



Wednesday, 1 July 2020

Dear Sir/Madam

A meeting of the Finance and Resources Committee will be held on Thursday, 9 July 2020 (to be held virtually, Microsoft Teams) commencing at 7.00 pm.

Should you require advice on declaring an interest in any item on the agenda, please contact the Interim Monitoring Officer at your earliest convenience.

Yours faithfully

Chief Executive

To Councillors:	S J Carr (Vice-Chair)	M Radulovic MBE
	E Cubley	P Lally
	S Easom	E Kerry
	G Marshall (Chair)	B C Carr
	P J Owen	E Williamson
	P D Simpson	S A Bagshaw
	P Roberts-Thomson	

A G E N D A

1. APOLOGIES

To receive any apologies and notification of substitutes.

2. MINUTES

To approve the minutes of the previous meeting held on 5 March 2020.

3. DECLARATIONS OF INTEREST

Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest in any item on the agenda.

4. REFERENCE

4.1 Policy and Performance Committee

(Pages 1 - 4)

1 July 2020

Member Devices

The Policy and Performance Committee received options in respect to the provision of ICT devices in order for Councillors to be able to access all relevant Council technology platforms and systems and in addition to have a common supported device to use for Council business in line with their role as Broxtowe Borough Councillors.

The despatch of the papers for this Committee was prior to the Policy and Performance Committee meeting and an update will be provided verbally on that Committee's decision. The report submitted is included within this agenda and the recommendation that the Committee was asked to consider was as follows:

The Committee is asked to RESOLVE that:

1. The procurement of the appropriate module for the Committee Management System to allow for secure remote access to Section 12 documents.
2. To determine which option is preferred and RESOLVE accordingly.
3. To RECOMMEND to the Finance and Resources Committee to include £45,000 in the 2020/21 capital programme as outlined to be funded by a carry forward of £45,500 from 2019/20.

5. PERFORMANCE MANAGEMENT REVIEW OF BUSINESS PLAN - SUPPORT SERVICE AREAS - OUTTURN REPORT

(Pages 5 - 18)

To report progress against outcome targets identified in the Business Plans for support services areas, linked to Corporate Plan priorities and objectives, and to provide an update as to the latest key performance indicators therein.

6. GRANT AID 2020/21

(Pages 19 - 32)

To consider the outturn position in respect of the Service Level Agreement with Citizens Advice Broxtowe following the commitment of a three-year grant funding settlement from 2018/19 in accordance with the provisions of the Council's Grant Aid Policy.

7. GRANT AID REQUEST - TRENT VALE COMMUNITY SPORTS ASSOCIATION AND BEESTON FOOTBALL CLUB

A grant aid request from Trent Vale Community Sports Association and Beeston Football Club has been submitted. Members will receive further information prior to the meeting.

8. GRANTS TO VOLUNTARY AND COMMUNITY ORGANISATIONS, CHARITABLE BODIES AND INDIVIDUALS INVOLVED IN SPORTS, THE ARTS AND DISABILITY MATTERS (Pages 33 - 44)

To consider requests for grant aid in accordance with the provisions of the Council's Grant Aid Policy.

9. SECTION 106 ITPS ALLOCATIONS (Pages 45 - 48)

To recommend the allocation of further s.106 Integrated Transport funding to the Bennerley Viaduct scheme and new allocations to various measures associated with the Mushroom Farm development in Eastwood.

10. TREASURY MANAGEMENT AND PRUDENTIAL INDICATORS - ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020 (Pages 49 - 64)

To inform the Committee of treasury management activity and the actual prudential indicators for 2019/20.

11. STATEMENT OF ACCOUNTS UPDATE AND OUTTURN POSITION 2019/20. (Pages 65 - 86)

To report on the revenue and capital outturn position for 2019/20, provide and update on progress with the preparation of the draft annual statement of accounts for 2019/20, approve the revenue and capital carry-forward requests to the 2020/21 year and inform the Committee that the Policy and Performance Committee were tasked with considering significant variances in the financial outturn against revised revenue estimates for 2019/20. This is in accordance with the Council's objective to deliver value for money.

12. MUSHROOM FARM - ADDITIONAL INDUSTRIAL UNITS (Pages 87 - 92)
- To provide an update of progress on the capital scheme to provide additional industrial units at Mushroom Farm and seek approval to amend the budget for the scheme.
13. FINANCIAL IMPACT OF COVID 19 (2020/21) (Pages 93 - 98)
- This report informs the Committee on the latest estimates of the financial impact of Covid 19 on the Councils 2020/21 financial position, and the impact on the Council's medium term financial strategy.
14. WORK PROGRAMME (Pages 99 - 100)
- To consider items for inclusion in the Work Programme for future meetings.
15. EXCLUSION OF PUBLIC AND PRESS
- The Committee is asked to RESOLVE that, under Section 100A of the Local Government Act, 1972, the public and press be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1, 2, and 3 of Schedule 12A of the Act.**
16. BEESTON SHOP MOBILITY (Pages 101 - 102)
17. BEESTON SQUARE PHASE 1 - ANNUAL REPORT 2019/20 (Pages 103 - 106)
18. IRRECOVERABLE ARREARS (Pages 107 - 112)

Report of the Strategic Director

MEMBER DEVICES1. Purpose of report

The report provides Councillors with options in respect to the provision of ICT devices in order for Councillors to be able to access all relevant Council technology platforms and systems and in addition to have a common supported device to use for Council business in line with their role as Broxtowe Borough Councillors.

2. Background

The recent Covid-19 emergency has highlighted the disparate range of ICT devices used by Councillors and the difficulty for a small number of Councillors in accessing the new ICT platforms that were established to allow for the democratic process to continue. Moving forward it is recognised that achieving a degree of consistency for Councillors will help to enable generic training to be delivered with the consequent increase in confidence and skills.

In addition, phase 3 of the implementation of the Committee Management System (CMS) will see the rollout of the solution to officers, who have the responsibility of generating reports and to Councillors, where the goal will be for them to consume Committee and Council agendas electronically. The appendix provides two options that Councillors are asked to consider and decide which best meets their needs and the objectives of the Council's Digital Strategy to increase its use of digital service provision to officers, Customers and Councillors.

3. Financial Implications

Procurement of the enhanced module for the CMS system allowing for secure remote access to confidential (Section 12 exclusion of public and press) documents is estimated to cost £5,000 plus any ongoing support and maintenance costs whilst the Councillor's devices are estimated to cost £40,000.

Finance and Resources Committee on 9 July 2020 will be asked to carry forward a net underspend of £45,500 in the 2019/20 capital programme on New Ways of Working (NWOW) Data Server Re-Location and Town Hall Migration schemes for inclusion in the 2020/21 capital programme. As no further expenditure is anticipated on these schemes, this sum is available for use as agreed by Members. The total proposed capital cost of £45,000 as outlined above can be met from the £45,500 carried forward from 2019/20. The ongoing support and maintenance costs would be met from the ICT software maintenance budget which is £573,000 in 2020/21.

Recommendation

The Committee is asked to RESOLVE that:

- 1) The procurement of the appropriate module for the Committee Management System to allow for secure remote access to Section 12 documents.**
- 2) To determine which option is preferred and RESOLVE accordingly.**
- 3) To RECOMMEND to the Finance and Resources Committee to include £45,000 in the 2020/21 capital programme as outlined to be funded by a carry forward of £45,500 from 2019/20**

APPENDIX

Costs of the Current Arrangements

The cost of the current support for Councillors ICT provision is built into the Member Allowance arrangements. Within the allowance £200.00 is provided to each Councillor each year to invest in ICT facilities. Therefore, £200 x 44 (Councillors) x 4 (years) = £35,200 invested by the Council for Councillor ICT provision (excluding telephony and broadband where an additional separate allowance is provided).

Moving Forward

To enable the Council to leverage the investment already made in the CMS and to ensure that all Councillors have access to technology that allows full engagement with the Council's ICT platforms and systems, it is recommended that Councillors consider approving moving towards a Council owned device rather than procuring their own. The capital cost to enhance the CMS solution allowing Councillors to securely access confidential (Section 12 exclusion of public and press) documents electronically is approximately £5,000 with any ongoing maintenance cost being contained within existing revenue budgets. In addition, a capital budget of approximately £40,000 will be required during each Council Term to purchase a new device for each Councillor (the asset life is 5 years equating to £8,000 per year). This latter element may be offset by the removal or reduction of Councillor's ICT allowance.

Option 1:

1. Approach all Councillors and determine which Councillors require the Council to purchase them a device (based on a) no device or b) current device is not fit for purpose i.e. cannot operate with Microsoft Teams or Committee Management System)
2. Purchase a smaller number of devices and allocate accordingly.
3. Remove / reduce the ICT allowance for this smaller cohort of Councillors (remove the whole £200 or reduce it to for example £100 to reflect other costs that may be incurred, for example printer / consumables).
4. At the end of this Council Term (May 2023) the Council purchases each member of the new Council a Council owned device.
5. Apply the allowance arrangement to all Councillors in line with what is decided at 3. above.

Pros	Cons
Ensures that all Councillors have a device that is fit for purpose	Cannot guarantee that the range of technology remaining will work for the full Council term
Reduced initial capital expenditure	

Option 2:

1. Leave the current allowance in place for all Members until the end of the current Council Term
2. Purchase each Member a new Council owned device, allocate the new device and expect Councillors to use the new device
3. At the end of this Council Term in 2023 all of the Council devices are recovered, wiped and rebuilt.
4. The recovered devices are issued to the new Councillor cohort at the beginning of the new Council Term

5. Remove / reduce the ICT allowance for this smaller cohort of Councillors (remove the whole £200 or reduce it to for example, £100 to reflect other costs that may be incurred, for example printer / consumables).

Pros	Cons
The functionality / maintenance / ability to work with the technology platforms in use by the Council can be guaranteed	May be viewed by some Councillors as an unnecessary expense in instances where some have purchased good quality devices that are capable of working with the technology platforms in use by the Council
Consistency of device will allow generic training and support to be delivered	Business use only
Councillors that have invested in their ICT solution expecting to be repaid over the Council Term via the ICT allowance would not be disadvantaged.	

REFERENCE

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Joint report of the Chief Executive, Deputy Chief Executive and Strategic Director

**PERFORMANCE MANAGEMENT REVIEW OF BUSINESS PLAN –
SUPPORT SERVICE AREAS – OUTTURN REPORT**

1. Purpose of report

To report progress against outcome targets identified in the Business Plans for support services areas, linked to Corporate Plan priorities and objectives, and to provide an update as to the latest key performance indicators therein.

2. Background

The Corporate Plan 2016-2020 was approved by Cabinet on 9 February 2016. Business Plans linked to the five corporate priority areas of Housing, Business Growth, Environment, Health and Community Safety, in addition to the support service areas of Resources, Revenues, Benefits and Customer Services and ICT and Business Transformation are approved by the respective Committees each year in January/February.

3. Performance management

As part of the Council's performance management framework, each Committee receives regular reports during the year which review progress against their respective Business Plans. This will include detailed annual reports where performance management is considered following the year-end.

This outturn report is intended to provide this Committee with an overview of progress towards Corporate Plan priorities from the perspective of the Business Plans for the support service areas. It provides a summary of the progress made to date on Critical Success Indicators (CSI), key tasks and priorities for improvement in 2019/20 and data relating to Key Performance Indicators (KPI). A summary for each business plan is detailed in the appendix.

Recommendation

The Committee is asked to NOTE the progress made in achieving the Business Plans for Resources; Revenues, Benefits and Customer Services; and ICT and Business Transformation and the Key Performance Indicators 2019/20.

Background papers

Nil

APPENDIX

PERFORMANCE MANAGEMENT

1. Background - Corporate Plan

The Corporate Plan for 2016-2020 was approved by Cabinet on 9 February 2016. It sets out the Council's priorities to achieve its vision to make "Broxtowe a great place where people enjoy living, working and spending leisure time." Over the period, the Council will focus on the priorities of Housing, Business Growth, Community Safety, Health and Environment.

The Corporate Plan prioritises local community needs and resources are directed toward the things they think are most important. These needs are aligned with other local, regional and national plans to ensure the ambitions set out in our Corporate Plan are realistic and achievable.

2. Business Plans

A series of Business Plans linked to the five corporate priority areas were approved by the respective Committees at meetings held in January and February 2018. In addition, the Business Plans for the support service areas of Resources; Revenues, Benefits and Customer Services; and ICT and Business Transformation were also approved.

These support services provide support to the key services to assist them in achieving the priorities and objectives.

The respective Business Plans detail the projects and activities undertaken in support of the Corporate Plan 2016-2020 for each priority area. These cover a three-year period but are revised and updated annually. Detailed monitoring of progress against key tasks and outcome measures in the Business Plans is undertaken regularly by the relevant Committee. This will include a detailed annual report where performance management and financial outturns are considered together following the year-end as part of the Council's commitment to closely align financial and performance management.






3. Performance Management

As part of the Council's performance management framework, this Committee receives regular reports of progress against the Business Plans for the support service areas. This report provides the outturn data relating to Critical Success Indicators (CSI) for each area and a summary of the progress made to date on key tasks and priorities for improvement in 2019/20 (as extracted from the Pentana Risk performance management system). It also provides the latest data relating to Key Performance Indicators (KPI).






The Council monitors its performance using the Pentana Risk performance management system. Members have been provided with access to the system via a generic user name and password, enabling them to interrogate the system on a 'view only' basis. Members will be aware of the red, amber and green traffic light symbols that are utilised to provide an indication of performance at a particular point in time.

The key to the symbols used in the performance reports is as follows:

Action Status Key




Icon	Status	Description
	Completed	The action/task has been completed
	In Progress	The action/task is in progress and is currently expected to meet the due date
	Warning	The action/task is approaching its due date (and/or one or more milestones is approaching or has passed its due date)
	Overdue	The action/task has passed its due date
	Cancelled	This action/task has been cancelled or postponed

Performance Indicator Key




Icon	Performance Indicator Status
	Alert
	Warning
	Satisfactory
	Unknown
	Data Only








RESOURCES








Critical Success Indicators for Resources 2019/20


Status	Code & Short Name	Frequency	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2019/20 Target	Notes
Amber 	BV8 Creditor invoices paid within 30 days of receipt	Monthly	99.5%	99.3%	97.2%	99.0%	The roll-out of Intelligent Scanning should enhance the efficiency of the creditor payment process and increase the speed with which creditors are paid
Green 	LALocal_07 No. of complaints determined by the Local Government and Housing Ombudsman against the Council	Quarterly	2	5	2	0	The number of complaints determined by the Ombudsman is less than 5 years ago (2 - 2017/18; 6 - 2016/17)
Amber 	LALocal_12 Freedom of Information requests dealt with within 20 working days	Quarterly	95.0%	96.5%	96%	100%	ICO guidance suggests a target of 85% of requests being sent a response within the appropriate timescales is acceptable. Exceeding the ICO target.

Resources Key Tasks and Priorities for Improvement 2019/20







Status	Code	Action Title	Action Description	Progress	Due Date	Comments
In progress 	FP1720_02 (Finance)	Participate in a countywide procurement exercise for merchant services (card processing)	Research and source a low cost service for merchant services in accordance with the Council's requirements	30%	Mar-2021	Due to delays in the joint procurement process, the Council is considering options for procuring this service with a view to having a new contract in place in 2020/21.
Completed 	FP1821_01 (Finance)	Produce Final Accounts by end of May	Accounts produced as required by legislation requirements from 2017/18	100%	May-2019	Final Accounts completed in advance of statutory deadlines.
Completed 	FP1821_02 (Finance)	Complete migration to the new bank account sort codes	Communicate the requirement of the change to	100%	Mar-2020	Completed.







Status	Code	Action Title	Action Description	Progress	Due Date	Comments
			relevant stakeholders			
In progress 	CP1620_01 (Property)	Pursue tram compensation claim	Pursue tram compensation claim	50%	Oct-2019	Compensation payments have reached over £1.7m with further negotiations ongoing.
Completed 	CP1620_03 (Property)	Implement the Asset Management Plan 2016-21	Implement the Asset Management Plan 2016-21	23%	Mar-2020	Work is ongoing. A new Asset Management Plan 2021-26 is being prepared.
Completed 	HR0912_01 (HR)	Implementation of Core Abilities Framework and Performance Appraisal (PA) system across workforce with Broxtowe Learning Zone (BLZ)	Ensure the Council has highly developed employees who are competent to undertake their role and managers who can lead teams effectively in accordance with service/ corporate objectives	100%	Dec-2017	Due to Covid-19 the deadlines were extended to 22 May 2020 to allow managers to complete the appraisals which may have been missed due to the Pandemic
Completed 	HR1417_03 (HR)	Review of payroll processes to introduce electronic forms	Review of payroll processes to introduce electronic forms	100%	Mar-2018	E-Forms for Car Mileage Claims went live from April 2018. Further forms are being considered for development.
Completed 	HR1620_01 (HR)	Review opportunities for shared HR working with other local authorities	Review opportunities for shared HR working with other local authorities	100%	Mar-2018	Opportunity explored to partner with neighbouring authority to provide training in respect of Apprenticeship Levy. Other partners now approved and engaged.
Completed 	HR1620_02 (HR)	Review of People Strategy	Review of People Strategy	100%	Oct-2018	People Strategy approved by Policy and Performance Committee in December 2018.
Completed 	HR1620_03 (HR)	Development of a new Apprenticeship Strategy	Identify future skills requirements/improve career progression opportunities	100%	Jun-2018	Apprenticeship Strategy approved by Policy and Performance Committee on 12 December 2018.
Completed	HR1720_01 (HR)	Introduce 20 new online Broxtowe Learning	Expand range of opportunities to develop	100%	Mar-2020	Since April 2017 20 new courses have been launched and 25 other courses have been




Status	Code	Action Title	Action Description	Progress	Due Date	Comments
		opportunities by 2020	employee skills. Add 20 modules to Broxtowe Learning Zone by 2020			refreshed or updated. The system has been updated to increase accessibility for users.
Completed 	HR1720_02 (HR)	Review of Employee Induction Programme	Ensure staff are equipped with the knowledge needed to perform at a high level.	100%	Jul-2018	New video produced by Corporate Communications now used for new employees.
Completed 	H&S1620_02 (H&S)	Completion of Health and Safety Action Plan 2018/19	Completion of Health and Safety Action Plan	100%	Mar-2019	Business Continuity exercise was undertaken in April 2018.
Completed 	LA1620_02 (Legal)	Reduce sundry debtors backlog	Reduce sundry debtors backlog	100%	Apr-2019	Sundry debt has reduced. Responsibility for managing this has now transferred to Debt Recovery and Quality Control section and Housing. A revised policy and procedures are also to be produced.
Completed 	LA1821_01 (Legal)	Purchase and Implement Case Management System	Improve the management of cases and records	100%	Dec-2018	Installation completed January 2019. Work ongoing to develop reports and templates to assist in management of cases. This is now being used routinely in the section.
In Progress 	DEM1518_01 (Admin)	Community Governance Review	Community Governance Review	10%	Oct-2022	Review start put back to October 2020 in light of coronavirus pandemic. Initial suggested changes related to ward boundaries would need to be sent to LGBCE for comment. Report to Governance, Audit and Standards Committee on 20 July 2020 to outline process.
In Progress 	DEM1518_01 (Admin)	Implementation of committee management system	Implementation of committee management system	85%	Jun-2018	Committee Management System purchased and installed. System Training for officers is to be delivered in 2020/21.
In Progress	DEM1518_02	Transfer of Land Charges	Transfer of Land Charges	5%	Mar-2022	Transfer date still not set by Land Registry. Work continuing on data cleansing and input

Status	Code	Action Title	Action Description	Progress	Due Date	Comments
	(Admin)	function to Land Registry	function to Land Registry			into the Land Charges system. A data analysis exercise will be carried out in the summer to test the accuracy of the data held in the electronic register compared to HMLR expected standards.

