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Our Ref

Your Ref

Date: 01 February 2023

Dear Councillor,

**Finance and Management Committee**

A Meeting of the **Finance and Management Committee** will be held at **Council Chamber**, Civic Offices, Civic Way, Swadlincote, DE11 0AH on **Thursday, 09 February 2023 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, Taylor and Tilley.

**Conservative Group**

Councillors Dawson, Fitzpatrick, Ford, Lemmon, Smith and Watson

**Non-Grouped**

Councillor Churchill

## **AGENDA**

### **Open to Public and Press**

- 1** Apologies and to note any Substitutes appointed for the Meeting.
- 2** To receive the Open Minutes of the following Meetings:  
  
17 March 2022 **4 - 11**  
  
28 April 2022 **12 - 16**  
  
09 June 2022 **17 - 22**  
  
21 July 2022 **23 - 29**
- 3** To note any declarations of interest arising from any items on the Agenda
- 4** To receive any questions by members of the public pursuant to Council Procedure Rule No.10.
- 5** To receive any questions by Members of the Council pursuant to Council procedure Rule No. 11.
- 6** Reports of Overview and Scrutiny Committee
- 7** GENERAL FUND CONSOLIDATED BUDGET REPORT 2023-24 AND MEDIUM-TERM FINANCIAL PLAN TO 2027-28 **30 - 54**
- 8** HOUSING REVENUE ACCOUNT BUDGET, FINANCIAL PLAN AND PROPOSED RENT 2023-24 **55 - 69**
- 9** CAPITAL BUDGET TO 2028 **70 - 84**
- 10** AUDIT OF ACCOUNTS AND FINANCIAL STATEMENTS **85 - 88**

<b>11</b>	<b>TOYOTA CITY</b>	<b>89 - 91</b>
<b>12</b>	<b>COMMITTEE WORK PROGRAMME</b>	<b>92 - 98</b>

**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 the Exempt Minutes of the following Meetings:  
17 March 2022  
28 April 2022  
09 June 2022  
21 July 2022
- 15** To receive any Exempt questions by Members of the Council pursuant to Council procedure Rule No. 11.
- 16** ENVIROMENTAL EDUCATION PROJECT CONTRACTS & FUNDING
- 17** FUTURE SERVICE DELIVERY AND EMPLOYMENT MODELS UPDATE

FINANCE AND MANAGEMENT COMMITTEE

17<sup>th</sup> March 2022

**PRESENT:**

**Labour Group**

Councillor Pearson (Chair), Councillor Rhind (Vice-Chair) and Councillors Richards, Southerd and Taylor.

**Conservative Group**

Councillors, Bridgen, Brown, Muller, Redfern, and Watson.

**Independent Group**

Councillor Fitzpatrick

**Non-Grouped**

Councillor Wheelton

**In Attendance**

Councillor Heath,  
Councillor Mulgrew

FM/147 **APOLOGIES**

The Committee was informed that apologies had been received from Councillor Ackroyd and Councillor Lemmon (Conservative Group) and Councillor Roberts (Independent Group)

FM/148 **DECLARATIONS OF INTEREST**

The Committee was informed that no declarations of interest had been received.

FM/149 **QUESTIONS FROM MEMBERS OF THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO 10**

The Committee was informed that no questions from members of the public had been received.

FM/150 **QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO 11**

The Committee was informed no questions from Members of the Council had been received.

FM/151 **REPORTS OF OVERVIEW AND SCRUTINY COMMITTEE**

The Committee was informed that no reports of Overview and Scrutiny Committee had been received.

**MATTERS DELEGATED TO COMMITTEE**

FM/152 **CADLEY PARK (URBAN COUNTRY PARK) FUNDING**

The Strategic Director (Service Delivery) presented the report to the Committee summarising the benefits of the proposed park for Swadlincote and sought approval of the recommendations within the report.

Members discussed various suggestions for an alternative name for the park and agreed that on merit the suggestion of Cadley Park was appropriate.

Councillor Taylor addressed the Committee in support of the Park and in recognition of the significant benefits it would bring to the area.

Councillor Fitzpatrick raised a query regarding maintenance costs.

The Strategic Director (Corporate Resources) confirmed that there would be a commuted sum to cover the ongoing maintenance.

**RESOLVED:**

- 1.0 The Committee approved the updated funding package for Cadley Park (Urban Country Park) project adjacent to William Nadin Way.***
- 1.1 The Committee approved the acceptance of the Sport England Grant that supports the finances to deliver Cadley Park (Urban Country Park) project***
- 1.2 The Committee approved a permanent name for Cadley Park (Urban Country Park) as 'Cadley Park'.***

FM/153 **TREE, WOODLANDS, AND HEDGEROW MANAGEMENT POLICY**

The Strategic Director (Service Delivery) presented the report the Committee regarding the revised policy. It was noted that the resource implications agreed related to a backlog of works. The Committee was advised that the reviewed Policy incorporated best practice, regionally and considered local needs. The Strategic Director (Service Delivery) informed Members that the recommendation to move to a time bound red, amber, green ratings enabled better management of the workload and that when existing work had moved to the new ratings it had highlighted a number of trees that required urgent works.

Members welcomed the reviewed policy and highlighted the importance of trees to the District.

Councillor Fitzpatrick raised a query regarding the public interest in trees and who carried out tree works.

The Strategic Director (Service Delivery) informed the Committee that visibility of tree works and the need to inform residents of any such works had been discussed and would be included in the Heads of Terms.

**RESOLVED:**

- 1.1 The Committee adopted the Tree, Woodland and Hedgerow Policy as per Appendix 1 of the report including appendices as per Appendix 2 of the report.**
- 1.2 The Committee approved the resource implications outlined in the report to undertake the necessary identified tree works.**

FM/154 **CORPORATE PLAN 2020-24: PERFORMANCE REPORT (2021-2022 QUARTER 3– APRIL TO 31 DECEMBER)**

The Head of Organisational Development and Performance presented the report to the Committee and highlighted the performance measures on target and those that were red, one of which related to commercialisation which had been impacted by work carried out during Covid. However, it was noted that renewed focus would be given to this to bring improvement in the longer-term.

The Head of Customer Services addressed the Committee regarding the increased number of telephone calls received and explained that it was expected to be managed better with the use of alternative digital solutions and telephone call technology that can give information about the position in the queue, the expected call wait time and the offer of a call back to assist which was hoped to improve the customer experience and satisfaction. It was further noted that the length for call wait times had lengthened due to the increase in vulnerable customers contacting the Council regarding a number of grant schemes. The Head of Customer Services requested that Members inform her regarding customer complaints so that they can be addressed.

The Strategic Director (Corporate Resources) reiterated to the Committee that the Customer Services team was still dealing with Covid related issues and that following the increased number of calls resources would be reviewed. It was also noted that the short term increased incoming calls was not expected to improve due to the £150 energy rebate with a potential 14,000 people who may need to apply for the grant as they do not pay Council Tax via Direct Debit. The Strategic Director (Corporate Resources) asked for patience as it would take time to get the rebate paid out to residents.

Councillor Richards commended the report and enquired whether the replacement of the 01283 number with 0800 could be considered as it would be free to residents and help reduce costs. The Head of Customer Services noted the request and would bring a report back to the Committee regarding the suggestion if this was possible.

Councillor Southerd sought clarity regarding how the £150 was disseminated if there was an alternative solution. The Strategic Director (Corporate Resources) confirmed that the question had been raised nationally but the government had insisted that the Direct Debit and grant applicant method had to be used.

Councillor Brown raised a query regarding the average time to relet council homes 5 months and the loss housing of income.

The Strategic Director (Service Delivery) informed the Committee that a report had been presented the Housing and Community Services Committee regarding voids and the process of end to end checks and that the refurbishment of kitchens and bathrooms had been brought forward on vacated properties which had impacted on the reletting times. In addition, the Committee was advised that the report also included a number of difficult to let properties which was to be looked into to find a solution to letting those properties.

Councillor Fitzpatrick sought clarity regarding face to face interaction with residents.

The Head of Customer Services confirmed that a trial period regarding face to face interaction would be extended as it appeared that customers appeared to use telephone calls as the preferred method of contact.

The Head of Organisational Development and Performance informed the Committee that the use of other forms of interaction such as Facebook and Twitter were increasingly be used by residents.

**RESOLVED:**

- 1.1 The Committee approved progress against performance targets set out in the Corporate Plan 2020 - 2024.***
- 1.2 The Committee reviewed the Risk Register for the Committee's services.***

FM/155 **GENERAL FUND REVENUE MONITORING 2021-22**

The Strategic Director (Corporate Resources) presented the report to the Committee summarising the main points within the reported and that the General Fund surplus was expected to be above £400k. A potential risk in relation to the new recycling contract was highlighted.

Members welcomed the report and Councillor Richards raised concern regarding vacant posts and the use of temporary workers but informed the Committee that the East Midlands Regional Employers Forum acknowledged that it was the same for other local authorities as funding did not allow for councils to offer competitive rates of pay compared to the private section.

**RESOLVED:**

***The Committee considered and approved the latest revenue financial position for 2021/22 as detailed in the report.***

**FM/156 HOUSING REVENUE ACCOUNT REVENUE FINANCIAL MONITORING 2021-22**

The Strategic Director (Corporate Resources) presented the report to the Committee outlining the key points. It was noted that the £300k overspend previously reported, would not move the Housing Revenue Account into deficit and that an Internal Audit would investigate and report to Audit Sub-Committee.

Members raised concern regarding the overspend and the need for it to be looked at.

Councillor Dunn welcomed the attendance of Finance and Management Members to the Audit Sub-Committee regarding the Internal Audit overspend report.

**RESOLVED:**

***The Committee considered and approved the latest revenue financial position on the Housing Revenue Account for 2021/22 as detailed in the report.***

**FM/157 COLLECTION FUND 2021-22**

The Strategic Director (Corporate Resources) addressed the Committee and reported the good position of the collection fund highlighting the Council Tax surplus and Business Rates figures which had been helped by the government funding.

**RESOLVED:**

***The Committee considered and approved the latest Collection Fund position for 2021/22 as detailed in the report.***

**FM/158 CAPITAL FINANCIAL MONITORING 2021-22**

The Strategic Director (Corporate Resources) presented the report and outlined the position of the capital project expenditure, the Right To Buy figures and the Section 106 Agreement funding for the maintenance of parks.

Members raised queries regarding the use and promotion of the Disability Facility Grant.

The Strategic Director (Service Delivery) clarified that the Disability Facility Grant could not be used on council housing stock and agreed to recirculate the grant promotional material to Members.



**RESOLVED:**

- 1.1 The Committee considered and approved the latest capital financial position for 2021/22 as detailed in the report.***
- 1.2 The Committee noted the balance of Section 106 Funding available for use by the Council for capital projects as detailed in Appendix 2 of the report.***

FM/159 **TREASURY MANAGEMENT UPDATE 2021-22**

The Strategic Director (Corporate Resources) delivered the report to the Committee and outlined the key areas and sought approval of the recommendations within the report.

**RESOLVED:**

- 1.1 The Committee considered and approved the latest Treasury Management Update for Quarter 3 for 2021/22 as detailed in Appendix 1 of the report.***
- 1.2 The Committee approved the updated Counterparty List for investments and bank deposits as detailed in Appendix 2 of the report.***

FM/160 **LAND IN SWADLINCOTE**

The Strategic Director (Corporate Resources) introduced the report outlining the funding stream for the proposed Town Centre improvements and informed the Committee that the Chief Executive has offered to take Members to show them the proposed plans.

The Head of Corporate Property informed the Committee that a site visit would take place and that Planning permission was being sought for the proposed works. It was noted that the proposals to improve the indoor market area by removing the roof to create a multipurpose area was intended to be a back drop for evening and weekend outdoor events. The Head of Corporate Property summarised other works to be undertaken as part of the Town Centre regeneration

Members commended the report and the proposed works to improve the Town Centre and were keen that the free parking facilities in the area were maintained.

**RESOLVED:**

- 1.1 The Committee granted approval to transfer the remaining £375,204 from the Economic Regeneration Reserve into the Midland Road/Belmont Street capital budget to fund additional works.***

**1.2 The Committee approved that any underspend in the Town Centre Public Realm capital budget be transferred to the Midland Road/Belmont Street project.**

**1.3 The Committee approved the plans as detailed in Appendix 2 of the report, subject to planning permission and the project being phased and revised to meet budget constraints.**

FM/161 **COMMITTEE WORK PROGRAMME**

The Strategic Director (Corporate Resources) presented the report to the Committee.

**RESOLVED:**

***The Committee considered and approved the updated work programme***

FM/162 **LOCAL GOVERNMENT ACT 1972 (AS AMENDED BY THE LOCAL GOVERNMENT [ACCESS TO INFORMATION] ACT 1985)**

**RESOLVED:-**

***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 paragraphs of Part 1 of the Schedule 12A of the Act indicated in brackets after each item.***

**TO RECEIVE QUESTIONS FROM MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO. 11**

***The Committee was informed no questions had been received.***

**REGRADING OF POST – BUILDING SERVICES MANAGER**

***The Committee approved the recommendations in the report.***

**ORGANIC WASTE CONTRACT**

***The Committee approved the recommendations in the report.***

**TRANSPORT OPERATOR LICENCE, PROPOSED CHANGES TO DEPOT AND STAFFING ARRANGEMENTS**

***The Committee approved the recommendations in the report***

**FUTURE SERVICE DELIVERY AND EMPLOYMENT MODELS UPDATE**

***The Committee approved the recommendations in the report***

The meeting terminated at 20:30 hours.

COUNCILLOR PEARSON

CHAIR

FINANCE AND MANAGEMENT COMMITTEE

28<sup>th</sup> April 2022

**PRESENT:**

**Labour Group**

Councillor Pearson (Chair), Councillor Rhind (Vice-Chair) and Councillors Muller, Richards, and Taylor.

**Conservative Group**

Councillors, Bridgen, Brown, Muller, Redfern, and Watson.

**Independent Group**

Councillors Fitzpatrick and MacPherson

**Non-Grouped**

Councillor Wheelton

**In Attendance**

Councillor MacPherson

Councillor Mulgrew

FM/169 **APOLOGIES**

The Committee was informed that apologies had been received from Councillor Southerd (Labour Group), Councillor Ackroyd (Conservative Group) and Councillor Roberts (Independent Group),

FM/170 **DECLARATIONS OF INTEREST**

The Committee was informed that declarations of personal interest had been received from Councillor, Bridgen in respect of FM/182 by virtue of being a Member of the Planning Committee.

The Committee was informed that declarations of personal interest had been received from Councillor Brown in respect of FM/182 by virtue of being a Member of the Planning Committee.

The Committee was informed that declarations of personal interest had been received from Councillor MacPherson in respect of FM/182 by virtue of being a Member of the Planning Committee.

The Committee was informed that declarations of personal interest had been received from Councillor Muller, in respect of FM/182 by virtue of being a Member of the Planning Committee.

The Committee was informed that declarations of personal interest had been received from Councillor Pearson in respect of FM/182 by virtue of being a Member of the Planning Committee.

The Committee was informed that declarations of personal interest had been received from Councillor Wheelton in respect of FM/182 by virtue of being a Member of the Planning Committee.

FM/171 **QUESTIONS FROM MEMBERS OF THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO 10**

The Committee was informed that no questions from members of the public had been received.

FM/172 **QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO 11**

The Committee was informed no questions from Members of the Council had been received.

FM/173 **REPORTS OF OVERVIEW AND SCRUTINY COMMITTEE**

The Committee was informed that no reports of Overview and Scrutiny Committee had been received.

**MATTERS DELEGATED TO COMMITTEE**

FM/174 **PUBLIC OPEN SPACE (POS) HISTORICAL ADOPTIONS**

The Strategic Director (Service Delivery) presented the report to the Committee and advised that the report had been considered and approved by the Environmental and Development Services Committee meeting on the 20<sup>th</sup> April 2022. The four elements of the report were outlined which included; the transfer of parcels of unadopted land; the transfer of land at Manor Farm Cadley into the Council's ownership, the endorsement by which land was transferred to Management Companies and to take appropriate action to recover land that was subject to encroachment.

Councillor MacPherson and Councillor Taylor commended the work under taken and the recommendations within the report

**RESOLVED:**

***1.1 That the Committee approved that officers negotiate the transfer of parcels of unadopted land at the following locations:***

- ***Grampian Way/Nairn Close, Stenson Fields***
- ***Auden Close, Church Broughton***
- ***Eureka Park, Belmont Primary School***
- ***Kingfisher Lane, Willington***
- ***Bretby Heights, Newhall.***

***1.2 The Committee agreed to the Strategic Director (Service Delivery) negotiating the transfer of land at Manor Farm Cadley from the***

***developer into the Council's ownership with an accompanying additional Section 106 Agreement contribution.***

***1.3 The Committee endorsed the process by which land was transferred to Management Companies and monitored thereafter be fully reviewed and a new policy statement be included in the new Local Plan.***

***1.4 The Committee approved the Council's general policy not to sell public open space and authorised officers to take all appropriate action to recover land subject to encroachment.***

FM/175 **D2N2 FUNDING PROGRAMME FOR A PILOT HYDROGEN FUELLED WASTE COLLECTION SERVICE**

The Strategic Director (Service Delivery) presented the report to the Committee which was considered and approved at the Environmental & Development Services Committee meeting on the 20<sup>th</sup> April 2022

Councillor Taylor advised that this was debated fully in terms of its implications and the health and safety aspects of the proposal and congratulated the Officers in bringing this forward for the Authority.

Councillor MacPherson felt that this is an exciting project and queried whether consideration has been made to road sweepers being included going forward. The Strategic Director – Service Delivery advised that consideration cannot be made until the pilot is completed, however the Authority will be looking at a blend of vehicles and it may be more appropriate for some vehicles to be electric.

Councillor Watson advised that Councillor Singh was very helpful at the Committee Meeting giving advice from his professional background.

**RESOLVED:**

***1.1 That the Committee accepted the terms of the D2N2 Future Funding Programmes that will enable South Derbyshire District Council (SDDC) to deliver a Pilot Hydrogen Project for the waste collection services in 2022/23.***

***1.2 That the Committee acknowledged that by accepting the D2N2 Future Funding of £310,000 the Council will commit to match funding of £360,000 for the purchase of two new Refuse Collection Vehicles (RCV's) as part of the Operational Fleet replacement programme within the next financial year.***

***1.3 That the Committee welcomed this Pilot Hydrogen Project for the Waste Collection Service as an external funding opportunity that will support the ongoing transition of the Council's vehicle fleet from diesel to low carbon emission fuel and the overall carbon neutral ambitions of the Council.***

***1.4 That the Committee welcomed the innovative approach that the Council is taking with this Pilot Hydrogen Project which will increase***

***the operational learnings of hydrogen dual fuelled vehicles, the operational adjustments and the refuelling infrastructure required, both for the Council, the D2N2 region and the wider waste collection audience.***

FM/176 **COVID ADDITIONAL RELIEF FUND**

The Head of Customer Services presented the report to the Committee and advised that £1.9m Covid Additional Relief had been allocated to the Authority by the government which had to be spent by 30<sup>th</sup> September 2022. It was noted that monies from the fund would be targeted at businesses who did not benefit from previous covid relief and business grants. The Committee was informed that the fund could benefit up to 600 businesses including manufacturing, storage and less customer facing businesses but would only apply to businesses who could substantiate that they had made a loss.

Councillor MacPherson sought clarity regarding the agricultural sector. The Head of Customer Services would seek clarity and advise Members.

**RESOLVED:**

***1.1 The Committee approved the proposed COVID-19 Additional Relief Fund (CARF) Policy as detailed in Appendix 1 of the report.***

FM/177 **COMMITTEE WORK PROGRAMME**

The Strategic Director (Corporate Resources) presented the report to the Committee.

**RESOLVED:**

***1.1 The Committee considered and approved the updated work programme.***

FM/178 **LOCAL GOVERNMENT ACT 1972 (AS AMENDED BY THE LOCAL GOVERNMENT [ACCESS TO INFORMATION] ACT 1985)**

**RESOLVED:-**

***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 paragraphs of Part 1 of the Schedule 12A of the Act indicated in brackets after each item.***

The meeting terminated at 19:30 hours

**QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO 11**

*The Committee was informed that Pursuant to Council Procedure Rule No.11 the Chair would invite Councillor Watson to raise an exempt question.*

**COLLECTION RATES, DEBT RECOVERY AND WRITE OFFS**

*The Committee approved the recommendations in the report.*

**HOUSING DIRECT LABOUR ORGANISATION (DLO) TEAM – MODERNISING EMPLOYMENT CONDITIONS**

*The Committee approved the recommendations in the report.*

**ACQUISITION OF NEW COUNCIL HOUSING AT MOAT STREET**

*The Committee approved the recommendations in the report.*

**FORMER TENANT ARREARS WRITE OFF**

*The Committee approved the recommendations in the report.*

**SUSTAINABLE WARMTH FUNDING AND LOW CARBON HOMES**

*The Committee approved the recommendations in the report.*

**ACTIVE COMMUNITIES AND HEALTH STAFFING**

*The Committee approved the recommendations in the report.*

**REGRAIDING OF POST – TECHNICAL OFFICER (DS160)**

*The Committee approved the recommendations in the report.*

**CREATION OF ADDITIONAL PLANNING ASSISTANT POSTS**

*The Committee approved the recommendations in the report.*

The meeting terminated at 19:30 hours

COUNCILLOR R PEARSON



FINANCE AND MANAGEMENT COMMITTEE

9 June 2022

**PRESENT:**

**Labour Group**

Councillor Pearson (Chair), Councillor Rhind (Vice-Chair) and Councillors, Heath, Mulgrew, and Taylor.

