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Date: 22 July 2020

Dear Councillor,

Finance and Management Committee

A Meeting of the **Finance and Management Committee** will be a **Virtual Committee (Special)**, held via Microsoft Teams on **Thursday, 30 July 2020 at 18:00**. You are requested to attend.

Yours faithfully,



Chief Executive

To:- **Conservative Group**

Councillor Watson (Chairman), Councillor Angliss (Vice-Chairman) and Councillors Mrs. Brown, Fitzpatrick, Ford, MacPherson, Pegg and Roberts

Labour Group

Councillors Dr. Pearson, Rhind, Richards, Southerd and Taylor

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: | |
| | 13th February 2020 | 4 - 10 |
| 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 | FINAL REVENUE BUDGET OUT-TURN 2019-20 | 11 - 31 |
| 8 | FINAL CAPITAL OUT-TURN 2019-20 | 32 - 39 |
| 9 | TREASURY MANAGEMENT ANNUAL REPORT 2019-20 | 40 - 60 |
| 10 | VALUE FOR MONEY STATEMENT 2019-20 | 61 - 73 |
| 11 | CORPORATE ASSET MANAGEMENT PLAN 2020-2024 | 74 - 96 |
| 12 | ANNUAL HEALTH & SAFETY REPORT 2019-20 AND ACTION PLAN 2020-21 | 97 - 108 |
| 13 | COMMITTEE WORK PROGRAMME | 109 - 114 |

Exclusion of the Public and Press:

- 14** 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.
- 15** To receive the Exempt Minutes of the following Meetings:
13th February 2020
- 16** To receive any Exempt questions by Members of the Council pursuant to Council procedure Rule No. 11.

FINANCE AND MANAGEMENT COMMITTEE

13th February 2020

PRESENT:

Conservative Group

Councillor Watson (Chairman), Angliss (Vice-Chairman) and Councillors, Mrs. Brown, Corbin (substituting for Cllr Billings) Fitzpatrick, Ford, MacPherson and Mrs Patten (substituting for Cllr Roberts).

Labour Group

Councillors Dr Pearson, Rhind, Richards, Southerd and Taylor.

FM/111 **APOLOGIES**

Apologies were received from Councillor Billings and Roberts.

IN ATTENDANCE

Councillors Mrs Brown and Atkin

FM/112 **MINUTES**

The Open Minutes of the Finance and Management Committee held on 10th December 2019 were approved and signed by the Chairman.

The Minutes of the Audit Sub-Committee held on 11th December 2019 were noted.

FM/113 **DECLARATIONS OF INTEREST**

The Committee was informed no declarations of interest from Members of the Committee had been received

FM/114 **QUESTIONS FROM MEMBERS OF THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO 10**

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

FM/115 **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/116 REPORTS OF OVERVIEW AND SCRUTINY COMMITTEE

Councillor Corbin informed the Committee that the Overview and Scrutiny Committee intends to take a closer look at procurement and has therefore requested a report outlining the business case for using NHS services and if this offers value for money.

MATTERS DELEGATED TO COMMITTEE**FM/117 FINAL BUDGET PROPOSALS 2020/21 AND FINANCIAL PLAN TO 2025**

The Head of Finance delivered the Report to the Committee, highlighting the updates since January 2020, including the New Homes Bonus, Business Rates, and the Housing Revenue Account recharges.

Some Members raised concerns regarding the proposed Council Tax increase and the Head of Finance informed Members that officers can only make recommendations regarding the increase of Council Tax and it is Members who make the decision. The Committee was also informed that a number of groups were consulted, including 6 Area Forums and South Derbyshire Partnership, open invitations were also sent to the Chamber of Commerce and local businesses and no substantial issues had been raised regarding the budget proposals and Council Tax increase.

RESOLVED:

- 1.1 That a Council Tax increase of 1.95% for 2020/21 be recommended to Full Council on 26th February 2020.***
- 1.2 That estimated net General Fund Revenue Expenditure totalling £12,798,230 for 2020/21 be recommended to Full Council on 26th February 2020.***
- 1.3 That Committee approved the Medium-term Financial Plan to 2025 on the Council's General Fund Revenue Account as detailed in Appendix 1 of the Report.***
- 1.4 That Committee Approved the Financial Plan for the Housing Revenue Account (HRA) to 2030 as detailed in Appendix 2 of the Report.***
- 1.5 That Committee approved the transfer of £500,000 from the Growth Provision earmarked reserve into the Vehicle Replacement earmarked reserve.***
- 1.6 That the revised HRA Recharge from the General Fund be approved and updated in the Base Budgets.***

1.7 That Committee noted the Council's National Non-Domestic Rate Return (NDR 1) for 2019/20, showing retained business rates of £11,200,979 for 2020/21 and £10,515,933 for 2019/20.

FM/118 **CAPITAL PROGRAMME BUDGET TO 2025**

The Head of Finance presented the Report giving an overview of the Council's proposed capital expenditure in relation to both the General Fund and the Housing Revenue Account as well funding for the next five year period.

Councillor Richards asked if the Swadlincote Project was on course to complete during the 2019/2020 financial year. The Head of Finance confirmed that this was the case.

RESOLVED:

That the capital programme expenditure and funding to 2025 was considered and approved.

FM/119 **TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL INDICATORS 2020/21**

The Strategic Director (Corporate Resources) requested that as the Appendices had not been shared prior to this Committee meeting, this report be deferred to the next Full Council meeting.

RESOLVED:

The Committee agreed that this report be deferred for consideration at the next Full Council meeting.

FM/120 **ANNUAL REPORT OF THE SECTION 151 OFFICER**

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

Members raised queries regarding the planned housing and asked if Developers chose to build in different areas could they be challenged. The Committee was informed by the Strategic Director (Corporate Resources) that the Local Plan directs where new housing is sited and includes a prediction of housing requirements.

Councillor Fitzpatrick raised queries regarding the Financial Resilience and the dependence of central Government funding of which the Council has no control over. The Strategic Director (Corporate Resources) and the Chief Executive informed Members that the Council is considering other funding

options and commercialisation which could, for example, involve consideration of innovative ways to raise income through tourism and car parking.

RESOLVED:

1.1 That Committee considered and noted the Annual Report of the Section 151 Officer.

1.2 That the Council has due regard to the Annual Report when approving the Budget for 2020/21 at Full Council on 26th February 2020 and when considering future proposals for new spending and the utilisation of resources.

FM/121 **PROPOSED LOCAL COUNCIL TAX REDUCTION SCHEME 2020-21**

The Strategic Director (Corporate Resources) delivered the annual report requesting that the current scheme remains in place to enable a new system to be developed for the next financial year. The Strategic Director (Corporate Resources) informed Members that the Revenues Team is currently working on an options paper which will be brought to Finance and Management Committee for consideration, in April 2020.

RESOLVED:

1.1 Committee approved that the existing Local Council Tax Reduction Scheme currently in place be continued for 2020/21.

1.2 That the detailed parameters be submitted to Full Council on 26th February 2020 for formal adoption.

FM/122 **CORPORATE PLAN MEASURES 2020-2024**

The Strategic Director (Corporate Resources) presented the report to the Committee highlighting that the Council's priorities will be managed using the 35 Corporate measures detailed in the report. Members were also informed that a quarterly update will be provided to the Finance and Management Committee.

RESOLVED:

1.1 That Committee approved the 35 Corporate measures to support the Corporate Plan for 2020-2024, as per Appendix A (Performance Dashboard 2020-2024) of the Report.

1.2 That Committee approved the detailed Performance Measures Report template, in Appendix B of the Report.

An indexed Performance Measure Report to be completed for each of the key performance indicators and be reported to Committee at the end of quarter 4 with the outturn figure for quarter 4 2019/2020.

- 1.3 That Committee approved the proposed changes to the Committee Report incorporating changes to the way the overall performance against the Corporate Plan priorities is reported in section, 4.0 and 4.1 of the report, as per Appendix C of the Report.***

FM/123 **TRANSFER OF HOUSING REPAIR CALLS INTO CUSTOMER SERVICES**

The Head of Customer Services presented the report to the Committee explaining how the transfer of Housing Repair calls into Customer Services is intended to improved customer service delivery to the Council's residents and local businesses.

Members raised queries regarding Customer Services being able to cope with the high level of calls that are received each year as well as training for the apprentice. The Head of Customer Services informed Members that currently there is no queueing system available for Housing Repair calls, and customers simply get an engaged tone meaning that numerous calls go unanswered but by moving to Customer Services the members of staff are experienced in taking a variety of calls and can guarantee that all calls will be answered within 20 seconds. The Head of Customer Service added that the cost of £21,000 for the Modern Apprenticeship does include training costs.

Councillor Richards enquired if the Council could claim for an apprenticeship levy. The Strategic Director (Corporate Resources) confirmed that this was the case.

RESOLVED:

That Committee approved the transfer of Housing Repair calls into Customer Services and the creation of an additional Customer Services Advisor post on the Council's Establishment – which will be either a full time Modern Apprentice, or a part-time (18.5 hours a week) skilled Customer Services Advisor.

FM/124 **DOMESTIC ABUSE PROCEDURE – MAKE A STAND CAMPAIGN**

The Head of Cultural and Community Services presented the report to the Committee, updating Members of the progress regarding the four pledges made by the Council in 2018.

RESOLVED:

- 1.1 That Committee noted the progress against the 'Make a Stand' pledges outlined in the report.***
- 1.2 That Committee approved the Domestic Abuse Procedure as per Appendix 1 of the Report.***
- 1.3 Committee agreed that the Strategic Director (Service Delivery) be appointed to champion work that the Council is doing to support people experiencing domestic abuse.***

FM/125 **SOCIAL MEDIA STRATEGY 2020-2021 AND SOCIAL MEDIA ACTION PLAN 2020-2021**

The Head of Organisational Development presented the report to the Committee highlighting the key points of the Action Plan.

Councillor MacPherson added that it was important to ensure that traditional methods of communication are still maintained.

RESOLVED:

- 1.1 That Committee approved the Social Media Strategy 2020-2021 as per Appendix A of the Report.***
- 1.2 That Committee approved the Action Plan 2020-2021, as per Appendix B of the Report.***

FM/126 **COMMITTEE WORK PROGRAMME**

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

RESOLVED:

Members considered and approved the updated work programme.

FM/127 **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.

MINUTES

The Exempt Minutes of the Finance and Management Meeting held on the 10th October 2019 were received.

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

The Committee was informed no questions had been received.

STRUCTURAL REVIEW CULTURAL AND COMMUNITY

The Committee approved the recommendation in the report.

ROSLISTON FORESTRY CENTRE – REVIEW OF STAFFING

The Committee approved the recommendation in the report.

REVIEW OF DOCUMENT SERVICES TEAM

The Committee approved the recommendation in the report.

DEBT COLLECTION, RECOVERY, BAD AND DOUBTFUL DEBTS

The Committee approved the recommendation in the report.

The meeting terminated at 7:30 pm.

COUNCILLOR P WATSON

CHAIRMAN

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL)	AGENDA ITEM:7
DATE OF MEETING:	30th JULY 2020	CATEGORY: RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	VICKI SUMMERFIELD 01283 595939 victoria.summerfield@southderbyshire.gov.uk	DOC: s/finance/committee/2019-20/July/budget outturn report 2020
SUBJECT:	FINAL REVENUE BUDGET OUT-TURN 2019/20	REF:
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

1.1 To approve the final outturn position for:

- The General Fund Revenue Account 2019/20
- The Housing Revenue Account 2019/20
- The Collection Fund 2019/20
- The Balance of Reserves at 31st March 2020.

1.2 That a net appropriation of £2,760,376 in 2019/20 is made from the General Fund Reserve to other Earmarked Reserves and a net appropriation of £110,566 is made from the HRA General Reserve to Earmarked Reserves as detailed in the report.

1.3 That the Committee note the following contributions and adjustments have been made to Bad Debt and Appeal Provisions in 2019/20:

Sundry Debtors	69,873	General Fund
Temporary Accommodation	-1,676	General Fund
Housing Benefit Overpayments	28,036	General Fund
Council Tax Arrears	-73,562	General Fund
Business Rates Arrears	-112,808	General Fund
Business Rates Appeals	-294,542	General Fund
Planning Appeals	19,500	General Fund
Housing Rent Arrears	117,827	HRA

2.0 Purpose of Report

2.1 To detail the final out-turn position for 2019/20 on the Council's revenue accounts. The report also details the financial position on these accounts as at 31st March 2020 compared to that estimated in the Council's Medium-Term Financial Plan (MTFP). Details of the Collection Fund position, together with details of provisions and reserves is also provided.

2.2 This report is divided into the following sections:

- Section 3 – General Fund Revenue Account and Collection Fund 2019/20
- Section 4 – Housing Revenue Account 2019/20
- Section 5 – Reserves as at 31st March 2020
- Appendix 1 - General Fund Account 2019/20
- Appendix 2 –The Collection Fund 2019/20
- Appendix 3 – Earmarked reserves 2019/20

3.0 **GENERAL FUND REVENUE ACCOUNT**

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

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

3.2 The Budget for 2019/20, which was approved in February 2019, estimated a budget deficit of £622,044 for 2019/20. Following the update of the Medium-term Financial Plan (MTFP) in March 2020, this was revised to a deficit of £262,591 as summarised in the following table

	£
Base Budget	12,702,388
Reverse out Depreciation	-842,289
Minimum / Voluntary Revenue Provisions	328,635
Contingent Sums	598,902
Total Estimated Spend	12,787,636
Financing	-12,525,045
Estimated Deficit	262,591

Final Budget Outturn 2019/20 - Summary

- 3.3 **Appendix 1** details the final outturn on the General Fund for 2019/20 with a comparison to the approved budget.
- 3.4 The appendix shows that the General Fund achieved a surplus, after appropriations, of £818,311 for the year.
- 3.5 This was £1,080,902 greater than budgeted. This level of variance was higher than expected and previously reported and was mainly due to lower expenditure and higher levels of unbudgeted income from Business Rates, investments and fees. The update to Committee on 2nd July 2020 reported an approximate surplus of £701,614.

Overview of Income and Expenditure 2019/20

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

GENERAL FUND BUDGET VARIANCE 2019/20

	£'000
Salary savings (vacancies, maternity etc.) - F&M	424
Salary savings (vacancies, maternity etc.) - E&D	265
Salary savings (vacancies, maternity etc.) - H&C	81
Total Employee	770
Business Rates	1,052
Planning Income	293
Investment Income	122
Benefits	110
HRA Recharge	78
Derbyshire County Council Contributions	70
No Requirement for a By-Election	54
Environmental Services Income	52
Industrial Unit Income	44
Street Naming Income	27
Legal Fee Income	24
Forest England Contribution for Rosliston	20
Land Charges and Licensing Income	18
Training Costs	14
Vehicle Hire	12
Vehicle Spare Parts	9
Other Variances (net)	3
Total Favourable Variances	2,772
Flooding Works	-5
Banking Transaction Costs	-8
Mobile Phones Overspend	-15
Animal Welfare Act Costs	-23
Planning Appeals Provision	-28
Planning Software Upgrade	-36
Professional Fees	-39
Bad Debt Provision	-52
Head of Service Recruitment	-81
Agency and Consultancy Costs	-601
Accounting Adjustments	-803
Total Adverse Variances	-1691
TOTAL FAVOURABLE VARIANCE	1081

Variances

- 3.8 Salary savings in year relate to vacancies and maternity (£770k) and are mostly offset by agency and consultancy to support service areas (£601k) plus recruitment costs for the new Head of Service posts (£81k). Due to current vacancies, a saving in employee training has also been realised (£14k).
- 3.9 Investment income is greater than budget due to the large value of cash deposits held by the Council. Cash investments have been higher in year due to lower service and capital expenditure as reported. £4m is currently invested in a longer-term high interest account with an average return of 4%. The MTFP was updated in October to include an additional £100k of investment income. The receipt in year has exceeded the total budget on the General Fund by £122k.

- 3.10 Planning applications are significantly higher than forecast and have remained consistently high throughout the year. An increase above that budgeted for potential Planning Appeal costs of £28k has been seen but this is more than offset by the increased income. An earmarked reserve contribution of £56k has been transferred as part of the year-end process for the additional fee income from the increase of planning fees by 20%. No draw down was required in year for the software upgrade (£36k) as this has been offset against the 20% income noted above.
- 3.11 Contributions from Derbyshire County Council are higher than budget on waste disposal (£53k) due to higher levels of green waste and recycling in March at the beginning of the Covid-19 pandemic. Additional income has also been received for the service charge paid for use of the Civic Offices (£17k).
- 3.12 Food Safety and Pollution Reduction income is higher than budgeted and was consistently higher than budget throughout the year. Fee income generated through food safety certificates generally exceeds the budget year-on-year. Costs have been incurred for kennelling due to seizing 26 animals under the Animal Welfare Act. It is hoped that these costs can be recovered after prosecution but the increased income in other Environmental services more than offsets this cost.
- 3.13 A budget is always included for the potential requirement for a By-Election each year. No Election was required and therefore a saving of £46k has been made. Additional income has also been received from the Government for settlement of costs for the General Election in 2017 (£10k).
- 3.14 Commercial lets have achieved greater levels of income than budgeted due to the void units being lower than anticipated.
- 3.15 Street Naming income has seen a large volume of applications in line with the growth of the District.
- 3.16 Forestry England has contributed £20k towards the on-going service costs at Rosliston Forestry Centre whilst the tender for future delivery on the site is undertaken. Fee income is lower than budget (£23k) due to inclement weather during 2019/20.
- 3.17 Licensing and Land Charges income is higher than budget which is in line with prior years.
- 3.18 Legal Services income received in year was unbudgeted and has been generated for costs in relation to a successful legal challenge in court. Costs have been received that partially offset this surplus and are noted in the table on Professional Fees at 3.23.
- 3.19 Additional Benefit Overpayment Income was received in year (£46k) and the percentage of Local Authority error rates were lower than budgeted for Allowances (£170k) but slightly higher on Rebates (£106k).
- 3.20 A new fleet of vehicles were acquired in 2018/19 and therefore spare parts for vehicles and vehicle hire are lower than budgeted in 2019/20.
- 3.21 Recharges from the General Fund to the HRA are updated as part of the year-end process. Areas of additional expenditure on Senior Management, Customer Services and support from Grounds Maintenance has resulted in a larger than budgeted recharge.
- 3.22 Mobile phone costs have exceeded the budget by approximately 75% in year. This has been subject to a separate investigation and reported to the Audit Sub-Committee.

3.23 Professional fees have been higher than budget, details of which are covered in the following table:

	£'000
Lower External Audit Fee	25
Democratic and Elected Members Underspend	7
Housing Strategy Underspend	4
Support with Software Upgrade	-5
NNDR Rateable Value Finder Fee	-15
Legal Fees	-15
Support with GDPR and Fraud	-16
Tree Inspections and Play Facility Audit	-24
	-39

3.24 Accounting adjustments are made as part of the year-end process and in line with Accounting Standards. The main adjustments are for growth which has been earmarked in line with approval from this Committee, earmarked capital contributions also approved by this Committee, Minimum Revenue and Voluntary Revenue provisions as reported within the MTFP plus the reversal of depreciation and revaluation adjustments.

Retained Business Rates

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

	£
Precept Payments	10,718,262
Tariff paid to Derby City Council	-6,524,883
Pool Contribution	-594,000
Surplus	423,781
Business Rates Reliefs	1,492,080
Retained Business Rates	5,515,240
Reversal of Current Year Surplus	-423,781
Declared Deficit	-293,538
General Fund Receipt	4,797,921

3.26 Business rates generated a surplus in 2019/20, of which the Council's share was approximately £424k as shown in the previous table. This was due to a reduction in the appeals provision and bad debt provision plus greater growth than budgeted; *this is detailed later in the report from paragraph 3.43.*

Provision for Bad Debts

3.27 Under accounting regulations, the Council has to provide for debts that may become uncollectable and which may need to be written-off. Provisions are based on a calculation that considers the risk of a debt becoming uncollectable.

3.28 The provisions made in 2019/20 and charged against the General Fund are shown in the following table.

Sundry Debtors	£74,617
Temporary Accommodation	£5,458
Housing Benefit Overpayments	£72,406
Total	£152,481

3.29 The total contribution of £152,481, as shown in the above table, was greater than that budgeted of £100,000.

3.30 Sundry Debt has increased in year due to a higher level of S106 invoices outstanding with Developers. These debts are being actively chased but the impact of COVID-19 has caused issues regarding contact with Developers and customer cash flow. This is being closely monitored.

Temporary Accommodation - Bed and Breakfast Charges

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

3.32 The Council is responsible for pursuing recovery of the amount owed and this is generally difficult.

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

Housing Benefit Overpayments

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

Net Cost of Housing Benefit

3.35 The cost of Housing Benefits decreased overall by £110k as shown in the following table.

	Actual £'000	Estimate £'000	Variance £'000
Rent Allowances Paid	8,588	10,085	1,497
Rent Allowances Subsidy	-8,459	-9,782	-1,323
Net Cost of Rent Allowances	129	303	174

Rent Rebates Paid	5,532	6,105	573
Rent Rebates Subsidy	-5,365	-6,045	-680
Net Cost of Rent Rebates	167	60	-107

Net Cost of Benefits Paid	296	363	67
Overpayments Recovered (Rent Allowances)	-238	-195	43

Overall Cost of Housing Benefit	58	168	110
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3.36 The cost of benefits falling on the Council is sensitive to small changes given the amount involved. It is important that the Council maximises its subsidy through robust processing. The total cost of benefits paid and administered was approximately £14m in 2019/20.

