

EXECUTIVE BOARD – 17 December 2019

Subject:	Budget Consultation 2020/21
Corporate Director(s)/Director(s):	Laura Pattman, Strategic Director of Finance
Portfolio Holder(s):	Councillor Sam Webster, Portfolio Holder for Finance, Growth and the City Centre
Report author and contact details:	Theresa Channell – Head of Strategic Finance & Deputy Section 151 Officer 0115 8763649 theresa.channell@nottinghamcity.gov.uk
Subject to call-in:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Key Decision:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(a)	<input type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision
and/or	
(b)	Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input type="checkbox"/> No
Type of expenditure:	<input type="checkbox"/> Revenue <input type="checkbox"/> Capital
Total value of the decision:	Nil
Wards affected:	All
Date of consultation with Portfolio Holder(s):	Ongoing
Relevant Council Plan Key Theme:	
Nottingham People	<input checked="" type="checkbox"/>
Living in Nottingham	<input checked="" type="checkbox"/>
Growing Nottingham	<input checked="" type="checkbox"/>
Community Services	<input checked="" type="checkbox"/>
Respect for Nottingham	<input checked="" type="checkbox"/>
Serving Nottingham Better	<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):	
<p>This report contains draft proposals for the revenue element of the Council’s draft Medium Term Financial Plan (MTFP) for 2020/21 to 2022/23.</p> <p>Headlines include:</p> <ul style="list-style-type: none"> • At the time of writing this report the results of General Election and the timing of the provisional settlement are both unknown. Historically the provisional settlement is announced in early December however the expectation is that for this year it could be announced as late as January. Any updates to the assumptions made will be reflected in the draft Medium Term Financial Plan which will be presented to February 2020 Executive Board for recommendation to Full Council in March 2020. • The funding assumptions used within this report are based on the September Spending Round which announced headlines of proposed one-year provisional funding. Therefore confirmed funding for 2021/22+ is unknown. The short term nature of the funding announcements and the continued uncertainty over Brexit hamper the Council’s ability to plan for the longer term. • Demand for services such as Adult Social Care and Children in Care continues to increase, the September spending round announced an additional Social Care Grant and the option of a 2.00% Adult Social Care Precept, this additional funding remains insufficient to cover the increasing costs in these areas • Total new savings of £13.411m for 2020/21, comprising of £12.432m consultation proposals and £0.979m from already approved / fast tracked proposals • Aim to minimise the impact of service reductions on vulnerable citizens • Look to maximise commercial opportunities that generate income • Assumes a basic council tax increase of 1.99%, and additional 2.00% increase for the Adult Social Care precept, this results in a total increase of 3.99% • Remaining 2020/21 gap of £2.405m will be addressed by the final MTFP proposals 	

Exempt information: State 'None' or complete the following

None

Recommendation(s):

1 To note, endorse and release the consultation proposals as set out in paragraph **2.4** and **Table 6** of the report for formal public consultation, noting that further details relating to individual consultation proposals are contained in **Appendix 2a-j**.

1 **REASONS FOR RECOMMENDATIONS**

- 1.1 This report presents and seeks endorsement for currently identified draft budget proposals for 2020/21 to 2022/23 to enable the release of details for public consultation.
- 1.2 Any options that include proposed workforce reductions will be subject to internal consultation, which entails jointly examining and discussing the proposals and issues of concern with the trade unions and affected colleagues. The details of such proposals may, therefore, change during the consultation period and may impact on the way in which identified proposals will be delivered.

2 **BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

2.1 **Economic and funding overview**

- 2.1.1 Local authorities continue to operate in a challenging financial environment of reduced levels of Government funding; with the full consequences of Brexit yet unknown. The Government's Spending Round on 4 September announced a delay in the expected 3-year Local Government Funding Settlement and set out spending plans for 2020/21 only. The Spending Round proposed rolled over settlement funding for 2020/21, announced details of a national **£1bn** Social Care grant and the option of an Adult Social Care precept of **2.00%**. This extra funding should be considered short-term whilst we are waiting for the delayed Green Paper on Social Care and a sustainable long-term national funding strategy.
- 2.1.2 The subsequent General Election announcement has delayed the provisional settlement and this is now expected in January. Therefore the funding details are based on projections of the September spending round and any subsequent announcements, any changes to these assumptions following provisional settlement and final settlement will be included within the draft MTFP report presented to February 2020 Executive Board.
- 2.1.3 Nottingham has seen increased demand for a number of services, for example Adult Social Care and Children in Care, however the additional funding announced as part of the September round does not cover the increasing cost of delivering these services and therefore continues to impact on the Council's ability to fund other local services.
- 2.1.4 At the time of writing this report the pay award for 2020/21 remains unknown and is not expected until after the General Election. 2019/20 represents the final year of the pension valuation and a draft report detailing the latest revaluation has been received. The net impact of the planned change to pension deficit and primary rate is an additional cost to the draft MTFP of **£2.2m** pa and it is proposed that the additional cost for 2020/21 will be funded from reserves with the cost in 2021/22+ added to the budget gap.

- 2.1.5 In the period from 2010/11 to 2019/20 the Council made cumulative savings totalling **£271.4m** and has had to continue making difficult decisions about the services it provides in order to close the initial projected budget gap of **£27.730m** next year.
- 2.1.6 **Table 1** shows the currently assumed MTFP funding figures. Final funding figures in the February Executive Board report will alter following the statutory return of our detailed business rates projections to Ministry of Housing, Communities and Local Government (MHCLG) and the final settlement announcement.

