

Date: 13th July 2022

Dear Councillor,

Finance and Management Committee

A Meeting of the **Finance and Management Committee** will be held at **Council Chamber (Special)**, Civic Offices, Civic Way, Swadlincote, DE11 0AH on **Thursday, 21 July 2022 at 18:00**. You are requested to attend.

Yours faithfully,



Chief Executive

To:- **Labour Group**
Councillor Pearson (Chair), Councillor Rhind (Vice-Chair) and
Councillors Richards, Southerd and Taylor.

Conservative Group
Councillors Ackroyd, Corbin, Dawson, Fitzpatrick, Ford and Lemmon

Independent Group
Councillors MacPherson

Non-Grouped
Councillor Churchill

AGENDA

Open to Public and Press

- 1** Apologies and to note any Substitutes appointed for the Meeting.
- 2** To note any declarations of interest arising from any items on the Agenda
- 3** To receive any questions by members of the public pursuant to Council Procedure Rule No.10.
- 4** To receive any questions by Members of the Council pursuant to Council procedure Rule No. 11.
- 5** Reports of Overview and Scrutiny Committee
- 6** FINAL REVENUE BUDGET OUT-TURN 2021-22 **5 - 28**
- 7** TREASURY MANAGEMENT ANNUAL REPORT 2021-22 **29 - 51**
- 8** FINAL CAPITAL OUTTURN 2021-22 **52 - 64**
- 9** EQUALITY, DIVERSITY AND INCLUSION STRATEGY AND ACTION PLAN 2021 TO 25 PROPOSED RESOURCING **65 - 71**
- 10** ANNUAL TRAINING REPORT 2021-2022 AND PRIORITIES FOR 2022-23 **72 - 83**
- 11** DISCRETIONARY HOUSING PAYMENT FUND ENHANCEMENTS 2022-2023 **84 - 108**
- 12** COMMITTEE WORK PROGRAMME **109 - 114**

Exclusion of the Public and Press:

- 13** The Chairman may therefore move:-
That in accordance with Section 100 (A)(4) of the Local Government Act 1972 (as amended) the press and public be excluded from the

remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraph of Part I of the Schedule 12A of the Act indicated in the header to each report on the Agenda.

- 14** To receive any Exempt questions by Members of the Council pursuant to Council procedure Rule No. 11.
- 15** APPOINTMENT OF RECRUITMENT AND SELECTION PANEL
- 16** RE-GRADING OF POST – ACTIVE SCHOOLS PARTNERSHIP OFFICER (CP10)

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL)	AGENDA ITEM:6
DATE OF MEETING:	21 JULY 2022	CATEGORY: RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	CHARLOTTE JACKSON Charlotte.jackson@southderbyshire.gov.uk	DOC: s/finance/committee/2021-22/July/budget outturn report 2022
SUBJECT:	FINAL REVENUE BUDGET OUT-TURN 2021-22	REF:
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

1.1 To approve the final outturn position for:

- The General Fund Revenue Account 2021/22
- The Housing Revenue Account 2021/22
- The Collection Fund 2021/22
- The Balance of Reserves as at 31 March 2022.

1.2 That a net appropriation of £5,360k in 2021/22 is made between the General Fund Reserve and other Earmarked/Usable Reserves and a net appropriation of £45k is made from the HRA General Reserve to Earmarked Reserves as detailed in the report.

1.3 That the Committee note the following contributions and write-offs adjustments have been made to Bad Debt and Appeal Provisions in 2021/22.

Sundry Debtors	-31,728	General Fund
Temporary Accommodation	2,147	General Fund
Housing Benefit Overpayments	-78,506	General Fund
Council Tax Arrears	87,813	General Fund
Business Rates Arrears	28,087	General Fund
Business Rates Appeals	42,764	General Fund
Planning Appeals	-75,000	General Fund
Housing Rent Arrears	27,266	HRA

Purpose of Report

2.1 To detail the final out-turn position for 2021/22 on the Council's revenue accounts. The report also details the financial position on these accounts as at 31 March 2022 compared to that estimated in the Council's Medium-Term Financial Plan (MTFP). Details of the Collection Fund position, together with details of provisions and reserves is also provided.

2.2 This report is divided into the following sections:

- Section 3 – General Fund Revenue Account and Collection Fund 2021/22
- Section 4 – Housing Revenue Account 2021/22
- Section 5 – Reserves as at 31 March 2022

- Appendix 1 - General Fund Revenue Detailed Accounts 2021/22
- Appendix 2 –The Collection Fund 2021/22
- Appendix 3 – Earmarked Reserves 2021/22

3.0 GENERAL FUND REVENUE ACCOUNT

3.1 Apart from Council Housing, day-to-day income and expenditure on Council services is accounted for in the General Fund. The net expenditure is financed by:

- General Government Grant
- Retained Business Rates
- New Homes Bonus
- Council Tax

3.2 The Budget for 2021/22, which was approved in February 2021, estimated a budget deficit of £100,984 for 2021/22, to be financed from the General Fund Reserve. Following updates to the Medium-term Financial Plan (MTFP) during the year, the deficit reported to the Committee in February 2022, was revised to £741,909.

3.3 This was to allow for a pay award in the year (*previously a pay freeze had been agreed nationally*) together with additional expenditure in Land Charges and Operational Services in particular, to be financed from the General Reserve. The overall budgeted position is summarised in the following table:

	£
Base Budget	14,916,273
Reverse out Depreciation	-1,435,413
Minimum / Voluntary Revenue Provisions	257,823
Contingent Sums	723,223
Total Estimated Spend	14,461,905
Council Tax	-5,915,215
Lower Tier Service Grant Allocation	-519,414
Business Rates	-3,779,996
New Homes Bonus	-3,381,317
Estimated Deficit	741,909

Final Budget Outturn 2021/22 - Summary

3.4 **Appendix 1** details the final outturn on the General Fund for 2021/22 with a comparison to the approved budget.

3.5 The appendix shows that the General Fund achieved a **surplus**, after appropriations, of approximately £284,000 for the year. Compared to the Estimated Deficit above, this is approximately £1,025,000 better than budgeted.

- 3.6 This compares to £626,000 (better than budgeted) which was estimated at Quarter 3 and reported to the Committee in March 2022. The main reasons for the increase are additional income from Retained Business Rates, court fees and property rents, all of which were prudently budgeted for given the impact of Covid and the economic situation.

Accounting Adjustments and Appropriations to Reserves

- 3.7 It should be noted that Appendix 1 shows an overall surplus in the year of approximately £5.8 million. This includes adjustments for depreciation and pensions which are non-cash transactions and are reversed out in the Council's consolidated accounts.
- 3.8 However, the main reasons for this surplus are Section 106 contributions received in the year of £3.9 million and Business Rates compensation payments of £2.9 million in the form of additional grants
- 3.9 These contributions and payments are transferred to earmarked reserves and in the case of Business Rates, are used to meet the shortfall in income due to the Government providing support and relief to businesses during Covid. These grants will also be set-aside to write-off the deficit on the Collection Fund (Business Rates) in future years which accrued during Covid.
- 3.10 Finally, Appendix 1 also details contributions to earmarked reserves such as IT, Planning and Recycling, together with vehicle replacement and property maintenance, where additional income or underspends are set-aside in these areas to support expenditure in future years.
- 3.11 This is in accordance with current Financial Policy. All earmarked reserves, following appropriations. as at 31 March 2022 are detailed in **Appendix 3**.

Overview of Income and Expenditure 2021/22

- 3.12 Although there was an overall surplus, this was after meeting some additional cost pressures. Variances have been reported in monitoring reports during the year, with actual figures now finalised. An analysis of the major variances is shown in the following tables with commentary in the sections that follow.

GENERAL FUND VARIANCE TO BUDGET MARCH 2022

	£'000
Salary savings (vacancies, maternity etc.) - E&D	1,153
Salary savings (vacancies, maternity etc.) - F&M	243
Salary savings (vacancies, maternity etc.) - H&C	197
Total Employee	1,593
Professional Fees	228
Bad debt provision decreases	125
Unbudgeted Income	95
Waste Services	78
Elections	76
HM Rebate of Court Fees	61
Tools & Materials	59
Training	48
Additional Trade Waste Income	54

Industrial Unit Rental Income	45
Recharges	35
Extra Waste Collections	33
Business Rates	28
Derbyshire County Council Contributions	25
Computing (Maintenance Agreements)	29
Utilities	20
Repairs	18
Car Mileage	14
Grants	14
Savings on Events	13
Printing	9
Protective Clothing	7
Subscriptions	5
Insurance Claims	5

Total Favourable Variances **2,716**

Agency	-1,571
Vehicle Hire	-113
Spare Parts	-98
Kennelling	-49
Fuel	-42
Professional Fees	-39
Recharges	-33
Computing (Maintenance Agreements)	-30
Maintenance & Repairs	-25
Waste Disposal costs	-24
Fee income	-23
Utilities	-19
Recruitment	-17
Tools & Materials	-14
Investment income	-13
Total Adverse Variances	-2,111
Other operating adjustments	-321

General Fund Surplus **284**

Variations

3.13 Salary savings in year relate to vacancies and maternity (£1,592k) but are offset by agency and consultancy to support service areas (£1,571k) as noted in the following table. Due to current vacancies, a saving in employee training has been realised (£48k) and recruitment costs (£17k) have been incurred for vacant posts in the year.

	Employee £'000	Agency £'000	Variance £'000	
Recycling	420	-606	-186	Recruitment in progress
Parks and Open Spaces	77	-92	-15	Recruitment in progress
Street Scene	209	-53	156	Recruitment in progress
Planning	144	-204	-60	Vacant Posts
Direct Services Administration and Management	152	-98	54	Vacancies (Restructure)
Legal	72	-14	58	Recruitment in progress
Land Charges	81	-155	-94	Vacancies - Lichfield DC supporting
Revenues and Customer Services	46		46	Vacancies

Economic Development	52	-36	16	Vacant post
Waste and Transport	36	-119	-83	Recruitment in progress/Long-term sickness
Property and Public Buildings	19	0	19	Vacancies
Democratic	35	-6	29	Long-term sickness
Organisational Development	40	0	40	Vacancy recruited
Rosliston	40	-12	28	Vacant post
Caretaking	20	-2	18	Vacant post
Environmental	65	-3	62	Recruitment in progress/Long-term sickness
Community Centres	44	-16	28	Vacant post
Licensing	14	-24	-10	Maternity cover
Business Change & Digital	5	-6	-1	Long-term sickness
ICT	8	0	8	Vacant posts
Customer Services	11	-10	1	Vacant posts
Finance	-13	0	-13	Professional fees offset cost re payroll plus vacant post
Private Housing	35	-117	-82	Vacant Posts
	1,592	-1,573	19	

3.14 Investment income was less than budget due to the low level of interest rates throughout the year. Funds were diversified to avoid negative interest rates in 2021/2022. Cash investments were higher in year due to lower service and capital expenditure, plus additional Government grants received. Details of the Council's investment performance is detailed in a separate Treasury Management Report.

3.15 A review of live and potential Planning Appeals has resulted in a release in year of the provision (£75k) due to no appeals logged in 2021/22 and none expected to incur during 2022/23.

3.16 Professional fees have been lower than budgeted in the year, the biggest being in Planning Policy (£35k) ICT (£36k) and Council Tax Collection (£31K).

3.17 A proportion of the unbudgeted income from commercial activities has been generated in Environmental Services (£30K). Other income has exceeded budgets, as the impact previously felt from Covid has diminished throughout the year resulting in higher-than-expected yields.

3.18 Costs of £49k have been incurred for seizing animals under the Animal Welfare Act. There has been a significant rise in the illegal dog trade, which has resulted in costs continuing to rise. In a bid to reduce costs an animal fostering programme is in place, with plans to seek additional powers under the Animal Welfare Act to reduce the kennelling time required in prosecution cases.

3.19 A budget is always included for the potential requirement for a By-Election each year. No Election was required and therefore a saving of £45k has been made. Additional savings have been made on the annual canvas of £30k pending a review.

3.20 Commercial lettings were favourable in line with previous years, although income was expected to drop post Covid, this has not been the case.

3.21 Street Naming, Land Charges and Cemetery fee income recovered from the previous year's losses, totalling a favourable variance of £30K.

3.22 Rosliston Forestry Centre has seen savings on vacant posts and casual wages, together with advertising, laundry costs and utilities. Income levels started to recover in the year with log cabin bookings exceeding the Budget.

- 3.23 During the year, refuse truck bin lifts have required major repair works resulting in an additional cost of £98k on spare parts plus vehicle hire of £97k. An additional gully cleaning vehicle was hired at a cost of £16K whilst a permanent replacement was procured. The recent increase in fuel prices saw an increase in costs towards the end of the year.
- 3.24 Recharges from the General Fund to the HRA are updated as part of the year-end process. Areas of lower expenditure on Finance, Customer Services and support from Grounds Maintenance and savings in other services areas has resulted in a smaller than budgeted recharge of £51k.
- 3.25 In line with many authorities, the Council received a one-off reimbursement (£61k) for court fees due to an historic overcharge dating back several years.

Provision for Bad Debts

- 3.26 Under accounting regulations, the Council has to provide for debts that may become uncollectable, and which may need to be written-off. Provisions are based on a calculation that considers the risk of a debt becoming uncollectable.
- 3.27 The provisions made in 2021/22 and charged against the General Fund are shown in the following table.

General Fund Bad Debt Provisions	
Sundry Debtors	£68,049
Temporary Accommodation	£2,147
Housing Benefit Overpayments	£-19,744
Total	£50,452

- 3.28 The total contribution to top up these provisions was £50,452, as shown in the above table. However, this was less than that budgeted of £125,000 and in the case of Housing Benefit Overpayments, the provision was reduced, and the amount written back into the General Fund.
- 3.29 The biggest increase was Sundry Debtors. Sundry Debt includes charges for Trade Waste, Careline and Property Rents. Debt has increased as minimal debt has either been written off or rigorously pursued.
- 3.30 The on-going effect of Covid on businesses has been challenging in respect of outstanding debts and this is being kept under review. A greater focus is now being made in 2022/23.

Temporary Accommodation - Bed and Breakfast Charges

- 3.31 These charges arise where the Council has to incur costs under its duties to provide temporary accommodation for homeless people. The Council is entitled to recover the costs, but this is generally difficult as people concerned are unlikely to have the means to pay.
- 3.32 The Council is responsible for pursuing recovery of the amount owed and this is generally difficult.

3.33 In addition, the Council has an earmarked reserve, which relates to Government grants not fully utilised from previous years to fund initiatives to prevent the incidence of homelessness occurring. This is overseen by the Housing and Community Services Committee.

Housing Benefit Overpayments

3.34 These relate to overpayments whether they have occurred through processing error, claimant misinformation or fraud. The recovery is usually slow and may take several years where an overpayment is being deducted from on-going benefit. Depending on how the overpayment occurred, on average, around 40% is reimbursed through the housing benefit subsidy system in the year that the overpayment occurred.

Net Cost of Housing Benefit

3.35 The cost of Housing Benefits increased overall by £32k as shown in the following table.

	Estimate £'000	Actual £'000	Variance £'000
Rent Allowances Paid	6,625	7,411	786
Rent Allowances Subsidy	-6,432	-7,074	-642
Net Cost of Rent Allowances	193	337	144
Rent Rebates Paid	4,182	4,563	381
Rent Rebates Subsidy	-4,100	-4,496	-396
Net Cost of Rent Rebates	82	67	-15
Net Cost of Benefits Paid	275	404	129
Overpayments Recovered (Rent Allowances)	-140	-237	-97
Overall Cost of Housing Benefit	135	167	32

3.36 The cost of benefits falling on the Council is sensitive to small changes given the amount involved. It is important that the Council maximises its subsidy through robust processing. The total cost of benefits paid and administered was approximately £11m in 2021/22.

3.37 The previous table shows that the net cost of benefits paid was approximately £32k more than that estimated, although the increase in overpayments recovered significantly contributed to the overall position.

Retained Business Rates

3.38 An analysis of income retained directly in the General Fund is shown in the following table.

	£
Precept	11,141,791
Tariff paid to Derby City Council	-6,631,195
Pool Contribution 201/22	-688,922
Deficit	-1,043,950
Business Rates Reliefs	1,172,054
Retained Business Rates	3,949,788

Reversal of Current Year Deficit	1,043,950
Declared deficit	1,856,262
Exceptional balance (spread)	263,893
Earmarked S31 Reliefs drawdown	-2,120,155
General Fund Receipt	<u>4,993,738</u>

- 3.39 Business Rates is accounted for in the Collection Fund as detailed later in this section and as shown in **Appendix 2**. Income is not for the full benefit of the Council as 60% is transferred to the Government ((50%) and Derbyshire County Council (10%) under the national distribution system for local government finance.
- 3.40 The income position become more complicated in 2020/2021 as most authorities saw a reduction in income which was supported by the Government in the form of grants and relief to businesses.
- 3.41 Any deficits incurred can be written-off over 3 years. The effect on the General Fund can vary between years. This is also affected by the Council being part of the Derbyshire Business Rates Pool, which is administered by Derby City Council, although this tends to be favourable.
- 3.42 Income transferred to the General Fund in 2021/22 was approximately £3.9 million as shown in the above table. This compared to a Budget of £3.7 million. Although this was favourable, this needs to be balanced against the overall performance of the Collection Fund and how this could play out in future years.
- 3.43 In the Fund itself, there was a deficit, as expected, in 2021/22 which was covered by the earmarked Government S31 Relief Grant received in 2020/21. At the end of 2020/21, approximately £3.2 million was earmarked to cover the anticipated deficit on Business Rates during Covid, with the Deficit being written off over the three years 2020/21, 2021/22 and 2022/23.
- 3.44 Following a drawdown in 2021/22, the balance of the earmarked reserve at the year-end 2021/22 was approximately £1.1 million.

Transfers between Reserves

- 3.45 Numerous transfers are required between the General Reserve and other Reserves held by the Council as part of the year-end process. These transfers are split between expenditure that is incurred and financed from earmarked reserves, together with amounts received in advance and capital receipts, which need to be transferred into earmarked reserves to meet future expenditure.
- 3.46 In addition, certain budget managers have made requests to transfer underspends from budgets in the year into 2022/23, to meet on-going commitments. Several of these have already been approved by the Committee. All proposed transfers are detailed in the following table.

Transfers between General Reserve and Other Reserves 2021/22

Transfers from General Reserve to other Usable Reserves	£'000
S106 movement in year	3,927
S31 Compensation Fund	1,672
Public Buildings Planned Maintenance and Asset Renewal	358
Planning Reserve contribution	366

Growth	243
Recycling Provision	200
Pension Reserve	134
New Burdens – Covid 19	131
Health Partnership contribution	120
Covid - Income Fee Charges	93
Welfare Reform, Fraud and Compliance	80
Homelessness Prevention	74
Rosliston Capital Contribution	42
ICT Strategy Contribution	41
Finance Staffing and Resource	40
Discretionary Housing Top Up	40
Get Active in the Forest contribution	36
Land Charges Software Support	35
Local Plan	30
Safer Communities	27
Youth Engagement Contribution	25
Rosliston Forestry Centre Café	16
Shop Fronts Contribution	15
TIC Provision for Town Centre Unit	22
Pressure Washer for Shelter Maintenance	10
Planning Policy S106 Fee - new reserve	8
Corporate Training	5
	7,790

Transfers from Usable Reserves to General Fund

£'000

NNDR Relief for Future Year Deficit	-2,120
Commuted Sums Drawdown	-137
Cultural Service Restructure Provision - previously approved	-55
Vehicle Replacement Fund	-30
Economic Regeneration Drawdown	-37
Planning Reserve Drawdown	-28
Dilapidation Deposit	-9
Environmental Education	-7
Flood Recovery	-7
	-2,430
	5,360

Accounting Adjustments between General and other Reserves

Transfer of pension deficit adjustments to Pension Reserve	-2,858
Accounting Adjustments transferred to Unusable Reserves	-22
Transfer of land sales to Capital Receipts and Deferred Capital Receipts Reserve	529
	-2,351

TOTAL ADJUSTMENTS

3,009

3.47 **Appendix 3** details the proposed adjustments to Earmarked Reserves. The overall effect on the General Reserve following the surplus on the General Fund, together with these transfers to other Reserves is detailed in **Section 5**.

COVID-19 PANDEMIC

3.48 At the start of the Pandemic, the Government issued a variety of grant funding to support local authorities with losses in income and additional expenditure. The Council had approximately £671k available in 2021/22 and the following table details how this was utilised. ***(It should be noted that this income and expenditure is in addition to that detailed previously in the General Fund analysis).***

COVID Spending	
	£
Bought Forward 2020/21	-181,218
Grant Payment Q1	-490,231
Total Funding	-671,449
Discretionary Housing Additional Funds	40,000
Discretionary Grant Awards (funds committed)	84,300
Total Funding to Spend	-547,149
Agency	67,503
ICT and Home Working	43,266
Bank Charges	4,668
Recycling Costs	-11,257
Casual Wages & Overtime	55,708
Committee Sound System and Chairs	25,078
Active Nation Room Hire for Committees	14,137
Kennelling Costs	35,814
PPE & Other Safety Equipment	9,964
Market Safety Measures	3,140
Cleaning of Public Buildings	11,374
Ventilation in Council Chamber	18,656
Audit Fees	12,941
Kiosk Corridor Changes	2,874
Car Parking Deficit	7,222
Active Nation Management Fee	4,719
Integrated Communication Services	3,394
Teams Room IT Kit	2,254
Printing of Leaflets/Notices	719
New Software for Grant Administration	995
Vehicle Hire	9,219
Leisure Income Losses	66,386
Licensing Income Losses	23,122
Cultural Income Losses	27,105
Total Spending to 31st March 2022	439,001
Remaining Funding	<u>-108,148</u>

3.49 The figures above are all actuals incurred. The balance of £108,148 has been earmarked awaiting feedback from the Government on the final return submitted.

THE COLLECTION FUND

- 3.50 The Collection Fund is the statutory account that records the collection of Council Tax and Business Rates and shows how that income has been distributed to the Government and other Preceptors on the Fund, including this Council.
- 3.51 The final outturn on the Fund for 2021/22 is detailed in **Appendix 2**.

