

Public Document Pack



**North East
Derbyshire**
District Council

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Date: Wednesday, 17 January 2024

To: **Members of the Cabinet**

Please attend a meeting of the Cabinet to be held on **Thursday, 25 January 2024, at 4.00 pm in the District Council Offices**, Mill Lane, Wingerworth, Chesterfield, S42 6NG.

Yours sincerely



Assistant Director of Governance and Monitoring Officer

Cabinet Members

Councillor N Barker (Chair)
Councillor J Birkin
Councillor S Pickering

Councillor J Barry
Councillor P Kerry (Vice-Chair)
Councillor K Rouse

For further information about this meeting please contact the Governance Manager, Alan Maher, 01246 217391

Notice of Meeting to be held in Private

It is intended that part of this meeting will be held in private under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. The matters to be considered in private are listed under the heading Private Session. The categories of exempt information that are likely to be disclosed during the discussion of these items, as defined in Part 1 of Schedule 12A to the Local Government Act 1972, are listed below each item.

No representations have been received requesting that these items be open to the public.

A G E N D A

Public Session

1 Apologies for Absence

2 Declarations of Interest

Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest, not already on their register of interests, in any item on the agenda and withdraw from the meeting at the appropriate time.

3 Minutes of the Last Meeting (Pages 5 - 9)

To approve as a correct record and the Leader to sign the attached Minutes of the meeting of Cabinet held on Thursday 23 November 2023

4 Medium Term Financial Plan 2023/24 to 2027/28 (Pages 10 - 31)

Report of Councillor P Kerry, Deputy Leader of the Council and Portfolio Holder for Strategic Leadership and Finance

5 Publication of the first Biodiversity Net Gain report (Pages 32 - 46)

Report of Councillor S Pickering, Portfolio Holder for Environment and Place

6 Delegating authority to officers to enter into Planning Performance Agreements with Developers (Pages 47 - 60)

Report of Councillor S Pickering, Portfolio Holder for Environment and Place

7 Urgent Items (Public)

To consider any other matter which the Leader is of the opinion should be considered as a matter of urgency, in accordance with the provisions of Statutory Instrument 2012 No 2089, Regulation 11.

8 Exclusion of Public

The Leader to move:-

That the public be excluded from the meeting during the discussion of the following items of business to avoid the disclosure to them of exempt information as defined in Part 1 of Schedule 12A to the Local Government Act 1972, (as amended by the Local Government (Access to Information) (Variation) Order 2006). [The category of exempt information is stated after each item].

Private Session

9 Purchase of 15 units for affordable rent - Oaks Farm, Calow (Pages 61 - 90)

Report of Councillor N Barker, Leader of the Council and Portfolio Holder for Strategic Leadership and Finance.

Key Decision (Paragraph 3)

10 Implementation of a Council Tax Premium for Empty Homes - NOW PUBLISHED (Pages 91 - 105)

Report of Councillor N Barker, Leader of the Council and Portfolio Holder for Strategic Leadership and Finance.

Key Decision (Paragraph 3)

11 Urgent Items (Private)

To consider any other matter which the Leader is of the opinion should be considered as a matter of urgency, in accordance with the provisions of Statutory Instrument 2012 No 2089, Regulations 5 and 11.

Access for All statement

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CABINET

MINUTES OF MEETING HELD ON THURSDAY, 23 NOVEMBER 2023

Present:

Councillor Nigel Barker (Chair) (in the Chair)
Councillor Pat Kerry (Vice-Chair)

Councillor Jayne Barry
Councillor Kathy Rouse

Councillor Joseph Birkin

Also Present:

| | |
|-------------|---|
| L Hickin | Managing Director - Head of Paid Service |
| M Broughton | Director of Growth and Assets |
| J Dethick | Director of Finance and Resources & (Section 151 Officer) |
| D Thompson | Assistant Director of Planning |
| K Drury | Information Engagement & Performance Manager |
| A Maher | Governance Manager |
| T Scott | Governance and Scrutiny Officer |

CAB/ Apologies for Absence 48/2

3-24 An apology for absence was received from Councillor S Pickering.

CAB/ Declarations of Interest 49/2

3-24 None.

CAB/ Minutes of the Last Meeting 50/2

3-24 RESOLVED - That the Minutes of the meeting held on 26 October 2023 were approved.

CAB/ Medium Term Financial Plan (MTFP) Revised Budgets 2023-24 51/2

3-24 The report to Cabinet set out the proposed revisions to the Budget for 2023/24, which had been approved by Council in January 2023. Cabinet was asked to endorse the proposed revisions and to recommend them to Council for approval.