TABLE 1: ASSUMED FUNDING			
DESCRIPTION	2020/21 £m	2021/22 £m	2022/23 £m
Settlement Funding	(123.018)	(123.018)	(123.018)
Council Tax	(121.714)	(125.215)	(128.807)
Collection Fund surplus/deficit	0.000	0.000	0.000
TOTAL FUNDING	(244.732)	(248.233)	(251.825)

- 2.1.7 Settlement Funding
This comprises Retained Business Rates, Top-up Grant and Revenue Support Grant (RSG). The MTFP assumes that the 2020/21 settlement will be rolled over from 2019/20 as set out in the Spending Round announcement. In the absence of a 3-year settlement from the Government this level of funding has also been assumed for future years. The introduction of the Fair Funding Review and 75% Rates Retention has now been delayed until 2020/21. No assumptions have been made for the likely impact on future settlement funding due to a lack of clear exemplifications of the Government policy options being currently considered.
- 2.1.8 Tax Base
Nottingham has a relatively low tax base with 80.1% of dwellings, as at October 2019, classified as either Band A or B. The tax base for tax setting purposes has been assumed at 67,308 Band D equivalents. However the final 2020/21 council tax base will be agreed at January Executive Board.
- 2.1.9 Council Tax
A 1% rise in Band D raises **c£1.2m** of council tax income. The draft MTFP currently assumes a **1.99%** basic increase in 2020/21 with further **1.99% pa** in subsequent years. This has been set in the context of the previously announced referendum limits.
- 2.1.10 Adult Social Care Precept
The recent Spending Round announced the flexibility to add a further **2.00%** Adult Social Care Precept for 2020/21 which has been assumed in the draft MTFP.
- 2.1.11 Collection Fund surplus/deficit
The collection fund surplus/deficit will be included in the February MTFP when robust monitoring information will be available.
- 2.1.12 Existing Social Care grants
The Government Spending Round confirmed that the existing levels of funding for Improved Better Care Fund (iBCF), Winter Pressures Grant and Social Care Support Grant in 2019/20 will continue into 2020/21. The Winter Pressures funding will be rolled into the iBCF and the 2019/20 Social Care Support Grant will be included in the new 2020/21 Social Care funding.

2.1.13 Additional funding for Social Care

The Government Spending Round also announced an extra **£1bn** of social care grant funding in 2020/21 for all authorities with social care responsibilities. The proposed allocation methodology, announced as part of a technical consultation in October 2019, uses a combination of the Adults Relative Needs Formula (RNF) and an assessment of each Council's ability to raise funds via the social care precept. The proposed funding for Nottingham will be **£9.793m** (including the rolled-in 2019/20 grant).

2.1.14 New Homes Bonus

The New Homes Bonus rewards local authorities for increasing new or occupied homes. The latest grant award will be confirmed alongside the provisional settlement.

2.1.15 Other Specific Grants

Expenditure on grant funded activities will be reduced in line with any funding reductions. If this is not possible proposals will be identified in the draft MTFP to cover any shortfall and included in the consultation.

2.2 **General Fund Estimated Outturn 2019/20**

The 2019/20 estimated outturn has been reported to Executive Board in September and December 2019. The Council continues to operate in a challenging financial environment, the December report forecasts an overspend of **£7.527m**, although we are committed to outturn on budget. The main areas of overspend relate to Children's services. There is a range of management action in place to address the forecast overspend as detailed in the Qtr2 monitoring report, the draft MTFP assumes a balanced 2019/20 outturn position.

2.3 **Managing the funding reductions and financing ongoing pressures**

In order to respond to the funding cuts and manage the increasing pressures the construction of the budget has followed the following principles:

- address demographic and service pressures;
- reflect the longer term reductions in external funding since 2010/11 by reducing expenditure on certain activities;
- support the City Council's determination to be efficient, improve performance and modernise the organisation;
- minimise the impact of service reductions and changes on vulnerable citizens by protecting frontline services;
- pursue commercialisation opportunities to generate income for the City Council.

2.4 **MTFP**

2.4.1 The previous MTFP published in February 2019 set a net budget requirement of **£239.785m** for 2019/20, and an original budget gap of **£27.730m** for 2020/21, rising to **£45.009m** for 2022/23. **Table 2** summarises the impact of the current proposals and updates contained within this report on the new draft MTFP. A revised budget gap of **£15.817m** needs to be addressed to balance the currently projected MTFP in 2020/21, this gap rises to **£39.784m** in 2022/23.

TABLE 2: DRAFT MEDIUM TERM FINANCIAL PLAN			
BUDGET ITEM	2020/21 £m	2021/22 £m	2022/23 £m
2019/20 Net Budget Requirement	239.785	239.785	239.785
Updated Budget Assumptions	20.764	40.647	51.825
SUB-TOTAL	260.548	280.432	291.609
Settlement Funding	(123.018)	(123.018)	(123.018)
Council Tax	(121.714)	(125.215)	(128.807)
Collection Fund surplus	0.000	0.000	0.000
ASSUMED FUNDING	(244.732)	(248.233)	(251.825)
INITIAL GAP	15.817	32.199	39.784
Already approved / Fast track Proposals	(0.979)	(0.746)	(0.715)
Portfolio Consultation Proposals	(12.432)	(9.167)	(9.124)
TOTAL SAVINGS	(13.411)	(9.913)	(9.839)
OUTSTANDING GAP	2.405	22.286	29.945

2.4.2 Updated Budget Assumptions

Budget assumptions are refreshed on an ongoing basis to reflect the Council's latest understanding in relation to inflation, corporate adjustments, previous MTFP proposals and emerging pressures/overspend risks.