3.37 The previous table shows that the net cost of benefits paid was approximately £67k less than that estimated. Overpayments recovered were budgeted at £195k against an actual recovery of £238k. Any overpayments recovered are a direct benefit to the General Fund.

Transfers between Reserves

3.40 Numerous transfers are required between the General Reserve and other Reserves held by the Council as part of the year-end process. These transfers are split between expenditure that is incurred and financed from earmarked reserves, together with amounts received in advance and capital receipts, which need to be transferred into earmarked reserves to meet future expenditure.

3.41 In addition, certain budget managers have made requests to transfer underspends from budgets in the year into 2020/21, to meet on-going commitments. Several of these have already been approved by the Committee. All proposed transfers are detailed in the following table.

Transfers from General Reserve to other Usable Reserves	£'000
S106 movement in year	2,464
District Growth	581
Vehicle Replacement Fund	59
Planning - additional 20% fee receipt unspent	58
Business Change - revenue contribution	52
Welfare Reform, Fraud and Compliance	42
Planning - future Local Plan provision	36
Government Funding - EU Exit	35
ICT Strategy Contribution due to under spend	29
Health Partnership contribution	27
Homelessness Prevention	19
Transfer of turnover share from Rosliston Forestry Centre Café	17
Planning - Government grant for future resource cover	15
Get Active in the Forest contribution	13
Safer Communities	11
Corporate training under spend	10
Environmental Education	7
New Town Centre reserve top up	5
	3,480

Transfers from other Usable Reserves to the General Reserve		£'000
Electoral Registration		-4
Building Control transition costs		-6
Pensions reserve draw down		-8
Youth Engagement - draw down for service delivery		-20
Operational Services Public Open Spaces draw down		-26
Cultural Services Public Open Spaces draw down		-68
Garden Village - Government funding drawdown by Derby City		-86
Public Buildings repairs in year		-129
		-347
		3,133
Accounting Adjustments between General and other Reserves		
Transfer of pension deficit adjustments to Pension Reserve		-2,237
Accounting Adjustments transferred to Unusable Reserves		-418
Transfer of land sales to Capital Receipts and Deferred Capital Receipts Reserve		1,956
		-699
TOTAL ADJUSTMENTS		2,434

3.42 **Appendix 4** details the proposed adjustments to Earmarked Reserves. The overall effect on the General Reserve following the surplus on the General Fund, together with these transfers to other Reserves is detailed in Section 5.

THE COLLECTION FUND

3.43 The Collection Fund is the statutory account that records the collection of Council Tax and Business Rates and shows how that income has been distributed to the Government and other Preceptors on the Fund, including this Council.

3.44 During the year, Council Tax and Business Rates performed better than estimated, mainly due to growth of the District and reductions in provisions. The final outturn on the Fund for 2019/20 is detailed in **Appendix 2**.

Council Tax collectable

3.45 Overall collection generated a surplus in the year of £2.49m. This maintained a cumulative fund balance of £3.31m as at 31st March 2020 – an increase of £1.84m compared to that estimated. This was mainly due to an increase in Council Tax collectable from a greater number of properties compared to that estimated plus a reduction in the bad debt provision.

3.46 The amount due to South Derbyshire is approximately £342k (10.3% of £3,310k). This amount remains in the Collection Fund pending the 2020/21 budget round, when the surplus on the Fund has to be declared in setting the Council Tax for the following year. Depending on the on-going performance of Council Tax, at this point any surplus due to the General Fund will be included in the MTFP.

Business Rates

3.47 As highlighted earlier in the report, this part of the Fund generated a surplus in 2019/20 of £1,059k, compared to an estimated deficit of £1k. This was due to a

release of the appeals provision plus a slightly higher level of chargeable Businesses than originally forecast.

Business Rates Appeals

- 3.48 Under accounting regulations, the Council has to provide against a certain amount of appeals being successful.
- 3.49 During 2019/20, the majority of the appeals dating back to 2010 have now been settled. The provision made against these appeals was higher than required and has therefore resulted in a release of part of the provision.
- 3.50 The provision for appeals bought forward from 2018/19 was £1.98m. This was reduced to £1.74m after a review of the remaining outstanding appeals on file.

4.0 HOUSING REVENUE ACCOUNT (HRA)

- 4.1 The Council is required to account separately for income and expenditure in providing Council Housing. The approved HRA Budget for 2019/20 was set with a surplus of £193k.
- 4.2 This surplus was revised to a reduced surplus of £136k in February 2020, following a review of capital expenditure for major repairs. At the end of the third quarter, the surplus was projected to be higher at £403k.

Final Outturn 2019/20

- 4.3 Final performance on the HRA is shown in the following table.

HRA SURPLUS 2019/20			
	BUDGET	ACTUAL	VARIANCE
	£000	£000	£000
Total Income	-12,414	-12,337	-77
Contribution to Capital & New Build	3,188	2,572	616
Responsive & Planned Maintenance	3,162	2,788	374
Interest on Debt and Investments	1,713	1,393	320
Supervision & Management	1,817	1,764	53
Supported Housing & Careline Services	829	810	19
Provision for Bad Debts	100	136	-36
Provision for Debt Repayment	1,424	1,424	0
Asset Replacement Contribution	45	45	0
ICT Reserve contribution	0	66	-66
Accounting Adjustments	0	-2	2
Surplus	-136	-1,341	1,205

- 4.4 The table shows that the HRA generated a surplus greater than that estimated, and there were some more significant variances within the overall variance figure of £1,205k as shown in the above table.

- 4.5 A number of these variances were known but not to the full extent realised and were reported to the Committee as part of the final monitoring report earlier in July.

- 4.6 Interest on debt was lower due to the interest rate on the variable element of the debt portfolio (£10m) having been settled at 0.75% compared to that budgeted of 2.50%. Interest received from investments was also significantly higher than budgeted due to the Council having more funds on deposit than in previous years as noted earlier in the report.

Other Variances

- 4.7 The main favourable variances related to supervision and management and repairs and maintenance. There were savings made in year on vacancies (£354k) and training (£17k) but these were more than offset by agency costs (£408k) to support services.
- 4.8 Due to the delayed start to appointment of a contractor, repairs and maintenance were significantly underspent in year. It is likely that the delay due to COVID-19 at the start of 2020/21 will mean the HRA will also underspend again. The underspend totalled £490k.
- 4.9 Capital expenditure in year was lower than budgeted. The contribution to capital from revenue resources is a statutory requirement through a depreciation charge. Depreciation charged to revenue is then reversed in reserves but can only be used to fund capital items. In year, the depreciation was lower than initially forecast due to a smaller movement than expected on revaluation of dwellings. An additional contribution of £700k has also been made to fund future capital projects.
- 4.10 Rental income was lower in year due to void properties and Right to Buy losses. Both will continue to be a risk to the HRA going forward, although it is hoped that losses from void properties will fall due to the start of a contractor and the initial impact of lockdown due to COVID-19 starting to soften.
- 4.11 A contribution of £66k is proposed to the HRA ICT Reserve to set-aside sums for future upgrades and mobile working.
- 4.12 As noted earlier in the report, the recharge from the General Fund to the HRA was higher by £78k in year.
- 4.13 The provision for bad debts is based on the level of rent arrears at each year-end. The level of arrears and associated bad debts provision is shown in the following table.

	2018	2019	2020
Debt outstanding	£	£	£
Leaseholders	1,706	6,071	3,804
Current Tenants	255,424	300,512	435,928
Former Tenants	129,389	100,527	114,849
	386,519	407,110	554,581
Bad debt provision	234,127	251,240	369,067

- 4.14 The level of arrears has increased by £147k in the year. The bad debt provision required has increased from £251k to £369k, with an increase of £136k after write-offs (compared to an estimate of £100k) required as shown in the following table.

	£
Bad debt provision b/fwd	251,240
Less write-offs in 2018/19	-18,253
Remaining provision	232,987
Provision required	369,067
Top-up required to HRA	136,080

4.15 Universal credit is starting to show an impact on arrears and the Housing team are working with tenants and monitoring the arrears position closely.

4.16 Overall, the effect of the HRA surplus on the HRA's General Reserve is detailed in **Section 5**.

5.0 **RESERVES**

General Fund Reserve

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

General Fund Reserve	Budget £'000	Actual £'000	Variance £'000
Balance b/fwd 1st April 2019	-10,426	-10,426	0
Prior Period Adjustment to 2018/19 Surplus	0	-1,361	-1,361
Add: Deficit / (Surplus) for year as reported in Statement of Accounts	263	-3,990	-4,253
Add: Asset Replacement and Renewal Fund Contribution	400	400	0
Add: ICT and Digital Strategy Contribution	210	210	0
Add: Funding for Capital Projects	592	127	-465
Add: Accumulated Absences Adjustment	0	1	1
Transfer to Earmarked, Capital and Unusable Reserves	0	2,434	2,434
Closing Balance as at 31st March 2020	-8,961	-12,605	-3,644

5.2 The table shows that the level of general reserves was greater than estimated at March 2020 by around £3.64m, after allowing for the transfers in reserves of £2.4m as detailed in Section 3 of the report. This improved position is due to a better out turn as detailed in Section 3 plus an update to the final surplus position reported in 2018/19. The above balance is still subject to audit.

5.3 A review of Housing Benefit Overpayments has been undertaken and a Debtor has been created in the Financial Management System of £1.7m for revenue unrecognised in previous years. The bad debt provision has also been increased by £0.4m to bring the total General Fund increase to £1.3m. This is a one-off event and will cover potential future year increases on bad det provision.

5.4 The contributions towards capital works that were unspent in year will be maintained in the Reserve. They will be drawn down as expenditure is incurred to complete the relevant schemes in 2020/21.

Earmarked Reserves

- 5.5 The Council maintains earmarked reserves that are held, at the Council's discretion, for specific purposes. These are to meet one-off items of expenditure, together with areas where costs are incurred over several years, for example, vehicle and ICT replacements together with repairs and maintenance and where external funding may be received in advance of expenditure.
- 5.6 Annual contributions are made to these reserves from other accounts and reserves and they are drawn-down to finance expenditure in revenue and capital accounts as required.
- 5.7 Once established, earmarked reserves can only be used for that specific purpose. Other reserves may be established through a legal agreement or contractual commitment.
- 5.8 The Council's earmarked reserves are detailed in **Appendix 3**. This shows the overall change on individual balances during 2019/20, including the appropriations detailed earlier in the report in Section 3.

Housing Revenue Account (HRA) Reserve

- 5.9 Section 4 detailed the final account of the HRA, and this highlighted a surplus for 2019/20 of £1.34m.
- 5.10 The HRA reserve balance totals £7.06m as at 31st March 2020. This is £1.21m higher than estimated - mainly due to the lower overall expenditure in 2019/20.
- 5.11 The reserve balance is shown in the following table.

	Budget £'000	Actual £'000	Variance £'000
HRA General Reserve			
Balance b/fwd 1st April 2019	-6,919	-6,919	0
Add: Surplus for year	-136	-1,813	-1,677
Transfer to Earmarked, Capital and Unusable Reserves	0	474	474
Less: Accumulated Absences Adjustment	0	-2	-2
Closing Balance as at 31st March 2020	-7,055	-8,260	-1,205

7.0 Financial Implications

- 7.1 As set out and detailed in the report.

8.0 Corporate Implications

- 8.1 As detailed in the report.

9.0 Community Implications

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

10.0 Background Papers

- 10.1 None

GENERAL FUND OUTTURN 2019/20 - APPENDIX 1

COST CENTRE		ACTUAL	BUDGET	VARIANCE TO BUDGET	DETAIL
ACG00	Emergency Planning	21,305	16,000	-5,305	Flooding
ACL00	Local Land Charges	-4,824	21,017	25,841	Fav salaries £56k, income £10k, comp main £4k; adv support £44k
CCE00	Grounds Maintenance	511,683	611,680	99,998	Fav salaries £60k, HRA recharge £31k training £9k, fees £7k; adv materials £5k, dep'n £2k
CCE10	Countryside Recreation & Management	13,909	13,944	36	
CCF00	Tourism Policy, Marketing & Development	59,903	59,903	0	
CEE00	Food Safety	70,883	78,225	7,343	Fav salaries £18k, fee income £44k; adv agency & consultancy £55k
CEE10	Pollution Reduction	286,695	289,151	2,456	Fav salaries £4k, income £6k; adv training £3k, prof fees £4k
CEE50	Pest Control	8,849	14,445	5,596	Fav salaries £7k; adv income £2k
CEE60	Public Health	-3,232	200	3,432	Fav County contribution
CEE70	Licensing	-14,339	6,405	20,744	Fav Salaries £12k, fee income £8k, prof fees £4k; adv training £3k
CEE80	Public Conveniences	56,627	49,747	-6,880	Fav prior year accrual release for grant pays £13k; adv dep'n £20k
CEH00	Community Safety (Safety Services)	174,062	161,314	-12,748	Fav salaries £5k, fees £4k, training £1k; adv Animal Welfare Act £23k
CES00	Street Cleansing (not chargeable to highways)	329,763	349,738	19,976	Fav vehicle hire £12k, fees £10k; adv materials £2k
CEW00	Household Waste Collection	1,590,230	1,473,548	-116,682	Fav salaries £69k, extra collections £11k, County income £49k; adv agency £173k, dep'n £73k
CEW10	Trade Waste Collection	-132,981	-98,663	34,318	Fav insurance £13k, fee income £32k; adv waste disposal £11k
CEW20	Recycling	361,899	371,936	10,037	Fav County income £53k; adv recycling collection income £5k, waste disposal £38k
CEW50	Operational Services Central Admin	167,446	166,565	-881	Adv salaries
CPB00	Building Regulations	35,200	35,200	-0	
CPC10	Planning Delivery	48,961	216,753	167,792	Fav salaries £17k, fees £299k; adv agency £79k, training £5k, software upgrade £36k, appeals £28k

CPD10	Planning Policy	281,199	289,570	8,370	Fav salaries £16k; adv training £2k, fee income £6k
CPD30	Business Systems & Information Unit	-38,399	-11,615	26,784	Fav fee income £27k
CPE10	Environmental Education	84,502	79,908	-4,594	Lost income due to COVID
CPH70	Promotion and Marketing of the Area	248,239	248,239	0	
CPL00	Community Development	10,000	10,000	0	
HTK10	Environmental Maintenance (Other Roads)	20,001	20,001	-0	
HTP10	Off-Street Parking	108,856	97,428	-11,428	Adv car parking deficit from prior year £9k, dep'n £2k
KGW00	Welfare Services	-1,430	1,800	3,230	Reimbursement of funeral - staffing costs incurred in other cost centres
NAC60	Public Transport	29,206	28,516	-690	Fav contract cleaning £8k; adv relocation of bus shelter £9k
PSX90	Transport Services	589,094	588,802	-292	Fav salaries £2k, spare parts £8k, fuel £4k; adv insurance £10k, subs £4k

Environmental and Development Services Total **4,913,307** **5,189,760** **276,453**

AAD00	Democratic Representation & Management	77,041	75,882	-1,160	Fav salaries £9k, prof fees £2k, training £1k; adv agency £5k, complaints investigation £5k, HRA recharge £3k
AAM00	Corporate Management	50,947	50,408	-539	
AAM01	Corporate Finance Management	47,549	56,331	8,782	Fav Ex Audit fees £25k; adv GDPR DCC unbudgeted £11k, HRA recharge £6k
ABP00	Funded Pension Schemes	263,503	262,112	-1,391	
ABQ00	Planning Agreements	0	0	0	
ABU00	Increase/Decrease in Provision for Bad Debts	152,480	100,000	-52,480	£5k B&B, £72k benefits, £75k sundry
ACA00	Council Tax Collection	139,142	153,920	14,778	Fav salaries £10k, training £5k, prof fees £3k; adv court fees £3k
ACA40	Non-Domestic Rates Collection	-68,218	-93,000	-24,782	Adv RV finder £18k, Analyse Local unbudgeted £6k
ACD00	Elected Members	294,168	307,188	13,020	Fav Members Allows £4k, tools £2k, training £2k, prof fees £5k, expenses £6k; adv HRA recharge £6k
ACE00	Registration of Electors	53,156	48,647	-4,509	Adv printing £5k
ACE10	Conducting Elections	202,912	284,572	81,660	Fav salaries £28k, General Election fees 2017 £10k, no bi-election £44k
ACT01	Parish Councils	362,429	361,876	-553	
CPH40	Business Change	147,552	147,804	252	

CPH50	Digital Services	54,408	69,699	15,291	Fav salaries £18k; adv agency £3k
HTT00	Concessionary Fares	-870	0	870	
KGF00	Revenues & Benefits Support & Management	32,307	44,901	12,594	Fav salaries £12k
KGL00	Rent Allowances Paid	-109,206	107,535	216,741	Overpays £43k, 3% cost of admin budgeted but actual 1.5%
KGN00	Rent Rebates	167,392	61,049	-106,343	1% cost of admin budgeted, actual £3%
KGP00	Housing Benefits Administration	281,060	297,921	16,861	Fav salaries £12k, training £5k
KGR00	Corporate Fraud	30,314	25,336	-4,978	Adv fraud Derby City £5k
KJE40	Caretaking	82,471	106,624	24,154	Fav salaries £19k, County service chg £17k, void clean £3k; adv agency £6k, HRA recharge £9k
PSX40	Senior Management	470,265	402,168	-68,098	Fav salaries £15k, HRA recharge £18k; adv agency £17k, training £1k, D2N2 £2k, HoS recruitment £81k
PSX50	Reprographic/Print Room	104,453	109,824	5,370	Fav tools £5k, printing £4k; adv postage £1k, HRA recharge £3k
PSX55	Financial Services	330,062	324,750	-5,312	Fav salaries £17k, training £2k; adv agency & recruit £13k, furniture £2k, HRA recharge £9k
PSX56	Internal Audit	107,807	105,703	-2,104	Fav HRA recharge £1k; adv inflation increase not budgeted £3k
PSX57	Merchant Banking Services	69,642	62,701	-6,942	Fav HRA recharges £1k; adv banking charges £8k
PSX60	ICT Support	575,624	560,611	-15,012	Adv mobile phones £15k
PSX65	Legal Services	190,452	250,741	60,289	Fav salaries £142k, fee income £24k, training £2k; adv agency £89k, staff adv £4k, legal fees £15k
PSX74	Performance and Policy	67,458	96,045	28,587	Fav salaries £29k
PSX75	Personnel/HR	256,119	258,149	2,030	Fav salaries £11k; adv agency £9k
PSX76	Communications	87,231	117,480	30,249	Fav salaries £53k, comp main £10k; adv agency £25k, HRA recharges £7k
PSX77	Customer Services	344,901	376,333	31,432	Fav salaries £2k, postage £15k, HRA recharge £23k; adv agency £4k, prof fees £5k
PSX78	Health & Safety	37,150	28,992	-8,158	Fav HRA recharge £3k; adv desks £8k, assessments £3k
PSX81	Admin Offices & Depot	425,353	489,546	64,193	Fav salaries £36k, HRA recharge £38k, trade waste £3k, NNDR £6k, asset reval £39k, dep'n £17k; adv agency & recruit £46k, training £2k, R&M £19k, utilities £8k
PSX85	Estate Management	-777,034	-269,867	507,167	Fav salaries £13k, income £44k, HRA recharge £6k, asset reval £489k; adv agency & recruit £37k, insurance £8k
PSX95	Protective Clothing	22,344	25,000	2,656	Less requirement

PSX96	Procurement	16,806	17,360	554	
W4A00	Interest & Investment Income (GF)	-299,789	-177,755	122,034	Investment income
W6A00	IAS19 Pensions Adjustment (GF)	0	0	-0	
W7A00	External Interest Payable (GF)	257	700	443	
Finance and Management Total		4,289,638	5,247,283	957,645	

ACT00	General Grants, Bequests & Donations	292,500	294,536	2,036	Grants over budgeted
CCA00	Melbourne Assembly Rooms	-4,017	2,390	6,407	Fav repairs £1k, asset reval £5k
CCA10	Arts Development & Support	14,737	15,290	553	
CCA40	Events Management	104,657	134,234	29,578	Fav salaries £24k, fees £1k, events costs £1k, tools £2k, NNDR £2k
CCA50	Midway Community Centre	12,433	13,057	623	Fav fee income £4k, tools £1k; adv utilities £4k
CCA60	Stenson Fields Community Centre	23,808	26,496	2,688	Fav tools £6k; adv salaries £2k, fee income £1k
CCD00	Community Centres	172,609	184,464	11,854	Fav salaries (Hof) £27k; adv training £1k, utilities £2k, furniture reps £4k, dep'n £8k
CCD10	Get Active in the Forest	27,630	27,630	0	
CCD20	Sports Development & Community Recreation	161,759	161,759	-0	
CCD30	Indoor Sports & Recreation Facilities	365,756	338,856	-26,900	Fav utilities £7k, income £17k, asset reval £29k; adv dep'n £80k
CCD40	Outdoor Sports & Recreation Facilities (SSP)	1,047	47	-1,001	
CCD50	Playschemes	19,510	19,510	0	
CCE20	Allotments	-1,838	-2,067	-229	
CCF10	Village Halls	4	163	159	
CCF20	Rosliston Forestry Centre	261,882	223,143	-38,739	Fav r&m £8k, tools & mats £12k, advertising £4k, FC contribution £20k; adv salaries £5k, utilities £3k, laundry £5k, insurance £2k, fees £33k, asset reval £32k, dep'n £3k
CEA00	Cemeteries	15,333	14,962	-371	Fav fee income £16k, prof fees £1k; adv reps £17k
CEA30	Closed Churchyards	7,111	6,271	-840	Adv grounds works
CEE20	Housing Standards	67,753	81,418	13,665	Fav HMO penalty £3k, court fees £3k, enforcement works income £8k
CEG00	Community Safety (Crime Reduction)	133,587	133,587	-0	
CEK00	Defences Against Flooding	47,813	50,684	2,871	HRA recharge
CPH20	Market Undertakings	-5,826	-6,627	-3,798	Adv trade waste £2k, subs £1k, utilities £1k