Resources Key Performance Indicators 2019/20




Status	Action Code and Title	Frequency	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2019/20 Target	Notes
Green 	FPLocal_01 Sundry creditors paid by BACS	Monthly	89.9%	90.8%	93.8%	91%	
Red 	FPLocal_02 Sundry debtors raised in any one financial year paid in that year	Monthly	83.2%	83.5%	83.4%	90%	
Green 	FPLocal_03 Planned audits completed in the year	Annually	89%	97%	86%	90%	Outturn impacted by pandemic lockdown.
Red 	FPLocal_09 Invoices paid within 20 days	Monthly	98.5%	97.6%	92.6%	98%	Officers to be reminded of requirement to enter and authorise invoices promptly.
Green 	CPLocal_01 Industrial units vacant for more than 3 months	Quarterly	1.6%	1.6%	1.7%	2%	Industrial units remain close to 100% let with some tenant changes. Replacement tenants can usually be found within the three month period.
Red 	CPLocal_02 Tenants of industrial units with rent arrears	Quarterly	6.6%	1.6%	5.0%	3%	End of year estimated at 5%. Several requests from tenants asking for rent deferrals were made during lockdown prior to financial year-end. The effect has yet to be determined as there will be rent arrears when businesses reopen.

Status	Action Code and Title	Frequency	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2019/20 Target	Notes
Red 	BV16a Employees with a Disability	Quarterly	7.09%	6.90%	6.25%	10%	From information declared: <ul style="list-style-type: none"> • 2017/18 – 437 declared 31 with disability • 2018/19 – 435 declared 30 with disability • 2019/20 – 444 declared 29 with disability
Red 	BV17a Ethnic Minority representation in the workforce	Quarterly	6.87%	6.44%	7.24%	8%	Slight decrease in ethnic minority representation in the workforce during 2019/20: <ul style="list-style-type: none"> • 2017/18 – 437 declared 31 BAME • 2018/19 – 435 declared 29 BAME • 2019/20 – 456 declared 33 BAME
Amber 	HRLocal_06 Annual employee turnover	Quarterly	13.1%	14.0%	10.3%	10%	Employee turnover has decreased considerably and is close to target. <ul style="list-style-type: none"> • 2019/20 = 54 Leavers • 2018/19 = 66 Leavers • 2017/18 = 63 Leavers Local Government average in 2016/17 = 13.4%
Amber 	HRLocal_07 Employees qualified to NVQ Level 2 and above	Quarterly	85%	85%	87%	89%	Overall skills level has remained stable. The numbers of leavers and starters in 2019/20 have closely mirrored. Nearly all new starters have achieved a minimum of NVQ Level.2 (or equivalent).
Amber 	LALocal_04 Complaints acknowledged within 3 working days	Quarterly	91%	94%	97%	100%	Response rate to complaints continues to improve.
Red 	LALocal_06 Complaints concluded under Stage 2 of the Council's Complaints Procedure	Quarterly	17	29	41	15	Although 41 Stage 2 complaints were concluded only two were upheld by the Local Government Ombudsman.


Status	Action Code and Title	Frequency	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2019/20 Target	Notes
Green 	LALocal_08 Individually registered electors in the Borough	Annually	84,617	84,788	87,126	87,500	Electoral register for 2020 was published in December 2019. There has since been an increase in the number of registered electors compared to the 2019 register.
Green 	LALocal_13 Successful prosecutions in the Magistrates Court	Annually	100%	100%	100%	90%	All cases presented in the Magistrates Court achieved the desired outcome.
Data Only 	LALocal_14 Statutory Notices issued as a result of requests from Council Services	Annually	-	63%	70%	-	The information is obtained from a combination of several data reports that were developed in 2019/20 and is an estimate at March 2020. Reports are continuing to be developed.






REVENUES, BENEFITS AND CUSTOMER SERVICES

Critical Success Indicators for Revenues, Benefits and Customer Services 2019/20



Status	Code and Short Name	Frequency	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2019/20 Target	Notes
Green 	BV9 Council Tax collected	Monthly	98.54%	98.47%	98.30%	98.4%	Although the Council Tax in year collection is slightly down on the previous year, it is expected that continued recovery will ensure overall collection remains on target.
Green 	BV10 Non-domestic Rates Collected	Monthly	98.76%	99.06%	98.60%	98.70%	Although the Business Rates in year collection is slightly down on the previous year, it is expected that continued recovery will ensure overall collection remains on target
Green 	BV66a Rent Collection: Rent collected as a proportion of the rent owed	Monthly	98.30%	99.89%	99.81%	99.00%	The Income Collection Team formally moved into the Housing Department in early 2019. The BV66a figure is monitored and reported to the Housing Committee.


Revenues and Benefits and Customer Services Key Tasks and Priorities for Improvement 2019/20

Status	Code	Action Title	Action Description	Progress	Due Date	Comments
In Progress 	RBCS 1620_01	Manage the introduction of Universal Credit (UC)	Manage the introduction of Universal Credit (UC)	50%	Mar-2024	Universal Credit full roll took place in November 2018 at Beeston Job Centre. All new claims for benefit after this date will be expected to apply for UC. Existing benefit claimants will remain on their current benefits.
Completed	RBCS	Replace the current CRM	Replace the current CRM	100%	Mar-2019	New CRM has been live since November

Status	Code	Action Title	Action Description	Progress	Due Date	Comments
	1620_03	system (Meritec)	system (Meritec)			2019.
Completed 	RBCS 1620_05	Widen the use of e-forms	Widen the use of e-forms	100%	May-2019	Completed in line with CRM system.
Completed 	RBCS 1620_08	Implement the pre-eviction protocol for rent areas and actions arising from the KPMG report	Implement the pre-eviction protocol for rent areas and the actions arising from the KPMG report	100%	Apr-2017	Action is deemed complete.
Completed 	RBCS 1720_01	Develop a greater integrated Revenues and Benefits department with Erewash	Integrated service where the Revenues and Benefits service, between the two Councils, is working together	100%	Mar-2019	The Council has decided not to develop the integrated service with Erewash in respect of Revenues and Benefits.
Completed 	HS 1520_43	Reduce rent arrears whilst planning for the introduction of UC	Reducing levels of rent arrears	100%	Mar-2019	The Income Team continues to monitor arrears in relation to Universal Credit claims, and to support tenants who are claiming Universal Credit. The on-going work is now monitored through the Housing Business Plan and reported to the Housing Committee.



Revenues and Benefits and Customer Services Key Performance Indicators 2019/20

Status	PI Code & Short Name	Frequency	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2019/20 Target	Notes
Green 	BV78a Average speed of processing new HB/CTB claims (calendar days)	Monthly	12.6	11.4	8.6	12.0	Processing of new claims continues to improve with more being completed online.
Green 	BV78b Average speed of processing changes of circumstances for HB/CTB	Monthly	5.0	3.9	4.4	5.0	There has been an increase in the number of changes of circumstances since the introduction of Universal Credit but positive work in this area has




Status	PI Code & Short Name	Frequency	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2019/20 Target	Notes
	claims (calendar days)						maintained the improvement in performance.
Red 	BV79b(ii) HB overpayments recovered as percentage of the total amount of HB overpayment debt outstanding	Quarters	29.3%	29.0%	26.5%	29.0%	A challenging target significantly influenced on the recovery options available. With the introduction of UC and wider rollout, it has reduced the possibility of recovering debts directly and increased the reliance of customers making payments.


ICT AND BUSINESS TRANSFORMATION

Critical Success Indicators for ICT and Business Transformation 2019/20



Status	Code & Short Name	Frequency	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2019/20 Target	Notes
Green 	ITLocal_01 System Availability	Monthly	99.6%	99.8%	99.9%	99.5%	The level of availability of systems has been maintained.
Green 	ITLoal_05 Virus Protection	Monthly	100%	100%	100%	100%	2019/20 has seen a positive improvement on the previous year. Work will continue in 2020/21 to improve further and works to change telephone systems to Teams will help with this.

ICT and Business Transformation Key Tasks and Priorities for Improvement 2019/20

Status	Code	Action Title	Action Description	Progress	Due Date	Comments
Completed 	IT1920_01	Digital Strategy Implementation	Implementation of the technology and processes required to enable effective integration between front and back office systems on a principle of Digital by Default.	100%	Mar-2019	
Completed 	IT1920_14	ICT Security Compliance	PCI-DSS & Government Connect - Maintain compliance with latest Security standards and support annual assessments.	100%	Mar-2019	
Completed 	IT1920_17	E-Facilities	Purchase and implement the necessary hardware and software to develop the Council's Mobile Working facilities. Including pilot projects to trial available mobile working facilities to	100%	Mar-2019	

Status	Code	Action Title	Action Description	Progress	Due Date	Comments
			continue development of the Council's e-facilities.			
Completed 	IT1819_20	Housing System - Enhancements	Project to provide necessary resource to assist the upgrade of the Capita Open Housing system and implement the Total Mobile working solution	100%	Mar-2019	

ICT and Business Transformation Key Performance Indicators 2019/20

Status	PI Code & Short Name	Frequency	2017/18 Outturn	2018/19 Achieved	2019/20 Achieved	2019/20 Target	Notes
Amber 	ITLocal_02 Service Desk Satisfaction	Monthly	100%	100%	96%	99%	Survey capability introduced September 2019: part year results 96%. ICT will be using the customer feedback to improve further in 2020/21.
Green 	ITLocal_04 BBSi Programme Completion	Quarterly	100%	96.8%	100%	100%	The 2019/20 BBSi programme was fully completed.

Report of the Deputy Chief Executive

CITIZENS ADVICE BROXTOWE – GRANT AID 2020/211. Purpose of Report

To consider the outturn position in respect of the Service Level Agreement with Citizens Advice Broxtowe following the commitment of a three-year grant funding settlement from 2018/19 in accordance with the provisions of the Council's Grant Aid Policy.

2. Grant Aid Application

On 12 July 2018, this Committee approved grant aid of £73,750 to Citizens Advice Broxtowe, including £10,000 towards the annual rental of accommodation in the Council Offices. The resolution included a commitment to award grant aid at this level in both 2019/20 and 2020/21, subject to a suitable Service Level Agreement being in place. This three-year funding settlement was seen to provide some much-needed stability for Citizens Advice Broxtowe and give it a platform to lever in additional funds from other sources.

Citizens Advice Broxtowe has now provided an outturn position in respect of the Service Level Agreement to 31 March 2020. This is provided in the appendix.

3. Financial Position

The committed award of £73,750 to Citizens Advice Broxtowe in 2020/21 (including £10,000 rental for accommodation at the Council Offices) will be the third and final year of this funding agreement. The overall budget for grants to voluntary organisations includes provision for this committed award.

Recommendation

The Committee is asked to NOTE the outturn report from Citizens Advice Broxtowe and the release of the final year of the three-year funding settlement.

Background Papers

Nil

APPENDIX

CITIZENS ADVICE BROXTOWE

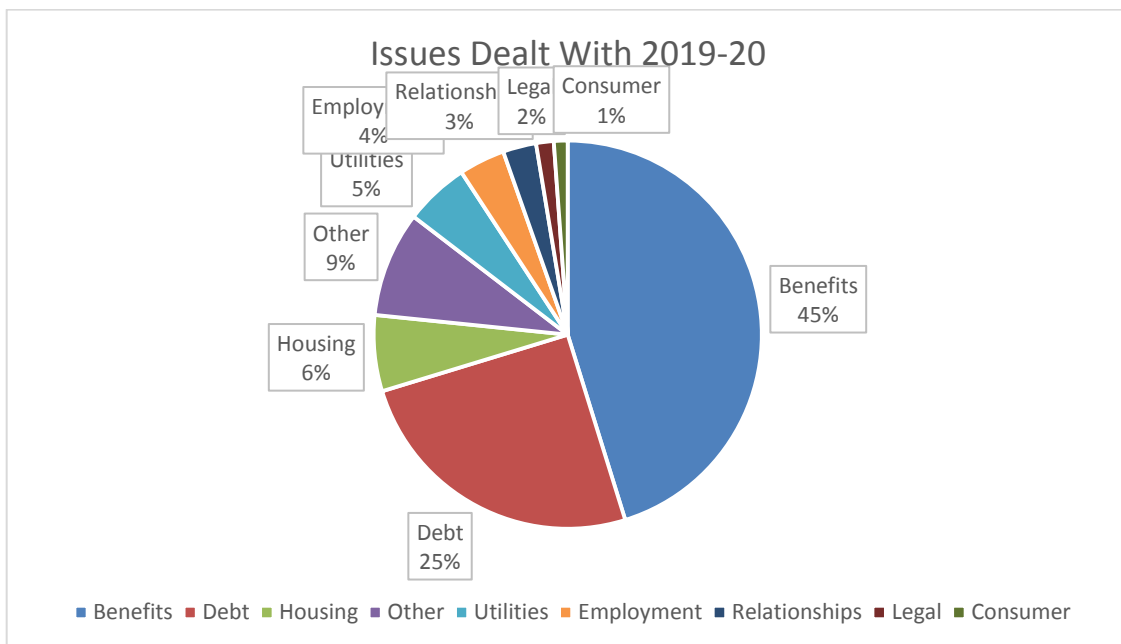
1. Background

Citizens Advice Broxtowe (CAB) provides advice and support to the public on a variety of issues including debt, housing, welfare rights, employment and legal matters. CAB was established in 2004 following the merger of the former Beeston and Eastwood bureaux to create a district-based structure with operations that are based at the Council Offices in Beeston and the Library in Eastwood, with some funded outreach sessions also being provided at the Stapleford Care Centre.

2. Summary Achievements

In 2019/20, CAB has helped 11,596 clients on a wide range of enquiries. CAB has provided a summary analysis of the 16,641 enquiries that were handled between April and March 2020. The majority of these contacts related to debt and benefits matters with the remaining enquiries being classified as housing, employment, signposting, legal, relationships, financial, consumer, utilities, health, tax, other, travel, immigration, education and other. CAB has also assisted clients in accessing £4.26m of additional benefits, which makes a huge difference to their wellbeing, lifting families out of poverty as well as supporting the local economy.

During 2019/20 CAB saw a significant increase in people needing access to its services, particularly in Beeston (up 35.9% for face-to-face advice). These continue to be dominated by benefits and debt enquiries (70%).



In September 2019, CAB underwent a triennial inspection visit from Citizens Advice. This audit was passed, with CAB being awarded the Advice Quality Standard (AQS) Certification for a further three years.

3. Staffing

CAB currently employs 22 paid staff in 23 different roles. During the last 12 months CAB have recruited 11 new volunteers to its establishment and is currently grateful to the support of 55 volunteers. This time is given freely and the value of the volunteer hours was estimated in excess of £315,000.

Although CAB is run by trustees who serve on the management committee, the day-to-day operation is overseen by the Chief Executive who is assisted by part-time staff including a Development Manager, Operations Manager and Session Supervisors at both Beeston and Eastwood. Other paid officers include administrative support at each location; a training and quality officer; an outreach worker; a part-time specialist housing worker and part-time debt workers. It should be noted that CAB is legally required to provide a recognised Session Supervisor for each session run at any location.

In 2017/18 CAB reported on the appointment of a Development Manager to help sustain the charity in the long-term as obtaining funding gets increasingly difficult and competitive. Although this position has brought in additional income streams, CAB is still having challenges in maintaining a balanced budget and not having to use substantial reserves in order to retain its current service.

4. Accommodation

In January 2009, CAB moved its Beeston operation into the Council Offices. Lease terms were agreed for the accommodation at a market rental of £10,000 per annum. CAB previously paid a nominal rental for their former premises and the extra rental cost of accommodation in the Council Offices significantly increased their premises costs. Having only limited financial resources, CAB is unlikely to be able to sustain this charge.

5. Financial Position

CAB has been unable to provide its Financial Statements (draft) for the year ended 31 March 2020 due to the timing of this Committee.

For information, the previous financial statements show that for the year ended 31 March 2019, total income generated amounted to £320,764, which mostly related to grants with £118,640 being in respect of unrestricted funds. The majority of unrestricted funding was provided by this Council and Nottinghamshire County Council (£34,000). Significant restricted funding was also received from the Financial Inclusion Fund (£70,528, Citizen's Advice (£61,130) and the Henry Smith Charity (£30,800). Total expenditure amounted to £359,631, including £172,781 charged to the restricted fund. Total funds decreased to £323,475 (before the pension liability) with cash at bank and in hand amounting to £325,406. The CAB reserves policy is to maintain a

minimum level of general reserves equivalent to around three months operating costs plus any closure costs should this become necessary. A General Fund Reserve of £87,000 has been set aside for this purpose.

CAB has predicted a financial deficit budget of around £54,000 for 2020/21. The Trustee Board keeps a close eye on any deficit spending to ensure the CAB has enough reserves to cover any redundancy and contractual costs in the rare event of a closure situation

6. Previous Grant Awards

The Council has supported CAB for many years with the grants awarded in the past four years being as follows:

	Grant Awarded £
2019/20 (including £10,000 rent)	73,750
2018/19 (including £10,000 rent)	73,750
2017/18 (including £10,000 rent)	73,750
2016/17 (including £10,000 rent)	73,750

The grant of £73,750 awarded to CAB in 2019/20 represented 43% of the Council's overall grant aid budget.

7. Request for Grant Aid

On 12 July 2018, this Committee approved grant aid of £73,750 to CAB, including £10,000 towards the annual rental of accommodation at the Council Offices. The resolution included a commitment to award grant aid at this level in both 2019/20 and 2020/21, subject to a suitable Service Level Agreement being in place.

CAB has provided an outturn position in respect of the Service Level Agreement to 31 March 2020 (appendix 2) and has requested the release of the third year funding of £73,750 in 2020/21 (being £63,750 towards general expenses and £10,000 towards the annual rental of accommodation in the Council Offices).

8. Looking Forward – CAB Perspective

Like many businesses and charities, CAB had to make transitions to agile working due to the Coronavirus pandemic lockdown. CAB worked swiftly to ensure residents in Broxtowe could still access its services during the crisis. It has continued to offer advice to clients via phone, email and web-chat, albeit with the face-to-face service was temporarily suspended. All projects have continued and referrals from the Council are ongoing.

CAB is preparing to come back from 15 June 2020 to offer basic face-to-face advice in partnership with the Council and Police. Regular meetings have been held with partners to enable a joined up return to the Council Offices in Beeston and the Library in Eastwood. CAB has incurred considerable costs to procure

equipment to aid remote working and to also buy additional equipment to enable a safe return of face to face advice.

CAB has dealt with hundreds of enquiries during lockdown. It is preparing for further high demand as it is anticipated that people will be hit with economic hardships and multiple problems as the world adapts to a 'new normal'. This makes the survival of the service in Broxtowe absolutely crucial and CAB needs to ensure it has funds to meet the high demand. It is also a worrying time as many funders have prioritised Covid-19 responses and access to charitable funds in the next couple of years may be hard to secure.

8. Consideration

Members are asked to note the outturn report from CAB and the release of the final year of the three-year funding settlement (£73,750 per annum) as previously agreed in 2018/19. A provision for this commitment is earmarked within the overall grant aid budget.

APPENDIX 2

SERVICE LEVEL AGREEMENT 2018-21

Citizens Advice Broxtowe has provided the following information in accordance with the terms of the grant awarded and committed by Finance and Resources Committee on 12 July 2018 and the Service Level Agreement for 2018-21.

