

<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 9</b>
<b>DATE OF MEETING:</b>	<b>18<sup>th</sup> MARCH 2021</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR (CORPORATE RESOURCES)</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>VICKI SUMMERFIELD, 01283 595939</b> <a href="mailto:Victoria.summerfield@southderbyshire.gov.uk">Victoria.summerfield@southderbyshire.gov.uk</a>	<b>DOC:</b> s/finance/committee/2020-21/Mar
<b>SUBJECT:</b>	<b>REVENUE FINANCIAL MONITORING 2020/21</b>	
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM08</b>

## **1.0 Recommendations**

1.1 That the latest revenue financial position for 2020/21 as detailed in the report is considered and approved.

## **2.0 Purpose of the Report**

2.1 To provide an update on performance against budget for 2020/21.

2.2 The report details performance up to 31st January 2021 unless otherwise stated and is an update of income and expenditure for 2020/21.

2.3 The report covers both General Fund and HRA income and expenditure, an update to the Medium-Term Financial Plan (MTFP) plus a quarterly update to the Collection Fund.

2.4 A summary of the COVID funding received by the Council and total income and expenditure offset against the fund as at January 2021.

## **3.0 Detail**

### **GENERAL FUND**

3.1 Apart from Council housing, day-to-day revenue income and expenditure for Council services is accounted for through the General Fund. The net expenditure is financed through the Council's Core Spending Power which includes:

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

3.2 The Base Budget for 2020/21 approved in February 2020 estimated a budget surplus of £922,391. The estimated surplus has been updated to £455,529 to include approved reports at this Committee and Full Council from March 2020 to February 2021 and a summary of the approved budget is shown in the following table. This has not altered since reporting in November.

	£
Base Budget	13,860,559
Reverse out Depreciation	-988,532
Minimum / Voluntary Revenue Provisions	320,744
Contingent Sums	593,797
<b>Total Estimated Spend</b>	<b>13,786,564</b>
Financing	-14,242,097
<b>Estimated Surplus</b>	<b>-455,529</b>

3.3 An update to the Council's financial position is listed within the MTFP in **Appendix 1**.

3.4 It should be noted that updates to the MTFP for the recent approvals for increases to Parish Concurrent Functions and grants to voluntary bodies, PCI Compliance and the Council Tax increase for 2021/22 of 1.5% all impact in future years and have now put the minimum projected balance over £200k below £1.5m, the statutory minimum.

3.5 Contingent sums held within the MTFP are detailed in the following table.

	£
Provision for "off-payroll" payments	10,000
Waste Collection and Recycling	100,000
Growth	121,595
Pension Earmarked Reserve Drawdown	-38,794
Administration of Childcare Vouchers	1,750
HRA Recharge Reduction	76,800
Operational Services Growth	322,446
<b>Total</b>	<b>593,797</b>

3.6 At this stage, the provisions for growth, off-payroll working, administration of childcare vouchers and recycling are not specifically committed. However, the recycling costs are to be reported later on the Agenda and therefore this provision and any remaining growth may have commitments against during the coming months.

3.7 The Operational Services growth is not included in the Base Budget currently but will be transferred to the Vehicle Replacement fund at the year-end as this was earmarked for new fleet as part of the Growth report in October 2020.

### **Position as at January 2021**

A summary of the financial position for the year compared to the Base Budget for each Policy Committee is shown in the following table.

## COMMITTEE SUMMARY - BUDGET MONITORING JANUARY 2021

### Summary by Policy Committee

REVENUE	ANNUAL			RESERVES	
	Full Year	Projected	Projected	Earmarked	Net effect on GF
	Budget	Actual	Variance		
£	£	£	£	£	
Environmental and Development Services	5,651,681	5,660,528	-8,847	29,137	-37,985
Housing and Community Services	2,537,513	2,060,933	476,580	486,791	-10,065
Finance and Management	5,671,365	2,861,728	2,809,637	2,512,033	253,827
<b>TOTAL</b>	<b>13,860,559</b>	<b>10,583,189</b>	<b>3,277,370</b>	<b>3,027,961</b>	<b>205,778</b>

3.8 The above table shows that net expenditure is expected to be £3,277,370 lower than budget but transfers to Earmarked Reserves of £3,027,961 due to grant income and external contributions received under Section 106 agreements for projects and capital schemes which stretch beyond the current financial year will be made at the year-end. This funding is transferred to specific reserves and drawn down to finance expenditure when it is incurred.

3.9 Excluding transfers to specific reserves, the above table shows that based on current spending, there is a projected decrease in overall expenditure across General Fund services of approximately £205,778. An analysis by the main service areas is shown in the following table.