Cabinet heard how the original budget had included a contribution of £0.784 from the Resilience Reserve. The report explained that because of greater income growth, and the efficiency savings which had been achieved, significantly less would now be required from the Resilience Reserve to support the budget.

Cabinet discussed the proposed revisions to the Budget. Members welcomed the progress which had been made in achieving savings and securing income growth during the financial year. However, they also recognised that because of the continuing funding challenges facing the Council, further savings through the Transformation Agenda would be required in the future years covered by the

Medium Term Financial Plan (MTFP).

RESOLVED – That Cabinet recommended to Council:

- (1) The budget in respect of the General Fund as set out in Appendix 1 of the report be approved as the Current Budget for 2023/24.
- (2) The budget in respect of the HRA as set out in Appendix 3 of the report be approved as the Current Budget for 2023/24.
- (3) The Capital Programme as set out in Appendix 4 of the report be approved as the Current Budget for 2023/24.

REASONS FOR DECISION – To prepare revised budgets as early as possible within the financial year to provide sufficient time to allow any planned changes to be delivered. The Council has faced financial challenges this year, putting pressure on the ability to set a balanced General Fund budget but careful budget management, use of reserves ringfenced for providing resilience when needed, and the ongoing progression of the transformation agenda has mitigated this.

OTHER OPTIONS CONSIDERED AND REJECTED – There are no alternative options being considered at this time. How resources are utilised is ultimately a decision Members will take as part of the 2024/25 Medium Term Financial Planning process.

CAB/ Council Plan Objectives - Update April to September 2023

52/2

3-24

The report to Cabinet set out the progress achieved towards the Council Plan 2023-2027 Objectives to create:

- A great place that cares for the environment
- A great place to work
- A great place to live well
- A great place to access good public services

As part of this, Cabinet was informed that the Clay Cross Rail Feasibility Study had now been completed and that the Council and its partners were actively seeking to provide rail access through the proposed Barrow Hill line. Members were also informed about the UK Shared Prosperity Fund Shopfront grants which had been awarded to businesses in the District, the ongoing work to commission a Young Peoples Mental Health Project, with Bolsover District Council and Derbyshire County Council, and the upgrades to Council owned housing in the District that had taken place.

Cabinet discussed the report and the progress made towards achieving the Council Plan Objectives. Members welcomed the new approach to reporting performance on the Council Plan, and in particular, the more extensive narrative to explain the action which had been taken to achieve the Objectives and to complement the detailed statistical information on what had been delivered.

RESOLVED – That Cabinet noted progress against the Council Plan 2023-2027

objectives.

REASONS FOR DECISION – This is an information report to keep Members informed of progress against the Council Plan objectives.

OTHER OPTIONS CONSIDERED AND REJECTED – Not applicable as the report provided an overview of progress against the Council Plan objectives.

CAB/ Planning Policy Annual Monitoring Reports for Publication

53/2

3-24

The report to Cabinet sought approval for the Planning Authority Monitoring Report 2022-23 (AMR), the Brownfield Land Register Update 2023 and the Infrastructure Funding Statement 2022-23 (IFS) to be now published on the Council's website. This action would discharge the Council's statutory responsibilities to produce and publish the monitoring information.

Cabinet discussed the report. As part of this, it heard that in overall terms the policies in the current Local Plan were performing well, with only a limited number of areas requiring further scrutiny. In this context, Members heard that housing land supply might fall below the required 5 years supply by April 2025. The report made clear that this would be a significant issue that could impact on the location of future developments in the District and the lead in times for preparation of a new or updated Local Plan. Members asked that the future Land Supply in the District be closely monitored and reported to Cabinet as necessary.

RESOLVED – That Cabinet noted the contents of the Annual Monitoring Report (AMR19) for the period of 1st April 2022 – 31st March 2023, and approved its publication on the Council's website.

REASONS FOR DECISION – This report set out the key findings of the 2023 Authority Monitoring Report, Brownfield Land Register Update and Infrastructure Funding Statement. This enabled the Council to understand the effectiveness of its policies and trends over time. Publication of these documents on the Council's website would fulfil the Council's statutory duties to prepare and publish the required annual monitoring datasets.

OTHER OPTIONS CONSIDERED AND REJECTED – The Council has a statutory duty to prepare these documents and there is no reasonable alternative.

CAB/ South Yorkshire Combined Authority Statement of Common Ground

54/2

3-24

Cabinet was asked to endorse the proposed 'Statement of Common Ground' on Strategic Planning, prepared by the South Yorkshire Mayoral Combined Authority.

Cabinet heard that the Localism Act 2011 placed a duty on local planning authorities, county councils, and other public bodies to co-operate in order to maximise the effectiveness of Local Plan preparations, in the context of strategic cross boundary matters. The proposed Statement of Common Ground had been prepared in consultation with the Council's Planning officers and the officers of other planning authorities covered by the Mayoral Combined Authority and also Derbyshire County Council. Each of these authorities had now been asked to sign

the proposed Statement, the text of which was appended to the report as Appendix 1.