Council Tax

- 3.52 Overall collection generated a surplus in the year of approximately £1.6 million. This increased the cumulative fund balance to just over £3 million as at 31 March 2022 and was due to higher growth in properties, together with a decrease in the bad debt provision.
- 3.53 The amount due to South Derbyshire is approximately £300k (*10% of £3 million*). This amount remains in the Collection Fund pending the 2022/23 budget round, when the surplus on the Fund has to be declared in setting the Council Tax for the following year.
- 3.54 Depending on the on-going performance of Council Tax, at this point any surplus due to the General Fund will be included in the MTFP. At this stage, it is not expected that the Fund will fall into deficit given the current positive balance and continuing growth, but this will be kept under review.

Business Rates

- 3.55 As highlighted earlier in the report, this part of the Fund generated a deficit in 2021/22 of £1,043k (the Council's share). However, the overall Deficit on the Fund was effectively halved as detailed earlier in the Report and Appendix 2.
- 3.56 The Deficit on the Fund as at 31 March 2022 was approximately £4.8 million, although the Council does have earmarked funds to meet this deficit.

Business Rates Appeals

- 3.57 Under accounting regulations, the Council must provide against a certain number of appeals being successful.
- 3.58 During 2021/22, there was a decrease in businesses appealing against their valuation or in appeals being unsuccessful.
- 3.59 The provision for appeals bought forward from 2020/21 was £2.54 million. This was decreased to £1.83 million after a review of the movement of outstanding appeals on file. The reduction of just over £700k benefits the overall Collection Fund as shown in Appendix 2.

4.0 HOUSING REVENUE ACCOUNT (HRA)

4.1 The Council is required to account separately for income and expenditure in providing Council Housing. The approved HRA Budget for 2021/22 was set with a deficit of approximately £1.7 million.

Final Outturn 2021/22

4.2 Final performance on the HRA is shown in the following table.

HRA VARIANCE TO BUDGET March 2022			
Summary HRA 2021/22	BUDGET	PROJECTED ACTUAL	PROJECTED VARIANCE
	£000	£000	£000
Total Income	-12,819	-12,739	-80
Contribution to Capital & New Build	2,783	2,933	-150
Responsive & Planned Maintenance	3,381	3,878	-497
Interest Payable and Receivable	1,738	1,437	301
Supervision & Management	1,848	1,940	-92
Supported Housing & Careline Services	951	922	29
Provision for Bad Debts	125	55	70
Provision for Debt Repayment	3,594	3,594	0
Asset Replacement Contribution	45	45	0
Software Upgrade	30	30	0
Pay Award	27	29	-2
Surplus	1,703	2,124	-421

4.3 The table shows that the HRA generated a higher-than-expected deficit of approximately £2.1 million. As reported to the Committee in March 2022, this was mainly due to an increase in repairs and reduced rents, associated with void properties

Analysis of Variances

4.4 Interest on debt was lower due to the interest rate on the variable element of the debt portfolio (£10m) having been settled at 0.35% compared to that budgeted of 2.50%. Interest received from investments was also significantly higher than budgeted due to the Council having more HRA funds on deposit than in previous years as noted earlier in the report.

4.5 The main favourable variances related to Supported Housing and Careline Services. There were savings made in year on vacancies, plus an increase in income received.

4.6 Repairs and maintenance costs increased as the volume of void properties grew throughout the year. This resulted in additional pressure on responsive repairs to restore void dwellings to a lettable standard. In addition, certain tree works required immediate remediation placing further pressure on existing budgets resulting in an overspend, compared to the Budget, in 2021/22.

4.7 Capital expenditure in year was higher than budgeted with an additional £150k being spent on properties. The contribution to capital from revenue resources is a statutory requirement through a depreciation charge.

- 4.8 Rental income was lower in year due to void properties. Right to Buy losses were higher than budgeted in year which also contributed to the reduction in income. Right to Buy continues to be a significant risk to the HRA as sales have once again increased post Covid.
- 4.9 However, it is anticipated that void losses will reduce in 2022/23 as turnaround of dwellings improves.
- 4.10 As noted earlier in the report, the recharge from the General Fund to the HRA was lower by £51k in year, due to lower costs in Support Services.
- 4.11 The provision for bad debts is based on the level of rent arrears at each year-end. The level of arrears and associated bad debts provision is shown in the following tables.

	2020	2021	2022
Amount of Arrears	£	£	£
Leaseholders	3,804	615	615
Current Tenants	435,928	459,228	478,689
Former Tenants	114,849	118,271	155,127
	554,581	578,114	634,431

- 4.12 The level of arrears increased by approximately £56k in 2021/22. Following a review of the Bad Debt Provision, this required an increase from £423k to £456k, an increase of £54k after allowing for write-offs as shown in the table below. However, this increase was less than the budgeted increase of £125k.

	£
Bad Debt Provision B/fwd	423,086
Less write-offs	-20,687
Remaining Provision	402,399
Provision Required	456,783
Top up	54,384

- 4.13 Universal credit continues to have an impact on arrears and Housing Officers are working closely with affected tenants and monitoring the arrears position closely.
- 4.14 Overall, the effect of the HRA deficit on the HRA's General Reserve is detailed in **Section 5**.

5.0 RESERVES

General Fund Reserve

- 5.1 Following the out-turn figures detailed in *Section 3*, the position on the General Fund Reserve Balance is summarised in the following table.

General Fund Reserve	Budget £'000	Actual £'000	Variance £'000
Balance b/fwd 1st April 2021	-13,193	-13,193	0
Add: Deficit / (Surplus) for the Year	741	-284	-1,025
Add: Asset Replacement and Renewal Fund Contribution	358	358	0
Add: ICT and Digital Strategy Contribution	166	166	0
Add: Funding for Capital Projects	525	166	-359

Add: Accumulated Absences Adjustment	0	17	17
Transfer to Earmarked, Capital and Unusable Reserves	0	-22	-22
Closing Balance as at 31st March 2022	-11,402	-12,792	-1,390

- 5.2 The table shows that the level of general reserves was greater than estimated at March 2022 by approximately £1.4m, after allowing for the transfers in reserves of £22k as detailed in Section 3 of the report.
- 5.3 This improved position is due to a better out turn as detailed in Section 3 plus a lower capital contribution of £359k.
- 5.4 The contributions towards capital works that were unspent in year will be maintained in the Reserve. They will be drawn down as expenditure is incurred to complete the relevant schemes in 2022/23.
- 5.5 The effect of the 2021/22 out-turn on the longer-term General Fund Balance, will be reported to the Committee at its meeting on 25 August 2022. The above balance is still subject to Audit.

Earmarked Reserves

- 5.6 The Council maintains earmarked reserves that are held, at the Council's discretion, for specific purposes. These are to meet one-off items of expenditure, together with areas where costs are incurred over several years, for example, vehicle and ICT replacements together with repairs and maintenance and where external funding may be received in advance of expenditure.
- 5.7 Annual contributions are made to these reserves from other accounts and reserves, and they are drawn down to finance expenditure in revenue and capital accounts as required.
- 5.8 Once established, earmarked reserves can only be used for that specific purpose. Other reserves may be established through a legal agreement or contractual commitment.
- 5.9 The Council's earmarked reserves are detailed in **Appendix 3**. This shows the overall change on individual balances during 2021/22, including the appropriations detailed earlier in the report in Section 3.

Housing Revenue Account (HRA) Reserve

- 5.10 Section 4 detailed the final account of the HRA, and this highlighted a deficit for 2021/22 of approximately £2.1 million.
- 5.11 The HRA reserve balance totals approximately £6.3m as at 31 March 2022 which is less than expected in the HRA's MTFP, although well above the minimum level of £1 million. The reserve balance is shown in the following table.

HRA General Reserve	Budget £'000	Actual £'000	Variance £'000
Balance b/fwd 1st April 2021	-8,432	-8,432	0
Add: Deficit for year	1,703	2,124	-421
Closing Balance as at 31st March 2022	6,714	-6,308	421

6.0 Financial Implications

6.1 As set out and detailed in the report.

7.0 Corporate Implications

7.1 As detailed in the report.

8.0 Community Implications

8.1 The production of financial information in a timely manner is an important part of stewardship and accountability for public resources. It aims to give electors, those subject to locally levied taxes and charges, Elected Members of the Council, employees and other interested parties clearer information about the Council's finances and its financial standing.

9.0 Background Papers

9.1 None.

GENERAL FUND OUTTURN 2021/22 - APPENDIX 1

Cost Centre	Budget	Actual	Accounting Adjustments	General Fund Impact	Comments
	£	£	£	£	
Tourism Policy, Marketing & Development	67,746	71,053	-3,307	-0	Fav pay £3k, rent/rates/utilities £5.8k, £1.2k cleaning; Adv £5.1k repair works, £5.2k architect fees/planning for fronts, £3k IT kit
Promotion and Marketing of the Area	276,195	235,229	40,966	-0	Fav pay £49k, materials £16.5k, printing £9k, £1.3k computing, £5.3k grants; Adv agency £36k contributions £2k, professional fees £1k
Community Development	10,000	4,500	5,500	0	
Food Safety	70,486	49,609		20,877	Fav pay £10k, prof fees £8k, fees £7.5k; adv agency £3k
Pollution Reduction	415,562	349,174		66,388	Fav pay £60k, consultancy income £16k; adv £7k prof fees
Pest Control	16,081	13,769		2,312	Fav pay £6k; adv Fee income £5k
Public Health	0	-34		34	
Public Conveniences	30,367	27,576	-10,800	13,591	Fav business rates £13.5k; Adv £10.8k depn
Community Safety (Safety Services)	175,346	225,924		-50,579	Fav 8.6k fees, £2k tools and equipment; Adv pay £11k, £49.6k kennelling fees
Environmental Education	97,876	104,669	-6,793	-0	Fav pay, adv grants
Welfare Services	1,800	0		1,800	
Environmental Maintenance (Other Roads)	-70,557	-70,557		0	
Public Transport	29,001	18,611	10,000	390	£10k fav - no contract cleaning of bus shelters
Off-Street Parking	103,357	124,041	-28,040	7,356	Fav business rates £5.1k, professional fees £3.8k Utilities £1.5k depreciation £1k; Impairment £29k
Local Land Charges	-2,685	81,489		-84,174	Fav pay £61k, fee income £5k, professional fees £8.8k; adv Lichfield support £155k, software licence £5k
Licensing	7,676	4,894		2,782	Fav pay £13.8k, training £4k, CRB checks £2.5k, Materials £3k, advertising £2k, Professional fees £3k, £5k new burdens; adv agency £24k, fee income £8k
Emergency Planning and Works	16,000	19,956		-3,956	adv £4k Emergency works fire in Hilton
Building Regulations	35,200	35,200		0	
Dealing with Development Control Applications	291,648	355	291,000	293	Fav Sal £109k, Training £6k, Planning appeals £23k fee income £440k (20% fee to be earmarked) ; adv agency £204k, staff advertising £6.6k, non staff advertising £3.5k increased applications, Prof fees £13.5k
Structure and Local Planning	316,985	223,454	30,000	63,531	Fav Sal £35k, Prof fees £35k, grants £20k (none paid and income from Neighbourhood planning)
Street Name & Numbering	-7,136	-15,803		8,667	Fav fees £8.7k
Grounds Maintenance	664,857	573,302	-18,000	109,555	Fav pay £80k, materials £10k, recharges £21k; Adv £18k depn

Countryside Recreation & Management	0	0		0	
Street Cleansing (not chargeable to highways)	546,459	459,592	13,904	72,963	Fav pay £129k materials £7k prof fees £2k, depn £14k; adv agency £53k, gully hire £16k
Household Waste Collection	1,759,832	1,639,997	178,000	-58,165	Fav pay £19k, DCC contribution £15k, extra collections £31k, waste services £68k depn £178k; adv agency £94k, vehicle hire £97k, bins and sacks £4k
Trade Waste Collection	-99,563	-111,837		12,274	Fav fee income £54k; adv disposal costs £24k, bins & sacks £4k
Recycling	417,249	216,567	200,000	682	Fav DCC contribution £137k, pay £420k, £360k recycling income, £225k waste management, £97k vehicle hire, £16k insurance claim; adv agency £606k, vehicle parking £10.5k, legal support tender £5.5k, postcards £6.5k
Direct Services Central Admin	351,660	296,587		55,073	Fav pay £152k; adv agency £98k, subscriptions £1k
Transport Services	762,311	931,151.71	5,898	-174,739	Fav pay £17k, depn £6k; adv agency £25k, fuel £42k, spare parts £98k, insurance £10k, materials £7k, oil £7k

Environmental and Development Total

6,283,752 5,508,469 708,328 66,954

General Grants, Bequests & Donations	306,247	292,648		13,599	Fav pay £11k, grants £3k
Community Centres	212,861	239,602	-49,912	23,171	Fav pay £29k, £10k furniture repairs fees £3k, depn £5k; adv agency £16k, redundancy £55k
Community Safety (Crime Reduction)	131,838	104,939	26,899	0	Savings due to liberation day cancellation and salary savings due to vacant post
Defences Against Flooding	56,770	63,969	-7,199	-0	Adv flooding works across district
Market Undertakings	878	1,592		-715	Adv trade waste
Village Halls	-0	0		-0	
Arts Development & Support	15,040	5,636		9,404	Fav prof fees £11k; adv fees £2k
Events Management	116,899	114,052		2,847	Fav salaries £4k, events £13k; adv fees £14k
Midway Community Centre	13,066	29,816	-21,000	4,250	Fav fee income £5k, tools & equipment £1.5k; adv utilities £3.2k, depn £21k
Stenson Fields Community Centre	9,216	1,318		7,898	Fav fee income £3.5k, business rates £2k, cleaning materials £1k, licences £1k, printing £1k
Melbourne Assembly Rooms	-1,668	18,220	-21,000	1,112	Fav reval gain £8k; adv depn £28k
Get Active in the Forest	31,708	-4,495	36,203	0	Fav pay £18.5k, income £13k, service delivery £7.5k; Adv fees £3k
Sports Development & Community Recreation	173,605	170,149	3,456	0	Fav salaries due to vacancy
Indoor Sports & Recreation Facilities	537,233	515,363	-1,419	23,289	Fav revaluation gain £25k, utilities £19.5, repairs £8k; adv £26k depreciation, £2.7k professional fees, £2.4k contributions
Outdoor Sports & Recreation Facilities (SSP)	1,409	-118,735	120,145	-0	Fav affiliations and grant funding; adv wages

Play schemes	20,163	-893	21,056	0	Fav salaries playschemes were not delivered all year
Allotments	-1,091	-2,090		999	Fav Grounds Maint £1k
Rosliston Forestry Centre	264,574	166,190	73,500	24,884	Fav pay £40k, R&M £42k, Stock £6k, Fees £6k, Insurance claims £5k, Professional £8k, Bank Charges £2k, reval gain £38k; adv agency £12k, FE contribution £14k, water £15k, depn £6.5k
Cemeteries	19,482	4,583		14,900	Fav fees £15.5k
Closed Churchyards	7,241	18,316		-11,075	Adv reactive tree works
Parks and Open Spaces	306,603	420,391	-113,788	0	Fav pay £77.5k; adv agency £92k, tree works £41k, £15k park repairs, tree consultant £22k, depn £19.5k
Housing Standards	94,389	88,726		5,664	Fav fixed penalties £7k; adv staff advertising £2k
Housing Strategy	99,040	89,031		10,009	Fav pay £3k, Training £4k, Prof fees £2.5K
Administration of Renovation & Improvement Grants	51,811	46,788		5,024	Fav pay £1.5k, Training £1k, Computing £1k, recharges £1.4k
Bed / Breakfast Accomodation	6,500	-221	6,721	0	Fav fees £17.7k; adv £5.6k accommodation, £5.8k recharges
Pre-tenancy Services	193,696	169,020	24,676	-0	Fav Sal £27k, Training £4k, Income £240, Adv Agency £117k, Prof Fees £20k
Other Housing Support Costs (GF)	34,127	46,326		-12,199	Sals £4K Fav income £3.8k (based on estimate) Adv comp maintenance crossover in charges for upgrade £19k

Housing and Community Services

2,701,639	2,480,239	98,338	123,062
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Business Change	99,620	86,456		13,164	Fav pay £8k, training £4k, computing £5k, recharge £4k; adv agency £6k, £2.5k advertising
Digital Services	155,515	149,790		5,725	Fav printing £10k, prof services £3.8k Training £2.5k; Adv pay £3k, advertising £1k, recharge £2.8k
Caretaking	138,117	113,503		24,614	Fav pay £19.5k, cleaning materials £7.5k, svs charges £10k; Adv agency £1.7k, car allowance £2.9k, recharges £8k
Senior Management	453,354	463,064		-9,710	Fav £2k Training, Fav car allowances £2k £1k subscriptions (newspapers), recharges £3.5k; Adv HoS recruitment £17k,
Financial Services	392,883	342,930	40,000	9,953	Fav prof fees £71k, training £13k, £6k computing fees; adv pay £13k, recharges £6k, Subs £2k
Internal Audit	109,307	84,643		24,664	Fav £36k professional fees (CMAP rebate); Adv £11.6k recharges
Merchant Banking Services	61,200	66,283		-5,083	Fav £1.9k recharges, Adv increased banking transactions £7k
ICT Support	739,317	726,305	-12,600	25,613	Fav pay £8k, prof fees £36.5k, computing £14k; Adv Licences £8k, phones £6.5k, depn £12.4k, recharges £18.3k
Legal Services	268,602	230,213	35,000	3,388	Fav pay £72k, fees £6k, training £2.3k; adv agency £14.3k, recruitment £5k, advertising £4.5k, professional fees £9.8k, recharges £9k
Performance & Policy	37,253	36,424		830	Fav training £1k
Personnel/HR	366,392	366,044	4,600	-4,252	Fav pay £21.8k, training £5k, fees £5k, gratuities £1.6k; adv computing £6.2k, medical fees £14.7k, prof fees £7.6k, general licences £5k

Communications	76,915	74,476	-6,000	8,439	Fav pay £12.3k; Adv prof fees £9.3k
Customer Services	497,452	512,582	-20,254	5,124	Fav Pay £11k, stationery £8k, recharges £3.5k ; Adv agency £6k, tools and equipment £4k, computing £16k, postages £14k, professional fees £4.4k
Health & Safety	48,664	43,612		5,052	Fav pay £5.8k, tools and equip £4, training £1k; Adv prof fees £4.8k, recharges £1k
Admin Offices & Depot	656,500	656,132	10,200	-9,832	Fav pay £10.4k, business rates £7.5k, training £1.2k depn £15.8k; Adv repairs £10.7k, utilities £5.5k, impairment loss £5.6k, recharges £9k
Protective Clothing	37,819	30,620		7,199	Fav £7k
Procurement	12,149	12,134		14	
Democratic Representation & Management	86,669	63,253		23,417	Fav pay £34.1k, subscriptions £2.6k Training £1k; Adv Agency £7K, Cllr investigations £4.6k
Corporate Management	64,458	64,813		-355	Fav £12.5 risk management ; adv £12k PWC vision reform
Corporate Finance Management	37,437	19,143	16,629	1,665	Fav £7k PSAA audit rebate & £16k Edgington Turnover Rent; adv £4k recharges
Elected Members	347,401	324,966		22,435	Fav allows £9.1k, mileage £3k, training £5.7k, Tools & Equip £4k, advertising £2.3k,
Registration of Electors	56,531	25,928		30,603	Fav canvas saving
Conducting Elections	173,267	128,026		45,240	Fav grant income for covid safety £31k, District Elections fav; adv costs of safety measures £3.5k
Funded Pension Schemes	280,072	146,560	133,512	0	Fav enhanced pension
Increase/Decrease in Provision for Bad or Doubtful Debts (GF)	175,000	50,453		124,547	
Planning Agreements	0	-3,920,158	3,920,158	0	S106
Parish Councils	425,801	424,371		1,431	
Interest & Investment Income (GF)	-147,585	-134,189		-13,397	
IAS19 Pensions Adjustment (GF)	0	2,858,167	-2,858,167	-0	
External Interest Payable (GF)	500	56		444	
Estate Management	-265,118	-551,339	247,000	39,221	Fav sals £8k, rent £45k, Prof fees £1.5k, reval & impairment gain £247k; Adv rates/utilities £9.5k, recharges £8k
Council Tax Collection	120,045	8,234		111,812	Fav sals £9k, £61.5k Fav Court Fees, Professional Fees £30.5k, £10k discretionary benefits
Non Domestic Rates Collection	-84,500	-109,616	21,500	3,616	Fav prof fees £3k, £21.5k New burdens rate collection allowances £2k; Adv court fees £3k
Revenues & Benefits Support & Management	139,475	91,510	47,000	965	Fav administration grant (subsidy & Council Tax),
Rent Allowances Paid	53,047	100,660		-47,613	Fav OP £97k, grants £643k; Adv allowances £786k
Net cost of Rent Rebates Paid	81,999	67,396		14,603	Fav £396k grants; Adv £381k rebates
Corporate Fraud	45,474	55,545	-10,071	-0	Adv Counter Fraud services, Fraud partnership software
Housing Benefits Administration	330,579	269,406	42,000	19,173	Fav pay £37k, Grant funding £42k; Adv professional fees £13k
Concessionary Fares	0	-10,176		10,176	Fav contributions from DCC

6,071,611 3,968,220 ~~1,610,507~~ 492,884

Taxation & non specific grant income (GF)	-13,533,855	-16,812,558	2,903,135	375,568	fav £170K Business rates retention, £444k TIC, £2884k S31 Additional Income; adv £1656k S31 Repayment (earmarked)
Contingent Sums (GF)	-1,036,486	-1,399,146	207,007	155,653	Accounting adjustments MRP, VRP - carry over £161K Contingent Sums
Other Operating Income & Expenditure (GF)	43,627	450,679	522,836	-929,887	Parish Precepts
	-14,526,714	-17,761,024	3,632,978	-398,666	
GENERAL FUND DEFICIT/SURPLUS	530,288	5,804,096	6,050,151	284,234	

