
REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM:9
DATE OF MEETING:	26th NOVEMBER 2020	CATEGORY: DELEGATED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
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SUBJECT:	REVENUE FINANCIAL MONITORING 2020/21	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM08

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 30th September 2020 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 October 2020.

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 now been updated to £455,529 to include approved reports at this Committee and Full Council from March to October 2020 and a summary of the approved budget is shown in the following table.

	£
Base Budget	13,182,606
Reverse out Depreciation	-988,536
Minimum / Voluntary Revenue Provisions	320,744
Contingent Sums	592,085
Approved Restructures Feb to Oct 2020	508,332
HRA Recharge Reduction	76,800
Review of Members Allowances Approved at Full Council	12,302
Financial Management System Upgrade	55,000
Contribution to EMEG	22,235
Feasibility Study Unspent in 2019/20	5,000
Total Estimated Spend	13,786,568
Financing	-14,242,097
Estimated Surplus	-455,529

3.3 The restructures and staffing changes approved between February and October include Cultural and Community Services, Environmental Services, Economic Development, Housing, Operational Services and Customer Services.

3.4 An update to the Council's financial position as a result of approved changes and the General Fund outturn for 2019/20 is listed within the MTFP in **Appendix 1**. It should be noted that updates to the MTFP for the recent approvals have now put the minimum projected balance at £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	85,282
Pay Award	273,207
Childcare Voucher Administration	1,750
Concurrent Functions and Grants	61,292
Pension Revaluation	99,348
Pension Earmarked Reserve Drawdown	-38,794
Total	592,085

Position as at September 2020

3.6 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 SEPTEMBER 2020

Summary by Policy Committee

REVENUE	ANNUAL			RESERVES	
	Full Year	Projected	Projected	Earmarked	Net effect
	Budget	Actual	Variance		on GF
	£	£	£	£	£
Environmental and Development Services	5,397,463	5,415,895	-18,432	22,144	-40,576
Housing and Community Services	2,403,363	2,078,692	324,671	309,945	14,726
Finance and Management	5,381,780	4,604,700	777,080	657,422	119,658
TOTAL	13,182,606	12,099,287	1,083,319	989,511	93,808

3.7 The above table shows that net expenditure is expected to be £1,083,319 lower than budget but transfers to Earmarked Reserves of £989,511 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.

3.8 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 £93,808. An analysis by the main service areas is shown in the following table.

COMMITTEE SUMMARY - BUDGET MONITORING SEPTEMBER 2020

Summary by Service Area

REVENUE	ANNUAL			RESERVES	
	Full Year	Projected	Projected	Earmarked	Net effect
	Budget	Actual	Variance		on GF
	£	£	£	£	£
Economic Development	328,789	324,596	4,193	0	4,193
Environmental Services	697,219	754,490	-57,271	-5,618	-51,653
Highways & Parking	149,477	99,606	49,871	46,185	3,686
Licensing & Land Charges	16,878	57,641	-40,763	0	-40,763
Planning	585,920	563,546	22,374	-5,000	27,374
Street Scene	1,013,758	973,205	40,552	0	40,552
Waste & Transport	2,605,422	2,642,810	-37,388	-13,423	-23,965
Community Development & Support	670,850	659,024	11,825	15,100	-3,275
Recreational Activities	158,091	154,229	3,862	0	3,862
Leisure Centres & Community Facilities	649,899	355,186	294,713	294,245	468
Parks & Open Spaces	491,968	488,710	3,258	-7,859	11,117
Private Sector Housing	432,555	421,542	11,013	8,459	2,554
Central Support Services	3,741,018	3,755,085	-14,067	-35,441	21,374
Corporate & Democratic Costs	485,291	493,553	-8,262	6,159	-14,421
Elections & Registration	219,703	168,772	50,932	0	50,932
Parishes, Interest, S106 Receipts & Provisions	607,361	-20,450	627,811	590,320	37,491
Estate Management	-281,180	-289,112	7,932	0	7,932
Revenues & Benefits	609,586	496,852	112,734	96,384	16,350
TOTAL	13,182,606	12,099,287	1,083,319	989,511	93,808