## COMMITTEE SUMMARY - BUDGET MONITORING JANUARY 2021

### Summary by Service Area

REVENUE	ANNUAL			RESERVES	
	Full Year	Projected	Projected	Earmarked	Net effect on GF
	Budget	Actual	Variance		
£	£	£	£	£	
Economic Development	365,919	362,782	3,137	3,137	0
Environmental Services	745,110	815,236	-70,126	8,963	-79,089
Highways & Parking	126,385	87,106	39,279	24,652	14,627
Licensing & Land Charges	1,182	76,680	-75,497	0	-75,497
Planning	620,926	635,503	-14,576	0	-14,576
Street Scene	1,063,944	930,990	132,954	17,948	115,006
Waste & Transport	2,728,213	2,752,232	-24,018	-25,563	1,544
Community Development & Support	745,189	674,573	70,616	71,702	-940
Recreational Activities	166,459	136,503	29,956	21,380	8,576
Leisure Centres & Community Facilities	655,791	304,521	351,270	362,981	-11,711
Parks & Open Spaces	518,570	523,898	-5,328	3,199	-8,527
Private Sector Housing	451,504	421,438	30,066	27,529	2,537
Central Support Services	3,911,219	3,835,030	76,188	-7,787	83,975
Corporate & Democratic Costs	500,202	495,370	4,833	0	4,682
Elections & Registration	222,502	189,207	33,296	13,848	19,448
Parishes, Interest, S106 Receipts & Provisions	662,372	-1,773,711	2,436,083	2,321,277	71,179
Estate Management	-254,409	-279,217	24,808	0	24,808
Revenues & Benefits	629,478	395,049	234,430	184,695	49,735
	<b>13,860,559</b>	<b>10,583,189</b>	<b>3,277,370</b>	<b>3,027,961</b>	<b>205,778</b>

3.10 The main reasons for the projected variance are summarised in the following table and detailed in the commentary.

<b>GENERAL FUND VARIANCE TO BUDGET JANUARY 2021</b>	
	<b>£'000</b>
Salary savings (vacancies, maternity etc.) - E&D	377
Salary savings (vacancies, maternity etc.) - F&M	274
Salary savings (vacancies, maternity etc.) - H&C	85
<b>Total Employee</b>	<b>736</b>
Investment Income	70
Waste Disposal	60
Fuel	36
Increased Planning Fee Income	35
Increased Environmental Services Income	25
Printing and Stationery	23
Lower Grant payments than Budgeted	21
Election and Canvas Savings	20
Extra Refuse Collections	20
Members Allowances, Room Hire and Training	17
Insurance Claim Settlements	14
Utilities	8
Other Variances (net)	5
<b>Total Favourable Variances</b>	<b>1,090</b>
Sponsorship Income	-9
Legal Fees	-10
Costs of dealing with Standards Complaints	-12
Vehicle Hire	-12
Vehicle Spare Parts	-30
Animal Welfare Act Costs	-52
Agency and Consultancy Costs	-759
<b>Total Adverse Variances</b>	<b>-884</b>
<b>TOTAL - OVERALL PROJECTED VARIANCE</b>	<b>206</b>

3.11 Salary savings in year relate to vacancies and maternity but these savings are more than offset by agency and consultancy. The following table shows the expected costs and savings on staffing in year.

	<b>Employee Saving £'000</b>	<b>Agency Cost £'000</b>	<b>Variance £'000</b>	
Waste and Transport	64	-134	-70	Vacancy plus sickness
Planning	41	-100	-59	Long-term sickness
Environmental	66	-125	-59	Long-term sickness plus vacancy
Land Charges	64	-115	-51	Vacancies - Lichfield DC supporting
Parks & Open Spaces	74	-100	-26	Approved restructure delay
Business Change	1	-22	-21	Long-term sickness
Licensing	14	-35	-21	Maternity cover
Economic Development	16	-16	0	Vacant post
Democratic	10	-8	2	Long-term sickness
Housing	3	0	3	Pension
Events	8	0	8	Reduced hours
Senior Management	10	0	10	Budget at top scale point
Civic Offices	21	-6	15	Vacancies and sickness
Organisational Development	37	-18	19	Vacancy recruited
Property	19	0	19	Vacancy
Legal	113	-80	33	Out to recruit
Revenues and Customer Services	60	0	60	Pension and NI
Street Scene	115	0	115	Vacant posts
	<b>736</b>	<b>-759</b>	<b>-23</b>	

- 3.12 Investment income is greater than budget due to the large value of cash deposits held by the Council. £4m is currently invested in a Property Fund which is currently generating an average return of 4%. The budget for investment income is prudently based on a low interest receivable percentage and is therefore likely to exceed the £180k budget.
- 3.13 Planning applications are expected to be slightly higher than budgeted. At this stage, the volume of applications is high, but they are smaller, domestic applications and not from the larger fee-paying developers. Some larger developers have suggested that over the next few months they will be looking to put applications into the Council which should then show an increase in fee income but this is unlikely to be seen until after the current lockdown.
- 3.14 The net contribution from Derbyshire County Council is higher than budget on waste disposal due to higher levels of green waste and recycling due to the pandemic. This is in line with the outturn position in 2019/20 where higher levels of income were also generated. An increase in extra chargeable collections has also been seen within refuse.
- 3.15 Food Safety income in Environmental Services is expected to be higher due to licences and is consistently above budget every year.
- 3.16 No elections are due to take place during 2020/21 and the annual canvas is currently under review so it is expected that a saving will be seen in this area.