2.4.3 **Table 3** summarises the updated budget assumptions. Most notably:

- Demand, demographic and service pressures of **£17.911m**
- Assumed 2020/21 pay inflation of **£5.340m** and contractual inflation of **£1.147m**
- Technical adjustments of **£3.320m** are primarily the result of increases in grants and net movement in reserves
- Continuing net impact of savings decisions made in previous budgets of **£0.314m**

TABLE 3: BUDGET REFRESH			
BUDGET ITEM	2020/21 £m	2021/22 £m	2022/23 £m
Pressures / Overspend Risks	17.911	29.470	31.183
Pay / Contractual Inflation	6.487	12.796	19.144
Technical Adjustments	(3.320)	0.239	3.355
Previously Agreed Savings	(0.314)	(1.857)	(1.857)
TOTAL	20.764	40.647	51.825

2.4.4 Further details of the funded pressures and potential overspend risks are summarised in **Table 4**. Most notably the continued demand for Adult Social Care and Children in Care has significantly increased the cost of these services. The Government's Spending Round acknowledges this is as a continuing national issue but the announced rollover of existing social care grants, proposed increase in funding and flexibility to set additional precept income is insufficient to fully meet these increased costs. The Government must ensure that its 2020 Spending Review builds on the September Spending Round by ensuring sustainable long-term funding so that the

increasing burden does not fall on council tax payers or necessitate reductions in other local services.

TABLE 4: PRESSURE / OVERSPEND RISKS			
BUDGET ITEM	2020/21 £m	2021/22 £m	2022/23 £m
Adults Demographics	4.551	11.419	12.769
National Living Wage	2.042	4.159	4.159
Adult Care & Local Transport	6.593	15.578	16.928
Children's workforce related issues	1.950	1.950	1.950
Contractual increases	0.586	0.618	0.651
Remand costs	1.297	1.297	1.297
Complexity changes	2.713	4.252	4.583
Children & Young People	6.546	8.117	8.481
Historical savings	0.811	0.961	0.961
Early Years, Education & Employment	0.811	0.961	0.961
Individual Electoral Registration	0.050	0.050	0.050
Market supplement for drivers	0.143	0.143	0.143
Coroner - Contractual issue	0.500	0.500	0.500
Energy, Environment & Democratic Services	0.693	0.693	0.693
Trade Unions	0.070	0.070	0.070
Health, HR & Equalities	0.070	0.070	0.070
Markets (reduction of previous one-off)	(0.301)	(0.301)	(0.301)
Leisure, Culture & IT	(0.301)	(0.301)	(0.301)
Strategic Asset Management	0.737	0.737	0.737
Regeneration, Safety & Communications	0.737	0.737	0.737
Pressures Contingency	0.850	1.702	1.702
Nottingham Ice Centre	0.250	0.250	0.250
Capital	1.400	1.400	1.400
Treasury Management	0.262	0.262	0.262
Corporate	2.762	3.614	3.614
TOTAL	17.911	29.470	31.183

2.4.5 Already approved / Fast track Proposals

Table 5 summarises **£0.979m** to be delivered in 2020/21 from proposals that have already been approved or will be fast tracked in year, with more detail provided in **Appendix 1**.

TABLE 5: ALREADY APPROVED / FAST TRACK PROPOSALS			
LEAD PORTFOLIO	2020/21 £m	2021/22 £m	2022/23 £m
Adult Care & Local Transport	(0.979)	(0.746)	(0.715)
TOTAL	(0.979)	(0.746)	(0.715)

2.4.6 Portfolio Consultation Proposals

Table 6 summarises the **£12.432m** consultation proposals to be delivered by Portfolio Holders with more detail provided in **Appendix 2a-j**.

TABLE 6: PORTFOLIO CONSULTATION PROPOSALS			
LEAD PORTFOLIO	2020/21 £m	2021/22 £m	2022/23 £m
Adult Care & Local Transport	(4.418)	(1.603)	(1.545)
Children & Young People	(1.968)	(1.968)	(1.968)
Communities	(0.150)	(0.150)	(0.150)
Early Years, Education & Employment	(0.255)	(0.265)	(0.275)
Energy, Environment & Democratic Services	(0.961)	(0.961)	(0.926)
Finance Growth & the City Centre	(2.670)	(2.510)	(2.425)
Health, HR & Equalities	(0.169)	(0.269)	(0.419)
Housing, Planning & Heritage	(0.544)	(0.294)	(0.294)
Leisure, Culture & IT	(0.637)	(0.677)	(0.677)
Regeneration, Safety & Communications	(0.660)	(0.470)	(0.445)
TOTAL	(12.432)	(9.167)	(9.124)

2.4.7 Historical freeze on incremental pay rises – Supreme Court ruling

In November 2018 the Supreme Court refused the Council's application to appeal a previous judgement in relation to the historical freeze on incremental pay rises. The matter will go back to the Nottingham Employment Tribunal to assess the position of individual claimants. This ruling is likely to result in additional costs to the Council; however as yet this is unknown therefore the draft MTFP doesn't make any adjustment. The full financial implications won't be known until the Nottingham Employment Tribunal process has been concluded at which time the MTFP will be adjusted accordingly and corresponding action taken.

2.4.8 Outstanding gap

Total savings of **£13.411m** are included in this report, which leaves an outstanding budget gap of **£2.405m** to balance the budget in 2020/21, although the exact gap will not be known until the provisional settlement announcement in January 2020. It is likely that further savings will be required to balance the budget in 2020/21. These savings will be presented as part of the MTFP report to February Executive Board and will be subject to appropriate consultation.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Throughout the budget process a range of different options have been considered including various levels of council tax, investment and cost reductions. This is a complex process with many iterations and possibilities too numerous and detailed to present as discrete options here. This report presents the overall set of current draft proposals which together seek to balance levels of investment, income, cost reductions and an appropriate level of council tax.