Collection Fund Account 2021/22

	Actual 2020/21	Estimate 2021/22	Actual 2021/22	Variance 2021/22
	£'000	£'000	£'000	£'000
COUNCIL TAX - INCOME & EXPENDITURE				
Council Tax collectable	65,215	68,476	69,412	936
County Council Precept	-46,517	-48,709	-48,709	0
Police and Crime Commissioner Precept	-7,812	-8,509	-8,509	0
Fire and Rescue Authority Precept	-2,680	-2,792	-2,792	0
SDDC Precept	-5,704	-5,915	-5,915	0
SDDC Parish Precepts	-848	-929	-929	0
Bad Debt Provision Movement	-1547	-1370	-933	437

Surplus for the year	107	252	1,625	1,373
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COUNCIL TAX BALANCE				
Opening balance as at 1st April	3,310	2,617	2,617	0
Surplus paid to County Council	-587	-881	-881	0
Surplus paid to Police and Crime Commissioner	-96	-144	-144	0
Surplus paid to Fire and Rescue Authority	-34	-51	-51	0
Surplus paid to SDDC	-83	-124	-124	0
Surplus for the year (as detailed above)	107	252	1625	1,373

Closing balance as at 31st March	2,617	1,669	3,042	1,373
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BUSINESS RATES - INCOME & EXPENDITURE				
NNDR collectable	19,572	28,308	24,474	-3,834
Central Government Precept	-13,862	-13,927	-13,927	0
SDDC Precept	-11,089	-11,141	-11,141	0
County Council Precept	-2,495	-2,507	-2,507	0
Fire and Rescue Authority Precept	-277	-279	-279	0
Cost of Collection	-91	-94	-94	0
Transitional Protection Payments	341	289	263	-26
Bad Debt Provision Movement	-589	-199	-107	92
Provision for Appeals	-799	-450	708	1,158

Surplus / Deficit (-) for the year	-9,289	0	-2,610	-2,610
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BUSINESS RATES BALANCE				
Opening balance as at 1st April	1,155	-8,157	-8,157	0
Deficit paid by Central Government	36	2,952	2,952	0
Surplus paid to County Council	-40	531	531	0
Surplus paid to Fire and Rescue Authority	0	59	59	0
Surplus paid to SDDC	-20	2,361	2,361	0
Deficit for the year (as detailed above)	-9,289	0	-2,610	-2,610

Closing balance as at 31st March	-8,158	-2,254	-4,864	-2,610
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List of Specific/Earmarked Reserves 2021/22	Balance b/fwd April 2021	Movement 21/22	Balance c/fwd March 2022
Homelessness Prevention	-344,144	-74,656	-418,800
Schools Sport Partnership Project	-268,558	-120,145	-388,703
IT Reserve	-574,664	-40,913	-615,577
Local Plan - Consultation and Implementation	-186,193	-30,000	-216,193
Vehicle Plant & Asset replacement fund	-1,032,374	-30,000	-1,062,374
Environmental Education	-23,932	6,793	-17,139
Dilapidation Works - Factory Site	-9,234	9,234	0
Building Control Transition	-13,709	0	-13,709
Rosliston Forestry Centre Café	-40,573	-16,629	-57,202
Rosliston Capital Reserve	-175,444	-42,000	-217,444
New Town Centre Grant - Non-Heritage	-43,717	0	-43,717
District Conservation Works	-10,000	0	-10,000
TIC Transfer Provision	-30,293	-22,152	-52,445
Planning staffing and support costs	-92,776	-279,784	-372,560
EU Exit Funding	-52,452	0	-52,452
Pensions reserve	-91,494	-133,512	-225,006
Corporate Training	-71,585	-4,600	-76,185
Welfare Reform, Fraud & Compliance	-326,761	-80,175	-406,936
District Growth	-913,354	56,726	-856,628
Recycling Service Provision	0	-500,000	-500,000
HRA Asset Replacement	-109,722	-45,000	-154,722
Public Buildings Maintenance	-199,112	0	-199,112
Planning 20% fee increase	-90,598	-58,200	-148,798
Software upgrades to GIS/LLPG	-9,000	0	-9,000
Cultural Services Public Open Spaces	-407,470	137,037	-270,433
Operational Services Public Open Spaces	-154,740	0	-154,740
HRA ICT Mobile Working	-291,521	0	-291,521
Parks Improvement Fund	-16,071	0	-16,071
Finance staffing and resource costs	-50,000	-40,000	-90,000
S106 Planning Policy Fee	-5,000	-8,100	-13,100
Council Tax Support Scheme - Hardship Fund	-99,093	47,506	-51,587
Biodiversity	-157,638	0	-157,638
Flooding - Community Recovery Fund	-91,500	7,199	-84,301
Economic Regeneration Fund	-931,519	36,562	-894,957
Cultural Services Restructure Provision	-69,101	55,108	-13,993
New Burdens - COVID-19 Support	-349,300	-131,000	-480,300
Local Authority Support COVID-19	-181,218	351	-180,867
NNDR Relief Overpayment Provision	-3,263,164	2,120,155	-1,143,009
Land Charges Software Support	-35,000	-35,000	-70,000
Asset Replacement and Renewal Fund	-284,316	-88,000	-372,316
Business Change and Transformation	-52,000	0	-52,000
Shop Fronts Contribution	0	-15,507	-15,507
Pressure Washer for Shelter Maintenance	0	-10,000	-10,000
Covid - Income Fee Charges	0	-92,803	-92,803
Discretionary Housing Top Up	0	-40,000	-40,000
S31 Compensation Fund	0	-1,672,065	-1,672,065
Swadlincote Woodlands S106	-39,949		-39,949
South Derbyshire Partnership Reserve	-4,617	-55,000	-59,617
Community Safety & Crime Reduction	-373,565	-26,899	-400,464
Young Peoples Cultural Partnership/Art Development	-7,306		-7,306
Youth Engagement Partnership	-598,267	-24,512	-622,779

Get Active in the Forest Partnership	-92,186	-36,203	-128,389
Maurice Lea NHLF Grant	-23,012		-23,012
Tetron Pint Storm Water Basin - S106 UK Coal	-53,012		-53,012
Public Open Space - Commuted Sum	-471,695	15,000	-456,695
Total	-12,811,677	-1,261,184	-14,072,861
Section 106 - Earmarked Funds	-10,369,743	-3,927,058	-14,296,801
TOTAL EARMARKED/SPECIFIC RESERVES	-23,181,420	-5,188,242	-28,369,662

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL)	AGENDA ITEM: 7
DATE OF MEETING:	21 July 2022	CATEGORY: RECOMMENDED
REPORT FROM:	HEAD OF FINANCE	OPEN
MEMBERS' CONTACT POINT:	CHARLOTTE JACKSON Charlotte.jackson@southderbyshire.gov.uk	DOC: S:\Finance\COMMITTEE\2021-22\July\TM
SUBJECT:	TREASURY MANAGEMENT ANNUAL REPORT 2021-22	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

- 1.1 The Treasury Management Annual Report for 2021/22 (Appendix 1) is approved.
- 1.2 The Prudential Indicators and Limits for 2021/22 to 2026/27(Appendix 2) as approved in February 2022 are noted.
- 1.3 The updated counterparty (lending) list as at 31st March 2022 (Appendix 3) is approved.

2.0 Purpose of the Report

- 2.1 To detail the Council's Treasury Management activities for 2021/22 as set out in the Annual Report.
- 2.2 In addition, the report also confirms the Prudential Indicators for treasury operations for 21/22 and the medium-term financial planning period, 2021/22 to 2026/27. This is in accordance with the requirements of the Local Government Act 2003, updated for provisions contained in the Localism Act 2011.

3.0 Summary

The Prudential System for Capital Finance

- 3.1 The Council is required to manage its treasury and capital expenditure activities under a National Code. The main aims of the National Prudential System are to ensure that:

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- Capital investment plans of local authorities are affordable and sustainable.

- Treasury management decisions are taken in accordance with best professional practice.
- Financial planning and asset management are integrated into the Council's overall corporate planning arrangements.

3.2 Treasury operations are measured within a set of prudential indicators. The main purpose of these indicators is to provide the limits and benchmarks to control the level of capital expenditure, borrowing and investment. The Council is expected to operate comfortably within these limits.

3.3 The Prudential System allows councils the freedom to borrow on a prudential basis. Any new borrowing has to be accommodated within any maximum debt limits or caps set by Central Government and the Council has to demonstrate that it can afford to service and repay the debt within its financial plans.

3.4 The Chartered Institute of Public Finance (CIPFA) published new versions of its Treasury Management in the Public Services: Code of Practice and Cross-sectoral Guidance Notes (TM Code) and The Prudential Code for Capital Finance in Local Authorities (Prudential Code) in late December 2017. This applied from April 2018 and will inform the strategy for 2019/20 onwards.

The Treasury Management Strategy

3.5 The Strategy aims to provide transparency for treasury decisions including the use of counterparties, together with assessing how risk is managed on a day-to-day basis.

Prudential Indicators

3.6 The relevant indicators required under the regulations are detailed in the statement.

4.0 Financial Implications

4.1 As detailed in the report.

5.0 Corporate Implications

5.1 None directly

6.0 Community Implications

6.1 None directly

7.0 Background Papers

7.1 Treasury Management in Public Services and the Code of Practice (CIPFA Publication – November 2011)

7.2 Local Government Act 2003 (Part 1)

7.3 Localism Act 2011 – Part 7 Chapter 3



**South
Derbyshire
District Council**

Treasury Management Annual Report 21/22

Introduction

The Authority has adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Authority to approve treasury management semi-annual and annual reports.

The Authority's treasury management strategy for 2021/22 was approved at a meeting of the Authority on 24th February 2021. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Authority's treasury management strategy.

The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Authority's Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 18th March 2021.

The detail that follows is in accordance with the CIPFA Code and is written with support from the Council's Treasury Advisor, Arlingclose.

External Context

Economic background: The continuing economic recovery from coronavirus pandemic, together with the war in Ukraine, higher inflation, and higher interest rates were major issues over the period.

The Bank of England (BoE) increased Bank Rate was 0.1% at the beginning of the reporting period. April and May saw the economy gathering momentum as the shackles of the pandemic restrictions were eased. Despite the improving outlook, market expectations were that the Bank of England would delay rate rises until 2022. Rising, persistent inflation changed that.

UK CPI was 0.7% in March 2021 but thereafter began to steadily increase. Initially driven by energy price effects and by inflation in sectors such as retail and hospitality which were re-opening after the pandemic lockdowns, inflation then was believed to be temporary. Thereafter price rises slowly became more widespread, as a combination of rising global costs and strong demand was exacerbated by supply shortages and transport dislocations. The surge in wholesale gas and electricity prices led to elevated inflation expectations. CPI for February 2022 registered 6.2% year on year, up from 5.5% in the previous month and the highest reading in the National Statistic series. Core inflation, which excludes the more volatile components, rose to 5.2% y/y from 4.4%.

The government's jobs furlough scheme insulated the labour market from the worst effects of the pandemic. The labour market began to tighten and demand for workers grew strongly as employers found it increasingly difficult to find workers to fill vacant jobs. Having peaked at 5.2% in December 2020, unemployment continued to fall and the most recent labour market data for the three months to January 2022 showed the unemployment rate at 3.9% while the employment rate rose to 75.6%. Headline 3-month average annual growth rate for wages were 4.8% for total pay and 3.8% for regular pay. In real terms, after adjusting for inflation, total pay growth was up 0.1% while regular pay fell by 1.0%.

With the fading of lockdown – and, briefly, the 'pingdemic' – restraints, activity in consumer-facing sectors improved substantially as did sectors such as oil and mining with the reopening of oil rigs but materials shortages and the reduction in the real spending power of households and businesses dampened some of

the growth momentum. Gross domestic product (GDP) grew by an upwardly revised 1.3% in the fourth calendar quarter of 2021 according to the final estimate (initial estimate 1.0%) and took UK GDP to just 0.1% below where it was before the pandemic. The annual growth rate was revised down slightly to 7.4% (from 7.5%) following a revised 9.3% fall in 2020.

Having increased Bank Rate from 0.10% to 0.25% in December, the Bank of England hiked it further to 0.50% in February and 0.75% in March. At the meeting in February, the Monetary Policy Committee (MPC) voted unanimously to start reducing the stock of its asset purchase scheme by ceasing to reinvest the proceeds from maturing bonds as well as starting a programme of selling its corporate bonds.

In its March interest rate announcement, the MPC noted that the invasion of Ukraine had caused further large increases in energy and other commodity prices, with the expectation that the conflict will worsen supply chain disruptions around the world and push CPI inflation to around 8% later in 2022, even higher than forecast only a month before in the February Monetary Policy Report. The Committee also noted that although GDP in January was stronger than expected with business confidence holding up and the labour market remaining robust, consumer confidence had fallen due to the squeeze in real household incomes.

GDP growth in the euro zone increased by 0.3% in calendar Q4 2021 following a gain of 2.3% in the third quarter and 2.2% in the second. Headline inflation remains high, with CPI registering a record 7.5% year-on-year in March, the ninth successive month of rising inflation. Core CPI inflation was 3.0% y/y in March, was well above the European Central Bank's target of 'below, but close to 2%', putting further pressure on its long-term stance of holding its main interest rate of 0%.

The US economy expanded at a downwardly revised annualised rate of 6.9% in Q4 2021, a sharp increase from a gain of 2.3% in the previous quarter. In its March 2022 interest rate announcement, the Federal Reserve raised the Fed Funds rate to between 0.25% and 0.50% and outlined further increases should be expected in the coming months. The Fed also repeated its plan to reduce its asset purchase programme which could start by May 2022.

Financial markets: The conflict in Ukraine added further volatility to the already uncertain inflation and interest rate outlook over the period. The Dow Jones started to decline in January but remained above its pre-pandemic level by the end of the period while the FTSE 250 and FTSE 100 also fell and ended the quarter below their pre-March 2020 levels.

Bond yields were similarly volatile as the tension between higher inflation and flight to quality from the war pushed and pulled yields, but with a general upward trend from higher interest rates dominating as yields generally climbed.

The 5-year UK benchmark gilt yield began the quarter at 0.82% before rising to 1.41%. Over the same period the 10-year gilt yield rose from 0.97% to 1.61% and the 20-year yield from 1.20% to 1.82%.

The Sterling Overnight Rate (SONIA) averaged 0.39% over the quarter.

Credit review: In the first half of FY 2021-22 credit default swap (CDS) spreads were flat over most of period and are broadly in line with their pre-pandemic levels. In September spreads rose by a few basis points due to concerns around Chinese property developer Evergrande defaulting but then fell back. Fitch and Moody's revised upward the outlook on a number of UK banks and building societies on the Authority's counterparty to 'stable', recognising their improved capital positions compared to 2020 and better economic growth prospects in the UK.

Fitch also revised the outlook for Nordea, Svenska Handelsbanken and Handelsbanken plc to stable. The agency considered the improved economic prospects in the Nordic region to have reduced the baseline downside risks it previously assigned to the lenders.

The successful vaccine rollout programme was credit positive for the financial services sector in general and the improved economic outlook meant some institutions were able to reduce provisions for bad loans. However, in 2022, the uncertainty engendered by Russia's invasion of Ukraine pushed CDS prices modestly higher over the first calendar quarter, but only to levels slightly above their 2021 averages, illustrating the general resilience of the banking sector.

Having completed its full review of its credit advice on unsecured deposits, in September Arlingclose extended the maximum duration limit for UK bank entities on its recommended lending list from 35 days to 100 days; a similar extension was advised in December for the non-UK banks on this list. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remains under constant review.

Revised CIPFA Codes, Updated PWLB Lending Facility Guidance

In August 2021 HM Treasury significantly revised guidance for the PWLB lending facility with more detail and 12 examples of permitted and prohibited use of PWLB loans. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management.

CIPFA published its revised Prudential Code for Capital Finance and Treasury Management Code on 20th December 2021. The key changes in the two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments.

The principles of the Prudential Code took immediate effect although local authorities could defer introducing the revised reporting requirements until the 2023/24 financial year if they wish.

To comply with the Prudential Code, authorities must not borrow to invest primarily for financial return. This Code also states that it is not prudent for local authorities to make investment or spending decision that will increase the CFR unless directly and primarily related to the functions of the authority. Existing commercial investments are not required to be sold; however, authorities with existing commercial investments who expect to need to borrow should review the options for exiting these investments.

Borrowing is permitted for cashflow management, interest rate risk management, to refinance current borrowing and to adjust levels of internal borrowing. Borrowing to refinance capital expenditure primarily related to the delivery of a local authority's function but where a financial return is also expected is allowed, provided that financial return is not the primary reason for the expenditure. The changes align the CIPFA Prudential Code with the PWLB lending rules.

Unlike the Prudential Code, there is no mention of the date of initial application in the Treasury Management Code. The TM Code now includes extensive additional requirements for service and commercial investments, far beyond those in the 2017 version.

The Authority will follow the same process as the Prudential Code, i.e. delaying changes in reporting requirements to the 2023/24 financial year.

Local Context

On 31st March 2022, the Authority had net investments of £20.498m arising from its revenue and capital income and expenditure an increase on net investments from 2021 of £3.032m. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in the table below.

Capital Financing Requirement (CFR)	21/22
	£'000 Actual
CFR b/fwd	66,251
Add New Financing	0
Less MRP	-182
Less VRP	-76
Less Debt Repayment	-10,000
CFR c/fwd	55,993
General Fund Proportion	4,409
HRA Proportion	51,584
Total CFR	55,993

Lower official interest rates have lowered the cost of short-term, temporary loans and investment returns from cash assets that can be used in lieu of borrowing. The Authority pursued its strategy of keeping borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low.

The treasury management position at 31st March 2022 and the year on year change is shown in the table below

Treasury management position

	31.3.21 Balance £m	Movement £m	31.03.22 Balance £m	Average Rate %
Long-term borrowing:				
Fixed	47,423	0	47,423	3.19

Variable	10,000	(10,000)	0	0
Short-term borrowing	89	0	89	0
Total borrowing	57,512	(10,000)	47,512	
Long-term investments	4,000	0	4,000	3.53
Short-term investments	57,500	2,500	60,000	0.25
Cash and cash equivalents	(956)	4,966	4,010	0.20
Total investments	60,544	7,466	68,010	
Net investments	3,032	17,466	20,498	

The net investments of the Council increased during 2021/22 due to an increase in investments. A £5.9m grant was received on 30th March 2022 for Council Tax rebates to help protect households for rising energy costs. This receipt was invested with the DMO. Furthermore, lower expenditure and budget savings in year resulted in larger cash balances to invest which is reflected below.

The first instalment of £10m was paid on 28th March 2022 to PWLB resulting in a reduction in total borrowing.

Borrowing Update

The Authority was not planning to borrow to invest primarily for commercial return and so is unaffected by the changes to the Prudential Code.

Borrowing Strategy

At 31st March 2022 the Authority held £47.4m of loans a decrease of £10m from 31st March 2021 due to the first instalment payment of the principle amount.

These loans were taken out by the Authority in 2011/12 for the purpose of HRA self-financing. The principal element of these loans is repayable in full on maturity, with interest being paid each March and September.

The short-term borrowing of £89k relates to deposits received from two Parish Councils within the District. These loans can be recalled on immediate notice. Interest is calculated at the Bank of England Base Rate, less 1%. No interest is currently being paid due to the Base Rate being less than 1%.

The following table shows the maturity dates of the loans and rate of interest payable.

Borrowing Position

Loan Profile	Type	Value £'000	Rate %	Maturity
Public Works Loan Board	Fixed	10,000	2.70	2023/24
Public Works Loan Board	Fixed	10,000	3.01	2026/27

Public Works Loan Board	Fixed	10,000	3.30	2031/32
Public Works Loan Board	Fixed	10,000	3.44	2036/37
Public Works Loan Board	Fixed	7,423	3.50	2041/42
Total Long-term borrowing		47,423		
Short-term Parish Council Loans		89	0.00	
Total borrowing		47,512		

The Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective.

Treasury Investment Activity

CIPFA published a revised Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes on 20th December 2021. These define treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Authority's investment balances ranged between £52m and £77.5m million due to timing differences between income and expenditure. The investment position is shown below.

During the year the Authority received central government funding to support small and medium businesses during the coronavirus pandemic through grant schemes. £4.53m was received for Restart Grants and Omicron Hospitality & Leisure Grants, which were temporarily invested in short-dated, liquid instruments such as call accounts and Money Market Funds. £4.68m was disbursed by the end of March 2022 with the balance topped up by the Government in May 2022.

Treasury Investment Position

Investments	31.03.21 Balance £'000	2022 Movement £'000	31.03.22 Balance £'000	31.03.22 Rate of Return %
Banks (unsecured)	(956)	4,966	4,010	0.20
Local Authorities	44,000	8,000	52,000	0.25
Money Market Funds	13,500	(5,500)	8,000	0.06
CCLA Property Fund	4,000	0	4,000	3.53
Total investments	60,544	7,466	68,010	

Both the CIPFA Code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Ultra low short-dated cash rates, which were a feature since March 2020 when Bank Rate was cut to 0.1%, prevailed for much of the 12-month reporting period which resulted in the return on sterling low volatility net asset value (LVNAV) Money Market Funds being close to zero even after some managers have temporarily waived or lowered their fees. However, higher returns on cash instruments followed the increases in Bank Rate in December, February, and March. At 31st March, the 1-day return on the Authority's MMFs ranged between 0.51% - 0.54% p.a.

Similarly, deposit rates with the Debt Management Account Deposit Facility (DMADF) initially remained very low with rates ranging from 0% to 0.1%, but following the hikes to policy rates increased to between 0.55% and 0.85% depending on the deposit maturity. The average return on the Authority's DMADF deposits was 0.05%.

Given the increasing risk and low returns from short-term unsecured bank investments, the Authority has diversified into higher yielding asset classes (CCLA fund) and continues to hold £4m in the pooled property fund

The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking below.