- 3.17 Diesel is currently incurred at a lower cost per litre than budgeted and therefore a saving is expected in year. Costs have been incurred on repairs of vehicles in excess of the budget which has also resulted in a cost for vehicle hire.
- 3.18 The closure of the Civic Offices with all support staff working from home has resulted in a saving in paper, stationery, printing costs and utilities.
- 3.19 Members allowances, subsistence, training and room hire costs are lower due to vacancies and also no ability to provide face to face forums. It is likely that training costs will increase in the new financial year after the local election.
- 3.20 Grant payments have been budgeted for Public Conveniences (£11k) but some sites have been passed over to the Parish Councils so this will not be spent and a budget for grants within Planning Policy (£10k) is approved each year but there is no specific requirement for this.
- 3.21 Costs were incurred by the Council in 2019/20 due to the storms and flooding. Insurance claims were made and have now been settled.
- 3.22 Costs have been incurred for kennelling due to seizing 26 animals under the Animal Welfare Act in 2019. It is hoped that these costs can be recovered after prosecution, but the prosecution has been delayed due to the closure of the Courts. The total cost is expected to be approximately £91k by the year-end but some of this cost has so far been offset against the Covid relief fund. Further justification of costs and the likely offset due to Covid is underway and the additional £52k being noted as a variance may well be much lower for the General Fund to cover.
- 3.23 As noted in the table at 3.10, Legal Services is currently recruiting to vacant posts. The cost of additional legal support can be offset against the savings being generated from these vacancies.
- 3.24 An independent body has been engaged to investigate complaints into the alleged misconduct of certain Councillors. This cost of £12k was unbudgeted.
- 3.25 Sponsorship of the roundabouts around the centre of Swadlincote has not been secured in year. Communication with local businesses is underway and it is hoped that once the pandemic is over that these businesses will look to advertise again.

### **COVID-19 Funding**

- 3.26 At the start of the pandemic, the Government issued a variety of grant funding to support local authorities with losses in income and additional expenditure. The Council has received £1.4m in direct support plus a number of other grants for additional duties.
- 3.27 The following table shows the grant income received, costs incurred to-date, known income losses plus known pressures that the Council is expecting to see as the year progresses.

	<b>£</b>
Tranche 1	-44,449
Tranche 2	-1,068,691
Tranche 3	-156,241
Tranche 4	-169,839
<b>Total Funding</b>	<b>-1,439,220</b>
Agency	218,179
Council Tax and Business Rates Court Fees	189,008
ICT and Home Working	116,525
Discretionary Grant Awards	100,000
Leisure Centre Income	83,093
Community Centre and Environmental Education Income	71,793
Recycling Costs	67,540
Overtime	45,990
Licensing and Street Naming Income	43,982
Kennelling Costs	39,046
PPE	33,357
Software and Licence Costs	23,101
Vehicle Hire	17,278
Rosliston Car Park Income	14,185
Signage, Warning Tape and Printing	3,790
<b>Total Known Impact</b>	<b>1,066,867</b>
<b>Remaining Funding</b>	<b>-372,353</b>

- 3.28 There are income losses across the Council that are still to be adjusted as it is too early to determine total loss but where it is now clear due to the third lockdown that recovery is unlikely, this is now included.
- 3.29 Agency and vehicle hire have been incurred to ensure service delivery remains uninterrupted for waste collection. Agency and overtime costs have also been incurred to support with the added pressure on homelessness and for business grants.
- 3.30 As noted earlier in the report, the Council is currently incurring large costs for kennelling and vet bills for animals seized under the Animal Welfare Act. At this stage it is believed that £39k of these costs can legitimately be offset against the Covid funding but the additional £52k is also being reviewed.
- 3.31 Leisure Centre closures during the pandemic have resulted in the contractor who manages both Etwall and Green Bank Leisure Centres being unable to pay the Council the contractual income due.
- 3.32 A recovery fund has been secured by the Council for the Leisure Centres totalling £220k. The contractor who manages the Leisure Centres will be expected to utilise this grant alongside the support from the Council to be sustainable into the future. Future recovery plans for the Leisure Centres are being kept under review by the Head of Cultural and Community Services.