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

GENERAL FUND VARIANCE TO BUDGET SEPTEMBER 2020

	£'000
Salary savings (vacancies, maternity etc.) - E&D	197
Salary savings (vacancies, maternity etc.) - F&M	132
Salary savings (vacancies, maternity etc.) - H&C	109
Total Employee	438
Increased Planning Fee Income	75
Election and Canvas Savings	51
Investment Income	37
Waste Disposal	35
Lower Grant payments than Budgeted	25
Extra Refuse Collections	17
Increased Environmental Services Income	13
Insurance Claim Settlements	8
Cancellation of Events	5
Utilities	5
Other Variances (net)	3
Total Favourable Variances	712
Street Naming and Numbering Income	-10
Costs of Councillor Complaints	-11
Licensing and Land Charges Income	-22
Animal Welfare Act Costs	-25
Court Fees	-25
Agency and Consultancy Costs	-525
Total Adverse Variances	-618
TOTAL - OVERALL PROJECTED VARIANCE	94

3.10 Salary savings in year relate to vacancies and maternity but these savings are more than offset by agency and consultancy. The main service area expenditure is in relation to Operational Services where service delivery has continued throughout the pandemic and therefore to ensure waste collection services were maintained, it has been necessary to take on additional resource. The following table shows the expected costs and savings on staffing in year.

	Employee Saving £'000	Agency Cost £'000	Variance £'000	
Refuse	24	-100	-76	Vacancy plus sickness
Planning	12	-58	-46	Long-term sickness
Environmental	49	-95	-46	Long-term sickness plus vacancy
Land Charges	50	-75	-25	Vacancies - Lichfield DC supporting
Democratic	3	-5	-2	Long-term sickness
Economic Development	16	-14	2	Vacant posts
Parks & Open Spaces	102	-99	3	Approved restructure delay
ICT Services	4	0	4	Pension
Senior Management	5	0	5	Budget at top scale point
Licensing	5	0	5	Pension
Organisational Development	19	-14	5	Vacancy recruited
Property	6	0	6	Vacancy
Rosliston	7	0	7	Reduced hours
Legal	75	-65	10	Out to recruit
Revenues and Customer Services	20	0	20	Pension and NI
Grounds Maintenance	41	0	41	Vacant posts
	438	-525	-87	

3.11 Investment income is greater than budget due to the large value of cash deposits held by the Council. £4m is currently invested in a longer-term high interest account with 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.

3.12 Planning applications are expected to be higher than budgeted. There was a slow start in April but planning applications have picked up considerably in the past few months. At this stage, the volume of applications is high, but they are smaller, domestic applications and not from 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. Street Naming income has been lower during the first half of the year although it is hoped with the increased building activity that this will be at least on budget by the year-end.

3.13 Contributions from Derbyshire County Council are 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 seen due to stock piling of food at the beginning of the pandemic. An increase in extra chargeable collections has also been seen within refuse.

3.14 Food Safety income is expected to be higher due to licences and is consistently above budget every year.

3.15 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.

- 3.16 Grant payments have been budgeted for Public Conveniences (£9k) but some sites have been passed over to the Parish Councils and therefore this will not be spent, the walking festival has been cancelled meaning a reduced grant payment (£6k) and a budget for grants within Planning Policy (£10k) is approved each year but there is no specific requirement for this.
- 3.17 Costs were incurred by the Council in 2019/20 due to the storms and flooding. Insurance claims were made and have now been settled.
- 3.18 The Festival of Leisure is a cost to the Council each year and cancellation of this has resulted in a small saving of £5k.
- 3.19 Closure of the Civic Offices has resulted in a saving to-date of approximately £5k on utilities.
- 3.20 Costs have been incurred for kennelling (£25k) 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. In addition, fees for Business Rates and Council Tax (£25k) are expected to be lower in year due to the Court closures.
- 3.21 Licensing (£10k) and Land Charges income (£12k) are lower than budget during the first half of the year. Licensing income is due to events not taking place during the summer months and therefore is unlikely to be recoverable in year. It is hoped however that now building works have restarted that Land Charges income will pick up again and there has been an improvement in the expected income losses predicted in the first quarter.
- 3.22 An independent body has been engaged to investigate complaints into Councillor conduct matters. This cost of £11k was unbudgeted.