SCHEDULE A – OUTPUT MEASURES (*Earlier data for 2018/19 in italics*)

Ref	Outcome Area	Total 2019/20
6.1	Number of new issues (problems) dealt with	16,441 <i>(13,503)</i>
6.2	Number of clients receiving support during the year	11,596 <i>(7,179)</i>
6.3	Average amount of debt handled per client seeking debt advice	£8,105 <i>(£8,731)</i>
6.4	Estimated amount of benefits gained for clients seeking benefit advice	£4.26m <i>(£2.63m)</i>
6.5	Please list the top five advice needs and the number of new social policy issues recorded for each (in brackets) <ul style="list-style-type: none"> • Benefits • Debt • Housing • Employment • Relationships 	7,523 (35) 4,174 (2) 1,054 (14) 894 (8) 638 (9)
6.6	Number of staff employed as at 31 March 2020	22
6.7	Number of volunteers available as at 31 March 2020	55
6.8	Number of new volunteers recruited in 2019/20	11
6.9	Number of new social policy issues dealt in 2019/20	84
6.10	Value of volunteer hours worked in 2019/20 (estimated)	£311,000

6.11 Breakdown of service users and volunteers by gender, age, ethnicity and disability for 2019/20:

Description	Service Users		Volunteers	
<u>Gender</u>				
Male	1,469	13%	18	32%
Female	2,046	18%	37	68%
Prefer different term	3	0%	-	-
Prefer not to say/not stated	8,078	69%	-	-
<u>Age</u>				
19 and under	21	0%	1	2%
20-49	1,776	15%	17	31%
50-64	1,139	10%	21	38%
65 and over	594	5%	16	29%
Not stated	8,066	70%	-	-
<u>Ethnicity</u> (No. of people who consider themselves to be):				
White British	2,544	22%	42	77%
Black British	114	1%	1	2%
White Other	285	2%	3	5%
Black African	15	0%	4	7%
Asian	132	1%	5	9%
Chinese	14	0%	-	-
Other ethnic group	113	1%	-	-
Not stated	8,379	73%	-	-
<u>Disability</u> (No. of people who consider themselves to be):	3,394	29%	1	2%

- 6.12 Please provide a summary analysis to indicate the extent to which the services of CAB have benefited clients.

The Citizens Advice service is independent and provides free, confidential and impartial advice to everybody regardless of race, sex, disability sexuality or nationality. CAB is not simply an advice agency, it is an organisation that helps people to resolve their problems. CAB does this in two ways, through advice and through bringing about policy change. Citizens Advice recognise that people often have many problems which impact on one another and they help people to tackle them.

In 2019/20 CAB handled almost 16,500 enquiries on a wide range of subjects including debt, housing and homelessness, family problems and employment issues. Debt and welfare benefits accounted for around 70% of all enquiries.

The service makes a real contribution to the most deprived individuals and communities and CAB makes a real difference to people's lives. In 2019/20 CAB helped clients gain £4.26 million of additional benefits which makes a huge difference to the client's well-being but it also adds real value by supporting the local economy as in turn there is more money available to be spent locally.

CAB works in partnership with local service providers in the voluntary and statutory sectors and provides outreach advice services within the community targeting our service towards people most likely to be socially excluded.

- 6.13 Please provide a summary analysis of client surveys, to indicate the level of satisfaction with the services of CAB. Also tell us about any changes you have made/plan to make as a result of feedback received.

Each year CAB carries out surveys with its clients which give an indication of how satisfied they are with the service. The survey is conducted through the national membership of Citizens Advice, who collect feedback from clients different via SMS and email. A summary report is provided to CAB on a quarterly basis. The results of the latest survey are as follows:

Question	Positive Response
How easy did you find it to access the service?	80%
To what extent did the service help you find a way forward?	78%
To what extend is your problem now resolved?	78%
How likely would you to be recommend the service?	89%

Some quotes from service users were as follows:

“Great service that more vulnerable people should have access to. Fantastic and helpful staff, thank you for your continued support”.

“They go to extremes to work out a way to help people and solve problems”

“Excellent first class service. Could not have asked for more. Very dedicated volunteers”

“I have already written and thanked the lady who helped me but I felt cared for and supported from the moment I stepped through the door and someone was able to do for me what I could not do for myself. An invaluable service in these times and especially for me with health difficulties and a very severe depression when function goes completely.”

- 6.14 Please provide feedback from volunteers around the level of satisfaction with the training and support they have received, and any specific outcomes achieved e.g. moving into paid work:

In the last year CAB has recruited 11 new volunteer advisers. As a result of the training provided and the skills and confidence gained whilst working with CAB, eight volunteers have gone onto paid work or further education, both externally and within the CAB service.

- 6.15 Please tell us about some of your work around improving the policies and practices that affect people’s lives. Tell us about any changes which have been made both locally and nationally in relation to the top five advice needs:

The top five advice needs are benefits; debt; housing; employment; and relationships. Campaigning aims to improve the policies and practices that affect people’s lives and is one of the aims of the service. As a charity and being part of the national network CAB has a huge amount of insight and data about the problems its clients and their wider communities face. Through research and campaigns, CAB uses this insight to:

- help us research issues further
- gathering evidence of problems that need resolving
- campaign to get decision makers to change policies and practices.
- prevent issues from recurring.

Universal Credit – Help to Claim Service in Broxtowe

The ‘Help to Claim’ service offers support for people from starting a Universal Credit (UC) claim through to receiving their first full payment, via face-to-face, the dedicated UC free-phone line, web chat with trained advisers or by accessing CAB public access computers in reception or the public site web pages. As well as self-referring or following on from previous phone advice and web chat, people can be referred to CAB from the other LCA’s, Jobcentre, local authority housing officers and/or voluntary and community sector partners. CAB also has advisers located in Beeston and Heanor Jobcentres as its works in partnership to meet client needs.

CAB has received funding to continue its work on this project for 2020/21. CAB continues to actively participate in the Broxtowe Welfare Reform Working Group and is now delivering these additional services to support UC claimants with greater partnership working with the Council and DWP.

CAB continues to hold the contract for one of 31 Best Practice Leads (BPL) across England and Wales. Each BPL is matched to a Jobcentre Plus district and Broxtowe was successful in obtaining the BPL one-year contract for the Lincolnshire, Nottinghamshire and Rutland district.

The role of the BPL is to gather and share information about the performance of UC and the Help to Claim service, build and support relationships with relevant stakeholders, support local Citizens Advice, and develop and share ideas and best practice.

The BPL will be gathering intelligence and insight on how UC and Help to Claim is working across the Jobcentre Plus district and will share this intelligence with relevant partners including Jobcentres, local Citizens Advice and national Citizens Advice. Through this the BPL will help local Citizens Advice across the district to understand UC and how best to support clients. Highly effective relationships will be developed with relevant district stakeholders including local Citizens Advice and DWP and local authorities.

CAB Research and Campaigns Development Plan

Research and campaigns remains a core part of the work of Citizens Advice, delivered by dedicated staff and committed volunteers. This work helps ensure CAB can resolve more issues for clients, and address the underlying causes so that the issues do not continue to affect clients.

Research and campaigns is one of the twin aims of the service. It aims to improve the policies and practices that affect people's lives. As a service, CAB has a huge amount of insight and data about the problems our clients and their wider communities face. CAB uses this insight to:

- help us research issues further
- influence decision makers to change policies and practices
- campaign to get decision makers to change policies and practices.

Research and campaigns gives CAB the opportunity to widen its impact, allowing it to help those who may not be able to access advice services, prevent issues from recurring and therefore help with demand and capacity issues.

The Research and Campaigns team work with other local Citizens Advice and advice agencies to collect this evidence and contribute to policy discussions about how to improve the lives of Broxtowe residents.

CAB research and campaigns work received recognition from the Nottingham Civic Exchange and Lord Taylor for the 'Better Work in Broxtowe' report. CAB contributed to a number of campaigns. Its clients face a number of issues and we fully intend to improve policy and practice at a local and national level. This often involves briefing our elected officials and key civil servants.

CAB also uses the knowledge of its clients to improve the way we deliver services and as evidence for future funding. Its Citizens Panel of people with lived experience is busy evaluating and reviewing the impact of our work and what lessons we can learn. Some of this acquired knowledge is shared with our partners, working together to improve lives.

CAB is a 'Help to Claim Service' Best Practice Lead for the Job Centre district and lead on making our clients experience of claiming Universal Credit better.

The CAB Research and Campaign team in Broxtowe is headed up by a Trustee and an action plan produced for each financial year. None of this work could be achieved without the dedication, skill and hard work of the Campaigns Team of staff and volunteers. CAB is grateful for their contribution towards delivery of this plan. During 2020/21 CAB will continue to look at evidence around how UC is affecting Broxtowe residents as well as mental wellbeing, income/job security and homelessness.

Housing Advice

CAB has, through a joint partnership with the Council, been able to help 214 households across Broxtowe from homelessness. CAB works across the Borough to provide information and advice to all types of tenants and take referrals on a daily basis from the Council and other partners such as Broxtowe Women's Project and Broxtowe Youth Homelessness.

Eastwood Wellbeing Hub

Another joint venture which has gone from strength to strength during the year is the Eastwood Wellbeing Hub. CAB works with Nottinghamshire Mind in Eastwood to help the most vulnerable and those socially isolated. CAB offers practical advice and emotional support to prevent its clients going into crisis. Amazing success stories have emerged from this project with one service user moving from a domestic violence relationship which put her in a long term crisis situation to then volunteering for the project and then moving into paid work within Broxtowe.

- 6.18 Please provide case studies to indicate some of the outcomes achieved for clients to evidence the top advice needs:

Case Study 1 – Benefits

Client has long-standing physical and mental health difficulties. She was migrated from Incapacity Benefit onto contribution based Employment and Support Allowance. She also received both components of Disability Living

Allowance at the standard rate. Her husband was her carer and so received Carers' Allowance and Income Support. The couple live a fairly isolated life because of their difficulties but were comfortable with the Jobcentre and knew the names of several of the workers.

Client was invited to claim Personal Independence Payment (PIP) but at the assessment received nil points. This had far reaching consequences and in turn all their other health related benefits also ceased. They turned up at the Jobcentre in a distressed state, but were calmed by staff and told they would be able to claim Universal Credit.

Neither of them were computer literate and so they were referred to CAB to help them navigate the claiming process. CAB also helped them appeal the decision to refuse PIP. Due to the intervention of CAB, all benefits were put back into place and backdated to the original decision date. The final result was that they were better off at the end, but it could have been so different. The total amount of benefits reclaimed was £11,370.

Case Study 2 – Employment

Client worked on a permanent contract, as a carer. He is a highly skilled, with good qualifications. He became unwell around five weeks ago with suspected Covid-19. He already suffers with respiratory problems and had been showing various other symptoms of the disease. He was signed off work sick by his doctor for four weeks. His GP is arranging further investigations and X-rays.

Client informed his manager and was dismissed straight away. He was not given a reason for his dismissal in the follow up email sent to him from the care home. He has never had any previous warnings about his work or conduct. To the contrary he has been praised for his commitment to his job.

Client feels that the dismissal is unfair and could be due to his age (he is only a few months away from retiring). Also the fact that he has raised issues with the home about the lack of hygiene - such as a broken washing machine which does not get hot to wash residents bedding and clothing adequately.

Client believes he may have picked up Covid19 from his work place as three residents had already died from the disease and the staff have not been provided with the correct PPE.

CAB assisted the client to write a grievance letter to the employer, advised him on wrongful dismissal and age discrimination. CAB gave him details of ACAS and the Health and Safety Executive. CAB will also follow up this case through its Research and Campaign work.

This is not the only case where employers are dismissing staff when they have symptoms or are testing positive for Covid19.

Case Study 3 – Debt

Client is currently separated from her ex-husband. She is aged 49 years and is in receipt of Universal Credit.

She recently fled the matrimonial home due to domestic abuse. Midlands Women's Aid gave her safe accommodation. The past experiences endured with her husband impacted greatly on the client's mental wellbeing, and she was provided with medication and counselling by a supportive GP.

In addition to past domestic trauma she acquired a number of debts from her former home, including rent arrears and owing Council Tax, with the possibility of bailiff enforcement, and a number of smaller debts totaling £14,000.

CAB requested holding actions for all debts whilst working on this case. In order for the client to move from a hostel and obtain secured housing, she would firstly need to resolve her former rent arrears which was causing her great stress.

After discussing formal strategies with the client, she agreed that a Debt Relief Order may be the best way to escape the mayhem of her situation. This would also address the problem of her rent arrears allowing her to move on. CAB was able to complete an accurate online DRO application with the client's address being withheld from the application to protect the client, and prevent her being discovered by anyone. The DRO was subsequently approved removing all the debt, much to the relief of the client, and allowing her to move forward in a more positive manner, obtaining a new home, and starting a safer life.

SCHEDULE B – FINANCIAL MONITORING INFORMATION

In accordance with the Service Level Agreement, Citizens Advice Broxtowe has provided the Council with financial monitoring information. The predicted 12-monthly outturn to 31 March 2020 is as follows:

	Budget 2019/20 £	Actual 2019/20 £	Variance £
Income			
Grants/Projects	420,924	507,252	(86,328)
Donations	15,250	33,711	(18,461)
Bank interest	3,000	2,564	436
Total Income	439,174	543,527	(104,353)
Expenditure			
Salaries and Associated Costs	385,412	402,804	17,392
Payments to Partners	10,144	35,000	24,856
Offices and Premises Costs	69,693	82,315	12,622
Other Costs	0	21,009	21,009
Total Expenditure	465,249	541,128	75,879
Deficit/(Surplus)	26,075	(2,339)	(28,414)

Variances can be explained as follows:

Income

- Increased grants and donations from trust funds, general public donations, fundraising and successful capital bids. A donation from Beeston Methodist Church was most welcome to extend our partnership with Nottinghamshire Mind into Beeston.
- Additional income to run the Universal Credit 'Help to Claim Service' across Broxtowe.

Expenditure

- Additional staff costs as CAB continues to grow its service to cope with demand.
- Additional capital costs to convert an office at Eastwood into two interview rooms to cope with demand and meet DDA requirements.
- New IT strategy adopted to replace IT consultants due to retirement and gradually renew our IT stock as it becomes outdated.

Report of the Deputy Chief Executive

**GRANTS TO VOLUNTARY AND COMMUNITY ORGANISATIONS,
CHARITABLE BODIES AND INDIVIDUALS INVOLVED IN SPORTS,
THE ARTS AND DISABILITY MATTERS 2020/21**

1. Purpose of Report

To consider requests for grant aid in accordance with the provisions of the Council's Grant Aid Policy.

2. Applications and Financial Position

Details of the grant application received is included in the appendix for consideration. The amount available for distribution in 2020/21 is as follows:

	<u>£</u>
Revenue Grant Aid Budget	168,800
Less: Estimated requirements for:	
Citizen's Advice Broxtowe	73,750
Rent Awards and Other Commitments (#)	53,900
Less: Grant Awards to Date	8,000
BALANCE AVAILABLE FOR DISTRIBUTION	33,150

(#) This includes provisions in respect of the application from New Stapleford Community Association.

Members are reminded that they will need to suitably constrain grant awards in 2020/21 if the budget is not to be exceeded. The total 'cash' grants requested in this report are £22,000. The additional sums requested in this report, when compared to the previous year, would amount to £7,000 if all applications are fully supported.

Recommendation

The Committee is asked to:

- 1. Consider the request in appendix 1 and RESOLVE accordingly; and**
- 2. NOTE the grants awarded under delegated authority in appendix 2.**

Background papers
Nil

APPENDIX 1

Applications

The following grant applications have been received for consideration in 2020/21:

<u>Applicant</u>		<u>Grant Award 2019/20</u>	<u>Grant Request 2020/21</u>
		£	£
Hope Nottingham	1	10,000	10,000
The Helpful Bureau	2	5,000	10,000
New Stapleford Community Association	3	4,000	4,000*
Eastwood Amateur Boxing Club	4	Nil	1,000
Brinsley Animal Rescue	5	Nil	1,000
		Total	26,000

The total request is made up of £22,000 in 'cash' from the balance available, with £4,000 being covered by a provision for rents and other commitments.

Caring Organisations1. HOPE NOTTINGHAM

Hope Nottingham is project that operates from Hope House, Boundary Road Community Centre in Beeston. The project has around 200 visitors each week, with 1,200 individuals benefitting from the service each year. Hope House has developed into a holistic community hub providing wide ranging support to help people out of crisis and empower them to contribute positively to their community.

The Hope Café was originally established in 2005 as part of Hope NG9, the Christian church working together to bring 'Hope to the NG9 area through social action, backed by prayer and word'. From 2010, local ministers agreed that Hope NG9 should be merged with Hope Nottingham. The charitable objects of Hope Nottingham are to advance the Christian faith and the relief of poverty, sickness and distress amongst the people of Nottingham and surrounding areas

Hope Nottingham provides a free, one-stop community support café, providing holistic support for homeless and vulnerably housed adults to overcome poverty crisis and entrenched deprivation. The project aims to meet basic needs of food, clothing and furniture, provide a listening ear and offer individual mentoring and support with a view to having a positive transformation on the lives of those in need and to enable the positive social re-integration of socially excluded people. In addition to providing food and friendship, the project aims to mentor individual service users by providing life skills training and creative activities. The project also acts as a hub to which its users can directly access support from specialists on issues such as housing, debt, benefits, substance and alcohol abuse and health.

Hope Nottingham works with the Council, Police, Citizens Advice and other support agencies in order to meet the needs of its users and the local community. The various services are integrated together to enable those with complex needs to address several issues simultaneously, as the most effective way to make progress and to avoid them falling through gaps in service provision.

The facilities at Hope House extend to providing a Job Club to help the long-term unemployed back into work and a Youth Group that provides positive diversionary activities for young people.

The key headlines received from Hope Nottingham in 2019/20 included:

- Providing over 5,000 food parcels to approximately 1,500 households in Broxtowe. During the current coronavirus crisis, Hope Nottingham has primarily been delivering food parcels to hundreds of households across the Borough.
- Supplying over £10,000 worth of financial assistance to buy specific items such as cookers and washing machines to 100 households
- Providing more accessible independent information, advice and support for the most vulnerable Broxtowe residents
- Providing community based volunteer opportunities for local residents
- Providing employment support and training to enable service users to make progress in helping themselves out of poverty relating to welfare, low income, debt, unemployment, dysfunctional lifestyles, mental illness and domestic violence
- Directly supporting people in overcoming or avoiding homelessness, whilst others are indirectly supported by referral to mainstream services and partners
- Assisting local people in Broxtowe with getting housed
- Establishing two small in-house social enterprises teaching people practical skills and enabling them to begin earning an income
- Supporting long-term unemployed local residents through its Employment Pathway scheme. Users are referred to the Hope Job Club by the job centre and receive mentoring, work experience, skills training and job application support in creating positive CV's. This work has assisted 25 long-term unemployed residents into work. Hope Nottingham has provided detailed output statistics for the Employment Pathways scheme relating to its service users, the types of barriers needed to be overcome and outcomes.

Hope Nottingham has provided the latest accounts for the year ended 30 June 2019 for scrutiny. The charity separates its accounts between restricted fund and unrestricted funds.

Total income generated amounted to £237,746 which mostly related to grants, donations and rental income from use of the church and centre. Significant restricted and unrestricted grants were received from Church and Community Giving (£38,543), Garfield Weston Foundation (£25,000), Nottinghamshire County Council (£20,825), Nottingham and Derby Methodist District Fund (£13,200) and the RRAF (£10,000).