- 3.33 The costs for ICT and home working of £116,525 is an estimate of the potential outlay required for providing workstations for employees at home. The majority of costs have now been incurred but a provision of an additional £36k is included within the summary.
- 3.34 Additional costs for recycling have been incurred in year due to the volume of waste being collected. This is expected to continue into the first quarter of the new financial year. Any remaining grant funding will be set-aside to support recycling into 2021/22 if it is not clawed back by the Government.
- 3.35 Of the £100k set-aside by this Committee for discretionary grants to businesses, only £15k has been spent to-date. The full £100k is included however in the summary table.

### **Core Grants and Funding**

- 3.36 The Council's central funding, besides Business Rates, is fixed for the year and is shown in the following table

<b>Core Grants and Funding 2020/21</b>	<b>£</b>
Council Tax	5,704,748
Retained Business Rates	4,188,978
Discretionary Business Rates Relief Scheme	3,000
New Homes Bonus	4,262,171
Collection Fund Surplus	83,200
<b>Total Funding</b>	<b><u>14,242,097</u></b>

- 3.37 The final amount retained for Business Rates will depend upon income and expenditure during the year, which includes provisions and any return from the Derbyshire Business Rates Pool.
- 3.38 There will be an additional cost seen in year in relation to the underestimate for the return from authorities for the Business Rates pool in 2019/20. The impact of this is still unknown as some Derbyshire authorities are still awaiting the results of their Statement of Accounts audit by External Auditors. It is likely that the cost to the Council will be at least £250k due to a positive outturn position in last financial year for this Council, but the impact will be reported once more is known.
- 3.39 Performance of the Pool is reported quarterly to all Derbyshire S151 Officers. There is a risk due to the pandemic that the Business Rates position for authorities across Derbyshire that losses in income will be seen which will impact on better performing authorities. It is still unknown at this stage how the Council will be impacted.

### **HOUSING REVENUE ACCOUNT (HRA)**

- 3.40 The Council is required to account separately for income and expenditure in providing Council housing.
- 3.41 The Base Budget approved in February 2020 for the HRA was set with an estimated surplus of £222k. The MTFP has been updated to remove the incremental salary increases as this is incorporated in the Base Budget, an increase on the pay award

and to include the restructure and regrading of a post approved at this Committee which has now decreased the surplus to £171k. The position of the HRA as at January 2021 is summarised in the following table.

Summary HRA 2020/21	BUDGET	PROJECTED	PROJECTED
	£000	ACTUAL	VARIANCE
	£000	£000	£000
Total Income	-12,618	-12,428	-190
Contribution to Capital & New Build	2,935	2,935	0
Responsive & Planned Maintenance	3,245	3,355	-110
Interest Payable and Receivable	1,713	1,516	197
Supervision & Management	1,780	1,786	-6
Supported Housing & Careline Services	839	804	35
Provision for Bad Debts	100	100	0
Provision for Debt Repayment	1,542	1,542	0
Asset Replacement Contribution	45	45	0
Contingent Sums	248	248	0
<b>Surplus</b>	<b>-171</b>	<b>-97</b>	<b>-74</b>

3.42 The above table shows that overall, the HRA is expected to have a surplus of £97k which is £74k less than budgeted. The main reasons for the variances are detailed below.

#### HRA VARIANCE TO BUDGET JANUARY 2021

	£'000
Salary savings (vacancies, maternity etc.)	347
Interest Income and Expenditure	197
Materials	50
Additional Careline Income	40
Insurance Claim Settlements	15
Compensation Voucher Rebate	15
Reduction in Garage Rent	-19
Careline Equipment Repairs	-20
Disrepair Claims	-30
Nottingham City Energy Survey	-39
Reduced Rent due to Void Dwellings	-171
Agency and Consultancy Staff	-457
Other Variances (net)	-2
<b>TOTAL - OVERALL PROJECTED VARIANCE</b>	<b>-74</b>

3.43 Expected salary savings in year relate to vacancies and are more than offset by agency and consultancy to support services.

3.44 Repairs and maintenance costs are expected to be on budget for the year due to an increase in contractor work on site. Vacancies in front line repairs team will result in lower materials costs due to the workforce being unavailable to complete works.