KGA00	Housing Strategy	83,280	96,182	12,902	Fav salaries £7k, printing £1k, prof fees £3k, other £2k
KGE10	Administration of Renovation & Improvement Grants	54,683	46,682	-8,001	Fav BCF income £14k; adv salaries £16k, agency £6k
KGH10	Bed / Breakfast Accommodation	6,500	6,500	-0	
KGH30	Pre-tenancy Services	178,362	178,362	0	
KGX20	Other Housing Support Costs (GF)	23,450	25,072	1,622	Fav comp main £2k
KJE70	Community Parks & Open Spaces	262,317	195,741	-66,576	Fav salaries £46k, asset reval £3k; adv agency £69k, prof fees £24k, dep'n £23k

Housing and Community Services Total	2,326,838	2,265,345	-61,493
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W2A00	Taxation & non-specific grant income (GF)	-13,577,164	-12,525,045	1,052,119	NNDR reliefs
W3A00	Contingent Sums (GF)	460,883	41,621	-419,262	Accounting adjustments; reversal of depreciation, growth trf and MRP/VRP adjustment
W8A00	Other Operating Income & Expenditure (GF)	768,187	43,627	-724,560	Accounting adjustments; reversal of revaluation, capital adjustments

GENERAL FUND SURPLUS 2019/20	-818,312	262,591	1,080,902
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Collection Fund Account 2019/20

	Actual 2018/19 £'000	Estimate 2019/20 £'000	Actual 2019/20 £'000	Variance 2019/20 £'000
COUNCIL TAX - INCOME & EXPENDITURE				
Council Tax collectable	57,261	61,270	62,162	892
County Council Precept	-41,302	-44,054	-44,054	0
Police and Crime Commissioner Precept	-6,253	-7,213	-7,213	0
Fire and Rescue Authority Precept	-2,427	-2,538	-2,538	0
SDDC Precept	-5,169	-5,405	-5,405	0
SDDC Parish Precepts	-773	-798	-798	0
Bad Debt Provision Movement	-440	-613	337	950
Surplus for the year	897	649	2,491	1,842

COUNCIL TAX BALANCE				
Opening balance as at 1st April	1,422	1,819	1,819	0
Surplus paid to County Council	-367	-733	-733	0
Surplus paid to Police and Crime Commissioner	-56	-112	-112	0
Surplus paid to Fire and Rescue Authority	-22	-45	-45	0
Surplus paid to SDDC	-55	-110	-110	0
Surplus for the year (as detailed above)	897	649	2,491	1,842
Closing balance as at 31st March	1,819	1,468	3,310	1,842

BUSINESS RATES - INCOME & EXPENDITURE				
NNDR collectable	25,225	27,070	27,253	183
Central Government Precept	0	-13,398	-13,398	0
SDDC Precept	-13,338	-10,718	-10,718	0
County Council Precept	-13,071	-2,412	-2,412	0
Fire and Rescue Authority Precept	-267	-268	-268	0
Cost of Collection	-91	-91	-91	0
Transitional Protection Payments	771	705	635	-70
Bad Debt Provision Movement	-250	-242	-183	59
Provision for Appeals	72	-646	241	887
Surplus / Deficit (-) for the year	-949	0	1,059	1,059

BUSINESS RATES BALANCE				
Opening balance as at 1st April	-192	-377	-377	0
Surplus paid to Central Government	382	-285	-285	0
Deficit paid by County Council	306	459	459	0
Deficit paid by Fire and Rescue Authority	69	5	5	0
Deficit paid by SDDC	7	294	294	0
Surplus for the year (as detailed above)	-949	0	1,059	1,059
Closing balance as at 31st March	-377	96	1,155	1,059

List of Earmarked Reserves 2019/20

Specific Grants/Earmarked Reserves	Balance b/fwd April 2019 £	Movement 2019/20 £	Balance c/fwd March 2020 £
Homelessness Prevention	248,735	19,059	267,794
Schools Sport Partnership Project	228,469	27,480	255,949
Rosliston Forestry Centre - Capital Works	149,620	-24,330	125,290
Rosliston Forestry Centre - Café Reserve	23,080	17,493	40,573
IT Reserve	461,842	-12,436	449,406
Local Plan - Consultation and Implementation	108,904	36,329	145,233
Operational Services Public Open Space	0	146,906	146,906
Vehicle, Plant and Replacement Fund (including HRA)	134,289	217,796	352,085
Environmental Education	9,709	6,705	16,414
Dilapidation Works - Factory Site as per Lease Agreement	10,869	0	10,869
Heritage Lottery Grants	18,000	-18,000	0
New Town Centre Project Fund	38,521	5,196	43,717
Electoral Registration	4,058	-4,058	-0
Planning - Staffing and Support Costs	123,775	15,000	138,775
Planning - 20% Fee Increase	33,048	57,550	90,598
Software upgrades to GIS/LLPG	9,000	0	9,000
Pensions Reserve	138,769	-8,481	130,288
Corporate Training	53,035	10,000	63,035
Welfare Reform, Fraud & Compliance	249,447	42,420	291,867
District Growth	985,000	136,759	1,121,759
Business Change and Transformation	0	52,000	52,000
Garden Village Fund	163,570	-85,716	77,854
EU Exit Funding	17,484	34,968	52,452
Economic Regeneration Fund	1,000,000	0	1,000,000
Building Control Transition	20,000	-6,291	13,709
Public Buildings Maintenance	130,059	121,404	251,463
Asset Replacement and Renewal Fund	130,000	64,316	194,316
Cultural Services Public Open Space	0	412,775	412,775
Parks Improvement Fund	16,071	0	16,071
Finance Staffing and Resource Costs	30,000	0	30,000
District Conservation Works	10,000	0	10,000
HRA Software Upgrade	120,955	65,566	186,521
Swadlincote Woodlands - S106	50,774	-10,825	39,949
South Derbyshire Partnership Reserve	4,237	380	4,617
Community Safety and Crime Reduction	351,691	10,769	362,460
Young People's Cultural Partnership / Arts Development	7,306	0	7,306
Public Open Space - Commuted Sums	1,140,441	-653,746	486,695
Youth Engagement Partnership	603,638	-19,609	584,029
Get Active in the Forest Partnership	60,528	12,895	73,423
Maurice Lea Park NHLF Grant	23,012	0	23,012
Tetron Point Storm Water Basin - S106 UK Coal	53,012	0	53,012
Total	6,960,947	670,274	7,631,221
Section 106 - Earmarked Funds	8,118,871	2,200,668	10,319,539
TOTAL EARMARKED/SPECIFIC RESERVES	15,079,818	2,870,942	17,950,760

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 8
DATE OF MEETING:	30th JULY 2020	CATEGORY: DELEGATED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	VICKI SUMMERFIELD 01283 595939 Victoria.summerfield@southderbyshire.gov.uk	DOC: s/finance/committee/2019-20/July/outturn
SUBJECT:	FINAL CAPITAL OUTTURN 2019/20	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM08

1.0 Recommendations

- 1.1 To approve the final Capital outturn position for both the General Fund and Housing Revenue Account (HRA).
- 1.2 To approve the final balance on Capital Reserves for 2019/20.

2.0 Purpose of the Report

- 2.1 To detail the final outturn position for 2019/20 on the Council's capital accounts.
- 2.2 This report is divided into the following sections:
 - Section 3 – General Fund and HRA Capital 2019/20
 - Section 4 – Capital Reserves

3.0 Detail

- 3.1 The Council's capital programme consists of many different projects covering both the General Fund and HRA.
- 3.2 General Fund projects are developed in line with strategies reported to policy committees and are funded through Section 106 developer contributions, General Fund contributions, grant income and capital receipts generated from asset sales.
- 3.3 HRA projects are mainly for refurbishment of council houses, disabled adaptations to council housing and new build and are funded by HRA reserves plus grant income.
- 3.4 The capital budget for 2019/20 was approved in February 2019 and was updated following the outturn for 2018/19 to reflect the carry forward of income and

expenditure for incomplete projects. Additional budgets have also been included on the HRA for property acquisitions reported separately.

- 3.5 Outturn for the year on capital projects and the total financing of all the projects is summarised in the following tables. A detailed list of the projects is attached in Appendix 1.

	Budget £	Actual £	Variance £
Council House Improvements	3,088,000	1,860,791	-1,227,209
Council New Build and Acquisition	1,647,367	1,397,960	-249,407
Private Sector Housing Renewal	998,478	372,132	-626,346
Community Services	322,601	197,823	-124,778
Environmental Development	42,007	59,472	17,465
Property, Plant and Equipment	1,457,917	831,771	-626,146
Total spending	7,556,370	4,719,949	-2,836,421

	Budget £	Actual £	Variance £
Capital Resources	4,524,321	2,976,380	-1,547,941
External Grants and Contributions	990,781	533,717	-457,064
General and Earmarked Reserves	1,750,471	919,055	-831,416
S106 Contributions	290,797	290,797	0
Total funding	7,556,370	4,719,949	-2,836,421

HRA Capital

- 3.6 Major refurbishment works to Council housing was delayed initially due to the delay in appointing a new contractor, but works have progressed well during the year. The delay to the contract start was not due to the appointed contractor but a challenge from the former contractor which delayed the signing of the new contract. An underspend was expected against the budget and this will be carried forward into 2020/21.
- 3.7 Disabled adaptations of Council housing are lower than budget due to the delay appointing a contractor. The underspend will be carried forward to enable additional works in 2020/21.
- 3.8 The budget for new build and acquisition schemes consists of the construction of properties at Lullington Road, Overseal and acquisition of properties in Repton, Newhall and Aston.
- 3.9 Seven properties were acquired in Aston and are all occupied.
- 3.10 The properties in Repton and Newhall are due to be transferred to the Council during 2020/21 therefore the budget for 2019/20 only includes a deposit at this stage.

- 3.11 New build properties in Overseal are now complete and are fully let. Due to the delay with completion, additional costs have been incurred and the project has exceeded the budget by £89k. The additional cost can be covered by the capital receipts reserve and there are specific revenue budgets within the HRA for professional fees in relation to new build.

General Fund Capital

Private Sector Housing Works

- 3.12 There are several projects included within this area, one of which is Disabled Facility Grants (DFG). Expenditure on DFG has been consistently lower than the allocated budget of £400k for several years.
- 3.13 A list of new projects was reported to this Committee in November and this report gave a three-year projection on expected spend. A number of these projects are not expected to be rolled out until 2020/21 due to project planning and recruitment and therefore a large carry forward of £1,606,172 has been made during the year-end process.

Swadlincote Heritage Opportunities Project

- 3.14 A small budget was carried forward from 2018/19 and although the budget was overspent, most of the expenditure incurred has been claimed from the Heritage Lottery Fund (HLF) with the remainder being funded from a specific earmarked reserve.

Leisure and Community Schemes

- 3.15 The Community Partnership Scheme has all the funding committed to specific projects, but the funding is still to be drawn down from the Council.
- 3.16 Match funding has been secured for the Swadlincote Woodlands Nature Reserve and the project has been completed during 2019/20.
- 3.17 The capital element of the Eureka Park project is now complete and final funding has been drawn down from S106.
- 3.18 Melbourne Sports Park drainage works are still in the early stages. A tender for works has been completed and an award to the appointed contractor is under review.
- 3.19 CCTV at Rosliston has been installed due to security concerns after a break in at the site. A flail mower has also been purchased for Rosliston. Both are to be financed through an earmarked reserve set up specifically for works at Rosliston.

Vehicle Replacements

- 3.20 The scheduled replacements in 2019/20 are for new road sweepers, additional vans for Grounds Maintenance, a refuse freighter and a bulky waste vehicle. The road sweepers and refuse freighter have now been purchased with the remaining vehicles scheduled for delivery in 2020/21.

Asset Disposals and Refurbishment

- 3.21 Costs associated with the sale of land at Oversetts Road will be funded by the capital receipt once received and costs associated with the sale of the former Depot site is covered by the deposit of £45k already received. Disposal costs in relation to transfer of Overseal Public Toilets of £16k does not have an allocated budget but was previously approved by this Committee to be funded through the General Fund.
- 3.22 A General Fund contribution of £130k is set-aside each year to fund refurbishment and maintenance of Public Buildings. Due to a tender exercise no works were scheduled during 2018/19. A contractor has now been appointed and a works programme will run alongside scheduled capital works on HRA Council dwellings. To-date works on Rink Drive have been undertaken.
- 3.23 Costs have been incurred in year on the new Community Centre at Stenson (£2k), Walton Village Hall (£2k) and the proposed extension at Midway Community Centre (£5k). Professional fees have been incurred for the proposed Pavilion at Oversetts Road. The costs of the fees can be covered from the capital receipt generated in year from sale of the land off Oversetts Road.

IT Strategy

- 3.24 Following approval of an IT Strategy, sums are being set-aside annually to fund new equipment and software.
- 3.25 A number of separate tender exercises have been undertaken during 2018/19 and the early part of 2019/20 and an equipment replacement programme is currently being rolled out across the Council.
- 3.26 The allocated budget was not expected to be spent in year and the underspend has been carried forward for use in future years.

4.0 Capital Reserves

- 4.1 The capital reserve balances for the General Fund and HRA as at the 31st March 2020 are listed below.

	£
New Build and Acquisition Reserve	2,212,826
Major Repairs Reserve	4,190,187
Debt Repayment Reserve	6,470,000
HRA Capital Reserves	12,873,013
Capital Receipts Reserve	1,436,172
General Fund Capital Reserves	1,436,172
Total Capital Reserves	<u>14,309,185</u>

HRA Capital Reserves

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

3.28 Right to Buy sales have totalled 16 as at 31st March 2020 and £695,949 is included in the New Build and Acquisition Reserve above and is summarised in the following table.

	Sales £	Gross Receipts £	Less Pooled £	Retained	
				£	%
Quarter 1	4	206,640	-77,900	128,740	62%
Quarter 2	6	305,513	-77,900	227,613	75%
Quarter 3	3	233,315	-77,900	155,415	67%
Quarter 3	3	262,081	-77,900	184,181	70%
Total	16	1,007,549	-311,599	695,949	69%

3.29 One of the dwellings sold in February is part of the Council's new build development in Linton, built in 2016/17.

3.30 Two former Council dwellings were purchased back during the year and a discount of £52,129. This has been transferred into the New Build and Acquisition Reserve.

3.31 Any underspends on the HRA capital programme are transferred to the Major Repairs Reserve at year-end and the balance is to be utilised in future years as the new schedule for capital works is implemented. A draw down will not be required in year the reserve has been topped up during the year.

3.32 Currently the HRA has debt of £57.4m to be repaid to the Public Works Loan Board at specific dates over a 20-year period because of self-financing.

3.33 The profile of debt repayment is listed in the following table.

Date due	£
28-Mar-22	10,000,000
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
	<u>57,423,000</u>

3.34 Sums are being set-aside each year for the scheduled repayments and are included in the HRA MTFP.

General Fund Capital Reserves

3.35 The Capital Receipts Reserve is made up of asset sales in recent years and there are a few remaining projects to be funded from the balance as listed in the table. Included within the total reserve is the overage payment received from Chestnut Avenue, Midway.

3.36 A sum of £820,162 has been received during 2019/20 to build a community facility at Oversetts Road. £570,000 of this receipt was negotiated under a S106 agreement

and therefore is not included within the Capital Receipts reserve. The remaining balance has been separated below as it is to be utilised for this specific project.

	£ 2019/20	£ 2020/21	£ 2021/22	£ 2022/23	£ 2023/24	£ 2024/25
General Capital Receipts B/fwd	334,736	473,497	1,790,765	2,587,415	2,587,415	2,587,415
Receipts in Year:						
Land Sale Bridge Street, Castle Gresley	15,552	0	0	0	0	0
Additional Receipt for Land at Staley Close	2,500					
Sale of former Depot Site	45,000	855,000	0	0	0	0
Land Sale Oversetts Road	143,735	705,000	796,650	0	0	0
Specific Projects:						
Strategic Housing Market Assessment	-15,878	0	0	0	0	-50,000
Private Sector Stock Condition Survey	0	-60,000	0	0	0	0
Empty Property Grants	-4,000	-38,000	0	0	0	0
Repairs to Village Halls	-2,375	-6,700	0	0	0	0
Public Buildings Planned Maintenance	0	-58,032	0	0	0	0
Costs of Land Sales	-45,773	-80,000	0	0	0	0
Remaining Balance	473,497	1,790,765	2,587,415	2,587,415	2,587,415	2,537,415
Specific Receipts for Specific Projects						
B/fwd Balance	0	962,675	962,675	962,675	962,675	962,675
Overage Payment	738,599	0	0	0	0	0
Oversetts Project Payment	250,162	0	0	0	0	0
Midway Community Centre Costs	-4,587	0	0	0	0	0
Oversetts Professional Fees	-21,499	0	0	0	0	0
C/fwd Balance	962,675	962,675	962,675	962,675	962,675	962,675
Total Capital Receipts Reserve Balance	1,436,172	2,753,440	3,550,090	3,550,090	3,550,090	3,500,090

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

4.0 Financial Implications

4.1 Detailed in the report.

5.0 Corporate Implications

5.1 None directly.

6.0 Community Impact

6.1 None directly.

CAPITAL EXPENDITURE AND FINANCING 2019/20

	Budget £	Actual £	Variance £
Major Improvements under Self-financing	2,788,000	1,636,315	-1,151,685
Council New Build Programme plus Acquisitions	1,647,367	1,397,960	-249,407
Major Disabled Facilities Grant (Council Houses MRA)	300,000	224,476	-75,524
COUNCIL HOUSE IMPROVEMENTS	4,735,367	3,258,751	-1,476,616
Disabled Facility Grants and other Works	400,000	261,682	-138,318
Discretionary Top-up Grants for under 18's	50,000	0	-50,000
Healthy Homes Project	80,000	30,128	-49,872
Establishing a Hospital to Home Scheme	100,000	0	-100,000
Dedicated Mental Health Worker	40,000	26,814	-13,186
Additional Technical Officer	40,000	27,656	-12,344
Countrywide Stock Modelling Report	5,600	5,600	0
Empty Property Grants	42,000	4,000	-38,000
Relocation Grant	50,000	0	-50,000
Dementia Friendly Homes Grant	5,000	0	-5,000
Hospital Discharge Grant	10,000	0	-10,000
Healthy Homes Assistance Fund	100,000	374	-99,626
Stay Active and Independent for Longer	60,000	0	-60,000
Strategic Housing Market Assessment	15,878	15,878	0
PRIVATE SECTOR HOUSING RENEWAL	998,478	372,132	-626,346
Community Partnership Scheme	239,005	113,310	-125,695
Eureka Park Community Programme	12,797	12,797	0
Swadlincote Woodlands Nature Reserve	37,000	33,388	-3,612
Melbourne Sports Park	33,799	13,998	-19,801
CCTV Rosliston	0	13,580	13,580
Flail Mower, Rosliston	0	10,750	10,750
COMMUNITY SERVICES	322,601	197,823	-124,778
Swadlincote Heritage Opportunities project	42,007	59,472	17,465
ENVIRONMENTAL AND DEVELOPMENT SERVICES	42,007	59,472	17,465
Vehicle Replacements	517,000	354,029	-162,971
Town Centre Regeneration	0	21,694	21,694
IT Strategy	671,842	298,380	-373,462
Property Maintenance and Refurbishment	260,000	65,684	-194,316
Overseal Toilets	0	16,000	16,000
Sale of Former Depot	0	43,273	43,273
Oversetts Road Community Facility Project	0	23,628	23,628
Midway Community Centre Extension	0	4,587	4,587
Stenson Fields Community Centre	0	2,121	2,121
Repairs to Village Halls	9,075	2,375	-6,700

PROPERTY and OTHER ASSETS	1,457,917	831,771	-626,146
TOTAL EXPENDITURE	7,556,370	4,719,949	-2,836,421

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 9
DATE OF MEETING:	30th JULY 2020	CATEGORY: RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	VICKI SUMMERFIELD Victoria.summerfield@southderbyshire.gov.uk	DOC: s/finance/committee/1920/july/tm reports
SUBJECT:	TREASURY MANAGEMENT ANNUAL REPORT 2019/20	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

- 1.1 The Treasury Management Annual Report for 2019/20 is approved.
- 1.2 The Prudential Indicators and Limits for 2020/21 to 2024/25 as approved in February 2020 are noted.
- 1.3 The updated counterparty (lending) list as at 4th June 2020 is approved.

2.0 Purpose of the Report

- 2.1 To detail the Council's Treasury Management activities for 2019/20 as set out in the Annual Report.
- 2.2 In addition, the report also confirms the Prudential Indicators for treasury operations for 2019/20 and the medium-term financial planning period, 2020/21 to 2024/25. This is in accordance with the requirements of the Local Government Act 2003, updated for provisions contained in the Localism Act 2011.