Total expenditure amounted to £225,798 which included salaries and associated employer costs (£170,642 for an average of eight employees with no employee receiving more than £60,000 during the period), premises expenses and other operating costs. Total funds as at 30 June 2019 were £43,289 including unrestricted funds of £9,552. Total cash at bank and in hand was £45,139.

In 2019/20, grants have been offered and/or received from Nottinghamshire County Council (£11,900), Nottingham and Derby Methodist District Fund (£13,200), Beeston Consolidated Charity (£18,000) and smaller grants from other Trusts. The charity continues to acknowledge the regular financial and volunteer support it receives from individuals, church and community, local businesses, local authorities and grant making organisations, without which it could not continue to operate.

The Council has regularly supported Hope Nottingham, with the grants awarded in the past four years being as follows:

2019/20	£10,000
2018/19	£4,000
2017/18	£4,000
2016/17	£4,000

In March 2020, the Council made an award of £10,000 from the Community Support Grants scheme to Hope Nottingham for Covid-19 related work.

For 2020/21, Hope Nottingham has requested a similar grant of £10,000 towards the general cost of operating the project (£4,000) and for the specific cost of running its Employment Pathway programme (£6,000).

Members should note that the grant aid policy requires that grant awards of £5,000 or above may be subject to a Service Level Agreement.

2. THE HELPFUL BUREAU

An application for grant aid has been received from The Helpful Bureau (THB), a registered charity and not for profit organisation based at the Carnegie Civic and Community Centre on Warren Avenue in Stapleford. Originally established in 1978, THB formally registered as a charity from 2001. The charity provides services which support and encourage older and/or disabled residents to live safely and independently in their own homes. The charity has over 2,400 clients, the majority being residents of Broxtowe.

THB achieves its aims by providing three streams of work, namely practical services; social interaction events; and a volunteer transport scheme. These are considered separately below:

Practical services

These services, including gardening, decorating, home support and a handyman service, help clients to feel less vulnerable. In providing home security and maintaining gardens, the property is less likely to be targeted for crime and clients have more pride in their surroundings and maintain a sense of dignity. 207 different service users accessed these services between October 2019 and March 2020.

The services provide value for money from a trusted and reliable workforce. THB has been operating this for many years and is experienced in dealing with the client group. The charity is registered with Nottinghamshire County Council and 'Checkatrade'. All employees are DBS checked. Volunteers use their experience and life skills to help with the provision of practical services, keeping themselves active within the community and helping to provide a value for money service.

The gardening service maintained around 90 client's gardens (the majority on regular rotation) with 261 jobs completed this year by the gardening team. Unfortunately, the Handyman position was lost due to funding cuts, but the service is still provided when the weather is unfit for gardening or where there is a client need to complete a job immediately. Gardening is chargeable and for all odd jobs and decorating an estimate is provided following assessment. The charity supplies its own vehicle, equipment, cleaning materials and will remove garden waste.

THB has four Home Support Workers (three in the south of Broxtowe, one in the north), each having up to 15 regular clients. The charity has seen an increase in demand for this service and has employed additional workers to help meet demand. Home Support is chargeable.

TBP has started a Befriending Service with the help of funding from the Boots Charitable Trust. The service is much needed with a waiting list of clients ready to be matched.

Social Interaction

THB provides a variety of social groups on each day that it opens. These events include running a weekly resource centre providing a movement to music class, information and advice, a two-course hot lunch and social activities. Social groups such as a craft club, older persons' group and trivial pursuits group, plus monthly day trips. A 'movement to music' class is run at Awsworth, whilst 'foot care' sessions are offered every fortnight in Stapleford. These activities help to prevent people becoming lonely and isolated and offer advice and information to enable them to make life choices appropriate to their current needs. They also keep older people active by providing physical

activities to help prevent falls and loss of mobility, empowering positive health and emotional wellbeing. In recent years, there has been an increase in people with dementia, stroke survivors and people with more complicated health issues.

The charity helps to safeguard older adults by offering support and preventing them from becoming depressed, vulnerable and victims of crime. It regularly promotes the dangers of fraudsters and rogue traders. Other service providers are invited to come along and share information to help keep clients informed on issues relevant to them.

During the year, THB prepared and cooked 2,135 hot meals to an average of 42 clients per week. A charge is made for the lunch club for a hot two-course lunch, which covers the cost of food, refreshments and hall hire. A nominal charge is made for social groups per person per session, whilst the movement to music classes are charged to cover the cost of hall hire and instructor. There have been 48 sessions of movement to music provided in the past year, with an average attendance of 19 per session.

Volunteer Transport

THB provides a volunteer transport scheme and wheelchair accessible vehicle for older and/or disabled people who have travelling difficulties in attending support groups and medical appointments. This scheme enables people to become less isolated and better able to access support groups or activities within the community. Clients receive a flexible and personalised door-to-door transport service, provided at low cost. This service is run with the help of 15 volunteer drivers, some using their own cars and some driving the wheelchair vehicle. All drivers are DBS checked and have appropriate training.

Volunteer drivers have the opportunity of using their spare time effectively by helping others in the community and can report any problems or difficulties they observe. This can then be acted upon accordingly to help stop a situation getting worse. The charity can take referrals from social services and health professionals to offer a more holistic service.

5,091 trips were provided for clients during the year, 4,443 using volunteer's cars and 648 trips in the wheelchair vehicle, with a total of 22,189 journey miles completed. The volunteer driver scheme is chargeable per mile at 50p/mile plus a 50p booking fee per trip, of which 45p/mile is given to the driver to cover expenses. The Wheelchair Accessible Vehicle is charged at £1/mile plus a 50p booking fee per trip to cover the running costs of the vehicle.

THB has provided case studies for all three streams of work as part of its grant aid application.

During the year, THB was able to purchase its own wheelchair accessible vehicle in October 2019 with support from several funders. In doing so, THB has managed to keep the costs down on monthly trips and has started a new shopping service. Nottinghamshire County Council has also provided

additional funding to buy a software package to enable THB to run a more effective and efficient transport scheme.

THB currently has 2,616 registered clients, (1,827 women and 789 men) with 80% having a disability or long term illness. They range in age from under 55 to over 100 years old. Referrals come from health professionals, Independent Living, Social Services, faith groups, other support groups, families and self referrals.

THB has submitted its Annual Report and Financial Statements for the year ended 31 March 2019 for scrutiny. The charity splits its accounts between restricted and unrestricted funds. Total income generated in the year amounted to £152,325 (including £72,567 as unrestricted funds) from fees and room hire, grants and donations and fundraising. Restricted grants totalling £79,758 were received in 2018/19 from Nottinghamshire County Council (£42,258) and other funders. Total expenditure was £131,256 (including £51,498 from the unrestricted fund) and related to wages (£88,160 split between restricted and unrestricted funds), rent and services and other running costs. Total bank balances as at 31 March 2019 had risen to £53,548, with Total Funds declared at £52,821 (all unrestricted). The charity's policy on reserves is to retain three months' worth of operating reserves.

This is the third application received from THB (although the Council previously supported Stapleford Volunteer Bureau), with the grants awarded in the past four years being as follows:

2019/20	£5,000
2018/19	£2,000
2017/18	No application
2016/17	No application

In March 2020, the Council made an award of £2,000 from the Community Support Grants scheme to THB for Covid-19 related work.

For 2020/21, The Helpful Bureau has requested an increased grant of £10,000 to support its ongoing operations, including the continued running of Autumn Years Activity group and the Befriending Service.

Members should note that the grant aid policy requires that grant awards of £5,000 or above may be subject to a Service Level Agreement.

Community Associations

3. NEW STAPLEFORD COMMUNITY ASSOCIATION

The New Stapleford Community Association (NCSA) is responsible for the management and operation of the Council owned Community Centre on Washington Drive in Stapleford that was first opened in 1972.

The aim of NCSA is to provide a community meeting place for Stapleford and the surrounding area. A variety of groups utilise the facilities for educational, recreational and sporting activities, including senior citizen's groups, blood donor sessions, dance and fitness classes, community sessions, martial arts clubs and family groups. Around 500 people use the facilities every week, the majority of whom live in the borough.

For the year ended 31 December 2019, NCSA generated income of £19,492 from hall bookings, dances, grant aid, fund raising and membership subscriptions. Total expenditure amounted to £20,147, which included rent, utilities, fixtures, repairs and maintenance, dance and social activities and other running costs. Total bank balances as at 31 December 2018 was £38,513. NCSA has earmarked part of these reserves towards internal decorating and the purchase of new tables.

The current tenancy agreement for the Washington Drive Community Centre replaced the previous arrangement of charging a peppercorn rent. The annual market rent for the premises was assessed at £4,000 as part of the Council's aim to secure economic rents on its properties. NCSA suggests that it would be unable to sustain an ongoing rental charge of this size.

The Council has supported New Stapleford Community Association for many years with grant aid towards its premises rental. The grants awarded in the past four years were as follows:

2019/20	£4,000
2018/19	£4,000
2017/18	£4,000
2016/17	£4,000

For 2020/21, New Stapleford Community Association has requested a grant of £4,000 to cover the market rent. This grant would be for a period of one year and would be matched by allowances within the premises income budget and therefore leave the Council's overall budget unchanged.

Sports Clubs

4. EASTWOOD AMATEUR BOXING CLUB

The Council has received a grant aid application from Eastwood Amateur Boxing Club. Formed in 1979, the Eastwood ABC is based at the Old Pottery Building on Church Street in Eastwood. The club has around 40 members, both children and adults, with the majority being from the Eastwood, Kimberley and the surrounding areas, including Hucknall and Langley Mill.

The club aims to provides much more than just developing fitness and boxing skills. It also includes social interaction and fun, personal development and achievement, motivation and positive attitude. The club has a number of youths with autism, learning disabilities and other conditions that are encouraged and supported in developing their skills and gaining self-

confidence. Other boys may have been in trouble in their private lives and they are always guided to make positive decisions.

Eastwood ABC is run by volunteers with a love for the sport and the benefits it can bring to individuals and the wider community. These volunteers include three registered coaches who undertake regular training. The club travels as a team to other parts of the country to box.

A summary financial account was provided by the club which showed bank account balances of £2,135 as at 1 April 2020. The club is funded by subscriptions and donations. The cost of operating, including equipment, can be challenging to meet with England Boxing requirements. Premises rental is around £400 per month, although this has been reduced by 50% during the current pandemic lockdown.

This is the second application that the Council has received from Eastwood Amateur Boxing Club, the last being in 2016/17 when a grant of £1,500 was awarded towards the cost of the club establishing itself in premises at the Old Pottery Building. For 2020/21 the club has requested a grant of up to £1,000 towards its rental obligations during the current pandemic lockdown.

Miscellaneous Category

5. BRINSLEY ANIMAL RESCUE

Although animal welfare is listed as a specific exclusion in the grant aid policy, Members are asked to consider this request given the exceptional circumstances linked to the Covid-19 pandemic lockdown.

Brinsley Animal Rescue was formed in 2008 and became a registered charity in 2010. The Charity is run primarily by volunteers, with two part-time, self-employed contractors. It operates from property and freehold land of Brinsley Hill. The 22-acre site comprises of a number of fields and enclosures, stables, stable yard, manage, wildlife hospital and volunteers room and are provided to the Charity free of charge.

The charitable objectives of Brinsley Animal Rescue are for the benefit of the public to relieve the suffering and distress of animals in need of care and attention by reason of sickness, neglect or mistreatment and in particular to provide and maintain rescue homes or other facilities for the treatment of such animals, to educate the public on matters concerning animal welfare.

The charity rescues wild animals, pets and farm animals. In addition to offering advice, the charity will take in unwanted pets, neuter and vaccinate and then rehome to suitable homes. Wild animals are rehabilitated and released, whilst pets and farm animals are found lifelong homes. The majority of animals come from and are re-homed within Nottinghamshire and surrounding areas. Some animals come from much further afield and the charity will always consider suitable homes anywhere in the country.

The charity is supported by the hard work and dedication of 40 regular volunteers, 12 of whom are Borough residents.

In 2018, the year was considered a success in terms of the number of animals rescued, treated, released or re-homed the charity dealt with 726 wild, pet and farm animals. Of these, 425 animals were released back into the wild or in the case of pets and farm animals re-homed; 42 were euthanized in accordance with its non-euthanasia policy; 90 died and 169 remained at the sanctuary. Unfortunately, there were many pets that the charity could not rescue, due to financial, time or accommodation constraints.

Brinsley Animal Rescue has requested grant aid of £1,000. The Covid-19 pandemic lockdown has meant that the charity has had to cancel its open days and all fundraising activities. This has resulted in a loss of income of around £14,000. The request will be specifically used to pay for veterinary bills and repairs following an unfortunate instance of trespass onto its land by individuals who terrorised ponies causing them to panic and impale into a fence.

The charity provided its financial statements for the year ended 31 December 2018 for scrutiny. Annual receipts of £59,407 were generated from donations and sponsorship, sales and fund raising activities. A fund raising open day is held two or three-times per year (the sanctuary is normally not open to the public). The charity also attending events with stalls providing information and selling merchandise and receives some regular monthly donations. Other donations are received from the public when bringing an animal into its care and a minimum guidance adoption fee when animals are adopted. Annual payments of £69,979 included sub-contractors (£12,023), veterinary fees, maintenance, feed and other costs associated with animal welfare. The overall cash and bank balances as at 31 December 2018 amounted to £28,341.

Since the last accounts, in 2019, the charity received a large one-off donation of £110,000 from another charity which has dissolved. These funds are rapidly dwindling down to around £70,000. This includes £20,000 reserved for animal caging. The charity aims for its balances to not fall below £10,000 at which point it would cease taking in new animals.

This is the first application that the Council has received from Brinsley Animal Rescue and for 2020/21 the charity has requested a grant of £1,000 towards veterinary bills and fencing repairs following an instance of trespass.

APPENDIX 2

DELEGATED AWARDS

A summary of the grants awarded under delegated authority since April 2020 is included below. The Council's policy in respect of grant aid to voluntary organisations is to award the amount requested by the organisation or the maximum specified whichever is the lower. Additional consideration is given to groups who can demonstrate that they are meeting the particular needs of disadvantaged sections of the community.

All requests under £250 are considered under delegated authority, in consultation with the Chair of this Committee. This includes applications from individuals involved with sport and the arts.

This Committee determines all requests for grants in excess of the £250 maximum.

Groups

Group	Total Members	Total Broxtowe Residents	Grant Award in 2019/20	Grant Award in 2020/21	Purpose of Grant Award
Kimberley Bowls Club	48	46	None	£200	Purchase of a defibrillator to locate in the club house. Award from the Broxtowe Lotto Community Fund
1 st Chilwell and Attenborough Scout Group	107	107	£234	£234	Planning costs associated with a scheme to create a loft room for increased community usage. Award from the Broxtowe Lotto Community Fund

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Report of the Deputy Chief Executive

SECTION 106 ITPS ALLOCATIONS1. Purpose of report

To provide an update on available s.106 Integrated Transport (ITPS) funds and to recommend utilising some of these to amend the 2020/21 capital programme with an additional contribution to the Bennerley Viaduct scheme and new schemes associated with the Mushroom Farm development in Eastwood; also to support measures for disabled persons in Beeston.

2. Background

Further information on the section 106 process was given in the report to this Committee on 9 January 2017.

3. Available funding

The funding presently available for allocation is as follows (further details are given in appendix 2):

- ITPS North (can only be spent on sustainable transport schemes in the north of the borough) – £636,461.
- ITPS south (can only be spent on sustainable transport schemes in the south of the borough) – £150,547.

4. Proposed funding allocations (further details are given in appendix 1)

- It is proposed to allocate an additional £100,000 to the Bennerley Viaduct proposal.
- It is proposed to allocate £385,000 for upgrades to the existing bus stop infrastructure in the vicinity of the Mushroom Farm development along the A610 corridor. This investment would offer a step-change improvement in the public transport offer in Eastwood, Newthorpe, Giltbrook, Kimberley, Nuthall, Brinsley and Watnall.
- £15,000 for improvements to Kimberley Footpath 35
- £30,000 for improvements to Strelley Bridleway 4
- £20,000 for the introduction of traffic signal controller upgrades at the Sun Inn gyratory
- £10,000 for Beeston Shopmobility
- £2,000 for wheelchair signage on Broxtowe-owned land near Beeston train station

5. Financial implications

The financial implications are detailed in appendix 2.

Recommendation

The Committee is asked to RESOLVE that the amendments to the 2020/21 capital programme as set out in section 4 above be approved.

Background papers

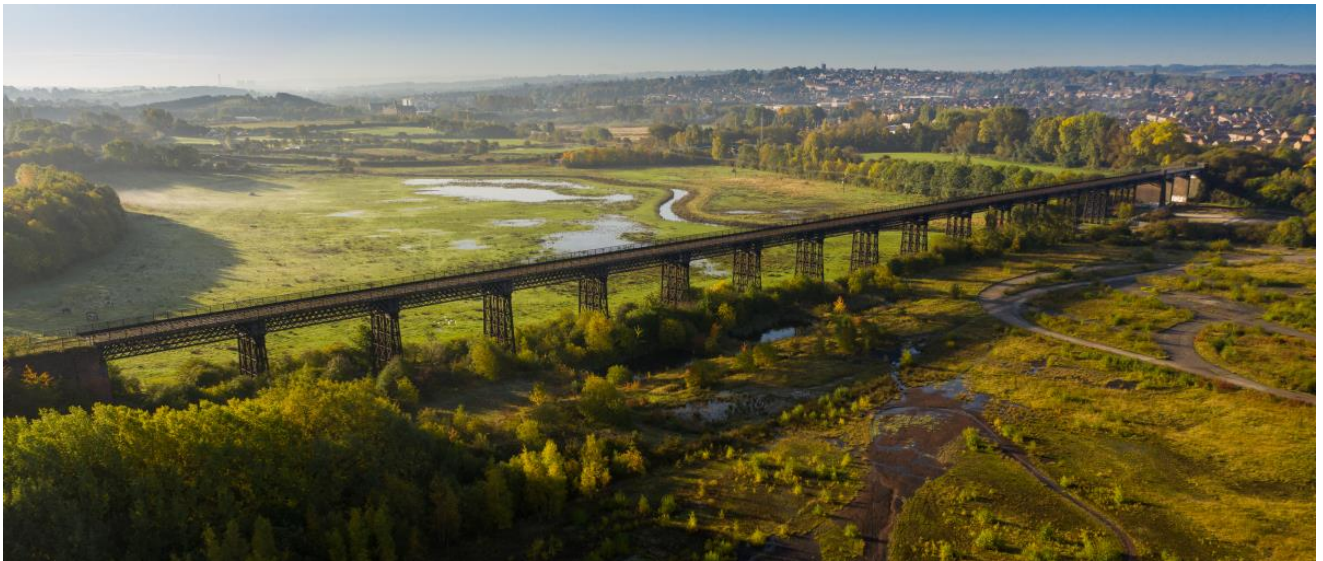
Nil

APPENDIX 1

Bennerley Viaduct contribution

Bennerley Viaduct is a grade II* listed structure dating from 1877. It has a 440 metre span across the Erewash Valley and the viaduct deck is some 18 metres (60 feet) above the River Erewash.

The viaduct is potentially a valuable community asset for transport, recreation and education. The intention is for it to provide a traffic-free link across the Erewash Valley, connecting to surrounding routes, supporting local tourism and enabling people to enjoy the varied heritage and natural attractions of the valley. It could be a focus for learning about industrial heritage in an area steeped in coal-mining, iron-working, railways and canals, and as such is a potential resource for local schools.