- 3.45 Interest income is expected to be above budget by approximately £71k on the HRA. Further detail on the reasons for the increase are noted at 3.11. The variable rate loan repayment for the first repayment in year is lower than budgeted by £126k.
- 3.46 The contribution from Derbyshire County Council and from private customers for Careline is higher than budgeted and is expected to be so for the remainder of the year. The budget is a very prudent estimate and there are large risks surrounding future funding of this service, so this is likely to be a one-off bonus this year.
- 3.47 An insurance claim settlement for major works after a car crashed into a dwelling in Castle Gresley has now been received. The costs were incurred in 2019/20. A claim settlement of £121k for a dwelling that was demolished in Newhall during 2019/20 after a serious fire has also been received but is to be reported as part of capital receipts in year as this is to be utilised on replacing the dwelling.
- 3.48 The revenue income lost due to void dwellings will be irrecoverable in year as the grants issued to the Council for costs and income losses due to the pandemic cannot be used to fund the HRA. The budgeted loss on voids is £160k and total void losses are expected to total approximately £357k in year.
- 3.49 Right to Buys (RTB) have totalled six to 31<sup>st</sup> January and therefore at this stage the losses of income are covered within the budget. The budget for RTB losses is £40k and losses based on the current position will total £14k. The slower number of losses through RTB is believed to be due to the pandemic but losses have started to increase since November.
- 3.50 Successful disrepair claims have been made against the Council which were not covered by the Council's insurance policy.
- 3.51 The HRA's 10-year MTFP is shown in **Appendix 2**.

## **COLLECTION FUND**

- 3.52 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 Preceptors.
- 3.53 Any surplus or deficit on the Fund is transferred to the General Funds of the Preceptors, in proportion to precepts levied each year. The projected position on the Fund for 2020/21, based on transactions up to 31<sup>st</sup> December 2020, is detailed in **Appendix 3**.
- 3.54 This shows that there is now a projected deficit balance on Council Tax of approximately £71k and a deficit balance on Business Rates of approximately £949k which is a significant improvement from the previous quarter due to more relief being paid to the Council by the Government.
- 3.55 Growth in the tax base is expected to continue which will impact positively on both Business Rates and Council Tax although both elements are likely to be negatively impacted due to the pandemic. As a result of the pandemic, a full review of bad debt is to be undertaken and the projection has been updated to include a 2% allowance for bad debt. This was formerly 1%.

- 3.56 The statutory Council Tax return has now been completed and the increase in Band D properties has not increased at the level expected in the MTFP. An update on the Council Tax position for 2021/22 was reported to the Committee in February.
- 3.57 Business Rates is looking to generate a large deficit as growth has been stifled and reliefs funded by the Government have been at a much higher level. It is difficult at this stage to forecast how the Business Rates position will fair over the year, but it is hoped that with all of the additional support given to businesses during the pandemic, that growth will once again benefit the Council.
- 3.58 The Council is required to complete a Statutory return with expected Tax Base numbers for the following financial year in September. The Council Tax budget was based on this return with a Tax Base of 34,474 Band D equivalent properties with a total number of dwellings on the valuation list of 45,150. The return has now been completed for 2021/22 and the actual Tax Base is 35,218 (+744) with a total number of dwellings of 46,311 (+1,161).

#### **4.0 Financial Implications**

- 4.1 Detailed in the report.

#### **5.0 Corporate Implications**

##### **Employment Implications**

- 5.1 None.

##### **Legal Implications**

- 5.2 None.

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

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

##### **Risk Impact**

- 5.4 None.

#### **6.0 Community Impact**

##### **Consultation**

- 6.1 None.

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

- 6.2 None.

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

- 6.3 None.