3.0 Summary

The Prudential System for Capital Finance

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

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

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

- 3.2 Treasury operations are measured within a set of prudential indicators. The main purpose of these indicators is to provide the limits and benchmarks to control the level of capital expenditure, borrowing and investment. The Council is expected to operate comfortably within these limits.
- 3.3 The Prudential System allows councils the freedom to borrow on a prudential basis. Any new borrowing has to be accommodated within any maximum debt limits or caps set by Central Government and the Council has to demonstrate that it can afford to service and repay the debt within its financial plans.
- 3.4 The Chartered Institute of Public Finance (CIPFA) published new versions of its Treasury Management in the Public Services: Code of Practice and Cross-sectoral Guidance Notes (TM Code) and The Prudential Code for Capital Finance in Local Authorities (Prudential Code) in late December 2017. This applied from April 2018 and will inform the strategy for 2019/20 onwards.

The Treasury Management Strategy

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

Prudential Indicators

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

4.0 Financial Implications

- 4.1 As detailed in the report.

5.0 Corporate Implications

- 5.1 None directly

6.0 Community Implications

- 6.1 None directly

7.0 Background Papers

- 7.1 Treasury Management in Public Services and the Code of Practice (CIPFA Publication – November 2011)
- 7.2 Local Government Act 2003 (Part 1)



South Derbyshire District Council

Treasury Management Annual Report 2019/20

Introduction

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

The Authority's treasury management strategy for 2019/20 was approved at a meeting of the Authority on 14th February 2019. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Authority's treasury management strategy.

The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Authority's Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 17th January 2019.

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

External Context

Economic commentary (as at 24th April 2020)

Economic background: The UK's exit from the European Union and future trading arrangements had remained one of major influences on the UK economy and sentiment during 2019/20. The 29th March 2019 Brexit deadline was extended to 12th April, then to 31st October and finally to 31st January 2020. Politics played a major role in financial markets over the period as the UK's tenuous progress negotiating its exit from the European Union together with its future trading arrangements drove volatility, particularly in foreign exchange markets. The outcome of December's General Election removed a lot of the uncertainty and looked set to provide a 'bounce' to confidence and activity.

The headline rate of UK Consumer Price Inflation UK Consumer Price Inflation fell to 1.7% y/y in February, below the Bank of England's target of 2%. Labour market data remained positive. The ILO unemployment rate was 3.9% in the three months to January 2020 while the employment rate hit a record high of 76.5%. The average annual growth rate for pay excluding bonuses was 3.1% in January 2020 and the same when bonuses were included, providing some evidence that a shortage of labour had been supporting wages.

GDP growth in Q4 2019 was reported as flat by the Office for National Statistics and service sector growth slowed and production and construction activity contracted on the back of what at the time were concerns over the impact of global trade tensions on economic activity. The annual rate of GDP growth remained below-trend at 1.1%.

Then coronavirus swiftly changed everything. COVID-19, which had first appeared in China in December 2019, started spreading across the globe causing plummeting sentiment and falls in financial markets not seen since the Global Financial Crisis as part of a flight to quality into sovereign debt and other perceived 'safe' assets.

In response to the spread of the virus and sharp increase in those infected, the government enforced lockdowns, central banks and governments around the world cut interest rates and introduced massive

stimulus packages in an attempt to reduce some of the negative economic impact to domestic and global growth.

The Bank of England, which had held policy rates steady at 0.75% through most of 2019/20, moved in March to cut rates to 0.25% from 0.75% and then swiftly thereafter brought them down further to the record low of 0.1%. In conjunction with these cuts, the UK government introduced a number of measures to help businesses and households impacted by a series of ever-tightening social restrictions, culminating in pretty much the entire lockdown of the UK.

The US economy grew at an annualised rate of 2.1% in Q4 2019. After escalating trade wars and a protracted standoff, the signing of Phase 1 of the trade agreement between the US and China in January was initially positive for both economies, but COVID-19 severely impacted sentiment and production in both countries. Against a slowing economic outlook, the US Federal Reserve began cutting rates in August. Following a series of five cuts, the largest of which were in March 2020, the Fed Funds rate fell from 2.5% to range of 0% - 0.25%. The US government also unleashed a raft of COVID-19 related measures and support for its economy including a \$2 trillion fiscal stimulus package. With interest rates already on (or below) the floor, the European Central Bank held its base rate at 0% and deposit rate at -0.5%.

Financial markets

Financial markets sold off sharply as the impact from the coronavirus worsened. After starting positively in 2020, the FTSE 100 fell over 30% at its worst point with stock markets in other countries seeing similar huge falls. In March sterling touch its lowest level against the dollar since 1985. The measures implemented by central banks and governments helped restore some confidence and financial markets have rebounded in recent weeks but remain extremely volatile. The flight to quality caused gilts yields to fall substantially. The 5-year benchmark falling from 0.75% in April 2019 to 0.26% on 31st March. The 10-year benchmark yield fell from 1% to 0.4%, the 20-year benchmark yield from 1.47% to 0.76% over the same period. 1-month, 3-month and 12-month bid rates averaged 0.61%, 0.72% and 0.88% respectively over the period.

Since the start of the calendar 2020, the yield on 2-year US treasuries had fallen from 1.573% to 0.20% and from 1.877% to 0.61% for 10-year treasuries. German bund yields remain negative.

Credit review: In Q4 2019 Fitch affirmed the UK's AA sovereign rating, removed it from Rating Watch Negative (RWN) and assigned a negative outlook. Fitch then affirmed UK banks' long-term ratings, removed the RWN and assigned a stable outlook. Standard & Poor's also affirmed the UK sovereign AA rating and revised the outlook to stable from negative. The Bank of England announced its latest stress tests results for the main seven UK banking groups. All seven passed on both a common equity Tier 1 (CET1) ratio and a leverage ratio basis. Under the test scenario the banks' aggregate level of CET1 capital would remain twice their level before the 2008 financial crisis.

After remaining flat in January and February and between a range of 30-55bps, Credit Default Swap spreads rose sharply in March as the potential impact of the coronavirus on bank balance sheets gave cause for concern. Spreads declined in late March and through to mid-April but remain above their initial 2020 levels. NatWest Markets Plc (non-ringfenced) remains the highest at 128bps and National Westminster Bank Plc (ringfenced) still the lowest at 56bps. The other main UK banks are between 65bps and 123bps, with the latter being the thinly traded and volatile Santander UK CDS.

While the UK and Non-UK banks on the Arlingclose counterparty list remain in a strong and well-capitalised position, the duration advice on all these banks was cut to 35 days in mid-March.

Fitch downgraded the UK sovereign rating to AA- in March which was followed by a number of actions on UK and Non-UK banks. This included revising the outlook on all banks on the counterparty list to negative, with the exception of Barclays Bank, Rabobank, Handelsbanken and Nordea Bank which were placed on Rating Watch Negative, as well as cutting Close Brothers long-term rating to A-. Having revised their outlooks to negative, Fitch upgraded the long-term ratings on Canadian and German banks but downgraded the long-term ratings for Australian banks. HSBC Bank and HSBC UK Bank, however, had their long-term ratings increased by Fitch to AA-.

Local Context

On 31st March 2020, the Authority had net £7.54M arising from its revenue and capital income and expenditure a decrease on net borrowing from 2019 of £11.91M. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR). Actual CRF versus budgeted CFR is summarised below:

Capital Financing Requirement (CFR)	2019/20	2019/20
	£'000	£'000
	Budget	Actual
CFR b/fwd	66,900	66,900
Add New Financing	0	0
Less MRP	-197	-197
Less VRP	-131	-131
Less Debt Repayment	0	0
CFR c/fwd	66,572	66,572
General Fund Proportion	4,988	4,988
HRA Proportion	61,584	61,584
Total CFR	66,572	66,572

The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low.

The treasury management position as at the 31st March 2020 and the year on year change is shown in the table below:

Treasury management position

	31.3.19 Balance £m	Movement £m	31.03.20 Balance £m	Average Rate %
Long-term borrowing:				
Fixed	47,423	0	47,423	3.19%
Variable	10,000	0	10,000	0.88%
Short-term borrowing	28	0	28	0.00%
Total borrowing	57,451	0	57,451	
Long-term investments	2,000	2,000	4,000	3.85%
Short-term investments	33,500	9,850	43,350	0.86%
Cash and cash equivalents	2,500	61	2,561	0.41%
Total investments	38,000	11,911	49,911	
Net borrowing	19,451	11,911	7,540	

The net borrowing of the Council reduced during 2019/20 due to an increase in investments. Lower expenditure and budget savings in year resulted in larger cash balances to invest which is reflected below.

Borrowing update

On 9th October 2019 the PWLB raised the cost of certainty rate borrowing by 1% to 1.8% above UK gilt yields as HM Treasury was concerned about the overall level of local authority debt. PWLB borrowing remains available but the margin of 180bp above gilt yields appears relatively very expensive. Market alternatives are currently available and new products will be developed; however, the financial strength of individual authorities will be scrutinised by investors and commercial lenders.

The Chancellor's March 2020 Budget statement included significant changes to Public Works Loan Board (PWLB) policy and launched a wide-ranging consultation on the PWLB's future direction. Announcements included a reduction in the margin on new HRA loans to 0.80% above equivalent gilt yields. The value of this discount is 1% below the rate at which the authority usually borrows from the PWLB), available from 12th March 2020 and £1.15bn of additional "infrastructure rate" funding at gilt yields plus 0.60% to support specific local authority infrastructure projects for England, Scotland and Wales for which there is a bidding process.

The consultation titled "Future Lending Terms" represents a frank, open and inclusive invitation, allowing key stakeholders to contribute to developing a system whereby PWLB loans can be made available at improved margins to support qualifying projects. It contains proposals on allowing authorities that are not involved in "debt for yield" activity to borrow at lower rates as well as stopping local authorities using PWLB loans to buy commercial assets primarily for yield without impeding their ability to pursue their core policy

objectives of service delivery, housing, and regeneration. The consultation also broaches the possibility of slowing, or stopping, individual authorities from borrowing large sums in specific circumstances.

The consultation closes on 4th June 2020 with implementation of the new lending terms expected in the latter part of this calendar year or financial year beginning 2021/22.

Borrowing Activity

At 31st March 2020 the Authority held £57.4m of loans. These loans were taken out by the Authority in 2011/12 for the purpose of HRA self-financing. The principal element of these loans is repayable in full on maturity, with interest being paid each March and September.

The short-term borrowing of £28k relates to deposits received from two Parish Councils within the District. These loans can be recalled on immediate notice. Interest is calculated at the Bank of England Base Rate, less 1%. No interest is currently being paid due to the Base Rate being less than 1%.

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

Borrowing Position

Loan Profile	Type	Value £'000	Rate %	Maturity
Public Works Loan Board	Variable	10,000	0.88	2021/22
Public Works Loan Board	Fixed	10,000	2.70	2023/24
Public Works Loan Board	Fixed	10,000	3.01	2026/27
Public Works Loan Board	Fixed	10,000	3.30	2031/32
Public Works Loan Board	Fixed	10,000	3.44	2036/37
Public Works Loan Board	Fixed	7,423	3.50	2041/42
Total Long-term borrowing		57,423		
Short-term Parish Council Loans		28	0.00	
Total borrowing		57,451		

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

Treasury Investment Activity

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Authority's investment balances ranged between £38M and £49.9M million due to timing differences between income and expenditure. The investment position is shown in the table below.

Treasury Investment Position

Investments	31.03.19 Balance £'000	Q4 2020 Movement £'000	31.03.20 Balance £'000	31.03.20 Rate of Return %
Banks (unsecured)	2,500	61	2,561	0.41
Local Authorities	25,000	15,350	40,350	0.91
Money Market Funds	8,500	(5,500)	3,000	0.57
CCLA Property Fund	2,000	2,000	4,000	3.85
Total investments	38,000	11,911	49,911	

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

Given the increasing risk and low returns from short-term unsecured bank investments, the Authority has further diversified into higher yielding asset classes (CCLA fund) investing an additional £2M during the year. Funds that were available for longer term investment were moved from bank and building society deposits into pooled property funds. As a result, investment risk was diversified while the average income return has increased from an average of 0.41% to 3.85%.

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

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

	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return %
31.03.2020	3.78	AA-	12%	126	0.57
Similar LAs	3.95	AA-	59%	53	-0.79
All LAs	4.03	AA-	56%	20	-0.34

Benchmarking Key:

Credit Score	This is a value weighted average score calculated by weighting the credit score of each investment by its value. A higher number indicates a higher risk.
Credit Rating	This is based on the long term rating assigned to each institution in the portfolio, by

	ratings agencies Fitch, Moody's and Standard & Poor's. Ratings rang from AAA to D, and can be modified by +/-
Bail in Exposure	The adoption of a bail in regime for failed banks results in a potential increased risk of loss of funds for local authority should this need to be implemented. Therefore a lower exposure to bail in investments reduces this risk.
Weighted Average Maturity	This is an indicator of the average duration of the internally managed investments. Similar authorities have a similar profile to South Derbyshire; other larger authorities tend to hold a greater proportion of fund in money markets than fixed term deposits with other LAs, due to their cash flow requirements.

In a relatively short period since the onset of the COVID-19 pandemic, the global economic fallout was sharp and large. Market reaction was extreme with large falls in equities, corporate bond markets and, to some extent, real estate echoing lockdown-induced paralysis and the uncharted challenges for governments, businesses and individuals. Volatility measured by the VIX index was almost as high as during the global financial crisis of 2008/9 and evidenced in plummeting equity prices and the widening of corporate bond spreads, very close to rivalling those twelve years ago. Gilt yields fell but credit spreads widened markedly reflecting the sharp deterioration in economic and credit conditions associated with a sudden stagnation in economies, so corporate bonds yields (comprised of the gilt yield plus the credit spread) rose and prices therefore fell.

Treasury Performance CCLA Fund

The mid-market value of the CCLA Property Fund as at the 31st March 2020 is £3,680,720 and the bid market value is £3,623,594 with the total number of units held being 1,244,580.

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

CCLA Property Fund Performance

		2018/19	2019/20
		Q4	Q4
Dividend Received	£	20,736	40,484
Annual Equivalent Interest Rate	%	4.26	4.57%
Bid (Selling) Price	pence/unit	301.95	291.15

The Authorities investment in the CCLA LAMIT Property fund expect a period of economic recovery next year and for this to be reflected in positive returns from the sector; the recession has been a shock to values, but it should be a passing one. In particular, the excess supply and distressed selling that undermined values in the previous recession isn't present today.

These unrealised capital losses will not have an impact on the General Fund as the Authority has elected to present changes in the funds' fair values in other comprehensive income (FVOCI).

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

Performance Indicators

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

	As at 31.03.19	As at 31.03.20
Average 7-Day Money Market Rate (Target)	0.65%	0.42%
Average Interest Rate Achieved on Short Term Deposits	0.66%	0.54%

Compliance

The Chief Finance Officer is pleased to report that all treasury management activities undertaken during 19/20 complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy.

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

Debt Limits

	Actual Debt 19/20	Operational Boundary	Authorised Limit
Debt Limits	£'000	£'000	£'000
HRA	57,423	57,423	66,853
General Fund	0	5,000	4,988

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

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

Investment Limits

	Maximum Investment during Q3 £m	Maximum Invested per Counterparty £m	Limit	Maximum Term	Complied
Debt Management Office	£5m	£5m	£20m in total	364 days	✓
Other Local Authorities	£37.8m	£5m	£5m per Authority	364 days	✓
Money Market funds	£10m	£2m	£10m total, £2m per fund	60 days	✓
CCLA Property Fund	£4m	£4m	£4m	Indefinite period	✓
Named Counterparties (HSBC/Lloyds/BOS/Close Bros/Santander)	£3.46m	£1.96m	£2m per Bank	35 days	✓
Named Counterparties (Barclays/Goldman Sachs/NatWest/RBS)	£3.7m	£2.m	£2m per Bank	35 days	✓
Named Counterparties (Nationwide/Coventry)	0	0	5% of total deposits	35 days	✓
Named Counterparties (Leeds Building Society)	0	0	5% of total deposits	35 days	✓
Foreign Counterparties	0	0	AAA rated - £1m per Bank	35 days	✓
Independent Building Societies	0	0	£1m per Society	35 days	✓

Arlingclose reduced the limits in UK banks and Building Societies to 35 days from 27th March 2020 until this point we have them listed at 100 days and 6 months on our Counterparty list.

Other

IFRS 16: CIPFA/LASAAC has proposed delaying the implementation of the new IFRS 16 Leases accounting standard for a further year to 2021/22.



South Derbyshire District Council

Prudential Indicators 20/21

March 2020

Introduction

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

Estimated Capital Expenditure and Financing

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

	Actual					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Estimated Capital Expenditure	£	£	£	£	£	£
General Fund	1,414,253	3,204,532	1,481,148	747,000	926,420	1,669,814
HRA	3,305,695	4,146,905	2,719,673	2,470,000	2,082,186	2,377,000
TOTAL	4,719,948	7,351,437	4,200,821	3,217,000	3,008,606	4,046,814
Financed by						
Grants and Contributions	824,203	1,944,000	1,090,000	400,000	400,000	400,000
Council Resources	3,895,745	5,407,437	3,110,821	2,817,000	2,608,606	3,646,814
TOTAL	4,719,948	7,351,437	4,200,821	3,217,000	3,008,606	4,046,814

The current year estimated expenditure on the General Fund relates to the final stage of a substantial vehicle upgrade program and a significant investment into the Council's ICT Strategy. The Council is also delivering projects across the District funded through the Better Care Fund. Subsequent years' expenditure relates to the continuing asset replacement program and investment onto the Council's ICT Strategy.

The general downward trend of HRA expenditure relates to the reduction in New Build Properties. The final phase of planned expenditure is to complete in 20/21 with the addition of 21 new properties. The major repairs have a 5 year plan for improving Council properties to decent homes standard.

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

The table highlights that the 5-year investment programme is fully funded. If all financing is not secured, expenditure will need to be curtailed or other resources and reserves identified.

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

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

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

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

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

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

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

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

	Actual 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expected CFR	£'000	£'000	£'000	£'000	£'000	£'000
CFR b/fwd	66,900	66,572	66,251	55,993	55,798	45,610
Add New Financing	0	0	0	0	0	0
Less MRP	-197	-190	-182	-175	-168	-155
Less VRP	-131	-131	-76	-21	-21	0
Less Debt Repayment	0	0	-10,000	0	-10,000	0
CFR c/fwd	66,572	66,251	55,993	55,798	45,610	45,455
General Fund Proportion	4,988	4,667	4,409	4,214	4,026	3,871
HRA Proportion	61,584	61,584	51,584	51,584	41,584	41,584
	66,572	66,251	55,993	55,798	45,610	45,455

The VRP has reduced to zero due to the repayment of previous internal borrowing schemes relating to the purchase of receptacles to extend the kerbside recycling scheme in 2013, together with the repayment of the internal borrowing for the Grove Hall Extreme Sports projects.

Debt Pools

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

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

There is no requirement to make a MRP or VRP in the Housing Revenue Account. The HRA has debt outstanding of just over £57m. This represents the debt inherited under the self-financing framework for Council Housing.

Although no MRP is required for the HRA, money is being set-aside to repay the HRA debt in accordance with the maturity profile. This strategy is reflected in the HRA's Financial Plan. The expected CFRs over the current financial planning period to 2024/25 are detailed in the following table.

Expected CFR	Actual					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000	£'000
General Fund	4,988	4,667	4,409	4,214	4,026	3,871
HRA	61,584	61,584	51,584	51,584	41,584	45,455

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

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

The larger CFR on the HRA is forecast to remain fairly static until such time as any new borrowing is undertaken or until the first repayment of £10m self-financing debt in 2021/2022.

Limits to Borrowing Activity

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

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

Estimated Borrowing Compared to the CFR	Actual					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000	£'000
Gross Borrowing - HRA	57,423	57,423	47,423	47,423	37,423	37,423
Gross Borrowing - General Fund	0	0	0	0	0	0
Total Gross Borrowing	57,423	57,423	47,423	47,423	37,423	37,423
Total CFR	66,572	66,251	55,993	55,798	45,610	45,445

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

The Authorised Limit for External Debt

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

The Operational Boundary for External Debt

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

The Limit and Boundary are summarised in the following table.

Debt Limits	Actual 2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Authorised Limit - General Fund	4,988	4,667	4,409	4,214	4,026	3,871
Authorised Limit - HRA	66,853	66,853	66,853	66,853	66,853	66,853
Operational Boundary	62,423	62,423	52,423	52,423	42,423	42,423

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

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

Cost of Debt to Finance Capital Expenditure

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

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

Cost of Servicing Debt	Actual 2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Estimated Net Interest Received - General Fund	-328,000	-180,000	-150,000	-129,000	-99,000	-82,000
Estimated Band D Properties (per MTFP)	33,302	34,474	35,345	36,216	37,087	37,958
Cost per Band D Property	-£9.85	-£5.22	-£4.24	-£3.56	-£2.67	-£2.16

Estimated Net Interest Payable - HRA	1,595,062	1,713,000	1,713,000	1,713,000	1,713,000	1,713,000
Estimated Dwellings (per MTFP)	2,970	2,928	2,913	2,898	2,886	2,880

Annual Cost per Dwelling	£537.06	£585.04	£588.05	£591.10	£593.56	£594.79
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The Use of the Council's Resources and the Investment Position

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

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

	Actual 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Estimated Usable Reserves	£'000	£'000	£'000	£'000	£'000	£'000
General Fund	8,615	8,838	8,016	6,911	5,327	2,839
Earmarked	16,316	12,437	12,837	13,237	13,612	13,987
Capital Receipts and Grants	2,213	1,928	1,848	1,768	1,688	1,608
Debt Repayment	6,470	8,012	1,484	5,648	0	3,288
HRA General Reserve	6,446	7,277	6,068	4,510	3,338	3,122
TOTAL	40,060	38,492	30,253	32,074	23,965	24,754

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

It is estimated that the current level of earmarked reserves will gradually increase over the planning period due to S106 receipts and provisions for growth. The level of capital receipts is estimated to fluctuate due to the timing of receipts from council house and planned land sales, together with the timing of actual capital expenditure payments.