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

- 4.1 The City Council's annual budget, within the MTFP, forms the cornerstone of financial management and control within the organisation. All revenue spending and income will continue to be monitored against the final MTFP. Since 2010 the

council has approved **£271.4m** cumulative savings to balance its budget in response to funding cuts, and unavoidable and unfunded cost increases particularly in Adult Social Care and Children’s Services. Proposals have been made in accordance with our budget strategy and many of these have been achieved by finding alternative and more cost-effective ways to deliver the same level of service, or by improving efficiency without any detriment to service delivery, as well as generating more income. However, the options for achieving budget reductions in this way are becoming more limited. The City Council has developed a robust approach to providing value for money (VFM) and proposals in support of its Council Plan. The embedding of a robust VFM framework is one of the key strands within the Council’s transformation programme, but it is through the mainstream application of such principles within service planning and delivery that VFM will be delivered.

- 4.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) published a Financial Management Code in October 2019. This code is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. Nottingham will demonstrate how the processes we have in place satisfy the principles of good financial management and comply with the code’s standards before it is fully implemented in 2021/22.

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

- 5.1 The City Council is required to set a balanced budget for 2020/21 before 11 March 2020.
- 5.2 Insofar as the cost reduction proposals as set out in this report contain workforce reduction proposals, Section 188(1) of the Trade Union and Labour Relations (Consolidation) Act 1992 (“TULR(C)A”) may well be engaged and sufficient time will need to be set aside for relevant consultation with the appropriate representatives of affected employees.
- 5.3 A detailed and comprehensive risk assessment will be undertaken in order to inform the Chief Finance Officer’s (CFO’s) assessment of the affordability of the MTFP and the consequent recommended levels of reserves and contingencies. Any increases in these levels, reflect the higher level of risk inherent in the budget arising from significantly reduced external funding sources, transfer of risks from Central Government and the resultant high levels of cost reductions required. The risk assessment will inform the budget report to Executive Board in February 2020.

Malcolm R Townroe, Director of Legal and Governance, 16 December 2019

6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE)

- 6.1 None

7 SOCIAL VALUE CONSIDERATIONS

- 7.1 None

8 REGARD TO THE NHS CONSTITUTION

8.1 None

9 EQUALITY IMPACT ASSESSMENT (EIA)

9.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required because any decisions relating to the draft budget proposals will be set out in further reports to Executive Board in February and to City Council in March 2020. Equality Impact Assessments are being carried out, where appropriate, for all relevant budget proposals and a summary will be provided with these reports.

10 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

10.1 None

11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

11.1 **Medium Term Financial Plan (MTFP) 2019/20 – 2022/23**

<https://committee.nottinghamcity.gov.uk/ieListDocuments.aspx?CIId=177&MIId=7401>

Highways Services – Exempt Report

[Executive Board Tuesday, 22nd January](#)

<https://committee.nottinghamcity.gov.uk/ieListDocuments.aspx?CIId=177&MIId=7400&Ver=4>

3730 - On Street Parking charges - removal of fixed evening rate in Zone 1

<https://committee.nottinghamcity.gov.uk/ieDecisionDetails.aspx?ID=5065>

3729 - On Street Parking - Removal of 30 minute parking option in Zone 1

<https://committee.nottinghamcity.gov.uk/ieDecisionDetails.aspx?ID=5064>

3728 - On Street parking tariff increase of 20% in Zones 1 – 3

<https://committee.nottinghamcity.gov.uk/ieDecisionDetails.aspx?ID=5063>

3660 - Parking Tariff Change - Zone 4

<https://committee.nottinghamcity.gov.uk/ieDecisionDetails.aspx?ID=4996>

3659 - Parking Tariff Change - Edwards Lane, Sherwood

<https://committee.nottinghamcity.gov.uk/ieDecisionDetails.aspx?ID=4995>

Already approved / Fast track Proposals

	Portfolio	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
1	Adult Care & Local Transport	C&O	Commercial & Energy Infrastructure	Highways Services - Commercialism	The commercialisation of the Highways Services	(0.772)	(0.539)	(0.508)
2	Adult Care & Local Transport	C&O	Neighbourhood Services	On-street parking changes	Increase hourly rate	(0.064)	(0.064)	(0.064)
3	Adult Care & Local Transport	C&O	Neighbourhood Services	On-street parking changes	Introduce a through the night charge	(0.021)	(0.021)	(0.021)
4	Adult Care & Local Transport	C&O	Neighbourhood Services	On-street parking changes	Consistent tariffs throughout the day and evening	(0.009)	(0.009)	(0.009)
5	Adult Care & Local Transport	C&O	Neighbourhood Services	On-street parking changes	Minimum tariff is 1hr	(0.009)	(0.009)	(0.009)
6	Adult Care & Local Transport	C&O	Neighbourhood Services	On-street parking changes	Introduce charging for motorbikes	(0.017)	(0.017)	(0.017)
7	Adult Care & Local Transport	C&O	Neighbourhood Services	On-street parking changes	Extend cashless zones	(0.050)	(0.050)	(0.050)
8	Adult Care & Local Transport	C&O	Neighbourhood Services	On-street parking changes (Lenton Lane and Willow Road)	Implement charging on free bays	(0.006)	(0.006)	(0.006)
9	Adult Care & Local Transport	C&O	Neighbourhood Services	On-street parking charges in Meadows	Increase price	(0.015)	(0.015)	(0.015)
10	Adult Care & Local Transport	C&O	Neighbourhood Services	On-street parking charges in Sherwood	Increase price	(0.016)	(0.016)	(0.016)
TOTAL						(0.979)	(0.746)	(0.715)