**Conservative Group**

Councillors, Ackroyd, Dawson, Fitzpatrick, Ford, Lemmon and Redfern

**Independent Group**

Councillors MacPherson

**Non-Grouped**

Councillor Churchill

**In Attendance**

Councillor Smith

Councillor Wheelton

FM/01 **APOLOGIES**

The Committee was informed that apologies had been received from Councillor Richards, Councillor Southerd (Labour Group) and Councillor Corbin (Conservative Group)

FM/02 **DECLARATIONS OF INTEREST**

The Committee was informed that no declarations of interest had been received.

FM/03 **QUESTIONS FROM MEMBERS OF THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO 10**

The Committee was informed that no questions from members of the public had been received.

FM/04 **QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO 11**

The Committee was informed no questions from Members of the Council had been received.

FM/05 **REPORTS OF OVERVIEW AND SCRUTINY COMMITTEE**

The Committee was informed that no reports of Overview and Scrutiny Committee had been received

**MATTERS DELEGATED TO COMMITTEE****FM/06 SERVICE PLANS 2022-23**

The Strategic Director Corporate Resources presented the report to the Committee outlining the plans for the Chief Executive's Directorate and the Committee's Service Areas and noted that how Personal Development Reviews (PDRs) were linked to the plans and that project performance indicators would be used to measure performance of all service areas. It was further noted that some targets used were local and some were national benchmarks and that the plans included performance indicators for projects.

Councillor Churchill raised a query regarding the use of the prompt payment code.

The Head of Finance confirmed that the Council did not sign up to the prompt payment code.

Councillor Fitzpatrick raised concern regarding sickness absence and sought clarity regarding IT improvements for the Planning Portal.

The Strategic Director (Service Delivery) informed the Committee that the planning system had been recently updated and that the Planning Portal was a National System.

**RESOLVED:**

***The Committee approved the Service Plans for the Chief Executive's Directorate and Corporate Resources Directorate as the basis for overall service delivery over the period 1 April 2022 to 31 March 2023.***

**FM/07 CORPORATE PLAN 2020-24: PERFORMANCE REPORT (2021-2022 QUARTER 4 – 01 APRIL TO 31 MARCH)**

The Head of Organisational Development and Performance presented the report to the Committee. It was noted that the report included briefing sessions and staff surveys. The Committee was informed that the Employee Forum had been put on hold during the pandemic but would resume and that more briefing sessions would be carried and an annual staff survey was on the horizon.

Members raised queries regarding the opening of the reception area and publicity regarding the new telephone system.

The Head of Customer Services confirmed that the new telephone system had been tested and was on target and that information would be shared with members of the public via a number of communication methods. The Committee was also informed that a pilot was underway regarding access to the Council offices and that on average fourteen people per day were visiting the office but that the number of telephone enquires had increased significantly. It was further noted that once the pilot had concluded and new doors installed information regarding arrangements for attending the offices would be shared with Members.

Councillor Mulgrew raised concern about complaints received from residents about not being able to get through to the Council via telephone.

The Strategic Director (Corporate Resources) addressed the Committee and acknowledged that the increased number of telephone enquiries had caused delays and meant that not all calls had been answered but the situation was improving. The Head of Customer Services informed the Committee that a position in the queue message system was being explored.

Members discussed the importance for residents to be able to contact the Council via telephone and have access to the building for face to face contact.

The Chair of the Committee thanked Members for their comments which had been noted.

Head of Organisational Development and Performance addressed the Committee giving an overview of the performance measures. The Committee was updated regarding some measures that were in red, which included an improvement in unemployment figures in South Derbyshire, how rateable values had been affected by government legislation and the replacement of the Head of Operational Services.

The Head of Business Change and ICT addressed the Committee in relation to the Transformation Action Plan and confirmed that a report was expected to be brought to Committee in the near future regarding lessons learnt during the previous two years and updates regarding projects that had been placed on hold.

Members raised a concerns regarding the staff survey and safe spaces for staff to make comments.

The Head of Organisational Development and Performance informed the Committee that during the Pandemic staff engagement had been via various platforms.

**RESOLVED:**

- 1.1 The Committee approved progress against performance targets set out in the Corporate Plan 2020 - 2024.***
- 1.2 The Committee reviewed the Risk Register for the Committee's services.***
- 1.3 The Committee approved that the plan target for P3.4A: Increase the level of staff engagement, be amended for 22-23 and 23-24 to: An annual upward trend in the number of staff who have engaged with the Council. To replace the current target of: Annual Increase in the % of staff completing the survey.***
- 1.4 The Committee approved that the measure for P3.4D: % of employees that consider that the Council has a positive health and***

***safety culture be amended to The Council has a positive health and safety culture. The annual target to be amended to achieving measures linked to the Health & Safety Policy and training.***

FM/08 **RECRUITMENT OF ACTIVE SCHOOLS' PARTNERSHIP (ASP) BIKEABILITY INSTRUCTOR**

The Strategic Director (Service Delivery) presented the report that had been approved by the Housing and Community Service Committee, summarising the main points. The recommendations were outlined including the delegated authority regarding recruitment and the extension of contracts if necessary and noted that if the extension was required for more than 2 years then there would be a further report.

As Chair of Housing and Community Services Committee, Councillor Rhind recommended the report for approval.

**RESOLVED:**

- 1.1 The Committee approved a new post of an Active Schools' Partnership (ASP) Bikeability Instructor, within the Active Communities and Health Team to support the delivery of the South Derbyshire ASP's (SDASP) Bikeability programme.***
- 1.2 The Committee approved the new post to be on a fixed term contract commencing from 1 September 2022 until 23 July 2023 for 30 hours per week.***
- 1.3 The Committee approved that the grade of the post to be Scale 3, subject to job evaluation in line with the Council's scheme.***
- 1.4 The Committee approved delegated authority for the Strategic Director (Service Delivery) to recruit additional ASP Bikeability Instructors on similar terms and conditions of employment subject to available funding and increased service demand for the SDASP Bikeability programme.***
- 1.5 The Committee approved delegated authority for the Strategic Director (Service Delivery) to extend the contracts of existing ASP Bikeability Instructors subject to continued and/or growing service demand of the SDASP Bikeability programme and funding being secured.***
- 1.6 The Committee approved that a further report be submitted to both Housing and Community Services and Finance and Management Committees for any extensions to employment contracts that exceed two years so the position in relation to additional payments and subsequent liabilities are considered.***

**FM/09    £150 ENERGY REBATE: DISCRETIONARY SCHEME**

The Head of Customer Services presented the report to Committee and highlighted who would be eligible for the additional funding and how it would be distributed.

Members enquired about those who were suffering hardship and how they would know that the funding was available in addition to the government rebate fund.

The Head of Customer Services informed the Committee that to reduce confusion there would be a gap between the government rebate payments and the launch of the discretionary scheme and all those residents that did not pay by Direct Debit would be written to informing them about what was available.

The Chair requested that an informative about the discretionary payment, be shared with all Councillors.

**RESOLVED:**

***1.1    The Committee approved the proposed £150 Energy Rebate Discretionary Scheme Policy.***

**FM/10    COMPLIMENTS, COMMENTS, COMPLAINTS AND FOI REQUESTS: OCTOBER 2021 TO MARCH 2022**

The Strategic Director (Corporate Resources) presented the report to the Committee, highlighting the reduction in Freedom of Information Requests. It was explained that the increase in planning related complaints was linked to the resource shortages but assured Members that the complaints were being responded to.

Councillor Smith raised a query regarding the charges of planning pre-meetings.

The Strategic Director (Service Delivery) informed the Committee that the planning charging policy had been approved by Finance and Management and Housing and Community Services Committees but would not be launched until resources were in place to deliver the services.

**RESOLVED:**

***1.1    The Committee considered and noted the comments, compliments, complaints and FOI requests, as detailed in the report.***

FM/11 **COMMITTEE WORK PROGRAMME**

The Strategic Director – Service Delivery presented the report to the Committee.

**RESOLVED:**

***1.1 The Committee considered and approved the updated work programme.***

FM/12 **LOCAL GOVERNMENT ACT 1972 (AS AMENDED BY THE LOCAL GOVERNMENT [ACCESS TO INFORMATION] ACT 1985)**

**RESOLVED:-**

***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 paragraphs of Part 1 of the Schedule 12A of the Act indicated in brackets after each item.***

**TO RECEIVE QUESTIONS FROM MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO. 11**

***The Committee was informed no questions had been received.***

**LAND IN THULSTON**

***The Committee approved the recommendations in the report.***

**MINOR VARIATION TO ESTABLISHMENT – CREATION OF TREE OFFICER POST**

***The Committee approved the recommendations in the report.***

The meeting terminated at 19:30 hours

COUNCILLOR R PEARSON

CHAIR

FINANCE AND MANAGEMENT COMMITTEE

21 July 2022

**PRESENT:**

**Labour Group**

Councillor Pearson (Chair), Councillor Rhind (Vice-Chair) and Councillors Southerd, Richards, and Taylor.

**Conservative Group**

Councillors, Ackroyd, Bridgen, Dawson, Fitzpatrick, Ford, Patten,

**Independent Group**

Councillors MacPherson

**Non-Grouped**

Councillor Churchill

**In Attendance**

Councillor Wheelton

Councillor Smith

FM/16 **APOLOGIES**

The Committee was informed that apologies had been received from Councillor Lemmon and Councillor Corbin (Conservative Group)

FM/17 **DECLARATIONS OF INTEREST**

The Committee was informed that no declarations of interest had been received.

FM/18 **QUESTIONS FROM MEMBERS OF THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO 10**

The Committee was informed that no questions from members of the public had been received.

FM/19 **QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO 11**

The Committee was informed no questions from Members of the Council had been received.

FM/ 20 **REPORTS OF OVERVIEW AND SCRUTINY COMMITTEE**

The Committee was informed that no reports of Overview and Scrutiny Committee had been received.

**MATTERS DELEGATED TO COMMITTEE****FM/21 FINAL REVENUE BUDGET OUT-TURN 2021-22**

The Strategic Director (Corporate Resources) introduced the report and informed the Committee highlighted those areas of the budget that had been affected by the Covid Pandemic. The Strategic Director (Corporate Resources) summarised key areas within the report that included the General Fund surplus, the Section 106 Agreement funding, the work carried out by the Customer Services Team in relation to the collection of debts and how capital projects would be drawn down from Reserves. The Committee was informed that there would be a separate report later in the year in relation to earmarked reserves.

Members of the Committee commended the report and the good news regarding the surplus and thanked the Finance Team for the good work.

Councillor Patten raised a query regarding the costs in relation to Land Charges.

The Strategic Director (Corporate Resources) advised the Committee that the costs related to a temporary arrangement with Lichfield District Council who had employed agency staff in the delivery of land charges and that earmarked reserves had been allocated to meet the additional costs for the future system changes.

**RESOLVED:*****1.1 The Committee approved 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 The Committee approved that a net appropriation of £5,360k in 2021/22 be made between the General Fund Reserve and other Earmarked/Usable Reserves and a net appropriation of £45k be made from the HRA General Reserve to Earmarked Reserves as detailed in the report.******1.3 The Committee noted the following contributions and write-offs adjustments had been made to Bad Debt and Appeal Provisions in 2021/22.***

<b>Sundry Debtors</b>	<b>-31,728</b>	<b>General Fund</b>
<b>Temporary Accommodation</b>	<b>2,147</b>	<b>General Fund</b>
<b>Housing Benefit Overpayments</b>	<b>-78,506</b>	<b>General Fund</b>
<b>Council Tax Arrears</b>	<b>87,813</b>	<b>General Fund</b>
<b>Business Rates Arrears</b>	<b>28,087</b>	<b>General Fund</b>



<b><i>Business Rates Appeals</i></b>	<b><i>42,764</i></b>	<b><i>General Fund</i></b>
<b><i>Planning Appeals</i></b>	<b><i>-75,000</i></b>	<b><i>General Fund</i></b>
<b><i>Housing Rent Arrears</i></b>	<b><i>27,266</i></b>	<b><i>HRA</i></b>

## FM/22 **TREASURY MANAGEMENT ANNUAL REPORT 2021-22**

The Strategic Director (Corporate Resources) delivered the report and highlighted the that the Council was within the prudential indicators and interest rates had been very low over the year, but returns had started to increase which would have a beneficial effect on the General Fund and the Housing Revenue Account as debts were paid with variable interest rate. The Strategic Director (Corporate Resources) highlighted the £4 million investment and explained that investments made were pretty low risk but that investments would always be kept under review.

Councillor MacPherson raised a query regarding the housing scheme and the numbers in the long term. The Strategic Director (Corporate Resources) informed the Committee that housing would be covered in the next report but confirmed that opportunities were regularly considered regarding the acquisition, or the building of properties and that Housing Reserves would be used.

### **RESOLVED:**

***1.1 The Committee approved the Treasury Management Annual Report for 2021/22 as per Appendix 1 of the report.***

***1.2 The Committee noted the Prudential Indicators and Limits for 2021/22 to 2026/27 as per Appendix 2 in the report, as approved in February 2022.***

***1.3 The Committee approved the updated counterparty (lending) list as at 31<sup>st</sup> March 2022 as per Appendix 3 of the report.***

## FM/23 **FINAL CAPITAL OUTTURN 2021/22**

The Strategic Director (Corporate Resources) presented the report the Committee and explained how capital projects spend would be spread over several years with underspends carried over to complete the builds. It was further noted that 70% had been spent over all on the schemes and explained that delays had been due to the Covid Pandemic but that all were moving forward. The Strategic Director (Corporate Resources) informed the Committee that the capital reserves in section 4 of the report would be held in the Housing Revue Account reserves which had a new reserve for the upgrade of existing properties or the purchase of new housing stock.

Councillor Wheelton raised queries regarding the number of Right To Buy houses sold compared to the number of acquisitions made and expenditure for village halls.

The Strategic Director (Corporate Resources) confirmed that about 10 properties had been acquired during the year and that there was a planned

maintenance programme in place for village halls and that funds available for this would be for the Committee to consider in the future.

Members discussed the repair status of village halls but noted that there were some under the parish precepts and that an audit of who had responsibility for which village halls would need to be undertaken before a decision could be made regarding repair funds.

**RESOLVED:**

***1.1 The Committee approved the final Capital outturn position for both the General Fund and Housing Revenue Account (HRA) for 2021/22.***

***1.2 The Committee approved the final balance on Capital Reserves for 2021/22.***

FM/24

**EQUALITY, DIVERSITY AND INCLUSION STRATEGY AND ACTION PLAN 2021/25: PROPOSED RESOURCING**

The Head of Organisational Development and Performance presented the report and informed the Committee about the work that had been carried out and summarised work planned for 2022/23 with the assistance of the requested part-time additional resource. It was explained how the strategy and action plan fed into actions within the Corporate Plan and assisted to meet statutory requirements. It was further noted that a dedicated resource could support all service areas to deliver statutory duties along with the Council's visions and commitments.

Members commended the report and the work that had been undertaken and affirmed that they were fully supportive of Equality, Diversity and Inclusion.

**RESOLVED:**

***1.1 The Committee approved the addition of a part time post (22.5 hours) of a Equality, Diversity and Inclusion Officer on a fixed term contract of 18 months.***

***1.2 The Committee approved that the post be subject to job evaluation in line with the Council's local scheme.***

***1.3 The Committee approved that the Council's Guidance on Organisational Change be followed to implement these proposals, including formal consultation with employees and Trade Union representatives.***

***1.4 The Committee approved that the change be implemented with effect from 1 September 2022.***

***1.5 The Committee approved that any change to the dates as detailed in the report be delegated to the Strategic Director (Corporate***

***Resources) in consultation with the Chief Executive and Chair of the Committee.***

- 1.6 The Committee approved that the cost of the new post be funded from the General Fund Reserve.***

FM/25 **ANNUAL TRAINING REPORT 2021-2022 AND PRIORITIES FOR 2022/23**

The Head of Organisational Development and Performance presented the report to the Committee and gave an overview of the training undertaken and the priorities and actions for the year ahead, which included an increased level of engagement with the use of a variety of learning platforms and an increase in apprenticeships. The involvement with the East Midlands Council Pitstops and partnership working with Derby Museums were highlighted as success stories. It was further noted that that leadership and management training, development and coaching programmes would be available to aid the progress of staff using a wide range of platforms.

Members commended the report and the increase in the number of apprenticeships.

**RESOLVED:**

- 1.1 The Committee noted the investment and outcomes made in learning and development activities from 1 April 2021 to 31 March 2022 which were linked to the delivery of the key priorities of the Council's Corporate Plan.***
- 1.2 The Committee approved the priority areas for learning and development during 2022-2023.***
- 1.3 The Committee approved 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.***

FM/26 **DISCRETIONARY HOUSING PAYMENT FUND ENHANCEMENTS 2022/2023**

The Head of Customer Services delivered the Report to the Committee and noted that every year the funding amount set by government to help where tenancies may be at risk was spent and that every year the funding pot had been reduced. The Head of Customer Services explained that the additional pot requested was for those who were stuck in properties where they could not move out of and would assist those that would want to move. The positive benefits were summarised and the Committee was informed that after the trial period an update report would be brought back to the Committee the following year.

Members commended the report and spoke of their pride in the way the Council supported residents in need.

**RESOLVED:**

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

FM/27 **COMMITTEE WORK PROGRAMME**

The Strategic Director (Corporate Resources) presented the report to the Committee.

**RESOLVED:**

- 1.1 The Committee considered and approved the updated work programme.***

FM/28 **LOCAL GOVERNMENT ACT 1972 (AS AMENDED BY THE LOCAL GOVERNMENT [ACCESS TO INFORMATION] ACT 1985)**

**RESOLVED:-**

***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 paragraphs of Part 1 of the Schedule 12A of the Act indicated in brackets after each item.***

**TO RECEIVE QUESTIONS FROM MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO. 11**

***The Committee was informed no questions had been received.***

**APPOINTMENT OF A RECRUITMENT AND SELECTION PANEL**

***The Committee approved the recommendations in the report.***

**RE-GRADING OF POST – ACTIVE SCHOOLS PARTNERSHIP OFFICER (CP10)**

***The Committee approved the recommendations in the report.***

The meeting terminated at 19:30 hours

COUNCILLOR R PEARSON

CHAIR

<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 7</b>
<b>DATE OF MEETING:</b>	<b>09 FEBRUARY 2023</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR (CORPORATE RESOURCES)</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>CHARLOTTE JACKSON</b> <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>	<b>DOC:</b> S/Finance/Committee/2022-23/Feb
<b>SUBJECT:</b>	<b>GENERAL FUND CONSOLIDATED BUDGET REPORT 2023/24 AND MEDIUM-TERM FINANCIAL PLAN TO 2027/28</b>	
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM 08</b>

## **1.0 Recommendations**

- 1.1 That the estimates of revenue income and expenditure on the General Fund for 2023/24 are considered and approved.
- 1.2 That consideration is given to a level of increase on grants to voluntary bodies and Parish Councils for concurrent functions.
- 1.3 That consideration is given to the rate of Council Tax for 2023/24.
- 1.4 That the updated five-year financial projection for the General Fund to 2027/28 as detailed in **Appendix 2**, and all the associated assumptions and risks as included in the report, is approved.
- 1.5 That the Council's National Non-Domestic Rates return (NNDR1) for 2023/24 showing retained business rates is reported to Finance and Management Committee on 16<sup>th</sup> March 2023.

## **2.0 Purpose of the Report**

- 2.1 To detail the Council's financial position following a full review of current income and expenditure plus confirmation of the Local Government Financial Settlement for 2023/24.
- 2.2 The report is divided into four sections as follows:
  - The Council's financial position including the update to the Medium-Term Financial Plan (MTFP) to 2027/28
  - Detail of the Local Government Financial Settlement for 2023/24
  - Proposed base budget and consolidated expenditure for 2023/24
  - Financial risk analysis

## Appendices

- Appendix 1 – Council Tax Setting
- Appendix 2 – General Fund MTFP to 2027/28
- Appendix 3 – Proposed base budgets for Policy Committees

### 3.0 The Council's Financial Position

3.1 The MTFP was considered and approved by the Committee in November 2022, and this set out the forecasted revenue income and expenditure budget for the period 2022/23 to 2027/28. At this stage, the proposed budget for 2023/24 had not been finalised and detail on the Financial Settlement was unknown. The following table summarises the balances predicted on the General Reserve at that time.

#### MTFP November 2022

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
TOTAL PROJECTED SPENDING	15,278,636	15,813,951	16,021,669	16,684,150	17,142,815	17,694,840
TOTAL FINANCING	-13,791,424	-13,514,151	-13,490,692	-13,572,453	-13,879,592	-14,195,973
CAPITAL CONTRIBUTIONS	830,388	516,000	515,000	521,500	528,000	521,500
DEFICIT FOR THE YEAR	2,317,601	2,815,800	3,045,977	3,633,197	3,791,222	4,020,367
RESERVE BALANCE C/FWD	-12,159,399	-9,343,599	-6,297,622	-2,664,425	1,126,797	5,147,164

3.2 At this stage, it had been assumed that expenditure would increase in line with inflation and that income would reduce due to changes to Government funding decisions. The projected balance at the end of 2027/28 was expected to be significantly below the minimum balance of £1.5m with the Council having no reserves to call on during 2026/27.