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

Ratio of Financing Costs to Net Revenue Stream

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

Financing Ratios	Actual 2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
General Fund						
Estimated Council Tax Income	5,405,401	5,622,257	5,845,514	6,075,342	6,311,909	6,558,073
Net Interest Receivable	-328,000	-180,000	-150,000	-129,000	-99,000	-82,000
Proportion	-6.07%	-3.20%	-2.57%	-2.12%	-1.57%	-1.25%
HRA						
Estimated Rental Income	11,822,077	12,207,000	12,445,000	12,748,000	13,055,000	13,377,000
Estimated Interest Payable	1,595,062	1,713,000	1,713,000	1,713,000	1,713,000	1,713,000
Proportion	13.49%	14.03%	13.76%	13.44%	13.12%	12.81%

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

COUNTERPARTY LIST 2020/21
(As at 4th June 2020)

Institution	Limit	Maximum Term
<u>Specified Investments</u>		
<ul style="list-style-type: none"> UK Debt Management Office (DMO) 	£20m	364 Days
<ul style="list-style-type: none"> Local, Police, Fire and Parish Authorities 	£5m with any one Authority	364 Days
<u>Non Specified Investments</u>		
<i>Named Counterparties</i>		
<ul style="list-style-type: none"> CCLA LAMIT Property Fund 	£4m	Indefinite period, subject to quarterly review
<ul style="list-style-type: none"> Money Market Funds 	£10m in total and £2m with any one Fund	60 days
<ul style="list-style-type: none"> HSBC Lloyds Bank Plc Bank of Scotland Standard Chartered Bank Santander UK 	£2m with any one Bank	35 days
<ul style="list-style-type: none"> Barclays Bank NatWest Bank Royal Bank of Scotland Ulster Bank Ltd 	£2m with any one Bank	35 days
<ul style="list-style-type: none"> Nationwide Building Society 	5% of total deposits	35 days
<i>Foreign Counterparties</i>		
<ul style="list-style-type: none"> AAA rated institutions (<i>subject to separate approval by the Section 151 Officer</i>) 	5% of total deposits	35 days
<i>Independent Building Societies</i>		
<ul style="list-style-type: none"> <i>subject to separate approval by the Section 151 Officer</i> 	£1m with any one Bank	1 month
	£1m with any one society	35 days

REPORT TO:	FINANCE and MANAGEMENT COMMITTEE	AGENDA ITEM: 10
DATE OF MEETING:	30th JULY 2020	CATEGORY:
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	DELEGATED OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) Kevin.stackhouse@southderbyshire.gov.uk	DOC: h/KS/financial strategy, policy S151 compliance/VFM/covering report 2019 20 statement
SUBJECT:	VALUE FOR MONEY STATEMENT 2019/20	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

- 1.1 That the Council's Value for Money Statement for 2019/20 is considered and approved for publication.

2.0 Purpose of the Report

- 2.1 To consider a Value for Money Statement to be published alongside the Council's Annual Accounts and Financial Statements. This is in accordance with a new Financial Management Code recently published for Local Authorities.

3.0 Executive Summary

- 3.1 The Council's Corporate Plan is focused on the *Environment, its People and its Future*. This is supported by sound financial management and good governance, for which Value for Money (VFM) is a key component.
- 3.2 The Annual Statement provides an overview of the Council's approach to providing VFM for its residents and other stakeholders.
- 3.3 It is important that the Council's approach and delivery of VFM is evidenced as clearly as possible. This helps to demonstrate in practical terms, that in challenging times and against the background of rapid growth and development, the Council is using public resources as economically and efficiently, effectively and equitably as possible.
- 3.4 Therefore, the Statement details the system used which allows Members and Officers to pursue and demonstrate VFM in decision-making and service provision. The Statement also provides some case studies over the previous financial year 2019/20, to demonstrate how the Council's system has been applied practically.

4.0 Detail

- 4.1 The Annual Statement proposed for publication, is attached.

5.0 Financial Implications

5.1 None associated with the production and publication of the Statement.

6.0 Corporate Implications

Employment Implications

6.1 None

Legal Implications

6.2 None

Corporate Plan Implications

6.3 A detailed in the Statement. VFM supports the delivery of the Corporate Plan.

Risk Impact

6.4 None

7.0 Community Impact

Consultation

7.1 None required. The Statement will be published for local residents and stakeholders to review and feedback.

Equality and Diversity Impact

7.2 None

Social Value Impact

7.3 None

Environmental Sustainability

7.4 None

8.0 Background Papers

8.1 Demonstrating VFM is part of a Financial Management Code published by the Chartered Institute of Public Finance and Accountancy (CIPFA). It is one of 17 Standards, for which compliance is overseen by the Council's Auditors and the Audit Sub-Committee.

8.2 The Code is not mandatory but is considered good practice to provide reassurance and confidence to stakeholders that the Council applies sound financial management. The detailed Code was reported to the [Audit Sub-Committee](#) on 13 July 2020.

VALUE FOR MONEY STATEMENT 2019/2020

Value for Money

Economy

Efficiency

Effectiveness

Equality



INTRODUCTION

Welcome to the Council's first Value for Money (VFM) Statement.

As a public authority, the Council has a duty to use its resources:

- ✓ **Economically**
- ✓ **Efficiently**
- ✓ **Effectively**
- ✓ **Equitably**

These are known as the 4 principles (or the 4 E's) of VFM.

Providing VFM may seem obvious given that the Council is spending Taxpayer's money.

In the public eye, councils can seem bureaucratic, who potentially waste public resources rather than using them wisely.

However, councils are democratically elected bodies and are required to have the highest standards of Governance, with appropriate checks and balances in place. Although this comes at a cost, these processes and procedures exist to ensure, amongst other things, that VFM is achieved.

VFM is not just about saving money or spending less, just considering the cost of everything. It should also consider the value and quality in service provision which may mean spending more if that is affordable and improves a service, etc. for residents

National Context

In recent years, overall resources for councils has fallen and the financial sustainability of several has come into question.

This has brought into focus the principle of achieving VFM in the use of public resources.

Financial Regulators and Auditors are once again focusing their resources on assessing the arrangements and delivery of VFM in councils.

Value for Money in South Derbyshire

VFM can mean different things to different people and people may not always agree that VFM has been achieved in every situation.

It is difficult for the Council to demonstrate that it provides VFM from every penny that it spends.

However, it should have a system in place which allows Members and Officers to pursue and demonstrate VFM in decision-making and service provision.

VFM should be at the heart of everything that the Council sets out to achieve.

This Statement sets out VFM in the context of the Council's priorities and key aims for South Derbyshire.

The Statement also provides some case studies over the previous financial year 2019/20, to demonstrate how the Council's System has been applied practically.



VALUE FOR MONEY: WHAT IT MEANS FOR SOUTH DERBYSHIRE

“Against the background of substantial growth in South Derbyshire, providing Value for Money (VFM) at the Council is set against the context of delivering and developing services in order to meet the needs of an increasing and changing population.”

Achieving the VFM Principles	Supported by Key Systems and Policies
Being Economic – “Spending Less” <ul style="list-style-type: none"> Providing improvements in a service within existing resources. Providing the same level of service at a lower cost. Getting the best price for a service or supply, etc. Generating additional income. 	<ul style="list-style-type: none"> Procurement Strategy. Financial Regulations Contract Procedural Rules and Guidance. <p><u>In Progress</u></p> <ul style="list-style-type: none"> Commercialisation/Income Generation Plan.
Being Efficient – “Spending Well” <ul style="list-style-type: none"> Developing services which have a minimal impact on current resources. Changing services to improve capacity and resilience. One-off capital investment which reduces long-term revenue costs. Transferring potential liabilities. Securing external funding to finance investment. 	<ul style="list-style-type: none"> Change Management Programme. Corporate Business Change Unit. Transformation Steering Group. Shared Service Arrangements. Developer contributions secured through Planning Applications (Section 106 Policy). Asset Management and Investment Plan External Bidding Policy.
Being Effective – “Spending Wisely” <ul style="list-style-type: none"> Developing services that meet the needs of service users. Providing services that are aligned to Corporate Plan priorities and improve key performance indicators. Changing services to mitigate risk for the Council. 	<ul style="list-style-type: none"> Corporate Plan Performance Management System. <p><u>In Progress</u></p> <ul style="list-style-type: none"> Customer Access and Digitisation Plan
Being Equitable – “Spending Fairly” <ul style="list-style-type: none"> Providing services which are accessible to all potential users. Improving services which have a beneficial impact on vulnerable groups. 	<ul style="list-style-type: none"> Equality and Fairness Scheme. Corporate Equalities Steering Group. <p><u>In Progress</u></p> <ul style="list-style-type: none"> Equality, Diversity and Inclusion Plan 2020 to 2024.



THE VALUE FOR MONEY TEST

When the Council previously considered proposals through its decision-making system for service development or change, etc. it was not always clear how VFM was to be achieved.

Therefore during 2019/20, a new requirement was introduced to specifically state in the report template considering any new proposals, how VFM was being achieved in accordance with the principles set out above.

This is effectively a Value for Money Test.

This Test is also used in the evaluation process which considers proposals for new Capital Projects.

The Council's Position

South Derbyshire is one of the fastest growing areas outside of London and the South East. Residential and business growth has been rapid, and this is set to continue well into this decade in accordance with the Local Plan.

Although as this Statement is being published, the impact of Covid-19 is having an effect in the local economy, the Council finds itself in a position where it has the financial resources to increase budgets.

Growth, although generating additional income in the form of Council Tax, Business Rates and the New Homes Bonus, increases demand for the Council's services, for example in Waste Collection, Leisure and Recreational facilities, Planning and Street Maintenance.

In addition, a growing population and business community is changing the traditional infrastructure and demographics of the District in many areas.

With technology also changing communication channels, the way in which the Council interacts with an increasing number of residents and stakeholders, is also changing.

Spending More, Not Less

Therefore, the Council is increasing budgets and spending in many areas to meet demand and increasing expectations.

This is being financed from growth budgets and reserves built up from additional income. This is a key component of the Council's Medium-Term Financial Plan.

Therefore, in some instances, demonstrating VFM for the Council takes another form.

Economy (i.e. Spending Less) is not met where more money is being spent.

So, it is vital that the other tests of VFM are satisfied to ensure that the additional spending is targeted to be efficient, effective and equitable in the longer-term.



Generating Budget Savings

There is a risk that with this additional spending, and relatively less pressure to reduce costs compared to other authorities, that the Council increases spending and pursues its VFM principles at the expense of seeking budget savings.

However, this is mitigated through Procurement, investment in technology and through a Transformation Programme.

These tools are designed to reduce costs and make budget savings, but not to reduce services.

For example, the Council regularly purchases supplies and services through Consortiums to obtain the best prices for its vehicles, fuel and IT equipment

It uses an Energy Broker to review and obtain the best tariffs for the supply of gas, electricity and water.

CASE STUDIES

As stated earlier, it is not easy to demonstrate or record how every penny spent provides VFM.

However, when considering services and proposals where more significant resources are being consumed or there is on-going, regular spending, VFM should be demonstrated as a matter of course.

As examples, a series of case studies follow which demonstrate how the Council applies the principles of VFM and delivers against them to achieve its objectives.

These case studies do not cover everything that the Council has delivered in the year, but give a flavour, big and small, front-facing and in the back-office, of the range of activities and projects that demonstrate VFM.

The case studies demonstrate how the Council:

- ✓ Transfers assets for community benefit
- ✓ Uses existing capacity and skills to generate income and improve performance
- ✓ Utilises capital resources
- ✓ Employs other agencies to provide services
- ✓ Reshapes services to increase capacity
- ✓ Uses back-office functions to improve front-line services
- ✓ Works in partnership and generates external financing

And

- ✓ Continues to sweat its assets to generate resources and provide community facilities.



1. **Transferring Assets: Sale of Public Conveniences to a Parish Council**
(Approved by Finance and Management Committee 13 June 2019)

Background

In 1975, the Council built these public conveniences on Parish owned land. The Council had then subsequently paid the Parish £2,000 per year to operate and maintain the toilets.

Overtime, the toilets had deteriorated in condition due to a lack of planned maintenance and became urgently in need of refurbishment. Following consultation with the Parish, the Council agreed to transfer its interest and responsibility for the toilets to the Parish Council.

The Council and the Parish negotiated a deal whereby the Council paid the Parish a one-off sum of £16,000 as a capital payment for the refurbishment and future operation of the toilets.

Value for Money Test

Economic Benefits	Efficiency Gains	Effectiveness	Equality
Longer-term, the transfer will save the Council money.	A future liability for the Council was mitigated.	A local asset has been improved and the local community can now directly manage and maintain it.	Local facilities have been modernised and have been made more accessible.

2. **Making better use of Capacity and Skills: Role of the Business Support Officer (Environmental Health)**
(Approved by Finance and Management Committee 25 April 2019)

Background

This post was made up from a part-time to a full-time post on the Council's Establishment. This was in recognition of the support required for local businesses and the more efficient processing of food export certificates arising from business growth in the District.

The investment was also aimed at releasing professional officers from administrative duties to engage more with local businesses and to generate additional income from consultancy work.



Value for Money Test

Economic Benefits	Efficiency Gains	Effectiveness	Equality
Additional income of £28,000 per year generated compared to an additional cost of £8,000 per year.	The increase in hours created greater capacity and resilience in service provision.	<p>Environmental Health Officers are empowered to be proactive to limit the scale of enforcement activity through the delivery of a Better Regulation Partnership Plan.</p> <p>As at April 2020, 86% of local food businesses in the District had the highest national hygiene rating, ranking South Derbyshire as one of the best performing areas in the Country.</p>	The Service is fully accessible and open to all potential users.

3. **Capital Investment: Purchase of 4 Bungalows in the Parish of Repton** (Approved by Finance and Management Committee 13 June 2019)

Background

The Council bought 4 new properties from a private developer. These homes were added to the Council's housing stock to provide affordable housing in a high need area for such accommodation.

Value for Money Test

Economic Benefits	Efficiency Gains	Effectiveness	Equality
The properties were purchased at 50% of open market value, i.e. £115,000 each, compared to an open market value of £225,000 each.	<p>The Council used contributions from a separate planning agreement to purchase the properties so there was no direct contribution from the Council.</p> <p>The Council will also receive rent income of £17,000 per year, with the cost of management and maintenance being absorbed within existing resources.</p>	<p>The four bungalows were built to a high specification and offer general needs accommodation for families wishing to remain in the village who cannot afford to access market housing.</p> <p>Two bungalows were allocated to existing social housing tenants already living in Repton in larger family homes who wished to downsize.</p>	<p>The bungalows are adapted to meet the needs of disabled applicants on the Housing Register.</p> <p>They are close to local amenities, shops and schools and enable newly forming households and downsizers to remain close to family support networks.</p>



4. **Using other Agencies:** Appointment of Nottingham City Council to undertake an Energy Efficiency Assessment of the Council's Housing Stock
(Approved by Finance and Management Committee 28 November 2019)

Background

The Council required data to enable it to direct future capital investment set-aside to improve the energy efficiency of its housing stock. Nottingham City Council (Energy Services) was directly appointed to undertake the work in their role as advisors to the Local Economic (D2N2) Regional Partnership.

Value for Money Test

Economic Benefits	Efficiency Gains	Effectiveness	Equality
<p>The Council obtained a competitive price for the assessment through a partnership arrangement without the cost of a separate tendering exercise.</p> <p>20% of the Council's stock was assessed at a cost of £63,000, approximately £105 per property.</p> <p>As a comparison, a general (non-specific) survey of the Council's Housing 12 months previously had cost £72,000 (£240 per property) for a 10% sample; this price had been obtained following a tendering exercise.</p>	<p>The Council did not have the resources internally to undertake this assessment. To employ additional resources or to employ external consultants would have proved more costly.</p> <p>The appointment of Nottingham City Council had a minimal impact on current resources as they had skills and experience readily available to undertake the assessment.</p>	<p>The expenditure was incurred as a one-off cost to supply data to enable informed investment in improving the condition of the Council's housing stock, together with improving the efficiency and environmental performance of homes for its tenants.</p> <p>These are both key priorities in the Council's Corporate Plan.</p>	<p>No issues directly from the assessment itself.</p> <p>However, it should be noted that the results of the assessment may help future spending to be targeted at reducing potential fuel poverty.</p>

5. **Reshaping Services:** A Structural Review of Organisational Development
(Approved by the Finance and Management Committee 28 November 2019)

Background

As part of a Senior Management Restructure in April 2019, the Council created a new post of Head of Organisational Development and Performance (HODP). Subsequently, a new Team was formed which amalgamated existing resources covering HR, Policy, Performance Management and Communications.

The new structure refocused priorities on Learning and Development, centralised HR and Policy support, together with strengthening resources for Health and Safety. A Modern Apprentice Post was also brought into the Team.



Value for Money Test

Economic Benefits	Efficiency Gains	Effectiveness	Equality
<p>Improvements were made in a service within existing resources.</p> <p><i>There was a small additional cost (0.6%) of £3,000 per year, on a total service cost of approximately £1/2 million.</i></p>	<p>The focus was changed to support Council Services and to provide greater capacity and resilience in the functions.</p>	<p>The Council's Corporate Plan and Governance Statement both identify organisational capacity and resilience as a risk to successful service delivery.</p> <p>The creation of a senior post to lead ODP, together with a refocus of resources to support learning and development, were aimed at mitigating this risk.</p>	<p>The restructure ensures that Council services remain accessible to all users through the creation of a new Equality, Diversity and Inclusion Plan.</p>

6. Using Back-office Functions: Transfer of Housing Repair calls to Customer Services (Approved by the Finance and Management Committee 13 February 2020)

Background

This entailed the transfer of Housing Repair calls (from the Housing Service) into the Council's Contact Centre. The Service received on average 60 calls a day regarding repair issues which was resourced by two employees, who also had other duties.

The aim was to reduce the amount of customer contact (for example repeat and missed calls) and to release front-line staff to focus on operational and management issues.

Value for Money Test

Economic Benefits	Efficiency Gains	Effectiveness	Equality
<p>None.</p> <p>The Council increased costs by £21,000 per year to meet demand for its services.</p>	<p>Service provision was enhanced to create capacity in the Housing Service and to create resilience in dealing with calls by transferring them to a pool of staff in the Contact Centre.</p>	<p>The aim was to improve the service to tenants by dealing with requests in a timely manner and ensuring resources were prioritised, deployed and monitored on a consistent basis.</p>	<p>The aim was to give priority to those tenants most in need at any one time.</p>



7. Working in Partnership and Generating External Finance: Appointment of an Active Schools Partnership (ASP) Provider (*Approved by the Finance and Management Committee 29 August 2019*)

Background

The ASP is a not for profit organisation supported by the Council. The appointment of a full-time officer to work with the ASP was in response to an enhanced physical education programme being extended from two schools to 14 across the District.

Value for Money Test

Economic Benefits	Efficiency Gains	Effectiveness	Equality
The Service was expanded at no cost to the Council.	External income was secured from other agencies to cover the cost of the post.	<p>The focus of the Officer is to promote the positive effects of physical well-being to young people and to get them involved.</p> <p>This is in accordance with a key priority in the Council's Corporate Plan, i.e. to promote and support health and well-being.</p>	The Service is open to all schools and engages all participants.

8. Regeneration

As a growth area, regeneration and redevelopment is rapid. The Council, as a landowner, has played its part by *sweating its assets* from land sales and renting space to generate income and to provide new community facilities.

The Council also uses "Section 106" to negotiate funding from developers towards the provision of affordable housing (as highlighted in an earlier example) and the building of new facilities.

For example, major redevelopment projects in Swadlincote, Midway and Stenson Fields have generated capital receipts for the Council and provided local community centres in those areas. This has also enabled the Council to provide a new purpose-built Depot.

Space in the current Civic Offices is rented to another Agency to provide an income stream. The Council is currently in the early stages of planning for a new "Civic Hub" which will be financed from the Council sweating its assets in the Town Centre.



Economic Benefits	Efficiency Gains	Effectiveness	Equality
In these instances, apart from some professional fees and internal costs, the Council is not spending anything to achieve major investment.	In addition, a net income of over £2 million has been received to-date, with £3 million expected by March 2022. In addition, more modern facilities which will cost less to run and maintain, have been provided.	The regeneration and the Council's input are key priorities in the Corporate Plan to <i>“support economic growth and infrastructure”.</i>	Facilities have been provided to those communities most affected by redevelopment.

CLOSING REMARKS

The Council's Corporate Plan is focused on the *Environment, its People and its Future*. This is supported by sound financial management and good governance, for which VFM is a key component.

This Statement provides an overview of the Council's approach to providing Value for Money for its residents and other stakeholders.

It is important that the Council's approach and delivery of VFM is evidenced as clearly as possible. This helps to demonstrate in practical terms, that in challenging times and against the background of rapid growth and development, the Council is using public resources as economically and efficiently, effectively and equitably as possible.

Therefore, the Council will keep a system in place which allows Members and Officers to pursue and demonstrate VFM in decision-making and service provision.

Value for Money will be at the heart of everything that the Council sets out to achieve and deliver.