## **Environmental Sustainability**

6.4 None.

### **7.0 Background Papers**

7.1 None

**GENERAL FUND MEDIUM TERM FINANCIAL PLAN**  
**BUDGET & PROJECTION as at MARCH 2021**

	Budget £ 2020.21	Projection £ 2021.22	Projection £ 2022.23	Projection £ 2023.24	Projection £ 2024.25	Projection £ 2025.26
<b>BASE BUDGET</b>						
Environmental & Development	5,651,681	6,127,089	6,360,107	6,526,586	6,697,424	6,871,713
Housing & Community	2,537,513	2,650,462	2,792,946	2,844,411	2,897,581	2,951,322
Finance & Management	5,671,375	6,038,722	6,198,526	6,366,623	6,536,299	6,707,819
<b>Net Service Expenditure</b>	<b>13,860,569</b>	<b>14,816,273</b>	<b>15,351,579</b>	<b>15,737,621</b>	<b>16,131,304</b>	<b>16,530,853</b>
<b>Accounting Adjustments</b>						
Reverse out Depreciation	-988,536	-1,435,413	-1,435,413	-1,435,413	-1,435,413	-1,435,413
Minimum Revenue Provision (MRP)	189,512	181,932	174,654	167,668	160,962	154,523
Voluntary Revenue Provision (VRP - Recycling Bins & Grove Active Zone)	131,226	75,891	20,556	20,556	1,639	0
	<b>13,192,771</b>	<b>13,638,682</b>	<b>14,111,376</b>	<b>14,490,431</b>	<b>14,858,492</b>	<b>15,249,963</b>
<b>Add: Known Variations</b>						
Vehicle Maintenance Plan (Tyres and Spare Parts)	0	0	23,000	20,000	55,000	55,000
Operational Services - Allocated Growth Excluded from Base Budget	322,446	107,014	146,652	382,329	160,367	164,376
Growth Provision Drawdown	0	0	0	-172,294	0	0
HRA Recharge Reduction	76,800	0	0	0	0	0
PCI Compliance Reported January 2021	0	17,235	17,235	17,235	17,235	17,235
Parish Concurrent Functions and Grants to Voluntary Bodies	0	13,488	13,488	13,488	13,488	13,488
Local Plan Review	0	15,000	15,000	0	0	0
Incremental Salary Increases	0	0	21,842	22,388	22,948	23,522
Investment Income	0	0	11,000	51,000	68,040	70,000
Administration of Childcare Vouchers	1,750	1,750	1,750	1,750	1,750	1,750
Temporary Posts, Rosliston and Grants	0	-16,447	-100,298	-86,943	-95,844	-80,410
Potential Cost of New Waste Disposal Site	0	0	47,560	49,938	52,435	55,057
Potential Loss of Industrial Unit Income	0	0	190,000	190,000	190,000	190,000
Pension Earmarked Reserve Drawdown	-38,794	-41,122	-43,589	-6,783	0	0
District Election May 2023	0	0	0	125,000	0	0
<b>TOTAL ESTIMATED SPENDING</b>	<b>13,554,973</b>	<b>13,735,600</b>	<b>14,455,016</b>	<b>15,097,540</b>	<b>15,343,911</b>	<b>15,759,981</b>
<b>Provisions</b>						
Provision for Employer's NIC on "off-payroll" payments	10,000	10,000	10,000	10,000	10,000	10,000
Contingent Sum - Growth	121,595	32,630	50,000	0	33,254	23,144
Waste and Recycling	100,000	100,000	100,000	100,000	100,000	100,000
<b>TOTAL PROJECTED SPENDING</b>	<b>13,786,568</b>	<b>13,878,230</b>	<b>14,615,016</b>	<b>15,207,540</b>	<b>15,487,165</b>	<b>15,893,125</b>

**GENERAL FUND MEDIUM TERM FINANCIAL PLAN**  
**BUDGET & PROJECTION as at MARCH 2021**

	Proposed Budget £ 2020.21	Projection £ 2021.22	Projection £ 2022.23	Projection £ 2023.24	Projection £ 2024.25	Projection £ 2025.26
<b>FINANCING</b>						
Business Rates Retention	-4,188,978	-3,779,996	-3,779,996	-3,779,996	-3,779,996	-3,779,996
Discretionary Business Rate Relief Scheme	-3,000	0	0	0	0	0
Lower Tier Services Grant Allocation	0	-519,414	-2,388,033	-3,159,592	-2,843,633	-2,559,270
New Homes Bonus	-4,262,171	-3,381,517	-1,122,625	0	0	0
Council Tax Income	-5,704,748	-5,915,215	-6,158,100	-6,412,322	-6,687,869	-6,980,282
<b>Core Spending Power</b>	<b>-14,158,897</b>	<b>-13,596,142</b>	<b>-13,448,754</b>	<b>-13,351,910</b>	<b>-13,311,498</b>	<b>-13,319,548</b>
Add Estimated Collection Fund Surplus - Council Tax	-83,200	-124,054	-55,000	-55,000	-55,000	-55,000
<b>TOTAL FINANCING</b>	<b>-14,242,097</b>	<b>-13,720,196</b>	<b>-13,503,754</b>	<b>-13,406,910</b>	<b>-13,366,498</b>	<b>-13,374,548</b>
<b>Revenue Surplus (-) / Deficit</b>	<b>-455,529</b>	<b>158,035</b>	<b>1,111,263</b>	<b>1,800,630</b>	<b>2,120,667</b>	<b>2,518,577</b>
<b>Capital Contributions</b>						
Melbourne Sports Park Drainage	419,801	0	0	0	0	0
IT and Digital Strategy	210,000	166,000	160,000	160,000	160,000	166,500
Purchase of Town Centre Land	44,335	0	0	0	0	0
Community Partnership Scheme (2017 contribution)	125,695	0	0	0	0	0
Community Partnership Scheme (2019 contribution)	275,000	0	0	0	0	0
Rosliston Forestry Centre - Play Project	0	50,000	0	0	0	0
Asset Replacement and Renewal Fund	360,000	358,000	357,000	356,000	355,000	355,000
<b>TOTAL CAPITAL CONTRIBUTION</b>	<b>1,434,831</b>	<b>574,000</b>	<b>517,000</b>	<b>516,000</b>	<b>515,000</b>	<b>521,500</b>
<b>TOTAL GENERAL FUND DEFICIT</b>	<b>979,302</b>	<b>732,035</b>	<b>1,628,263</b>	<b>2,316,630</b>	<b>2,635,667</b>	<b>3,040,077</b>
<b>GENERAL FUND RESERVE BALANCE</b>						
Balance b/fwd	-12,605,436	-11,626,134	-10,894,099	-9,265,837	-6,949,207	-4,313,540
Revenue Surplus (-) / Deficit	-455,529	158,035	1,111,263	1,800,630	2,120,667	2,518,577
Capital Contributions	1,434,831	574,000	517,000	516,000	515,000	521,500
<b>Balance c/fwd</b>	<b>-11,626,134</b>	<b>-10,894,099</b>	<b>-9,265,837</b>	<b>-6,949,207</b>	<b>-4,313,540</b>	<b>-1,273,463</b>