3.3 The main issue presented within the MTFP in November 2022 was the increasingly high deficit levels projected over the life of the plan. These deficits increased further due to the provision for a pay award in 2022/23 which had initially been provided for at 2.5%. The pay award was a flat £1,925 per employee which regionally equated to an average of 4.04%. Due to our diverse staffing levels this equated to 7.74% of the overall salary budget costing £774k. Over the life of the plan a provision has been included in 2024/25 at 3.5% and thereafter 2.5%, costing an additional £2.4m.

3.4 Although the balance in the General Reserve can be utilised to fund the projected deficits over the next few years, this is not a sustainable solution in the longer-term.

3.5 After the release of the Local Government Financial Settlement in December 2022 plus the finalised proposed revenue budget, an update to the MTFP has been completed and is attached at **Appendix 2**. A summary of the projected balances on the General Reserve are shown in the following table.

#### MTFP February 2023

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
TOTAL PROJECTED SPENDING	15,219,326	15,973,617	16,387,594	17,012,221	17,465,832	18,125,485
TOTAL FINANCING	-13,791,424	-14,094,373	-13,695,167	-13,780,262	-14,125,787	-14,482,021
CAPITAL CONTRIBUTIONS	830,388	516,000	515,000	521,500	528,000	521,500
DEFICIT FOR THE YEAR	2,258,291	2,395,243	3,207,427	3,753,459	3,868,045	4,164,964

3.6 The General Fund balance has improved marginally due to an increase to projected funding as detailed in the following tables.

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
<b>FINANCING November 2022</b>						
Business Rates Retention	-3,795,025	-3,795,025	-3,795,025	-3,795,025	-3,795,025	-3,795,025
Services Grant Allocation	-173,984	0	0	0	0	0
Lower Tier Services Grant Allocation	-291,393	-3,045,089	-2,740,580	-2,524,205	-2,524,205	-2,524,205
New Homes Bonus	-3,018,486	0	0	0	0	0
Council Tax Income	-6,346,143	-6,619,037	-6,900,088	-7,198,224	-7,505,363	-7,821,743
<b>Core Spending Power</b>	<b>-13,625,031</b>	<b>-13,459,151</b>	<b>-13,435,692</b>	<b>-13,517,453</b>	<b>-13,824,592</b>	<b>-14,140,973</b>

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
<b>FINANCING February 2023</b>						
Business Rates Retention	-3,795,025	-4,000,000	-4,000,000	-3,750,000	-3,750,000	-3,750,000
Services Grant Allocation	-173,984	-100,000	0	0	0	0
Lower Tier Services Grant Allocation	-291,393	0	-2,700,000	-2,700,000	-2,700,000	-2,700,000
New Homes Bonus	-3,018,486	-1,500,000	0	0	0	0
Funding Guarantee	0	-1,800,000	0	0	0	0
Council Tax Income	-6,346,143	-6,639,373	-6,940,167	-7,275,262	-7,620,787	-7,977,021
<b>Core Spending Power</b>	<b>-13,625,031</b>	<b>-14,039,373</b>	<b>-13,640,167</b>	<b>-13,725,262</b>	<b>-14,070,787</b>	<b>-14,427,021</b>

3.7 Funding within the plan assumes an increase of 1.95% per annum on Council Tax, Business Rates has been increased to reflect current growth and the confirmed Governments freeze on the business rates multiplier. The plan assumes that after baseline rates have been reset (which is expected in 2025/26) the income will reduce back to previous levels. This is because previous growth will be reflected in the revised baseline and be subject to the redistribution system.

3.8 It is also assumed that Government funding will reduce to the Council's Settlement Funding Assessment (SFA) of £2.7m as determined as part of the Settlement in December 2022.

3.9 As noted above, Council Tax is assumed to increase by 1.95% over the life of the plan. The level of Council Tax is higher in 2023/24 than originally forecast in the November MTFP due to higher growth in new properties compared to the previous forecast. The impact of higher growth is detailed below.

	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
Forecast November 2022	-6,619,037	-6,900,088	-7,198,224	-7,505,363	-7,821,743
Amended Forecast January 2023	-6,639,373	-6,940,167	-7,275,262	-7,620,787	-7,977,021
<b>Revenue Increase</b>	<b>-20,336</b>	<b>-40,079</b>	<b>-77,038</b>	<b>-115,424</b>	<b>-155,278</b>

3.10 The Council Tax Base as approved at the Committee in January was an increase of 961 equivalent Band D properties. The forecast in the MTFP included an increase of 846 properties.

3.11 The forecasted growth of the Tax Base was updated at the Budget round in 2022/23 to a lower number due to the assumed impact of the economic downturn. The Tax Base is taken as at October 2022 and due to the significant growth between years, it



is proposed to increase the projected growth in future years. The revised forecasted growth is detailed in the following table.

	2022.23	2023.24	2024.25	2025.26	2026.27	2027.28
Band D - Nov 2022	1484	846	846	893	893	893
Band D - Jan 2023	1484	961	953	1,090	1,090	1,090
<b>Tax Base Movement</b>	<b>0</b>	<b>115</b>	<b>107</b>	<b>197</b>	<b>197</b>	<b>197</b>

3.12 Overall, the impact of the increase in the Tax Base results in an increase of income from Council Tax of approximately £408k over the MTFP to 2027/28 (as shown in 3.6 and 3.8 above).

### Council Tax Setting

3.13 The Council can increase the Council Tax by up to £5 per Band D or 2%, whichever is the higher. It is also however able to opt for a lower increase or freeze the Council Tax.

3.14 There are a number of tables listed in Appendix 1 that give further detail of the impact to the General Fund balance should the Council decide to increase the Council Tax by anything outside of the 1.95% included within the MTFP.

3.15 In summary, if the Council was to increase the Council Tax by £5 per Band D in 2023/24, it would certainly ensure a stronger position into 2025/26 and reduce the deficit in 2026/27. The balance would sit at approximately £744,663 a decrease in deficit of £260,802.

3.16 A 1.95% increase already leaves the Council at below its minimum balance of £1m by 2026/27 and opting for anything lower than a 1.95% increase will ensure that savings measures (without any other funding changes) will need to be implemented sooner for the Council to remain in a sustainable financial position into the future.

3.17 A summary of the approximate income loss and balance for a range of increase options is listed below.

	<b>Income (Gain) / Loss £</b>	<b>Balance 2026/27 £</b>	<b>Income (Gain) / Loss £</b>	<b>Balance 2027/28 £</b>
£5 or 2.89% Increase	-260,802	744,663	-332,820	4,837,609
3.00% Increase	-290,803	714,662	-371,105	4,799,324
2.00% Increase	-13,848	991,617	-17,672	5,152,757
1.75% Increase	55,391	1,060,856	70,687	5,241,116
1.50% Increase	124,630	1,130,095	159,045	5,329,474
1.00% Increase	263,107	1,268,572	335,762	5,506,191
0.75% Increase	332,346	1,337,811	424,120	5,594,549
0.50% Increase	401,585	1,407,050	512,478	5,682,907
0.25% Increase	470,824	1,476,289	600,837	5,771,266
Council Tax Freeze	540,062	1,545,527	689,195	5,859,624

## 4.0 Detail of the Local Government Financial Settlement

- 4.1 The Provisional Local Government Financial Settlement was released on 19 December 2022 and was a one-year settlement awaiting the outcome of the Fair Funding Review which has now been delayed until 2025/26 at the earliest.
- 4.2 The New Homes Bonus allocation was not forecasted as it was assumed it would no longer be received as part of the Settlement going forwards. The allocation of £1.5m in 2023/24 was not included within the forecast. No further payments of New Homes Bonus are forecast.
- 4.3 It was also assumed that the new Lower Tier Services Grant (announced as part of the Settlement for 2022/23) would support losses of New Homes Bonus legacy payments. This has been removed and replaced by a one-off Funding Guarantee payment of £1.8m. This payment is to ensure that all authorities see at least a 3% increase in the Core Spending Power before any decisions around organisational efficiencies and Council Tax increases.
- 4.4 The New Homes Bonus and the Funding Guarantee payments increase the Councils funding allocation in 2023/24 by £254,911. In addition to the above funding streams, a one-off allocation of £100,000 entitled 'Services Grant' has also been allocated to the Council. This will not however be included as part of the transitional arrangements once the Funding Reviews are complete. Although the Council has received additional funding compared to that projected in the MTFP, it has still received approximately £100,000 less in cash terms between 2022/23 and 2023/24.
- 4.5 After considering all of the above, the Council has received increased funding in 2023/24 to assist Local Authorities during the current economical climate. Funding for 2024/25 is forecasted to reduce to the minimum Settlement Funding Assessment (SFA). The confirmation of the rise in the SFA has been updated in the MTFP compared to November 2022.
- 4.6 The basis for the funding as set out in the MTFP assumes that no further New Homes Bonus will be received.
- 4.7 The Council's SFA is set at £2.7m, increases by RPI each year and was only supposed to be in place until 2020 but due to the delay on the funding reviews, this appears to have been pushed to at least 2024.
- 4.8 In the intervening years, the Council has been receiving larger allocations above its SFA due to extra New Homes Bonus and Business Rates growth, both of which are under pressure in the current Fair Funding reviews.

### **Business Rates**

- 4.9 The Council has always received more through Business Rates than the SFA because it has outperformed its Baseline. The Fair Funding Review has indicated that baselines could be reset to reflect this and therefore it would be safe to assume that the Council is unlikely to receive a greater balance of funding from the Government. Business Rates could be complicated further if the proposal to increase Business Rates retention at a local level, to 75% from 40% is put in place.
- 4.10 Business Rates has been assumed to remain the same over the life of the plan after being updated in 2023/24 for the NNDR1 return. It would not be prudent to assume

that 75% retention will go ahead as this increase would probably mean a funding reduction elsewhere or additional expenditure responsibilities.

- 4.11 The multiplier for Business Rates has been frozen until 2025/26 therefore no increase to the baseline is anticipated across the country. The Council will receive additional funding through S31 grants for the loss of income due to the multiplier freeze which is incorporated within the Business Rates figure in the MTFP for 2023/24.

## **5.0 Proposed Base Budget and Consolidated Expenditure 2022/23**

- 5.1 All Policy Committees have considered their revenue income and expenditure budgets at meetings in early January and no specific issues or challenges were raised with proposed budgets generally in line with the MTFP.
- 5.2 Detail of the individual base budgets for the Policy Committees is attached in **Appendix 3**.

### **Basis of the Budget**

- 5.3 Budgets are generally calculated on a “no increase basis,” i.e., they are maintained at the same level as the previous year adjusted only for known changes, price increases, inflation and variations due to contractual conditions, etc.
- 5.4 In addition, budgets are also subject to a base line review which is used to justify proposed spending. This process places responsibility on budget holders to justify their spending budgets by specifying their needs in a more constructed manner. This is supported by the Financial Services Unit, who analyse recent trends across services compared to current budgets.

### **On-going Service Provision**

- 5.5 The budgets are based substantively on a continuation of existing service provision (in respect of staffing levels, frequency, quality of service, etc.).
- 5.6 The full year effects of previous year’s restructures and budget savings have been included, with any non-recurring items removed.

### **Changes in Pay**

- 5.7 A pay award is not included within the Base Budget at this stage as no official notification has been agreed and submitted to the Council.
- 5.8 The MTFP was updated in November 2022 to include a pay award for 2022/23 and also includes a provision for a potential pay award increase of 3.5% for all employees from 2023/24 reducing to 2.5% thereafter.

### **Inflation**

- 5.9 The base budget for 2023/24 has been uplifted by inflation where this applies, for example contract obligations.

- 5.10 Some base costs will be subject to inflation during future years and in some cases, it will be unavoidable, for example employee costs, when national pay increases are approved.
- 5.11 Allowances for inflation based on various assumptions regarding price increases, etc. are calculated across the main spending heads at an average of 8.8%. Average increases in inflation are peaking to over 10% currently although this is deemed to be an anomaly in the market. It is expected that inflation will average around 8.4 during 2022/23.

### **Parish Concurrent Functions and Grants to Voluntary Bodies**

- 5.12 As part of the budget approval process, Policy Committees are asked to consider and recommend increases to Parishes for concurrent functions and grants to voluntary bodies.
- 5.13 Housing and Community Services and Finance and Management Committees both recommended an increase of 2% in line with 2023/24.
- 5.14 The increase to the base budget of these proposals is approximately £11k and is included within the MTFP.

### **Proposed Base Budgets 2022/23**

- 5.15 A summary of the proposed base budgets and movements between 2022/23 and 2023/24 is included in the following table.

#### **COMMITTEE SUMMARY - BUDGET SETTING 2023/24**

##### **Summary by Policy Committee**

	<b>Proposed Budget 2023/24 £</b>	<b>Approved Budget 22/23 £</b>	<b>Variance £</b>
Environmental and Development Services	6,789,905	6,650,033	139,873
Housing and Community Services	2,955,287	2,896,359	58,928
Finance and Management	6,429,329	6,512,411	-83,081
<b>Net Service Expenditure</b>	<b>16,174,521</b>	<b>16,058,802</b>	<b>115,719</b>

- 5.16 The budget between years has increased by £115,719 although this includes depreciation which is an accounting adjustment and does not need considering by the Committee. A large proportion of the increases were expected and included in the MTFP in November. Detail of the proposed changes are listed below.

	<b>EDS £'000</b>	<b>HCS £'000</b>	<b>F&amp;M £'000</b>	<b>Total £'000</b>
Employee Costs	242	71	223	<b>536</b>
Fuel - Diesel, Oil, Petrol	130	12	0	<b>141</b>
District Election	0	0	125	<b>125</b>
Subscriptions and Professional Fees	15	11	66	<b>91</b>
Waste Management	69	0	0	<b>69</b>
Computer Maintenance	11	9	39	<b>60</b>
Utilities	4	21	22	<b>47</b>

Internet Services	0	0	24	<b>24</b>
Printing, Postage, Books and Stationery	0	0	24	<b>24</b>
Housing Benefit	0	0	14	<b>14</b>
Business Rates	0	0	13	<b>13</b>
Training	2	1	7	<b>11</b>
Cleaning and Laundry	0	11	0	<b>11</b>
Licensing Income	10	0	0	<b>10</b>
Concessionary Fairs	0	0	10	<b>10</b>
Transport Costs - Road Fund Licence, MOT	7	0	0	<b>7</b>
Events Hire	0	10	0	<b>10</b>
Medical Fees	0	0	7	<b>7</b>
Third Party Payments	0	6	0	<b>6</b>
Agency	6	0	0	<b>6</b>
Grounds Maintenance (Cemeteries)	0	5	0	<b>5</b>
Car Mileage	0	0	4	<b>4</b>
Bank Charges	0	0	4	<b>4</b>
Purchase of Equipment	2	2	0	<b>4</b>
Earmarked Reserves	-164	-98	-114	<b>-376</b>
Income Generation	-180	-33	0	<b>-214</b>
Pension Contributions	0	0	-135	<b>-135</b>
Interest	0	0	-144	<b>-144</b>
HRA Recharge	-22	0	-94	<b>-116</b>
Insurance	-32	-7	-31	<b>-70</b>
Housing Programme Manager Recharge	0	0	-51	<b>-51</b>
Benefit Processing Fees	0	0	-40	<b>-40</b>
Computer Licenses	0	0	-33	<b>-33</b>
Telephone Costs	0	0	-22	<b>-22</b>
Commercial Property Income	0	0	-12	<b>-12</b>
Members Allowances	0	0	-7	<b>-7</b>
<b>Sub Total</b>	<b>99</b>	<b>20</b>	<b>-100</b>	<b>20</b>
Depreciation	40	39	17	<b>96</b>
<b>Base Budget Increase</b>	<b>139</b>	<b>59</b>	<b>-83</b>	<b>116</b>

5.17 As noted previously, depreciation is an accounting adjustment totalling £96k. The actual base budget increase is £20k and a summary of the main movements are detailed in the following paragraphs.

### Employee Costs

5.18 There has been a large increase in Environmental and Development Services due mainly to the temporary posts recruited into the Planning team. These additional costs have however been offset by earmarked reserve drawdowns.

5.19 Posts that are reserve funded have been added to the base budgets in Housing and Community and Finance and Management, the large increase in Finance and Management is due to the Customer Services Restructure approved in August 2022.

### Vehicle Costs

- 5.20 Due to the increase per litre of diesel during 2022/23, it is proposed to increase the expected cost for 2023/24. The budget is based on a price per litre of £1.49 (the Council pays a discounted rate in comparison to the forecourt) which is an increase of approximately 33p between years.
- 5.21 In addition, the usage of litres has been reduced by £12K for the expected savings from the new Hydrogen vehicles. The early results from the implementation of the Route Optimisation solution have not yielded the 10% reduction in fuel as expected. The software is not yet fully digitalised, therefore analysis on usage and cost will be completed quarterly and reported to Finance and Management Committee as part of the revenue monitoring cycle.
- 5.22 Oil costs have doubled as a result of the market uncertainties and risks to supply as a consequence of world events. The increase in costs of £14k reflect the price per litre not additional usage.
- 5.23 Spare parts have remained consistent in line with the review of the vehicle replacement plan. A provision (£25K) is included within the MTFP to allow for procurement delays whilst obtaining new fleet.
- 5.24 The increase in fleet vehicles accounts for the additional costs within transport for MOT's and Road Fund Licences.

### **District Election**

- 5.25 Due to the District Election in 2023/24, previously provided for expenditure in contingent sums in the MTFP has now been moved to the base budget. The increase (£125k) is not a direct impact on the General Fund reserves, rather a movement of the funds from contingent to the base budget.

### **Subscriptions and Professional Fees**

- 5.26 An increase in subscriptions and professional fees is expected between years, due to the recorded record highs in inflation resulting in Subscriptions and Memberships to professional bodies increasing by 10.1%.
- 5.27 External audit fees are under review and are expected to increase by up to 150%. The uplift to this budget is proposed at £30K with additional funds set aside in the MTFP of £20K. The results of a recent procurement exercise and consultation on Audit Fees will be announced later in the year. However, given on-going issues with resources for External Audit, it is considered inevitable that Fees will need to rise.
- 5.28 Staff welfare has been a focus since the pandemic, this has resulted in the increased use of counselling services and occupational health referrals. Previously covid funding had absorbed the increased costs of providing these services. The funding is no longer available which will result in an overspend in 2022/23. The proposed increased budget of £7k is to continue to provide this service.

### **Waste Disposal**

- 5.29 A 3% increase on the cost of waste disposal is expected. Although the cost base has increased, it is anticipated that the income received from Derbyshire County Council (£84k) will increase due to the tonnages expected for disposal. In addition, an increase in the guaranteed rate per tonne as part of the recycling contract (£45k) has

now been included. Any shortfall due to reduced tonnes will be drawn from earmarked reserves set-aside for the contract risks.

### **Computer Maintenance**

- 5.30 Inflationary uplifts of approximately 2% were covered within the MTFP. The financial year has recorded record highs in inflation resulting in Computer Maintenance Agreements being uplifted by the CPI in September 2022 of 10.1%.
- 5.31 The additional budget for internet services £24K is offset by the reduction of telephone charges £22k. A new service has been implemented to provide additional circuits as a main line in defence against loss of internet connection. This has replaced the old services provided by Vodaphone.
- 5.32 Computer Licenses have been subject to a review during 2022/23, the results of this are the budget saving of £33k.

### **Utilities**

- 5.33 The increase for utilities is in relation to the Leisure Centres (£21k) and Public Buildings (£22k).
- 5.34 Since the budget in January the results from the Council's Brokers' (Monarch) tendering exercise have been received. We can fix our electricity tariff to a new energy supplier ahead of our current fixed term tariff ending in September 23. The costs are anticipated to increase by £74k. The additional costs for a 1-year fixed deal are included in the MTFP for approval.
- 5.35 The budget for water has increased by 13% following confirmation of our suppliers proposed increase for 2023/24.
- 5.36 Oil costs have increased as a result of the market uncertainties and risks to supply as a consequence of world events. The £9k variance for the Oil powered boiler system at Rosliston Forestry Centre are included in the utilities variance.

### **Printing, Postage, Stationery and Books**

- 5.37 Business mail letters have increased in costs by 18% to provide a postal service for the Council. The increase in charges relate to costs driven up by supply chain issues as a consequence of world events, plus an increase in paper prices of 40%. The 18% levied by the supplier is an average percentage to cover the cost of their services.
- 5.38 The Councils contract with the current supplier is due to end during 2023/24 and a re-tendering exercise ahead of this has commenced.

### **Income Reduction**

- 5.39 It is a requirement of legislation that surplus funds are not made on the private hire licences. A review of the fees over the past 3 years has shown a surplus, therefore the fees have been reduced to compensate for the additional income. Fees are subject to periodic review and considered separately for example, when regulations change.



- 5.40 Derbyshire County Council have not confirmed the funding for the administration of concessionary travel; therefore, the income has reduced by £10k for the provision of the service.

### Investment Income

- 5.41 2022/23 has seen a rise in investment rates of over 3%, the Council has on average £68m invested in various institutions, with a range of rates. Temporary loans are placed with other local authorities securing rates and amounts of investment income. The budget increase in interest receivable (£144k) is set with caution, calculations have included average rates lower than are currently seen in the market. This will secure the budget against a fall in investment interest rates. It is noted that interest rates are continuing to increase, and this is currently generating substantial amounts of additional income which is helping to offset cost increases elsewhere.
- 5.42 Additional investment income receivable has been included within the life of the plan. This to reflect the level of investment income on deposit and the current level of interest rates received.