	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
1	C&A - Adults	ASC	Commissioned services review	Ensure the best value for payment of commissioned social care services to support eligible citizens.	(0.800)	0.000	0.000
2	C&A - Adults	ASC	Introduction of Best Practice Policy	In line with the Better Lives, Better Outcomes programme the Care and Support Policy will be reviewed in conjunction with the new approach and learning achieved.	(0.300)	(0.300)	(0.300)
3	C&A - Adults	ASC	Short Breaks	Partnership working between Nottingham City Homes and Adult Social Care to create a Short Breaks Facility for citizens with complex Learning Disabilities	(0.030)	(0.060)	(0.060)
4	C&A - Adults	ASC	Consultation Fees and Charging	A system for charging will be put in place for in-house home care once the non-chargeable reablement is completed.	(0.005)	(0.010)	(0.010)
5	C&A - Adults	ASC	Day Care offer for Older People	Relocate The Willows older people day service into Cherry Trees residential service	(0.019)	(0.019)	(0.019)
6	C&A - Adults	ASC	Alternative Accommodation	Developing Alternative Accommodation options for citizens with Neurological Conditions	(0.024)	(0.048)	(0.048)
7	C&A - Adults	ASC	Fees and Charges review	The implementation for the removal of the subsidy for those citizens who can afford to contribute to their social care (Day Care, Transport, Additional Carer) has been delayed. Due to this delay the expected saving created from this policy change will impact in 2020/21	(0.099)	(0.028)	0.000
8	C&A - Adults	ASC	External funding	Non recurrent external funding that supports initiatives already captured in the 2020/21 MTFP	(1.591)	0.000	0.000
9	C&A - Adults	ASC	Non-recurrent equipment budget	Release of non-recurrent minor adaptations and specialist equipment budget underspend, carried forward from 2017/18+	(0.312)	0.000	0.000
10	C&O	Neighbourhood Services	On-street parking changes	Extend pay by phone system	(0.020)	(0.020)	(0.020)
11	C&O	Neighbourhood Services	ULEV Fleet Framework	Income from Commission Payments	(0.005)	(0.005)	(0.005)
12	C&O	Neighbourhood Services	Workplace Parking Levy	Consultancy Income	(0.020)	0.000	0.000

	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
13	D&G	Traffic	Fees and Charges	A review of fees and charges for activities on the public highway to take account of the Consumer Price Index and full cost recovery.	(0.025)	(0.025)	(0.025)
14	D&G	Traffic	City Centre decluttering	Working in collaboration with the BID to support A-board and other decluttering initiatives to make the city centre more accessible and attractive to visitors and shoppers.	(0.010)	(0.010)	(0.010)
15	D&G	Traffic	Bus Lane Enforcement Review	Introduce a new camera at congestion hot spots to improve bus time reliability	(0.080)	(0.120)	(0.180)
16	D&G	Public Transport	Link bus Rationalisation/Commercialism	Commercialise Park and Ride services	(0.250)	(0.250)	(0.250)
17	D&G	Public Transport	Easylink Contract	Seek increased external financial contribution towards Easylink 'door-to-door' passenger transport service contract	(0.020)	(0.020)	(0.020)
18	D&G	Public Transport	Concessionary travel	Implementation of anti-fraud measures and revised operator reimbursement methodology	(0.120)	(0.100)	(0.010)
19	D&G	Public Transport	Bus departure fees	Revise Victoria Bus Station departure fee and introduce Park and Ride departure charge	(0.015)	(0.015)	(0.015)
20	D&G	Public Transport	Link buses	Let advertising contract on Link Buses	(0.015)	(0.015)	(0.015)
21	D&G	Public Transport	Linkbus rationalisation	Link bus efficiencies	(0.400)	(0.400)	(0.400)
22	D&G	Major Projects	Private Finance Initiative	Private Finance Initiative refinancing	(0.258)	(0.158)	(0.158)
PORFOLIO TOTAL					(4.418)	(1.603)	(1.545)

	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
1	C&A - Children's	Children In Care / Placements	Intensive support in high risk situations for children to avoid removing them into care	Investing in a dedicated small team to support families and children where they are on the edge of coming into care. We intend to use funds committed to high cost placements to pilot an alternative intensive approach in direct support.	(0.500)	(0.500)	(0.500)
2	C&A - Children's	Children In Care / Placements	External Placements	Increasing our approach to help children and young people live in their families or foster families instead of residential care so reducing the number of external residential placements.	(0.590)	(0.590)	(0.590)
3	C&A - Children's	Children In Care / Placements	Internal Residential Provision	Extending one of our specialist residential homes to create more space and a sensory room, will allow us to use all 4 beds for young people with complex needs. This keeps them close to home and schools they know well and saves money in the longer term.	(0.203)	(0.203)	(0.203)
4	C&A - Children's	Children In Care / Placements	Special Guardians Review	A national partner in Practice Local Authority has committed to supporting us in reviewing how to offer appropriate and meaningful support to Local Authority Special Guardians and for our previously looked after children on child arrangement orders. We aim to improve our support, whilst reorganising the help we offer to create efficiencies.	(0.093)	(0.093)	(0.093)
5	C&A - Children's	Children In Care / Placements	Parental and Family Assessment Approach	We will increase our assessment capacity to avoid delay for children which is costly where they could potentially return to families, but require a thorough assessment.	0.140	0.140	0.140
6	C&A - Children's	Children In Care / Placements	Semi Independence	Create alternatives to semi-independence placements, where this is assessed to be safe and appropriate as part of a goal to help more young people experience living in families - to include supported lodgings scheme.	(0.426)	(0.426)	(0.426)
7	C&A - Children's	Children In Care / Placements	Foster Carers	Continue to expand our fostering service to offer caring, committed local families who can provide homes for our children in care.	(0.287)	(0.287)	(0.287)
8	C&A - Children's	Early Help	NGY Contract	Reduced contribution	(0.010)	(0.010)	(0.010)
PORTFOLIO TOTAL					(1.968)	(1.968)	(1.968)