COVID-19 Funding

- 3.23 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 £1.2m in direct support plus a number of other grants for additional duties, detail of which is reported separately on this Committee agenda.
- 3.24 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.

	£
Tranche 1	-44,449
Tranche 2	-1,068,691
Tranche 3	-156,241
Total Funding	-1,269,381
Agency	251,043
ICT and Home Working	171,029
Leisure Centre Income	83,400
Recycling Costs	75,000
Overtime	36,269
PPE	30,225
Cleaning Materials	27,639
Vehicle Hire	26,187
Kennelling Costs	21,500
Community Centre and Parks Income	15,070
Rosliston Car Park Income	8,373
Printing and Postage	1,743
Total Known Impact	747,478
Remaining Funding	<u>-521,903</u>

- 3.25 There are income losses across the Council that are still to be adjusted as it is too early to determine whether some of the losses will be recoverable during the year.
- 3.26 The main items to note in the table above are the costs for Recycling and the income losses for the Leisure Centres.
- 3.27 During the pandemic, the contractor who provides the Council's recycling service has been struggling to manage the additional volume of waste. The Council has agreed that an additional crew is to be recruited on a temporary basis by the contractor at a cost to the Council to ensure that service levels are maintained. This agreement is reviewed monthly and the forecasted costs above assume that this agreement will be in place for 6 months, but this however is not certain and further updates will be provided to this Committee.
- 3.28 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. The Council is in negotiation with the contractor to determine the financial position and to ascertain whether this income will be recoverable or if further financial support for the contractor is necessary. The forecasted loss to the Council is assuming that no income will be received for 2020/21 but it should be noted that this has not been agreed with the contractor and the Council will look to recover losses wherever possible.
- 3.29 The costs for ICT and home working of £171,029 is an estimate of the potential outlay required for providing workstations for employees at home. All employees have laptops, but desks and screens are now being requested due to the decision to work from home for the foreseeable future. It is not yet known the extent of expenditure but £100k has been set-aside in the above estimate.

- 3.30 A further tranche of funding has recently been announced and the Council is set to receive an additional £169,839 to take the total funding to £1,439,220. Monthly updates are provided to the Government regarding current and expected service pressures.
- 3.31 Additional funding has also been announced for support of losses in income for the Leisure sector. Once more detail is known on this funding and whether the Council is able to claim, an update will be provided to this Committee.

Core Grants and Funding

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

Core Grants and Funding 2020/21	£
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
Total Funding	<u>14,242,097</u>

- 3.33 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.
- 3.34 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 due to final returns from all Derbyshire authorities having a deadline of 31st August. 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.
- 3.35 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)

- 3.36 The Council is required to account separately for income and expenditure in providing Council housing.
- 3.37 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 September 2020 is summarised in the following table.

Summary HRA 2020/21	BUDGET	PROJECTED ACTUAL	PROJECTED VARIANCE
	£000	£000	£000
Total Income	-12,618	-12,498	-120
Contribution to Capital & New Build	2,935	2,935	0
Responsive & Planned Maintenance	3,245	3,273	-28
Interest Payable and Receivable	1,713	1,542	171
Supervision & Management	1,780	1,773	7
Supported Housing & Careline Services	839	805	34
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
Surplus	-171	-235	64

3.38 The above table shows that overall the HRA is expected to have a surplus of £235k which is £64k more than budgeted. The main reasons for the variances are detailed below.

HRA VARIANCE TO BUDGET SEPTEMBER 2020

	£'000
Salary savings (vacancies, maternity etc.)	276
Interest Income and Expenditure	171
Repairs & Maintenance	50
Materials	45
Additional Careline Income	40
Insurance Claim Settlements	9
Disrepair Claims	-16
Careline Equipment Repairs	-24
Reduced Rent due to Void Dwellings	-120
Agency and Consultancy Staff	-370
Other Variances (net)	3
TOTAL - OVERALL PROJECTED VARIANCE	64

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

3.40 There has been a slower start to the year on repairs and maintenance due to the pandemic and the HRA is expected to marginally underspend in year. Vacancies in front line repairs team will also result in lower materials costs.