Cabinet considered the report. Members heard that other Statements of Common Ground had been agreed by different authorities on specific strategic issues. The Council was party to some of these Agreements. The Combined Authority Statement, had, it was explained, been prepared in light of this existing work, in order to avoid duplication or conflict, and enable a more streamlined approach for the planning authorities to operate in the future.

Members welcomed the proposed approach. In particular, they felt that the areas of strategic focus within the Statement of Common Ground would link with the Council's own Council Plan objectives. There was a consensus that the South Yorkshire Combined Mayoral Authority Statement of Common Ground should be supported.

RESOLVED –

- (1) That Cabinet endorsed the contents of the South Yorkshire Combined Mayoral Authority Statement of Common Ground.
- (2) Cabinet authorised the Portfolio Holder for Environment and Place to sign the document on behalf of North East Derbyshire District Council.

REASONS FOR DECISION – The Council will be able to demonstrate that it has addressed the requirements of the Localism Act 2011 with regards to the duty to co-operate.

OTHER OPTIONS CONSIDERED AND REJECTED – Not signing the statement of common ground would risk being found to have not addressed the requirements of the Localism Act when submitting a future Local Plan for examination by the Planning Inspectorate. This would result in significant delays in the delivery of an updated Local Plan for the District, with the knock-on effect being weaker defence against speculative development.

CAB/ Urgent Items (Public)

55/2

3-24 None.

CAB/ Exclusion of the Public

56/2

3-24 RESOLVED – That the public be excluded from the meeting during the discussion of the following items of business to avoid the disclosure to them of exempt information as defined in Paragraphs 3 and 5 of Part 1 of Schedule 12A to the Local Government Act 1972, (as amended by the Local Government (Access to Information) (Variation) Order 2006).

CAB/ Proposed Social Housing Regeneration Scheme - Stonebroom

57/2

3-24 The report to Cabinet sought approval to progress with the proposed redevelopment of non-traditionally built homes in Stonebroom. It also explained the next steps that would be taken if Cabinet endorsed this approach. Members

discussed the report and supported progress on the scheme.

RESOLVED –

- (1) That Cabinet agreed to the proposed redevelopment of non-traditional homes around the Cleveland Road area at Stonebroom.
- (2) That Cabinet recommended to Council the approval of the necessary borrowing to fund the above the scheme.
- (3) That Cabinet recommended to Council the inclusion of this scheme in the HRA Capital Programme.

REASONS FOR DECISION – The regeneration scheme at Stonebroom supports the Council's commitment in its Council Plan to build, acquire and facilitate the delivery of more high-quality social housing for rent in the district.

OTHER OPTIONS CONSIDERED AND REJECTED – To refurbish existing properties, which was rejected as it was not a viable option.

CAB/ Urgent Items (Private)

58/2

3-24 None.

North East Derbyshire District Council

Cabinet

25 January 2024

Medium Term Financial Plan 2023/24 to 2027/28

Report of the Deputy Leader (Portfolio Holder for Finance)

Classification: This report is public

Report By: Jayne Dethick, Director of Finance and Resources (S151 Officer)

Contact Officer: Jayne Dethick

PURPOSE/SUMMARY

To seek approval of the Current Budget for 2023/24 and Original Budget for 2024/25 for the General Fund, Housing Revenue Account and Capital Programme as part of the Council's Medium Term Financial Plan covering the years 2023/24 to 2027/28.

To provide Elected Members with an overview of the Council's medium term financial position.

RECOMMENDATIONS

1. That all recommendations below are referred to the Council meeting of 29 January 2024.

The following recommendations to Council are made:

2. That the view of the Director of Finance & Resources, that the estimates included in the Medium-Term Financial Plan 2023/24 to 2027/28 are robust and that the level of financial reserves are adequate at this time, be accepted.
3. That officers report back to Cabinet and the Services Scrutiny Committee on a quarterly basis regarding the overall position in respect of the Council's budgets.

General Fund

4. A Council Tax increase of £6.11 will be levied in respect of a notional Band D property (2.99%).

5. The Medium-Term Financial Plan in respect of the General Fund as set out in **Appendix 1** of this report be approved as the Current Budget 2023/24, as the Original Budget 2024/25, and as the financial projections in respect of 2025/26 to 2027/28.
6. That the shortfall in the General Fund budget for 2024/25 as set out in **Appendix 1** be met from the resilience reserve.
7. That the General Fund Capital Programme as set out in **Appendix 4** be approved as the Current Budget in respect of 2023/24, and as the Approved Programme for 2024/25 to 2027/28.
8. That any under spend in respect of 2023/24 be transferred to the Resilience Reserve to provide increased financial resilience for future years of the plan.