	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
1	C&O	Neighbourhood Services	Public Realm Services	Integration of Public Realm Management	(0.150)	(0.150)	(0.150)
PORTFOLIO TOTAL					(0.150)	(0.150)	(0.150)

Early Years, Education & Employment

Appendix 2d

	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
1	C&A - Education	Education Partnerships	Post 16 SEN Transport	Formal adoption of Post 16 Travel Policy. Proposal has been consulted on with directly affected families.	(0.025)	(0.025)	(0.025)
2	C&A - Education	Inclusive Learning	Routes to Inclusion	Social and Emotional Mental Health assessment, training and advisory service to be commercially marketed to external bodies	(0.005)	(0.010)	(0.015)
3	C&A - Education	Inclusive Learning	Commercial Opportunities in Education	Commercial opportunities in Education	(0.015)	(0.020)	(0.025)
4	D&G	Economic Development	Futures	Reduction in annual NCC contribution	(0.104)	(0.104)	(0.104)
5	D&G	Major Projects	School PFI grants	Ensure school PFI models are picking up the full cost of contract management	(0.101)	(0.101)	(0.101)
6	D&G	Major Projects	Residual asset management budget	No further calls anticipated on the budget	(0.005)	(0.005)	(0.005)
PORTFOLIO TOTAL					(0.255)	(0.265)	(0.275)

	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
1	C&O	Commercial & Energy Infrastructure	Expansion of Energy schemes	Additional Income from Energy Initiatives	(0.250)	(0.250)	(0.250)
2	C&O	Commercial & Energy Infrastructure	Reduction in Contaminated waste	Increase recycling and reduce contamination	(0.050)	(0.050)	(0.050)
3	C&O	Neighbourhood Services	Establish a Council owned Commercial Waste company	To set up an arms-length company for Commercial Waste	(0.200)	(0.200)	(0.200)
4	C&O	Neighbourhood Services	Commercial Waste	To organically grow the Commercial Waste Business by 5%	(0.080)	(0.080)	(0.080)
5	C&O	Neighbourhood Services	Building Services	Efficiencies and Income growth in Building Services	(0.150)	(0.150)	(0.150)
6	S&R	Legal & Governance	Legal & Governance	Reduction in posts across Legal & Governance	(0.121)	(0.121)	(0.121)
7	S&R	Legal & Governance	Grant funding	Maximise grant funding over 2 years to fund a post in Legal & Governance	(0.035)	(0.035)	0.000
8	S&R	Legal & Governance	Offsite storage	Reduction in cost for offsite storage by reviewing and reducing the number of boxes stored long term off site	(0.020)	(0.020)	(0.020)
9	S&R	Legal & Governance	Conveyancing	Income target increase	(0.005)	(0.005)	(0.005)
10	S&R	HR & Customer	Registrars	Increased income	(0.020)	(0.020)	(0.020)
11	S&R	HR & Customer	Customer Hub	Staffing Reduction	(0.023)	(0.023)	(0.023)
12	S&R	HR & Customer	Civic function	Efficiencies	(0.008)	(0.008)	(0.008)
PORTFOLIO TOTAL					(0.961)	(0.961)	(0.926)

	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
1	C&O	Community Protection	Reduce Environmental Health	Reduce by 1fte	(0.025)	(0.025)	(0.025)
2	C&O	Community Protection	Reduce Trading Standards Officers	Reduce by 1fte	(0.035)	(0.035)	(0.035)
3	C&O	Neighbourhood Services	Nottingham Catering - Increased Income	Increased Income	(0.100)	(0.100)	(0.100)
4	C&O	Neighbourhood Services	Charge Pest Control to the Housing Revenue Account (HRA)	Charge HRA for the costs associated with Housing Landlord function	(0.040)	(0.040)	(0.040)
5	S&R	Analysis & Insight	Corporate Performance and Policy team	Reduction of a post	(0.041)	(0.041)	(0.041)
6	S&R	Commissioning & Procurement	Alternative funding	Use of external funding to support delivery of Adults and Social Care contracts.	(0.085)	(0.085)	0.000
7	S&R	Commissioning & Procurement	Reduction in procurement posts	The proposal involves a reduction in the size of the procurement team	(0.062)	(0.062)	(0.062)
8	S&R	Commissioning & Procurement	Commissioning Team	Reduction in Commissioning Team posts	(0.112)	(0.112)	(0.112)
9	S&R	Commissioning & Procurement	Review of contracts	Review of contracts across the council.	(0.200)	(0.200)	(0.200)
10	S&R	Strategic Finance	Treasury Management	Saving generated from Treasury Management activity from work undertaken to reduce cost of borrowing / generate financial returns from use of resources	(0.260)	(0.260)	(0.260)
11	S&R	Strategic Finance	Insurance premiums	Saving following the successful negotiation of policies in terms of self-insurance	(0.110)	0.000	0.000
12	S&R	Strategic Finance	Council Tax and Business Rates	Realignment of activity to further target fraud in relation to Council Tax and Business Rates	(0.210)	(0.210)	(0.210)
13	S&R	Strategic Finance	Housing Benefits	Reduce the error rates in relation to Housing Benefit, introduce an invest to save quality assurance approach working with partners	(0.210)	(0.210)	(0.210)