Investment Benchmarking – Treasury investments managed in-house (excludes CCLA)

	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return %
31.03.2022	4.28	AA-	19%	107	1.55
Similar LAs	4.37	AA-	61%	43	2.38
All LAs	4.39	AA-	60%	14	2.10

Benchmarking Key:

Credit Score	This is a value weighted average score calculated by weighting the credit score of each investment by its value. A higher number indicates a higher risk.
Credit Rating	This is based on the long-term rating assigned to each institution in the portfolio, by ratings agencies Fitch, Moody's and Standard & Poor's. Ratings rang from AAA to D, and can be modified by +/-
Bail in Exposure	The adoption of a bail in regime for failed banks results in a potential increased risk of loss of funds for local authority should this need to be implemented. Therefore, a lower exposure to bail in investments reduces this risk.

Weighted Average Maturity	This is an indicator of the average duration of the internally managed investments. Similar authorities have a similar profile to South Derbyshire; other larger authorities tend to hold a greater proportion of fund in money markets than fixed term deposits with other LAs, due to their cash flow requirements.
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Externally Managed Pooled Funds: £4m of the Authority’s investments is invested in externally managed strategic pooled property funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. These funds generated an income return of £139,622 which is used to support services in year.

In the nine months to December improved market sentiment was reflected in equity, property, and multi-asset fund valuations and, in turn, in the capital values of the Authority’s property income funds in the Authority’s portfolio. The prospect of higher inflation and rising bond yields did however result in muted bond fund performance. In the January- March quarter the two dominant themes were tighter UK and US monetary policy and higher interest rates, and the military invasion of Ukraine by Russia in February, the latter triggering significant volatility and uncertainty in financial markets.

In light of Russia’s invasion, Arlingclose contacted the fund managers of our MMF and strategic funds and confirmed no direct exposure to Russian or Belarusian assets had been identified. Indirect exposures were immaterial. It should be noted that that any assets held by banks and financial institutions (e.g., from loans to companies with links to those countries) within MMFs and other pooled funds cannot be identified easily or with any certainty as that level of granular detail is unlikely to be available to the fund managers or Arlingclose in the short-term, if at all.

The performance of the investment over the year is shown in the table below.

CCLA Property Fund Performance

		2020/21	2021/22
		Q4	Q4
Dividend Received	£	37,084	34,693
Annual Equivalent Interest Rate	%	4.12%	3.28%
Bid (Selling) Price	pence/unit	289.08	339.82

The mid-market value of the CCLA Property Fund as at the 31st March 2022 is £4,295,917 and the bid market value is £4,229,332 with the total number of units held being 1,244,580.

Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority’s investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates. In light of their performance over the medium/long-term and the Authority’s latest cash flow forecasts, investment in these funds has been maintained.

Performance Indicators

The main indicator the Council uses to measure its return on short-term investments to average over the year, is the Average 7-Day Money Market Rate. This is a standard measure of performance. Performance for the last year is shown below.

	As at 31.03.21	As at 31.03.22
Average 7-Day Money Market Rate (Target)	0.11%	0.19%
Average Interest Rate Achieved on Short Term Deposits	0.13%	0.26%

Compliance

The Chief Finance Officer reports that all treasury management activities undertaken during the year complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated below.

Compliance with the authorised limit and operational boundary for external debt is demonstrated below.

Debt Limits

	Actual Debt 21/22	Operational Boundary	Authorised Limit
Debt Limits	£'000	£'000	£'000
HRA	47,423	47,423	66,853
General Fund	0	5,000	4,409

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure. The total debt for the year did not exceed the operational boundary.

Compliance with specific investment limits is demonstrated in the table below:

Investment Limits

Sector	2021/22 Maximum	Counterparty Limit	Time Limit	Sector Limit	Complied
The UK Government	£20m	£25m	364 days	n/a	✓
Local authorities & other government entities	£46m	£5m	364 days	Unlimited	✓

Banks (unsecured)*	£2.8m	£3m	35 days	Unlimited	✓
Building societies (unsecured)*	£2m	£2m	35 days	£5m	✓
Money Market Funds*	£14m	£2m	60 days	£14m	✓
Strategic Pooled Funds	£4m	£4m	n/a	£4m	✓
Other Investments*	0	£1m	35 days	Unlimited	✓

Other

IFRS 16: The implementation of the new IFRS 16 Leases accounting standard was due to come into force for local authorities from 1st April 2022. Following a consultation CIFPA/LASAAC announced an optional two year delay to the implementation of this standard a decision which was confirmed by the Financial Reporting Advisory Board in early April 2022. Authorities can now choose to adopt the new standard on 1st April 2022, 1st April 2023 or 1st April 2024. The Authority intends to adopt the new standard on 1st April 2024.



**South
Derbyshire
District Council**

Prudential Indicators 2021/22

March 2022

Introduction

The Local Government Act 2003 requires the Authority to have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimated Capital Expenditure and Financing

This is the approved capital investment programme for the General Fund, together with stock investment proposals included in the HRA Business Plan. The programme is summarised in the following table.

Estimated Capital Expenditure £	Actual 2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
General Fund	2,389,043	5,336,123	1,127,893	1,732,442	1,916,760	849,211
HRA	3,038,874	2,900,000	2,432,186	2,877,000	3,143,503	2,497,000
Total	5,427,917	8,236,123	3,560,079	4,609,442	5,060,263	3,346,211
Financed by £	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Grants and Contribution	1,441,842	2,624,095	510,000	400,000	400,000	400,000
Council Resources	3,986,076	5,612,028	3,050,079	4,209,442	4,660,263	2,946,211
Total	5,427,917	8,236,123	3,560,079	4,609,442	5,060,263	3,346,211

The current year estimated expenditure on the General Fund relates to significant investment into the asset base of the Council. Approval for a capital bidding round and scoring of bids following recommendations from the Service and Financial Planning Working Group was granted at Finance and Management Committee on the 9th July 2020.

Of the 14 bids receiving approval 9 are ongoing with capital expenditure expected to commence in the new financial year. Along with the capital projects approved on 8th October 2020, the Council continues to invest in its ICT Strategy and vehicle replacement programme. The Council is also delivering projects across the District funded through the Better Care Fund.

Subsequent years' expenditure relates to the phasing of the larger Capital projects, continuing asset replacement program and investment onto the Council's ICT Strategy.

The general downward trend of HRA expenditure relates to the reduction in New Build Properties and a reduction in major works due to the need to set-aside funds for the repayment of debt. Current plans are to complete on the purchase of 5 new homes by the end of 2022/23, of the 5 new homes 2 are the result of a land swap and 3 will be purchased. The major repairs have a five-year plan for improving Council properties to decent homes standard.

Overall, the capital expenditure programme is financed from Government grants, external contributions, Council reserves and capital receipts.

The table highlights that the five-year investment programme is fully funded. If all financing is not secured, expenditure will need to be curtailed or other resources and reserves identified.

Due to the current level of reserves and cash on deposit, current policy is that any longer term borrowing is undertaken only as a last resort to meet any shortfall; any new borrowing will only be undertaken prudentially within the Council's debt limits.

The Council's Borrowing Need or Capital Financing Requirement (CFR)

The CFR is a measure of the Council's underlying need to borrow for capital investment and is based on the net value of fixed assets contained in the Council's Balance Sheet.

The CFR does not necessarily represent the amount of actual external debt outstanding. This is due to the fact that not all borrowing previously allowed has in effect taken place against this requirement, but is being financed internally through cash deposits and reserves.

Capital expenditure that has not been immediately paid for increases the CFR through additional borrowing, including internally. The CFR is reduced following debt repayment or through setting-aside revenue sums to repay internal borrowing.

The Council is required to pay off an element of the accumulated General Fund CFR each year through a revenue charge called the Minimum Revenue Provision (MRP). In addition, a Voluntary Revenue Provision (VRP) is made where borrowing has taken place on a prudential basis.

There is no requirement to make a MRP for the HRA. However, money is being set-aside to repay HRA debt in accordance with the maturity profile. This strategy is reflected in the HRA's Financial Plan.

A summary of the CFR estimates is shown in the following table.

Expected CFR	Actual	2022/23	2023/24	2024/25	2025/26	2026/27
	2021/22					
	£'000	£'000	£'000	£'000	£'000	£'000
CFR b/fwd	66,251	55,993	55,798	45,610	45,455	45,307
Add New Financing	0	0	0	0	0	0
Less MRP	-182	-175	-168	-155	-148	-142
Less VRP	-76	-21	-21	0	0	0
Less Debt Repayment	-10,000	0	-10,000	0	0	-10,000
CFR c/fwd	55,993	55,797	45,609	45,455	45,307	35,165
General Fund Proportion	4,409	4,214	4,026	3,871	3,723	3,581
HRA Proportion	51,584	51,584	41,584	41,584	41,584	31,584
Total	55,993	55,798	45,610	45,455	45,307	35,165

The VRP has reduced to zero due to the repayment of previous internal borrowing schemes relating to the purchase of receptacles to extend the kerbside recycling scheme in 2013,

together with the repayment of the internal borrowing for the Grove Hall Extreme Sports projects.

Debt Pools

The Council operates two separate Debt Pools, one for the General Fund and one for the Housing Revenue Account (HRA). There is no external debt currently outstanding on the General Fund, although it has a positive CFR representing an underlying borrowing need.

The General Fund CFR is reduced each year by a statutory revenue charge known as the Minimum Revenue Provision (MRP). In addition, a Voluntary Revenue Provision (VRP) is made where borrowing has been undertaken on a prudential basis.

There is no requirement to make a MRP or VRP in the Housing Revenue Account. The HRA has debt outstanding of just over £47m. This represents the debt inherited under the self-financing framework for Council Housing.

Although no MRP is required for the HRA, money is being set-aside to repay the HRA debt in accordance with the maturity profile. This strategy is reflected in the HRA's Financial Plan. The expected CFRs over the current financial planning period to 2025/26 are detailed in the following table.

Expected CFR	Actual	2022/23	2023/24	2024/25	2025/26	2026/27
	2021/22					
	£'000	£'000	£'000	£'000	£'000	£'000
General Fund Proportion	4,409	4,214	4,026	3,871	3,723	3,581
HRA Proportion	51,584	51,584	41,584	41,584	41,584	31,584
Total	55,993	55,798	45,610	45,455	45,307	35,165

The CFR on the General Fund will continue to reduce over the medium-term due to MRP/VRP being applied. These charges for all years are included in the Council's base budget.

Effectively, the MRP/VRP creates a cash amount in the Council's budget in order to write down the underlying borrowing requirement.

The larger CFR on the HRA has remained static in previous years, the first repayment of £10m self-financing loans was paid in March 2022, with another repayment in March 24, after these payments the CFR is forecast to remain static for a period, unless any new borrowing is required.

Limits to Borrowing Activity

The Council is required to set limits on overall borrowing (net of investments). This controls borrowing and ensures that the Council does not, except in the short term, exceed the total of the CFR in the preceding year, plus the estimates of any additional CFR for the current and the next two financial years.

A short-term deviation is allowed for flexibility if a limited amount of borrowing was required to meet temporary shortfalls in cash flow. The estimated position is detailed in the following table.

Estimated Borrowing Compared to the CFR	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
Gross Borrowing - HRA	47,423	47,423	37,423	37,423	37,423	27,423
Gross Borrowing - General Fund	0	0	0	0	0	0
Total Gross Borrowing	47,423	47,423	37,423	37,423	37,423	27,423
Total CFR	55,993	55,798	45,610	45,455	45,307	35,165

The above table shows that as gross borrowing is likely to remain below the CFR, the Council will comply with this Prudential Indicator.

The Authorised Limit for External Debt

This is the limit beyond which external debt is prohibited. It is the statutory limit determined under section 3(1) of the Local Government Act 2003. The debt cap for HRA self-financing was removed by the Government in 2018/19.

The Operational Boundary for External Debt

This represents the expected external debt during the course of the year, but it is not a limit. It is designed to aid the Chief Finance Officer to manage treasury activity on a daily basis and acts as an early warning sign of any potential issues. It includes a provision for temporary borrowing of £5m. As in recent years, it is not expected that any temporary borrowing will be required but is included as a contingency should cash flow become negative in the short-term.

The Limit and Boundary are summarised in the following table.

Debt Limits	Actual 2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
Authorised Limit - General Fund	4,409	4,214	4,026	3,871	3,723	3,580
Authorised Limit - HRA	66,853	66,853	66,853	66,853	66,853	66,853
Operational Boundary	52,423	42,423	42,423	42,423	42,423	32,423

As noted above, there is no longer a debt cap on the HRA and therefore borrowing is no longer restricted but it must remain affordable over the plan.

To ensure affordability, the Chief Finance Officer has retained the former limit.

Cost of Debt to Finance Capital Expenditure

This indicator shows how much per year the costs of borrowing impact upon each household (at Band D Council Tax rate) in the District and for each council tenant (HRA).

As there is no actual debt on the General Fund, the impact on Council Tax is positive as this represents interest on cash deposits.

Cost of Servicing Debt	Actual 2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
Estimated Net Interest Received - General Fund	-136,959	-100,000	-81,960	-80,000	-80,000	-80,000
Estimated Band D Properties (per MTFP)	35,218	36,702	37,548	38,393	39,286	40,179
Cost per Band D Property	-£3.89	-£2.72	-£2.18	-£2.08	-£2.04	-£1.99
Estimated Net Interest Payable - HRA						
Estimated Net Interest Payable - HRA	1,527,260	1,456,005	1,456,085	1,186,167	1,186,251	1,186,251
Estimated Dwellings (per MTFP)	2,949	2,937	2,919	2,901	2,883	2,865
Annual Cost per Dwelling	£517.89	£495.75	£498.83	£408.88	£411.46	£414.05

The Use of the Council's Resources and the Investment Position

The Council has available at any one time, reserves and balances which are held to finance future expenditure commitments or to act as a contingency sum as recommended by the Council's Chief Finance Officer.

These balances are available for investment on a short-term basis in accordance with the Investment Strategy. The expected level of reserves and balances is shown in the following table.

Estimated Usable Reserves	Actual 2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
General Fund	13,528	9,913	7,260	4,309	1,003	-2,436
Earmarked	28,325	20,184	19,750	18,665	17,566	17,117
Capital Receipts and Grants	9,830	10,651	10,135	9,620	9,098	8,570
Debt Repayment	1,600	5,693	14	3,218	6,160	48
HRA General Reserve	6,727	5,107	3,509	2,952	2,772	2,221
Total Reserves	60,010	51,548	40,668	38,765	36,600	25,520

The above table shows that overall the level of resources is expected to decrease over the financial period and it assumes in particular, that forecasted deficits on the General Fund will be financed from general reserves until budget savings or additional income are identified. When identified, the level of resources will remain higher.

Based on this level of reserves, it is estimated that the Council will continue to have funds available for investment each year. In accordance with the Investment Strategy, these investments will continue to be held in short-term (less than 364 days) deposit accounts.

Ratio of Financing Costs to Net Revenue Stream

This indicator shows the trend in the net cost of borrowing (allowing for investment income) against the net revenue stream, i.e. Council Tax for the General Fund and Rent Income for the HRA. Estimates are included in the Council’s Medium Term Financial Plan (MTFP) and are shown in the following table.

Financing Ratios	Actual 2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	£	£	£	£	£	£
General Fund						
Estimated Council Tax Income	5,941,508	6,284,747	6,412,322	6,687,869	6,980,282	7,281,557
Net Interest Receivable	-136,959	-100,000	-81,960	-80,000	-80,000	-80,000
Proportion	-2.31%	-2.57%	-2.73%	-1.67%	-1.57%	-1.57%
HRA						
Estimated Rental Income	11,977	12,893	13,124	13,433	13,749	14,073
Estimated Interest Payable	1,527	1,456	1,456	1,186	1,186	1,186
Proportion	12.75%	11.29%	11.09%	8.83%	8.63%	8.43%

With no debt on the General Fund, the indicator is negative. The ratio reflects the level of “gearing” - how much of the Council’s revenue is tied up in borrowing costs. Although the proportion for the HRA is greater in percentage terms, this is a relatively fixed cost but affordable within the HRA’s Financial Plan.

**COUNTERPARTY LIST 2021/22
(as at March 2022)**

Treasury investment counterparties and limits

Sector	Counterparty Limit	Time Limit	Sector Limit
The UK Government	£25m	364 days	n/a
Local authorities & other government entities	£5m	364 days	Unlimited
Banks (unsecured)*	£3m	35 days	Unlimited
Building societies (unsecured)*	£2m	35 days	£5m
Money Market Funds*	£2m	60 days	£16m
Strategic Pooled Funds	£4m	n/a	£4m
Other Investments*	£1m	35 days	Unlimited

This table must be read in conjunction with the notes below

*** Minimum credit rating:** Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

Government: Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency.

Banks and building societies (unsecured): Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.

Money market funds: Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. The Authority will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

Strategic pooled funds: Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Other investments: This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Authority's investment at risk.

Operational bank accounts: The Authority may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £3m. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity.

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL)	AGENDA ITEM: 8
DATE OF MEETING:	21 JULY 2022	CATEGORY: DELEGATED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	CHARLOTTE JACKSON 01283 595939 Charlotte.jackson@southderbyshire.gov.uk	DOC: s/finance/committee/2020-21/July/outturn
SUBJECT:	FINAL CAPITAL OUTTURN 2021/22	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM08

1.0 Recommendations

- 1.1 To approve the final Capital outturn position for both the General Fund and Housing Revenue Account (HRA) for 2021/22.
- 1.2 To approve the final balance on Capital Reserves for 2021/22.

2.0 Purpose of the Report

- 2.1 To detail the final outturn position for 2021/22 on the Council's capital accounts.
- 2.2 This report is divided into the following sections:
 - Section 3 – General Fund and HRA Capital 2021/22
 - Section 4 – Capital Reserves

3.0 Detail

- 3.1 The Council's capital programme consists of many different projects covering both the General Fund and HRA.
- 3.2 General Fund projects are developed in line with strategies reported to policy committees and are funded through Section 106 developer contributions, General Fund contributions, grant income and capital receipts generated from asset sales.
- 3.3 HRA projects are mainly for refurbishment of council houses, disabled adaptations to council housing and new build and are funded by HRA reserves plus grant income.
- 3.4 The capital budget for 2021/22 was approved in February 2021 and was updated in July 2021 following the outturn for 2020/21, to reflect the carry forward of income and expenditure for incomplete projects.

- 3.5 Additional budgets have also been included for schemes relating to environmental and energy efficiency works following successful bids for funding during the year, together with property acquisitions in the HRA.
- 3.6 Outturn for the year on capital projects and the total financing of all the projects is summarised in the following tables. A detailed list of the projects is attached in **Appendix 1**.

	Actual £	Budget £	Variance £
Council House Improvements	2,806,448	2,683,000	-123,448
Council House New Build and Acquisition	231,918	505,030	273,112
Private Sector Housing	897,549	1,915,495	1,017,946
Community Services	591,868	3,312,131	2,720,263
Environmental Services	492,384	799,873	307,489
Property, Plant and Equipment	407,751	1,776,718	1,368,967
TOTAL EXPENDITURE	5,427,918	10,992,247	5,564,329

	Actual £	Budget £	Variance £
External Grant and Contributions	1,404,160	2,657,045	1,252,885
Capital Resources	699,458	2,120,150	1,420,692
S106 Contributions	37,682	1,142,000	1,104,318
General and Earmarked Reserves	3,286,618	5,073,052	1,786,434
TOTAL FUNDING	5,427,918	10,992,247	5,564,329

HRA Capital

- 3.7 Major refurbishment works to Council housing were initially delayed due to Covid but works progressed well during the year following the lifting of restrictions. The overspend in year was due to additional fire protection works completed, mainly consisting of fire door installations. An overspend was expected against the budget and will be funded from HRA reserves as planned.
- 3.8 The impact of Covid also affected disabled adaptations initially, but these works also picked up during the year following the lifting of restrictions. The unspent allocation in 2021/22 will be carried forward and maintained in the HRA for 2022/23.
- 3.9 The budget for new build and acquisition schemes consists of the final acquisition of 2 properties at Overseal. The 2 bungalows acquired in Overseal are all fully occupied.
- 3.10 Acquisitions in Newhall were initially scheduled to complete during 2021/22 but due to delays on building materials they are now due to be completed in 2022/23. No expenditure has yet been incurred, but the budget has been carried forward into 2022/23.

General Fund Capital

Private Sector Housing Works

- 3.11 The list of projects, which are mainly financed through the Derbyshire County Council's Better Care Fund, are detailed in Appendix 1. These schemes were approved by the Housing and Community Services Committee.
- 3.12 The impact of Covid did slow progress on many schemes initially but most schemes are now active and, in some cases, have been delivered. In total, expenditure was approximately £900k in the year against a budget of £1.9 million.
- 3.13 The main underspends were on grant related work for disabled adaptations and relocations. However, it is permissible for unspent amounts to be carried forward to complete works in 2022/23.

Leisure and Community Schemes

- 3.14 Most projects were approved as part of the last Capital Bidding Round in October 2020. Many projects were delayed and were also subject to the securing of external funding and procurement processes.
- 3.15 Effectively, there are two major projects that account for most of the allocated resources, i.e., the Urban Park at Cadley Hill and the community/football pitch facilities at Oversetts Road.
- 3.16 The Urban Park scheme has now commenced and the procurement process for Oversetts Road is nearing completion. The Community Partnership Scheme has all the funding committed to specific projects, but the funding is still to be drawn down from the Council by community groups.
- 3.17 Unspent budgets will be carried forward into 2022/23.

Environmental Projects

- 3.18 The main project relates to the Green Homes Grant. Following the securing of Government funding in 2021/22, good progress has been made on delivery. The project is being monitored by the Environmental and Development Services Committee in conjunction with the Climate Change Action Plan.

Vehicle Replacements

- 3.19 The vehicle replacements within the year, were the procurement of 7 new refuse freighters. The freighters were brought "as used" at a reduced price for completion of the recycling rounds, following the service being brought in house in October 2021.

Regeneration Works and Asset Upgrades

- 3.20 The main project relates to the approved improvements in Swadlincote Town Centre which have only recently been procured and commenced. The extension at Midway Community Centre has been completed but the planned football pitch works are still to be completed.
- 3.21 It is anticipated that all remaining works will be completed in 2022/23 on all projects and funding will be carried forward into 2023/24 expenditure.