The Council has previously agreed to contribute £20,000 to this scheme with £14,450 of the cost met from S106 ITPS funds and £5,550 from General Fund capital receipts. However, the following update from Railway Paths Ltd was received 14 January 2020: -

“The Bennerley Viaduct project is progressing well. Planning Permission and Listed Building Consent for the proposals were granted in 2019 and substantial funding has been secured to implement them, however further significant funding is required. The works for the current project are divided into 3 main elements – the repair works; the western approach works; and the viaduct decking works. Thanks largely to repair grant funding from Historic England the repair works are fully funded and are due to commence in the next few weeks. The western approach works are now also fully funded – these works will provide an accessible zig-zagged path on the viaduct’s western embankment to connect the viaduct deck with the Erewash Canal towpath. What isn’t funded is the viaduct decking works. This key part of the project involves the installation of a new 4.8m wide timber deck surface along the length of the listed ironwork structure to enable full accessibility from one end of the viaduct to the other. Based on tender prices received this element will cost in the region of £400,000 (incl VAT). Other potential funding opportunities are being pursued for these decking works and other design and implementation options are being investigated to see whether there is a more affordable solution.”

On the basis of the above update it is recommended that the Council offer a further £100,000 to this scheme to assist toward the delivery of a significant pedestrian and cyclist

link across the Erewash valley and to introduce a major new tourist attraction in the area. Some delays to the timescales outlined above have subsequently occurred due to Covid-19.

Mushroom Farm Development

Committee will be familiar with the recent Mushroom Farm development off the A610 at Eastwood. In July 2018 the Council received an ITPS allocation of £676,000 in association with this development, and then a further £54,000 in July 2019 making a total of £730,000. The funding has to be used for:

“Measures designed to reduce use of the private car along the A610 corridor within 5 miles of the site or reasonably related to it”

This Council has previously allocated £100,000 of this funding towards further feasibility work on extending the Nottingham tram network from its current terminus at Phoenix Park to Kimberley, Eastwood and potentially beyond. This leaves a sum of £630,000 that needs allocating and spending by 2023.

As Bennerley Viaduct is within 3.5 miles of the development and, in conjunction with existing and proposed cycle routes, helps provide access to the site then it is proposed to also fund this out of the Mushroom Farm allocation. This leaves a sum of £530,000 that needs allocating and spending by 2023.

The recommendation from Borough and County officers is that this money is allocated as follows: -

- £385,000 for upgrades to the existing bus stop infrastructure in the vicinity. This investment would offer a step-change improvement in the public transport offer in Eastwood, Newthorpe, Giltbrook, Kimberley, Nuthall, Brinsley and Watnall.
- £15,000 for improvements to Kimberley Footpath 35.
- £30,000 for improvements to Strelley Bridleway 4.
- £20,000 for the introduction of UTMC controller upgrades at the Sun Inn gyratory (junction of A608/Nottingham Road etc) to improve junction, congestion and incident monitoring. This upgrade also allows for traffic signal intervention if necessary based on congestion or incidents. This improvement should also include for CCTV traffic monitoring equipment to be provided at the junction. This would enable a reduction of delays to public transport at this key location.

This comes to £450,000, leaving a further £80,000 available for schemes still to be considered and prioritised.

Beeston Shopmobility

Members are referred to another report on this agenda for further background and details. The proposal is to allocate up to £10,000 of ITPS funds to fit out a new facility located in close proximity to the Beeston bus/tram interchange.

Beeston train station wheelchair signage

Until lifts are installed at Beeston train station, wheelchair users travelling from one side of the station to the other have to use a circuitous and non-intuitive mostly on-street route. The County Council has recently installed signage on the adopted parts of the route. An extra £2,000 will allow the Borough Council to sign its small part of that route.

APPENDIX 2

Financial Implications

The proposals would impact upon the available ITPS funds as follows:

ITPS Finance	ITPS North	ITPS South
Balance available 31 March 2020	£750,911	£182,047
<i>Add payments received since 31 March 2020</i>		
<i>Less schemes to be carried forward from 2019/20 (as per Statement of Accounts Update and Outturn Position 2019/20 report on this agenda)</i>		
HS2 Potential Extension Studies	£100,000	
Bennerley Viaduct	£14,450	
Hickings Lane Pedestrian Crossing		£31,500
Balance available 30 June 2020	£636,461	£150,547
<i>Proposals in this report</i>		
Bus Stop Infrastructure Upgrades	£385,000	
Kimberley Footpath 35 Improvements	£15,000	
Strelley Bridleway 4 Improvements	£30,000	
Sun Inn Traffic Management Upgrade	£20,000	
Beeston Shopmobility		£10,000
Beeston Train Station wheelchair signage		£2,000
Remaining balance	£186,461	£138,547

Report of the Deputy Chief Executive

**TREASURY MANAGEMENT AND PRUDENTIAL INDICATORS –
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**1. Purpose of report

To inform the Committee of treasury management activity and the actual prudential indicators for 2019/20.

2. Detail

This report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both Codes through regulations issued under the Local Government Act 2003.

During 2019/20 the minimum reporting requirements were that an annual treasury management strategy be approved in advance of the year, a mid year report and finally an annual report be produced following the year describing the activity compared to the strategy. This report fulfils this requirement.

The CIPFA Code of Practice on Treasury Management required the Section 151 Officer to operate the treasury management function in accordance with the treasury management strategy approved at the Council meeting of 14 February 2019. Details of all borrowing and investment transactions for 2019/20 together with the balances at 31 March 2020 and treasury management limits on activity are also provided in appendix 1. All treasury management activities undertaken during the year complied fully with the CIPFA Code of Practice on Treasury Management and the approved treasury management strategy.

Under the CIPFA Prudential Code for Capital Finance in Local Authorities, the Council is required to prepare a number of prudential indicators against which treasury management performance should be measured. Performance against prudential indicators is given in appendix 2.

The CIPFA Prudential Code for Capital Financing in Local Authorities was revised in December 2017 and introduced a requirement for the production of a Capital Strategy. This is considered alongside the Treasury Management Strategy Statement and the Investments Strategy by this Committee as part of the Budget Proposals and Associated Strategies report in February each year before being presented to full Council for approval in March

Recommendation

The Committee is asked to NOTE the annual report for the year ended 31 March 2020.

Background papers

Nil

APPENDIX 1

1. Borrowinga) Debt Outstanding and Transactions during the Year

Loan debt outstanding as at 31 March 2020 together with comparative figures for 31 March 2019 is summarised in the table below:

	Amount Outstanding at 31 March 2020 £	Amount Outstanding at 31 March 2019 £
Short Term Loans	15,405,768	14,521,750
Long Term Loans:		
Public Works Loan Board	79,769,130	79,779,610
Local Authorities	0	0
Barclays Bank	3,000,000	3,000,000
	98,174,898	97,301,360

b) Short Term Loans

The movement in short term loans from other local authorities during the year is set out in the table below:

Lender	Balance at 31 March 2019 (£)	Start Date	End Date	Rate (%)	Balance at 31 March 2020 (£)
Hyndburn Borough Council	1,000,000	18 May 2018	17 May 2019	0.87	-
West Yorkshire Police	2,000,000	2 July 2018	17 May 2019	0.80	-
Tendring District Council	2,000,000	31 July 2018	30 July 2019	0.75	-
Rushcliffe Borough Council	1,000,000	28 August 2018	27 August 2019	0.75	-
Northern Ireland Housing Executive	2,000,000	19 November 2018	20 May 2019	0.90	-
Ryedale District Council	1,000,000	19 December 2018	19 December 2019	1.05	-
Tendring District Council	2,000,000	2 January 2019	2 July 2019	0.95	-
North West Leicestershire District Council	1,000,000	1 February 2019	1 August 2019	0.92	-

Fylde Borough Council	2,000,000	25 March 2019	25 September 2019	0.95	-
Tendring District Council (£2,000,000)	-	20 May 2019	20 November 2019	1.00	-
Guildford Borough Council	-	17 May 2019	15 May 2020	1.00	2,000,000
Notts Police & Crime Commissioner	-	5 July 2019	6 April 2020	0.90	2,000,000
West Yorkshire Police & Crime Commissioner (£2,000,000)	-	30 July 2019	30 January 2020	0.82	-
East Suffolk Council	-	25 September 2019	23 September 2020	0.90	2,000,000
Lichfield District Council	-	8 November 2019	11 May 2020	0.72	2,000,000
Hyndburn Borough Council	-	6 December 2019	4 December 2020	0.90	1,000,000
North West Leicestershire District Council	-	30 January 2020	30 July 2020	0.85	2,000,000
Breckland District Council	-	31 January 2020	30 October 2020	0.93	1,000,000
Bridgend County Borough Council	-	6 February 2020	6 August 2020	0.87	2,000,000
Breckland District Council	-	6 February 2020	5 February 2021	0.95	1,000,000
TOTAL	14,000,000				15,000,000

Short term loans outstanding at 31 March 2020 included £395,288 invested with the Council by the Bramcote Crematorium Joint Committee at 31 March 2020. The equivalent figure was £512,299 as at 31 March 2019.

Short term loans outstanding at 31 March 2020 also include nominal PWLB annuities totalling £10,481. The equivalent figure at 31 March 2019 was £9,451. A sum of £4,603 was repaid on 13 September 2019 with £4,848 repaid on 13 March 2020.

c) Long Term Loans

The majority of the loans from the PWLB is comprised of the £66.446m borrowed on 28 March 2012 as part of the reform of council housing finance.

No new loan term loans were received from the PWLB in 2019/20. The change in long term PWLB loans over the year reflects the fact some PWLB annuity loans that were regarded as long term at 31 March 2019 were classified as short term at 31 March 2020 as they will be repaid in the next twelve months.

The Council has a loan of £3.0m at 4.19% with Barclays Bank that is due to mature on 4 February 2073.

d) Borrowing Strategy 2019/20

Overall, debt was kept under review in order to match the level of borrowing with the financing requirement for assets, based on analysis of the Council's balance sheet with the aim of maintaining the Council's borrowing at the most efficient level in line with the prudential framework for capital finance.

The approved budget for 2019/20 indicated that further borrowing of £4,052,450 would be required to help fund the 2019/20 capital programme. This additional borrowing was not required, largely as a consequence of slippage of schemes in the 2019/20 capital programme into the following year.

e) Debt Profile

The Council's debt had an average of 8.28 years to maturity at 31 March 2020 (31 March 2019 – 9.22 years). The average interest rate payable at that date was 2.97% (31 March 2019 – 3.00%).

The one-off preferential rates offered by the PWLB for the £66.446m additional loans taken out in March 2012 as part of the reform of council housing finance and the maturity profiles for these loans have a significant impact upon both the average interest rate payable and the debt profile.

f) Debt Restructuring

The Section 151 Officer in association with the Council's treasury management advisors carefully scrutinises the Council's loan portfolio to identify potential opportunities to achieve a reduction in risks and/or savings in interest costs by prematurely repaying loans and refinancing them on similar or different terms.

No suitable debt restructuring opportunities were identified in 2019/20 as the cost associated with the high premiums payable on the premature repayment of loans, ranging from 5% to 97% of the loan principal amount, was not outweighed by lower refinancing rates.

3. Investments

a) Investment Policy

The Council's investment policy is governed by MHCLG Guidance and was incorporated in the annual investment strategy approved at the Council meeting on 14 February 2019. The investment activity during 2019/20 conformed to the approved strategy with security of capital being the Council's main investment objective.

Counterparty credit quality was assessed and monitored with reference to credit ratings and other available information. The minimum long-term counterparty credit rating determined for the 2019/20 investment strategy was A- (or equivalent) across the Fitch, Standard and Poor and Moody's credit rating agencies.

In keeping with the MHCLG Guidance, the Council sought to maintain a sufficient level of liquidity through the use of money market funds (MMFs) and overnight deposit/call accounts. The Council had no liquidity difficulties in 2019/20.

The Council attempted to optimise returns commensurate with its objectives of security and liquidity.

b) Interest Received

The total interest receivable for the year amounted to £314,080 (2018/19 - £236,820). This includes interest relating to long term investments of: -

- £85,344 from a £2.0m investment in the CCLA Local Authorities Property Fund (LAPF)
- £67,609 from a £2.0m investment in the CCLA Diversified Income Fund

A long term investment of £1.0m was made in September 2019 into the Ninety One (formerly Investec) Diversified Income Fund. Investment interest attributable to this was £22,602 to 31 March 2020.

The table in 3 (d) includes details of the changes in the average life of investments during 2019/20.

The average interest rate received on investments was 1.68% in 2019/20 compared to 1.33% in 2018/19. The United Kingdom bank rate decreased from 0.75% to 0.25% with effect from 12 March 2020, with a further decrease a week later to the record low of 0.10%. Short term

money market rates also remained at low levels and this had a significant impact upon the level of investment income. The average 3 month LIBID (London Interbank Bid) rate during 2019/20 was 0.67%, the 6 month LIBID rate averaged 0.79% and the 1 year LIBID rate averaged 0.94%. The rates of return on the Council's investments reflect prevailing market conditions and the Council's objective of optimising returns commensurate with the principles of security and yield.

c) Investments Placed

A summary of all investments placed during 2019/20 is set out in the table below.

	Balance at 01/04/2019 £000s	Investments Made £000s	Investments Repaid £000s	Balance at 31/03/2020 £000s	Increase/ Decrease in Investments
UK Banks and Building Societies					
Barclays	130	-	(130)	-	(130)
Santander UK	-	9,000	(9,000)	-	-
Lloyds	2,000	5,000	(7,000)	-	(2,000)
Bank of Scotland	-	2,000	(2,000)	-	-
Other Local Authorities					
Ards & North Down BC	-	4,000	(4,000)	-	-
Mid Suffolk DC	-	3,000	-	3,000	3,000
Thurrock Co.	-	4,000	(4,000)	-	-
Eastleigh BC	-	3,000	-	3,000	3,000
Money Market Funds					
Aberdeen MMF	2,730	32,544	(32,414)	2,860	130
Federated MMF	3,820	580	(4,400)	-	(3,820)
LGIM MMF	-	28,545	(28,545)	-	-
Insight MMF	-	38,945	(38,945)	-	-
Public Sector Deposit Fund	-	4,630	(4,630)	-	-
Debt Management Office	-	250	(250)	-	-
Royal London Enhanced Cash Plus Fund	2,000	-	-	2,000	-
Ninety One Diversified Income Fund	-	1,000	-	1,000	1,000
CCLA Diversified Income Fund	2,000	-	-	2,000	-
CCLA Property Fund	2,000	-	-	2,000	-
Total	14,680	136,494	(135,314)	15,860	1,180

Investments with counterparties such as Santander UK and Money Market Funds are set up as individual accounts where funds can be placed short-term (often overnight) and monies withdrawn as and when required. This has a major impact upon the number of investments made with these institutions during the year.

The Council took advantage of the opportunity to invest with other local authorities during 2019/20. These investments totalled £6.0m invested at 31 March 2020.

d) Credit Score Analysis

Counterparty credit quality has been maintained during 2019/20 as demonstrated by the quarterly credit score analysis figures shown in the following table:

Date	Value Weighted Average Credit Risk Score	Value Weighted Average Credit Rating	Time Weighted Average Credit Risk Score	Time Weighted Average Credit Rating	Average Life of Investments (Days)
31/03/2019	4.78	A+	5.04	A+	33
30/06/2019	4.64	A+	4.66	A+	14
30/09/2019	4.76	A+	4.77	A+	48
31/12/2019	4.85	A+	4.83	A+	59
31/03/2020	4.05	AA-	3.74	AA-	14

The value weighted average reflects the credit quality of investments according to the size of the deposit. The time weighted average reflects the credit quality of investments according to the maturity of the deposit.

The table below shows how the credit risk scores are related to credit ratings.

Long-Term Credit Rating	Score
AAA	1
AA+	2
AA	3
AA-	4
A+	5
A	6
A-	7
BBB+	8
BBB	9
BBB-	10

The Council aimed to achieve an average score of 5 or lower in order to reflect its overriding priority of maintaining the security of any sums invested. The minimum credit rating threshold of A- for investment counterparties as set out in the 2019/20 investment strategy equates to a score of 7. The tables above show that the Council achieved the targets for the average credit risk score and credit rating throughout 2019/20.

4. Treasury Management Limits on Activity

There are four treasury management indicators that were previously prudential indicators. The indicators are:

- Upper limits on fixed rate exposure – This indicator identifies a maximum limit for fixed interest rates based upon the debt position net of investments.
- Upper limits on variable rate exposure – Similar to the previous indicator this covers a maximum limit on variable interest rates.
- Maturity structures of fixed rate borrowing – These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing and are required for upper and lower limits.
- Total principal funds invested for periods longer than one year – These limits aim to reduce the risk of long-term investments needing to be realised before their natural maturity dates due to cash flow requirements, which could result in the investment being realised when market conditions are unfavourable.

The purpose of these indicators is to contain the activity of the treasury function within certain limits, thereby reducing the risk of an adverse movement in interest rates impacting negatively on the Council's overall financial position.

	2019/20 Planned Upper		2019/20 Actual 31 March 2020	
Limits on fixed interest rates	100%		84%	
Limits on variable interest rates	40%		16%	
Maturity Profile of Borrowings				
	Lower	Upper	Lower	Upper
Under 12 months	0%	50%	0%	16%
12 months to 2 years	0%	50%	0%	6%
2 years to 5 years	0%	50%	0%	20%
5 years to 10 years	0%	75%	0%	42%
10 years to 20 years	0%	100%	0%	10%
20 years to 30 years	0%	100%	0%	0%
30 years to 40 years	0%	100%	0%	3%

40 years to 50 years	0%	100%	0%	0%
50 years and above	0%	100%	0%	3%

* The CIPFA Prudential Code for Capital Finance in Local Authorities requires indicators to be set for the maturity structure of fixed borrowing only. The above limits applied equally to total borrowing (fixed and variable borrowing).

As suggested in the CIPFA Code of Practice on Treasury Management, all investments (whether fixed or variable rate) with a period of less than twelve months to maturity are regarded as variable rather than fixed rate investments as they are potentially subject to movements in interest rates when they mature. Likewise, any fixed rate borrowing that is due to mature within twelve months is regarded as being at a variable rate as the rate to be paid on any replacement loan could differ from the rate currently being paid.

With regard to the total principal funds invested, the investment strategy 2019/20 proposed that investments would only be made with those institutions on the counterparty list that were viewed as presenting the least risk. The investment strategy 2019/20 set an upper limit for total principal funds invested over 364 days of £8 million based upon 50% of an estimated in-year average of total investments of £16 million.

At 31 March 2020 the Council's investments with a duration more than one year totalled £7.0m. This consisted of £2.0m invested in the Royal London Enhanced Cash Plus Fund, £2.0m invested in the CCLA Local Authorities Property Fund (LAPF), £2.0m invested in the CCLA Diversified Income Fund and £1.0m invested in the Ninety One (formerly Investec) Diversified Income Fund.

5. Regulatory Framework, Risk and Performance

The Council has complied with all of the relevant statutory and regulatory requirements which require the Council to identify and, where possible, quantify the levels of risk associated with its treasury management activities. In particular, the Council's adoption of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities means that its capital expenditure is prudent, affordable and sustainable and that its treasury management practices demonstrate a low risk approach.