## HOUSING REVENUE ACCOUNT FINANCIAL PROJECTION - MARCH 2021

	2020.21	2021.22	2022.23	2023.24	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31
Approved	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Additional Debt Repayment Transfer	771	2,150	2,651	2,468	1,815	1,500	1,900	750	750	750	1,000
Investment Income	0	0	18	43	60	60	60	60	60	60	60
Capital works non-traditional properties	100	100	100	0	0	0	0	0	0	0	0
General Fund Recharges	-77	0	0	0	0	0	0	0	0	0	0
ICT Upgrades	105	0	0	0	0	0	0	200	0	0	0
Incremental Salary Increases	0	0	6	6	6	6	7	7	7	7	7
<b>HRA Surplus (-) / Deficit</b>	<b>-171</b>	<b>1,646</b>	<b>2,061</b>	<b>1,723</b>	<b>869</b>	<b>385</b>	<b>295</b>	<b>-479</b>	<b>-853</b>	<b>-1,068</b>	<b>-65</b>

### HRA General Reserve

HRA Reserve B/fwd	-8,260	-8,431	-6,785	-4,724	-3,001	-2,132	-1,747	-1,452	-1,931	-2,784	-3,852
(Surplus) / Deficit for year	-171	1,646	2,061	1,723	869	385	295	-479	-853	-1,068	-65
<b>HRA Reserve C/fwd</b>	<b>-8,431</b>	<b>-6,785</b>	<b>-4,724</b>	<b>-3,001</b>	<b>-2,132</b>	<b>-1,747</b>	<b>-1,452</b>	<b>-1,931</b>	<b>-2,784</b>	<b>-3,852</b>	<b>-3,917</b>

### RESERVES

#### Debt Repayment Reserve

Balance B/fwd	-6,470	-8,006	-1,600	-5,845	-275	-3,636	-6,623	-42	-2,607	-5,076	-7,261
Depreciation balance	-765	-1,444	-1,594	-1,962	-1,546	-1,487	-1,519	-1,815	-1,719	-1,435	-801
Transfers to reserve	-771	-2,150	-2,651	-2,468	-1,815	-1,500	-1,900	-750	-750	-750	-1,000
Repayment of loan	0	10,000	0	10,000	0	0	10,000	0	0	0	0
<b>Reserve C/fwd</b>	<b>-8,006</b>	<b>-1,600</b>	<b>-5,845</b>	<b>-275</b>	<b>-3,636</b>	<b>-6,623</b>	<b>-42</b>	<b>-2,607</b>	<b>-5,076</b>	<b>-7,261</b>	<b>-9,062</b>

#### Earmarked Reserve

Balance B/fwd	-251	-296	-341	-386	-431	-206	-251	-296	-341	-386	-431
Transfers to reserve	-45	-45	-45	-45	-45	-45	-45	-45	-45	-45	-45
Asset Replacement	0	0	0	0	270	0	0	0	0	0	280
<b>Reserve C/fwd</b>	<b>-296</b>	<b>-341</b>	<b>-386</b>	<b>-431</b>	<b>-206</b>	<b>-251</b>	<b>-296</b>	<b>-341</b>	<b>-386</b>	<b>-431</b>	<b>-196</b>