4.0 Capital Reserves

4.1 The capital reserve balances for the General Fund and HRA as at the 31 March 2022, after financing expenditure in 2021/22, are listed below.

	£
New Build and Acquisition Reserve	2,942,475
Major Repairs Reserve	5,201,949
Debt Repayment Reserve	1,600,000
HRA Capital Reserves	9,744,424
General Capital Receipts Reserve	2,764,935
Total Capital Reserves	<u>12,509,359</u>

HRA Capital Reserves

4.2 The New Build and Acquisition Reserve is topped up by all retained receipts of sales of Council houses under Right to Buy.

4.3 Right to Buy (RTB) sales totalled 23 in 2021/22, which generated £1,484,914 in retained receipts and are included in the above balance. Additional funds of £41,942 were also generated relating to repaid discounts due back to the Council on the sale of properties previously sold under RTB.

4.4 Details of sales are summarised in the following table.

	Sales £	Gross Receipts £
Quarter 1	4	313,257
Quarter 2	6	478,828
Quarter 3	6	443,075
Quarter 4	7	561,352
Total	23	1,796,512
Less Pooled		-311,598
Retained		1,484,914
%		83%

4.5 Any underspends on the HRA capital programme are transferred to the Major Repairs Reserve at year-end and the balance is utilised in future years as the new schedule for capital works is implemented.

4.6 Currently the HRA has debt of £47.4m to be repaid to the Public Works Loan Board at specific dates over a 20-year period. £10 million was repaid in March 2022 and financed from the Debt Repayment reserve. The profile of future debt repayment is shown in the following table.

Date due	£
28-Mar-24	10,000,000
28-Mar-27	10,000,000
28-Mar-32	10,000,000
28-Mar-37	10,000,000
28-Mar-42	7,423,000

47,423,000

4.7 Sums are being set-aside each year for the scheduled repayments which are included in the HRA MTFP and are transferred to the Debt Repayment Reserve each year.

General Fund Capital Reserves

4.8 The Capital Receipts Reserve is made up of asset sales in recent years and there are many projects to be funded from the balance.

4.9 A sum of £420,783 was received during 2021/22 as part of the collaboration agreement for the sale of land at Oversetts Road. A negotiation regarding an easement in Woodville took place during 2021/22 yielding a receipt of £107,911.

4.10 The position on this Reserve is detailed below.

	£ 2021/22	£ 2022/23	£ 2023/24	£ 2024/25	£ 2025/26
General Capital Receipts B/fwd.	2,569,462	2,764,935	1,228,956	757,483	525,495
Receipts in Year:					
Land Sale Oversetts Road	420,783	0	0	0	0
Easement (Drainage Woodville)	107,911	0	0	0	0
Drawdown for Projects:					
Strategic Housing Market Assessment	0	0	0	-25,000	0
Private Sector Stock Condition Survey	0	0	0	-60,000	0
Empty Property Grants	0	-38,000	0	0	0
Fly Tipping & Surveillance	-12,068	0	0	0	0
Midway Community Centre	-138,297	111,703	0	0	0
Vehicle Replacements	0	0	0	0	-600,000
Capital Bids approved October 2020	-182,856	-1,386,276	-471,473	-146,988	0
Remaining Balance	2,764,935	1,228,956	757,483	525,495	-74,505

4.11 The Strategic Market Housing Assessment and Private Sector Stock Condition Survey are both scheduled to recur every five years.

4.12 Planned vehicle replacements may need to be drawn from capital receipts in 2025/26 as there is currently a shortfall in funding. This is under review and the planned scheduled replacements are due to be reported to Environmental and Development Services Committee and this Committee later in 2022/23.

4.12 This potentially leaves a shortfall on capital receipts by 2025/26. However, it is anticipated that further receipts from land sales will be generated in the meantime, but these are not guaranteed.

Section 106 Contributions

4.13 Section 106 contributions are a large element of funding for the Council's capital programme and future planned works. The list of contributions within the Council's control are detailed in **Appendix 2** with commentary regarding committed projects and the time frame to spend. In summary, the total balance of S106 held by the Council is included in the table below.

£	
Cultural Services	3,081,435
Affordable Housing	5,931,988
Property	77,921
SDDC Unspecified	434,890
	<u>9,526,233</u>

4.0 Financial Implications

4.1 Detailed in the report.

5.0 Corporate Implications

5.1 None directly.

6.0 Community Impact

6.1 None directly.

CAPITAL EXPENDITURE 2021/22

	Actual £	Budget £	Variance £
Disabled Facility Grants and other Works	320,056	664,293	344,237
Discretionary Top-up Grants for under 18's	0	100,000	100,000
Healthy Homes Project	44,780	50,000	5,220
Establishing a Hospital to Home Scheme	0	0	0
Dedicated Mental Health Worker	40,000	40,000	0
Additional Technical Officer	34,403	40,000	5,597
Empty Property Grants	0	38,000	38,000
Relocation Grant	2,750	100,000	97,250
Dementia Friendly Homes Grant	0	30,000	30,000
Domestic Violence Crisis Prevention	59,583	65,000	5,417
Hospital Discharge Grant	40,706	30,000	-10,706
Healthy Homes Assistance Fund	77,493	340,929	263,436
Pilot Schemes	92,463	129,593	37,130
Capital One-off Projects	25,000	32,680	7,680
Stay Active and Independent for Longer	36,705	60,000	23,295
Temporary Health and Housing Co-ordinator	0	45,000	45,000
Temporary Public Health Officer	40,045	45,000	4,955
Temporary Occupational Therapist	0	55,000	55,000
Fuel Poverty	0	50,000	50,000
Property Flood Resilience Recovery Support Scheme	83,564	0	-83,564
Private Sector Housing	897,549	1,915,495	1,017,946
Community Partnership Scheme	45,800	264,853	219,053
Melbourne Sports Park - Drainage Works	197,759	193,201	-4,558
Urban Park William Nadin Way	108,544	840,619.00	732,075
CCTV Town Centre	9,945	11,500	1,555
Revitalising Rosliston Forestry Centre	51,494	344,834	293,340
Oversetts Road Football Facility	0	1,188,159	1,188,159
SuDS Improvements	9,676	20,000	10,324
Paradise Garden	0	30,000	30,000
Miners Memorial Project	18115	185,000	166,885
Improvements to Swadlincote Woodlands	0	40,000	40,000
Eureka Park Bowling Green Improvements	0	40,000	40,000
Improvements to Play Areas	1,915	153,965	152,050
Community Services	443,248	3,312,131	2,868,883
Fly Tipping & Surveillance	13,571	25,323	11,752
Green Homes Grant - Local Authority Delivery	469,137	774,550	305,413
Environmental Services	482,708	799,873	317,165
Vehicle Replacements	240,785	673,568	432,783
Asset Replacement and Investment	0	278,000	278,000
Repairs to Village Halls and Community Facilities	0	6,700	6,700

IT Strategy	119,087	166,000	46,913
Repairs to Melbourne Assembly Rooms	1,575	24,566	22,991
Purchase Of Chamber Building	11,445	11,519	74
Town Centre Regeneration	34,351	298,365.00	264,014
Extension to Marston on Dove Cemetery	0	48,000	48,000
Midway Community Centre Extension	158297	270,000	111,703
Public Buildings - Planned Maintenance Programme	0	0	0
Property, Plant and Equipment	565,540	1,776,718	1,211,178
GENERAL FUND CAPITAL	2,389,045	7,804,217	5,415,172

Acquisitions - Overseal	230,411	225,030	-5,381
Acquisitions - Newhall	0	280,000	280,000
Major Improvements under Self-financing	2,574,530	2,383,000	-191,530
Major Disabled Adaptations	231,918	300,000	68,082
HRA CAPITAL	3,036,859	3,188,030	151,171

**SECTION 106
CONTRIBUTIONS**

APPENDIX 2

		Cultural Services	Affordable Housing	Property	SDDC Unspecified	Spend Deadline	
		£	£	£	£		
2010/0320	Aston	932	0	0	0	N/A	£932 remaining - £19.7k claimed by Aston PC towards outdoor gym equipment in Aug-21.
2012/0568	Aston	359,550	0	0	0	£267,431 - 28/02/2024 £272,119 - 02/02/2026	180k to Derby City for Chellaston Community Centre (now paid out) - 87k is in discussion with Swarkestone / Elvaston Cricket Club
2014/0232	Aston	7,419	0	0	0	06/04/2024	Towards the provision of local outdoor recreational facilities - Weston & Aston PC have project for RIA
2016/0583	Aston	15,733	0	0	0	20/02/2024	Towards local areas of play - Derby City taking lead on spend
2016/0870	Aston	9,660	0	0	0	£4,775 - 26/06/2024 £4,885 - 21/11/2024	Towards provision of outdoor sports facilities at Aston recreation Ground - Aston PC claimed £5.3k in Oct-21 towards disabled access at Aston recreation centre
2016/0898	Aston	7,443	0	0	0	05/07/2023	Towards permitting public access to social and community facilities - Weston & Aston PC have project for RIA
2017/0416	Church Gresley	24,979	0	0	0	N/A	£12k towards play equipment at Maurice Lea Memorial Park, £7k towards Woodhouse Recreation Ground, £4k towards Greenbank Leisure Centre
2012/0743	Church Gresley	214,779		77,921	0	£135,922 - 20/11/2022 £156,778 - 30/08/2024	£212k towards Urban Park Project, £77.9k Green Bank
2012/0743	Church Gresley		152,773		0	N/A	Towards Cadley Hill affordable housing
2014/0562	Etwall	63,789	0	0	0	£60,386 - 06/11/2024 £63,790 - 21/10/2026	Towards increasing the capacity of Etwall Leisure Centre - £60k to be claimed by JPS for tennis courts/MUGA - spend approved at JMC
2015/0768	Etwall	188,447		0	0	£98,440 - 14/02/2023 £47,686 - 28/09/2025 £94,511 - 27/07/2026	£188k towards Newhouse Farm Community Centre £52k (now paid) towards group exercise and swimming provision at Etwall LC.
2015/0768	Etwall		1,071,180	0	0	09/08/2024	Towards housing within the Derby fringe
2015/0768	Etwall		1,071,180	0	0	20/10/2025	Towards housing within the Derby fringe

2015/0768	Etwall		1,103,640	0	0	27/07/2026	Towards housing within the Derby fringe
2017/0349	Etwall	75,648		0	370,682	28/09/2025	£75k Potentially towards a sporting hub - discussions ongoing, £370.6k towards travel plan.
2017/0349	Etwall		1,580,131	0		05/01/2027	Affordable housing within the administrative area of the Council (North West fringe)
2015/1108	Hatton	96,066	0	0	0	22/10/2026	Towards the enhancement of Scropton Road Recreation Ground
2017/1293	Hilton	66,339	203,817	0	0	04/10/2024	Towards the provision of native hedgerow planting as mitigation for the loss of hedgerow to be caused as a result of the Development
2019/1205	Hilton	3,662	0	0	0	N/A	Towards enhancing and managing biodiversity
2013/1044	Hilton	214,103	0	0	0	£55,425 - 21/06/2023 £158,677 - 30/06/2026	Hilton PC taking lead - £55k towards Scout Hut
2014/0948	Linton	187,415	0	0	0	04/12/2025	Towards outdoor Recreational facilities & improvement of off-site open space at Rosliston Forestry Centre
2018/0265	Linton	28,418				04/02/2027	Built facilities
2015/0426	Linton	20,946	0	0	0	21/11/2024	Badgers Hollow Recreation Ground - towards provision and or improvement of youth facilities - Linton PC obtaining quotes
2015/0723	Linton	71,655	0	0	0	14/08/2024	Towards enhancements to RFC visitor centre, RFC play equipment and sports pitches at Strawberry Lane
2020/0592	Melbourne	18,079	0	0	0	04/10/2026	£18k towards enhancements of Melbourne Assembly Rooms, £33k towards MSP drainage project - application form sent 24/01/22
2014/1141	Melbourne	15,326	0	0	0	£7,644 - 01/11/2028 £7,682 - 08/02/2029	Towards Kings Newton Bowls Club
2016/0094	Midway	26,256	0	0	0	19/10/2025	Towards Eureka Park, Miner's memorial and Swadlincote Town Hall improvements
2019/1427	Newhall and Stanton	15,591	0	0	0	10/06/2026	Towards enhancements to the Urban Park
2011/0952	Newhall and Stanton	15,708	0	0	0	05/05/2022	Included within the "Improvements to play areas" project at Newhall Park - SDDC currently retrieving quotes
2014/0222	Newhall and Stanton	16,892	0	0	0	£8,398 - 01/09/2022 £8,494 - 03/04/2023	Included within the "Improvements to play areas" project at Newhall Park

2014/0888	Newhall and Stanton	570,000	0	0	0	15/03/2025	Towards Oversetts Road Football Facility
2015/0396	Newhall and Stanton	13,815	0	0	0	04/09/2024	Towards Oversetts Road Football Facility
2017/0667	Newhall and Stanton	118,428		0	0	£42,246 - 02/02/2026 £76,182 - 02/02/2028	£76k Towards Urban Park project, £42k towards works to swimming pool at Green Bank
2017/0667	Newhall and Stanton		62,360	0	0	16/11/2025	Towards the provision of affordable housing on the Swadlincote South fringe
2017/0667	Newhall and Stanton		124,803	0	0	02/02/2026	Towards the provision of affordable housing on the Swadlincote South fringe
2017/0667	Newhall and Stanton		64,187	0	0	31/08/2026	Towards the provision of affordable housing on the Swadlincote South fringe
2016/1118	Repton	34,767	0	0	0	£17,277 - 02/03/2026 £17,490 - 13/07/2026	£12.4k Towards extension of Repton Village Hall, £22.3k towards improvements to Broomfields Playing Fields
2013/0643	Repton	0	497,916	0	0	22/12/2026	Towards Provision, improvement, maintenance or management of affordable housing within the Repton Ward
2017/0194	Repton	44,338	0	0	0	15/06/2026	£7.5k towards Repton Village Hall, £36.7k towards improvements & recreational facilities at Broomfields Playing Fields
2014/0431	Seales	6,200	0	0	0	30/06/2022	Towards Salts Meadow and Swadlincote Woodlands Glade Creation in March 2022.
2015/0029	Seales	26,368	0	0	0	£12,904 - 25/03/2026 £13,464 - 01/10/2026	Towards the changeroom at Overseal Rec
2017/0819	Seales	5,635	0	0	0	28/02/2023	Towards improving existing changing rooms at Overseal Recreation Ground. Currently speaking with Overseal PC
2006/1453	Swadlincote	365	0	0	0	N/A	
2007/0873	Swadlincote	852	0	0	0	N/A	
2011/0006	Swadlincote	30,340	0	0	0	08/11/2023	Towards provision of play space - Including within the "Improvements to play areas" project
2016/0288	Swadlincote	26,000	0	0	0	24/06/2026	Towards improving play or sports facilities at Swadlincote Woodlands
2019/1183	Swadlincote	0	0	0	14,208	N/A	Towards the CCG and improvements at Swadlincote Surgery

2011/0329	Swadlincote	19,386	0	0	0	29/03/2024	Towards the provision of local open space facilities - Including within the "Improvements to play areas" project
2013/0818	Swadlincote	59,497	0	0	0	20/03/2024	Towards purchasing and maintaining off-site open space - Urban Park project (spend deadline changed from 20/03/22)
2014/0300	Swadlincote	25,858	0	0	0	22/10/2024	Towards renovation of multi-use games area at Maurice Lea Memorial Park
2006/0885	Willington and Findern	19,950	0	0	50,000	11/10/2023	£19.9k towards enhancing open space/recreation facilities, £100k towards improvement to the culverts on and bridges over Willington Brook, £50k spent to date
2011/0292	Willington and Findern	41,007	0	0	0	N/A	Towards Twyford Pavilion - £5.8k paid to Willington Parish for tennis courts in Dec-21
2012/0586	Woodville	11,918	0	0	0	N/A	Towards the provision of Open Space
2012/0861	Woodville	22,134	0	0	0	N/A	Towards the provision of open space - Including within the "Improvements to play areas" project
2013/0364	Woodville	2,118	0	0	0	15/03/2022	Towards play equipment at Swadlincote Woodlands - SDDC currently in the process of retrieving prices
2014/0740	Woodville	126,816				31/01/2027	£81k Outdoor sports, £45k Built facilities
2015/0534	Woodville	31,692	0	0	0	03/01/2023	Towards open space - Woodville PC taking lead
2015/0561	Woodville	20,402	0	0	0	12/12/2024	£16.9k towards Main Street Rec, £3.5k towards Goseley Community Centre
2015/0563	Woodville	8,335	0	0	0	07/02/2024	Towards provision of outdoor sports facilities, open space and build facilities - currently in talks with Hartshorne PC
2015/0976	Woodville	7,316	0	0	0	29/11/2023	Woodville Parish looking to spend at Woodville Recreation Ground
2016/0329	Woodville	28,960	0	0	0	02/07/2025	£5.5k towards improvements of the pavilion at Woodville Rec, £14k towards grass pitches at Woodville Rec, £9.3k towards Footpath connections at Woodville Woodlands - Including within the "Improvements to play areas" project
2018/0377	Woodville	14,099	0	0	0	16/03/2026	£3.4k towards Goseley Community Centre, £10.6k towards Improvements to Swadlincote Woodlands. £6.2k paid to Hartshorne Cricket Club in Nov-21

TOTAL AVAILABLE

3,081,435

5,931,988

77,921

434,890

9,526,233

REPORT TO:	FINANCE & MANAGEMENT COMMITTEE (SPECIAL)	AGENDA ITEM: 9
DATE OF MEETING:	21 JULY 2022	CATEGORY: DELEGATED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	CATEGORY: OPEN
MEMBERS' CONTACT POINT:	FIONA PITTAM fiona.pittam@southderbyshire.gov.uk	DOC:
SUBJECT:	EQUALITY, DIVERSITY AND INCLUSION STRATEGY AND ACTION PLAN 2021/25: PROPOSED RESOURCING	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM05

1.0 Recommendations

- 1.1 The Committee approves the addition of a part time post (22.5 hours) of Equality, Diversity and Inclusion Officer on a fixed term contract of 18 months.
- 1.2 That the post be subject to job evaluation in line with the Council's local scheme.
- 1.3 That the Council's Guidance on Organisational Change is followed to implement these proposals, including formal consultation with employees and Trade Union representatives.
- 1.4 That the change is implemented with effect from 1 September 2022.
- 1.5 That any change to the dates as detailed in the report is delegated to the Strategic Director (Corporate Resources) in consultation with the Chief Executive and Chairman of this Committee.
- 1.6 That the cost of the new post is funded from the General Fund Reserve.

2.0 Purpose of report

- 2.1 This report proposes adding an additional part time resource on a fixed term contract in to the Organisational Development and Performance Unit to support the Council with the delivery of the recently approved Equality, Diversity and Inclusion Strategy 2021 – 25 and Action Plan.

3.0 Background

- 3.1 Equality, Diversity and Inclusion (EDI) is an integral part of everyday life at the Council, in the services provided and for the community and residents. The

Council is committed to putting these issues at the centre of decision-making processes to ensure the Council can best meet the needs of its residents and customers.

- 3.2 This will also support the delivery of the key priorities in the Council's Corporate Plan 2020-24 and make South Derbyshire a great place to live, visit and invest for all current and future residents, customers, businesses and visitors to the District.
- 3.3 The Equality, Diversity and Inclusion Strategy and Action Plan 2021-25 sets out the Council's equality commitments over the next four years. This was approved by Full Council at its meeting on 24 February 2021. There are 51 strategic actions to be delivered over the next four years.
- 3.4 The Strategy builds on the work that the Council and partners have undertaken in promoting fair and accessible services to the local community and brings a focus and increased visibility on the actions that are being taken to contribute to a fairer and inclusive society in South Derbyshire.
- 3.5 Whilst this work has been driven forward using existing resources, following discussions with external colleagues and to build resilience and expertise to support the Council deliver on its four year plan, a dedicated post is now requested to move this work forward.

4.0 Delivering the Equality, Diversity and Inclusion Plan

- 4.1 The Council has shared accountability for delivering the plan across all service units and has allocated responsibilities to Heads of Service. The Council's Leadership Team will monitor progress and allocate resources appropriately to support the achievement of key milestones and priorities.
- 4.2 An Equality, Diversity and Inclusion (EDI) Steering Group has been formed that includes representatives from the Council and Elected Members, community groups and partners. The role of the Group is to monitor progress, provide challenge and give additional insight in to the current and future actions that the Council is looking to delivery for the community.
- 4.3 Jointly, these arrangements will support the Council in meeting the General and Specific duties under the Equality Act 2010 and that equality, diversity and inclusion is actively promoted, communicated and managed for both our wider local communities and our current and future workforce.
- 4.4 Through these arrangements and the insight provided by external partners on the Steering Group, has given rise to the level of resources that is needed to drive forward the equality actions. In particular, the need to have a dedicated specialist resource in equality, diversity and inclusion.
- 4.5 Internal resources, mainly from the Organisational Development and Performance Unit, have brought a focus to the action plan and provided a level of support and professional guidance on the work that is to be undertaken. This has enabled the delivery of key actions around training, Equality Impact Assessments and development of resources to support services and managers. This work is in addition to their current duties and present a risks to other corporate projects that need to be progressed.

- 4.6 In addition, the Organisational Development and Performance Unit also have the majority of actions in the plan to implement. Without additional resources these are at risk of not being delivered in accordance with the existing milestones in the action plan.
- 4.7 To ensure the delivery of the Council's aspirations and obligations in relation to equality, diversity, and inclusion, it is proposed to establish a dedicated resource in the Organisational Development and Performance Unit. A new post of Equality, Diversity and Inclusion Officer will provide professional advice and support the Council to meet our statutory duties as a public sector organisation and enhance our reputation as an exemplar for such matters on a local and regional level.
- 4.8 With limited resources to progress the Equality, Diversity and Inclusion action plan and the additional work now being identified, there is a real risk that the plan will not be delivered. This may result in a loss of public confidence in our commitment around the equality, diversity and inclusion agenda and the Council meeting its statutory duties under the Equality Act 2010.