REPORT TO:	FINANCE & MANAGEMENT COMMITTEE	AGENDA ITEM:11
DATE OF MEETING:	30th JULY 2020	CATEGORY: RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (EXT. 5811)	DOC:
SUBJECT:	CORPORATE ASSET MANAGEMENT PLAN 2020-2024	REF:
WARD AFFECTED:	ALL	TERMS OF REFERENCE: FM 01

1.0 Recommendation

1.1 That approval be granted to the updated Corporate Asset Management Plan for 2020-2024.

2.0 Purpose of Report

2.1 This report seeks approval to an updated Corporate Asset Management Plan for the period 2020-2024.

3.0 Executive Summary

3.1 The Corporate Asset Management Plan is a property document which outlines the strategy to ensure the Council's non-housing property assets continue to meet service needs.

3.2 The Council's property also needs to be managed in a manner which addresses the key objectives within the Corporate Plan. The attached, updated Corporate Asset Management Plan has therefore been drafted to cover the corresponding term for the latest Corporate Plan, and ensure the asset management strategy aligns with these new corporate objectives.

4.0 Detail

4.1 The Corporate Asset Management Plan ('the Plan') is a property strategy which seeks to align the Council's non-housing property assets to service needs and corporate objectives.

4.2 This Plan covers the assets under the Corporate Property Section's management and control, and sits alongside the Housing Asset Management Strategy 2016-46, with the latter addressing the management, regeneration and identification of surplus assets held under the Housing Revenue Account.

4.3 These two Plans ensure all Council property assets are effectively managed by either Corporate Property or Housing, and collaborate in areas such as repair procurement, regeneration and the identification of surplus assets.

4.4 The Council's property assets are second only to staff in terms of cost and play a key role in the delivery of services. It is critical therefore that the Council sweats these assets to optimise their value and efficiency, and ensure they remain fit for purpose.

4.5 Asset management is a process which requires continuous review as buildings become obsolete over time, and the Council's corporate objectives evolve due to changes in service requirements.

4.6 The Council's corporate objectives have changed with the launch of a new Corporate Plan for 2020-2024. This Plan, therefore, seeks to embed the new Corporate Plan priorities into the Council's property strategy, recognising the role property must play in tackling climate change, supporting economic growth and generally transforming the Council to continually improve the quality of services.

4.7 Key successes during the term of the previous Plan include the generation of £7,000,000 of capital receipts from the disposal of surplus land in the period 2015-2020, and the growth in revenue from shops, offices and industrial units to £687,000 per annum.

4.8 This new Plan looks to build on these achievements and its success will be measured against outcomes from the following three key objectives:

- Ensure the Council's asset management strategy responds to the impact of COVID-19. It will be necessary to ensure that the Council's assets are safe, drive opportunities to reduce the reliance on property assets as part of the 'new normal', and respond to the economic impact of the virus on Council owned shops, offices and industrial units.
- Embed environmental initiatives to reduce the carbon footprint within all decision-making by Corporate Property. The need to reduce the Council's carbon footprint will influence how the buildings are used, new ones designed and their energy consumption. It will also inform how Corporate Property operates to minimise grey mileage consumption.

- Produce a planned maintenance programme, following the completion of condition surveys for all Council buildings. This programme will inform future repair budget requirements, ensure repairs are undertaken in a proactive, planned and prioritised manner, and also inform decision-making on whether to repair or replace buildings.

4.9 Performance will also be measured by assessing outputs from a Property Action Plan linked directly to the Corporate Plan, and property performance indicators within the Corporate Plan, Service Plan and Equality, Diversity and Inclusion Plans.

5.0 Financial Implications

Value for Money Tests

a) Economic

5.1 The new Plan will maximise the revenue income from the Council's commercial properties and capital receipts from the sale of surplus assets.

b) Efficient

5.2 The efficient use of the Council's property assets is a primary objective of the Plan.

c) Effective

5.3 The Plan defines clear objectives and incorporates performance indicators to ensure the defined outcomes can be measured and reported.

d) Equitable

5.4 The Plan ensures all non-housing assets are managed consistently and addresses equality issues such as the accessibility of the Civic Offices as part of the Equality, Diversity and Inclusion Plan.

Costs

5.5 There are no cost implications arising directly from this Plan. However, future budgetary considerations will need to be given to the repair cost forecasts generated from the planned maintenance programme.

6.0 Corporate Implications

Employment Implications

6.1 The Council's commercial properties provide accommodation for many local businesses, and the disposal of surplus land creates employment within the development industry.

6.2 This Plan ensures the Council maximises both occupancy within the its commercial properties and the generation of surplus assets to optimise employment opportunities in the District.

Legal Implications

6.2 Not applicable in the context of this report.

Corporate Plan Implications

6.3 The Corporate Plan objectives are reflected within the strategy for this Plan.

Risk Impact

6.4 Not applicable in the context of this report.

7.0 Community Impact

Consultations

7.1 Consultations have been carried out with all stakeholders and their comments are included within the report.

Equality and Diversity Impact

7.2 The impact of equality and diversity has been reflected in the Plan and includes a performance indicator ensuring the Civic Offices are accessible to all.

Social Value Impact

7.3 Not applicable in the context of the report.

Environmental Sustainability

7.4 Embedding environmental initiatives is a key objective within the Plan.

8.0 Conclusion

8.1 The attached Corporate Asset Management Plan for the period 2020-2024 details how the Council's non-Housing assets will be managed to meet service needs and address the key objectives within the Corporate Plan and is recommended for approval.

9.0 Background Papers

Corporate Asset Management Plan 2020-24

Corporate Property
June 2020

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2. Asset Management Plan Objectives	3
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4. Our Future Asset Management Strategy	8
5. Conclusions	14

Version Control

Version	Description of version	Effective Date

Approvals

Approved by	Date

Associated Documentation

Description of Documentation	
Appendix 1 – Corporate Property Structure	



1. Introduction

1.1 The Corporate Asset Management Plan (the Plan) is a property strategy which seeks to align the Council's non-housing property assets to the corporate objectives. This Plan covers the assets under the Corporate Property Section's management and control, and sits alongside the Housing Asset Management Strategy 2016-46, with the latter addressing the management, regeneration and identification of surplus assets held under the Housing Revenue Account.

1.2 These two Plans ensure all Council property assets are effectively managed by either Corporate Property or Housing, and collaborate in areas such as repair procurement, regeneration and the identification of surplus assets.

1.3 The Council's property assets are second only to staff in terms of cost and play a key role in the delivery of services. It is critical therefore that we sweat these assets to optimise their value and efficiency, and ensure they remain fit for purpose.

1.4 Asset management is a process which requires continuous review as buildings become obsolete over time, and the Council's corporate objectives evolve due to changes in service requirements.

1.5 The Council's corporate objectives have changed with the launch of a new Corporate Plan for 2020-2024. This Asset Management Plan therefore seeks to embed the new Corporate Plan priorities into the Council's property strategy, recognising the role property must play in tackling climate change, supporting economic growth and generally transforming the Council to continually improve the quality of services.

2. Asset Management Plan Objectives

General Objectives

2.1 Property assets must be managed in a flexible, innovative manner to respond to changing service needs, maximise financial returns and minimise revenue costs.

2.2 To achieve effective asset management, this Asset Management Plan must:

- Address the three key priorities within the 2020-24 Corporate Plan,
- Ensure assets are well-maintained, fit for purpose and deliver value for money,
- Achieve efficiencies through rationalisation, partnership, shared use, investment and disposal,
- Identify surplus assets and generate capital receipts,
- Minimise revenue costs through shared use of operational property, efficient energy use, the transfer of community assets and the disposal of surplus land and property,
- Maximise revenue income from the investment property portfolio,
- Collaborate with partners and community groups to encourage the use of assets within the community, and
- Collate, measure and benchmark relevant property data on condition and energy consumption.



Key Outcomes

2.3 The success of this particular Asset Management Plan will be measured by its effectiveness in meeting the following main objectives:

1. Ensure the asset management strategy responds to the impact of COVID-19. The coronavirus is having a significant impact on how the Council works, the economy and health and safety principles. The Asset Management Plan will need to be flexible and innovative to ensure property assets continue to be used efficiently and are safe, fit for purpose and aligned to service needs.

The use of the Council's assets will need to be continually reviewed, and 'the new normal' may create opportunities to reduce the Council's reliance on property assets and increase efficiency, reduce its carbon footprint and operational costs, and identify further surplus assets.

The Council will also need to be responsive to potential changes in the property market, to optimise revenue from its commercial portfolio and capital receipts from the sale of surplus land and property. Consideration may need to be given for instance to alternative uses for any voids arising from sectors suffering particular trading problems due to social distancing measures.

2. Embed environmental initiatives to reduce the Council's carbon footprint within all decision-making by Corporate Property. The need to reduce the carbon footprint of Council property will influence how current buildings are used, how they are designed and built in future, how energy is procured and consumed, and how the service itself operates in areas such as homeworking and grey mileage.

In many areas the measures that are introduced to address COVID-19 will overlap these environmental initiatives and act as a catalyst for change, as the Council works more flexibly, uses less accommodation and car parking, and reduces business journeys through the use of technology. This culminates in the more efficient use of Council property assets, and seizing this opportunity and driving change is, therefore, a key objective during the term of this Asset Management Plan.

3. Build a solid base from which to manage the repair and maintenance of the Council's existing buildings. This will be achieved by producing a planned maintenance programme following completion of condition surveys for all Council's buildings. This programme will inform future repair budget requirements, ensure repairs are undertaken in a proactive, planned and prioritised manner, and inform decision-making on whether to repair or replace buildings.

3. Our Current Position

The Corporate Property Team

3.1 The Council has an established Corporate Property team managed by the Head of Corporate Property. with the structure shown in **Appendix 1**.



3.2 Following the transfer of facilities management to Corporate Property in April 2019, the section now provides a comprehensive non-housing property management service covering strategic asset management, estate management and facilities management.

3.3 The Head of Corporate Property primarily undertakes the asset management duties, which includes strategic management of the Council's non-housing property assets, undertaking acquisitions, identifying surplus assets and progressing disposals. Between 2015 and 2020 around £7m of capital receipts have been generated from the sale of surplus land, with a proportion of these receipts re-invested in the construction of new assets such as the new depot and Midway Community Centre.

3.4 The Property Surveyor manages the Council's commercial portfolio, comprising industrial units, shops and offices. These investment properties provide accommodation for a range of local businesses and generate important revenue for the Council, with rental income of £687,000 per annum generated in 2019/2020.

3.5 The Building Services Manager is responsible for the facilities management function, ensuring public buildings are legally compliant in terms of fire risk, asbestos, legionella, etc, and are maintained in a planned and prioritised manner. This post holder is also responsible for the cleaning and caretaking function across the Council's public buildings.

The General Fund Property Portfolio

3.6 The Council's General Fund property portfolio comprises 139 operational and investment assets, as shown in the table below - a breakdown of the assets shown with an asterisk* is shown in Appendix 2. These assets had an Asset Register value of £25m as at April 2019, with a separate Asset Register value of £300m for the Council houses, land and buildings held by the Housing Revenue Account and managed under the Housing Asset Management Strategy.

3.7 In addition, the Council owns 370 acres of parks and open spaces and other potentially surplus sites with medium-term development potential, subject to planning consent.

Asset	Number
Civic Offices	1
Depot	1
Town Hall	1
Leisure Centres (Green Bank/Melbourne)	2
Village Halls	2*
Community Rooms	7*
Forestry Centre Bungalow	1
Forestry Centre – other units	11*



Off-Street Car Parks	19*
Public Conveniences	8
Community Centres, Pavilions and Changing Rooms	15*
Cemetery Sites	2*
Industrial Site	1
Industrial Units (on 2 sites)	41*
Town Centre Shops Units	12*
Restaurants and Cafés	1
Other Shop Units (Linton)	3*
Bus Station	1
Market Hall/Car Park	1
Other Properties including: Eureka Park tool shed, Former Winding House, Woodhouse St, Snooker Annex and Snooker Centre, Bank House and Bretby Villa, Job Centre Offices, The Delph, School House, Bill Shone LC, Melbourne.	9*

Current Property Performance

3.8 Property performance is assessed against varying performance indicators depending upon the property type. Industrial units, offices and shops are held as investments, and provide accommodation for local businesses to encourage economic development. Accordingly, the relevant indicators for these properties are the number of voids, number of tenants in rent arrears and energy performance.

3.9 Operational assets are held to deliver services, and performance indicators addressing energy consumption and condition are, therefore, appropriate.



Non-Operational Property Performance

3.10 The investment portfolio comprises 69 industrial and retail units and generates a total rental income of **£687,000 per annum**.

3.11 This portfolio has been performing very well, with both voids and tenants with three months' rent arrears consistently below 5%.

3.12 Energy Performance Certificates (EPCs) have been obtained for all of the Council's investment properties, identifying their energy efficiency. Since April 2018 the Government has required that all new leases have an energy rating of 'E' or above, prior to any new letting.

3.13 Currently 74% of investment properties have an 'E' rating or better, and an ongoing work programme will ensure all Council properties will be fully compliant by April 2023.

Operational Property Performance

3.14 The performance of public buildings is currently assessed in terms of energy efficiency and consumption.

3.15 In recent years energy saving initiatives have been undertaken to the main Council buildings such as the Civic Offices, including new boilers, pipework insulation and movement sensors.

3.16 Display Energy Certificates (DECs) are commissioned for the public buildings over 1,000 square metres. Each building is given an operational rating from A - E based on energy consumption, with A being the most efficient.

3.17 As a result of the initiatives undertaken to date, the Civic Offices have a C rating. The replacement of the Depot has generated the most marked improvement, with the old Depot rated at F and the new Depot being awarded a C rating.

3.18 Energy performance is monitored for the three primary buildings, the Civic Offices, Depot and Old Town Hall.

Comparison over previous three years

Property	Gross Internal Area (m ²)	Consumption 20018/19 (kWh/sq m)		Consumption 2017/18 (kWh/sq m)		Consumption 2016/17 (kWh/sq m)	
		Gas	Elec	Gas	Elec	Gas	Elec
Civic Offices	4551	68.04	65.27	88.18	64.16	47.59	65.64
Depot	1773	132.8	28.44	-	-	204.7	53.91
Old Town Hall (no gas)	366	-	51.88	-	37.48	-	64.97



3.19 Consumption for the depot has reduced significantly following the relocation into more efficient premises. No depot consumption figures are reported for 2017/18 as the depot relocated during this year.

3.20 Electricity consumption in the Civic Offices has remained consistent, whilst gas rose significantly in 2017/18 and then reduced to a level similar to 2016/17. Gas consumption will be subject to significant external factors such as the nature of each winter.

3.21 A more detailed analysis of energy consumption and the identification of opportunities to improve the efficiency will be a key aspect of the Property Action Plan going forward.

Disposal of Surplus Assets

3.22 The identification and subsequent sale/letting of surplus assets is a primary objective for asset management, as this delivers direct efficiency and generates significant capital receipts.

3.23 During the period 2015-2020 capital receipts totalling **£7,000,000** have been generated from the sale of surplus assets, primarily through the sale of residential land.

3.24 In its simplest form the Council's disposal strategy has identified unused assets and sold them individually, subject to planning permission by informal tender to maximise their value.

3.25 The largest receipts have however been achieved through collaboration with adjacent landowners. These partnerships have unlocked sites without access, secured ransom values from third parties and generally achieved optimum value through the joint masterplanning of large sites which are attractive to major housebuilders.

3.26 In some instances surplus assets have been identified whilst not initially appearing to be underused. Rationalisation of their use such as reconfiguration of football pitches and more efficient use of office space has generated surplus land and accommodation.

3.27 This rationalisation has not only yielded capital and revenue income, but also delivered improved leisure facilities such as Midway Community Centre and shared working arrangements with Derbyshire County Council within the Civic Offices.

3.28 Surplus assets have also been created through the replacement of operational buildings. The new Council depot for instance was primarily funded from a residential land sale receipt and the programmed disposal of the former depot. The Council's constant drive towards modernising and ensuring its public buildings remain fit for purpose has, therefore, been a self-funded process and contributed to the regeneration of the town.

3.29 Finally, whilst most assets which are sold are surplus to service needs, the Council has disposed of community buildings to local groups and Parish Councils such as Walton Village Hall and Overseal public toilets. The transfer of these assets to the community has generated operational and social benefits and offered potential opportunities to lever in external grants.

4. Our Future Asset Management Strategy



The Council's Vision and Plans

4.1 The Asset Management Plan must ensure that the Council's non-housing property assets continue to be aligned to service needs and reflect the Council's priorities. These priorities are defined within the Corporate Plan and Capital Investment Strategy.

a) The Corporate Plan 2020-2024

4.2 The Council's vision within the Corporate Plan is to "*make South Derbyshire a great place to live, visit and invest*". To deliver this vision, the Corporate Plan has three key priorities, Our Environment, Our People and Our Future.

4.3 The management of the Council's non-housing land and buildings is integral to the delivery of many of the Council's aims within the Corporate Plan. This is illustrated by the Property Action Plan which has been generated from the Corporate Plan Aims, as shown in the following table:



ASSET MANAGEMENT PLAN 2020 - 2024

"To make South Derbyshire a great place to live, visit and invest"

Our Environment

Improve the Environment	Tackle Climate Change	Enhance the attractiveness of South Derbyshire
Reduce Waste/ increase Recycling within Civic Offices, Depot and <u>Rosliston</u> Forestry Centre	Strive towards carbon neutrality by integrating green initiatives into the maintenance of Public Buildings and introducing new build principles such as BREEAM excellent into the construction of new public buildings	Deliver Town Centre regeneration by sweating the Council's property assets Improve the condition of our buildings

Our People

Engage with our Communities	Support the most vulnerable	Deliver excellent services
Transfer assets to Community groups and Parish Councils	Improve the condition of our Public Buildings	Ensure property assets are fit for purpose

Our Future

Develop skills	Support Economic growth	Transform the Council
Attract/ retain jobs through the continued provision of Council shops, offices, industrial units	Enable the delivery of housing by disposal of surplus residential land	Source property investment opportunities to generate additional revenue and enhance the value of our property portfolio Provide a modern working environment through the maintenance and replacement of Public Buildings

Develop and Deliver the Public Buildings planned maintenance programme over four years.

4.4 Whilst the Corporate Plan only contains one Corporate Property performance indicator in the delivery of a planned maintenance programme, the Service's functions cut across many of the Council's Corporate Aims.

4.5 The Facilities Management team will play an important role in meeting the '*Our Environment*' corporate priority in delivering waste recycling within public buildings, monitoring and reducing energy consumption, and generally reducing the Council's carbon footprint by integrating green initiatives into the maintenance and construction of its public buildings.

4.6 Strategic Asset Management contributes to the '*Our People*' aim, ensuring our buildings are fit for purpose to meet our Corporate Aim of delivering excellent services. The team also meet the Corporate Aim to engage with local communities through the transfer of assets to community groups.

4.7 Asset and Estate Management also contribute to the '*Our Future*' Corporate Aim, developing skills and supporting economic growth through both the disposal of surplus residential development land, and the management and letting of the Council's shops, offices and industrial units to local businesses.

4.8 Corporate Property will also play a key role in the Corporate Aim to transform the Council, providing modern working environments through the maintenance and replacement of public buildings, investing in our commercial portfolio to generate additional revenue and ensuring surplus land is regenerated or sold in collaboration with the Housing Service.

b) Capital Investment Strategy

4.9 This strategy sets out the framework for capital investment at the Council and has been adopted to help deliver the Council's priorities as identified in its Corporate Plan. The document defines capital expenditure, explains how projects are prioritised and assessed and identifies the available funding resources.

4.10 The Capital Investment Strategy is a significant framework document for the AMP because:

- Capital expenditure primarily relates to the purchase and enhancement of the Council's non-housing assets,
- The prioritisation of capital schemes is undertaken with the benefit of information collated through the AMP, such as condition surveys, performance indicators such as energy costs and using techniques adopted within the AMP such as Whole Life Costing and Option Appraisal, and
- The disposal of surplus assets is a key source of funding for the capital projects. Thus, as the capital investment is planned over a five-year rolling programme, this needs to be compatible with the asset disposal strategy over the same period.

Opportunities and Challenges

COVID-19

4.11 The impact of COVID-19 is likely to be a dominant factor during the term of this Asset Management Plan. Corporate Property's management of the Council's assets will play a key role in



keeping the public and employees safe, adapting Council owned property assets to reflect changing and more flexible ways of working, and supporting the local economy and the Council's revenue income through pragmatic management of our shops, offices and industrial units

4.12 The primary challenge arising from COVID-19 is to ensure the Council's buildings remain safe. Following the transfer of facilities management and caretaking services into the Corporate Property Department, the team is well placed to effectively co-ordinate both the appropriate cleaning regimes and works necessary to adapt our buildings and achieve social distancing requirements.

4.13 Whilst COVID-19 will raise health and safety and economic challenges for the Council's property assets, it is already generating a momentum towards more efficient and environmentally friendly ways of working. There is, therefore, an opportunity to embrace these changes within the property strategy, improving the efficient use of property assets and progressing towards the Council's target of carbon neutrality by 2030.

4.14 Indeed the need to achieve carbon neutrality and efficiency savings means it is no longer sufficient for asset management to simply align property to service needs. It needs to exploit this new momentum and proactively drive change through the design, size and provision of future assets such as the Civic Hub, car parking and other facilities in a manner which will influence how people work, travel and spend their leisure time beyond the impact of COVID-19.

Environmental Sustainability

4.15 One immediate opportunity arising from the current climate has been the reduction in gas and electricity costs to historically low levels, due in part to the current reduced demand. Following the restructure Corporate Property is responsible for the procurement of all utilities, and in April 2020 the unit secured new three-year fixed price contracts for both the gas and electricity.