- 3.41 Interest income is expected to be above budget by approximately £45k 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.
- 3.42 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.
- 3.43 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.
- 3.44 The revenue income lost due to void dwellings will be unrecoverable 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. Right to Buys have totalled three up to 15th October and therefore at this stage the losses of income are covered within the budget. The slower number of losses is due to the pandemic but may pick up now the housing market begins to recover.
- 3.45 Successful disrepair claims have been made against the Council which were not covered by the Council's insurance policy.
- 3.46 The HRA's 10-year MTFP is shown in **Appendix 2**.

COLLECTION FUND

- 3.47 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.
- 3.48 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 30th September 2020, is detailed in **Appendix 3**.
- 3.49 This shows that there is now a projected deficit balance on Council Tax of approximately £227k and a deficit balance on Business Rates of approximately £1.8 million.
- 3.50 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%.
- 3.51 Council Tax has seen smaller growth in the first half year which is mainly due to less occupation of new properties after a freeze on house moving was enforced during April and May. 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. A

further update will be given to this Committee once the final Local Government Financial Settlement is announced.

3.52 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.

3.53 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 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 NOVEMBER 2020

	Budget £ 2020.21	Projection £ 2021.22	Projection £ 2022.23	Projection £ 2023.24	Projection £ 2024.25	Projection £ 2025.26
BASE BUDGET						
Environmental & Development	5,397,464	5,572,920	5,723,733	5,878,509	6,037,331	6,199,283
Housing & Community	2,403,363	2,449,025	2,497,022	2,544,068	2,592,695	2,641,768
Finance & Management	5,381,783	5,555,030	5,714,401	5,875,134	6,037,488	6,201,705
Net Service Expenditure	13,182,611	13,576,976	13,935,157	14,297,711	14,667,514	15,042,756
Accounting Adjustments						
Reverse out Depreciation	-988,536	-988,536	-988,536	-988,536	-988,536	-988,536
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
	12,514,813	12,846,262	13,141,831	13,497,399	13,841,578	14,208,743
Add: Known Variations						
Approved Restructures February 2020	106,096	39,768	20,437	23,231	27,183	27,862
Vehicle Maintenance Plan (Tyres and Spare Parts)	0	20,000	43,000	40,000	75,000	75,000
Environmental Services Restructure	36,323	69,516	76,777	81,818	85,907	88,055
Housing Services Restructure	5,215	29,155	40,186	41,690	43,232	44,313
Operational Services Restructure	356,535	303,257	362,703	638,945	429,298	445,342
Growth Provision Drawdown	0	0	0	-172,294	0	0
Financial Management System Upgrade	55,000	0	0	0	0	0
HRA Recharge Reduction	76,800	76,800	76,800	76,800	76,800	76,800
Review of Members Allowances Approved at Full Council	12,302	25,032	37,763	37,763	37,763	37,763
Voluntary Grants and Concurrent Functions Uplift 2%	11,233	11,458	11,687	11,921	12,159	12,402
Feasibility Study for Reopening of the Ivanhoe Line	5,000	0	0	0	0	0
Contribution to EMEG approved October 2020	22,235	0	0	0	0	0
Local Plan Review	0	15,000	15,000	0	0	0
Incremental Salary Increases	0	42,669	21,842	22,388	22,948	23,522
Pay Award 2020/21	273,207	280,037	287,038	294,214	301,570	309,109
Pension Revaluation	99,348	101,832	104,378	106,987	109,662	112,403
Concurrent Functions Protection Approved Nov 19	50,059	50,059	50,059	50,059	50,059	50,059
Economic Development Post Update Approved July 2020	4,163	5,500	5,579	5,718	5,861	6,008
Investment Income	0	30,000	51,000	81,000	98,040	100,000
Administration of Childcare Vouchers	1,750	1,750	1,750	1,750	1,750	1,750
Temporary Posts, Rosliston and Grants	0	-239,852	-218,599	-195,531	-177,759	-164,983