Proposed structure

- 4.9 It is proposed that an Equality Diversity and Inclusion Officer post be established on a part time basis (22.5 hours per week) with the Organisational Development and Performance Unit. This will be on a 18 month fixed term contract and to be reviewed after 12 months in post to assess the demand and outcomes being delivered from the investment.
- 4.10 This will provide extra resources to progress the plan and support services until the end of February/March 2024 depending upon when an appointment is made. Whilst this is before the end of the current action plan, it is expected that this will give the Council the insight, knowledge and time to establish procedures/working practices that embed this work firmly into all services and to deliver the final year of the plan.
- 4.11 The new post will provide the resource to provide specialist and expert advice, guidance, challenge and support to the Leadership Team and Heads of Services to transform and sustain the Council's work on equality, diversity and inclusion.
- 4.12 The Officer will be required to build relationships, positively drive change and influence behaviours, practices and culture around equality, diversity and inclusion. Engaging across multiple service areas as well working with Elected Members, and partners to create, embed, promote and raise awareness of inclusion and diversity activities, initiatives, and achievements across the Council.
- 4.13 It is considered that based on the existing work plan and with support from other colleagues in the Organisational Development and Performance Unit, this presents the most viable and efficient solution for the Council. It will also "build" a diverse Council with a unique sense of workforce belonging and the drive to ensure equity in service provision for our diverse communities.
- 4.14 The new post will report to the HR Manager in the Organisational Development and Performance Unit .

5.0 Financial Implications

- 5.1 The cost of a PO1 post for 22.5 hours over 18 months will be approximately £38,500.
- 5.2 There is currently no budgetary provision to fund this proposal. Therefore, a fixed-term post would need to be funded from the General Fund Reserve as a one-off cost. This is currently affordable within the MTFP given that the level of the Reserve is greater than estimated following the reporting of the General Fund out-turn elsewhere on this Agenda.

6.0 Corporate Implications

Employment implications

- 6.1 As with any change programme, the effective management of employment issues will be critical. The Council has a number of policies in place that will support this programme and will ensure that a fair and consistent approach is maintained
- 6.2 The addition of the new post will not have any material impact on any existing post in the Organisational Development and Performance Unit. It will increase the managerial responsibility for the post of Human Resources Manager but with the new post being fixed term it is not considered that requires any further assessment of the post or grade.

Equality, Diversity and Inclusion Officer (Fixed term contract and part time)

- 6.3 It is proposed that this post is advertised at the earliest opportunity and be made available to the existing workforce as a potential secondment opportunity as well as external recruitment.
- 6.4 The grade of the post will be subject to the completion of a job evaluation assessment in line with the Council's local procedure. It is expected that that grade will be no higher than PO1.

Proposed Consultation and Timetable

- 6.5 In line with the Council's procedure for managing organisational change, formal consultation will be undertaken. This will include the recognised Trade Unions and employees who are both directly and indirectly affected by the proposed changes. The Head of Organisational Development and Performance will undertake this consultation with support from Human Resources.

Action	Timescale
Report considered by Finance & Management Committee	21 July 2022
Formal consultation with staff and Trade Unions*	25 July – 5 August 2022
Effective date of new structure – recruitment to commence	1 September 2022

* A paper will be presented back to the Committee if material changes are made to these proposals.

Legal Implications

- 6.6 The Equality, Diversity and Inclusion Strategy and Action Plan will ensure that the Council meets its statutory duties under the Equality Act 2010.

Corporate Plan Implications

- 6.7 Equality, diversity and inclusion is at the heart of everything the Council has stated it will achieve in its Corporate Plan and underpins all its key priorities, themes and values.

Risk Impact

- 6.8 Action can be taken against the Council if we do not fulfil our equality duties as a public sector organisation under the Equality Act 2010.
- 6.9 The Equality, Diversity and Inclusion Strategy and action plan provides a clear framework and commitment to advance equality that will minimize the risk of any actions being successful. The proposed Equality, Diversity and Inclusion Officer post would play a key role of mitigating any risks around not meeting our equality duties set out in the Equality Act 2010

7.0 Community Impact

Consultation

- 7.1 The post will have regular engagement and consultation with internal and external stakeholders to ensure that equality, diversity and inclusion is embedded throughout the Council services and employment practices.

Equality, Diversity, and Inclusion Impact

- 7.2 The outcomes and impact are detailed in the Equality, Diversity and Inclusion Strategy and Action Plan 2021-25. These will be reported on an annual basis to Council and made available to the public to ensure transparency and openness with the delivery of the Plan and any further actions that are proposed.

Social Value Impact

- 7.3 The proposed Equality, Diversity and Inclusion Officer post will show how the Council is advancing equality, meeting its statutory obligations and make society fairer for everyone.

Environmental Sustainability

- 7.4 None directly arising from this report.

8.0 Conclusion

- 8.1 The Equality, Diversity and Inclusion Strategy and Action Plan 2021-25 is ambitious, challenging and built on the identified needs and issues that are most important to the local community. The Council has clearly stated the role it can

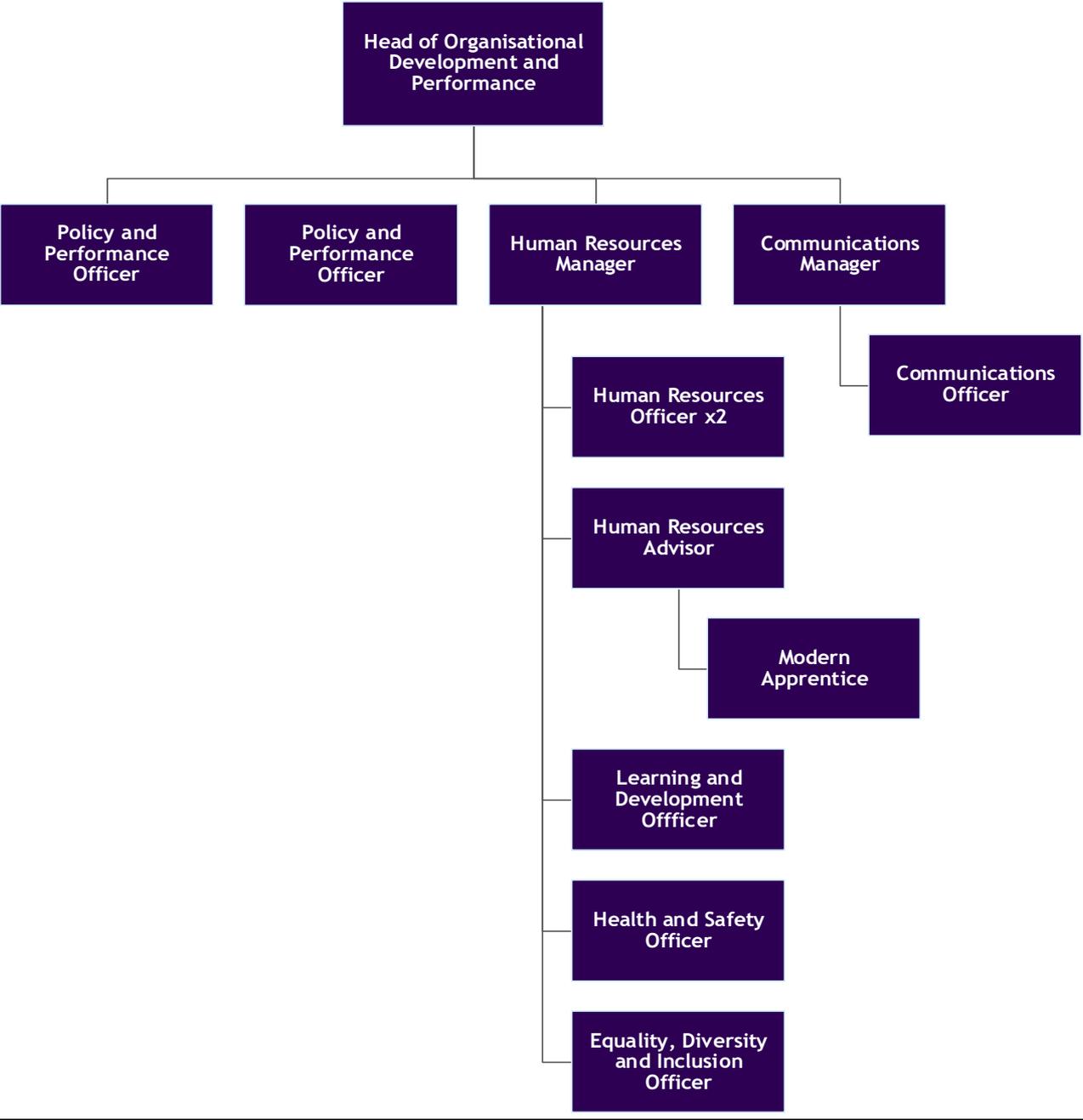
play to make a difference to lives of people in the community in the services it can provide directly and indirectly with partners.

- 8.2 The proposed part time Equality, Diversity and Inclusion Officer post, on a fixed term contract will support the delivery of the key priorities in the action plan.

9.0 Background Papers

EDI Strategy and Action Plan 2021-2025
Report to Full Council on 24 February 2021

Appendix 1 Proposed New Structure



REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL)	AGENDA ITEM: 10
DATE OF MEETING:	21 JULY 2022	CATEGORY: DELEGATED
REPORT FROM:	KEVIN STACKHOUSE - STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	JARED WAINWRIGHT, LEARNING AND DEVELOPMENT OFFICER jared.wainwright@southderbyshire.gov.uk	DOC:
SUBJECT:	ANNUAL TRAINING REPORT 2021-2022 AND PRIORITIES FOR 2022/23	
WARD(S) AFFECTED:	NONE	TERMS OF REFERENCE: FM05

1.0 Recommendations

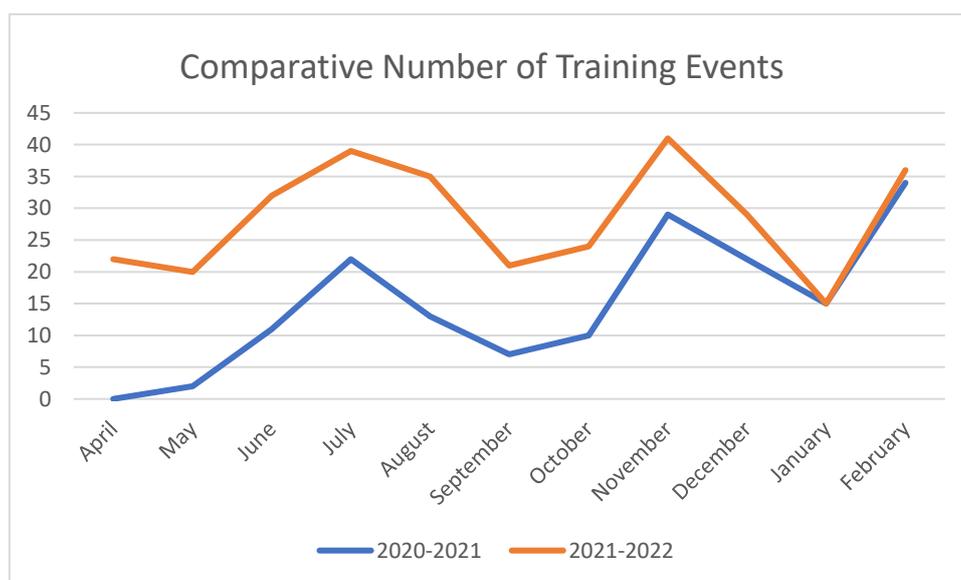
- 1.1 That Members note the investment and outcomes made in learning and development activities from 1 April 2021 to 31 March 2022 which are linked to the delivery of the key priorities of the Council's Corporate Plan.
- 1.2 To approve priority areas for learning and development during 2022-2023.
- 1.3 That the Council continues to provide employment and work experience opportunities under the national Modern Apprenticeship Scheme and other vocational based learning initiatives working with local schools and other academic centres.

2.0 Purpose of the Report

- 2.1 To provide an overview of employee learning and development activities between 1 April 2021 to 31 March 2022, highlighting areas of success and development to take into the next financial year.
- 2.2 To propose the priority actions for corporate learning and development activities for April 2022 to March 2023 and the anticipated outcomes that includes supporting any national schemes as part of the national recovery plans for employment.

3.0 Executive Summary

- 3.1 Learning and development activities have had to radically change due to the impact of COVID-19 and the different models of service delivery being used across the Council.
- 3.2 This has provided the opportunity to consider and employ different delivery models for learning and development with the majority of training events being conducted online through Microsoft Teams to comply with the national requirement for employees to work from home where possible. Face-to-face training continued in compliance with Government and Public Health guidance where other training options were unavailable. This enabled a continuation of learning and development activities to ensure all employees were able to complete both mandatory and job related training. It will be important to continue a blended approach now that restrictions are lifted as the Council adapts to new flexible ways of working.
- 3.3 Overall, there has been a positive trend in training events and attendance as shown in the chart below.



- 3.4 Several initiatives have been used throughout the year to increase employee engagement with learning and development opportunities. These include the continued publication of a bi-monthly Learning and Development Newsletter, bi-yearly reports to Heads of Service on training records, enhanced recording of any continuous professional development (CPD) by employees to keep accurate training records and the development of online feedback forms.
- 3.5 To supplement the above, an e-Learning platform, Skillsbites, has been procured and available to all employees via their work devices. This provides learning opportunities in a range of managerial, occupational, IT and personal development courses. It is planned to increase the training on the platform with

additional Health and Safety, safeguarding and Customer Service modules making learning opportunities more widely available to suit employees' availability.

National programmes and campaigns

- 3.6 To increase employee engagement with learning and development initiatives, there was a specific programme of events put in place for Mental Health Awareness Week 2021 and National Apprenticeship Week 2022. This has given employees more awareness of the initiatives and increased participation and understanding, especially in mental health and wellbeing. This has been particularly important for those employees working at home or from different locations without direct access to and/or contact with colleagues.

Modern Apprenticeship and Kickstart

- 3.7 Four new apprenticeships started in 2021-2022 with a further two potentially starting later this year. As part of the Government's employment recovery plans, additional incentives were made available and the Council responded positively to access this funding and make better use of the apprenticeship levy. This incentive funding is no longer available as it ended on 31 January 2022 however other funding remains available to further the Council's support of encouraging high employment within the District.
- 3.8 The Council also signed up to a regional consortium organised by East Midlands Councils to support the national Kickstart scheme. The aim of this scheme was to assist people at risk of long-term unemployment into the workplace. This has been successful for the Council with the employment of three additional people that otherwise may not have had the opportunity.
- 3.9 Work is also progressing with the introduction of a different academic route for people using the T-Levels initiative. This will enable the Council to work with academic centres to help people gain valuable qualifications, equivalent to A-levels, while building working experience.

Mandatory Training

- 3.10 Resource has been invested in providing mandatory training to managers and employees. This has resulted in a significant upturn in the levels of attendance across the workforce with further courses scheduled during 2022/ 23 to maintain the momentum gained. This promotes high levels of compliance with the Council's key priorities for training and development. This has included the provision of training in two courses to support the approved Equality, Diversity and Inclusion Strategy 2021-25.

Elected Member Training

- 3.11 During the year, Elected Members have been provided training in a range of different courses ranging from Equality, Diversity and Inclusion awareness

through to Safeguarding and Media Training. These are delivered at different times to suit the needs of Elected Members and their own learning needs.

3.12 Compulsory training was also provided for members of the Planning Committee and Overview and Scrutiny along with a number of other events that are relevant to the responsibilities and role of Elected Members

External training

3.12 The Council was successful with the submission of a tender to provide Equality, Diversity and Inclusion training for the Trustees, employees and volunteers of Derby Museums. This has brought in extra income and enhanced the reputation of the Council as a service provider.

4 Detail

4.1 Overview of training events from April 2021 to March 2022:

- 149 training events provided to employees; of these, 137 were provided by internal facilitators and 12 were provided by external facilitators.
- Continuation of the Mental Health Awareness Week programme and National Apprenticeship Week to support managers and employees.
- The Council was engaged to deliver equality, diversity and inclusion (EDI) training for Derby Museums. A total of 15 sessions were delivered over 5 weeks with 89 attendees.
- 1864 individual attendances were recorded in total across internal training events.
- This equated to an average of 12.5 attendees per session and 3.58 training days per employee for this period.
- Overall, training completions in all areas of mandatory compliance continued as shown below – please note that the majority of the training is completed on a three yearly cycle so higher completions rates from the previous will limit the number of attendees in the previous year.



- 4.2 COVID-19 and the continued requirement for the majority of employees to work from home has driven the provision of learning and development activities to new technologies and solutions to ensure the continuation of support for employees. This had to progressed in an agile and safe way to meet the different needs of the workforce and ensure that courses and the content was adapted to better reflect the ‘virtual’ classroom that has had to be used as the primary tool for training.
- 4.3 For front line workers training was provided on a face to face basis observing the national and public health guidelines that were in place. With the relaxation of the national guidelines, training provision is now being made available on a face to face basis where appropriate and safe for the workforce.
- 4.4 Training data compiled for this report was accurate as of 1 April 2022 – any data received thereafter, such as CPD courses attended by employees, may not have been included which may lead to an understatement of training figures. The Council has enhanced the recording of training data throughout the period to ensure training records are accurate and up to date, both to support employees with their professional development and managers with ensuring the compliance of their teams.
- 4.5 Initiatives to accurately record and to encourage uptake in training have continued and includes:
- A bi-monthly Learning and Development Newsletter sent to all employees and made available for those colleagues without work emails.
 - A quarterly training form sent to Heads of Service to record their team’s CPD and other associated training events.
 - Monthly targeted reminders to encourage attendance on training courses.

4.6 To provide further flexibility and support in training provisions, eLearning solutions have continued to support a blended learning approach.

Evaluation of training

4.7 Feedback from training intervention has been digitised using Microsoft Forms, although an optional print version of feedback forms is available for those who cannot access this. There have been positive trends across all areas measured as summarised in the table below

Summary of all training feedback:				
Relevance of training to role:	Standard of content:	Training delivery methods:	Reported increase in skills (average):	Would you recommend this training?
89% stated as highly relevant to role	90% judged training content as excellent	90% judged the training delivery as excellent	18% increase in skills, behaviour and knowledge	89% would recommend training to others

Health and Wellbeing

4.8 Training has supported health and wellbeing throughout the pandemic to ensure those employees working from home or without regular direct access to managers or colleagues have access to resources and information. This included:

- Running a programme for Mental Health Awareness Week which provided training and information on topics such as anxiety, depression and stress.
- Continued support with the training of Mental Health First Aiders (MHFA) that includes five front line workers who can support employees within their service areas. MHFA refresher training to maintain and increase this group's skillsets in will be provided.
- A total of 23 'Health and Wellbeing' training sessions delivered, including Stress Awareness, Managing Employee Wellbeing and Building Resilience

Modern Apprenticeships

4.9 Despite COVID-19 directly impacting the ability to hire new starters into apprenticeship roles due to the Government's advice to work from home for a large part of the year, The Council has still been successfully able to support new starters into apprenticeship roles.

4.10 Comparatively, in 2021-2022 the Council spent 25% of its levy funds, compared to a spend of 16% of the levy funds paid in 2020-2021. The 2021-2022 spend did have the added advantage of gaining £3000 from the Government's incentive scheme and hires in this period gained a total of £4500 in incentive payments, up to 31 January 2022 when the scheme was ended.

- 4.11 In total, 2% of the workforce were in an apprenticeship role, up from the previous year which stood at 1.4%.
- 4.12 Actions to improve the uptake of apprenticeships within the Council include celebrating National Apprenticeship Week, using the bi-monthly Learning and Development Newsletter to advertise benefits to using apprenticeships for existing colleagues, and using the PDR process to contact managers about potential opportunities. This will support the Council to achieve the public sector target of 2.3% of the workforce being in an apprenticeship post.

Kickstart Programme

- 4.13 The Government's Kickstart programme was introduced as an initiative to help young people aged 16-25 at risk of long-term unemployment to secure a six-month fully funded work placement. This initiative came to an end on the 31 March 2022.
- 4.14 The Council were successful in securing three placements. These have enabled three young to receive further training and development and all have since been able to secure further employment at the Council.

Management Training

- 4.15 The development and delivery of training specific to managers has increased across four areas namely; Attendance Management, Equality Impact Assessments, Managing Employee Wellbeing and Recruitment and Selection.
- 4.16 E-Learning has further supplemented management training by providing 11 additional modules relevant to common management issue such as managing return to work, coaching, motivating, leadership, conflict resolution, effective interviewing and performance development reviews.
- 4.17 73.8% of managers have completed all their mandatory training in 2021-2022
- 4.18 In addition, the session 'PDRs: A Manager's Guide' and associated resources was created for managers to support the PDR process, which 99% of managers attended. This training provider managers with the knowledge and insight to set employees targets for the year, linked to the delivery of the Corporate Plan, and identify the training and development activities that are need for the employee.

Post entry training

- 4.19 In addition to internal training, nine employees have/are undertaking post-entry training programmes throughout this period. This is an increase on the eight employees undertaking post-entry training in the previous year. This demonstrates the Council's investment in the development of the skills and knowledge of employees and supports effective workforce planning.

Training budget

- 4.20 The Council allocates separate budgets for training within service areas and corporately. The corporate training budget is managed centrally by the Organisational Development and Performance Service Unit and is used to fund learning and development opportunities that are available for all employees.
- 4.21 The corporate training budget has been used to purchase an eLearning platform and additional modules and also to fund a course for officers across the Council to undertake formal employment related investigations. Over the next year, this budget will be used to support the delivery of a Leadership and Management Development programme that will be provided by an external partner following a procurement exercise.
- 4.22 Each Service Unit manages their own training budget to support personal and professional development of their employees. These are linked directly to the needs identified in their Service Plan and at individual performance development reviews.
- 4.23 Across all service areas, £146,724.95 was available and £75,923.64, 49% has been spent during the year. Based on a head count of 320 employees, there is £458.52 available for each employees training during the year with £237.26 being spent on each employee. The Local Government Association have established a benchmarking club that is available to all Councils and those who participated during 2021/22 reported an average spend per employee in English Authorities was £198.

