridor- public transport, highway work, cycling, pedestrian facilities	25,095
Sunny Hill Infants	Normanton	20/03/2013	10 years	POS reasonably capable of serving the site	40,683
Wragley Way	Sinfin	2017/18	11-Jul-27	Facilities at Sinfin Moor Community Centre, Moorways Sports Centre, Sinfin Library, healthcare centre	132,619
Wragley Way	Sinfin	2014/15	23-Sep-14	public transport, pedestrian or cycle facilities within the Stenson Road corridor	243,103
BOC Gases, Raynesway	Spondon	2009/10	30-Jul-19	Provision of improvements to or maintenance of transport facilities within the A6(T) London Road corridor which may include highway works public transport cycling and/or pedestrian facilities	20,340
Huntley Avenue	Spondon	2013/14	12-Sep-18	Grasslands capable of serving the application site	2,060
Huntley Avenue	Spondon	2013/14	12-Sep-18	Public open space capable of serving the application site	13,684
78 Nottingham Road	Spondon	2014/15	24-Apr-19	Improvements or enhancements to off site public open space within reasonable walking distance of the site	2,405
78 Nottingham Road	Spondon	2014/15	24-Apr-24	Provision or improvements or maintenance of transport facilities within A52 Nottingham Road Corridor towards highway works, public transport, cycling and/ or pedestrian facilities	13,637
New Raynesway	Spondon	2014/15	Not specified	Offsite highways works	166,614
New Raynesway	Spondon	2014/15 & 2017/18	Not specified	Public transport contribution	228,372
Former Spondon Reservoir, Huntley Avenue	Spondon	2013/14	10 years	Provision of improvements to or maintenance of transport facilities within the A52/Nottingham Road corridor which may include highways works, public transport, cycling or pedestrian facilities	25,312
78 Nottingham Road	Spondon	2014/15	5 years	Improvements or enhancements to off site public open space within reasonable walking distance of the site	23,575
	<b>Total</b>				<b>9,358,589</b>