### Pension Contributions

- 5.43 As reported at the Finance and Management Committee on the 12<sup>th</sup> January 2023, it was proposed to reduce the pension contributions by £132k, which related to the reduction in added years payments. It was noted that the Council had recently received the results of the 2022 Pension Fund Valuation which will set contributions for 2023/24 to 2025/26 inclusive.
- 5.44 As a result of the valuation, the Council's contribution percentage has changed from 14.8% to 20.3%. The annual monetary sum has reduced from £678k to £174k. The net effect from these changes negates the saving of £132k by £127K albeit a proportion of the costs are charged to the Housing Revenue Account (£17K).
- 5.45 The MTFP has been updated for both funds to show the additional costs for approval.

### HRA Recharges

- 5.46 The total impact of the increase in HRA recharges is £116k and after a full review of all charges, the following table details the movement by service area.

	Movement £'000
Head of Finance	-27
Head of Operational Services	-22
Head of Business Change & ICT	-15
Head of Legal & Democratic	-4
Strategic Director (Corporate Resources)	-9
Head of Customer Services	-14
Head of Corporate Property	-7
Head of Organisational Development & Performance	-18
	<b>-116</b>

- 5.47 The increases for each area represent the rise in the costs for providing direct support from each of the service areas. The biggest increase is due to staff costs



resulting from the recent pay award, and the increased rates of inflation added to costs of service.

- 5.48 The Housing Programme Manager recharge is for services provided through Business Change that are part funded by the HRA. This is to assist with HRA projects in particular the housing decarbonisation project. This was approved at Finance and Management Committee in April 2021.

### **Earmarked Reserve Funding**

- 5.49 As noted earlier in the report, an increase in the reserve drawdown across all Service Areas is a result of the inclusion of funded posts in the base budgets. Drawdowns relating to the posts have been added to provide clarity of funding.
- 5.50 The main increases are the Planning services staffing costs approved by the Committee during 2022 and the Customer Services Restructure in August 2022.

### **Insurance**

- 5.51 Insurance cover is an overall decrease to the Council of £70k between 2022/23 and 2023/24. This decrease is a result of the Council retendering its services as reported in the November MTFP.

### **Income Generation**

- 5.52 The Trade waste customer base has increased with new clients and retention of existing clients. The customer base is expected to remain stable with the current prices competitive within the market.
- 6.1 Estates have successfully agreed two new lease agreements resulting in additional income of £20k. The new Innovation Centre is expected to generate £10k with Dellner Woodville's new agreement yielding the other £10k of income.

## **6.0 Financial Risk Analysis**

- 6.1 In addition to the cost pressures noted in section 5, as part of the base budget review, each Committee identified several risk areas. The main issues are detailed in the following table.

<b>Risk</b>	<b>Issue / Potential Effect</b>	<b>Mitigating Action</b>
Reduction in Income	Budgeted income from Planning, Licensing etc. totals £1.5m is not sustainable	Base budgets reflect actual income but remain prudent. This report contains detail on changes in anticipated income and is based on known marketplace conditions
Recycling	The service went out to tender in 2021/22 with a risk share contract being in place from October 2021. Collection of waste is now in-house.	An additional budget of £100k has been implemented for collection of waste with a further provision of £50k per annum being set-aside in the MTFP.

Land Charges	The service is currently being managed by Lichfield District Council due to having no resource internally at a significantly larger cost than the savings on vacancies	At the Finance and Management Committee in November 2021, a provision of £200K was created over 2 financial years (2021/22 – 2022/23). £116k remains whilst a longer-term management solution of the service is considered..
Growth	The Council's MTFP identifies underlying cost pressures yet to surface as a risk due to pressure from residential development.	A provision for growth has been set-aside in the MTFP each year over the life of the Plan and this is kept under review.
Parish Growth	Additional Concurrent Function claims may become payable if Parishes form a Meeting or Council	An update to the MTFP includes provision for this into the future with a specific provision for additional concurrent functions.
External funding	As detailed in the report, several services are reliant on external contributions and reserve funding	Earmarked reserves set-aside to maintain spending over several years. These reserves are currently estimated to remain at £1.1m by 2023/2024 but the reserve position is continually kept under review with service managers

6.2

## **7.0 Financial Implications**

7.1 Detailed in the report.

## **8.0 Corporate Implications**

### **Employment Implications**

8.1 None.

### **Legal Implications**

8.2 None.

### **Corporate Plan Implications**

8.3 The proposed budgets and spending provide the financial resources to enable many of the on-going services and Council priorities to be delivered.

### **Risk Impact**

8.4 The Financial Risk Register is detailed within the Medium-Term Financial Plan, but individual Committee risks are listed in Section 6.

## **9.0 Community Impact**

### **Consultation**

- 9.1 The Council is statutorily required to consult on its budget proposals, prior to setting the annual Council Tax rate, with the local business and community sector. The Council has an established process in place to meet this requirement. Consultation takes place for approximately four weeks following approval of the draft budget proposals by Finance and Management Committee in January each year. Any feedback is reported to the Council as part of the final approval process.
- 9.2 There is no statutory requirement to consult with residents or other stakeholders, although it is considered good practice to do so. Traditionally, the Council has disseminated proposals through Area/Community Forums and via a presentation at the South Derbyshire Partnership Board. Many authorities do consult formally regarding their budget proposals and medium-term financial plans prior to setting budgets, using panels, representative groups, etc. as a way of fully engaging local people.

### **Equality and Diversity Impact**

- 9.3 None.

### **Social Value Impact**

- 9.4 None.

### **Environmental Sustainability**

- 9.5 None.

## **10.0 Conclusions**

- 10.1 That the proposed base budgets are scrutinised and approved to provide financial resources for continuation of service delivery.

## **11.0 Background Papers**

- 11.1 None

# COUNCIL TAX SETTING

# APPENDIX 1

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
Council Tax @ 1.95%	-6,346,143	-6,639,299	-6,911,511	-7,194,883	-7,489,873	-7,796,958
Council Tax @ £5 per Band D	-6,346,143	-6,700,624	-6,975,350	-7,261,339	-7,559,054	-7,868,975
<b>Council Tax Increase</b>	<b>0</b>	<b>-61,325</b>	<b>-63,839</b>	<b>-66,457</b>	<b>-69,181</b>	<b>-72,018</b>
<b>RESERVE BALANCE</b>	<b>-12,218,709</b>	<b>-9,884,791</b>	<b>-6,741,203</b>	<b>-3,054,201</b>	<b>744,663</b>	<b>4,837,609</b>

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
Council Tax @ 1.95%	-6,346,143	-6,639,299	-6,911,511	-7,194,883	-7,489,873	-7,796,958
Council Tax @ 3.00%	-6,346,143	-6,707,679	-6,982,693	-7,268,984	-7,567,012	-7,877,260
<b>Council Tax Increase</b>	<b>0</b>	<b>-68,379</b>	<b>-71,183</b>	<b>-74,101</b>	<b>-77,139</b>	<b>-80,302</b>
<b>RESERVE BALANCE</b>	<b>-12,159,399</b>	<b>-9,891,845</b>	<b>-6,755,601</b>	<b>-3,076,243</b>	<b>714,662</b>	<b>4,799,324</b>

	£	£	£	£	£	£
Council Tax @ 1.95%	-6,346,143	-6,639,299	-6,911,511	-7,194,883	-7,489,873	-7,796,958
Council Tax @ 2.00%	-6,346,143	-6,642,556	-6,914,900	-7,198,411	-7,493,546	-7,800,781
<b>Council Tax Increase</b>	<b>0</b>	<b>-3,256</b>	<b>-3,390</b>	<b>-3,529</b>	<b>-3,673</b>	<b>-3,824</b>
<b>RESERVE BALANCE</b>	<b>-12,159,399</b>	<b>-9,826,722</b>	<b>-6,622,684</b>	<b>-2,872,754</b>	<b>991,617</b>	<b>5,152,757</b>

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
Council Tax @ 1.95%	-6,346,143	-6,639,299	-6,911,511	-7,194,883	-7,489,873	-7,796,958
Council Tax @ 1.75%	-6,346,143	-6,626,275	-6,897,952	-7,180,768	-7,475,180	-7,781,662
<b>Council Tax Reduction</b>	<b>0</b>	<b>13,025</b>	<b>13,559</b>	<b>14,115</b>	<b>14,693</b>	<b>15,296</b>
<b>RESERVE BALANCE</b>	<b>-12,159,399</b>	<b>-9,810,441</b>	<b>-6,589,455</b>	<b>-2,821,882</b>	<b>1,060,856</b>	<b>5,241,116</b>

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
Council Tax @ 1.95%	-6,346,143	-6,639,299	-6,911,511	-7,194,883	-7,489,873	-7,796,958
Council Tax @ 1.50%	-6,346,143	-6,609,994	-6,881,004	-7,163,125	-7,456,813	-7,762,542
<b>Council Tax Reduction</b>	<b>0</b>	<b>29,305</b>	<b>30,507</b>	<b>31,758</b>	<b>33,060</b>	<b>34,415</b>
<b>RESERVE BALANCE</b>	<b>-12,159,399</b>	<b>-9,794,161</b>	<b>-6,556,226</b>	<b>-2,771,010</b>	<b>1,130,095</b>	<b>5,329,474</b>

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
Council Tax @ 1.95%	-6,346,143	-6,639,299	-6,911,511	-7,194,883	-7,489,873	-7,796,958
Council Tax @ 1.00%	-6,346,143	-6,577,432	-6,847,107	-7,127,839	-7,420,080	-7,724,303
<b>Council Tax Reduction</b>	<b>0</b>	<b>61,867</b>	<b>64,403</b>	<b>67,044</b>	<b>69,793</b>	<b>72,654</b>
<b>RESERVE BALANCE</b>	<b>-12,159,399</b>	<b>-9,761,599</b>	<b>-6,489,768</b>	<b>-2,669,265</b>	<b>1,268,572</b>	<b>5,506,191</b>

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
Council Tax @ 1.95%	-6,346,143	-6,639,299	-6,911,511	-7,194,883	-7,489,873	-7,796,958

Council Tax @ 0.75%	-6,346,143	-6,561,152	-6,830,159	-7,110,195	-7,401,713	-7,705,184
<b>Council Tax Reduction</b>	<b>0</b>	<b>78,148</b>	<b>81,352</b>	<b>84,687</b>	<b>88,159</b>	<b>91,774</b>
<b>RESERVE BALANCE</b>	<b>-12,159,399</b>	<b>-9,745,318</b>	<b>-6,456,539</b>	<b>-2,618,393</b>	<b>1,337,811</b>	<b>5,594,549</b>

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
Council Tax @ 1.95%	-6,346,143	-6,639,299	-6,911,511	-7,194,883	-7,489,873	-7,796,958
Council Tax @ 0.50%	-6,346,143	-6,544,871	-6,813,211	-7,092,552	-7,383,347	-7,686,064
<b>Council Tax Reduction</b>	<b>0</b>	<b>94,428</b>	<b>98,300</b>	<b>102,330</b>	<b>106,526</b>	<b>110,893</b>
<b>RESERVE BALANCE</b>	<b>-12,159,399</b>	<b>-9,729,037</b>	<b>-6,423,310</b>	<b>-2,567,521</b>	<b>1,407,050</b>	<b>5,682,907</b>

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
Council Tax @ 1.95%	-6,346,143	-6,639,299	-6,911,511	-7,194,883	-7,489,873	-7,796,958
Council Tax @ 0.25%	-6,346,143	-6,528,590	-6,796,262	-7,074,909	-7,364,980	-7,666,945
<b>Council Tax Reduction</b>	<b>0</b>	<b>110,709</b>	<b>115,248</b>	<b>119,974</b>	<b>124,892</b>	<b>130,013</b>
<b>RESERVE BALANCE</b>	<b>-12,159,399</b>	<b>-9,712,757</b>	<b>-6,390,081</b>	<b>-2,516,649</b>	<b>1,476,289</b>	<b>5,771,266</b>

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
Council Tax @ 1.95%	-6,346,143	-6,639,299	-6,911,511	-7,194,883	-7,489,873	-7,796,958
Council Tax - no increase	-6,346,143	-6,512,309	-6,779,314	-7,057,266	-7,346,614	-7,647,825
<b>Council Tax Reduction</b>	<b>0</b>	<b>126,990</b>	<b>132,197</b>	<b>137,617</b>	<b>143,259</b>	<b>149,133</b>
<b>RESERVE BALANCE</b>	<b>-12,159,399</b>	<b>-9,696,476</b>	<b>-6,356,852</b>	<b>-2,465,777</b>	<b>1,545,527</b>	<b>5,859,624</b>

## GENERAL FUND MEDIUM TERM FINANCIAL PLAN

### BUDGET & PROJECTION FEBRUARY 2023

	Proposed Budget £ 2022.23	Projection £ 2023.24	Projection £ 2024.25	Projection £ 2025.26	Projection £ 2026.27	Projection £ 2027.28
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**BASE BUDGET**

Environmental & Development	6,225,153	6,789,905	7,008,047	7,218,291	7,432,356	7,666,486
Housing & Community	2,801,603	2,955,287	2,986,459	3,039,009	3,095,825	3,157,535
Finance & Management	6,264,523	6,429,329	6,641,575	6,824,067	7,008,887	7,216,881
<b>Net Service Expenditure</b>	<b>15,291,279</b>	<b>16,174,521</b>	<b>16,636,081</b>	<b>17,081,367</b>	<b>17,537,068</b>	<b>18,040,902</b>

**Accounting Adjustments**

Reverse out Depreciation	-1,268,382	-1,364,523	-1,364,523	-1,364,523	-1,364,523	-1,364,523
Minimum Revenue Provision (MRP)	174,654	167,668	160,962	154,523	148,342	142,408
Voluntary Revenue Provision (VRP - Recycling Bins & Grove Active Zone)	20,556	20,556	1,639	0	0	0
	<b>14,218,106</b>	<b>14,998,222</b>	<b>15,434,159</b>	<b>15,871,367</b>	<b>16,320,887</b>	<b>16,818,788</b>

**Add: Known Variations**

Vehicle Maintenance Plan (Tyres and Spare Parts)	0	25,000	30,000	40,000	55,000	75,000
Operational Services - Allocated Growth Excluded from Base Budget	146,652	382,329	160,367	164,376	168,486	172,698
Growth Provision Drawdown	0	-172,294	0	0	0	0
Land Charges Service Review Provision	116,000	0	0	0	0	0
Public Sector Audit Appointments - Additional External Audit Fees	20,000	20,000	20,000	20,000	20,000	20,000
Drakelow Concurrent Functions	2,185	0				
Operating Licence Inspection Pit	60,000	0	0	0	0	0
Parish Concurrent Functions and Grants to Voluntary Bodies	0	10,885	11,103	11,325	11,551	11,782
Driver and Mechanic Incentive Payment	47,722	34,722	0	0	0	0
Route Optimisation Potential Project Delay	59,634	0	0	0	0	0
Local Plan Review	15,000	15,000	0	0	0	0
EDI Temporary Officer post	14,973	0	0	0	0	0
Potential pay award	774,143	457,181	468,610	480,326	492,334	504,642
Incremental Salary Increases	0	18,425	6,671	2,253	0	0

Investment Income	-275,000	-150,000	-125,000	-100,000	-100,000	-100,000
Potential Loss of Industrial Unit Income	0	0	0	210,000	210,000	210,000
Increase in Electricity Tariff September 2023 to September 2024	0	74,000	74,000	0	0	0
Pension Valuation 2023/24	0	109,430	109,430	109,430	109,430	109,430
Pension Earmarked Reserve Drawdown	-43,589	-6,783	0	0	0	0
Insurance Tender	-146,500	0	0	0	0	0
District Election May 2023	0	0	0	0	0	125,000
<b>TOTAL ESTIMATED SPENDING</b>	<b>15,009,326</b>	<b>15,816,117</b>	<b>16,189,340</b>	<b>16,809,077</b>	<b>17,287,688</b>	<b>17,947,340</b>

## GENERAL FUND MEDIUM TERM FINANCIAL PLAN

### BUDGET & PROJECTION FEBRUARY 2023

	Proposed Budget £ 2022.23	Projection £ 2023.24	Projection £ 2024.25	Projection £ 2025.26	Projection £ 2026.27	Projection £ 2027.28
<b>Provisions</b>						
Contingent Sum - Growth	160,000	105,000	143,254	143,144	113,144	113,144
New Parishes - Concurrent Functions	0	2,500	5,000	10,000	15,000	15,001
Waste and Recycling	50,000	50,000	50,000	50,000	50,000	50,000
<b>TOTAL PROJECTED SPENDING</b>	<b>15,219,326</b>	<b>15,973,617</b>	<b>16,387,594</b>	<b>17,012,221</b>	<b>17,465,832</b>	<b>18,125,485</b>

#### FINANCING

Business Rates Retention	-3,795,025	-4,000,000	-4,000,000	-3,750,000	-3,750,000	-3,750,000
Services Grant Allocation	-173,984	-100,000	0	0	0	0
Lower Tier Services Grant Allocation	-291,393	0	-2,700,000	-2,700,000	-2,700,000	-2,700,000
New Homes Bonus	-3,018,486	-1,500,000	0	0	0	0
Funding Guarantee	0	-1,800,000	0	0	0	0
Council Tax Income	-6,346,143	-6,639,373	-6,940,167	-7,275,262	-7,620,787	-7,977,021
<b>Core Spending Power</b>	<b>-13,625,031</b>	<b>-14,039,373</b>	<b>-13,640,167</b>	<b>-13,725,262</b>	<b>-14,070,787</b>	<b>-14,427,021</b>
Add Estimated Collection Fund Surplus - Council Tax	-166,393	-55,000	-55,000	-55,000	-55,000	-55,000
<b>TOTAL FINANCING</b>	<b>-13,791,424</b>	<b>-14,094,373</b>	<b>-13,695,167</b>	<b>-13,780,262</b>	<b>-14,125,787</b>	<b>-14,482,021</b>

**Revenue Surplus (-) / Deficit**

<b>1,427,903</b>	<b>1,879,243</b>	<b>2,692,427</b>	<b>3,231,959</b>	<b>3,340,045</b>	<b>3,643,464</b>
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**Capital Contributions**

IT and Digital Strategy	160,000	160,000	160,000	166,500	173,000	166,500
Purchase of Town Centre Land	44,335	0	0	0	0	0
Community Partnership Scheme	219,053	0	0	0	0	0
Rosliston Forestry Centre - Play Project	50,000	0	0	0	0	0
Asset Replacement and Renewal Fund	357,000	356,000	355,000	355,000	355,000	355,000

**TOTAL CAPITAL CONTRIBUTION**

<b>830,388</b>	<b>516,000</b>	<b>515,000</b>	<b>521,500</b>	<b>528,000</b>	<b>521,500</b>
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**TOTAL GENERAL FUND DEFICIT**

<b>2,258,291</b>	<b>2,395,243</b>	<b>3,207,427</b>	<b>3,753,459</b>	<b>3,868,045</b>	<b>4,164,964</b>
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**GENERAL FUND RESERVE BALANCE**

	-	-				
Balance b/fwd	14,477,000	12,218,709	-9,823,466	-6,616,039	-2,862,580	1,005,465
Revenue Surplus (-) / Deficit	1,427,903	1,879,243	2,692,427	3,231,959	3,340,045	3,643,464
Capital Contributions	830,388	516,000	515,000	521,500	528,000	521,500
<b>Balance c/fwd</b>	<b>-12,218,709</b>	<b>-9,823,466</b>	<b>-6,616,039</b>	<b>-2,862,580</b>	<b>1,005,465</b>	<b>5,170,429</b>



## ENVIRONMENTAL &amp; DEVELOPMENT SERVICES - BUDGET SETTING 2023/24

	Proposed Budget 2023/24 £	Approved Budget 22/23 £	Change £	Comments
Tourism Policy, Marketing & Development	79,874	78,263	1,611	Increase utilities £1.5k, Rent and stock
Promotion and Marketing of the Area	279,844	279,292	552	
Community Development	10,000	10,000	0	
<b>ECONOMIC DEVELOPMENT</b>	<b>369,718</b>	<b>367,555</b>	<b>2,163</b>	
Food Safety	78,300	72,945	5,356	Increased staff cots £5K
Pollution Reduction	409,544	411,242	-1,698	Reduced staff costs £1.5k
Pest Control	17,636	18,520	-884	Fee reduction £500
Public Health	0	0	0	
Public Conveniences	23,919	25,113	-1,194	Decrease dep'n £1k, Insurance £100
Community Safety (Safety Services)	202,554	202,866	-312	
Environmental Education	110,352	110,352	0	
Welfare Services	1,800	1,800	0	
<b>ENVIRONMENTAL SERVICES</b>	<b>844,106</b>	<b>842,837</b>	<b>1,269</b>	
Environmental Maintenance (Other Roads)	-70,557	-70,557	0	
Public Transport	29,719	29,302	417	Decrease contract cleaning £11k; Increase R&M £4.3k
Off-Street Parking	92,815	97,251	-4,436	Decrease Den £8.3k, Increase utilities £1.4k, Professional Fees £2.5k
<b>HIGHWAYS &amp; PARKING</b>	<b>51,977</b>	<b>55,996</b>	<b>-4,019</b>	
Local Land Charges	6,702	6,055	647	
Licensing	30,757	21,794	8,963	Decrease Computing £1.2k, Fee income £10,500;
<b>LICENSING &amp; LAND CHARGES</b>	<b>37,459</b>	<b>27,849</b>	<b>9,610</b>	
Emergency Planning and Works	16,500	16,000	500	Increase TTP £500