4.16 The gas contract will deliver 23% annual savings and is supplied by a UK-based company, offering improved levels of environmental sustainability in comparison with the previous Russian supplier. The new electricity contract will not only deliver healthy savings at a fixed price, but is produced from 100% renewable, non-nuclear sources (wind, hydro, geo-thermal and solar), thus delivering on the Council's Corporate Plan Climate Emergency priorities.

4.17 Similarly, Corporate Property inherited multiple water suppliers to various properties. These have now been merged into a single supplier, generating a saving of £5,000 over the next three years, streamlining its administration and meeting its environmental audit recommendations.

4.18 Having secured cost-effective and environmentally friendly energy suppliers, the focus will now be on using less energy and generally improving the energy efficiency of Council assets.

4.19 As part of the Service's strategic asset management, Corporate Property is in a position to make informed investment decisions on carbon reduction projects, assessing pay-back periods against building lifespans and any plans for asset replacement or disposal.

4.20 Corporate Property also has the opportunity to integrate green initiatives into its daily operations, reducing waste and encouraging recycling in the Civic Offices through its cleaning team, monitoring energy consumption during utility payments and embedding carbon reduction principles into planned maintenance and new build projects.



4.21 Whilst 74% of the Council's investment properties already meet the Government's required minimum E energy rating for any new lettings, all properties must meet this rating (or satisfy exemption criteria) by April 2023. It is likely that a higher minimum rating will be introduced in future years, and a rolling programme of energy improvements will, therefore, be required.

Planned Maintenance

4.22 Currently there is insufficient condition survey data on the Council's buildings, and repairs are undertaken on a reactive basis. However, the Corporate Property restructure has created the resources necessary to undertake these surveys and ultimately prepare a planned maintenance programme.

4.23 This planned maintenance programme will transform the service, inform the allocation of future repair budgets and enable repairs to be undertaken in a proactive, planned and prioritised manner.

4.24 This planned and corporate approach is further enhanced by the fact that all public building repair budgets are now under Corporate Property's control, rather than individual departments. Combined with the planned maintenance programme, this means that repairs can be planned, bundled and procured efficiently and strategically in collaboration with the Housing Repairs Team with the benefit of informed surveys and data.

Surplus Assets

4.25 The Council holds a number of potentially surplus sites with development potential in the District. These disposals generate important capital receipts, support the delivery of new housing and ensure the Council is well placed to benefit from the Government's New Homes Bonus.

4.26 Capital receipts totalling £1,500,000 are programmed for 2020/21 and 2021/22, and work will continue on the strategic review and promotion of other Council sites in both the General Fund and Housing Revenue Account, together with collaboration opportunities with adjacent landowners.

4.27 Corporate Property will also be a key player in the newly formed corporate working group, which has been established to consider the future provision of Council housing across the District, drawing evidence from the recently commissioned Strategic Housing Market Assessment. The group will consider how Council owned sites could be developed or purchased in key areas and, where existing Council housing is not fit for purpose or in the wrong location, how these sites may be developed, regenerated or sold.

4.28 As a major landowner the Council is in a position to influence the regeneration of the town centre. A £100,000 grant has been secured from One Public Estate to undertake a viability and masterplanning exercise, with a view to delivering a new multi-occupied Civic Hub and the disposal and regeneration of town centre public assets.

4.29 Regeneration projects such as this will enable the Council to embrace the current momentum for change in how society works, travels and as spends valuable leisure time. In relying on a practical proportion of homeworking in the provision of office space and parking, the Council will be driving change to deliver efficiencies and reduce its carbon footprint.



Performance Measurement

4.30 Corporate Property's performance will be formally measured by indicators included within the Corporate Plan, Corporate Resources Service Plan and Equality, Diversity and Inclusion Plan. These are as follows:

Corporate Plan

- To undertake condition surveys and deliver a planned maintenance programme for all public buildings over the four-year Plan period.

Service Plan

- To ensure all commercial properties achieve a minimum 'E' rating (or exemption) within their Energy Performance Certificates by April 2023;
- To ensure at least 30% of staff work flexibly by 2021;
- To reduce the Council's grey mileage by 7%.

Equality, Diversity and Inclusion Plan

- To undertake an accessibility review of the Civic Offices

4.31 Corporate Property will deliver a number of other key outputs during the term of this Asset Management Plan, and it is expected for instance to generate over £1,500,000 in capital receipts. However, these land sale receipts are subject to market forces, and achievements in areas such as this will be reported in the next Asset Management Plan rather than be the subject of performance indicators.

4.32 Similarly, many of the objectives within the aforementioned Property Action Plan are currently generic themes, and these will be developed as strategies are progressed in areas such as carbon neutrality and town centre regeneration. More specific and measurable objectives will therefore be developed during the lifetime of this Asset Management Plan.

5. Conclusions

5.1 The success of this Asset Management Plan will be assessed against how the Council's non-housing property assets have continued to be aligned to service needs, responded to the changing world and delivered efficiencies.

5.2 As Council services develop and the use of technology grows, property assets will need to evolve in parallel to ensure they remain fit for purpose. A strategic approach in assessing future service needs is crucial, as re-profiling a property portfolio requires long-term planning.

5.3 External factors will be particularly influential on how the Council's non-housing property assets are managed going forward, including the impact of COVID-19, the need to reduce the Council's carbon footprint and the financial constraints which will arise from the current economic climate.



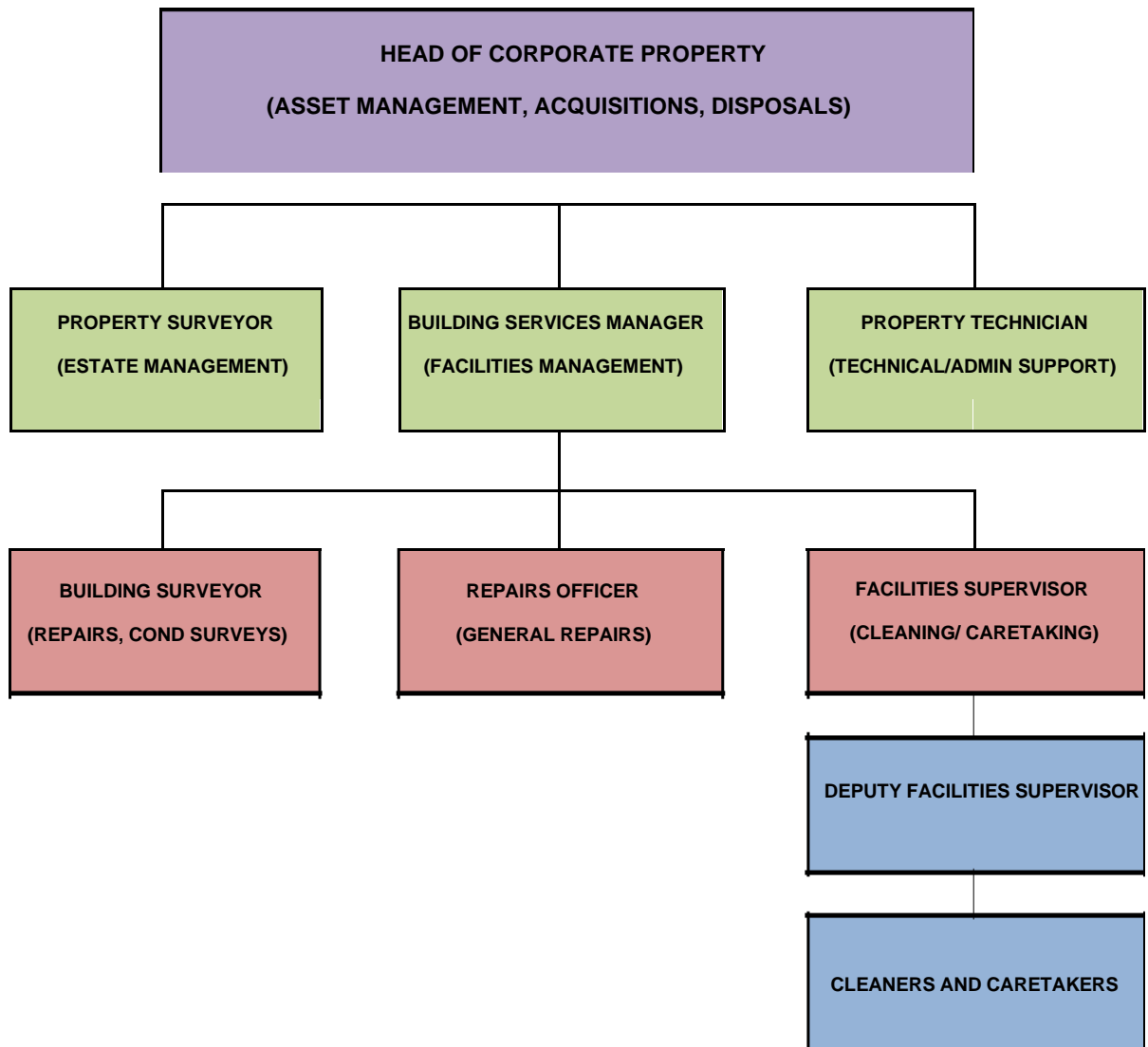
5.4 The key objectives for this Asset Management Plan are therefore as follows:

1. To build a solid base from which the Council can manage its existing buildings. This will be achieved by the completion of condition surveys and the subsequent planned maintenance programme, placing the Council in a position to strategically and efficiently manage the repair and maintenance.
2. Address the impact of COVID-19. The property assets will need to be managed flexibly to respond to health and safety needs within the workplace and the economic impact on the commercial portfolio.

The Strategy will also need to embrace the opportunities arising from changing work and travel behaviours, and drive these changes forward through the re-provision of assets such that the Council uses less, reduces travel, generates surplus assets and generally improves the efficiency in how it works and its buildings are used.

3. Embed environmental initiatives to reduce the Council's carbon footprint. The need to reduce this footprint will influence how current buildings are used in terms of space and energy consumption, and how the Council's future assets are designed and built in the future. The current momentum for change in how society works, travels and spend its leisure time presents a prime opportunity to drive these changes during the term of this Asset Management Plan.





Appendix 2.

2 Village Halls	Netherseal Village Hall Walton Village Hall
7 Community Rooms	Brook Close, Findern Fisher Close, Repton Kendricks Close, Hartshorne Newlands Close, Church Gresley Patrick Close, Linton Percy Wood Close, Hilton Unity Close, Church Gresley
11 Rosliston Forestry Centre – Other Units	Glade Arena Enterprise Centre Units A-E Rosliston Visitor Centre Café Barn Classroom 6 x Lodges
19 Car Parks	Civic Offices Lower Green, Findern Main Street, Hilton Wilne Lane, Shardlow 2 x Alexandra Road, Swadlincote Hill Street Baptist Church, Swadlincote Rink Drive, Swadlincote High Street, Woodville Burton Road, Repton High Street, Melbourne Arnold Close, Church Gresley Station Road, Hatton Bus Station, Swadlincote East End, Civic Way, Swadlincote Market Street, Swadlincote 2 x Depot Car Parks Midland Road, Swadlincote
8 Public Conveniences	Woodville Road, Overseal Egginton Road Etwall Ticknall Village Hall Bus Station, Swadlincote Canal Bridge, Willington East End Car Park, Swadlincote Swadlincote Woodlands York Road Cemetery (not in use)
15 Pavilions, Community Centres and Changing Rooms	Stenson Fields Community Centre Midway Community Centre Broomhills Lane Pavilion, Repton Eureka Park Pavilion, Midway Maurice Lea Memorial Park, Church Gresley Mount Pleasant Sports Pavilion, Castle Gresley Mount Road Pavilion, Hartshorne Newhall Park Changing Rooms, Newhall Overseal Bowls Pavilion

	Oversetts Road Changing Rooms, Newhall Burton Road Pavilion, Ticknall Small Thorn Place, Woodville Strawberry Lane Pavilion, Rosliston Twyford Road Pavilion, Willington Woodhouse Street Sports Pavilion, Woodville
2 Cemetery Sites	York Road, Church Gresley Church Street, Newhall
41 Industrial Units	27 George Holmes Business Centre 14 Boardman Industrial Estate
12 Town Centre Shops	8 Delph Centre Shops 4 Midland Road Shops

REPORT TO:	FINANCE & MANAGEMENT COMMITTEE	AGENDA ITEM:12
DATE OF MEETING:	30 th JULY 2020	CATEGORY: DELEGATED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	TONY GUEST, HEALTH & SAFETY OFFICER (01283 595872) antony.guest@southderbyshire.gov.uk	DOC:
SUBJECT:	ANNUAL HEALTH AND SAFETY REPORT 2019/20 AND ACTION PLAN 2020/21	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 17

1.0 Recommendations

- 1.1 That the key health and safety achievements and performance for the year ending 31 March 2020 are noted.
- 1.2 That the Health and Safety Action Plan for 2020/21 as detailed in Appendix 2 is approved.

2.0 Purpose of the Report

- 2.1 To provide an overview of the Council's health and safety performance for 2019/20 and detail the approach taken in enabling managers and employees to understand and fulfil their health and safety duties and responsibilities.
- 2.2 The Health and Safety Action Plan 2020/21 attached at **Appendix 2** is presented to the next internal Health and Safety Committee to agree the priorities for this year.

3.0 Detail

- 3.1 In June 2019, this Committee approved the Health and Safety Action Plan for 2019/20 that set out a number of actions to continually improve and enforce the importance of good health and safety management practice at work.
- 3.2 Progress against the Action Plan is reviewed monthly by the Strategic Director (Corporate Resources) and the Health and Safety Committee that meets quarterly. Two Elected Members as Health and Safety Champions, Councillor P Watson and Councillor S Taylor, were members of the Health and Safety Committee for 2019/20.
- 3.3 Professional support and advice for managers, employees and partners of the Council is provided by the Health and Safety Officer who is part of the Organisational Development and Performance Service Unit.

4.0 **Main Achievements**

- 4.1 Actions under the agreed Health and Safety Action Plan were progressed as scheduled unless otherwise agreed. It should be noted that with the worldwide coronavirus (COVID-19) pandemic, significant resources have had to be diverted from the start of this year (and continuing) to support the Council with implementing local actions in line with Government and Health Service requirements, including actions leading up to and past the national lock down that commenced from 23rd March 2020.

Incident reporting

- 4.2 The consistent monitoring, investigation and taking appropriate actions following any incident/accidents within the Council are one of the key requirements for good health and safety practice. Any incident that results in an employee being unable to work for seven consecutive days, results in a fatality and/or specified injuries (such as fractures, amputations) are classed as a 'RIDDOR' and are reported to the Health and Safety Executive (HSE) which is the government agency that deals with health and safety matters nationally. (*RIDDOR stands for Reportable Injuries, Diseases and Dangerous Occurrence Regulations*). It should be noted that COVID-19 is classed as a reportable disease and any incidents have to be reported as a RIDDOR.
- 4.3 As well as reporting those that result in an injury to an employee or member of the public, it is also important to record any 'near misses'. These help to identify any potential risks to others and enable managers to review and update existing work practices.
- 4.4 As required by the HSE, incident/accident reporting has focused on work related incidents and this approach was adopted by the Council from April 2016. Since this time, whilst the number of incidents have continued to rise year on year they are still below the levels being reported five years ago as summarised below.
- Year 2019/20 - 36 incidents
 - Year 2018/19 - 33 incidents
 - Year 2017/18 - 25 incidents
 - Year 2016/17 - 20 incidents
 - Year 2015/16 - 56 incidents (*reporting criteria changed*)
- 4.5 Using this method enables a clear focus on actions that can be taken to improve working practices, where additional training is required or different resources/equipment can be used.
- 4.6 The total number of work-related incidents for the year 2019/20 was 36 of which six were RIDDOR reportable. These are shown in Appendix 1. It should be noted that these figures include three work related near misses and exclude non work-related incidents as noted above.

RIDDORs

- 4.7 There were six RIDDOR reportable accidents during the year.
- Two employees falling ill due to pre-existing medical conditions.
 - Two front line employees sustaining fracture/laceration injuries due to unforeseen circumstances.

- Two members of the public [under 16] sustaining lower leg fractures due to jumping/falling from fixed structures at Rosliston Forestry Centre.

4.8 All incidents were fully investigated with actions, including personal welfare consultations, refresher training and reinforcement of safe systems of work, were taken to reduce any identified risks. Further details are provided in Section 5.

COVID-19

4.9 From the start of 2020, the landscape and profile of health and safety practice has changed dramatically. COVID-19 has required that normal day to day activities have been largely put to one side to support the Council, and its partners, prepare and implement a range of measures to protect the public, our workforce and reduce the pressure on health care providers.

Every service provided by the Council has been impacted demanding the ongoing provision of health and safety advice and support. This has ranged from reviewing existing working practices, conducting risk assessments to implementing a range of national measures that have been enacted to control and suppress the spread of the virus.

Central to this has been the provision of clear and continued communications on the actions being taken to keep employees, Trade Unions and members of the public informed. This has been built upon national advice and adjusted to be relevant at a local level. Daily communications have been issued to keep employees informed of the actions being taken and the support available to maintain their health and wellbeing.

This work is ongoing and will continue to have an impact on all services over the coming months. This will be reported in the next annual health and safety report to explain the actions taken, their effectiveness and how it has impacted on health and safety work that would normally have been provided.

Training

4.10 The proven method for establishing and maintaining a positive health and safety culture is to provide training for staff and managers. The Council continued an extensive portfolio of health and safety training courses in subjects such as Basic Health and Safety Awareness, Manual Handling, Risk Assessment for Assessors, Fire Warden Procedures and a range of toolbox talks primarily aimed at front line workers.

Training has also been provided for managers and supervisors in accident investigations and site inspections from our insurers, Zurich. This training focused on the actions that need to be taken to reduce the risk of litigation and when it is progressed, the actions and type of information that need to be provided to defend a claim.

In addition, specific training and advice has been provided in relation to COVID-19 and actions/measures that have been put in place to protect the workforce.

Inspections and Workplace Audits

- 4.11 Workplace inspections and audits have been completed with a particular focus on high risk areas such as the Depot. This has included observing the working practices of crews, provision of additional guidance and support around the use of bankpersons and traffic management on and around the site. Support has been provided at other venues and in particular at Rosliston Forestry Centre and other sites that are used to deliver leisure and other sporting activities, such as the annual Summer Playscheme, activities in the Town Centre and community centres.
- 4.12 Information from incidents/accidents and workplace inspections and audits will continue to be shared with the Health and Safety Committee to enable them to review the effectiveness of and monitor progress towards actions that are implemented.

Other significant achievements included:

- Provided support and advice following an incident in June 2019 that resulted in flooding to a number of areas on the ground and first floor and in particular to the Social Services Department, Registrar's office, some areas of Planning and the opposition lounge for Elected Members.
- Provided ongoing support and review of the arrangements in place to mitigate the risk of lone working. This has included the re-allocation of SoloProtect devices that provide an effective, safe and discreet method for support to be summoned when there is risk to the health or wellbeing of our employees. The review of the Corporate Warning Register to make sure that all services are aware of measures to be taken when providing services to a resident or visiting a property on the list and to ensure that our list is up to date and compliant with the provisions of the Data Protection Act.
- Reviewed and updated the Corporate Lone Worker Policy to include guides and reference to arrangements in place across different service areas.
- Implemented a corporate approach to the provision of workstation equipment and worked with a third party to complete on-site DSE assessments for over 80 employees. This ensured that the correct equipment and installation was completed in a safe and efficient manner and good working practices were re-enforced and observed.
- Supported service areas with fire safety audits at different premises such as community centres, Etwall and Green Bank Leisure Centres, sheltered accommodation and other venues as requested.
- Worked with Economic Development and Growth Service Unit with arrangements around the use of the town centre for different activities and the town centre markets.
- Reviewed and updated the terms of reference for the Health and Safety Committee, the corporate Health and Safety Policy and a brief guide to health and safety for employees.
- Providing professional advice for the review of Corporate and Service Health and Safety Policies and Procedures.

RoSPA Health and Safety Award

- 4.13 The submission for 2019 has been delayed and will be submitted at the end of the year. The outcome will be reported in next years' report.

Professional Support

- 4.14 Throughout the year, advice and support is provided across all service areas with the completion and review of risk assessments, incident/accident investigations and the implementation of appropriate control measures, use of the IT Health and Safety System (Assessnet) and the development of bespoke training and toolbox talks.

5.0 Incident/Accident Analysis

- 5.1 The Health and Safety Officer is responsible for producing management information on the number of incidents/accidents occurring, as well as carrying out investigation and reporting to the HSE where required.
- 5.2 Statistics are collated and reported to the Health and Safety Committee on a quarterly basis. This Committee reviews the incidents/accidents to identify any trends and makes recommendations on any actions or learning that needs to be implemented.
- 5.3 The Strategic Director (Corporate Resources) chairs the Health and Safety Committee. The Elected Member Champions for Health and Safety, Officers from across the Council, along with Trade Union Health and Safety representatives also attend the meeting.
- 5.4 An annual trend analysis of all incidents/accidents has been produced for April 2019 – March 2020 with a comparative analysis provided for the previous year 2018 - 2019. Further analysis on the work related incidents for the current year are included at **Appendix 1**.
- 5.5 In the year (April 2019 – March 2020) there were 36 incidents/accidents, six of which were reported to the HSE, as RIDDOR reportable incidents. This represents an increase of three from the previous year where 33 accidents/incidents occurred. There was also an increase in RIDDORs, compared to three the previous year
- 5.6 The changes are attributable to reporting work related incidents only which can significantly vary with lower statistics. Whilst the number of incidents has increased over the past four years there are no significant trends although it has been identified that the highest rate of cause is now manual handling and not slips, trips or falls. As noted in this report, it is proposed to continue to provide toolbox talks and remind employees of the importance of adopting safe work practices and to ensure they use the correct lifting equipment or seek support where appropriate.
- 5.7 There was a lower total of work-related incidents, 36 compared to 54 non-work-related incidents. The increase of non- work-related incidents is due to minor injuries sustained through slip, trip and falls during the summer play scheme. This is a similar position as reported in 2018/19. Work related accidents/incidents are shown in Appendix 1.