## HOUSING REVENUE ACCOUNT FINANCIAL PROJECTION - MARCH 2021

	2020.21	2021.22	2022.23	2023.24	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31
Approved	Budget	Forecast	Forecast								
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Major Repairs Reserve</b>											
Balance B/fwd	-4,190	-4,890	-5,590	-6,290	-6,590	-7,190	-7,790	-8,390	-8,990	-9,590	-10,190
Transfers to reserve	-600	-600	-600	-300	-600	-600	-600	-600	-600	-600	-600
Earmarked non-traditional properties	-100	-100	-100	0	0	0	0	0	0	0	0
Reserve Drawdown	0	0	0	0	0	0	0	0	0	0	0
<b>Reserve C/fwd</b>	<b>-4,890</b>	<b>-5,590</b>	<b>-6,290</b>	<b>-6,590</b>	<b>-7,190</b>	<b>-7,790</b>	<b>-8,390</b>	<b>-8,990</b>	<b>-9,590</b>	<b>-10,190</b>	<b>-10,790</b>
<b>New Build Reserve</b>											
Capital Receipts B/fwd	-2,213	-1,322	-1,943	-2,561	-3,021	-3,478	-3,935	-4,237	-4,539	-4,842	-5,041
Acquisitions in year	2,108	0	0	0	0	0	0	0	0	0	0
S106 Drawdown	-490	0	0	0	0	0	0	0	0	0	0
RTB Receipts in year	-727	-621	-618	-460	-457	-457	-302	-302	-302	-199	-199
Borrowing in year	0	0	0	0	0	0	0	0	0	0	0
<b>Balance c/fwd</b>	<b>-1,322</b>	<b>-1,943</b>	<b>-2,561</b>	<b>-3,021</b>	<b>-3,478</b>	<b>-3,935</b>	<b>-4,237</b>	<b>-4,539</b>	<b>-4,842</b>	<b>-5,041</b>	<b>-5,240</b>

## COLLECTION FUND MONITORING 2020/21 (as at 31st Dec 2020)

	Actual 2019/20	Estimated 2020/21	3rd Qtr Projection 2020/21	Notes
<b>COUNCIL TAX - INCOME &amp; EXPENDITURE</b>	£'000	£'000	£'000	
<b>INCOME</b>				
Council Tax Collectable	62,162	65,270	64,787	Est. Increase in Tax Base and Precepts at 5%
<b>EXPENDITURE</b>				
County Council Precept	44,054	46,517	46,517	As approved by Full Council 26th Feb 2020
Police and Crime Commissioner Precept	7,213	7,812	7,812	As above
Fire and Rescue Authority Precept	2,538	2,680	2,680	As above
SDDC Precept	5,405	5,705	5,705	As above
SDDC Parish Precepts	798	848	848	As above
Increase in Bad Debts Provision	-336	653	1,296	Estimated at 2% of income
<b>Total Expenditure</b>	<b>59,672</b>	<b>64,215</b>	<b>64,858</b>	
<b>Surplus / Deficit (-)</b>	<b>2,490</b>	<b>1,055</b>	<b>-71</b>	
<b>COUNCIL TAX BALANCE</b>				
Opening Balance 1st April	1820	3,310	3,310	Per Final Accounts 2019/20
Share of Previous Surplus to County Council	-733	-587	-587	As approved by Full Council 26th Feb 2020
Share of Previous Surplus to Police	-112	-96	-96	As above
Share of Previous Surplus to Fire Authority	-45	-34	-34	As above
Share of Previous Surplus to SDDC	-110	-83	-83	As above
Surplus/Deficit(-) for Year as above	2,490	1,055	-71	
<b>Closing Balance as at 31st March</b>	<b>3,310</b>	<b>3,565</b>	<b>2,439</b>	
	Actual 2019/20	Estimated 2020/21	3rd Qtr Projection 2020/21	
<b>BUSINESS RATES - INCOME &amp; EXPENDITURE</b>	£'000	£'000	£'000	
<b>INCOME</b>				
Business Rates Collectable	27,253	27,756	20,227	Estimate as per NNDR1
Transitional Protection Payments	635	456	456	
Updated NNDR1 - Business Rates Reliefs	0	0	6,790	
<b>Total Income</b>	<b>27,888</b>	<b>28,212</b>	<b>27,473</b>	
<b>EXPENDITURE</b>				
Central Government Precept	13,398	13,862	13,862	
SDDC Precept	10,718	11,089	11,089	Per NNDR1 Submission
Derbyshire County Council Precept	2,412	2,495	2,495	As above
Fire and Rescue Service Precept	268	277	277	As above
Cost of Collection	91	92	92	As above
Increase in Bad Debts Provision	183	311	202	Estimated at 1% of income
Provision for Appeals	-241	85	405	Estimated at 2% of income
<b>Total Expenditure</b>	<b>26,829</b>	<b>28,211</b>	<b>28,422</b>	
<b>Surplus / Deficit (-)</b>	<b>1,059</b>	<b>1</b>	<b>-949</b>	
<b>BUSINESS RATES BALANCE</b>				
Opening Balance 1st April	-192	1,630	1,630	Per Final Accounts 2019/20
Transfer of Previous Year's Surplus (-) / Deficit	382	36	36	Per NNDR1 Submission
Transfer of Previous Year's Surplus (-) / Deficit	305	-19	-19	As above
Transfer of Previous Year's Surplus (-) / Deficit	69	-40	-40	As above
Transfer of Previous Year's Surplus (-) / Deficit	7	0	0	As above
Surplus / Deficit (-) for the Year as above	1,059	1	-949	
<b>Closing Balance as at 31st March</b>	<b>1,630</b>	<b>1,608</b>	<b>658</b>	