Building Regulations	35,200	35,200	0	
Dealing with Development Control Applications	351,204	328,955	22,249	Increased staff costs £16.7k, Periodicals £2.5k, Computing £5.3k
Structure and Local Planning	320,722	321,713	-991	
Street Name & Numbering	-12,391	-3,959	-8,431	Increase fees income £8.5k
<b>PLANNING</b>	<b>711,235</b>	<b>697,908</b>	<b>13,327</b>	
Grounds Maintenance	751,254	769,776	-18,522	Decreased fee income £3.7k, dep'n £2k; increased recharge £22k
Street Cleansing (not chargeable to highways)	574,883	575,579	-695	
<b>STREET SCENE</b>	<b>1,326,137</b>	<b>1,345,354</b>	<b>-19,217</b>	
Household Waste Collection	1,714,115	1,698,814	15,301	Increased dep'n £57k, Recycling disbursements £35K Agency £6.2k, Subscriptions £9k; Cont. County Council (income) £83K, extra collections £10k
Trade Waste Collection	-107,076	-98,559	-8,517	Increase Waste Collection £24.7k, Fees (income) £33k
Recycling	478,929	482,761	-3,832	Increase waste management £8.5k, salary oncosts £31k, Contributions (income) 45.6k
Direct Services Central Admin	382,600	374,735	7,865	Increase salaries £8k
Transport Services	980,705	854,781	125,924	Increase Petrol/Diesel £116k, Oil £14k, MOT £3.2, RFL £3.2k, Subs £2.8k; decreased insurance £10.8 dep'n £5.8k
<b>WASTE &amp; TRANSPORT</b>	<b>3,449,273</b>	<b>3,312,533</b>	<b>136,741</b>	
	<b>6,789,905</b>	<b>6,650,033</b>	<b>139,873</b>	

## HOUSING &amp; COMMUNITY SERVICES - BUDGET SETTING 2023/24

	Proposed Budget 2023/24	Approved Budget 22/23	Movement	Comments
General Grants, Bequests & Donations	314,260	314,123	138	
Community Centres	202,793	214,446	-11,652	Decreased depreciation £11.5k
Community Safety (Crime Reduction)	140,909	140,909	-0	
Defences Against Flooding	59,337	59,303	34	
Market Undertakings	1,389	2,138	-749	
Village Halls	0	0	0	
<b>COMMUNITY DEVELOPMENT &amp; SUPPORT</b>	<b>718,689</b>	<b>730,919</b>	<b>-12,229</b>	
Arts Development & Support	15,040	15,040	0	
Events Management	125,736	124,297	1,439	Decrease Staff Costs £3.7k, insurance £1k; Increased events costs £6.2k
Midway Community Centre	42,228	34,256	7,972	Decreased tools £1k, Increased depreciation £3.5k, utilities £4.5k, R&M £1.2k
Stenson Fields Community Centre	8,203	6,988	1,215	
<b>RECREATIONAL ACTIVITIES</b>	<b>191,207</b>	<b>180,581</b>	<b>10,626</b>	
Melbourne Assembly Rooms	20,932	32,460	-11,528	Decrease depreciation
Get Active in the Forest	34,452	34,452	-0	
Sports Development & Community Recreation	185,936	185,935	0	
Indoor Sports & Recreation Facilities	578,478	497,336	81,142	Increase fees £9.9k (income), Deprecation £71k, TPP £5.2k, Insurance £4.8k, Utilities £9.9k
Outdoor Sports & Recreation Facilities (SSP)	-0	0	-0	
Play schemes	21,269	21,269	0	
<b>LEISURE CENTRES &amp; COMMUNITY FACILITIES</b>	<b>841,067</b>	<b>771,453</b>	<b>69,614</b>	
Allotments	206	-799	1,005	Increase grounds £1k

Rosliston Forestry Centre	293,467	310,654	-17,187	Decrease R&M £3k, Tools & Equipment £4k, Insurance £3.5k, Depreciation £11.5k Increase fees (income) £19.9k, Utilities £2.9k, Oil £9.2k, Contract Cleaning £6.9k, Laundry £4.3k, Bank Charges £3.2k
Cemeteries	21,355	20,247	1,108	Increase fees £2.5k, grounds £3.5k
Closed Churchyards	7,548	7,608	-60	
Parks and Open Spaces	329,822	330,723	-901	
<b>PARKS &amp; OPEN SPACES</b>	<b>652,398</b>	<b>668,432</b>	<b>-16,035</b>	
Housing Standards	101,088	99,790	1,298	Increase Subscriptions
Housing Strategy	103,305	102,327	977	
Administration of Renovation & Improvement Grants	61,991	61,466	525	
Bed / Breakfast Accommodation	6,500	6,500	0	
Pre-tenancy Services	241,761	239,321	2,440	Increase Staff Costs
Other Housing Support Costs (GF)	37,281	35,569	1,712	Increase Computing £2k
<b>PRIVATE SECTOR HOUSING</b>	<b>551,926</b>	<b>544,974</b>	<b>6,952</b>	
	<b>2,955,287</b>	<b>2,896,359</b>	<b>58,928</b>	

## FINANCE & MANAGEMENT - BUDGET SETTING 2023/24

	Proposed Budget 2023/24 £	Approved Budget 22/23 £	Movement £	Comments
Business Change	125,681	111,582	14,099	Increase salaries £22k, HRA recharge £7.8k
Digital Services	186,693	180,623	6,070	Decrease printing £4.2k, Computing £1.5k, HRA Recharge £1.4k
Caretaking	156,319	156,303	16	Decrease salaries £1.5k, HRA recharges £1.4k; Increase mileage £3k
Senior Management	467,067	471,253	-4,186	Decrease Training £1.4k, Mileage £1.1k, TPP £1.4k; Increase HRA recharges £3k salaries £3.2k
Financial Services	392,922	422,423	-29,501	Decrease professional fees £70k, Reserve Funding £15k; Increase salaries £37k, Training £3.8k, HRA recharges £1.2k
Internal Audit	126,633	113,373	13,260	Increase Professional Fees £19.5k, HRA Recharges £6.2k
Merchant Banking Services	69,283	68,075	1,208	
ICT Support	775,687	778,097	-2,410	Decrease salaries £6.4k, Telephones £13.8k, Mobiles £8.7k, Insurance £6.4k; Increase training £4k, Internet Circuits £24.5k, dep'n £9.6k, HRA recharges £5.7k
Legal Services	280,115	283,535	-3,420	Decrease salaries £1k, Books £2.3k; Increase professional fees £2.3k, HRA recharges £2.6k
Performance & Policy	39,554	39,817	-264	
Personnel/HR	414,639	396,375	18,264	Decrease salaries £10k, Insurance 2.2k; Increase medical £6.6k, Computing £36.6k, Licences £1k, HRA recharges £14.5k
Communications	82,206	84,496	-2,290	Increase HRA recharges £2.3k
Customer Services	587,517	536,993	50,525	Reduce Stationery £2.9k; Increase salaries £37.4k, Postages £29k, HRA recharges £13.6k
Health & Safety	59,769	60,252	-483	
Admin Offices & Depot	695,910	673,282	22,629	Decrease insurance £6.1k; Increase salaries £3.3k, Utilities £14.8k, Rates £1.8k, Refuse £1k, Deon £8.3k, HRA recharges £9.6k, Van Hire £817, Licences £255
Protective Clothing	30,809	29,809	1,000	Increase protective clothing

Procurement	12,349	12,349	0	
<b>CENTRAL SUPPORT SERVICES</b>	<b>4,503,154</b>	<b>4,418,635</b>	<b>84,519</b>	
Democratic Representation & Management	92,058	91,850	207	
Corporate Management	69,435	65,951	3,484	Increase subs £3.5k
Corporate Finance Management	40,261	37,969	2,293	Decrease insurance £1.5k; Increase professional fees £30k, HRA recharges £25.6k
Elected Members	354,920	361,625	-6,705	
<b>CORPORATE &amp; DEMOCRATIC COSTS</b>	<b>556,674</b>	<b>557,395</b>	<b>-721</b>	
Registration of Electors	43,481	44,271	-790	
Conducting Elections	306,786	187,742	119,045	Decrease Tools R&M £3.4k; Increase district election costs £125k
<b>ELECTIONS &amp; REGISTRATION</b>	<b>350,267</b>	<b>232,013</b>	<b>118,255</b>	
Funded Pension Schemes	148,017	280,298	-132,281	
Increase/Decrease in Provision for Bad or Doubtful Debts	175,000	175,000	0	
Planning Agreements	0	0	0	
Parish Councils	435,009	434,765	243	
Interest & Investment Income (GF)	-281,578	-136,229	-145,349	Decrease insurance 1.7k; Increase Interest £144k
External Interest Payable (GF)	2,700	500	2,200	Increase - Parish Council Loans Interest
<b>PARISHES, INTEREST, S106 RECEIPTS &amp; PROVISIONS</b>	<b>479,148</b>	<b>754,334</b>	<b>-275,186</b>	
Estate Management	-240,342	-238,225	-2,117	Decrease training £1.5k, Insurance £6.9k; Increase salaries £1k, Utilities £7.6k, Business Rates £11.5k, Prof fees £3k, Fees £12.1k
<b>ESTATE MANAGEMENT</b>	<b>-240,342</b>	<b>-238,225</b>	<b>-2,117</b>	
Council Tax Collection	135,133	144,212	-9,080	Decrease salaries £9.7k, Insurance £215; Increase training £864
Non-Domestic Rates Collection	-87,500	-87,500	0	
Revenues & Benefits Support & Management	381,042	357,680	23,362	Decrease salaries £4.7k; Increase computing £28.1k
Rent Allowances Paid	30,340	37,005	-6,665	
Net cost of Rent Rebates Paid	83,400	80,882	2,519	
Corporate Fraud	51,066	48,150	2,916	Increase prof fees £2.9k
Housing Benefits Administration	143,321	173,803	-30,482	Decrease salaries £15.3k, Benefits processing £40k, Grants (income) £18k; Increase Professional fees £6k
Concessionary Fares	0	-9,600	9,600	No confirmation of DCC contribution
<b>REVENUES &amp; BENEFITS</b>	<b>736,801</b>	<b>744,631</b>	<b>-7,830</b>	
	<b>6,385,702</b>	<b>6,468,784</b>	<b>-83,081</b>	

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 8
DATE OF MEETING:	09 FEBRUARY 2023	CATEGORY: RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	CHARLOTTE JACKSON <a href="mailto:charlotte.jackson@southderbyshire.gov.uk">charlotte.jackson@southderbyshire.gov.uk</a>	DOC: s/finance/committee/2022-23/feb/Committee
SUBJECT:	HOUSING REVENUE ACCOUNT BUDGET, FINANCIAL PLAN AND PROPOSED RENT 2023-24	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: HC 01

## 1.0 Recommendations

- 1.1 That the proposed revenue income and expenditure for 2023/24, for the Housing Revenue Account (HRA) as detailed in **Appendix 1** are considered and approved.
- 1.3 That the HRA is kept under review and measures identified to mitigate the financial risks detailed in the report and to maintain a sustainable financial position.

## 2.0 Purpose of the Report

- 2.1 The base budget for 2023/24 for the HRA was considered in detail by the Housing and Community Services Committee on 2<sup>nd</sup> February 2023. This included an increase in rents of 3% for council tenants in 2023/24.
- 2.2 As part of the annual budget cycle, this report summarises the key changes between 2022/23 and 2023/24, an update to the MTFP plus financial risks associated with the HRA.

## 3.0 Detail

### **The Position Entering the 2023/24 Budget Round**

- 3.1 During the current financial year, the financial position of the HRA has been reviewed and updated to reflect changes to the staffing structure previously approved plus the budget out-turn position for 2022/23.

- 3.2 The latest position reported in November 2022, highlighted that large deficits were projected, due to be funded from the HRA Reserves the lowest point is reached in 2026/27 where the estimated reserve falls to £1.5m.

### **Formulating the 2023/24 Base Budget**

- 3.3 Budgets are generally calculated on a “no increase basis,” i.e. they are maintained at the same level as the previous year adjusted only for known changes, price increases and variations due to contractual conditions, etc.
- 3.4 In addition, budgets are also subject to a base line review which is used to justify proposed spending. This process places responsibility on budget holders to justify their spending budgets by specifying their needs in a more constructed manner. This is supported by the Financial Services unit, who analyse recent trends across services compared to current budgets.

### **On-going Service Provision**

- 3.5 The budgets are based substantively on a continuation of existing service provision (in respect of staffing levels, frequency, quality of service, etc.).
- 3.6 The full year effects of previous year’s restructures and budget savings have been included, with any non-recurring items removed.

### **Base Budget 2023/24**

- 3.9 The HRA’s Base Budget and longer-term financial projection up to 2032/33 is detailed in Appendix 1. A projection of this length is considered good practice for the HRA to ensure that future debt repayments and capital expenditure are affordable for the longer-term sustainability of the Council’s housing stock.
- 3.10 The following table provides an overall summary of the HRA’s cost of services with a comparison to the approved 2022/23 budget, including the rental income.

#### **HOUSING REVENUE ACCOUNT - BUDGET SETTING 2023/24**

	<b>Proposed Budget 2023/24 £'000</b>	<b>Approved Budget 2022/23 £'000</b>	<b>Movement £'000</b>
Rental Income	-12,826	-12,854	28
Non-Dwelling Income	-107	-124	17
Supporting People Grant	-130	-130	0
Other Income	-190	-169	-21
General Management	2,226	2,067	159
Supporting People	994	946	48
Responsive	1,777	1,724	53
Planned Maintenance	1,761	1,810	-49
Bad Debt Provision	131	125	6
Interest Payable & Receivable	9362	1,453	-91
Earmarked Reserve	-45	0	-45



Depreciation	4,844	4,213	631
<b>Net Operating Income</b>	<b>-203</b>	<b>-939</b>	<b>736</b>

3.11 The above table shows that the HRA's budget is estimated to increase from 2022/23 to 2023/24 by £736K. Excluding depreciation which is an accounting adjustment and not a cost to the Council, the actual increase in expenditure proposed in the budget is £105k.

3.12 The main variances are summarised in the following table.

	<b>Movement £'000</b>
Depreciation	631
General Fund Recharges	116
Housing Programme Manager Recharge	51
Employee Costs	26
Computer Maintenance	31
Rental Income	28
Utilities	15
Materials	11
Professional fees	12
Council Tax	8
Tools & Equipment Purchase	7
Repairs and Maintenance	4
Income	2
Interest Payable	-91
Insurance	-71
Earmarked Reserves	-45
<b>Budget Increase</b>	<b>736</b>

## Staffing Costs

3.13 A pay award is not included within the Base Budget at this stage as no official notification has been submitted to the Council.

3.14 The MTFP was updated in November 2022 to include a pay award for 2022/23 and also includes a provision for a potential pay award increase of 3.5% per year for all employees from 2023/24.

3.15 Incremental salary increases are included within the MTFP each year and are expected ahead of the Budget round.

3.16 Base salary costs have increased between years due to Direct Labour Organisation (DLO) transferring from Craft JNC pay scales to the National Joint Council (JNC) spinal column points, as approved at Finance and Management Committee in April 2022.

3.17 As a result of the recent pensions valuation, the Councils contribution has increased from 14.8% to 20.3%. The additional expense of £18k has been included in the MTFP for approval.

## General Fund Recharges

- 3.17 The total impact of the increase in HRA recharges is £116k and after a full review of all charges, the following table details the movement by General Fund service area.

	Movement £'000
Head of Finance	27
Head of Business Change & ICT	15
Head of Legal & Democratic	4
Strategic Director (Corporate Resources)	9
Head of Organisational Development & Performance	18
Head of Customer Services	14
Head of Corporate Property	7
Head of Operational Services	22
	<b>116</b>

- 3.18 The increases for each area represent the rise in the costs for providing direct support from each of the service areas. The biggest increase is due to staff costs resulting from the recent pay award, and the increased rates of inflation added to costs of service.

## Repairs and Maintenance

- 3.19 Repairs and Maintenance costs have remained consistent in line with the existing planned maintenance schedule.

## Interest Payable and Receivable

- 3.20 The overall movement in interest payable and receivable shows the increase in receivable income, due to the current interest rates yielding higher returns on the Councils Investment Portfolio. The budget for interest payable remains static at £1.5m, until the next repayment of £10m in March 2024 for the scheduled debt taken out as part of self-financing.
- 3.21 Additional investment income receivable has been included within the plan over the next 5 years. This is to reflect the level of investment income on deposit and the current level of interest rates received.

## Insurance

- 3.22 Insurance savings (£71k) are the result of the Council's tendering of its insurance services as reported in November.

## Computer Maintenance Agreements

- 3.23 Increases to licence and maintenance fees are expected year on year in line with inflation and is included within the MFP at 2.5%. The financial year has recorded record highs in inflation resulting in licenses and maintenance

agreements increasing by 10.1%, the £31k budget increase reflects this percentage uplift.

### **Void Dwellings**

- 3.24 The impact of void properties not only effects the income losses as noted earlier in the report, but also costs the HRA. When dwellings become void, they are subject to Council Tax charges the increase (£8k) in budget is due to the high levels of voids currently experienced. The costs of utilities have also been increased (£15k) to allow for the increased costs of prepayment meter, standing charges and to allow for refurbishment works to be carried out.
- 3.25 Since the budget in January the results from the Council's Brokers' (Monarch) tendering exercise have been received. We can fix our electricity tariff to a new energy supplier ahead of our current fixed term tariff ending in September 23. The costs are anticipated to increase by £30k. The additional costs for a 1-year fixed deal are included in the MTFP for approval.

### **Other Factors**

- 3.26 The following detail is for information on the HRA position and are not variances between budgeted years.

### **Depreciation**

- 3.27 The increase is due to the revaluation of all Council dwellings in March 2022 which will be depreciated in accordance with accounting practice.
- 3.28 Depreciation is calculated on the existing use value and age of each property in the HRA. This is designed to ensure that the Council sets-aside sufficient resources to maintain and replace properties in future years.

### **Council House Rents**

- 3.30 The overall change between 2022/23 and 2023/24 is an estimated decrease of £28k. This is due to the application of 3% increase in rents as approved at the Housing and Community Services Committee on the 2<sup>nd</sup> February 2023. The Government issued a Direction on the Rent Standard 2023 to cap increases on Social Housing Rents to a maximum of 7%, the percentage increase applied to the rental income in 2023/24 complies with the Rent Standard Direction 2023.
- 3.31 The Medium-Term Financial Plan (MTFP) includes an increase of 3% for rental income 2023/24 . The initial forecast in the MTFP in November 2022 was 3%.
- 3.32 The provision for losses in income due to void properties has been included at 3.41% this has increased from 1% previously provided for over the life of the plan. The void loss relates to 2023/24 and will be reviewed through out the year.
- 3.33 There is a requirement that the statutory balance on the HRA must be at least £1m in any one year and where there appears to be a risk to that balance,

measures have to be taken to ensure that the Council reviews costs and income to ensure the HRA is sustainable.

- 3.34 The General reserve balance has been impacted by the loss of Careline income from 2024/25 which has resulted in nearly £1.2m deduction to the reserve. Although the loss of income is under review, at this stage the increased rental income included in the MTFP has covered the impact.
- 3.35 Right to Buy (RTB) losses forecasted have remained in line with the budget 2022/23 with 8 sales recorded to date. Losses have reduced to a forecast of 18 from 2023/24.
- 3.36 It is likely that this assumption is too low, but the forecast does not currently take into account any future properties purchased or built by the Council over the Plan beyond 2022/23. A programme of new build homes and acquisitions is, however, currently under discussion with the Council House Development Group with a view to updating Members once all options have been considered. This forecast of income losses is a worst-case scenario but will be kept under review.
- 3.37 Rental income for HRA garages has been proposed in the fees and charges to increase at the same level as Dwellings.

### **Capital Expenditure and Debt Repayment**

- 3.38 Proposed capital expenditure is based on stock condition survey data and the fluctuation in required expenditure year-on-year and is included within the MTFP.
- 3.39 The contribution to the Debt Repayment Reserve is profiled in line with capital expenditure to not only ensure that the HRA General Reserve does not fall below the statutory £1m but to also have available funds to repay debts as they become due. The contribution and repayment of debt is included within the MTFP.
- 3.40 Due to the approved agreement under self-financing to repay debt of £30m from 2022 to 2027, the HRA has significant pressure over the next five years to generate enough in reserve to afford the repayments. The debt repayment contribution is included over the life of the MTFP.
- 3.41 The Council has an on-going capital programme and properties generally have a substantial useful life if maintained properly. Although the depreciation charge is included as a cost charged in the net operating income of the HRA, it is reversed out when calculating the overall surplus or deficit on the HRA.
- 3.42 However, under accounting regulations, the annual amount of capital expenditure, plus sums set-aside to repay debt, need to be equal to or greater than the depreciation charge for the year. This is effectively testing that the Council is properly maintaining and financing the liabilities associated with its housing stock.

- 3.43 Where the depreciation charge is higher than actual capital expenditure/debt repayment, the HRA would be charged with the difference in that particular year. For 2023/24, expenditure is in excess of depreciation.

### **The Longer-term Financial Projection**

- 3.44 Following the introduction of the self-financing framework for the HRA in 2012, this generated a surplus for the HRA as the Council was no longer required to pay a proportion (approximately 40%) of its rental income to the Government in accordance with a national redistribution framework.
- 3.45 This released resources, which in the early years of the Housing Business Plan, were available for capital investment in the existing stock, together with resources for New Build. Surpluses in later years are to be used to repay the debt that the Council inherited in return for becoming “self-financing” and to continue a programme of capital maintenance in future years.
- 3.46 The HRA budget and projection is based on the principles that the HRA will carry a minimum unallocated contingency of at least £1m as a working balance and that sufficient resources are set-aside in an earmarked reserve to repay debt as instalments become due.