	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
14	S&R	Strategic Finance	East Midlands Shared Services (EMSS)	Contract Price Reduction and service provision	(0.200)	(0.200)	(0.200)
15	S&R	Strategic Finance	Nottingham Revenue & Benefits (NRB)	Contract and service delivery review following successful trading surplus	(0.100)	(0.050)	(0.050)
16	S&R	Strategic Finance	Strategic Finance	Removal of vacant posts	(0.125)	(0.125)	(0.125)
17	S&R	Strategic Finance	Replacement ERP system - Oracle cloud solution	Savings from licence fees and hosting costs	(0.700)	(0.700)	(0.700)
18	S&R	Strategic Finance	Discretionary Business Rates relief	Review of discretionary relief awarded to business rates payers	(0.055)	(0.055)	(0.055)
PORTFOLIO TOTAL					(2.670)	(2.510)	(2.425)

	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
1	S&R	HR & Customer	Employability budget	Reductions to the employability budget will be offset by support from a European Social Fund Bid and improved value for money via a tender for recruitment and training support.	(0.050)	(0.150)	(0.300)
2	S&R	HR & Customer	Transformation budget	This budget provides support for training, development and engagement of employees across the council. Activity will be correspondingly reduced.	(0.055)	(0.055)	(0.055)
3	S&R	HR & Customer	Non-salary budgets	Reduction in non-salary budgets across the HR & Customer directorate.	(0.064)	(0.064)	(0.064)
PORTFOLIO TOTAL					(0.169)	(0.269)	(0.419)

	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
1	D&G	Planning and Regeneration	Pre-application fees	Increase due to the level of major developments taking place in the City	(0.010)	(0.010)	(0.010)
2	D&G	Planning and Regeneration	Framework contractual cost	Negotiated reduction in contract price for the current provision has been agreed of £20k	(0.020)	(0.020)	(0.020)
3	D&G	Planning and Regeneration	Planning post	Use of alternative funding mechanisms to cover Planning post	(0.040)	(0.040)	(0.040)
4	D&G	Strategic Homelessness	Strategic Homelessness	One off use of reserve to support Strategic Homelessness budgets releasing base budget for one year	(0.250)	0.000	0.000
5	D&G	Various	HRA charges	Increased charges for retained housing	(0.224)	(0.224)	(0.224)
PORTFOLIO TOTAL					(0.544)	(0.294)	(0.294)

	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
1	C&O	Neighbourhood Services	Cemeteries and Crematoria	Additional Income	(0.050)	(0.050)	(0.050)
2	C&O	Neighbourhood Services	Parks Development Activity	Increased Parks Development Project Management Fee Income	(0.020)	(0.020)	(0.020)
3	C&O	Neighbourhood Services	Tree Services	Additional Income	(0.020)	(0.020)	(0.020)
4	C&O	Neighbourhood Services	Parks Commercial	Commercial landscape and grounds maintenance contracts	(0.050)	(0.050)	(0.050)
5	C&O	Sport & Culture	Events	Review events / new commercial developments	(0.050)	(0.050)	(0.050)
6	C&O	Sport & Culture	Cultural Grants	Reduction in Cultural Grants	(0.025)	(0.025)	(0.025)
7	C&O	Sport & Culture	Theatre Royal and Concert Hall	Increase commercial income	(0.100)	(0.100)	(0.100)
8	C&O	Sport & Culture	Nottingham Tennis Centre	Review current operating model	(0.080)	(0.120)	(0.120)
9	C&O	Sport & Culture	Libraries	Hire of rooms	(0.001)	(0.001)	(0.001)
10	D&G	Economic Development	Tourist Information Centre	Reduction in annual costs	(0.050)	(0.050)	(0.050)
11	S&R	IT	ITLT senior management	Reduction in ITLT senior management post	(0.050)	(0.050)	(0.050)
12	S&R	IT	IT management and change management	Reduction in IT management and change management positions	(0.042)	(0.042)	(0.042)
13	S&R	IT	Service Support team	Reduction in Service Support team capacity	(0.023)	(0.023)	(0.023)
14	S&R	IT	IT Infrastructure	Infrastructure savings - a range of low risk changes regarding licences, support and maintenance	(0.026)	(0.026)	(0.026)
15	S&R	IT	Replacement frequency for laptops	Extension of replacement frequency for laptops. Currently 5,500 laptops are replaced on a 5 year cycle and extending this would generate savings.	(0.050)	(0.050)	(0.050)
PORTFOLIO TOTAL					(0.637)	(0.677)	(0.677)