5.0 Priorities for 2022-2023

- 5.1 The emerging landscape of the workplace post COVID-19 will demand that services are delivered that best and most safely meet the needs of customers, employees and the communities the Council serves. With the planned introduction flexible working as the preferred employment model of the Council, the priorities for learning and development priorities will support, enhance and develop the Council's approach and its workforce.
- 5.2 Council services will be delivered to meet the needs of customers and the learning and development will remain agile, flexible and focused on providing the workforce with the skills, knowledge and ability to deliver excellent customer focused services. In the planning of learning and development interventions, the requirement to ensure the health and safety of the workforce will remain a priority.

Supporting flexible working

- 5.3 In the upcoming year, learning and development initiatives will support and be aligned to the Flexible Working Policy. This will include supporting managers in managing remote teams, team building and performance management. For employees, there will be a continuation of wellbeing interventions and refresher training for the current Mental Health First Aiders.

Leadership and Management

- 5.4 A leadership and management programme will be provided to suit more agile working methods, and to support managers with changing ways of working. This will include providing internal and external facilitation in core subject areas, and the provision of blended learning opportunities to support delegates on-going personal and professional development.
- 5.5 An external partner has been appointed to deliver this programme with the first cohort of attendees to commence in September 2022. This will enable 12 employees to work through the programme and provide feedback to assess and develop the content of the programme before the second cohort of delegates start in January 2023. This will be a rolling programme with two separate cohorts then being run each year. This will support the Council to build resilience and knowledge in key posts across the council and enable succession planning to retain and recruit employees.
- 5.6 There will also be the opportunity to use funding through the apprenticeship levy to support qualifications such as the ILM Level three in management, as well as other funding prospects provided through local education providers to provide accredited qualifications in different occupations.

Coaching programme

- 5.7 As part of the leadership and management programme, a coaching programme will be implemented, with the potential to join East Midlands Councils and their existing coaching network to support this. It is proposed that this will support managers to develop their teams using coaching interventions alongside other management techniques. Going forward, if it planned to develop an internal resource of work based coaches, suitably qualified, to provide this support internally.

Modern apprenticeships

- 5.8 Work will continue to provide apprenticeship opportunities across all services of the Council. In addition to the framework currently in place, additional support and guidance will be provided to managers on how to recruit in to apprenticeship posts as well as providing access to the apprenticeship levy for existing employees who may wish to upskill.
- 5.9 This will support the Council in achieving the public sector apprenticeship target of 2.3% of the workforce being enrolled on an apprenticeship programme.

Customer services

- 5.10 Working with the Head of Customer Services, a blended approach to providing customer services training for all staff will be provided. This will enhance and support the embedding of the Flexible Working Policy and ensure that customers remain the priority in all the services provided by the Council.

Induction

- 5.11 In order to ensure the Council can support both face-to-face and virtual onboarding of new starters, the induction process will be reviewed to ensure all new employees are able to benefit from gaining the same knowledge and information during their induction process. Primarily, this will be supported through the eLearning system SkillBites, where an online introductory video and module will be hosted, as well as key online policies and procedures for new employees to familiarise themselves with before commencing employment with the Council. This will support managers when inducting new employees and enable their effective integration in to the Council and their new teams.

eLearning

- 5.12 To widen the learning options available to employees using the eLearning platform. This will support a blended learning approach, as well as providing increased choice in when and where to complete modules to suit employees' roles and responsibilities. This will also support the Learning and Development Officer in facilitating other interventions and move some mandatory training on to an eLearning format.

Mandatory Training

- 5.13 Mandatory training will be continued with an annual review of all modules to ensure they are fit-for-purpose. Work will be progressed with Heads of Services to ensure all mandatory training is kept up-to-date and progressed throughout the year

Frontline Workers

- 5.14 Face-to-face training will continue for frontline workers in mandatory modules and include core Health and Safety interventions and toolbox talks to support safe working practices, driving safely and banks person training.
- 5.15 Opportunities using the apprenticeship levy and funding from academic centres will continue to be advertised to frontline workers through their Heads of Service to ensure workforce development opportunities are available to all.

Equality, Diversity and Inclusion

- 5.16 The approved Equality, Diversity and Inclusion Strategy will ensure the provision of training for the workforce. This will continue to focus on mandatory training for all employees as well as additional training for managers in equality impact assessments. Further training will be provided in conjunction with training partners as appropriate, with feedback and outcomes reported to the Equality, Diversity and Inclusion Steering Group.

Elected Members

5.17 Work has commenced on progressing training for Elected Members. This will include Equality, Diversity and Inclusion, Safeguarding, Environmental Awareness, Health and Safety Awareness and will incorporate other relevant training as deemed appropriate. This will be organised by Legal and Democratic Services with support provided by the Learning and Development Officer through internal and external facilitators.

6.0 Financial Implications

6.1 The corporate training budget, along with resources within the Organisational Development and Performance team and other internal training provides, will be allocated to support the priorities identified in the report.

6.2 External consideration may include, but are not limited to, the potential to join the East Midlands Coaching network and utilising external facilitators where necessary to acquire subject matter experts. All costs to be met through existing budgets.

6.3 The apprenticeship levy funds that the Council pay into are still underutilised. However, the apprenticeship spend across the Council increased from £5,154.25 in 2020-2021 to £16,783. The removal of Covid-19 restrictions played a significant role in this, as recruiting and supporting an apprentice was not as affected by barriers as working from home. Utilising National Apprenticeship Week, regular communications about apprenticeships and using the PDR process have help to elevate this spend and increase apprenticeship numbers in the period 2021-2022.

7.0 Corporate Implications

Employment Implications

7.1 The Council's most valuable resource is its people, and training helps to nurture and develop that resource to improve efficiency and effectiveness in service provision. In providing clear development opportunities, employee retention will be positively impacted, and the Council will gain a reputation as a supportive employer which will assist during recruitment processes.

7.2 With a formalized apprenticeship procedure it is hoped that employment will be positively affected in both bringing in new starters and in upskilling existing members of staff, consolidating the implications on the Council's reputation mentioned above.

Legal Implications

7.3 None arising from this report.

Corporate Plan Implications

- 7.4 Training relates to all priorities of the Corporate Plan. Primarily, training supports Our People by ensuring our employees have the right skills, knowledge and behaviors to provide services to our internal and external customers.

Risk Impact

- 7.5 Investing in the learning and development of employees is imperative to ensure the safe and timely delivery of services. This will support the health and wellbeing of the workforce and ensure staff are suitably trained to work in different models of service delivery.

8.0 Community Impact

Consultation

- 8.1 None arising from this report.

Equality and Diversity Impact

- 8.2 Training will continue to provide to raise awareness and educate the workforce in actions being taken to deliver on the Council's Equality, Diversity and Inclusion Strategy and action plan. All training, whether provided face to face or electronically, is open to all employees with adjustments put in place to ensure attendance and access for employees when requested. Positive action may be progressed to address any areas of underrepresentation in the workforce to encourage and promote personal and professional development.

Social Value Impact

- 8.3 None arising from this report

Environmental Sustainability

- 8.4 Training will continue to provide to raise awareness and educate the workforce in actions being taken to deliver on the Council's environmental commitments.

9.0 Conclusions

- 9.1 The working environment and expectations of employees, customers and residents have changed. The provision of learning and development opportunities will also have to change, whilst recognising the different needs of learners and their access to technology. The key priorities identify for 2022/23 will ensure that the Council continues to make a timely and effective investment in the workforce that will support the Council's vision to make South Derbyshire a great place to live, visit and invest.

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL)	AGENDA ITEM:11
DATE OF MEETING:	21 JULY 2022	CATEGORY: DELEGATED/
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	ELIZABETH BARTON (01283 595779) elizabeth.barton@southderbyshire.gov.uk	DOC:
SUBJECT:	DISCRETIONARY HOUSING PAYMENT FUND ENHANCEMENTS 2022/2023	REF:
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 12

1.0 Recommendations

- 1.1 That the Committee approves a total of £56,586.97 is transferred into the Council's Discretionary Housing Payments (DHP) budget.
- 1.2 The Committee approves that a further £30,000 is set aside in a separate DHP rent arrears top-up budget.
- 1.3 That Committee approves the Council's updated DHP Policy (see Appendix 1).

2.0 Purpose of Report

- 2.1 To update the Committee on the Council's delivery of DHP in 2021/2022.
- 2.2 To update the Committee on the 2022/2023 DHP funding allocation from government.
- 2.3 To request the Committee approves the transfer of £56,586.97 into the DHP budget and £30,000 in to a separate DHP rent arrears top-up budget. The combined funding (£86,586.97) is comprised of an underspend in the Council's 2021/2022 Council Tax Hardship Fund allocation, and a carry forward of COVID funding that was initially allocated to 2021/2022's Discretionary Housing Payments.

3.0 Executive Summary

- 3.1 DHPs provide local tenants facing severe financial hardship, or where their tenancy may be at risk, (including council, social landlord and private landlord tenants) with emergency financial help towards their rent. To be eligible for help, tenants need to be in receipt of housing benefit or the housing element of Universal Credit.
- 3.2 The Council's allocation of funding to support DHPs from the Government, has been reducing year-on-year, despite increasing financial vulnerability across the community, particularly as a result of the energy crisis.

- 3.3 The government allocated £156,990 DHP funding to the Council in 2020/2021, £86,879 (later bolstered to £120,960 – see 4.2) in 2021/2022 and has so far allocated £83,991 for 2022/2023.
- 3.4 Given the increasing financial need across the district, the Council is keen to bolster the funding available for DHPs and associated need.
- 3.5 The Council is also keen to establish a DHP rent arrears top-up budget to supplement payments to residents who are ready to move to more financially sustainable accommodation, but whose rent arrears cannot be paid off fully through the DHP budget, due to regulations linked to how this money is spent, and so are unable to move.

4 Detail

- 4.1 Due to limited funds, DHPs are only a short-term measure and as such are often designed to help residents' financial position to become more sustainable. For example, to provide additional financial support while the customer adjusts their expenditure that allows them to prioritise their rent.
- 4.2 During 2021/2022, despite a low initial Government allocation, the Council's DHP budget was bolstered in a number of ways, as detailed below:

Amount	Funding	Funding requirement	Outcome
£40,000	In response to the drop in funding, Finance & Management Committee approved an allocation of funding from the Council's COVID-19 budget. This was approved before the top-up (see below) was confirmed.	As this was a Council allocation, this did not have to be spent in year and can be carried forward.	This was not spent (see 4.5).
£34,081	The government awarded a top-up Discretionary Housing Payment allocation.	This took the total government contribution for 2021/2022 to £120,960 which had to be spent in year.	This was fully spent.
£81,009	The Council received an allocation from the Household Support Fund administered by Derbyshire County Council	This had to be spent by 31 March 2022.	This was fully spent.

- 4.3 In 2021/2022 the team distributed just over £200,000 in DHPs to 206 residents, with an average payment of just under £1,000.
- 4.4 Because the Council has a limited DHP budget, the team ensures it is spread out evenly across the year, to ensure the Council can continue to help the most financially vulnerable residents, whilst not running out of funding in the first few months of the year.

- 4.5 Because neither the top-up allocation of DHP funding nor the HSF monies were anticipated and arrived later in the financial year, whilst the team more than doubled its initial government allocation in terms of total spend, it was unable to allocate the Council COVID funding (£40,000) it was allocated for 2021/2022. This is because each DHP case is complex and requires detailed assessment, and as such, the team can only process a certain number of cases within any given timeframe.
- 4.6 Given the increase in the number of residents facing financial hardship across the district, the Council wishes to boost the support available to people who are struggling to meet their housing costs in 2022/2023 and beyond using the following sources:
- The carry forward the unspent £40,000 from the 2021/2022 DHP budget (see 4.5).
 - The transfer £46,586.97¹ from the Council Tax Hardship Fund. The Council Tax Hardship Funding was provided by the Government to support a reduction in resident's Council Tax bills in response to COVID but was not spent in full as the caseload did not require it. The funding is not ring-fenced or timebound and can be used for other welfare purposes, such as DHPs.
- 4.7 The combined funding (£86,586.97) will then be split into a £56,586.97 top-up for the DHP budget, and £30,000 for a new DHP rent arrears top-up budget (see 4.8 – 4.13).
- 4.8 Together these funds will bolster the support available to people who are struggling to meet their housing costs. The DHP budget would be bolstered to £140,577.97 (£83,991 government allocation plus £56,586.97) for 2022/2023. The DHP funding would then be supplemented by the £30,000 rent arrears top-up budget to be spent in 2022/2023 and beyond (if not fully utilised within year).
- 4.9 Together this additional funding will bring the amount of funding available to support residents struggling to meet their housing costs closer to the amount allocated in 2021/2022. Given the increasing financial vulnerability of residents across the district, particularly in relation to the energy crisis, the demand for such funds is set to remain high and the funding will enable even more vulnerable residents to be supported.

DHP rent arrears top-up budget

- 4.8 The primary aim of DHPs is to provide additional financial help to those facing restrictions due to Welfare Reform.
- 4.9 Guidance from the Department of Work and Pensions (issued 27/05/2022) states that DHP funding (including any Council contribution) can only be used for rent arrears if the arrears were accrued during a period in which the applicant was in receipt of housing benefit or UC housing element.
- 4.10 This means residents who accrued rent arrears during a period they were entitled for benefits, but did not claim them, or accrued rent arrears for another reason, would not be be entitled to have their rent arrears paid off through the DHP budget, and as such could be prevented from moving into a more financially sustainable home.

¹ There was a total underspend of £51,586.97 in Council Tax Hardship Fund, however £5,000 is being held back to provide awards to cases that backdate into last financial year. This leaves a total of £46,586.97 available.

- 4.11 Because of this the Council is keen to set aside £30,000 of the available funds into a DHP rent arrears top-up budget. This budget would be available to the DHP assessment team to support residents who are eligible for a DHP, but who have ineligible rent arrears, and as such are unable to move to a more financially sustainable home. In such instances, where the tenant has secured an alternative property to move into, the Council will consider topping-up the DHP payment with additional funds from the DHP rent arrears top-up budget, to facilitate the move. This will both make the resident more financially sustainable into the future, and free up much needed larger properties for other local residents. Where residents do not have new accommodation lined up (including evidence of the new tenancy), they will not be eligible for top-up funds. The team will work closely with the housing team to support residents in council accommodation, who wish to move and have an opportunity to do so, and are eligible for additional support through the scheme.
- 4.12 The top-up pot will also offer the team the opportunity to offer financial support to residents who will struggle to physically move to their new home due to a lack of funds, and as such will have to remain in financially unsustainable accommodation accruing further arrears.
- 4.13 The success of the top-up budget will be monitored to provide information to Finance & Management committee in future with regards to any future possible extension of the budget.

5.0 Financial Implications

- 5.1 The underspend of 2021/2022 Council Tax Hardship Fund allocation and the Council's unspent 2021/2022's allocation of funding to the Discretionary Housing Payments budget are not ring fenced, and as such can be carried forward into future years' allocations.
- 5.2 The Council is permitted to increase the total amount of Discretionary Housing Payments it makes locally (including the Government allocation) by up to 2.5 times the Government allocation. The increased budget is within this threshold.
- 5.3 The processing of Discretionary Housing Payments cases can be supported within existing staffing resources.
- 5.3 As such, there are no additional financial implications arising from the proposals contained in this report.

6.0 Corporate Implications

- 6.1 None.

7.0 Community Implications

- 7.1 Residents in all types of rented accommodation across the district will be positively supported via the increased budget.

8.0 Conclusions

- 8.1 The Discretionary Housing Payments budget supports hundreds of residents across the district facing severe financial hardship and helps to keep them in their homes or makes it possible for them to move into more financially sustainable accommodation.
- 8.2 The drop in Government funding comes at a time when even more residents across the district are facing financial hardship, some for the very first time.
- 8.3 The bolstering of the fund/funding available to financially vulnerable residents will ensure the Council can continue to support as many financially vulnerable residents as possible during 2022/2023.
- 8.4 The Council should however note that a far fewer number of residents will be able to be supported in future years, unless the Government allocation is increased significantly in response to the energy crisis, or the Council chooses to divert further funds to support such initiatives.

9.0 Background Papers

Appendix 1 - DHP Policy

Discretionary Housing Payments (DHP) Policy

Service Area: Customer Services, Revenues and
Benefits

Date: July 2022



Version Control

Version	Reason for review	Effective Date	Review date
1.0	Refresh of policy	21 July 2022	July 2025

Approvals

Approved by	Date
Finance and Management Committee (subject to approval at committee)	21 July 2021

This policy may be subject to change. Any changes will be published to www.southderbyshire.gov.uk. Changes will be subject to approval by the Council's Strategic Director (Corporate Services) in their role as the Section 151 Officer.



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1 Introduction

The Child Support, Pensions and Social Security Act 2000 allows local authorities to make discretionary payments to customers who are entitled to housing benefit, the housing element of Universal Credit if they need additional help with their housing costs.

The regulations covering Discretionary Housing Payments (DHPs) are the Discretionary Financial Assistance Regulations 2001.

These are supported by the DHP Guidance Manual, updated From December 2017 to take account the latest information on Universal Credit and Council Tax Support, supported by the DHP Guidance Manual published by the DWP in December 2016.

Although the legislation gives very broad discretion, decisions must be made in accordance with ordinary principles about good decision making, i.e., administrative law.

In particular local authorities have a duty to act fairly, reasonably and consistently.

2 Objectives

The Council's vision is 'to make South Derbyshire a great place to live, visit and invest.'

This policy supports the Council's ambition to 'support and safeguard the most vulnerable' residents by:

- Helping to prevent homelessness and supporting the most vulnerable residents across the district.
- Helping customers secure more financially sustainable alternative accommodation more suitable for their needs.
- Helping customers through difficult events, particularly where there are circumstances outside of their control.
- Encouraging social inclusion by ensuring financially disadvantaged residents are able to afford to live in communities that provide support.
- Preventing homelessness thereby increasing the likelihood of residents gaining and remaining in employment.
- Providing guidance support in respect of elements of the welfare reform agenda particularly as the roll-out of Universal Credit completes.



3 What are Discretionary Housing Payments?

Discretionary Housing Payments (DHPs) provide customers with further financial assistance when the Council considers that help with housing costs is needed.

Generally, financial help is provided where the benefit a resident receives is less than the rent charged on a property as a result of Welfare Reform. However, each case is decided on its own merits.

Each year the government awards a sum of DHP funding to the Council. The Council can choose to top-up the total DHP funding it distributes up to 2.5x its government allocation.

Any council contribution above the government allocation is subject to approval by the Finance and Management Committee.

The specific conditions which must apply before a DHP can be awarded are:

4 Eligibility criteria

Applicants will only be eligible for a DHP if they require further financial assistance with housing costs and are entitled to:

- Housing benefit, or
- Universal Credit (UC) that includes housing costs towards rental liability, and

An applicant receiving council tax support only, or who has not yet been awarded housing benefit or Universal Credit, is not eligible for a DHP.

Payment cannot be made where:

- Housing benefit or Universal Credit has been suspended.
- The applicant's need for additional help is as a result of sanctions to welfare benefits
- There is a shortfall between benefit awarded and rent due resulting from:
 - support or service charges that are ineligible for housing benefit.
 - shortfalls caused by overpayment recovery.
- Increases in rent for outstanding rent arrears.
- Ineligible service charges
- Shortfalls caused by HB or UC overpayment recovery
- The DHP budget for the financial year has been exceeded.



5 How to apply for a DHP

To apply for a discretionary housing payment, please fill in our [online application form](#).

An applicant, or their appointee¹, can make an application for a DHP. The date of receipt of an application will be logged as the application date.

If a claim is made by another method (e.g., telephone or email), a record of the initial contact will be kept on the Council's benefits system and will be considered as the date of claim. A DHP claim form will be sent to the customer within three-working days of the initial contact. The form must then be returned by the customer within one-month of the issue date, otherwise the claim will be closed.

If the Council requires any supplementary information to support a submitted application, the Council will request this from the applicant/their appointee in writing. The applicant will be asked to provide the information within two weeks from receipt of the letter. If necessary, the applicant may need to be interviewed to fully understand the needs of the applicant and their household. An income and expenditure assessment and bank statements may also be requested.

If the information is not provided by the applicant or their appointee, within one month, a decision will be made based on the evidence held.

If you cannot access the online form, please call our customer services team on 01283 595795. Our telephone lines are open Mondays, Tuesdays and Thursdays between 8.45am and 5pm, Wednesdays between 9.30am and 5pm and Fridays between 8.45am and 4.30pm. If you don't have access to a telephone, you can use the free telephone located at the Civic Offices.

All applicants have a duty to inform the Council if their circumstances change during the DHP assessment period (for example someone moves into or out of their property), as it may affect their entitlement to a DHP.

¹ Landlords cannot apply for a DHP on behalf of their tenants.



6 What are housing costs?

Housing costs are not defined in the regulations, and this gives local authorities broad discretion to interpret the term as they wish.

For the purposes of this policy, housing costs are interpreted to include:

- Rent in advance.
- Deposits.
- Other lump sum costs associated with a housing need such as removal costs.
- In some cases rent arrears *

* Rent arrears can only be considered where the arrears accrued over a period that a relevant award of housing benefit or UC housing element was payable. The award of housing benefit for the arrears period will be considered to avoid duplication of payment. Furthermore, arrears will only be considered if paying them off will ensure the resident is in a more sustainable position or can move to a more sustainable property.

7 Award criteria

In all instances consideration will be given to cases where there is:

- The prospect of imminent eviction.
- A risk of homelessness.
- A clear inability (of all household members) to pay, including any assets held (information to be taken from an income & expenses form completed by the applicant and validated by the Council).
- A period of time remaining on the tenancy agreement that is considered to restrict the applicant's ability to move.
- The accommodation meets the disability needs of a resident and unlikely to be able to find suitable alternative accommodation to match these needs (e.g., wet room, hoists, stairlifts etc)
- Evidence of action taken by applicant to prevent need for DHP, e.g., negotiating with landlord, seeking agency support, obtaining advice regarding managing finances, attempting to gain employment, including entering training programmes such as:
 - Prevocational courses (literacy, numeracy, ESOL).
 - Vocational courses (such as money management training).
- Considered to be an adverse impact of non-payment of DHP on vulnerable household members including:
 - The age of the applicant and the members of their household.
 - If changing address is likely to affect children at a critical educational stage.
 - Any specialist support services provided by the County Council's Adult or Children Services.
 - Health or medical needs assisted by local services that are not available elsewhere.
 - How difficult it is to move to alternative accommodation elsewhere because of age or disability.
- Availability of funds.
- Any other relevant factors.



