

**North East Derbyshire District Council**

**Audit and Corporate Governance Scrutiny Committee**

**22 November 2018**

<b><u>Medium Term Financial Plan – Revised Budgets 2018/19</u></b>
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**Report of the Head of Finance & Resources**

This report is public

**Purpose of the Report**

- The purpose of this report is to present to Members of the Audit and Corporate Governance Scrutiny Committee a summary of the revised budget which will be presented to Cabinet at its meeting on 28 November 2019.

**1 Report Details**

- 1.1 To update Members of the Audit and Corporate Governance Scrutiny Committee concerning the current position in respect of revised budgets.
- 1.2 The report which will be taken to the Council's Cabinet on 28 November 2018 is accordingly now brought to the Audit and Corporate Governance Scrutiny Committee for its consideration. The attached report is a draft version.

**2 Conclusions and Reasons for Recommendation**

- 2.1 To ensure that the Audit and Corporate Governance Scrutiny Committee are kept informed of the latest position concerning budgets.

**3 Consultation and Equality Impact**

- 3.1 These are detailed in the attached report as **Appendix 1**.

**4 Alternative Options and Reasons for Rejection**

- 4.1 These are detailed in the attached report.

**5 Implications**

**5.1 Finance and Risk Implications**

These are detailed in the attached report.

## 5.2 **Legal Implications including Data Protection**

These are detailed in the attached report.

## 5.3 **Human Resources Implications**

These are detailed in the attached report.

## 6 **Recommendations**

- 6.1 That the Audit and Corporate Governance Scrutiny Committee note the report concerning the Council's Medium Term Financial Plan - Revised Budgets 2018/19 and make any comments that they believe to be appropriate concerning these matters which was reported to Cabinet 28 November 2018.

## 7 **Decision Information**

<b>Is the decision a Key Decision?</b> A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC:</i> <i>Revenue - £75,000</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC:</i> <i>Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
<b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)	No
<b>Has relevant Portfolio Member been informed?</b>	Yes
<b>District Wards Affected</b>	None directly.
<b>Links to Corporate Plan priorities or Policy Framework</b>	All

## 8 **Document Information**

Appendix No	Title
1	Cabinet Report 28 November 2018 Medium Term Financial Plan – Revised Budget 2018/19
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
<b>Report Author</b>	<b>Contact Number</b>
Dawn Clarke – Head of Finance & Resources	01246 217658

# Appendix 1

## GENERAL FUND SUMMARY 2018/19 - Revised Budgets

	Original Budget 2018/19 £	Current Budget 2018/19 £	Revised Budget 2018/19 £
Place Directorate	2,750,446	2,753,612	2,679,958
People Directorate	9,007,422	8,890,940	8,747,011
Bad Debt Provision	40,000	40,000	35,000
Recharges to Capital and HRA	(527,500)	(527,500)	(527,500)
Savings Target	(433,574)	0	0
<b>Net Cost of Services</b>	<b>10,836,794</b>	<b>11,157,052</b>	<b>10,934,469</b>
Investment Properties	(421,304)	(424,854)	(356,250)
Interest	33,712	33,712	17,135
Debt Repayment Minimum Revenue Provision	256,000	256,000	256,000
Parish Precepts	3,052,791	3,052,791	3,052,791
Parish Council Tax Support Grant	140,763	140,763	140,763
Transfer To Earmarked Reserves	98,381	1,479,546	1,925,812
Transfer From Earmarked Reserves	(297,256)	(479,603)	(755,313)
<b>Total Spending Requirement</b>	<b>13,699,881</b>	<b>15,215,407</b>	<b>15,215,407</b>
Business Rates	(3,850,000)	(5,365,526)	(5,365,526)
Revenue Support Grant	0	0	0
New Homes Bonus	(920,291)	(920,291)	(920,291)
Collection Fund (Surplus)/Deficit - Council Tax	(162,817)	(162,817)	(162,817)
Collection Fund (Surplus)/Deficit - NNDR	0	0	0
NEDDC Council Tax Requirement	(5,713,982)	(5,713,982)	(5,713,982)
Parish Council Council Tax Requirement	(3,052,791)	(3,052,791)	(3,052,791)
<b>Council Tax Requirement</b>	<b>(13,699,881)</b>	<b>(15,215,407)</b>	<b>(15,215,407)</b>