Health and Safety Action Plan for 2020-2021

5.8 The Plan for 2020/21 has to be largely focused around providing support, guidance and actions around the national and local response to the COVID-19 pandemic. As the actions required are largely determined based on national advice and the continued impact of COVID-19, it is not possible to be perspective on what, when and how actions have to be taken. With a constantly changing landscape and the expected impact of a second wave of COVID-19, the other actions in the plan have been largely scaled back to those that are necessary to maintain the current health and safety management framework and restricts the number of proactive actions that are usually taken during the year. The Health and Safety Action Plan for 2020-21 is attached at Appendix 2. Other actions that are planned include;

- To review and provide a blended approach to health and safety training that utilises technology to deliver training events for employees whilst control measures remain in place due to COVID-19.
- To complete health and safety audits at high risk areas such as the Depot and providing mentoring to managers so they are able to complete the audits.
- To review the functionality of AssessNET and enable the electronic recording of accidents to reduce the reliance on paper-based systems and improve the provision of management information.
- To complete reviews of Health and Safety procedures and policies
- To provide advice and guidance relating to different models of service delivery and actions that need to be taken in relation to people working from home, provision of equipment and working practices.
- To provide support for the provision of health and wellbeing activities for the workforce.

6.0 Financial Implications

6.1 None. All resources are contained within existing budgets.

7.0 Corporate Implications

Employment Implications

- 7.1 Having effective health and safety arrangements promotes better working methods and early, preventative action to protect the health and well-being of the workforce.
- 7.2 In relation to the current and potential workforce, this includes positive consideration towards any workplace adaptations or resources that can support an individual with health and/or medical conditions as well as pregnant employees.

Legal Implications

- 7.3 The Health and Safety at Work Act 1974 is the primary legislation and sets down the minimum requirements for health and safety practice that should be observed by the Council.

Corporate Plan Implications

- 7.4 The approach and arrangements detailed in this report underpins and supports all the key themes under the Corporate Plan and in particular the People theme.

Risk Implications

- 7.5 The HSE can impose a number of sanctions against any employer who breach or otherwise fail to comply with Health and Safety Legislation. This can range from improvement notices through to extensive fines which not only cause financial implications but also damage the employer's reputation. Most importantly, it can have a direct and life changing impact on the workforce or recipient of any services provided by the Council. The effective management of health and safety is therefore recognised as a key risk and the detail in this report sets down how the Council is managing and improving their approach to health and safety.

8.0 Community Implications

- 8.1 The Council has a responsibility for providing a safe work environment for its employees and any members of the public, contractor or visitor receiving services or accessing buildings or areas managed or owned by the Council. The arrangements detailed in this report outline how this responsibility is managed.

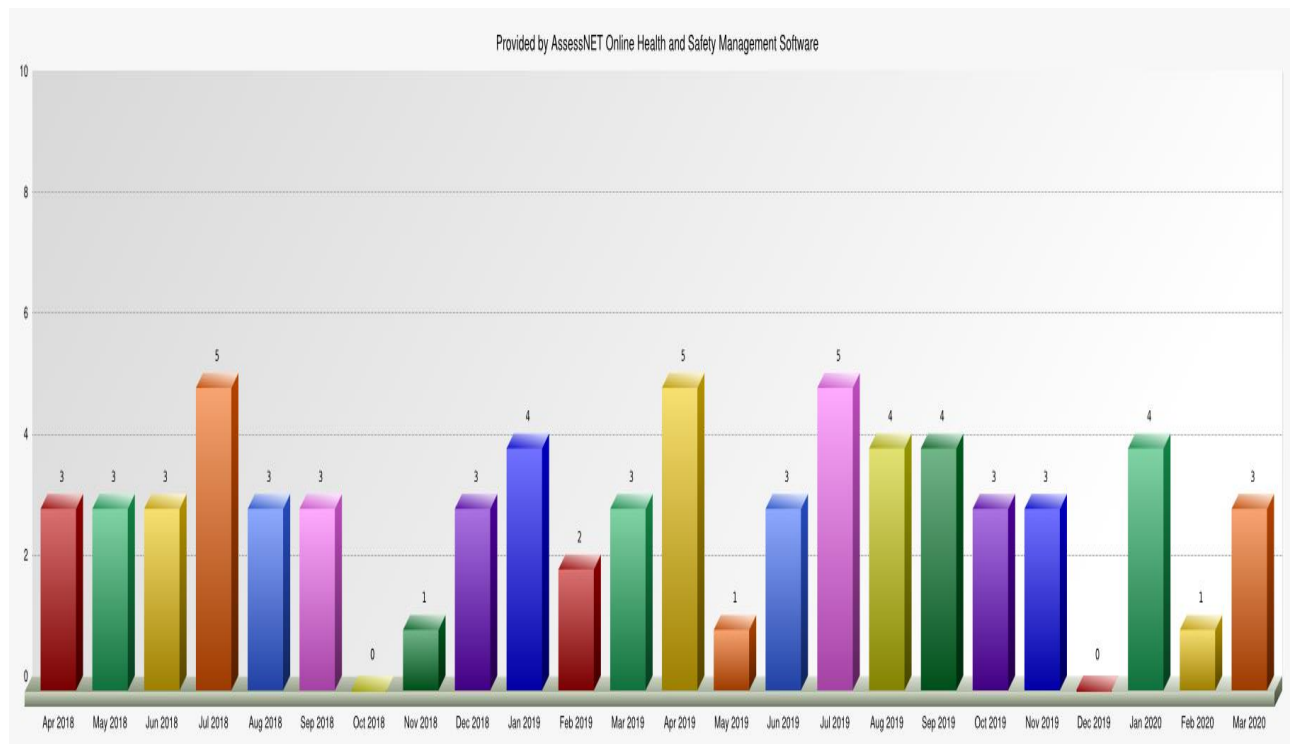
9.0 Background Papers

- 9.1 Health and Safety Annual Report 2019/20.

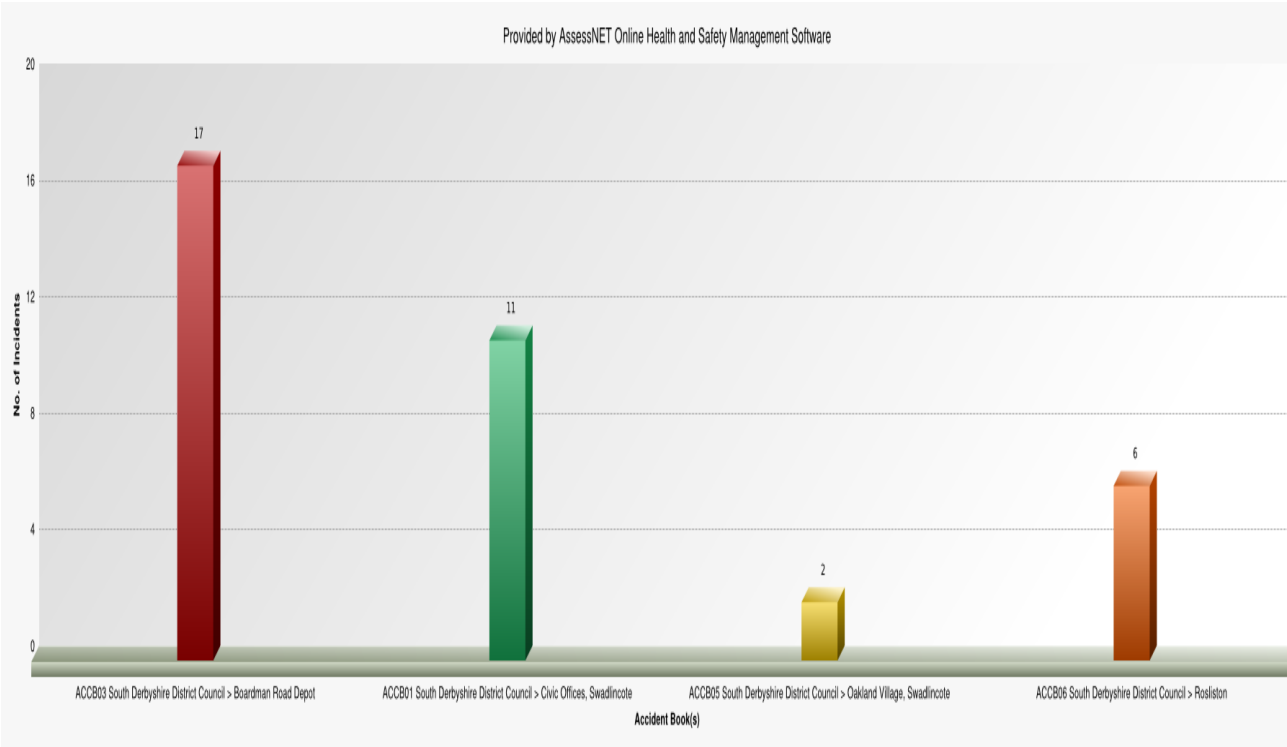
Accident Statistics for 2019-20

For the year April 2019 – March 2020, there were 36 work related accidents/incidents, six of which were reported to the HSE, as RIDDOR reportable.

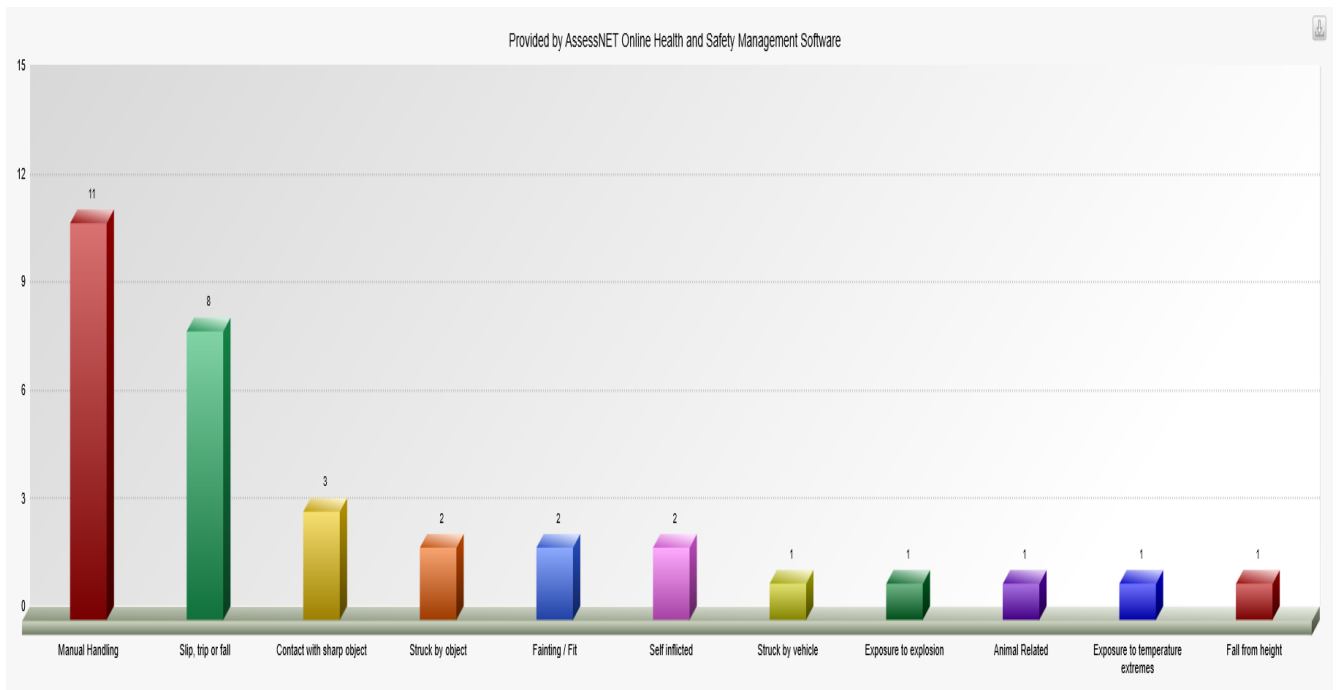
Graph 1 below illustrates the breakdown of all **work-related** accidents/incidents by month and compares the number of accidents in the last two financial years. Having moved to the new format of reporting work related accidents/incidents, the trend has evened itself out over the past two years. July & August still have the highest incidence rates and that is attributable to the summer schemes involving a high number of participants and varied activities.



Graph 2 shows the rates of accidents/incidents for the year by Council area. Most have occurred to employees based at the Boardman Road Depot where the higher risk services are provided. This is consistent with the previous year.



Graph 3 shows the type of work-related accidents/incidents that occurred during the year. The highest types are manual handling slips, trips & falls that is consistent with previous years. Note – does not include three near misses.



Health and Safety Action Plan 2020/21

Health and Safety actions	Proposed actions and initiatives	Status R–Red A–Amber G–Green	Target	Comments
COVID-19 (Coronavirus)	1.0 Support national and local actions 1.1 Develop Corporate Covid-19 risk assessment 1.2 Support risk assessments across service areas 1.3 Support individual risk assessment for those with health conditions, BAME 1.4 Complete training and other materials for employees returning to work 1.5 Review national and local guidance and develop local documents/procedures 1.6 Develop AssessNET questionnaire and roll out to all staff 1.7 Advise on any testing or other control measures 1.8 Work with different services on arrangements to re-open facilities and venues 1.9 Develop internal health and safety procedures and policies 1.10 Support Leadership team with service recovery plans 1.11 Support HofS with arrangements for different service delivery models	A A A A A A A A A A A	June 2020 July 2020 Ongoing Aug 2020 Ongoing July 2020 Sept 2020 July 2020 Ongoing Ongoing Ongoing	
Policy and Procedure	2.0 Reviews 2.1 Statement of Intent (Annual review) 2.2 Lone Worker Policy (review) 2.3 Display Screen Equipment and homeworking 2.4 Accident Reporting Procedure	A A A A	April 2020 March 2021 March 2021 March 2021	
Training	3.0 Training programme 3.1 Provide mandatory Health and Safety training using TEAMS and on site 3.2 Deliver specific training for occupational groups – manual handling etc 3.3 Develop H&S induction process as part of corporate arrangements 3.4 Design and deliver tailored toolbox talks as required 3.5 Deliver training in risk assessment	A A A A A	March 2021 March 2021 March 2021 March 2021 March 2021	
Reports and management information	4.0 Committees and management meetings 4.1 Produce monthly agenda and statistics for review meetings 4.2 Collate information for Health and Safety Committee 4.3 Complete Health and Safety Annual report 4.4 Produce information for regional health and safety committees	A A A A	Monthly Quarterly June 2021 As required	
Workplace Audits and Inspections	5.0 Risk based approach 5.1 Support Managers with inspections and audit in high risk areas (Depot) 5.2 Review and develop use of AssessNET to keep corporate records 5.3 Develop corporate template and checklist for managers	A A A	Ongoing March 2021 Dec 2021	

Health and Safety Action Plan 2020/21

RoSPA Award	6.0 Industry accreditation 6.1 Complete and submit 2019 entry 6.2 Complete and submit 2020 entry 6.3 Review any feedback on either submission	A A A	Jan 2021 June 2021 As required	
AssessNET	7.0 Review functionality and maintain system 7.1 Enter all details relating to incidents and accidents including RIDDORS 7.2 Develop accident reporting module 7.3 Review risk assessment module and roll out across services	A A A	March 2021 Dec 2020 March 2021	
Health & Safety Management Framework	8.0 Miscellaneous 8.1 Support health and well-being initiatives 8.2 Annual health surveillance programme for HAVS 8.3 Review existing arrangements for the provision of eye test vouchers 8.4 Develop corporate approach for provision of equipment and other resources for agile and homeworkers	A A A A	March 2021 Jan 2021 March 2021 March 2021	

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL)	AGENDA ITEM: 13
DATE OF MEETING:	30th JULY 2020	CATEGORY: DELEGATED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (EXT 5811) kevin.stackhouse@southderbyshire.gov.uk	DOC:
SUBJECT:	COMMITTEE WORK PROGRAMME	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: G

1.0 Recommendations

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

2.0 Purpose of Report

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

3.0 Detail

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

4.0 Financial Implications

4.1 None arising directly from this report.

5.0 Background Papers

5.1 Work Programme.

Finance and Management Committee – Next F&M Committee 30th July 2020
Work Programme for the Municipal Year 2020/2021

Work Programme Area	Date of Committee Meeting	Contact Officer (Contact details)
Final Budget Proposals 2020/21 and Financial Plan to 2025	13 February 2020	Victoria Summerfield (Head of Finance) Victoria.summerfield@southderbyshire.gov.uk (01283 595939)
Treasury Management Strategy 2020/21 and Prudential Indicators	13 February 2020	Victoria Summerfield (Head of Finance) Victoria.summerfield@southderbyshire.gov.uk (01283 595939)
Proposed Local Council Tax Reduction Scheme 2020/21	13 February 2020	Kevin Stackhouse Strategic Director (Corporate Resources) Kevin.stackhouse@southderbshire.gov.uk (01283 595811)
Capital Programme Budget to 2025	13 February 2020	Victoria Summerfield (Head of Finance) Victoria.summerfield@southderbyshire.gov.uk (01283 595939)
Annual Report of the Section 151 Officer	13 February 2020	Kevin Stackhouse Strategic Director (Corporate Resources) Kevin.stackhouse@southderbshire.gov.uk (01283 595811)
Corporate Performance Measures 2020 to 2024	13 February 2020	Fiona Pittam Head of Organisational Development Fiona.pittam@southderbyshire.gov.uk (01283 595735)

Transfer of Housing Repairs Calls into Customer Services	13 February 2020	Victoria Summerfield (Head of Finance) Victoria.summerfield@southderbyshire.gov.uk (01283 595939)
Domestic Abuse Procedure - Make A Stand Campaign	13 February 2020	David Clamp Head of Organisational Development David.clamp@southderbyshire.gov.uk (01283 595729)
Social Media Strategy	13 February 2020	Fiona Pittam Head of Organisational Development Fiona.pittam@southderbyshire.gov.uk (01283 595735)
Coronavirus (Covid-19) Financial Impact	2 July 2020	Kevin Stackhouse Strategic Director (Corporate Resources) Kevin.stackhouse@southderbshire.gov.uk (01283 595811)
Revenue Financial Monitoring 2019/20	2 July 2020	Victoria Summerfield (Head of Finance) Victoria.summerfield@southderbyshire.gov.uk (01283 595939)
Capital Financial Monitoring / Provisional Out-turn 2019/20	2 July 2020	Victoria Summerfield (Head of Finance) Victoria.summerfield@southderbyshire.gov.uk (01283 595939)
Treasury Management Update 2019/20	2 July 2020	Victoria Summerfield (Head of Finance) Victoria.summerfield@southderbyshire.gov.uk (01283 595939)
Homelessness / Rough Sleeping	2 July 2020	Paul Whittingham (Housing Services Manager) Paul.whittingham@southderbyshire.gov.uk (01283595984)

Corporate Plan 2020 to 2024: Quarterly Performance Reports	9 July 2020	Fiona Pittam fiona.pittam@southderbsyhire.gov.uk (01283 595735)
Evaluation of Capital Projects	9 July 2020	Kevin Stackhouse Strategic Director (Corporate Resources) Kevin.stackhouse@southderbshire.gov.uk (01283 595811)
Transformation and Business Change Programme 2020 to 2024	9 July 2020	Anthony Baxter (Head of Business Change and ICT) Anthony.baxter@southderbyshire.gov.uk (01283 595712)
Sponsorship Policy and Guidance	9 July 2020	Nicola Lees nicola.lees@southderbsyhire.gov.uk (01233 595755)
Comments, Compliments, Complaints and FOI Requests	9 July 2020	Kevin Stackhouse Strategic Director (Corporate Resources) Kevin.stackhouse@southderbshire.gov.uk (01283 595811)
Equalities Annual Report 2019/20	9 July 2020	Fiona Pittam fiona.pittam@southderbsyhire.gov.uk (01283 595735)
Revenue Budget Out-turn 2019/20	30 July 2020	Victoria Summerfield (Head of Finance) Victoria.summerfield@southderbyshire.gov.uk (01283 595939)

Capital Out-turn 2019/20	30 July 2020	Victoria Summerfield (Head of Finance) Victoria.summerfield@southderbyshire.gov.uk (01283 595939)
Treasury Management Annual Report 2019/20	30 July 2020	Victoria Summerfield (Head of Finance) Victoria.summerfield@southderbyshire.gov.uk (01283 595939)
Annual Value for Money Statement 2019/20	30 July 2020	Kevin Stackhouse Strategic Director (Corporate Resources) Kevin.stackhouse@southderbshire.gov.uk (01283 595811)
Asset Management Plan 2020 to 2024	30 July 2020	Steve Baker (Head of Corporate Property) Steve.baker@southderbyshire.gov.uk (01283 595965)
Annual Health and Safety Report 2019/20	30 July 2020	David Clamp David.clamp@southderbsyhire.gov.uk (01283 595729)
Debt Recovery 2019/20	TBC	Kevin / Elizabeth Barton Head of Customer Services Elizabeth.barton@southderbyshire.gov.uk (01283 595779)
Coronavirus (Covid-19) Financial Update	TBC	Kevin Stackhouse Strategic Director (Corporate Resources) Kevin.stackhouse@southderbshire.gov.uk (01283 595811)