GENERAL FUND MEDIUM TERM FINANCIAL PLAN
BUDGET & PROJECTION as at NOVEMBER 2020

	Proposed Budget £ 2020.21	Projection £ 2021.22	Projection £ 2022.23	Projection £ 2023.24	Projection £ 2024.25	Projection £ 2025.26
Potential Cost of New Waste Disposal Site	0	47,400	49,770	52,259	54,871	57,615
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
TOTAL ESTIMATED SPENDING	13,591,286	13,714,521	14,325,412	15,004,334	15,285,923	15,701,762
Provisions						
Provision for Employer's NIC on "off-payroll" payments	10,000	10,000	10,000	10,000	10,000	10,000
Contingent Sum - Growth	85,282	92,630	94,534	0	33,254	23,144
Waste and Recycling	100,000	100,000	100,000	100,000	100,000	100,000
TOTAL PROJECTED SPENDING	13,786,568	13,917,151	14,529,946	15,114,334	15,429,177	15,834,906
FINANCING						
Business Rates Retention	-4,188,978	-3,699,726	-3,670,153	-3,676,916	-3,681,390	-3,264,152
Discretionary Business Rate Relief Scheme	-3,000	0	0	0	0	0
New Homes Bonus	-4,262,171	-3,816,195	-3,815,552	-3,590,570	-2,692,927	-2,692,927
Council Tax Income	-5,704,748	-5,962,934	-6,229,020	-6,503,216	-6,785,737	-7,076,804
Core Spending Power	-14,158,897	-13,478,855	-13,714,725	-13,770,702	-13,160,055	-13,033,883
Add Estimated Collection Fund Surplus - Council Tax	-83,200	-55,000	-55,000	-55,000	-55,000	-55,000
TOTAL FINANCING	-14,242,097	-13,533,855	-13,769,725	-13,825,702	-13,215,055	-13,088,883
Revenue Surplus (-) / Deficit	-455,529	383,296	760,220	1,288,632	2,214,122	2,746,023

GENERAL FUND MEDIUM TERM FINANCIAL PLAN
BUDGET & PROJECTION as at NOVEMBER 2020

	Proposed Budget £ 2020.21	Projection £ 2021.22	Projection £ 2022.23	Projection £ 2023.24	Projection £ 2024.25	Projection £ 2025.26
Capital Contributions						
Melbourne Sports Park Drainage	419,801	0	0	0	0	0
IT and Digital Strategy	210,000	180,000	180,000	180,000	180,000	180,000
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
TOTAL CAPITAL CONTRIBUTION	1,434,831	588,000	537,000	536,000	535,000	535,000
TOTAL GENERAL FUND DEFICIT	979,302	971,296	1,297,220	1,824,632	2,749,122	3,281,023
GENERAL FUND RESERVE BALANCE						
Balance b/fwd	-12,605,436	-11,626,134	-10,654,838	-9,357,618	-7,532,986	-4,783,864
Revenue Surplus (-) / Deficit	-455,529	383,296	760,220	1,288,632	2,214,122	2,746,023
Capital Contributions	1,434,831	588,000	537,000	536,000	535,000	535,000
Balance c/fwd	-11,626,134	-10,654,838	-9,357,618	-7,532,986	-4,783,864	-1,502,841