## Appendix 2

### GENERAL FUND ACCOUNT - DETAILED REVISED ESTIMATE 2018/19

		Original Budget 2018/19 £	Current Budget 2018/19 £	Revised Budget 2018/19 £
	<b><u>Place Directorate</u></b>			
	<b>Joint Strategic Director Place</b>			
1141	Joint Chief Executive - Place	0	57,593	60,257
5700	Joint Strategic Director - Place	52,830	52,830	52,327
	<b>Joint Head of Service Housing and Community Safety</b>			
1218	Community Safety	44,432	44,432	29,803
1220	Joint Head of Service - Housing & Comm Safety	3,558	3,558	3,558
1283	Emergency Planning	16,000	16,000	16,000
3400	Environmental Protection	84,214	84,214	72,462
3401	Food, Health & Safety	118,156	118,156	112,477
3402	Environmental Enforcement	96,606	96,106	89,281
3403	Community Outreach	848	848	0
3404	Licensing	(18,483)	(18,483)	(21,766)
3405	Pollution	92,203	92,203	85,665
3407	Pest Control	31,287	29,287	28,969
3408	Home Improvement	36,088	36,088	35,108
3409	EH Technical Support & Management	194,530	180,530	180,601
3410	Private Sector Housing	49,326	49,326	54,619
3419	Destitute Funerals	3,600	3,600	3,600
3420	Fly Tipping	3,000	3,000	3,000
3422	Building Resilience Programme (Shirebrook)	289	289	0
3423	Air Quality Feasibility Study	0	0	(50,000)
	<b>Joint Head of Service Property and Commercial Services</b>			
3135	Drainage	21,654	20,154	15,222
3172	Engineers	75,694	75,694	80,323
3241	Car Parks	38,550	38,550	42,925
3247	Street Names/Lights	6,000	6,000	5,150
3249	Footpath Orders	800	800	(700)
3265	Dams And Fishing Ponds	(400)	(400)	(400)
3281	Clay Cross Depot	(661)	(661)	(2,010)
3283	Northwood	0	0	2,861
3811	Closed Circuit Television	320	320	400
4412	Midway Business Centre	(45,390)	(49,080)	(45,775)
4425	Coney Green Business Centre	(26,088)	(38,978)	(32,962)
4523	Estates Administration	275,852	260,915	247,432
5204	Jnt HoS Property & Commercial Services	36,648	36,648	36,982
5205	Mill Lane	310,738	306,388	228,150
5209	Facilities Management	121,060	121,060	115,360

5210	Pioneer House	(34,805)	(36,585)	(37,020)
	<b>Joint Head of Service Planning</b>			
4111	Applications And Advice	(372,400)	(364,745)	(492,400)
4113	Planning Appeals	0	0	172,750
4116	Planning Policy	296,687	322,037	425,759
4119	Neighbourhood Planning Grant	0	6,520	6,520
4311	Environmental Conservation	19,740	19,740	19,800
4511	Jnt Hos Planning	35,823	26,867	17,085
4513	Planning	514,221	528,539	514,878
4515	Building Control	58,000	58,000	58,000
	<b>Joint Head of Service Economic Development</b>			
3165	Housing Options Team	206,775	206,890	207,001
3740	Strategic Housing	74,272	104,272	82,600
3741	Housing Ambition Project	34,651	34,651	0
3748	Homelessness Grant	(22,111)	(15,893)	6,320
3749	Empty Properties	2,000	2,000	2,000
3750	Housing Growth	0	(30,000)	(15,078)
3751	Care Call System	(15,000)	(15,000)	(15,000)
4211	Tourism Promotions	18,500	18,500	18,500
4238	Working Communities Strategy	77,100	77,100	77,095
4240	Project X	0	0	0
4351	Alliance	3,350	3,350	3,350
4512	Growth Agenda	16,000	19,906	32,906
4516	Clay Cross OPE	0	0	0
4517	Economic Development	153,166	149,260	135,104
4519	The Avenue, Wingerworth	20,000	(30,000)	(30,000)
4526	Sheffield City Region	4,000	4,000	4,000
5750	Jnt HoS Economic Development	37,216	37,216	36,869

<b>Total for Place Directorate</b>	<b>2,750,446</b>	<b>2,753,612</b>	<b>2,679,958</b>
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### **People Directorate**

#### **Joint Strategic Director People**

1142	Joint Chief Executive (People)	114,917	57,594	60,257
4500	Joint Strategic Director - People	46,298	46,298	59,752
5720	Supporting PA's	81,077	81,077	80,784

#### **Joint Head of Service Partnerships and Transformation**

1331	Strategic Partnerships	119,091	119,091	124,326
1332	Strategic Partnership Projects	12,500	12,500	4,500
1333	Healthy North East Derbyshire	16,904	(58,830)	(27,671)
1334	NE Derbyshire Business Growth Fund	0	0	14,790
1335	Big Local	0	0	0
4352	LEADER	333	333	0
4443	Elderly Peoples Clubs	4,000	4,000	4,000
4561	Leisure Centre Management	83,411	215,571	207,128
4600	Jnt Hos Partnerships & Transformation	30,352	22,767	20,448
4720	Sportivate	0	0	0