### **HRA Reserves**

- 3.52 The HRA has 5 separate reserves as detailed in the following table.

<b>General Reserve</b>	Held as a contingency with a minimum balance of at least £1m.
<b>New Build Reserve (Capital Receipts Reserve)</b>	Accumulated Capital Receipts pending expenditure on building new properties/acquisition of properties. The financial model assumes that these are drawn down each year to finance new build or acquisition ahead of any further borrowing. The carrying balance from year to year remains low.
<b>Debt Repayment Reserve</b>	Sums set-aside to repay debt; contributions to the Reserve started from 2016/17 in accordance with the debt repayment profile.
<b>Major Repairs Reserve</b>	A Capital Reserve with sums set-aside each year for future programmed major repairs on the housing stock. A large balance is accruing in this reserve to be utilised against future capital and environmental works.
<b>Earmarked Reserve</b>	Sums set-aside for future replacement of vehicles for the Direct Labour Organisation.

### **The Updated Financial Position**

- 3.53 Following the base budget review, the 10-year Financial Plan for the HRA has been reviewed and updated to reflect the rental income, pension contributions, electricity, and increased investment income. This is detailed in **Appendix 2**.
- 3.54 The General Reserve remains above the statutory £1m for the duration of the 10-year projection.
- 3.55 After review of the capital programme, sums are being set-aside in the Major Repairs Reserve to ensure that future capital improvements can be funded. A revised stock condition survey has been completed and an update regarding profiling of the works over the next 30 years was reported during 2019/20.
- 3.56 There are a number of sites in development for acquisition pending future approvals, however the Capital Receipts Reserve is set to increase each year due to receipts from the sale of houses under the Right to Buy Scheme. The reserve has increased in line with the expected losses of properties through RTB noted earlier in the report.

### **Debt Repayments and Borrowing**

- 3.57 The Council took on the management of debt valued at £58m in 2012. No additional borrowing has been required. The current level of debt is £48m following the first repayment of £10m in March 2022.
- 3.57 The following debt repayments are due over the life of the current financial plan:
- 2023/24 - £10m
  - 2026/27 - £10m
  - 2031/32 - £10m
- 3.58 The financial projection to 2031/32 shows that these repayments can be met. The next repayments are not then due until 2032/33.

### **Key Variables and Assumptions**

- 3.59 The Financial Plan is based on certain assumptions in future years regarding what are considered to be the key variables. These are summarised in the following table.

<b>Cost inflation</b>	2.5% per year. This is lower than the current level of inflation with the volatile fiscal markets assumption of CPI are difficult to predict and economic experts predict that inflation will level off in 2024/25 to around 2%. A provision of 2.5% in the short-term is considered prudent to reflect that prices for materials in the building industry tend to rise quicker than average inflation.
<b>Annual rent increases</b>	CPI + 1% - Capped in 2023/24 due to high inflation (to be announced) 3% per year thereafter.

<b>Council house sales – “Right to Buys”</b>	18 from 2023/24 and going forwards. Targets set by the Government in calculating the self-financing settlement expect sales of 10 per annum.
<b>Interest Rates</b>	Fixed until 2024 after the second tranche of £10m due in 2023/24. There after the interest will reduce and remain fixed until the next payment in 2026/27.

## **Financial Risks**

3.61 The main risks to the HRA are considered to be those as detailed in the following sections.

### **Future Rent Levels**

3.62 The biggest risk in the Financial Plan is considered to be future rent levels. Government guidance expects the rent levels to increase by CPI plus 1% each year. The MTFP assumes that the rent will increase by 3.0% in 2024/25 and remains at that level each year.

3.63 The HRA is dependent on rental income (currently £13m per year) for its resources. Even small variations in rent changes can have significant implications in monetary terms for the Financial Plan over the longer-term.

### **Right to Buys**

3.64 A decrease in current properties from sales continues to be built into the Budget and Financial Plan and this reflects the current level of sales. Therefore, the HRA will continue to generate resources for further new build and acquisition in the future, although on-going rental income is lost.

3.65 The main risk relates to a sudden surge in sales which has been apparent in recent years; although this generates capital, the loss in on-going rental income could have a much more adverse impact on the HRA which has now been built into the MTFP at a higher level.

### **Supporting People**

3.66 Derbyshire County Council has confirmed the extension of the current contract until March 2024 after that it will no longer support the Careline service.

3.67 The MTFP has removed the contribution of £130k per annum from March 2024. Service provision is currently under review and a new working model will be reported to the Committee during 2023.

3.68 In addition to the loss of income, there are likely to be significant costs incurred for the transfer of the service from analogue to digital. The estimated costs are still unknown but further detail will be included in a report to the Committee during 2023.

## **Impairment**



- 3.69 Impairment is an accounting adjustment that reflects a sudden reduction in the value of an asset. An asset becomes impaired where a one-off event (e.g. fire, vandalism, etc.) causes significant damage or there is a significant change in market conditions, which reduces the value of the asset.
- 3.70 In accordance with accounting regulations, provision has to be made in an organisation's accounts for the loss in an asset's value through impairment. However, as with depreciation, this is purely an accounting exercise for local authorities. Impairment charges are reversed out of revenue accounts to ensure that it does not affect the "bottom line" and Rent (in the HRA's case) payable by Council Tenants.
- 3.71 The Government has been reviewing this accounting treatment to bring local authorities into line with other organisations in accordance with International Reporting Standards. This has been challenged by the relevant professional bodies.
- 3.72 Large impairment adjustments are rare. In addition, impairment needs to affect the wider asset base. For example, damage to one property would not affect the overall value of the Council's stock, which is currently valued at £130m in total.
- 3.73 If there was a wider event affecting many properties however, this would lead to an impairment charge. It is considered that the most likely scenario is a sudden fall in property values as this would affect the overall valuation of the stock. The potential for impairment charges could have serious implications for all housing authorities and this is why it has been challenged.

### **Changes in Central Government Policy**

- 3.74 Although the HRA continues to operate under a self-financing framework, Central Government retain the power to change policy in many areas which can impact upon the Financial Projection.

### **Universal Credit (UC)**

- 3.75 A greater number of Council tenants are now receiving Universal Credit and not Housing Benefit. There is a risk that this change leads to an increase in rent arrears.
- 3.76 Housing Benefit is paid directly to a tenant's Rent Account where this is due. In a system of Universal Credit, the benefit element is effectively paid direct to the Tenant, and this gives the potential for tenants to default on their rent payments and increases rent arrears.
- 3.77 The rebate directly received from Housing Benefit by the HRA has noticeably reduced during 2022/23 compared to 2021/22.



3.78 The debt position at this stage is lower than in last financial year. Rent arrears have decreased over the year by £78k from March 2022. This is due to a review of debt recovery and new processes for collecting rent arrears being introduced.

### **Rent Levels**

3.79 As part of Welfare Reform, rent charges from Registered Providers have been scrutinised and a standard format of charges has been updated within the Rent Standard 2020.

3.80 The Council is currently reviewing the impact of the Rent Standard and will report to Committee with an updated Rent Policy during 2023.

## **4.0 Financial Implications**

4.1 As detailed in the report.

## **5.0 Corporate Implications**

### **Employment Implications**

5.1 None.

### **Legal Implications**

5.2 None.

### **Corporate Plan Implications**

5.3 The proposed budgets and spending included in the HRA provides the financial resources to enable on-going services and Council priorities to be delivered.

### **Risk Impact**

5.4 The Financial Risk Register is detailed in the Medium-Term Financial Plan and financial risks specific to the HRA are detailed in Section 3.

## **6.0 Community Impact**

### **Consultation**

6.1 There is no statutory requirement to consult with tenants or other stakeholders, although it is considered good practice to do so. Traditionally, the Council has disseminated proposals through Area/Community Forums and via a presentation at the South Derbyshire Partnership Board. Many authorities do consult formally regarding their budget proposals and medium-term financial plans prior to setting budgets, using panels, representative groups, etc. as a way of fully engaging local people.

### **Equality and Diversity Impact**

6.2 None.

### **Social Value Impact**

6.3 None.

### **Environmental Sustainability**

6.4 None.

## **7.0 Conclusions**

7.1 That the proposed base budgets are scrutinised and approved to provide the financial resources for continuation of service delivery.

## **8.0 Background Papers**

8.1 None.

## HOUSING REVENUE ACCOUNT FINANCIAL PROJECTION - FEBRUARY 2023

	2022.23	2023.24	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33
	Proposed Budget £'000	Forecast £'000	Forecast £'000	Forecast £'000	Forecast £'000	Forecast £'000	Forecast £'000	Forecast £'000	Forecast £'000	Forecast £'000	Forecast £'000
<b>INCOME</b>											
Rental Income	-12,893	-12,872	-13,449	-13,766	-14,089	-14,420	-14,758	-15,103	-15,456	-15,816	-16,184
Non-Dwelling Income	-124	-112	-115	-118	-122	-125	-129	-133	-136	-140	-144
Supporting People Grant	-130	-130	0	0	0	0	0	0	0	0	0
Other Income	-177	-185	-185	-185	-185	-185	-185	-185	-185	-185	-185
<b>Total Income</b>	<b>-13,324</b>	<b>-13,299</b>	<b>-13,749</b>	<b>-14,069</b>	<b>-14,396</b>	<b>-14,730</b>	<b>-15,072</b>	<b>-15,421</b>	<b>-15,777</b>	<b>-16,141</b>	<b>-16,520</b>
<b>EXPENDITURE</b>											
General Management	2,065	2,229	2,279	2,330	2,382	2,436	2,490	2,546	2,604	2,663	2,723
Supporting People	908	994	1,021	1,050	1,080	1,111	1,144	1,178	1,214	1,251	1,291
Responsive	1,678	1,778	1,821	1,864	1,909	1,955	2,001	2,050	2,099	2,150	2,202
Planned Maintenance	1,790	1,761	1,803	1,847	1,892	1,938	1,985	2,034	2,083	2,134	2,186
Bad Debt Provision	125	131	134	137	140	144	147	151	154	158	161
Interest Payable & Receivable	1,456	1,362	1,093	1,093	1,093	792	792	792	792	792	462
Depreciation	4,213	4,844	4,417	4,393	4,369	4,345	4,321	4,297	4,274	4,250	4,226
<b>Net Operating Income</b>	<b>-1,089</b>	<b>-200</b>	<b>-1,181</b>	<b>-1,355</b>	<b>-1,531</b>	<b>-2,009</b>	<b>-2,192</b>	<b>-2,373</b>	<b>-2,557</b>	<b>-2,743</b>	<b>-3,269</b>
<b>Known variations:</b>											
Reversal of Depreciation	-4,213	-4,844	-4,417	-4,393	-4,369	-4,345	-4,321	-4,297	-4,274	-4,250	-4,226
Capital Expenditure	1,620	1,433	1,877	1,916	1,847	2,182	2,261	2,489	2,403	1,805	2,301
Disabled Adaptations	300	300	300	300	300	300	300	300	300	300	300
Asbestos and Health & Safety Surveys	100	100	100	100	100	100	100	100	100	100	100
Debt Repayment - Balance of Depreciation	1,593	2,561	1,640	1,577	1,972	1,213	1,110	908	971	1,545	1,025
Major Repairs Reserve	600	550	600	600	250	650	650	600	600	600	600
Asset Replacement Earmarked Reserve	45	45	45	45	45	45	45	45	45	50	50

## HOUSING REVENUE ACCOUNT FINANCIAL PROJECTION - FEBRUARY 2023

	2022.23 Forecast £'000	2023.24 Forecast £'000	2024.25 Forecast £'000	2025.26 Forecast £'000	2026.27 Forecast £'000	2027.28 Forecast £'000	2028.29 Forecast £'000	2029.30 Forecast £'000	2030.31 Forecast £'000	2031.32 Forecast £'000	2032.33 Forecast £'000
Additional Debt Repayment Transfer	2,500	2,100	1,500	1,300	1,850	750	750	750	1,000	800	0
Investment Income	-313	-51	-43	-34	-34	-34	0	0	0	0	0
Capital works non-traditional properties	100	0	0	0	0	0	0	0	0	0	0
Options Appraisal Smallthorne Place	23	0	0	0	0	0	0	0	0	0	0
Potential Pay Award	151	55	56	57	59	60	62	62	58	59	60
ICT Upgrades	30	30	30	30	30	30	200	0	0	0	0
Rent Loss Provision	65	0	0	0	0	0	0	0	0	0	0
Pension Valuation 2023/24	0	18	18	18	18	18	18	18	18	18	18
Increase in Electricity Tariff	0	30	30	0	0	0	0	0	0	0	0
Incremental Salary Increases	0	5	5	5	5	6	6	6	6	6	6
<b>HRA Surplus (-) / Deficit</b>	<b>1,511</b>	<b>2,132</b>	<b>560</b>	<b>166</b>	<b>542</b>	<b>-1,035</b>	<b>-1,012</b>	<b>-1,392</b>	<b>-1,330</b>	<b>-1,710</b>	<b>-3,035</b>

#### HRA General Reserve

HRA Reserve B/fwd	-6,494	-4,984	-2,852	-2,292	-2,126	-1,585	-2,619	-3,631	-5,023	-6,354	-8,064
(Surplus) / Deficit for year	1,511	2,132	560	166	542	-1,035	-1,012	-1,392	-1,330	-1,710	-3,035
<b>HRA Reserve C/fwd</b>	<b>-4,984</b>	<b>-2,852</b>	<b>-2,292</b>	<b>-2,126</b>	<b>-1,585</b>	<b>-2,619</b>	<b>-3,631</b>	<b>-5,023</b>	<b>-6,354</b>	<b>-8,064</b>	<b>-11,098</b>

#### RESERVES

##### Debt Repayment Reserve

Balance B/fwd	-1,600	-5,693	-14	-3,218	-6,160	-48	-2,079	-4,008	-5,737	-7,779	-197
Depreciation balance	-1,593	-2,561	-1,704	-1,642	-2,038	-1,281	-1,179	-979	-1,042	-1,618	-1,100
Transfers to reserve	-2,500	-2,100	-1,500	-1,300	-1,850	-750	-750	-750	-1,000	-800	-1,000
Repayment of loan	0	10,000	0	0	10,000	0	0	0	0	10,000	0
<b>Reserve C/fwd</b>	<b>-5,693</b>	<b>-354</b>	<b>-3,218</b>	<b>-6,160</b>	<b>-48</b>	<b>-2,079</b>	<b>-4,008</b>	<b>-5,737</b>	<b>-7,779</b>	<b>-197</b>	<b>-2,297</b>

##### Earmarked Reserve

Balance B/fwd	-401	-298	-298	-73	-118	-163	-208	-253	-298	-63	-113
Vehicle Replacement Transfer to Reserve	-45	-45	-45	-45	-45	-45	-45	-45	-45	-50	-50
Software Upgrade	148	45	0	0	0	0	0	0	0	0	0

Asset Replacement	0	0	270	0	0	0	0	0	280	0	0
Reserve C/fwd	-298	-298	-73	-118	-163	-208	-253	-298	-63	-113	-163

## HOUSING REVENUE ACCOUNT FINANCIAL PROJECTION - FEBRUARY 2023

	2022.23 Forecast £'000	2023.24 Forecast £'000	2024.25 Forecast £'000	2025.26 Forecast £'000	2026.27 Forecast £'000	2027.28 Forecast £'000	2028.29 Forecast £'000	2029.30 Forecast £'000	2030.31 Forecast £'000	2031.32 Forecast £'000	2032.33 Forecast £'000
<b>Major Repairs Reserve</b>											
Balance B/fwd	-4,457	-5,157	-5,707	-6,307	-6,907	-7,157	-7,807	-8,457	-9,057	-9,657	-10,257
Transfers to reserve	-600	-550	-600	-600	-250	-650	-650	-600	-600	-600	-600
Earmarked non-traditional properties	-100	0	0	0	0	0	0	0	0	0	0
Reserve C/fwd	-5,157	-5,707	-6,307	-6,907	-7,157	-7,807	-8,457	-9,057	-9,657	-10,257	-11,692
<b>New Build Reserve</b>											
Capital Receipts B/fwd	-2,935	-3,376	-3,991	-4,602	-5,214	-5,826	-6,437	-7,049	-7,660	-8,272	-8,884
Acquisitions in year	280	0	0	0	0	0	0	0	0		0
RTB Receipts in year	-721	-615	-612	-612	-612	-612	-612	-612	-612	-612	-612
Borrowing in year	0	0	0	0	0	0	0	0	0	0	0
Balance c/fwd	-3,376	-3,991	-4,602	-5,214	-5,826	-6,437	-7,049	-7,660	-8,272	-8,884	-9,495

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM:9
DATE OF MEETING:	09 FEBRUARY 2023	CATEGORY: RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	CHARLOTTE JACKSON <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>	DOC: s/finance/committee/2022-23/Feb
SUBJECT:	CAPITAL BUDGET TO 2028	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

## 1.0 Recommendations

- 1.1 That capital programme expenditure and funding to 2028 is considered and approved.
- 1.2 That the Public Buildings Planned Maintenance Programme at **Appendix 2** is approved.

## 2.0 Purpose of the Report

- 2.1 To detail the Council's proposed capital expenditure and funding for the five-year planning period to 2028.
- 2.2 The proposals included within the report are in relation to capital expenditure and funding for both the General Fund and Housing Revenue Account (HRA). The full programme is listed in **Appendix 1**.
- 2.3 Detail of the Council's capital reserves are covered in Section 4.

## 3.0 Detail

### General Fund

- 3.1 General Fund projects are developed in line with strategies reported to policy committees and are funded through Section 106 receipts, grant income, General Fund contributions and capital receipts generated from General Fund asset sales.
- 3.2 A summary of the proposed five-year General Fund capital programme is listed in the following table.

#### GENERAL FUND CAPITAL BUDGET

	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
Private Sector Housing	1,517,269	1,362,000	485,000	400,000	400,000	400,000

Cultural and Community Services	1,246,802	1,927,978	365,218	0	0	0
Environmental Services	864,745	901,011	840,000	420,000	0	0
Corporate Assets	1,859,890	551,569	1,084,814	1,516,760	449,211	251,500
<b>Total Expenditure</b>	<b>5,488,706</b>	<b>4,742,558</b>	<b>2,775,032</b>	<b>2,336,760</b>	<b>849,211</b>	<b>651,500</b>

- 3.3 Private Sector Housing capital projects are in the main funded through the Better Care Fund allocation received from Derbyshire County Council. Full detail of these projects was reported to Housing and Community Services Committee and this Committee in August 2022.
- 3.4 Cultural and Community Services projects consist of projects previously approved, the main projects being the Community Partnership Scheme and drainage works at Melbourne Sports Park plus projects included within the capital bidding round in October 2020.
- 3.5 Environmental Services has two projects as a result of the capital bidding round mentioned previously plus capital grant funded projects for Green Homes and Property Flooding Resilience.
- 3.6 Corporate Assets includes numerous different projects relating to the asset base of the Council. The main projects are for vehicle replacements, the ICT Strategy and development of public buildings and community centres.
- 3.7 Condition Surveys of the Councils public buildings were undertaken as part of the Councils Corporate Plan. This condition data has been used to draft a planned maintenance programme, with a view to the Council transitioning from reactive repairs to a proactive maintenance regime. An update to the Public Building Planned Maintenance Programme is detailed in appendix 2. The required drawdown on reserves and additional funding utilised to complete works is detailed in the following table.

	2022/23	2023/24	2024/25	2025/26
<b>Brought Forward Reserves</b>	£571,428.00	£442,458.00	£198,458.00	<b>-£16,542.00</b>
Public Building Maintenance Programme	<b>£491,596.26</b>	<b>£368,000.00</b>	<b>£356,000.00</b>	<b>£366,500.00</b>
Asset Replacement and Renewal Contribution	£87,000.00	£86,000.00	£85,000.00	£85,000.00
Funded Works	£275,626.26	£38,000.00	£56,000.00	£27,000.00
<b>Carried Forward Reserves</b>	<b>£442,458.00</b>	<b>£198,458.00</b>	<b>-£16,542.00</b>	<b>£271,042.00</b>

- 3.8 The Asset Replacement and Renewal fund was created to fund a planned maintenance programme, this sum will be fully utilised by the end 2024/25 assuming a worst-case scenario. The plan assumes all individual repairs budgets for reactive repairs will be spent each year. In reality proactive maintenance should in turn reduce the need for reactive repairs. Contingencies for lease expiry dilapidation costs have also been factored into the plan.
- 3.9 The Planned Maintenance Programme is constantly under review and there will be opportunities to manipulate expenditure to some extent. However, the originally allocated reserve will inevitably expire within 3 to 4 years underlining the importance of making efficient use of our assets and rationalising our occupation wherever possible.

- 3.10 Future General Fund capital receipts should be considered for reinvestment into Public Building Maintenance within the next 2 years in order to complete the works required to maintain the Councils Public Buildings.

## HRA

- 3.11 HRA projects mainly consist of refurbishment of council housing, new build and acquisition of council dwellings, disabled adaptations for council house tenants and vehicle replacements.

- 3.10 A summary of the five-year HRA capital programme is listed in the following table.