6. Money Market Brokers

The Treasury Management Strategy Statement 2020/21 to 2022/23 approved by Finance and Resources Committee on 13 February 2020 and then by Council on 4 March 2020 included details of the external money market brokers to be used by the Council. The Council will now use the services of the following brokers where appropriate:

Tradition (UK) Ltd
Beaufort House
15 St Botolph Street
London
EC3A 7QX

Sterling International Brokers
1 Churchill Place
Canary Wharf
London
E14 5RD

Martins Brokers (UK) Ltd
20th Floor
1 Churchill Place
Canary Wharf
London
E14 5RD

King and Shaxson Ltd
6th Floor
120 Cannon Street
London
EC4N 6AS

Imperial Treasury Services
25 St Andrew Street
Hertford
SG14 1HZ

7. Banking Services

Cabinet on 4 November 2014 resolved that a contract for the provision of banking services be awarded to Barclays Bank for four years from 1 April 2015 with the option to extend this for a further two years. As the performance of Barclays Bank is considered to have met expectations as set out in the contract, the Council has taken advantage of this option to extend the contract to 31 March 2021. Barclays Bank have submitted a proposal to the Council for the provision of banking services from 1 April 2021. This is presently being considered and the results of this along with any dialogue with other potential banking services providers will be presented to Finance and Resources Committee with a view to having the new contract in place from 1 April 2021.

APPENDIX 2

Prudential Indicators1. Introduction

The Local Government Act 2003 requires local authorities to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities when carrying out their capital budgeting and treasury management activities. Fundamental to this is the calculation of a number of prudential indicators, which provide the basis for the management and monitoring of capital expenditure, borrowing and investments. The indicators are based on the Council's planned and actual capital spending.

2. Capital Expenditure and Financing 2019/20

The Council undertakes capital expenditure on assets which have a long term value. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc) which has no resulting impact upon the Council's borrowing need; or
- If insufficient financing is available or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

	2018/19 Actual £000s	2019/20 Estimate £000s	2019/20 Actual £000s
General Fund	2,767	7,779	4,808
HRA	5,696	7,327	6,013
Total Capital Expenditure	8,463	15,106	10,821
Financed by:			
Capital Receipts	796	3,154	1,931
Capital Grants	1,434	2,175	1,497
Revenue	5,845	5,725	5,419
Unfinanced Capital Expenditure	388	4,052	1,974

Further details of capital spending for 2019/20 are reported separately on this agenda.

3. The Council's Overall Borrowing Need

The Council's underlying need to borrow is called the Capital Financing Requirement (CFR). This figure is a gauge of the Council's debt position and represents net capital expenditure in 2019/20 and prior years that has not yet been paid for by revenue or other resources.

Part of the Council's treasury management activity seeks to address this borrowing need, either through borrowing from external bodies or utilising temporary cash resources within the Council.

Whilst additional borrowing can be undertaken or existing loans repaid at any time within the confines of the treasury management strategy, the Council is required by statute to make an annual revenue charge to reduce the CFR. This charge is effectively a repayment of the General Fund borrowing need and is known as the minimum revenue provision (MRP).

The total CFR can also be reduced by:

- The application of additional capital resources (such as unapplied capital receipts); or
- Charging more than the statutory revenue charge (MRP) each year through a voluntary revenue provision (VRP)

The Council's 2019/20 MRP Policy (as required by MHCLG Guidance) was approved at the Council meeting on 6 March 2019. For expenditure incurred before 1 April 2008, the General Fund MRP was based upon 4% of the CFR at that date utilising a reducing balance approach. For all unsupported borrowing incurred from 1 April 2008, the MRP was based upon the estimated life of the assets that the borrowing was intended to finance using an annuity based as opposed to equal instalment approach to more accurately reflect the time value of money.

There is no statutory requirement to charge MRP to the HRA. However, an authority can charge VRP to the HRA should it wish to do so. The Council meeting on 6 March 2019 determined that no VRP was to be charged to the HRA in 2019/20.

As reported to Housing Committee on 5 March 2019, Jobs and Economy Committee on 4 July 2019 and Finance and Resources Committee on 11 July 2019, the former Stapleford Police Station was appropriated from the HRA to the General Fund at a value of £168,035. This had the effect of increasing the General Fund CFR by £168,035 and reducing the HRA Fund CFR by the same amount. The site is to be re-developed for small business and office uses.

The Council's CFR for 2019/20 represents a key prudential indicator and is shown below.

	General Fund £000s	HRA £000s	Total £000s
Capital Financing Requirement (CFR)			
Opening Balance at 1 April 2019	18,185	81,435	99,620
Add: Unfinanced Capital Expenditure 2019/20 (per above)	1,973	0	1,973
Less: MRP/VRP in 2019/20	(697)	0	(697)
Add/Less: Transfer of former Stapleford Police Station	168	(168)	0
Closing Balance at 31 March 2020	19,629	81,267	100,896

4. Treasury Position at 31 March 2020

Whilst the Council's gauge of its underlying need to borrow is the CFR, the Section 151 Officer can manage the Council's actual borrowing position by either:

- Borrowing to the CFR; or
- Choosing to utilise some temporary internal cash flow funds in lieu of borrowing (under borrowing); or
- Borrowing for future increases in the CFR (borrowing in advance of need)

The figures in this report are based upon the principal amounts borrowed and invested and so may differ from those in the final accounts by items such as accrued interest.

The Section 151 Officer managed the debt position in 2019/20 by, on occasions, choosing to utilise some temporary internal cash flow funds in lieu of additional borrowing.

The treasury position at 31 March 2020 compared with the previous year was:

Actual Borrowing Position	31 March 2019		31 March 2020	
	Principal £000s	Average Rate	Principal £000s	Average Rate
Fixed Interest Rate Debt	97,301	2.98%	98,175	3.02%
Variable Interest Rate Debt	0	0.0%	0	0.0%
Total Debt	97,301	2.98%	98,175	3.02%
Capital Financing Requirement				
CFR – General Fund	18,185		19,629	
CFR – HRA	81,435		81,267	
Total Capital Financing Requirement	99,620		100,896	
Over/(Under) Borrowing	(2,319)		(2,721)	

5. Prudential Indicators and Compliance Issues

Some of the prudential indicators provide either an overview or specific limits on treasury management activity. These are as follows:

i) Gross Borrowing and the Capital Financing Requirement (CFR)

In order to ensure that over the medium term gross borrowing will only be for a capital purpose, the Council needs to ensure that its gross borrowing does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional increases to the CFR for the current and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue purposes. The table below highlights the Council's gross borrowing position against the CFR.

	31 March 2019 Actual	31 March 2020 Planned	31 March 2020 Actual
	£'000	£'000	£'000
Gross Borrowing			
- PWLB and Market	96,789	97,780	97,780
- Bramcote Crematorium	512	303	395
Gross Borrowing Position	97,301	98,083	98,175
Capital Financing Requirement (CFR)			
CFR – General Fund	18,185	21,540	19,629
CFR – HRA	81,435	81,435	81,267
Total CFR	99,620	102,975	100,896

The Section 151 Officer can report that gross borrowing was below the CFR at 31 March 2020 as it was at 31 March 2019. Gross borrowing in terms of PWLB loans remained largely unchanged throughout 2019/20 with the only movement being the repayment of some PWLB annuity loans. There was an overall increase of £1.0m in market loans during 2019/20 and maturing loans were replaced throughout the year. As set out in appendix 1, the additional borrowing undertaken in 2019/20 was intended to bring greater alignment between the overall borrowing level and the Council's underlying need to borrow as measured by the CFR as well as for cash flow purposes. The decrease in borrowing from Bramcote Crematorium over 2019/20 reflects the reduction in their surplus when compared with the previous year.

The CFR increased by £1.276m during 2019/20 due to unfinanced capital expenditure of £1.973m in the year less MRP of £0.697m as set out in 3 above.

As stated above, gross borrowing at 31 March 2020 was below the CFR and it is anticipated that gross borrowing will continue to be below the CFR over the current and following two financial years. Any borrowing decisions will take account of the effect upon the total CFR.

ii) Authorised Limit and Operational Boundary for External Debt

The authorised limit is a statutory limit determined under section 3 (1) of the Local Government Act 2003 and represents the limit beyond which borrowing is prohibited. It reflects the level of borrowing which could be afforded in the short term to maximise treasury management opportunities and cover temporary cash flow shortfalls, but is unlikely to be sustainable over the longer term. The table below demonstrates that during 2019/20 the Council has maintained gross borrowing within its authorised limit.

The operational boundary is based on the probable external debt during the course of the year. The operational boundary is not a limit and actual borrowing can vary around the levels shown for short times. The operational boundary should act as an indicator to ensure the authorised limit is not breached and is a key management tool for in year monitoring of treasury management activities by the Section 151 Officer.

Actual external debt is gross borrowing plus other long-term liabilities. As mentioned previously, gross borrowing includes sums invested with the Council by Bramcote Crematorium. Other long-term liabilities are liabilities outstanding (other than borrowing) in relation to the financing of capital expenditure. They relate to, for example, private finance initiative (PFI) credits or finance leases. The Council did not have such long-term liabilities at 31 March 2020 or at any stage during 2019/20.

	Operational Boundary 31 March 2020 £000	Authorised Limit 31 March 2020 £000	Actual External Debt 31 March 2020 £000
Borrowing	99,100	123,900	98,175
Other Long- Term Liabilities	0	0	0
Total	99,100	123,900	98,175

The Section 151 Officer reports that there were no breaches of the authorised limit during 2019/20. The maximum level of borrowing during 2019/20 was £98.6m.

iii) Total Principal Sums Invested for More than One Year

This limit is intended to contain exposure to the possibility of any loss that may arise as a result of the Council having to seek early repayment of any investments made. If an investment has to be re-paid before its natural maturity date due to cash flow requirements then, if market conditions are unfavourable, there could be an adverse impact upon the Council.

The Council's policy for 2019/20 as set out in the annual investment strategy was to retain the flexibility to invest a proportion of its available balances for a period in excess of one year should credit conditions continue to show signs of stabilisation or improvement. An upper limit of £8.0m for these investments

was set based upon 50% of an estimated in-year average of total investments of £16.0m. Details of investments made for a period greater than 364 days are set out in section 4 of appendix 1.

iv) The Ratio of Financing Costs to Net Revenue Stream

This indicator as shown in the table below compares net financing costs (borrowing costs less investment income) to net revenue income from business rates, council tax and rent income. The purpose of the indicator is to show how the proportion of net income used to pay for financing costs is changing over time.

	2018/19 Actual	2019/20 Revised	2019/20 Actual
General Fund	10.7%	12.3%	10.6%
HRA	15.1%	14.7%	15.0%

The actual ratios in 2019/20 were broadly similar to those in 2018/19. The 2019/20 revised figures included a level of assumed borrowing in 2019/20 that was not required due to slippage in the capital programme from 2019/20 to 2020/21.

Report of the Deputy Chief Executive

STATEMENT OF ACCOUNTS UPDATE AND OUTTURN POSITION 2019/201. Purpose of report

To report on the revenue and capital outturn position for 2019/20, provide an update on progress with the preparation of the draft annual statement of accounts for 2019/20, approve the revenue and capital carry-forward requests to the 2020/21 year and inform the Committee that the Policy and Performance Committee were tasked with considering significant variances in the financial outturn against revised revenue estimates for 2019/20. This is in accordance with the Council's objective to deliver value for money.

2. Background

The accounts for 2019/20 have been finalised, subject to audit, and show an underspending on the General Fund revenue account of £362,388 and an underspending on the Housing Revenue Account (HRA) of £898,758 when compared to the revised estimates. A summary of the revenue accounts is provided in appendix 1 whilst appendix 2 summarises the position on capital. Policy and Performance Committee considered the most significant any variations at their meeting of 1 July 2020.

As reported to the Governance, Audit and Standards Committee on 18 May 2020, the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 came into effect on 30 April 2020. In accordance with these, the draft statement of accounts 2019/20 have been approved by the Deputy Chief Executive and Section 151 Officer and were placed on the Council's website on 30 June 2020. They will now be subject to inspection by the Council's external auditors (Mazars).

Dependent upon the availability of Mazars' staff and the successful resolution of any issues identified by the external auditors, it is envisaged that the final, audited 2019/20 accounts will be presented for approval to the Governance, Audit and Standards Committee on 21 September 2020.

Recommendation

The Committee is asked to RESOLVE that:

- 1. The accounts summary for the financial year ended 31 March 2020 subject to audit, be approved.**
- 2. The revenue carry forward requests outlined in section 2 of appendix 1 be approved and included as supplementary revenue estimates in the 2020/21 budget.**
- 3. The capital carry forward requests outlined in appendix 2b be approved and included as supplementary capital estimates in the 2020/21 budget.**

Background papers

Nil

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REVENUE ACCOUNTS OUTTURN SUMMARY 2019/20

<u>GENERAL FUND</u>	<u>Revised</u> <u>Estimate</u> <u>2019/20</u>	<u>Actual</u> <u>2019/20</u>	<u>Variation</u>	
	<u>£</u>	<u>£</u>	<u>£</u>	<u>%</u>
<u>Net expenditure</u>				
Housing	375,689	278,254	(97,435)	(25.9)
Environment	4,534,030	4,558,215	24,185	0.5
Business Growth	1,022,761	1,046,956	24,195	2.4
Community Safety	2,271,947	2,157,336	(114,611)	(5.0)
Health	2,250,345	2,097,898	(152,447)	(6.8)
Revenues, Benefits and Customer Services	1,104,856	1,042,730	(62,126)	(5.6)
Resources	(1,384,945)	(1,233,267)	151,678	(11.0)
ICT and Business Transformation	135,828	0	(135,828)	(100.0)
Sub-total	10,310,511	9,948,123	(362,388)	(3.5)
Contingency/Policy Reserve	0	0	0	0.0
TOTAL GENERAL FUND	10,310,511	9,948,123	(362,388)	(3.5)
<u>Financed by:</u>				
Council Tax	(5,450,252)	(5,450,252)	0	0.0
Share of previous year council tax collection fund surplus	(51,432)	(51,432)	0	0.0
Non Domestic Rates (NDR)	(3,172,342)	(3,175,927)	(3,585)	0.1
Share of previous year NDR collection fund deficit	231,541	231,541	0	0.0
NDR – Section 31 Grant	(1,150,838)	(1,143,051)	7,787	(0.7)
NDR Returned Levy - MHCLG	0	(12,242)	(12,242)	0.0
NDR Growth Levied by NCC - Returned	(20,000)	(229,254)	(209,254)	1,046.3
Growth Levy / (Safety Net) to/(from) Notts NDR Pool	612,863	508,021	(104,842)	(17.1)
Net (surplus)/deficit	1,310,051	625,527	(684,524)	(52.3)
General Reserves B/F	(6,047,912)	(6,047,912)	0	(0.0)
Transfer to/(from) other reserves	(264,325)	(30,152)	234,173	(88.6)
General Reserves balance C/F	(5,002,186)	(5,452,537)	(450,351)	9.0

<u>HOUSING REVENUE</u> <u>ACCOUNT</u>	<u>Revised</u> <u>Estimate</u> <u>2019/20</u>	<u>Actual</u> <u>2019/20</u>	<u>Variation</u>	
	£	£	£	%
Expenditure	11,911,591	12,157,411	245,820	2.1
Income	(16,095,450)	(16,196,897)	(101,447)	0.6
Appropriations	4,460,055	3,416,924	(1,043,131)	(23.4)
Deficit/(Surplus)	276,196	(622,562)	(898,758)	
Working balance B/F	(4,002,975)	(4,002,975)	0	
Deficit/(Surplus)	276,196	(622,562)	(898,758)	
Working balance C/F	(3,726,779)	(4,625,537)	(898,758)	

Note: Figures in brackets in the revised estimate and actual columns indicate a net income amount. Figures in brackets in the variation column indicate a net saving or underspend.

<u>Reserve</u>	<u>Balance B/F</u> £	<u>Transfer</u> <u>to/(from) General</u> <u>Fund in year</u> £	<u>Balance C/F</u> £
Land Charges	(136,891)	136,891	0
Elections	(90,000)	(45,300)	(135,300)
Mortgage Scheme	(37,434)	37,434	0
Homelessness Grant Initiatives	(68,381)	(40,530)	(108,911)
Stapleford Town Fund	0	(25,567)	(25,567)
Planning Reserve	0	(17,446)	(17,446)
Noise Monitoring Equipment	0	(15,000)	(15,000)
TOTAL	(332,706)	30,482	(302,224)

- a reserve was created in 2010/11 in respect of land searches. This reserve was created from an allocation of funds received from the government and was earmarked for use in helping to meet any costs that may have been awarded against the Council as a result of legal action regarding historical land charges. The reserve is no longer required and was brought back into General Fund balances in 2019/20.

- a reserve was created in 2011/12 in respect of elections into which it is intended to make a contribution each year thereby avoiding the need to find large funding in the year that the borough council elections take place. A withdrawal of £90,000 was made from the reserve in 2019/20. In 2019/20 an additional £135,300 was transferred into the reserve in relation to the Individual Electoral Registration initiative. Grant monies were received from central government in respect of this. It is intended these monies will contribute towards the costs associated with running individual registration, including the annual canvass and maintaining the electoral register.

- a reserve was created in 2013/14 in respect of the Local Authority Mortgage Scheme (LAMS), which was approved by Council on 18 December 2013. As part of the approval process it was agreed that a reserve be created into which any additional premium interest earned on the deposit with Lloyds Bank would be placed and that this would be used to offset the cost of any mortgage defaults, should any occur. No such defaults have

occurred to date. As this reserve is also no longer required, this reserve was brought back into General Fund balances in 2019/20.

- a reserve was created in 2018/19 in respect of homelessness. The reserve was created from an allocation of funds received from the government and is earmarked to fund specific initiatives to prevent and manage homelessness within the borough.

- a reserve was created in 2019/20 in respect of Stapleford Town Deal. This reserve was created from a one-off budget provided by the Deputy Chief Executive to contribute to the drawing up a bid in order to apply for funding from the governments Town Funds initiative. The purpose of this being to regenerate town centres, boost businesses and improve infrastructure.

- a reserve was created in 2019/20 in respect of Planning. This reserve was created from grant monies from the government in relation to Custom Build grant and Brownfield Sites grant. It is intended these monies will contribute towards the costs associated with setting up and maintaining the custom/self-build properties and brownfield sites registers.

- a reserve has been created in 2019/20 in respect of Noise Pollution Equipment replacement, it is intended that there will be an annual contribution from unspent budget which will fund the required expenditure to replace or upgrade the equipment every 2/3 years. A contribution of £15,000 was made to the reserve in 2019/20.

1.2 Reasons for Variationsa) General Fund

The overall General Fund underspending of £362,388 and how this has actually been financed resulted in a net decrease in the General Fund Reserve of £595,375 as against a budgeted reduction of £1,045,726 after taking account of the movement in other reserves. The main variations from the revised estimate are as follows:

Item	Variation: Overspend/ (Underspend)	Comments
1	(87,700)	Net revenue carry forward requests which are detailed in paragraph 2.1.
2	(46,200)	Bed and breakfast costs in 2019/20 were significantly below the budget for the year.
3	(40,000)	There was an underspend on homelessness initiatives to be met from Government grants. This will be added to the Homelessness Grant Initiatives reserve at 31 March 2020 to allow the planned initiatives to be completed in 2020/21.
4	(26,400)	There was an underspend on Lifeline equipment with a greater use of recycled equipment reducing the requirement for additional purchases.
5	142,700	Expenditure of £158,350 was charged to NCC Highway Maintenance in respect of activities for which the 2019/20 budgets were held elsewhere in anticipation of new coding arrangements coming into effect from 2020/21. The 2019/20 budget related solely to income from NCC and actual income exceeded this by £15,650.
6	67,650	There was an overspend of £76,400 employee costs in Refuse Collection due mainly to an additional £67,300 expenditure on agency costs. Additional transport charges of £45,400 due to increased repairs and maintenance costs were offset by underspends of £10,800 on replacement wheeled bins, £16,700 on insurance premiums and £19,100 on the Clean and Green Initiative. Income from the collection of garden waste exceeded the budget by £21,800 but this was partly offset by a shortfall of £12,350 in income from trade refuse collection.
7	54,700	All expenditure and income for Grounds Maintenance has been re-charged across other service areas in 2019/20 to more accurately reflect the cost of these activities. This practice will also be followed in 2020/21.