4722	Physical Inactivity Fund	0	0	0
4723	Generation Games	12,000	12,000	12,000
4726	Walking for Health	0	0	0
4727	Five 60	0	0	0
4731	Promotion Of Recreation And Leisure	29,132	29,432	29,412
4732	Schools Promotion	1,410	1,410	3,543
4736	Derbyshire Sports Forum	15,500	15,500	15,500
4742	Arts Development	2,800	2,800	2,800
5215	Telephones	25,500	25,500	32,100
5216	Mobile Phones and Ipads	16,810	16,810	16,665
5221	Customer Services	375,206	366,706	357,232
5223	Franking Machine	55,310	55,310	59,960
5701	Joint ICT Service	0	(700)	0
5734	NEDDC ICT Service	527,596	553,436	537,727
5737	Corporate Printing Costs	23,190	23,190	18,000
5785	Contributions	132,835	132,835	132,835
5825	Concessionary Bus Passes	(9,940)	(9,940)	(9,940)
8441	Eckington Swimming Pool	200,887	185,073	185,280
8445	Eckington Pool Cafe	0	13,144	1,264
8451	Dronfield Sports Centre	(47,747)	(104,288)	(21,851)
8461	Sharley Park Sports Centre	319,500	316,380	300,536
8465	Sharley Park Sports Centre Outdoor	(1,200)	(1,200)	(2,150)

#### **Joint Head of Service Corporate Governance**

1121	Member's Services	420,598	420,598	434,090
1123	Chair's Expenses	9,820	8,620	11,220
1131	District Elections	0	0	0
1133	Parish Elections	0	0	0
1137	Parliamentary Elections	0	0	0
1139	County Council Elections	0	0	0
1231	Corporate Training	11,980	11,980	11,835
1255	Strategy and Performance	96,188	96,188	96,303
1256	Corporate Consultation	14,676	14,676	14,203
1259	Corporate Groups	10,000	10,000	10,000
1311	Human Resources	225,450	211,625	183,288
1312	Payroll	50,556	50,556	50,646
1313	Work Well Team	0	0	30
1315	Design & Print	87,349	87,349	95,715
1321	Communications & Marketing	78,858	78,858	80,136
1323	NEDDC News	26,600	26,600	27,000
1329	Corporate Web Site	700	700	2,390
3121	Health & Safety Advisor	46,010	46,010	45,593
5219	Corporate Support	500	500	500
5249	Twinning Expenses	7,100	7,100	7,100
5273	Brass Band Concert	2,700	2,700	1,550
5313	Register Of Electors	167,237	167,237	149,416
5321	Jnt HoS Corporate Governance	39,209	39,209	38,821
5353	Legal Section	153,387	153,387	154,351
5354	Land Charges	0	(17,318)	(14,318)
5392	Scrutiny	49,255	49,255	49,238
5711	Democratic Services	168,516	168,516	169,869

<b>Joint Head of Service Finance and Resources</b>				
3176	Pool Car	4,000	1,000	1,000
3512	CBC Crematorium	(177,000)	(177,000)	(177,000)
5113	Unison Duties	14,409	14,409	14,487
5611	External Audit	56,510	43,510	43,510
5615	Bank Charges	86,000	86,000	86,000
5621	Contribution to/from HRA	(185,600)	(185,600)	(185,600)
5705	Jnt HoS Finance & Resources	36,732	36,732	36,384
5713	Audit	104,740	104,740	96,183
5714	Financial Support Services	38,400	4,100	4,100
5715	Procurement	0	34,300	42,335
5721	Financial Services	265,587	263,587	278,051
5723	Housing Act Advances	2,300	2,300	2,300
5724	Insurance	409,240	409,240	341,508
5725	Apprenticeship Levy	45,000	45,000	45,000
5727	Cost Of Ex-Employees	971,015	971,015	971,015
5741	Housing Benefit Service	472,122	434,073	199,425
5747	Debtors	48,422	48,422	48,473
5751	`NNDR Collection	(21,228)	(21,228)	(14,760)
5759	Council Tax Administration	205,376	186,059	187,141
5781	Village Hall Grants	14,870	14,870	14,870