HOUSING REVENUE ACCOUNT CAPITAL BUDGET						
	2022.23 £	2023.24 £	2024.25 £	2025.26 £	2026.27 £	2027.28 £
Major Capital Repairs	2,320,000	2,083,000	2,577,000	2,616,000	2,197,000	2,932,000
New Build and Acquisition	280,000	0	0	0	0	0
Vehicle Replacements	0	49,186	0	227,503	0	0
Disabled Adaptations	300,000	300,000	300,000	300,000	300,000	300,000
<b>Total Expenditure</b>	<b>2,900,000</b>	<b>2,432,186</b>	<b>2,877,000</b>	<b>3,143,503</b>	<b>2,497,000</b>	<b>3,232,000</b>

- 3.11 The Major Repairs budget is in line with the stock condition survey that was undertaken in 2018/19. It is likely that the budget for 2022/23 will be fully spent in year with a potential overspend. Any overspend however can be funded from the Major Repairs Reserve which has money set-aside from previous years underspends.
- 3.12 New Build and Acquisition of new council dwellings are reported separately to Housing and Community Services Committee and this Committee as opportunities that offer value for money are identified. Budgeted Acquisitions currently included are for Orchard Street, Newhall.
- 3.13 The Disabled Adaptations budget of £300k has been reviewed and will remain the same over the life of the plan.
- 3.14 Vehicle Replacements are in line with the vehicle replacement schedule reported to Environmental and Development Services Committee in January 2020. The vehicle replacement plan is under review, a new plan is to be reported to Committee during 2023.

## 4.0 Capital Reserves

### General Fund

- 4.1 Capital receipts are generated through land and property sales and the receipts are available for one-off projects that will result in no longer-term revenue burden.
- 4.2 Often, General Fund capital projects are funded through grant income, General Fund contributions and S106 contributions with capital receipts being utilised on specific projects selected through a capital bidding evaluation process.
- 4.3 The current Capital Receipts Reserve and projected balance over the five-year period is listed in the following table.



## GENERAL FUND CAPITAL RECEIPTS RESERVE

	2022.23	2023.24	2024.25	2025.26	2026.27	2027.28
	£	£	£	£	£	£
Balance B/fwd	2,707,657	1,976,744	732,382	457,454	-142,546	-142,546
		0	0	0	0	0
Collaboration Agreement - Oversetts Road	195,612	0	0	0	0	0
<b>Total Receipts</b>	<b>195,612</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Vehicle Replacements	0	0	0	-600,000	0	0
Capital Bids 2020	-814,822	-1,199,662	-189,928	0	0	0
Costs Associated to Land Sales	0	0	0	0	0	0
Midway Community Centre	-111,703	0	0	0	0	0
Repairs to Village Halls and Community Facilities	0	-6,700	0	0	0	0
Public Buildings Maintenance		0	0	0	0	0
Strategic Housing Market Assessment	0	0	-25,000	0	0	0
Private Sector Stock Condition Survey	0	0	-60,000	0	0	0
Empty Property Grants	0	-38,000	0	0	0	0
<b>Committed Expenditure</b>	<b>-926,525</b>	<b>-1,244,362</b>	<b>-274,928</b>	<b>-600,000</b>	<b>0</b>	<b>0</b>
<b>Reserve C/fwd</b>	<b>1,976,744</b>	<b>732,382</b>	<b>457,454</b>	<b>-142,546</b>	<b>-142,546</b>	<b>-142,546</b>

- 4.4 The Council is receiving capital receipts from a collaboration agreement for land at Oversetts Road. The forecasted sum has now reduced which has led to a potential over commitment of resources.
- 4.5 It is likely that the Council will receive some additional receipts that are pending but not currently finalised from further land sales.
- 4.6 The capital bidding round was reported to the Committee in October 2020 and £2.6m has been allocated to projects across the District which are all included in Appendix 1.
- 4.7 A vehicle replacement schedule was reported to Environmental and Development Services in January 2020. The current reserve balance and sums set-aside annually will not be enough to cover the replacements of vehicles due in 2025/26. A sum of £600,000 was included in the Capital Forecast in February 2020 to cover the shortfall but this is no longer viable. Prior to any commitment to drawdown funds, rescheduling and extending asset life must be explored.

### HRA

- 4.8 The HRA capital reserves are established from transfers from the HRA General Reserve and through Right to Buy receipts. Council policy is to reinvest all housing receipts from the sale of council houses and land into the housing stock and for new build and acquisition.
- 4.9 Transfers from the HRA General Reserve are for additional capital works to council dwellings required from stock condition surveys and for debt repayment.
- 4.10 A summary of the projected capital reserves for the HRA is listed in the table below.

	<b>2022.23</b>	<b>2023.24</b>	<b>2024.25</b>	<b>2025.26</b>	<b>2026.27</b>	<b>2027.28</b>
	£	£	£	£	£	£
Debt Repayment Reserve	5,693,000	14,000	3,218,000	6,160,000	48,000	2,079,000
Major Repairs Reserve	5,157,348	5,707,348	6,307,348	6,907,348	7,157,348	7,807,348
New Build Reserve	3,375,948	3,990,698	4,602,318	5,213,937	5,825,557	6,437,176
<b>HRA PROJECTED CAPITAL RESERVES</b>	<b>14,226,296</b>	<b>9,712,046</b>	<b>14,127,666</b>	<b>18,281,285</b>	<b>13,030,905</b>	<b>16,323,524</b>

4.11 The New Build and Acquisition Reserve is topped up by Right to Buy receipts. The following table shows the projected level of sales of dwellings included within the Reserve projection.

	<b>2022.23</b>	<b>2023.24</b>	<b>2024.25</b>	<b>2025.26</b>	<b>2026.27</b>	<b>2027.28</b>
Projected Council Dwelling Disposals	20	18	18	18	18	18

4.12 The balance on reserve will fluctuate based on the actual number of dwellings disposed of in year. Approved expenditure against this reserve is covered comfortably due to the large bought forward balance of £2.9m at the start of 2022/23.

4.13 Phased repayment of the HRA £57.4m loans taken out as part of self-financing started in 2021/22. Sums are being set-aside each year for the repayments in the Debt Repayment Reserve. The scheduled repayment profile of debt is shown in the following table.

<b>Date due</b>	<b>£</b>
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
	<b><u>47,423,000</u></b>

4.14 The Major Repairs Reserve is to be topped up by any underspends in year on the capital programme with additional contributions being made to ensure there is enough set-aside in future years when potential peaks in major capital refurbishment are anticipated.

## **5.0 Financial Implications**

5.1 As detailed in the report.

## **6.0 Corporate Implications**

### **Employment Implications**

6.1 None.

### **Legal Implications**

6.2 None.

### **Corporate Plan Implications**

- 6.3 There are no specific targets within the Corporate Plan but ensuring sustainability of the Council's financial position enables services to deliver targets included with the Plan.

**Risk Impact**

- 6.4 None.

**7.0 Community Impact**

**Consultation**

- 7.1 None.

**Equality and Diversity Impact**

- 7.2 None.

**Social Value Impact**

- 7.3 None.

**Environmental Sustainability**

- 7.4 None.

**8.0 Background Papers**

- 8.1 None.

## CAPITAL BUDGET AND FIVE-YEAR PROJECTION

	2022.23			2023.24	2024.25	2025.26	2026.27	2027.28
	Approved Budget £	Changes £	Revised Budget £	Projection £	Projection £	Projection £	Projection £	Projection £
<b>GENERAL FUND</b>								
<b>Private Sector Housing</b>								
Major Disabled Facilities Grant (Private)	450,000		450,000	450,000	400,000	400,000	400,000	400,000
Empty Property Grants	38,000	-38,000	0	38,000	0	0	0	0
Strategic Housing Market Assessment	0		0	0	25,000	0	0	0
Private Sector Stock Condition Survey	0		0	0	60,000	0	0	0
Discretionary Top up Grants for under 18s	25,000		25,000	25,000	0	0	0	0
Healthy Homes Project	50,000		50,000	50,000	0	0	0	0
Appointment of a dedicated Mental Health Worker	50,000		50,000	50,000	0	0	0	0
Ongoing cost of Funding additional Technical Officer	40,000		40,000	40,000	0	0	0	0
Relocation Grant	100,000		100,000	50,000	0	0	0	0
Dementia Friendly Homes Grant	15,000	-15,000	0	15,000	0	0	0	0
Domestic Violence Crisis Prevention	70,000		70,000	70,000	0	0	0	0
Hospital Discharge Grant	30,000	15,000	45,000	30,000	0	0	0	0
Healthy Homes Assistance Fund	200,000		200,000	175,000	0	0	0	0
Pilot Schemes	0		0	0	0	0	0	0
Handy Person Scheme	86,798		86,798	84,000				
Stay Active and Independent for Longer	75,471		75,471	0	0	0	0	0
Temporary Health and Housing Co-ordinator	45,000		45,000	45,000	0	0	0	0
Temporary Public Health Officer	45,000		45,000	45,000	0	0	0	0
Fuel Poverty	50,000		50,000	50,000	0	0	0	0
Temporary Trusted Assessor Post	55,000		55,000	55,000	0	0	0	0
Careline Digital Equipment	90,000		90,000	90,000	0	0	0	0
Foundations Consultancy Project	40,000		40,000	0	0	0	0	0
<b>Expenditure</b>	<b>1,555,269</b>	<b>-38,000</b>	<b>1,517,269</b>	<b>1,362,000</b>	<b>485,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>
Derbyshire County Council - Better Care Fund	1,517,269		1,517,269	1,324,000	400,000	400,000	400,000	400,000
Capital Receipts Reserve	38,000	-38,000	0	38,000	85,000	0	0	0
<b>Funding</b>	<b>1,555,269</b>	<b>-38,000</b>	<b>1,517,269</b>	<b>1,362,000</b>	<b>485,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>

	2022.23			2023.24	2024.25	2025.26	2026.27	2027.28
	Approved Budget £	Changes £	Revised Budget £	Projection £	Projection £	Projection £	Projection £	Projection £
<b>Cultural and Community</b>								
Community Partnership Scheme (2017 & 2019)	239,853	-168,576	71,277	147,776	0	0	0	0
Revitalising Rosliston Forestry Centre	376,372	-291,996	84,376	315,219	315,218	0	0	0
Oversetts Road Football Facility	1,188,159	-1,187,159	1,000	1,187,159	0	0	0	0
SUDS Improvements	58,000	-52,450	5,550	54,774	50,000	0	0	0
Paradise Garden	30,000	-30,000	0	30,000	0	0	0	0
Improvements to Play Areas	152,000	-73,000	79,000	193,050	0	0	0	0
Miners Memorial Eureka Park	169,000	-2,115	166,885	0	0	0	0	0
Urban Park - William Nadin Way	691,619	41,456	733,075	0	0	0	0	0
Improvements to Swad Woodlands	30,000	10,000	40,000	0	0	0	0	0
Drainage works at Rosliston Football Pitches	0	8,747	8,747					
Newhall Park Improvements	0	16,892	16,892					
Eureka Park Bowling Green	40,000		40,000	0	0	0	0	0

#### Expenditure

<b>2,975,003</b>	<b>-1,728,201</b>	<b>1,246,802</b>	<b>1,927,978</b>	<b>365,218</b>	<b>0</b>	<b>0</b>	<b>0</b>
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Section 106 Contributions	1,038,440	-544,361	494,079	680,000	0	0	0	0
Earmarked Reserves	79,456	-69,456	10,000	0	125,290	0	0	0
Capital Receipts Reserve	1,567,254	-895,808	671,446	1,100,202	189,928	0	0	0
General Fund Contribution	289,853	-218,576	71,277	147,776	50,000	0	0	0

#### Funding

<b>2,975,003</b>	<b>-1,728,201</b>	<b>1,246,802</b>	<b>1,927,978</b>	<b>365,218</b>	<b>0</b>	<b>0</b>	<b>0</b>
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#### Environmental

Fly Tipping & Surveillance	0	5,421	5,421	11,011	0	0	0	0
Carbon Reduction	50,000	-50,000	0	50,000	0	0	0	0
Property Flood Resilience Recovery Grant	0	26,324	26,324	0	0	0	0	0
Green Homes Grant	370,000	463,000	833,000	840,000	840,000	420,000	0	0

#### Expenditure

<b>420,000</b>	<b>444,745</b>	<b>864,745</b>	<b>901,011</b>	<b>840,000</b>	<b>420,000</b>	<b>0</b>	<b>0</b>
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Capital Receipts Reserve	50,000	-44,578	5,421	61,011	0	0	0	0
External Contributions	370,000	489,324	859,324	840,000	840,000	420,000	0	0

#### Funding

<b>420,000</b>	<b>444,745</b>	<b>864,745</b>	<b>901,011</b>	<b>840,000</b>	<b>420,000</b>	<b>0</b>	<b>0</b>
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	2022.23			2023.24	2024.25	2025.26	2026.27	2027.28
	Approved Budget £	Changes £	Revised Budget £	Projection £	Projection £	Projection £	Projection £	Projection £
<b>Corporate Assets</b>								
Vehicle Replacements	0	372,845	372,845	180,420	839,814	1,265,260	191,211	0
Route Optimisation	0	7,452	7,452	0	0	0	0	0
ICT Strategy	160,000		160,000	160,000	160,000	166,500	173,000	166,500
Public Buildings Repairs and Renewals	87,000		87,000	86,000	85,000	85,000	85,000	85,000
Repairs to Village Halls and Community Facilities	2,375	-2,375	0	6,700	0	0	0	0
Midway Community Centre Pitch Works	0	107,116	107,116	0	0	0	0	0
Town Centre Regeneration	258,365	380,853	639,218	0		0	0	0
Shop Frontages	0	43,717	43,717					
Repairs to Melbourne Assembly Rooms	131,725	1,266	132,991	0	0	0	0	0
Civic Hub - Town Centre Regeneration	0	0	0	80,000				
Delph Resurfacing	0	300,000	300,000					
Extension to Martson on Dove Cemetery	48,000	-38,449	9,551	38,449	0	0	0	0

#### Expenditure

<b>687,465</b>	<b>1,172,425</b>	<b>1,859,890</b>	<b>551,569</b>	<b>1,084,814</b>	<b>1,516,760</b>	<b>449,211</b>	<b>251,500</b>
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Earmarked Reserves	214,030	932,367	1,146,397	0	539,814	365,260	0	0
Capital Receipts Reserve	182,100	67,558	249,658	45,149	0	600,000	0	0
Growth Provision Contribution	0	0	0	30,000	30,000	30,000	30,000	0
External Contributions	0	172,500	172,500	80,000	0	0	0	0
General Fund Contribution	291,335	0	291,335	396,420	515,000	521,500	419,211	251,500

#### Funding

<b>687,465</b>	<b>1,172,425</b>	<b>1,859,890</b>	<b>551,569</b>	<b>1,084,814</b>	<b>1,516,760</b>	<b>449,211</b>	<b>251,500</b>
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<b>GENERAL FUND CAPITAL EXPENDITURE</b>	<b>5,637,737</b>	<b>-149,031</b>	<b>5,488,706</b>	<b>4,742,558</b>	<b>2,775,032</b>	<b>2,336,760</b>	<b>849,211</b>	<b>651,500</b>
<b>GENERAL FUND CAPITAL FUNDING</b>	<b>5,637,737</b>	<b>-149,031</b>	<b>5,488,706</b>	<b>4,742,558</b>	<b>2,775,032</b>	<b>2,336,760</b>	<b>849,211</b>	<b>651,500</b>

	2022.23			2023.24	2024.25	2025.26	2026.27	2027.28
	Approved Budget £	Changes £	Revised Budget £	Projection £	Projection £	Projection £	Projection £	Projection £
<b>HRA</b>								
Major Capital Repairs	2,320,000		2,320,000	2,083,000	2,577,000	2,616,000	2,197,000	2,932,000

New Build - Orchard Street, Newhall	280,000		280,000	0	0	0	0	0
Vehicle Replacements	0		0	49,186	0	227,503	0	0
Disabled Adaptations	300,000		300,000	300,000	300,000	300,000	300,000	300,000

Expenditure

<b>2,900,000</b>	<b>0</b>	<b>2,900,000</b>	<b>2,432,186</b>	<b>2,877,000</b>	<b>3,143,503</b>	<b>2,497,000</b>	<b>3,232,000</b>
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Earmarked Reserves	0		0	4,186	0	182,504	0	0
HRA Revenue Contribution	2,620,000		2,620,000	2,428,000	2,877,000	2,960,999	2,497,000	3,232,000
S106 Contributions	0		0	0	0	0	0	0
New Build Capital Reserve	280,000		280,000	0	0	0	0	0

Funding

<b>2,900,000</b>	<b>0</b>	<b>2,900,000</b>	<b>2,432,186</b>	<b>2,877,000</b>	<b>3,143,503</b>	<b>2,497,000</b>	<b>3,232,000</b>
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	2021.22			2022.23	2023.24	2024.25	2025.26	2026.27
	Approved Budget £	Changes £	Revised Budget £	Projection £	Projection £	Projection £	Projection £	Projection £
<b>HRA</b>								
Major Capital Repairs	2,383,000	0	2,383,000	2,320,000	2,083,000	2,577,000	2,616,000	2,197,000
New Build - Orchard Street, Newhall	280,000	-280,000	0	280,000	0	0	0	0
New Build - Acresford Road, Overseal	225,030	0	225,030	0	0	0	0	0
Vehicle Replacements	36,673	0	36,673	0	49,186	0	227,503	0
Disabled Adaptations	300,000	0	300,000	300,000	300,000	300,000	300,000	300,000

**Expenditure**

**3,224,703   -280,000   2,944,703   2,900,000   2,432,186   2,877,000   3,143,503   2,497,000**

Earmarked Reserves					4,186		182,504	
HRA Revenue Contribution	2,719,673	0	2,719,673	2,620,000	2,428,000	2,877,000	2,960,999	2,497,000
S106 Contributions	0		0	0	0	0	0	0
New Build Capital Reserve	505,030	-280,000	225,030	280,000	0	0	0	0

**Funding**

**3,224,703   -280,000   2,944,703   2,900,000   2,432,186   2,877,000   3,143,503   2,497,000**



## APPENDIX 2

Financial Year	Property	Item of works	Onsite/surveying comments	Priority Rating (1-3)	Estimated costs (net)	Status
2022/23	Visitors Information Centre	Refurbishment	Complete shop fitout and associated building works and external painting	1	£20,000	<b>Completed</b>
2022/23	Greenbank Leisure Centre	Ground and drainage works to the rear of the Centre	New path and surface drains	1	£20,000	<b>Completed</b>
2022/23	Midway Community Centre	M.E works	The replacement of the ventilation system in the main hall	1	£11,500	<b>Completed</b>
2022/23	Innovation Centre	Fire alarm	Alterations & upgrade to fire alarm	1	£2,500	Planned
2022/23	Willington public toilets	Refurbishment	Works to include - internal & external redecor, new flooring, sanitaryware and tiling	3	£20,000	Planned
2022/23	Hill Street Carpark	Fencing	Boundary works		£8,000	Planned
2022/23	Etwall Leisure Centre	Air Handling Unit reception	Replacement of internal parts to the existing AHU in the reception foyer	1	11,830.00	<b>Completed</b>
2022/23	Greenbank Leisure Centre	Replace gas boiler with AHU's	Replace gas boiler to lower sports hall with AHU's	3	£55,000	<b>Completed</b>
2022/23	Civic offices	Refurbishment of disabled toilet on ground floor	Works identified in DDA audit	2	£10,000	<b>Completed</b>
2022/23	Netherseal Village Hall	Works required in preparation of new lease	Remedial works to roof, re-stone carpark, works to boundaries, internal structural works to roof TBC, structural repairs to brickwork.	1	£25,000	Planned
2022/23	Greenbank Leisure Centre	New dosage system installation		1	£15,000	<b>Completed</b>
2022/23	Grove Hall	The Grove Cooling and Fresh air supply	Attend site and remove the failed heat pump along with the associated internal cassette and controls. A new R32 heat pump will then be supplied and installed complete with Cassette, controls and sundries. The existing pipes which are believed to be in good condition	1	£17,140.00	Planned
2022/23	The Delph	Resurfacing works	Replacing the existing sandstone with granite sets and associated works including the installation of new bollards, electrical works and steps to the Town Hall.		£275,626	<b>Funded</b>
2023/24	Greenbank Leisure Centre	Main Hall AHU's	Introduction of 10 new ac cassettes, power to said cassettes and removal of wall scroll fans	3	£55,000	Planned
2023/24	Greenbank Leisure Centre	All Heat Pumps	Replacement 3 of 13 Heat Pumps Phase one	3	£25,000	Planned
2023/24	Etwall Leisure Centre	Pool top up	Replacement Pool top up system	3	£5,000	<b>Funded</b>
2023/24	Etwall Leisure Centre	AHU's and ducting survey	Survey of all AHU and not including BMS system	2	£4,000	<b>Funded</b>