8 Assessment of ability to meet the shortfall in rent

Consideration of expenditure compared to income will be made in order to assess the ability to meet any shortfall and housing related expenses. All income sources will be looked at when considering a DHP, including incomes that are disregarded under normal social security rules. Examples include

- Ability of non-dependant to make payment.
- Capital available to meet any shortfall.
- Personal independence Payments, Disability Living Allowance and Attendance Allowance.
- All incomes received such as maintenance payments.

Expenditure will be considered, and excessive or non-essential expenses will not be taken into account. Evidence of expenditure will be required where it is higher than typically expected. Examples of expenditure that may not be allowed, or only allowed in part include:

- Ability to reduce expenditure on debts by receiving debt advice and setting up repayment plans.
- Expenditure on items such as alcohol, cigarettes, TV subscriptions, entertainment will normally be considered non-essential.
- Ability to reduce the cost of expensive contracts such as those for expensive mobile phones.
- Any costs that are considered excessive, given the size of the property, the family composition, transport requirements.

9 DHP for people moving into work

The Council will consider awarding a DHP to ease an applicant's transition into work, provided the applicant retains some housing benefit entitlement based on earnings and other income like tax credits.

In such circumstances, a DHP top up to housing benefit can help with the adjustment needed when an applicant has to start making regular rent payments.

The amount of the award will depend on household income and expenses and will not cover any rent cost that housing benefit did not meet before the move into work.

The period of the award will be the latest of either eight-weeks from the start of work if an extended payment is not applicable, or the date tax credit payment begins.



10 DHP where housing benefit is restricted

Housing benefit may be restricted because:

- The property is under occupied.
- The property is larger than the maximum of beds allowed under LHA rules.
- Rent is higher than average rents in the area.

When a DHP claim is made because housing benefit is restricted, consideration will be given to:

- The amount of the shortfall.
- The total household income.
- Whether the rent charged is reasonable.
- The availability and suitability of cheaper accommodation either in the area or on a reasonable commuter route to the area.
- The length and the reasons for residency.
- The extent of any vulnerability the applicant or a member of their family has.
- Needs of the household in respect to suitability of accommodation, e.g. adapted for disability, additional space required because of disability.
- Needs of a foster child living with the household.
- Impacts of unforeseen change such as reduction to LHA rates.

11 DHP for other housing costs

Rent deposits

When a DHP application is made for a rent deposit, consideration will be given to:

- The likelihood of the applicant becoming homeless if a deposit isn't paid.
- Whether the move will improve the applicant's opportunities to find work.
- The amount of DHP payable if the applicant does not move.
- The health needs of any member of the household that could be helped through moving to more suitable accommodation.
- The ability of the household to meet the cost of the deposit in whole or in part.
- Whether the applicant is due to have a deposit returned on the property they are moving out of.
- Whether the applicant has previously received a DHP to cover a deposit from the Council.
- Whether the rent deposit will enable the applicant to move out of a less financially sustainable home and into a more financially sustainable home.

Payment of a DHP for a rent deposit may be made for a property in or out of the district, as long as the applicant is entitled to housing benefit in SDDC at the time of application.

There does not need to be a current shortfall between housing benefit and rent charged. Only one DHP for rent deposit will be paid in a two-year period.

Payment will usually be made direct to the landlord. If the deposit is not returned due to wilful damage of the property, a subsequent deposit will not be awarded.



Rent arrears and moving costs

Rent arrears can only be considered where the arrears accrued over a period that a relevant award of housing benefit or UC housing element was payable.

Arrears will only be considered if paying them off will ensure the resident is in a more sustainable position or can move to a more sustainable property.

When a DHP application is made by a resident occupying a property that is non-financially sustainable (for example due to a change in circumstances such as a child leaving home), and rent arrears exist that are preventing a move, the Council may consider awarding a more generous award if the resident has secured alternative accommodation that is financially sustainable.

The award of housing benefit for the arrears period will be considered to avoid duplication of payment.

Payments may include:

- Rent arrears (see section 5 for eligible rent arrears)
- Rent deposits (see section 12.1).
- Moving costs (maximum of £500 per application).

Moving costs will only be awarded where the resident does not have adequate funds to support a move, and non-provision of funds would result in the resident remaining in non-financially sustainable accommodation and incurring further rent arrears.

12 DHP awards in other circumstances

There are no restrictions as to the other circumstances where a DHP could potentially be awarded, as long as benefit is less than the eligible rent.

13 Non-awards

In some instances, the award of a DHP may not be appropriate.

This can include where the action(s) of the applicant has directly led to a shortfall between rent liability and housing benefit where:

- The applicant has sufficient capital to meet the shortfall for a period of up to six months to allow sufficient time to find suitable alternative accommodation.
- There is no evidence of any action taken by applicant to prevent the need for DHP, e.g., negotiating with landlord, approaching agencies for support, obtaining advice regarding managing finances, attempting to gain employment including entering training programmes, unless physical or mental incapacity prevents this.
- The applicant moved to a property knowing the rent is higher than the housing benefit payable. The exceptions would be fleeing domestic violence or severe health reasons.



- Where it appears that the applicant is applying for DHP because they have multiple debts. In such a case DHP will only be awarded once the applicant has attended a meeting with a debt advice professional. Help will be given with making this appointment.
- A payment should be made from a more appropriate source such as the Homelessness Prevention Fund.
- Rent in advance is not deemed to be the most effective use of the limited funds available.

14 Decision

A decision will be made within 10-working days of receipt of all relevant information.

A decision will be made using the criteria detailed in this policy. An evaluation sheet will be used to help make the decision.

Awards of DHPs are at the Council's discretion. All decisions will be recorded on the Council's benefits system.

The applicant will be advised of the outcome in writing which will set out the reason for the decision.

Where funds available have been exhausted, no further awards will be paid and where applicable, applicants will be advised that this is the reason their application has been refused. These cases may be reviewed once funds become available (e.g., if an ongoing award terminates earlier than expected).

15 Payment

The DHP will be paid alongside any housing benefit entitlement.

If benefit is paid to the landlord, then DHP will be paid in the same way.



16 Period of awards

The DHP award start date will normally begin from:

- The Monday following the date the application is received, or,
- The date benefit entitlement began if the application is received within one-month of the date the applicant was notified that their benefit had been decided, or,
- The effective date of change to benefit following a change of circumstances, if the application is received within 1 month of the applicant being notified of the decision relating to the change of circumstances.

Where a customer can show good grounds for the award to start from an earlier date, a request for backdated DHP may be made.

To be eligible for a backdated period, or for rent arrears for a past period, the customer must have been in receipt of Housing Benefit or the Universal Credit housing element for that past period.

An application for backdating must be in writing and must give reasons to show 'good cause' for not making a DHP application within the above time limits.

In this regard 'good cause' will have the same meaning as under the benefit regulations rules, which must be shown for the whole of the backdated period.

There is no limit on the period a backdated DHP can be awarded for, but the applicant must have received minimum housing benefit for all of the period backdating is awarded for.

A DHP will be made for a limited period within each financial year. The customer will be notified of the period of award. Some awards may be reduced in stages, to allow the customer to adjust their expenditure over time, in order to be able to meet their rental commitments at the end of the award period.

The end date of the DHP period will depend on the individual circumstances of each application.

The issues to be considered are as follows:

- The expected duration of the applicant's circumstances.
- Tenancy end date.
- Expected date of change of circumstances.
- Amount of fund available.



17 Award amounts

A DHP does not have to cover the whole of a shortfall.

The standard maximum DHP is the amount of shortfall between the eligible rent and the entitlement to housing benefit, or amount of other housing costs if a lump sum is awarded (e.g. rent deposit, rent arrears or moving costs).

It is not for:

- Ineligible service charges – as defined by Schedule 1 Housing benefit regulations e.g. water, sewerage, environmental charges.
- Additional help required as a result of sanctions to welfare benefits (such as applicants not meeting the conditions of their entitlement, such as not applying for jobs, attending medical reviews etc).
- To cover sanctions and reductions in benefits as a result of sanctions to welfare benefits (such as not meeting the conditions of entitlement, such as not applying for jobs, attending medical reviews etc.).

The amount awarded does not have to cover the full shortfall in rent. Consideration is given as to how much is needed to ease the applicant's financial situation and how much is reasonable.

18 Assessing of claims

Those making the decision on awards of DHP will be notified regularly as the amount of DHP budget remaining to ensure the fund is not over allocated and is evenly distributed throughout the financial year.

If a customer makes a claim for a past period (backdating) and has continuous good cause for their failure to make a claim earlier, their claim in respect of that period will be treated as being made on:

- The first day from which they had continuous good cause; or,
- The day six-months before the date of the claim for backdating if the customer is of working age, three-months for customers of pension age (which ever fell later).

If the DHP claim is received within 1 calendar month of any entitlement to housing benefit or council tax benefit being issued, the DHP will start from the same date as the entitlement date on the benefit award letter.

A DHP may be paid as a one-off lump sum if this will reduce the customer's outgoings in the long-term so that they can make up the shortfall in the rent themselves. Equally, a DHP (subject to eligibility criteria) may be paid as a one-off lump sum if doing so will enable the applicant to move to a more financially sustainable home.



Payment will be made by BACS, by credit to a rent account or direct to the landlord. Payments are usually made at the same time as housing benefit payments, except in cases where there is a lump sum award.

When deciding who the DHP will be paid to, consideration will be given to who received the housing benefit payments, the level of the arrears and any other relevant information on the application form. Where rent arrears exist, there is the facility to pay the landlord direct under housing benefit provisions.

19 Cancellation and change of circumstances

A DHP award can be cancelled or amended if:

- The applicant has a change of circumstance that affects their DHP.
- DHP has been awarded based on information that was wrong, or that the authority was not aware of (this can be fraudulent or not).
- An error was made when the award was decided, and payment was made based on this error.
- The entitlement to benefit changes. The benefit may have been increased so that the total combined payment of DHP and benefit is more than the rent (e.g., an increase in the rent officer's decision, in this case the DHP will need to be reduced).

The cancellation or amendment may be from the start of entitlement or from a later date, depending on the reasons for cancellation.

DHP can also be suspended if a question has arisen over the entitlement to the award.

All recipients have a duty to inform the local authority of any change of circumstance that may affect their ongoing entitlement to a DHP.

20 Termination of a DHP award when moving to Universal Credit

When a case is naturally migrated to UC following a change in circumstances, the DHP award will be terminated.

The date of termination will be the end of the two-week transitional period, in line with the end of the housing benefit award, or when the end of the two-week transitional period would fall, in the case of rent-free weeks.

The customer is able to make a new application based on their new circumstances when their UC is payable.



21 Overpayments

Overpayments of DHP will be recovered if they occur as a result of:

- A misrepresentation or failure to disclose a material fact by the applicant (fraudulent or otherwise).
- An error was made when the application was determined.
- The award had been superseded by an award of housing benefit or Universal Credit housing element.

If the overpayment is recoverable, a decision will be made on whom to recover the overpayment from. This can be the applicant, or the landlord or the person the DHP was paid to.

DHP may be transferred to the Council tenant's rent account if a credit is available on the account. However, this must be agreed with the relevant housing officer prior to transfer.

Where the recoverable DHP overpayment cannot be recovered from a housing benefit award, an invoice will be issued.

The Council will pursue recovery of DHP overpayments caused by misrepresentation/failure to disclose if it is economical to do so, which may include enforcement action if the debtor fails to make an arrangement to repay the debt.

If the overpayment is not recoverable, or the Council chooses not to recover it because it would be uneconomical or unreasonable to do so, then it will be recommended for write off.

All recipients have a duty to inform the local authority of any change of circumstance that may affect their ongoing entitlement to a DHP.

22 Debtors

DHP overpayments will be identified as such in the debtors system. Separate invoices will be used for DHP overpayments where appropriate.

23 Notification

All applicants will be notified in writing of the decision and reason for the decision as soon as is reasonably practicable.

The letter will include:

- The period the award of DHP is for (start and end dates) – eligible applications only.
- The amount of the award – eligible applications only.
- Reasons why the claim was successful (or not if DHP is not awarded).

Landlords will also receive a notification if a DHP is awarded and is to be paid direct.

If no award is made a refusal letter will be sent.



24 Disputes and appeals

If the customer disagrees with the Council's decision, they may request a review in writing giving the reasons.

The applicant must make their request within one month of the original decision. Late requests will only be considered if the applicant has good reason for the delay.

The Benefits Subsidy & Compliance Manager will review all appeals. Unlike housing benefit appeals, DHP appeals do not go to the Tribunal Service.

Disputes will be dealt with by 10 working days of receipt of the dispute. The applicant will be notified in writing of the decision and the reasons for the decision will be given.

In the event of a dispute as to interpretation of this guidance, the Discretionary Housing Benefits Payments Guidance manual shall be the final reference document.

25 Publicity

DHPs are:

- Promoted by the Councils contact centre when liaising with potentially eligible customers.
- Promoted by other teams including revenues, benefits and housing when liaising with potentially eligible customers.
- Publicised on the Council's website
- Promoted by partner agencies including the CAB, CVS and other voluntary agencies, including the County Council.

Welfare advice and adult care teams are made aware of this guidance to raise awareness of DHPs, so the funds can be directed to those most in need locally.

Additional publicity, such as press releases and promotion via social media may also be carried out to encourage take up of the funding.



26 Financial control

The Benefits Subsidy & Compliance Manager will control expenditure.

On no account is the Council's grant allocation to be exceeded without prior approval of the Section 151 Officer, if considered appropriate to do so.



Appendix.1

Qualifying criteria

Initial considerations

- DHP's are a short-term temporary solution. They are not intended to be, nor should they be considered to be, a way round current or future entitlement restrictions set out with the housing benefit tax benefit legislation. Likewise, the Homelessness Prevention Fund is not intended to be a substitute for making a payment which is quite clearly a DHP.
- DHP will not be awarded where a customer moves to a property knowing the rent is higher than the LHA or is higher than their previous property. The exceptions would be fleeing domestic violence or severe health reasons.
- In cases where the customer is applying for DHP because they have multiple debts, DHP will only be awarded once the customer has attended a meeting with a debt advice professional. Help will be given with making this appointment.

Rent arrears

- Where there appears to be a genuine risk of imminent eviction if the shortfall is not met, advice should be sought from the Housing Team and agreement reached on what help, if any, can be given. It may be that financial assistance from the Homelessness Prevention Fund is more appropriate.
- Is it reasonable to expect the customer to know that housing benefit would be restricted before they took on the tenancy i.e., did they check LHA rates or has housing benefit ever being restricted on a previous claim?
- Has the customer found cheaper accommodation? Advice should be sought from the Housing Team, Registered Social Landlord or private landlord, and agreement reached on what help can be given, if any, with rent arrears, rent deposit, rent in advance, removals, furniture etc, and by whom (DHP or Homelessness Prevention).
- Can a rent reduction be negotiated with the landlord? Advice should be sought from the Housing and or Homelessness Prevention Team.

Income and capital

- Is any of the disregarded income to meet specific needs i.e. if mobility component of DLA is in payment how much is actually spent on running a car, taxi fares etc.
- Are there non dependants in the household who could provide (extra) help with the rent?
- Does the customer or partner have any capital (including any disregarded income or capital, and if so, how much?)



Exceptional circumstances

- Would the customer age or health make it difficult for them to secure cheaper accommodation? Is it unreasonable for the customer to move to cheaper, alternative accommodation due to their exceptional health problems?
- Has the property any adaptations (e.g., stair lift, walk-in shower) and are they still needed by the customer, member of their family?
- Is it unreasonable for the customer to make up the shortfall due to exceptional financial hardship?
- Is it unreasonable for the customer to make up the shortfall due to the particular impact it would have on family members, especially dependent children?
- Has the customer recently experienced an event such as a fire, burglary or other crisis for which they were not insured, and this threatens their ability to make payments of rent and/or council tax?

There may be other circumstances where a payment of DHP is appropriate. Full details should be obtained from the customer.



Appendix.2

DHP Rent Arrears Top-Up budget

In 2022/2023, the Council set aside a budget of £30,000 to support residents who are eligible for a DHP, and who have firm plans in place to move into a more financially sustainable property but are unable to move due to rent arrears that cannot be covered by a DHP according to regulations.

These rent arrears may have been accrued during a period they were not claiming housing benefit or the housing element of Universal Credit that they would have been entitled to, or for another reason.

In such circumstances, the DHP team can choose to top up the payment the resident will receive with further funds from the DHP rent arrears top-up budget, with no maximum limit.

The top-up pot will also offer the team the opportunity to offer financial support to residents who will struggle to physically move to their new home due to a lack of funds, and as such will have to remain in financially unsustainable accommodation accruing further arrears.

In order to claim the funds, the residents will be required to go through the DHP process and be awarded some funds via DHP. Further to this they will also need to provide evidence of their new tenancy (for example a rental agreement or emails from the new landlord), and evidence of costs of moving (for example a quote).

Where residents do not have new accommodation lined up (including evidence of the new tenancy), they will not be eligible for funds top-up funds and will only be awarded the DHP funds.

The funding will be in place until it runs out and the spend of the funding can extend beyond 2022/2023 financial year without further approval from committee.

Any appeals will be handled through the DHP appeals process.



REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL)	AGENDA ITEM: 12
DATE OF MEETING:	21 JULY 2022	CATEGORY: DELEGATED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (EXT 5811) kevin.stackhouse@southderbyshire.gov.uk	DOC:
SUBJECT:	COMMITTEE WORK PROGRAMME	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: G

1.0 Recommendations

1.1 That the Committee considers and approves the updated work programme.

2.0 Purpose of Report

2.1 The Committee is asked to consider the updated work programme.

3.0 Detail

3.1 Attached at Annexe 'A' is an updated work programme document. The Committee is asked to consider and review the content of this document.

4.0 Financial Implications

4.1 None arising directly from this report.

5.0 Background Papers

5.1 Work Programme.

**Finance and Management Committee
Work Programme for the Municipal Year 2022/23**

Work Programme Area	Date of Committee Meeting	Contact Officer (Contact details)
Corporate Resources & Chief Executive Service Plans 2022/23	9 June 2022	Fiona Pittam (Head of Organisational Development & Performance) Fiona.pittam@southderbyshire.gov.uk (07480 836879)
Corporate Plan Performance Monitoring 2021/22: Quarter 4	9 June 2022	Fiona Pittam (Head of Organisational Development & Performance) Fiona.pittam@southderbyshire.gov.uk (07480 836879)
Compliments, Comments, Complaints and FOI Requests: October 2021 to March 2022	9 June 2022	Kevin Stackhouse (Strategic Director) Kevin.stackhouse@southderbyshire.gov.uk (01283 595811)
Energy Rebate: Proposed Policy for Distributing Government Funding under a Discretionary Scheme	9 June 2022	Lizzie Barton (Head of Customer Services) Elizabeth.barton@southderbyshire.gov.uk (07552 248759)
General Fund Revenue Budget Outturn 2021/22	21 July 2022	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Treasury Management Annual Report 2021/22	21 July 2022	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk

Final Capital Outturn 2021/22	21 July 2022	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Discretionary Housing Payment Fund Enhancements 2022/2023	21 July 2022	Lizzie Barton (Head of Customer Services) Elizabeth.barton@southderbyshire.gov.uk (07552 248759)
Corporate Plan Performance Monitoring 2022/23: Quarter 1	25 August 2022	Fiona Pittam (Head of Organisational Development & Performance) Fiona.pittam@southderbyshire.gov.uk (07480 836879)
General Fund Revenue Financial Monitoring 2022/23	25 August 2022	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Collection Fund Position 2022/23	25 August 2022	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Capital Financial Monitoring 2022/23	25 August 2022	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Treasury Update 2022/23	25 August 2022	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Insurance Provision: Retendering of Contract October 2022 to September 2027	25 August 2022	Kevin Stackhouse (Strategic Director) Kevin.stackhouse@southderbyshire.gov.uk (01283 595811)

Corporate Plan Performance Monitoring 2022/23: Quarter 2	24 November 2022	Fiona Pittam (Head of Organisational Development & Performance) Fiona.pittam@southderbyshire.gov.uk (07480 836879)
General Fund Revenue Financial Monitoring 2022/23	24 November 2022	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Collection Fund Position 2022/23	24 November 2022	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Capital Financial Monitoring 2022/23	24 November 2022	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Treasury Update 2022/23	24 November 2022	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Compliments, Comments, Complaints and FOI Requests: April 2022 to September 2022	24 November 2022	Kevin Stackhouse (Strategic Director) Kevin.stackhouse@southderbyshire.gov.uk (01283 595811)
Service Base Budgets 2023/24	12 January 2023	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Council Tax Base 2023/24 and Collection Fund Surplus 2022/23	12 January 2023	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk

Proposed Local Council Tax Support Scheme 2023/24	12 January 2023	Lizzie Barton (Head of Customer Services) Elizabeth.barton@southderbyshire.gov.uk (07552 248759)
General Fund Consolidated Budget 2022/23 and MTFP to 2028	9 February 2023	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Housing Revenue Account Budget 2023/24 and Financial Plan to 2033	9 February 2023	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Capital Programme Budget and Financing 2023 to 2028	9 February 2023	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Corporate Plan Performance Monitoring 2022/23: Quarter 3	16 March 2023	Fiona Pittam (Head of Organisational Development & Performance) Fiona.pittam@southderbyshire.gov.uk (07480 836879)
General Fund Revenue Financial Monitoring 2022/23	16 March 2023	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
Housing Revenue Account Financial Monitoring 2022/23	16 March 2023	Charlotte Jackson (Head of Finance) Charlotte.jackson@southderbyshire.gov.uk
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