<b>Joint Head of Service Street Scene</b>				
3174	Street Scene	298,946	298,946	284,459
3227	Materials Recycling	153,685	153,685	180,695
3231	Recycling Promotional Work	3,800	3,800	3,800
3244	Parks Derbyshire County Council Agency	(359,170)	(359,170)	(360,000)
3282	Eckington Depot	86,805	86,805	90,428
3285	Dronfield Bulk Depot	3,070	3,070	3,330
3511	Hasland Cemetery	(50,746)	(51,476)	(52,460)
3513	Temple Normanton Cemetery	(7,363)	(7,543)	(7,540)
3514	Clay Cross Cemetery	(43,685)	(43,685)	(43,685)
3516	Killamarsh Cemetery	(15,805)	(15,805)	(18,160)
3918	Dog Fouling Bins	(47,800)	(47,800)	(46,800)
3921	Street Cleaning Service	630,371	596,750	598,041
3943	Transport	(38,219)	244,944	386,311
3944	Grounds Maintenance	617,189	515,917	481,100
3945	Domestic Waste Collection	1,698,196	1,558,196	1,492,599
3946	Commercial Waste Collection	(167,108)	(129,368)	(130,432)
4436	The Avenue - Dowry	0	0	12,700

<b>Total for People Directorate</b>	<b>9,007,422</b>	<b>8,890,940</b>	<b>8,747,011</b>
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<b>Investment Properties</b>				
4411	Stonebroom Industrial Estate	(43,620)	(43,620)	(44,000)
4413	Clay Cross Industrial Estate	(72,850)	(72,850)	(79,370)
4415	Norwood Industrial Estate	(204,060)	(204,060)	(208,530)
4417	Eckington Business Park	(25,000)	(25,000)	(25,000)

4418	Rotherside Court Eckington Business Unit	(28,274)	(31,824)	(10,850)
4423	Pavillion Workshops Holmewood	(66,210)	(66,210)	(70,150)
4432	Miscellaneous Properties	18,710	18,710	81,650
<b>Total for Investment Properties</b>		<b>(421,304)</b>	<b>(424,854)</b>	<b>(356,250)</b>

## Appendix 3

### HOUSING REVENUE ACCOUNT - Revised Budgets 2018/19

	Original Budget 2018/19 £	Current Budget 2018/19 £	Revised Budget 2018/19 £
<b>INCOME</b>			
Dwelling Rents	(31,117,664)	(31,117,664)	(31,116,256)
Non-Dwelling Rents	(375,002)	(375,002)	(395,200)
Charges for Services and Facilities	(148,500)	(148,500)	(374,700)
Contributions Towards Expenditure	(10,000)	(10,000)	(180,000)
<b>INCOME TOTAL</b>	<b>(31,651,166)</b>	<b>(31,651,166)</b>	<b>(32,066,156)</b>
<b>EXPENDITURE</b>			
Repairs & Maintenance	5,184,349	5,184,349	5,176,349
Supervision and Management	6,829,167	6,829,167	6,858,428
Rents, Rates & Taxes	120,860	120,860	122,000
Capital Charges - Depreciation	7,050,000	7,675,000	7,929,774
Provision for Bad Debts	250,000	250,000	250,000
Debt Management Expenses	11,500	11,500	11,500
<b>EXPENDITURE TOTAL</b>	<b>19,445,876</b>	<b>20,070,876</b>	<b>20,348,051</b>
<b>NET COST OF SERVICES</b>	<b>(12,205,290)</b>	<b>(11,580,290)</b>	<b>(11,718,105)</b>
Corporate & Democratic Core	185,450	185,450	185,450
<b>NET COST OF HRA SERVICES</b>	<b>185,450</b>	<b>185,450</b>	<b>185,450</b>
Interest Payable	5,334,902	5,334,902	5,240,092
Interest Receivable	(19,175)	(19,175)	(57,247)
Debt Repayment	4,300,000	4,300,000	4,300,000
Transfer to HRA Insurance Reserve	50,000	50,000	50,000
Contribution to MRR	1,950,000	1,325,000	1,070,226
Contribution to Development Reserve	404,113	404,113	929,584
<b>(Surplus)/Deficit on HRA Services</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
<b>Opening HRA Balance</b>	<b>(3,000,000)</b>	<b>(3,000,000)</b>	<b>(3,000,000)</b>
<b>Transfers (to)/from Balances</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Closing HRA Balance</b>	<b>(3,000,000)</b>	<b>(3,000,000)</b>	<b>(3,000,000)</b>