2023/24	Etwall Leisure Centre	BMS survey	Survey current condition of BMS system	2	£4,000	<b>Funded</b>
2023/24	East end public toilets	New drainage pump	Not replaced in 30 years, removed one pump some time ago		Survey required	Planned
2023/24	Grove Hall Park	Remedial works to climbing wall frame	Awaiting specification from structural engineer	1	£50,000	Planned
2023/24	New van	Purchasing new van	Currently leasing van for P.H, need to purchase new van	1	£25,000	<b>Funded</b>
2023/24	Civic offices	New electric heating, LED lighting throughout and new windows	Decarbonisation bid		£150,000	Planned
2023/24	Town Hall	Re-wire	Complete re-wire, including emergency light and external lighting	2	£45,000	Planned
2023/24	Greenbank Leisure Centre	Poolside Extract	Investigate and survey internal ducting and clean, check for fire breaks		£5,000	Planned
2024/25	Greenbank Leisure Centre	Pumps Various	Replace primary and shunt pumps with economical Grundfos	3	£20,000	Planned
2024/25	Greenbank Leisure Centre	All Heat Pumps	Replacement 3 of 13 Heat Pumps Phase Two	3	£25,000	Planned
2024/25	Etwall Leisure Centre	AHU's unit	Swimming pool side replace inverters	2	£16,000	<b>Funded</b>
2024/25	Etwall Leisure Centre	AHU's unit	Changing area - Replacement pending inspection.	3	£40,000	<b>Funded</b>
2024/25	Boardman's industrial estate	Works identified in dilapidations survey	End of lease, works required after dilapidations survey	1	£100,000	Planned
2024/25	George Holmes	EPC works	Replacement of lighting and external / internal insulation	2	£40,000	Planned
2024/25	Stenson Community Centre	Aluminium Doors	Replace existing UPVc fire doors to aluminium	2	£10,000	Planned
2024/25	Bus station public toilets	Upgrades to public toilets and disabled.	Works to consist of lighting upgrades, internal and external re-dec, new flooring covering, inspect sanitaryware. (Works identified in DDA audit )	3	£25,000	Planned
2024/25	Civic offices	Passenger lift	Need to look at the options for refurbishment or replacement.	1	£80,000	Planned
2025/26	Greenbank Leisure Centre	Swimming Pool Heat Exchange	Replacement with new as slave with heat exchange as master	3	£45,000	Planned
2025/26	Greenbank Leisure Centre	Changing Room AHU	Replacement	3	£40,000	Planned
2025/26	Greenbank Leisure Centre	Heat pump	Replacement 3 of 13 Heat Pumps Phase Three	3	£25,000	Planned
2025/26	Etwall Leisure Centre	A/C Heat pump	Replacement of 2 of 6 Condensers plus internals Phase 1	3	£17,000	<b>Funded</b>
2025/26	George Holmes	EPC works	Replacement of lighting and external / internal insulation	2	£40,000	Planned
2025/26	Civic offices	New windows	The replacement of windows throughout	2	£200,00	Planned
2025/26	Civic offices	Internal decoration	Internal decorations throughout	3	£20,000	Planned

2025/26	Greenbank Leisure Centre	Poolside Extract	Complete Unit refurb or replacement	3	£100,000	Planned
2025/26	Woodhouse Pavilion	New roof	New anti vandal roof	2	£10,000	<b>Funded</b>
2025/26	Greenbank Leisure Centre	External works	The replacement of the main external steps and painting of the handrails		£15,000	Planned
2025/26	Midway Community Centre	Auto doors	New over head door opener to main front entrance	1	£3,500	Planned
2025/26	Greenbank Leisure Centre	Poolside supply (AHU)	Complete Unit refurb	3	£40,000	Planned
2025/26	Greenbank Leisure Centre	Chemical Controller	Replacement of old siemens unit with new unit	3	£11,000	Planned



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<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 10</b>
<b>DATE OF MEETING:</b>	<b>9 FEBRUARY 2023</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR (CORPORATE RESOURCES)</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>KEVIN STACKHOUSE (01283 595811)</b> <a href="mailto:Kevin.stackhouse@south-derbys.gov.uk">Kevin.stackhouse@south-derbys.gov.uk</a>	<b>DOC:</b> h/KS/live files/audit committee/audit appointments/final accounts audit governance
<b>SUBJECT:</b>	<b>AUDIT OF ACCOUNTS AND FINANCIAL STATEMENTS</b>	
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM 09</b>

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## **1.0 Recommendations**

- 1.1 That the position regarding the external audit of the Council's Accounts and Financial Statements is considered.

## **2.0 Purpose of the Report**

- 2.1 To report back on a matter considered by the Audit Sub-Committee regarding the potential effect on Governance brought about by the delay in the signing of the Council's Accounts and Financial Statements.

## **3.0 Detail**

- 3.1 The Committee will be aware that there were significant delays in the auditing and signing of the Council's Accounts for 2020/21. This was primarily due to resourcing issues in the external audit sector, which will also mean a delay for the 2021/22 Accounts and possibly future years as it currently stands.
- 3.2 The Council's External Auditors (Ernst and Young – EY) completed their work and signed off the Council's Accounts for 2020/21 in December 2022, 1 <sup>3</sup>/<sub>4</sub> years after the end of that financial year. At present, EY have not commenced their audit for the 2021/22 Accounts, nearly 12 months after that financial year ended
- 3.3 A vast majority of authorities are also experiencing significant delays in auditing, which delays the publication of the statutory financial statements. As at December 2022, approximately 160 local authorities were still waiting for audit opinions on both their 2020/21 and 2021/22 accounts.
- 3.4 Although the Council's accounts and financial position each year-end, in the form of Budget Out-turn reports, are reported to the Committee annually in July, these are not the statutory accounts, which are required to satisfy stewardship and accountability for public resources.

- 3.5 The statutory document is a more technical and detailed document produced in accordance with International Financial Reporting Standards.

- 3.6 The statutory document has to be produced by the Council in draft form by 31 May following the end of the financial year in March, although this was relaxed during Covid and extended to July. However, the document cannot be officially published until it has been audited and the Auditor have given their opinion on the Accounts for that year.
- 3.7 Normally, auditors are required to complete their audit and issue an opinion by 30 September, six months after the year-end, although this date was temporarily extended by two months to 30 November (2022) for the 2021/22 accounts.
- 3.8 In addition to auditing the accounts, external audit are also required to conduct an overview on how councils use their resources, achieve value for money, together with assessing a council's Governance framework and how it makes decisions.
- 3.9 Although there is no opinion provided on these matters, auditors are required to raise any issues they find as part of their work and then recommend action to be taken where necessary to address any weaknesses.

### **Potential Implications**

- 3.10 Clearly, there is concern amongst finance professionals, together with the Local Government Association and Accountancy bodies, who have also highlighted potential risks. It is considered that the main risk potentially, is councils are making decisions, managing financial challenges and planning for the future with limited assurance about their underlying financial position.
- 3.11 This position could be exacerbated where authorities have more complicated arrangements in place to deliver services, such as wholly owned companies and commercial investments, etc.
- 3.12 Auditors are required to scrutinise reserve levels, contingencies and provisions, etc. together with verifying that assets and liabilities have been accounted for in accordance with proper practice. If this is not completed in a timely manner, then it potentially undermines the credibility of a local authority's financial position and sustainability.

### **Future Audits**

- 3.13 Generally, it is considered that there are no short-term solutions to the current situation. The main problem appears to be the lack of resources in audit firms. Auditing local authorities is a specialist area with long lead-in times for training and development of new staff.
- 3.14 In addition, International Financial Reporting Standards which have not previously applied to local authorities, have increasingly been adopted and this places an additional burden on auditors to ensure councils comply.
- 3.15 The Redmond Review commissioned by the Government, which reported in September 2020, made several recommendations for improvement. As part of this, the Financial Reporting Council recently appointed a new Director of Local Audit, whose remit is to drive forward improvement.

- 3.16 In addition, the format and detail of the statutory document is being reviewed by the Chartered Institute of Public Finance. They are seeking to make recommendations to streamline the statutory document in order to reduce the amount of audit resource required.

#### **4.0 Financial Implications**

- 4.1 In the meantime, the external audit sector is facing significant recruitment and retention issues. The current audit contracts, which were awarded to cover the financial years 2018/19 to 2022/23 following a national procurement exercise, led to audit fees being substantially reduced.
- 4.2 Following the abolition of the Audit Commission on 31 March 2015, responsibility for overseeing local audit arrangements, transferred to the Public Sector Auditing Appointments (PSAA) a Government Agency. This was designed to provide greater competition into awarding audits to private accountancy firms and was seen as being a more efficient way of delivering local audits.
- 4.3 The national procurement exercise in 2017, saw the Council's audit fees falling from approximately £80,000 at that time, to a current level of £37,000 per year. Although there is no definitive evidence, it is generally considered that the reduction in fees, coupled with increasing standards, has led to an unsustainable sector with a detrimental effect on recruitment and retention.
- 4.4 If these issues are to be addressed, it is considered inevitable that audit fees will need to increase, The PSAA has recently conducted a procurement exercise for the next round of contracts which will cover the financial years 2023/24 to 2027/28.
- 4.5 Although the Council is awaiting an indication of its fee level, market estimates have suggested that fees will need to increase substantially in order to support the sector's recovery. Provision has been made in the Council's Medium-Term Financial Plan.
- 4.6 In addition, there is also a likelihood that fees will increase in the interim period. The final fee for 2020/21 has still to be approved by the PSAA. This is due to audit firms submitting schedules of additional costs being incurred,
- 4.7 Following completion of the 2019/20 Audit, the Council were required to pay a variation fee of approximately £18,000, although this was funded by the Government in recognition of the on-going issues. Any variation fees for 2020/21, 2021/22 and 2022/23 are still to be determined and make take several years to settle.

#### **5.0 Corporate Implications**

##### **Risks**

- 5.1 As detailed in the report.

##### **Legal Implications**

- 5.2 None directly at this stage.

## **6.0 Community Implications**

- 6.1 The delay in audit opinions means that residents and other stakeholders are not being provided with timely assurance of the Council's financial position and broad governance arrangements.

## **7.0 Background Papers**

- 7.1 None



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<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 11</b>
<b>DATE OF MEETING:</b>	<b>9 FEBRUARY 2023</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>CHIEF EXECUTIVE</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>FRANK MCARDLE (01283 595702)</b> <a href="mailto:frank.mcardle@southderbyshire.gov.uk">frank.mcardle@southderbyshire.gov.uk</a>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>TOYOTA CITY</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM 08</b>

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## **1.0 Recommendations**

- 1.1 That the importance of the relationship with Toyota City to South Derbyshire, particularly in terms of inward investment and employment, is recognised.
- 1.2 That the activities of the Toyota City Partnership Board continue to be supported.
- 1.3 That a one-off budget of £20,000 is allocated from General Fund Reserves to support the further development of this successful relationship for the benefit of the local economy.

## **2.0 Purpose of Report**

- 2.1 To report on the strengthening of a long-standing international link with Toyota City in Japan that has brought thousands of jobs and over a billion pounds in investment to South Derbyshire over the last twenty-five years.
- 2.2 To seek approval for the allocation of resources to continue to work with Toyota City at this important anniversary, in order to broaden and further develop the successful relationship for the benefit of the local community and economy.

## **3.0 Detail**

### **Toyota Motor Manufacturing (UK) Limited (TMUK)**

- 3.1 TMUK has continued to play a major role in the economy of South Derbyshire in recent years. In 2018 production of the Avensis model concluded with 1,936,572 cars having been produced. A new model, the Corolla, was introduced in 2019. The Corolla Hybrid, Hatchback, Touring Sports and the conventional Corolla are all built at Burnaston with many parts and materials supplied by UK companies.
- 3.2 In 2020 the Burnaston plant produced its 4.5 millionth vehicle. The plant completes a car every 89 seconds, which is 3,000 vehicles a week and on average 150,000 a

year. Of that total, almost 90 per cent are exported to overseas markets, principally in Europe, reinforcing Toyota's key status in UK manufacturing.

- 3.3 Toyota has been promoting a multi-path approach to reducing emissions for more than 20 years. This strategy encompasses all technologies from Hybrid Electric, Plug-In Hybrid Electric, Battery Electric through to Fuel Cell Electric. Hydrogen is seen as one of the key building blocks towards carbon neutrality, using fuel cell technology for mobility and in the wider economy beyond transport. TMUK has recently announced plans to develop a fuel cell powered Hilux pick-up truck at Burnaston. It is anticipated that small scale production of initial prototype vehicles will take place at Burnaston throughout 2023. Then based on the outcome, this could result in small series production at the plant.
- 3.4 Over 3,000 people are employed at Burnaston and at TMUK's engine plant in Deeside, which supports a thriving supply chain and pumps millions of pounds into the local economy every year. The two plants represent an investment of some £2.75 billion. TMUK also continues to support a range of local educational and community activities, including through the Toyota Manufacturing UK Charitable Trust.
- 3.5 The motor company is headquartered in Toyota City, which hosted the start of the Japan round of the World Rally Championship in 2022. Toyota Gazoo Racing World Rally Team won both the driver and manufacturer titles of the Fédération Internationale de l'Automobile World Rally Championship in 2022.

### **Toyota City Partnership Board**

- 3.6 The Toyota City Partnership Board was established in 2018, facilitated by Derbyshire County Council, to further develop and enhance the wider partnership vision for the Toyota friendship by bringing together key economic and cultural stakeholders to work positively alongside the three twinning local authorities. Membership of the Board includes the District Council, Derby City Council, Derbyshire County Council, TMUK, the University of Derby, Burton and South Derbyshire College and the National Forest Company.
- 3.7 The Board has overseen a rolling programme of activities, including:
- student exchanges, including virtual exchanges during the pandemic;
  - development of links between further and higher education institutions;
  - sporting exchanges, linked to St George's Park and the Rugby World Cup;
  - cultural exchanges, including artistic and musical collaborations;
  - awareness raising activities at public events;
  - knowledge exchanges, including environmental programmes, adult care services and exporting;
  - the planting of cherry trees in parks and school grounds;
  - hosting of the Japanese Ambassador and a reception at Westminster; and,
  - relocation of the Derbyshire Japanese School to the John Port Spencer Academy at Etwall.

### **Twenty-Fifth Anniversary Activities**

- 3.8 In 2023 Derbyshire will celebrate the twenty-fifth anniversary of its relationship with Toyota City. An anniversary programme of events and activities is proposed with a mix of business, civic, cultural and educational initiatives. This will be overseen by

the Toyota City Partnership Board and the year is expected to include public promotions and student exchanges.

#### **4.0 Financial Implications**

- 4.1 It is proposed that an amount of £20,000 be allocated from General Reserves to support the further development of joint initiatives. It is anticipated that this funding will be utilised over several years to facilitate visits, events and the acquisition of project materials, as required.

#### **5.0 Corporate Implications**

##### **Corporate Plan Implications**

- 5.1 The relationship between Derbyshire and Toyota City has the potential to contribute to:
- 'Our Future' which aims to grow our District and our skills base - attracting and retaining skilled jobs in the District; and, encouraging and supporting business development and new investment in the District.

#### **6.0 Community Impact**

##### **Consultation**

- 6.1 The Board is consulting with its stakeholders on the projects to be undertaken and the delivery of activities.

##### **Equality and Diversity Impact**

- 6.2 A key aspect of the relationship with Toyota City is the promotion of closer relationships and greater understanding between communities in the UK and Japan.

##### **Social Value Impact**

- 6.3 The international relationship provides many opportunities to generate social value benefits, for example for young people involved in exchanges.

##### **Environmental Sustainability**

- 6.4 The environment is a key theme of the relationship with Toyota City, reflecting the importance that TMUK places on reducing energy use and minimising waste.

#### **7.0 Conclusions**

- 7.1 As the rewards of the relationship with Toyota City continue to grow, it is recommended that Members support the allocation of resources to further develop the benefits for the local economy and community of South Derbyshire.

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<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 12</b>
<b>DATE OF MEETING:</b>	<b>09 FEBRUARY 2023</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR (CORPORATE RESOURCES)</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>KEVIN STACKHOUSE (EXT 5811)</b> <a href="mailto:kevin.stackhouse@southderbyshire.gov.uk">kevin.stackhouse@southderbyshire.gov.uk</a>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>COMMITTEE WORK PROGRAMME</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: G</b>

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## **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**

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

Final Capital Outturn 2021/22	21 July 2022	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Equality, Diversity, and Inclusion Strategy and Action Plan 2021 to 2025 – Proposed Resourcing	21 July 2022	Fiona Pittam (Head of Organisational Development & Performance) <a href="mailto:Fiona.pittam@southderbyshire.gov.uk">Fiona.pittam@southderbyshire.gov.uk</a> (07480 836879)
Annual Training Report 2021/22 and Priorities for 2022/23	21 July 2022	Fiona Pittam (Head of Organisational Development & Performance) <a href="mailto:Fiona.pittam@southderbyshire.gov.uk">Fiona.pittam@southderbyshire.gov.uk</a> (07480 836879)
Discretionary Housing Payment Fund Enhancements 2022/2023	21 July 2022	Lizzie Barton (Head of Customer Services) <a href="mailto:Elizabeth.barton@southderbyshire.gov.uk">Elizabeth.barton@southderbyshire.gov.uk</a> (07552 248759)
Corporate Plan Performance Monitoring 2022/23: Quarter 1	25 August 2022	Fiona Pittam (Head of Organisational Development & Performance) <a href="mailto:Fiona.pittam@southderbyshire.gov.uk">Fiona.pittam@southderbyshire.gov.uk</a> (07480 836879)
General Fund Revenue Financial Monitoring 2022/23	25 August 2022	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Collection Fund Position 2022/23	25 August 2022	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Housing Revenue Account Monitoring 2022/23	25 August 2022	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>

Capital Financial Monitoring 2022/23	25 August 2022	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Treasury Update 2022/23	25 August 2022	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Transformation Plan Update	25 August 2022	Anthony Baxter (Head of Business Change and IT) <a href="mailto:Anthony.baxter@southderbyshire.gov.uk">Anthony.baxter@southderbyshire.gov.uk</a>
Financial Contribution Towards an Active Schools Partnership PE & School Sport Apprentice Through Amber Valley School Sport Partnership (AVSSP)	25 August 2022	Ian Gee (Active Schools Partnership Officer) <a href="mailto:Tony.gee@southderbyshire.gov.uk">Tony.gee@southderbyshire.gov.uk</a>
Corporate Plan Performance Monitoring 2022/23: Quarter 2	24 November 2022	Fiona Pittam (Head of Organisational Development & Performance) <a href="mailto:Fiona.pittam@southderbyshire.gov.uk">Fiona.pittam@southderbyshire.gov.uk</a>
General Fund Revenue Financial Monitoring 2022/23	24 November 2022	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Housing Revenue Account Monitoring 2022/23	24 November 2022	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Collection Fund Position 2022/23	24 November 2022	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Capital Financial Monitoring 2022/23	24 November 2022	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>

Treasury Update 2022/23	24 November 2022	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
A Review of Earmarked Reserves	24 November 2022	Kevin Stackhouse (Strategic Director) <a href="mailto:Kevin.stackhouse@southderbyshire.gov.uk">Kevin.stackhouse@southderbyshire.gov.uk</a>
Compliments, Comments, Complaints and FOI Requests: April 2022 to September 2022	24 November 2022	Kevin Stackhouse (Strategic Director) <a href="mailto:Kevin.stackhouse@southderbyshire.gov.uk">Kevin.stackhouse@southderbyshire.gov.uk</a>
Annual Health and Safety Report 2021-22 and Action Plan 2022-23	24 November 2022	David Clamp <a href="mailto:David.clamp@southderbyshire.gov.uk">David.clamp@southderbyshire.gov.uk</a>
Recruitment and Selection Panel Appointment	24 November 2022	Frank McArdle (Chief Executive) <a href="mailto:David.clamp@southderbyshire.gov.uk">David.clamp@southderbyshire.gov.uk</a>
D2N2 Funding Programme for a pilot hydrogen fuelled waste collection service – amended recommendation.	24 November 2022	John Kinderman (Climate & Environment Officer) <a href="mailto:john.kinderman@southderbyshire.gov.uk">john.kinderman@southderbyshire.gov.uk</a>
Service Base Budgets 2023/24	12 January 2023	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Council Tax Base 2023/24 and Collection Fund Surplus 2022/23	12 January 2023	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>



Proposed Local Council Tax Support Scheme 2023/24	12 January 2023	Catherine Grimley (Head of Customer Services) <a href="mailto:Catherine.grimley@southderbyshire.gov.uk">Catherine.grimley@southderbyshire.gov.uk</a>
Decarbonisation: Wave 2.1 Grant Bid	12 January 2022	Paul Whittingham (Head of Housing) <a href="mailto:Paul.whittingham@southderbyshire.gov.uk">Paul.whittingham@southderbyshire.gov.uk</a>
Annual Statement of Accounts 2020/21	12 January 2022	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
General Fund Consolidated Budget 2022/23 and MTFP to 2028	09 February 2023	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Housing Revenue Account Budget 2023/24 and Financial Plan to 2033	09 February 2023	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Capital Programme Budget and Financing 2023 to 2028	09 February 2023	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Audit of Accounts and Financial Statements	09 February 2023	Kevin Stackhouse (Strategic Director (Corporate Resources)) <a href="mailto:Kevin.stackhouse@southderbsyhire.gov.uk">Kevin.stackhouse@southderbsyhire.gov.uk</a>
Toyota City	09 February 2023	Frank McArdle (Chief Executive) <a href="mailto:Frank.mcardle@southderbyshire.gov.uk">Frank.mcardle@southderbyshire.gov.uk</a>

Corporate Plan Performance Monitoring 2022/23: Quarter 3	16 March 2023	Fiona Pittam (Head of Organisational Development & Performance) <a href="mailto:Fiona.pittam@southderbyshire.gov.uk">Fiona.pittam@southderbyshire.gov.uk</a> (07480 836879)
General Fund Revenue Financial Monitoring 2022/23	16 March 2023	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Housing Revenue Account Financial Monitoring 2022/23	16 March 2023	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Collection Fund Position 2022/23	16 March 2023	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Capital Financial Monitoring 2022/23	16 March 2023	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Treasury Update 2022/23	16 March 2023	Charlotte Jackson (Head of Finance) <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Proposed Policy for Paying Market Supplements	TBC	Fiona Pittam (Head of Organisational Development & Performance) <a href="mailto:Fiona.pittam@southderbyshire.gov.uk">Fiona.pittam@southderbyshire.gov.uk</a>