8	(81,000)	There was an underspend of £71,200 on employees costs in Street Cleaning including an underspend of £20,450 on agency costs. There were also underspends of £10,400 on street furniture, £12,800 on subcontractors and £10,450 on direct materials. These were partly offset by an overspend of £11,050 on transport charges.
9	(45,800)	There was an underspend of £40,200 in Open Space Grounds Maintenance re-charges (employees, sub-contractors and materials) as well as additional £5,600 other income.
10	(93,850)	The costs of Grounds Maintenance charged to Beeston, Stapleford and Eastwood Parks were lower than had been budgeted.
11	(16,450)	The costs of Planning - Central Support were recharged across other areas in full. This approach will also be followed in 2020/21.
12	41,450	There was an overspending on employees costs of £21,750 in Development Control due to an additional temporary posts being employed. Central support charges (CSCs) to this area were £43,150 greater than had been anticipated when the budget was set reflecting the amount of staff time dedicated to this. These overspends were partly offset by an underspend of £23,450 on consultancy fees.
13	23,150	There was a shortfall in rental income received from tenants of industrial units, primarily at the New Road site in Stapleford.
14	(25,550)	Finance and Resources Committee on 10 October 2019 agreed to allocate £50,000 from the Council's resources to supplement the £140,000 government grant received to progress work to agree a Town Deal for Stapleford. Most of this has been incurred on consultancy fees. The underspend has been transferred to an earmarked reserve in 2019/20 and will be used to fund future expenditure on this scheme.
15	16,700	Car parking Pay and Display income exceeded the budget by £32,200 but this was more than offset by a shortfall of £48,900 in income from off street penalty charge notices (PCNs).
16	(41,300)	There was an underspend of £31,150 on employees costs in the Communities Team due to vacant posts during the years plus an underspend of £10,150 on health promotion work.

17	(60,650)	There was an underspend on CCTV of £24,650 in the central support charge (CSC) from Private Sector Housing due to a lower than anticipated amount of staff time dedicated to this activity. There was also additional CCTV income of £36,000 from ad hoc re-charges for which there was no budget provision in 2019/20. This has been reflected in the 2020/21 budget.
18	55,050	There was an overspend of £14,500 in Environmental Health on employee costs as well as an overspend of £19,300 in central support charges (CSCs) from other service areas. Costs associated with work in default also exceeded the budget by £21,250.
19	(31,700)	There was an underspend on Election Expenses due largely to additional income received from Parish Councils as contributions towards our costs incurred administering the Borough Elections of May 2019 that had not been budgeted for.
20	(128,500)	Individual Elector Registration (IER) grant income of £122,300 received in 2017/18 has been brought forward each year and is yet to be fully spent. It is anticipated that this expenditure will be incurred in 2020/21 and subsequent years. An earmarked reserve of £135,300 has been created in 2019/20 in respect of IER and will be used to finance future expenditure on this scheme.
21	(72,950)	The net cost of Rent Allowances and Rent Rebates (payments made less subsidy received) was £86,400 greater than anticipated. This was more than offset by a reduction in the provision for the recovery of housing benefit overpayments (£84,150), further Department for Work and Pensions grants (£44,950) and a pension strain budget that was not required (£30,250).
22	(425,750)	The costs of Legal Services, Administrative Services, Finance Services and Council Offices have been recharged across other areas in full. This approach will also be followed in 2020/21.
23	22,100	Income in 2019/20 from land charges was less than the budget for the year
24	11,850	Postal charges were £59,400 less than the budget reflecting a reduced requirement for this service. However, the sum recharged across other service areas was £64,000 less than had been anticipated. In addition, central support charges (CSCs) allocated to the Post Room were £7,250 greater than had been anticipated when the budget was set reflecting the amount of staff time dedicated to this.
25	178,600	Outstanding sundry debts that were no longer considered recoverable and for which no provision had been made were written off in the year.

26	(98,300)	Interest paid on external borrowing was lower than budget, due in part to the budget calculation including some loans that had been previously repaid. In addition, slippage in the 2019/20 capital programme meant that some anticipated borrowing was not required.
27	40,400	Interest received on investments was less than the budget due to the continuation of extremely low interest rates even though a greater use of long-term investments was made during the year.
28	(36,800)	Rent income in 2019/20 from Beeston Square was £24,900 higher than the budget of £700,000 whilst the management fee re-charge was £11,900 higher than the budget. A further report on this agenda provides further details on the costs and income associated with Beeston Square following the purchase of the leasehold interest from Henry Boot in May 2016.
29	49,650	Central support charges (CSCs) to Civic Affairs were £60,450 greater than had been anticipated when the budget was set reflecting the amount of staff time dedicated to this. This was partly offset by underspends of £6,800 and £4,000 on chauffeur services and miscellaneous expenses respectively.
30	25,600	A greater sum was recharged to Democratic Representation and Management at the end of the year than had been anticipated when the budget was set reflecting the amount of staff time and other resources dedicated to this.
31	(14,000)	Provision of £9,650 was included in the 2019/20 budget for costs associated with the audit of 2017/18 grant claims that did not materialise. An unexpected reimbursement of £4,350 was also received in 2019/20 from Public Sector Audit Appointments (PSAA).
32	15,050	There was an overspend of £6,300 on bank charges due to the fees associated with the increasing volume of card transactions. Central support charges (CSCs) to Treasury Management and Banking were £8,750 greater than had been anticipated when the budget was set reflecting the amount of staff time dedicated to this.
33	396,800	This budget for Corporate Management - Administration included the original £330,900 agreed vacancy rate target for 2019/20. This allowed all other pay and associated budgets to be shown at the anticipated full cost for the year. In addition, central support charges (CSCs) to this area were £65,900 greater than had been anticipated when the budget was set reflecting the amount of staff time dedicated to this.
34	55,400	Central Overheads included pension strain costs for which there was no budget provision.

35	(45,350)	There was minimal expenditure against the General Properties and Land £40,000 budget for repairs and maintenance whilst rental income exceeded the budget by £15,800. This was partly offset by Central Support Charges (CSCs) to this area being £10,450 greater than had been anticipated when the budget was set reflecting the amount of staff time dedicated to this.
36	(135,850)	Whilst there was a budget for Information Communication and Technology (ICT), the net cost of this activity has been recharged across other areas in full. This approach will also be followed in 2020/21.
	(357,250)	

b) Housing Revenue Account

The underspending of £898,758 on the HRA is mainly due to the following factors:

Item	Variation: Overspend/ (Underspend)	Comments
Employees		
1	(193,000)	There were a number of significant underspends in specific areas due to vacant posts including Housing Repairs Administration (£66,000), Independent Living (£51,000) and Housing Strategy and Performance (£44,000) and Tenancy Services (£32,000).
Premises		
2	(157,000)	There was an underspend of £113,000 on works that are now regarded as capital expenditure and will be charged to the Capital Programme and financed accordingly. There was also an underspend of £23,000 on an internal decoration scheme that did not proceed as planned as well as other smaller underspends totalling £21,000.
3	29,000	These were partly offset by an overspend of £19,000 on lift maintenance at Independent Living sites and £10,000 on utilities costs.
Transport		
4	26,000	The cost of travel expenses exceeded the budget by £11,000 with employees spending an increasing amount of time off-site whilst transport recharges were £15,000 greater than anticipated.
Supplies and Services		
5	(325,000)	A sum of £110,000 within the bad debt provision for unpaid void works was deemed to be no longer required and there was an underspend of £102,000 on waste disposal costs. Sub contractor costs and materials purchases (direct or from Stores) were also underspent by £20,000. There were also minor underspends totalling £63,000 whilst the £30,000 contingency was not utilised.
6	34,000	No allowance was made in the 2019/20 budget for the CCTV management charge. Provision for this will be made in future years.
7	25,000	There was an overspend on the budget for council tax charges due on empty council houses.
Other Expenditure		
8	(80,000)	A review of the work carried out by Grounds Maintenance employees to establish a more appropriate charge to the Housing Revenue Account for this activity resulted in the charge for this being £96,000 less than anticipated. This was partly offset by additional cleaning charges of £16,000.

Central Support Services		
9	78,450	Central support recharges into the Housing Revenue Account were more than had been anticipated. This is also reflected in a increased amount charged out of the Housing Revenue Account as shown under Income below.
Capital		
10	(592,300)	Lower than expected expenditure on the HRA capital programme in 2019/20 meant that a reduced revenue contribution was required to finance the 2019/20 HRA capital expenditure.
11	286,000	The depreciation charges exceeded the budget by £286,000 due to an error in budget preparation. This is a non cash heading and offset by an equivalent adjustment to the Major Repairs Reserve.
12	83,000	The recharge of external interest costs to the Housing Revenue Account was £83,000 larger than the budget due to it having a greater share of the Council's external loans in 2019/20 than had been anticipated.
Income		
13	(120,000)	Council house dwelling rental income was greater than the budget due to 49 weeks of rent charged to 2019/20. The budget was based upon 48.3 weeks of rental income on the assumption that only part of the extra week would be charged to 2019/20.
14	38,000	Income from garage rents was below the budget due lower occupancy of garages than had been anticipated. In addition, rent was not charged whilst major repairs were undertaken.
15	(18,000)	Income received from leaseholder charges was greater than had been anticipated.
	(885,850)	

2 Revenue items to be carried forward

2.1 General Fund - total amount £87,700

Item	Carry Forward Amount	Comments
1	37,550	Neighbourhood Planning Support This budget was established to support town and parish councils undertake work to produce Neighbourhood Plans. Expenditure incurred in 2019/20 totalled £2,256 against a budget of £39,800. Further work is planned in 2020/21. A carry forward into 2020/21 to allow the work to continue as intended is now requested.
2	30,150	Communities Team - Crime Reduction Projects There was also an underspend in 2019/20 on various crime reduction projects. These are now scheduled to be undertaken in 2020/21 and it is requested that this budget be carried forward to meet the cost.
3	20,000	Joint Planning Advisory Board (JPAB) Finance and Resources Committee on 15 February 2018 agreed to allocate an additional £20,000 in the 2018/19 for a contribution to JPAB consultancy costs. The proposed work was not undertaken in 2018/19 or 2019/20 and it is requested that this budget be carried forward to 2020/21 to allow it to be used as intended.
	87,700	

2.2 Housing Revenue Account - total amount £256,450

Item	Carry Forward Amount	Comments
1	256,450	Lower than expected expenditure on the HRA capital programme in 2019/20 meant that a reduced revenue contribution was required to finance the 2019/20 capital expenditure. A carry forward of £256,450 into 2020/21 to meet the cost of the work in the 2019/20 capital programme that will now be undertaken in 2020/21 is requested.
	256,450	

APPENDIX 2

CAPITAL OUTTURN SUMMARY 2019/20

Details of the individual schemes are given in appendix 2a whilst appendix 2b lists the requested sums totalling £4,238,000 to be carried forward for inclusion in the 2020/21 capital programme. Details of how the expenditure in 2019/20 has been financed are given below. At the end of 2019/20, all capital receipts remaining are earmarked towards part funding schemes carried forward to 2020/21. This is line with the assumptions made when the budget for 2019/20 was approved. All housing right to buy receipts that have been accumulated up to the end of 2019/20 will be utilised to part fund the Council's housing new build programme.

Capital expenditure in 2019/20 totalled £10,820,533 (£8,463,148 in 2018/19) which equates to a performance of 72% capital spend against the programme. The overall financing, as compared with that previously planned, is as follows:

	<u>Budget</u> <u>2019/20</u> (£)	<u>Actual</u> <u>2019/20</u> (£)	<u>Difference</u> (£)
Expenditure	15,106,200	10,820,533	(4,285,666)
Financed by:			
Major Repairs Reserve - HRA	4,191,450	4,191,417	(33)
Direct revenue financing – HRA	1,508,350	1,221,798	(286,552)
Usable capital receipts – General Fund	1,828,300	1,352,293	(476,007)
Better Care Fund	1,104,550	754,553	(349,997)
Borrowing	4,052,450	1,973,576	(2,078,874)
Section 106 Receipts	199,450	41,165	(158,285)
Direct revenue financing – General Fund	17,250	5,614	(11,636)
Usable capital receipts - HRA	1,333,350	578,430	(754,920)
FCC Communities Foundation	197,550	143,493	(54,057)
MHCLG	33,000	32,005	(995)
D2N2 Local Enterprise Partnership	592,150	500,000	(92,150)
Other Bodies	48,350	26,190	(22,160)

The main reasons for the variations to the financing are caused by general underspending on capital schemes. As regards the capital carry forward requests totalling £4,238,000 as set out at appendix 2b, the proposed financing of these schemes is as follows:

Source	Value (£)
Better Care Fund	350,000
Borrowing	2,109,600
S106 Monies	158,300
Homes England	20,000
D2N2 Local Enterprise Partnership	92,150
Ministry of Housing, Communities and Local Government (MHCLG)	1,000
FCC Communities Foundation	54,050
DRF HRA	256,450
Usable Capital Receipts - HRA	754,950
Usable Capital Receipts - General Fund	441,500
TOTAL	4,238,000

FINAL CAPITAL ACCOUNTS 2019/20**APPENDIX 2a**

	Total Budget £	Actual 2019/20 £	Expendit ure %
<u>CAPITAL EXPENDITURE SUMMARY</u>			
JOBS AND ECONOMY	351,000	67,547	19
ENVIRONMENT AND CLIMATE CHANGE	1,554,800	1,188,717	76
LEISURE AND HEALTH	246,400	67,078	27
COMMUNITY SAFETY	6,400	0	0
FINANCE AND RESOURCES	4,787,100	2,735,391	57
HOUSING	8,160,500	6,761,800	83
<u>TOTAL</u>	15,106,200	10,820,533	72
<u>DETAILED SCHEMES</u>			
<u>JOBS AND ECONOMY</u>			
Former Stapleford Police Station Redevelopment	171,000	42,196	25
HS2 - Potential Extension Studies	100,000	0	0
Walker Street (E'wood)- Transport Feasibility Study	20,000	0	0
Town Centre Wi-Fi	60,000	25,351	42
<u>ENVIRONMENT AND CLIMATE CHANGE</u>			
Replacement Vehicles and Plant	765,000	559,895	73
Eastwood Town Council - Community Room Upgrade	5,000	0	0
King George's Park, Bramcote- Refurbishment	123,850	124,018	100
Sherman Drive Open Space, Chilwell- New equipment and surfacing	32,000	33,721	105
Hall om Wong, Kimberley- Extended Provision	76,050	981	1
Hall om Wong, Kimberley- Footpath Improvements	11,000	0	0
Hickings Lane Recreation Ground, Stapleford	161,500	169,106	105
Bramcote Ridge - Access Improvements	17,700	16,725	94
Purchase and Installation of CCTV Cameras	20,000	0	0
Hall Park (Eastwood) - Access Improvements	5,500	4,172	76
Awsorth P.C. - Play Area and Parks	16,450	16,707	102
Brinsley P.C. - Play Area Repairs and Replacement	4,000	0	0
Brinsley P.C. - Play Area and Parks	18,000	18,837	105
Greasley P.C. - Play Area and Parks	57,100	57,603	101
Kimberley T.C. - Play Area and Parks	25,400	25,580	101
Nuthall P.C. - Play Area and Parks	26,800	26,315	98
Trowell P.C. - Play Area and Parks	13,800	13,773	100
Pedestrian Crossing - Hickings Lane	40,000	8,493	21
Real Time Bus Information (Stapleford)	5,000	5,000	100
Stapleford Community Transport Scheme	5,000	5,000	100
St Helen`s Church Gates (Stapleford)	15,000	11,793	79
St Catherines Churchyard, Cossall-Imprmts	0	350	0

	Total Budget £	Actual 2019/20 £	Expendit ure %
Victoria Street Car Park-Ewd-Resurface	15,650	15,649	100
Attenborough Nature Reserve - Contribution to Purchase	75,000	75,000	100
Bennerley Viaduct	20,000	0	0
<u>LEISURE AND HEALTH</u>			
BLC - Combined Heat and Power Unit	140,000	20,996	15
BLC - Property Condition Survey	17,250	5,614	33
CO - Extra 5-a-Side Floodlit Area and Replacement MUGA	10,550	10,828	103
KLC - Fire Alarm Smoke and Heat Detectors and Sounders	11,100	0	0
KLC- Replacement Water Pipes	0	2,308	0
Leisure Centres/Industrial Units - Planned Mtce	25,000	20,055	80
Leisure Facilities Strategy	30,000	7,278	24
Trent Vale Community Sports Association	12,500	0	0
<u>COMMUNITY SAFETY</u>			
Beeston Weir - Life Saving Equipment	6,400	0	0
<u>FINANCE AND RESOURCES</u>			
NWOW Town Hall Migration	0	6,840	0
NWOW New Civic Suite/Customer Services/Staff Accommodation	295,500	272,863	92
NWOW Data Server Room Re-Location	92,900	40,520	44
NWOW Civic Suite Audio Visual Equipment	100,000	104,889	105
NWOW Planning, Finance and Estates	200,000	75,907	38
Town Hall Sale - Legal Costs	5,150	4,256	83
Beeston Square - Phase 2	3,554,450	1,975,566	56
IT Replacement/Development Programme	178,850	131,648	74
E Facilities Initiatives	40,000	7,512	19
Replacement of MFD Photocopier Estate	63,000	50,871	81
VoIP Telephony	50,000	0	0
Committee Administration System	11,650	9,625	83
Technical Infrastructure Architecture	189,200	46,291	24
Replacement CRM System	6,400	8,603	134
<u>HOUSING</u>			
Disabled Facilities Grant	802,550	744,545	93
Warm Homes on Prescription	31,150	4,407	14
Central Heating Replacement	1,038,100	705,150	68
Modernisation Programme	1,563,000	1,615,481	103
Major Relets	157,150	262,066	167
Disabled Adaptations	420,000	392,625	93

	Total Budget £	Actual 2019/20 £	Expendit ure %
Bexhill Ct - Scooter Storage	15,550	0	0
External Works- Paths Pavings	94,850	105,650	111
Fire Safety Assessment & Remedial Work	371,800	375,106	101
Window & Door Replacement	313,450	338,635	108
External Decoration & Pre Paint Repairs	735,350	702,977	96
Electrical Periodic Improvements	298,550	311,319	104
Housing System & DMS Replacement	19,150	25,292	132
Garage Refurbishment	444,950	436,437	98
Dementia Friendly Bungalows - Willoughby Street	270,850	5,601	2
Redwood Crescent (Beeston) - Pocket Park	22,800	19,487	85
Buy Back of Former Right to Buy Properties	1,133,350	543,260	48
New Build Housing Feasibility Costs	200,000	35,170	18
HRA Stock Condition Survey	100,000	65,854	66
NWOW Housing Section	100,000	72,737	73
HRA Contingency	27,900	0	0