## Appendix 4

### CAPITAL PROGRAMME 2018/19

	Original Budget 2018/19 £	Current Budget 2018/19 £	Revised Budget 2018/19 £
<b>Capital Expenditure</b>			
<b>Housing Revenue Account</b>			
Capital Works - Council Housing	9,000,000	9,486,000	9,606,000
Demolition of Houses in Renishaw	0	100,000	30,000
EWI Scheme	0	395,000	395,000
Pine View Danesmoor	0	900,000	300,000
North Wingfield New Build Scheme	275,000	1,977,000	1,977,000
Stock Purchase Programme	0	1,482,000	1,482,000
Acquisitions & Disposals (RHL)	0	560,000	560,000
Car Park Surfacing - Pilsley	0	0	40,000
<b>HRA - Capital Expenditure</b>	<b>9,275,000</b>	<b>14,900,000</b>	<b>14,390,000</b>
<b>General Fund</b>			
Private Sector Housing Grants (DFG's)	393,000	689,487	689,487
ICT Schemes	58,000	109,000	109,000
Clay Cross Football Pitch	0	10,554	10,554
Asset Refurbishment - General	150,000	150,000	150,000
Roller Shutter Doors	80,000	82,000	82,000
Leisure Centre Kit Replacement	0	106,243	106,243
Eckington Pool Roof	0	270,000	270,000
Eckington Pool Refurbishment	0	32,000	32,000
Replacement of Vehicles	1,055,000	1,141,000	1,138,000
Contaminated Land	0	42,001	42,001
<b>General Fund Capital Expenditure</b>	<b>1,736,000</b>	<b>2,632,285</b>	<b>2,629,285</b>
<b>Total Capital Expenditure</b>	<b>11,011,000</b>	<b>17,532,285</b>	<b>17,019,285</b>
<b>Capital Financing</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>
<b>Housing Revenue Account</b>			
Major Repairs Reserve	(9,000,000)	(9,536,000)	(9,536,000)
Prudential Borrowing - HRA	(275,000)	(2,542,000)	(1,942,000)
External Grant - HCA	0	(730,000)	(730,000)
Development Reserve	0	(1,056,000)	(1,146,000)
Capital Receipts Reserve	0	(591,400)	(591,400)
1-4-1 Receipts	0	(444,600)	(444,600)
<b>HRA Capital Financing</b>	<b>(9,275,000)</b>	<b>(14,900,000)</b>	<b>(14,390,000)</b>

<b>General Fund</b>			
Disabled Facilities Grant	(373,000)	(669,487)	(669,487)
External Grant - Lottery Funded Schemes	0	(10,554)	(10,554)
External Grant - Contaminated Land	0	(42,001)	(42,001)
Prudential Borrowing	(1,055,000)	(1,411,000)	(1,408,000)
RCCO - SPLC	(11,300)	(11,300)	(11,300)
RCCO - Roller Shutter Doors	(80,000)	(82,000)	(82,000)
RCCO - Vehicles	(61,221)	(61,220)	(61,220)
Useable Capital Receipts	(155,479)	(344,723)	(344,723)
<b>General Fund Capital Financing</b>	<b>(1,736,000)</b>	<b>(2,632,285)</b>	<b>(2,629,285)</b>
<b>HRA Development Reserve</b>			
Opening Balance	(525,311)	(1,481,000)	(1,481,000)
Amount due in year	(394,113)	(667,000)	(929,584)
Amount used in year	0	1,056,000	1,146,000
<b>Closing Balance</b>	<b>(919,424)</b>	<b>(1,092,000)</b>	<b>(1,264,584)</b>
<b>Major Repairs Reserve</b>			
Opening Balance	(289,897)	(826,000)	(826,000)
Amount due in year	(9,000,000)	(9,000,000)	(9,000,000)
Amount used in year	9,000,000	9,486,000	9,606,000
<b>Closing Balance</b>	<b>(289,897)</b>	<b>(340,000)</b>	<b>(220,000)</b>
<b>Capital Receipts Reserve</b>			
Opening Balance	(1,247,896)	(1,970,000)	(1,970,000)
Income expected in year	(950,000)	(2,000,000)	(2,000,000)
Debt Repayment/Other Expenses	0	1,900,000	1,900,000
Amount used in year	155,479	806,123	936,123
<b>Closing Balance</b>	<b>(2,042,417)</b>	<b>(1,263,877)</b>	<b>(1,133,877)</b>
<b>Capital Receipts Reserve 1-4-1 receipts</b>			
Opening Balance	(2,412,502)	(2,871,000)	(2,871,000)
Income expected in year	(1,200,000)	(2,000,000)	(2,000,000)
Amount used in year	0	444,600	444,600
<b>Closing Balance</b>	<b>(3,612,502)</b>	<b>(4,426,400)</b>	<b>(4,426,400)</b>
<b>Total Capital Financing</b>	<b>(11,011,000)</b>	<b>(17,532,285)</b>	<b>(17,019,285)</b>