	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
1	C&O	Community Protection	Parking Enforcement	Productivity Review through yield increase	(0.060)	(0.060)	(0.060)
2	C&O	Community Protection	Residents parking permits	Charging for non-council tax payers for parking permits (£100) Charging for any fourth permits issued (£100)	(0.028)	(0.028)	(0.028)
3	C&O	Community Protection	Community protection	Extended vacancy management and income maximisation	(0.125)	(0.125)	(0.125)
4	C&O	Community Protection	Security Services	Delivery of patrol, events, site security, alarm monitoring and response services. Discussion underway with Police Partnership to fund radios provision	(0.100)	(0.100)	(0.100)
5	C&O	Community Protection	CCTV Control Room	Additional savings from the Implementation of the previous budget decision to establish one 24/7 Control Room by merging CCTV with Traffic Control	(0.025)	(0.025)	(0.025)
6	C&O	Neighbourhood Services	Planned Maintenance	Reduce the Planned/Preventative maintenance budget for 1 year only	(0.200)	0.000	0.000
7	D&G	Strategic Asset & Property	Vacant post	Deletion of half a vacant post	(0.020)	(0.020)	(0.020)
8	S&R	Marketing & Comms	Reduce Arrow from 4 to 3 editions	This change would be supported by additional promotion to shift even more citizens to our digital channels for Council information and news. The Council would consider and seek to offer a bespoke solution for people who cannot access digital information	(0.033)	(0.033)	(0.033)
9	S&R	Marketing & Comms	Social Media accounts management	Cease using third party software to manage Social Media accounts	(0.014)	(0.014)	(0.014)
10	S&R	Analysis & Insight	Citizens and Respect Survey	Two residents surveys are traditionally carried out annually and the proposal is to not carry one of them out in 2020 or 2021	(0.015)	(0.025)	0.000
11	S&R	Marketing & Comms	Design and Print	Delete vacant manager post and re-align team under remaining manager in the service	(0.030)	(0.030)	(0.030)
12	S&R	Marketing & Comms	Increase income	Increase income into the service via existing income target streams	(0.005)	(0.005)	(0.005)
13	S&R	Marketing & Comms	Print procurement review	Review how print is currently procured within the Council and re-tender the print framework	(0.005)	(0.005)	(0.005)
PORTFOLIO TOTAL					(0.660)	(0.470)	(0.445)

NEW/AMENDED PORTFOLIO PROPOSALS IN FEBRUARY REPORT

	Portfolio	Department	Service Area	Title of Proposal	Narrative	2020/21 £m	2021/22 £m	2022/23 £m
1	AC<	C&A – Adults	ASC	External funding update to Dec proposal	Non recurrent external funding that supports initiatives already captured in the 2020/21 MTFP	(0.150)	0.000	0.000
2	AC<	C&A – Adults	ASC	Management redesign	Review of management posts to identify and create efficiencies across the whole department.	(0.090)	(0.090)	(0.090)
3	C&YP	C&A - Children's	Early Help	Children's Centres	Reduction in activity budgets	(0.049)	(0.049)	(0.049)
4	C&YP	C&A - Children's	Early Help	Play and Youth Teams	The restructure of the Play and Youth service	(0.003)	(0.003)	(0.003)
5	Comm	C&O	Community Protection	Community Centres	Review of facilities management costs	(0.040)	(0.040)	(0.040)
6	Comm	C&O	Directorate	Partnership working	Closer partnership working with communities	(0.050)	(0.050)	(0.050)
7	EE&DS	C&O	Neighbourhood Services	Additional Mid-winter garden waste collection	Mid-winter garden waste e.g. free Christmas tree collection service and advise citizens of their disposal options, specific collection will require a £10 payment in advance of collection	(0.010)	(0.010)	(0.010)
8	EE&DS	C&O	Neighbourhood Services	Building Cleaning	Reduced Cleaning in Council Facilities, specifically Loxley house	(0.025)	(0.025)	(0.025)
9	EE&DS	S&R	Customer Services	Customer-centric Approach	Digitalise services to improve productivity and reduce costs associated with process inefficiencies. Rationalise first contact into Customer Hub encouraging improved access, channel shift and improved access to expertise, enable a single view of the citizen and ensure compliance is duly adhered to	(0.200)	(0.200)	(0.200)
10	FG&CC	C&O	Neighbourhood Services	Nottingham Catering update to Dec proposal	Increased Income	(0.020)	0.000	0.000
11	HHR&E	C&A – Public Health	Public Health	Contractual efficiencies	Contractual efficiencies	(0.050)	0.000	0.000
12	HP&H	C&O	Community Protection	Increase charges to HRA for ASB activity	A 10% increase to the HRA charge for the contribution to ASB – in line with cumulative inflation	(0.026)	(0.026)	(0.026)
13	LC&IT	C&O	Neighbourhood Services	Spectacolour	Reduction of Spectacolour Neighbourhood Floral Bedding	(0.025)	(0.025)	(0.025)
14	LC&IT	C&O	Neighbourhood Services	Close 2 out of 3 Super Loos	Impacted areas are Spondon St and Forest Park & Ride £0.045m to come out of contract Victoria Embankment to remain open	0.000	(0.018)	(0.063)
15	LC&IT	C&O	Sport & Leisure	Leisure Centres	Review the operating model of leisure centres	(0.200)	(0.200)	(0.200)
16	RS&C	C&O	Community Protection	PCC contribution towards partnership working	Further joint working with PCC	(0.025)	(0.025)	(0.025)
17	RS&C	D&G	Directorate	Partnership working	Closer partnership working with communities	(0.050)	(0.050)	(0.050)
18	RS&C	D&G	Directorate	Advertising / Sponsorship	Increase income into the Council by developing new advertising and sponsorship propositions to support organisations wishing to reach residents, workers, visitors and students in the City. Review external spend on advertising and ensure optimum value for money is being achieved.	(0.100)	(0.100)	(0.100)
19	RS&C	D&G	Transport Strategy	Grant maximisation	Maximisation of grants within Transport Strategy will enable salary costs to be met from grants for 20/21.	(0.100)	0.000	0.000
TOTAL						(1.212)	(0.910)	(0.955)