CAPITAL EXPENDITURE 2019/20
PROPOSED CAPITAL ITEMS TO BE CARRIED FORWARD INTO 2020/21

<u>Scheme</u>	<u>Amount (£)</u>	<u>Comments</u>
<u>Jobs and Economy</u>		
Former Stapleford Police Station Redevelopment	128800	Works in progress at year end
HS2 - Potential Extension Studies	100000	Funds already committed
Walker Street (Eastwood)- Transport Feasibility Study	20000	Funds already committed
Town Centre Wi-Fi	34650	Funds already committed
<u>Environment</u>		
Replacement Vehicles and Plant	205,100	Funds already committed
Hall om Wong, Kimberley- Extended Provision	75,050	Works in progress at year end
Hall om Wong, Kimberley- Footpath Improvements	11,000	Funds already committed
Purchase and Installation of CCTV Cameras	20000	Funds already committed
Brinsley P.C. - Play Area Repairs and Replacement	4000	Funds already committed
Nuthall P.C. - Play Area and Parks	500	Works in progress at year end
Bramcote Ridge - Access Improvements	1000	Works in progress at year end
Hall Park (Eastwood) - Access Improvements	1350	Works in progress at year end
Pedestrian Crossing - Hickings Lane	31,500	Works in progress at year end
St Helen`s Church Gates (Stapleford)	3,200	Works in progress at year end
Bennerley Viaduct	20000	Funds already committed
<u>Leisure and Health</u>		
BLC - Combined Heat and Power Unit	119,000	Works in progress at year end
KLC - Fire Alarm Smoke and Heat Detectors and Sounders	11,100	Funds already committed

<u>Scheme</u>	<u>Amount (£)</u>	<u>Comments</u>
Leisure Centres/Industrial Units - Planned Mtce	4,950	Funds already committed
Leisure Facilities Strategy	22,700	Funds already committed
Trent Vale Community Sports Association	12,500	Funds already committed

Community Safety

Beeston Weir - Life Saving Equipment	6,400	Funds already committed
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Finance and Resources

NWOW Town Hall Migration	(6,850)	Works in progress at year end
NWOW New Civic Suite/Customer Services/Staff Accom.	22,650	Works in progress at year end
NWOW Data Server Room Re-Location	52,400	Works in progress at year end
NWOW Planning, Finance and Estates	124,100	Works in progress at year end
Beeston Square - Phase 2	1,578,900	Works in progress at year end
IT Replacement/Development Programme	47,200	Works in progress at year end
E Facilities Initiatives	32,500	Works in progress at year end
VoIP Telephony	50000	Funds already committed
Technical Infrastructure Architecture	142,900	Works in progress at year end

Housing

Disabled Facilities Grant	58,000	Funds already committed
Warm Homes on Prescription	26,750	Funds already committed
Central Heating Replacement	332,950	Works in progress at year end
Modernisation Programme	(52,500)	Works in progress at year end
Major Relets	(104,900)	Works in progress at year end
Disabled Adaptations	27,400	Works in progress at year end
External Works- Paths Pavings	(10,800)	Works in progress at year end
Fire Safety Assessment & Remedial Work	(3,300)	Works in progress at year end
Window & Door Replacement	(25,200)	Works in progress at year end
External Decoration & Pre Paint Repairs	32,350	Works in progress at year end

<u>Scheme</u>	<u>Amount (£)</u>	<u>Comments</u>
Electrical Periodic Improvements	(12,750)	Works in progress at year end
Garage Refurbishment	8,500	Works in progress at year end
Dementia Friendly Bungalows - Willoughby Street	265,250	Works in progress at year end
Redwood Crescent (Beeston) - Pocket Park	3,300	Works in progress at year end
Buy Back of Former Right to Buy Properties	590,100	Funds already committed
New Build Housing Feasibility Costs	164,850	Funds already committed
HRA Stock Condition Survey	34,150	Works in progress at year end
NWOW Housing Section	27,250	Works in progress at year end
TOTAL	4,238,000	

Report of the Deputy Chief Executive

MUSHROOM FARM – ADDITIONAL INDUSTRIAL UNITS1. Purpose of report

To provide an update of progress on the capital scheme to provide additional industrial units at Mushroom Farm and seek approval to amend the budget for the scheme.

2. Background

The 2020/21 capital programme approved by the Committee on 13 February 2020 includes General Fund schemes that are on a “reserve list” and will only be brought forward for approval once a source of funding has been identified.

Included on the “reserve list” was a scheme for £246,400 to construct 3 industrial units at Mushroom Farm in Eastwood to add to the existing seven units at the site. Further information on this scheme is set out in a report to the Jobs and Economy Committee on 5 September 2019.

A bid for funding towards this scheme was submitted to the D2N2 Local Enterprise Partnership (LEP) who stated that they would provide £124,000 towards the cost. As reported to Jobs and Economy Committee on 5 September 2019, the cost of the scheme was estimated to be £219,000 as opposed to the figure of £246,400 initially reported. This would require a contribution from the Council of £95,000 which can be met from borrowing. Following the cancellation of the meeting of this committee scheduled for 2 April 2020, the Chief Executive used her urgency powers on that date to approve the removal of the scheme from the “reserve list” and allow it to proceed with a revised budget of £219,000.

Following the successful submission of an Expression of Interest (EOI) and Full Business Case (FBC) to the LEP and their approval of £124,000 towards the cost of the scheme, a procurement exercise was undertaken. This indicated a projected cost of £270,000 for the scheme. The events that led to this are summarised in appendix 1 with further financial details in appendix 2.

The LEP have indicated that, based on the projected cost of £270,000, they would be prepared to increase their contribution towards the scheme from £124,000 to £160,000 if the Council's contribution were to increase by £15,000 from £95,000 to £110,000. As previously agreed, the cost of the Council's contribution would be financed by borrowing.

Recommendation

The Committee is asked to RESOLVE that the 2020/21 capital programme be amended such that the budget for additional industrial units at Mushroom Farm be increased from £219,000 to £270,000 with financing as set out in the report.

Background papers

Nil

APPENDIX 1

Project Summary**Background**

The Mushroom Farm scheme will see the construction of three additional light industrial (B2 use) units at the site in Eastwood surplus parking and service areas. This is intended to provide additional employment in the north of the borough as well as increased income to the Council. The existing site consists of seven 80m² units. These are all currently occupied and provide the Council with rental income in excess of £28,000 per annum with an average rent of £4,000 pa per unit.

Project Expression of Interest (EOI)

Approval to submit an EOI to the D2N2 LEP Local Growth Fund (LGF) programme for grant funding towards the project costs, was agreed by members of the Jobs and Economy committee held on the 5 September 2019.

Some pre-requisites of the EOI submission included confirmation of; site ownership, planning permission, an agreed capital co-funding contribution and ability to draw down grant funding by 31 March 2021.

Planning permission was later secured at committee on 8 October 2019 for the proposed scheme. Planning ref 19/00477/FUL.

Initial project costings were sought for the purposes of an EOI submission, at £219,000.

The Council's capital co-funding amount was to be agreed at Policy and Performance committee on 2 April 2020, through the inclusion of the Mushroom Farm Court budget from the "reserve list", into the 20/21 Capital programme. This scheme and other variations to the current capital programme were agreed by the Chief Executive under their executive powers.

Full Business Case (FBC)

Following a successful EOI in February 2020, the LEP invited the Council's submission of a FBC for consideration by the LEPs Infrastructure and Investment Board (IIB) on 16 June 2020. The FBC was submitted to the LEP on 19 May.

The FBC was developed, based on a project cost assumption of £219,000 and proposed a Council contribution of £95,000 and LGF contribution of £124,000. Some external advice was taken during commercial case development, but within that response included validation on the expected build costs, demonstrating the Council's original estimates were reasonable and accurate. The Value for Assessment was independently appraised on behalf of the LEP by Hatch Regeneris, who concluded that the expected project outputs for public investment levered, demonstrated good value for money.

First Procurement Exercise

Concurrent to the FBC development, a procurement exercise following a full 'design and build approach', was undertaken to provide absolute project cost certainty. The results of which due for inclusion to the FBC appendices in time for LEP's June IIB agenda deadline. The original Invitation to Tender (ITT) took place between 22 April and 26 May.

Unfortunately, the procurement exercise did not yield any suitable submissions from suppliers, with all offers exceeding the total project budget. The FBC was therefore formally withdrawn from the LEPs June IIB agenda. The Council agreed with the LEP to resubmit a revised FBC for the September IIB.

Retender

It is felt that the market disruption due to COVID-19 severely affected the submissions and that the higher than anticipated quotes may also be a reflection of construction sites having to operate at reduced capacity and thus efficiency. This is due to the latest site operational guidelines from the Construction Leadership Council, which must be adhered to and result in less workers allowed on any site at one time, to assist with social distancing. It is noted that the Beeston Phase 2 site, which is currently under construction is running at approximately 75% productivity for example. This alone produces the need for additional labour hours on priced work.

However, it is now accepted that the project isn't likely deliverable based on a budget of £219,000 and a retender was the best course of action, as many construction companies unable to quote previously, may now be returning from temporary close down during the first ITT period.

An open retender, with revised ITT documentation was published on Thursday 11 June 2020 and closes on Monday 13 July. It is hoped that this second procurement exercise will yield a number of compliant tender submissions and allow the Council to progress the project and resubmit a FBC for consideration at the September IIB.

On withdrawal of the FBC from the LEPs June IIB, the Council were able to broker an increase in the LEPs contribution from £124,000 to £160,000. The LEP now state that this is the maximum they are able to award, based on the value for money information previously submitted and the anticipated job outputs which the project would deliver. There is no further scope to increase the new floorspace and employment to be delivered through the project.

If the Council are in a position to appoint a preferred contractor after the second procurement exercise and the LEP agree to sponsor the project (based on the revised FBC submission), it is estimated works will begin on site in mid-October.

Without an increase to the Council's capital contribution, the total project budget now stands at £255,000. If the Council were to increase their contribution, because of the LEPs increase in capital, the return on investment remains marginally improved on that which was presented to Jobs and Economy committee in September 2019.

LGF Programme

In order for the Council to leverage any contribution for additional external funding through the LGF programme, the project must be progressed in the current construction market environment (however distressed it may be) and in the current financial year. This is to enable the 'draw down' and spend of all LGF funds by the programme deadline. Despite the impacts of COVID-19, there is no possible extension from government to the wider LGF programme beyond 31 March 2021.

APPENDIX 2

The financial information in the table below, shows the initial figures provided to the Jobs and Economy Committee in order to submit an EOI, as well as the figures based on an increased Council capital contribution and assumptions from the FBC.

Table 1 - Expenditure and Income from the three new units

	Expression of Interest	With capital contribution increased	% +/-
Total Construction Cost est.	£219,000	£270,000	+23.3%
LEP project co-funding	£124,000	£160,000	+29.0%
Council project co-funding	£95,000	£110,000	+15.8%
Repairs and Maintenance (per year)	£600	£900	
Additional Rental Income (per year)	£13,500	£16,100	
Payback period	7.3 years	7.1 years	

As can be seen above, by increasing the Council capital by £15,000 and by extension total project budget; the payback period is still slightly improved on the initial financial estimates at OBC stage. This is down to an improved rental projection following more detailed modelling during FBC development. It is also a result of the LEP increasing their capital contribution by a bigger ratio.

The project team will endeavour to deliver the project at a reduced cost such that the total project budget may not necessarily be required.

The £270,000 total project cost also includes a £10,000 contingency sum, some of which could still be recovered at the end of the project. Once a supplier is appointed as the main contractor and the Council enter into a JCT Design and Build Contract, any significant increases to cost are the responsibility of the Contractor not the Council.

It should be noted that if the Council were to receive suitable tender submissions based on quality, but were slightly above the project budget; those submissions could still be considered, as a two-week period for any Value Engineering has been included into the projects programme.

This would allow the Council to further renegotiate with a 'preferred supplier' in the event their submission is above budget, but there is potential to realise cost savings, whether through agreed changes to materials, construction techniques used on site or another deviation from the unit specifications.

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Report of the Deputy Chief Executive

FINANCIAL IMPLICATIONS OF COVID 19 (2020/21)1. Purpose of report

This report informs the Committee on the latest estimates of the financial impact of Covid 19 on the Councils 2020/21 financial position, and the impact on the Council's medium term financial strategy.

2. Detail

It is important to note that under the current environment, the financial estimates are being revised on a monthly basis, to reflect the various advice and guidance being issued by the government (e.g. the pace of 'unlocking' businesses, and advice social distancing).

The financial impact of Covid 19 covers the following areas, more detail of which can be found in the appendix:

- 1 Additional spending pressures
- 2 Losses of income from fees and charges
- 3 Government Covid grant
- 4 General Fund balances 2020/21 – 22/233.
- 5 Council Tax and Business rates income

3. Financial implications

The financial implications are covered in the details are provided in the appendix.

Recommendation

The Committee is asked to NOTE the financial impact of Covid-19 and RESOLVE that a refreshed Medium Term Financial Strategy and Business Strategy will be presented to the next Finance and Resources Committee on 8 October 2020.

Background papers

Nil

APPENDIX

1. Additional spending pressures

1.1 In line with our requirements, we report to Ministry of Housing, Communities, and Local Government, the additional spending estimates in the table below are based on costs up-to the end of July 2020, however, a number of these areas may continue during the remainder of 2020/21.

Additional spending	April to July 2020 (£s)	Comments
Liberty Leisure furloughed staff - 20% 'top-up'	136,000	Approximately £34,000 per month
Additional agency staff – Refuse collection	40,000	Cover for 'shielded' staff with health conditions
System upgrades for Business support grants and Council Tax hardship scheme	15,000	Potential re-imburement from section 31 grant.
Housing – bed and breakfast and temporary accommodation	40,000	
Printing and mailing letters to over 76s	6,000	
Total estimated spending pressure	237,000	

2. Losses of income from fees and charges

2.1 The table summarises the estimated losses in fees and charges across Liberty Leisure Limited and Council departments.

Income losses	April to July 2020 (£s)	Comments
Liberty Leisure income	1,200,000	Approximately £300,000 per month.
Loss on interest on investments	320,000	Base rates remain at 0.1%, full year loss
Planning Fees	150,000	
Car parking charges	120,000	Car parking charges re-commenced 6 July 2020
Craft Centre Complex Rent	12,000	
Sale of Glass	16,000	
Sale of Wheeled Bins	12,000	
Recycling Credits - Glass	36,000	
Beeston Square Rent	232,000	Tenants have deferred the first quarter rents.
Industrial Units Rent	60,000	

Income losses	April to July 2020 (£s)	Comments
Trade Refuse Income	204,000	
Special Collections	20,000	
General Properties Rent	20,000	
Total estimated income losses	2,402,000	

3. Government Covid grant

3.1 In order to mitigate the financial impact of Covid, the Government provided a grant of £1,187,365 to Broxtowe Borough Council. The grant was utilised to provide support to various community groups (£66,000), with the balance being set aside in general balances to meet the significant shortfalls in income and additional spending pressures highlighted above.

4. General Fund balances 2020/21 to 2022/23

4.1 The significant financial impact of Covid, will be reflected in a detailed refresh of the Medium Term Financial Strategy, to be presented to the next Finance and Resources Committee in 8 October 2020.

4.2 Based on the latest financial information available to date, the table below, shows the estimated financial impact of Covid and the resultant reduction in general fund balances over the medium term. In order to manage the financial challenges, a revised Business Strategy 2021/22 to 2023/24 will be developed and presented to the Finance and Resources Committee in 8 October 2020.

General Fund Balances 2020/21 to 2022/2023 (Estimates)

	£millions	Comments
Balances at 31/3/20	5.5	
Planned Use 2020/21	(1.2)	Approved at Full Council budget meeting.
COVID-19 Impact	(2.6)	Significant income loss (very difficult to quantify, as linked to the infection rates and economic recovery) and additional spending pressures
COVID-19 Govt Funding	1.1	
Projected at 31/3/21	2.8	

	£millions	Comments
Planned Use 2021/22	(1.3)	MTFS projection to be reviewed during the budget process, and the Business Strategy to be refreshed for further proposals .
Business Strategy 2021/22	0.5	Proposals developed, but excluded the Business rates growth and LL management fee reduction proposals as they are unlikely to materialise.
Projected at 31 March 2022	2.0	
Planned Use 2022/23	(1.4)	MTFS projection to be reviewed during the budget process, and the Business Strategy to be refreshed for further proposals.
Projected at 31 March 2023	0.6	Our financial strategy aims to maintain a minimum £1.5m balance, and our current estimates suggest that this level will be reached at the end of 2021/22. Urgent requirement to focus on a refreshed Business Strategy and financial recovery plan, reviewing all areas of spend, and commercial opportunities.

A couple of other significant financial risks also need to be highlighted;

- Due to the poor state of the food and beverage market, the Council is also carrying an additional financial risk, relating to a loss of revenues at Beeston Phase 2 development over the next 2 years.
- If members decide to provide additional financial assistance to Liberty Leisure Limited, and do not reduce the annual management fee of £845,000, this will result in additional savings required from other General Fund services.

5. Council Tax and Business rates income

- 5.1 On the basis of the first 2 month's income received, the collection rates for Council Tax have reduced by 1% equating to approximately £750,000, which is partly offset by the use of the Council Tax Hardship grant of approximately £250,000, leaving a shortfall of approximately £500,000. Business Rates income (circa £27m) is currently largely unaffected as a result of the significant amount of reliefs (circa £16m) granted to the retail, leisure and hospitality sector. This position will be closely monitored as the position may change due to the uncertain economic conditions.
- 5.2 It is important to remember that Nottinghamshire County Council, as the largest preceptor bears the biggest burden of the likely Council Tax collection, and

Broxtowe Borough Council's share of the shortfall will be approximately 9 % (£45,000).

- 5.3 Any reductions in Council Tax or Business rates income will result in a deficit in the collection fund that will need to be recovered in 2021/22 and 2022/23.
- 5.4 The Council has paid £16.725m in BEIS grants equating to 93% of the total allocation to over 1,400 eligible businesses. Hardship Fund allocations totalling over £330,000 in relation to Council Tax support have also been made. The Government has also recently announced that Local Authorities are to administer a local discretionary business grant scheme, which aims to provide financial support to small businesses who were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund. In order to receive the grant, they must meet the local scheme criteria. The level of BEIS funding for Broxtowe is £883,000. The local policy has been developed with other Nottinghamshire districts and is in operation.

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Report of the Strategic Director

WORK PROGRAMME

1. Purpose of report
To consider items for inclusion in the Work Programme for future meetings.
2. Background
Items which have already been suggested for inclusion in the Work Programme of future meetings are given below. Members are asked to consider any additional items that they may wish to see in the Programme.

8 October 2020	<ul style="list-style-type: none"> Medium Term Financial Strategy and Business Strategy Budget Consultation 2021/22 Capital Programme Update 2020/21 Revenue Budget Variations 2020/21 Grants to Voluntary and Community Organisations Performance Management – Review of Business Plan Progress – Support Service Areas Annual Counter Fraud Report Governance Dashboard – Major Projects
10 December 2020	<ul style="list-style-type: none"> Budget Consultation Response Treasury Management/Prudential Indicators 2020/21 Mid-Year Report Capital Programme Update 2020/21 Revenue Budget Variations 2020/21 Spending Review/Fair Funding Review/Business Rates Retention Grants to Voluntary and Community Organisations Performance Management – Review of Business Plan Progress – Support Service Areas Irrecoverable Arrears
7 January 2021	<ul style="list-style-type: none"> Council Tax Base 2021/22 Local Council Tax Support Scheme 2020/21 Irrecoverable Arrears Local Government Finance Settlement 20/2
11 February 2021	<ul style="list-style-type: none"> Budget Proposals and Associated Strategies Business Plans and Financial Estimates 2020/21 - 2022/23 Budget Proposals and Associated Strategies Capital Programme Update 2020/21 Grants to Voluntary and Community Organisations Irrecoverable Arrears

The Committee is asked to CONSIDER the Work Programme and RESOLVE accordingly.

Background papers

Nil

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