HOUSING REVENUE ACCOUNT FINANCIAL PROJECTION - NOVEMBER 2020

	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	Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Additional Debt Repayment Transfer	777	2,150	2,651	2,468	1,815	2,000	1,839	750	750	750	1,000
General Fund Recharges	-77	-77	-77	-77	-77	-77	-77	-77	-77	-77	-77
Investment Income	0	25	43	68	0	0	0	0	0	0	0
Capital works non-traditional properties	100	100	100	0	0	0	0	0	0	0	0
Pension Revaluation	15	15	16	16	16	17	17	18	18	19	19
ICT Upgrades	105	0	0	0	0	0	0	200	0	0	0
Potential Pay Award	50	51	52	54	55	56	58	59	61	62	64
Housing Restructure	53	160	194	199	204	209	214	219	225	230	236
Regraded Post	3	3	3	3	3	3	3	3	3	3	3
Incremental Salary Increases	0	6	6	6	6	6	6	6	7	7	7
HRA Surplus (-) / Deficit	-171	1,370	1,752	1,372	420	422	152	-989	-1,394	-1,644	-683
HRA General Reserve											
HRA Reserve B/fwd	-8,260	-8,431	-7,061	-5,308	-3,936	-3,516	-3,094	-2,942	-3,932	-5,325	-6,970
(Surplus) / Deficit for year	-171	1,370	1,752	1,372	420	422	152	-989	-1,394	-1,644	-683
HRA Reserve C/fwd	-8,431	-7,061	-5,308	-3,936	-3,516	-3,094	-2,942	-3,932	-5,325	-6,970	-7,653
RESERVES											
Debt Repayment Reserve											
Balance B/fwd	-8,260	-9,802	-3,274	-7,438	-1,790	-5,078	-8,495	-1,790	-4,299	-6,719	-8,864
Depreciation balance	-765	-1,322	-1,513	-1,884	-1,473	-1,417	-1,456	-1,759	-1,670	-1,395	-771
Transfers to reserve	-777	-2,150	-2,651	-2,468	-1,815	-2,000	-1,839	-750	-750	-750	-1,000
Repayment of loan	0	10,000	0	10,000	0	0	10,000	0	0	0	0
Reserve C/fwd	-9,802	-3,274	-7,438	-1,790	-5,078	-8,495	-1,790	-4,299	-6,719	-8,864	-10,635

HOUSING REVENUE ACCOUNT FINANCIAL PROJECTION - NOVEMBER 2020

	2019.20	2020.21	2021.22	2022.23	2023.24	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000

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
Reserve C/fwd	-296	-341	-386	-431	-206	-251	-296	-341	-386	-431	-196

Major Repairs Reserve

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
Reserve C/fwd	-4,890	-5,590	-6,290	-6,590	-7,190	-7,790	-8,390	-8,990	-9,590	-10,190	-10,790

New Build Reserve

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	
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
Balance c/fwd	-1,322	-1,943	-2,561	-3,021	-3,478	-3,935	-4,237	-4,539	-4,842	-5,041	-5,240

COLLECTION FUND MONITORING 2020/21 (as at 30th September 2020)

	Actual 2019/20	Estimated 2020/21	2nd Qtr Projection 2020/21	Notes
COUNCIL TAX - INCOME & EXPENDITURE	£'000	£'000	£'000	
INCOME				
Council Tax Collectable	62,162	65,270	64,628	Est. Increase in Tax Base and Precepts at 5%
EXPENDITURE				
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	1,293	Estimated at 2% of income
Total Expenditure	59,672	64,215	64,855	
Surplus for the Year	2,490	1,055	-227	
COUNCIL TAX BALANCE				
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 for Year (as above)	2,490	1,055	-227	
Closing Balance as at 31st March	3,310	3,565	2,283	
	Actual	Estimated	2nd Qtr	
	2019/20	2020/21	Projection	
			2020/21	
BUSINESS RATES - INCOME & EXPENDITURE	£'000	£'000	£'000	
INCOME				
Business Rates Collectable	27,253	27,756	21,166	Estimate as per NNDR1
Transitional Protection Payments	635	456	456	
Updated NNDR1 - Business Rates Reliefs	0	0	5,215	
Total Income	27,888	28,212	26,837	
EXPENDITURE				
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	423	Estimated at 2% of income
Provision for Appeals	-241	85	423	Estimated at 2% of income
Total Expenditure	26,829	28,211	28,662	
Surplus / Deficit (-)	1,059	1	-1,825	
BUSINESS RATES BALANCE				
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	-1,825	
Closing Balance as at 31st March	1,630	1,608	-218	