Housing Revenue Account (HRA)

9. That Council sets its rent levels for 2024/25 in consideration of the Social Housing Rent Standard increasing rents by 6% from 1st April 2024.
10. The Medium-Term Financial Plan in respect of the Housing Revenue Account as set out in **Appendix 3** of this report be approved as the Current Budget in respect of 2023/24, as the Original Budget in respect of 2024/25, and the financial projection in respect of 2025/26 to 2027/28.
11. That the HRA Capital Programme as set out in **Appendix 4** be approved as the Current Budget in respect of 2023/24, and as the Approved Programme for 2024/25 to 2027/28.
12. That the Management Fee for undertaking housing services at £12.05m and the Management Fee for undertaking capital works at £1.1m to Rykneld Homes in respect of 2024/25 be approved.
13. That Members endorse the section in the financial framework within the Management Agreement which enables the Council to pay temporary cash advances to Rykneld Homes to help meet the cash flow requirements of the company should unforeseen circumstances arise in any particular month.
14. That Members note the requirement to provide Rykneld Homes with a 'letter of comfort' to the company's auditors and grant delegated authority to the Council's Director of Finance & Resources (S151 Officer) in consultation with the Leader of the Council to agree the contents of that letter.

Approved by the Portfolio Holder for Finance

IMPLICATIONS

Finance and Risk

Yes ✓

No

The issue of financial risk and resilience is covered throughout the report. In addition, it should be noted that not achieving a balanced budget is outlined as a key risk within the Council's Strategic Risk Register. While officers are of the view that these risks are being appropriately managed it needs to be recognised that the continued budget pressures on the Council's financial position need careful consideration when approving the Medium Term Financial Plan.

The capital programme identifies and recognises the need to maintain the Council's assets in a fit for purpose state and to retain and attract income streams for the Council. The financing of the capital programme is secured for 2024/25 thus minimising the risk of any additional unplanned borrowing.

Section 25 of the Local Government Act 2003 requires that the S151 Officer reports on the robustness of the estimates made and the adequacy of reserves. These requirements are addressed at 1.67 – 1.69 of this report.

All other financial implications are covered in the relevant sections throughout the report.

On Behalf of the Section 151 Officer

Legal including Data Protection

Yes ✓

No

The Council is legally obliged to approve a budget prior to the commencement of the new financial year, 1 April 2024. This report together with the associated budget timetable has been prepared in order to comply with our legal obligations.

The recommended budget for the General Fund, Housing Revenue Account and Capital Programme complies with the Council's legal obligation to agree a balanced budget.

There are no Data Protection issues arising directly from this report.

On Behalf of the Solicitor to the Council

Staffing

Yes

No ✓

There are no staffing issues arising directly from this report.

On Behalf of the Head of Paid Service

DECISION INFORMATION

| | |
|---|----|
| Is the decision a Key Decision? | No |
| 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: | |
| NEDDC: | |

| | |
|--|--|
| Revenue - £100,000 <input checked="" type="checkbox"/> Capital - £250,000 <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies | |
| Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In) | No |
| District Wards Significantly Affected | None |
| Consultation: Leader / Deputy Leader <input checked="" type="checkbox"/> Cabinet <input type="checkbox"/> SMT <input checked="" type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input checked="" type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/> | Yes Details: Services Scrutiny Committee 18 January 2024 |

| |
|--|
| Links to Council Plan priorities, including Climate Change, Equalities, and Economics and Health implications. |
| All |

REPORT DETAILS

1 Introduction

- 1.1 This report presents the following budgets for Members to consider:
- General Fund – **Appendix 1 and 2**
 - Housing Revenue Account (HRA) – **Appendix 3**
 - Capital Programme – **Appendix 4**
- 1.2 In particular financial projections are provided for:
- 2023/24 Current Budget – this is the current year budget, revised to take account of any changes during the financial year that will end on 31 March 2024.
 - 2024/25 Original Budget – this is the proposed budget for the next financial year starting 1 April 2024. For the General Fund, this is the budget on which the Council Tax will be based. The HRA budget also includes proposals on increases to rents and charges.
 - 2025/26 to 2027/28 Financial Plan - In accordance with good practice the Council agrees its annual budget within the context of a Medium-Term Financial Plan (MTFP). This includes financial projections in respect of the next three financial years for the General Fund, HRA and Capital Programme. Once Cabinet has considered this report and the appendices, the recommendations agreed will be referred to the Council meeting of 29 January 2024 for members' consideration and approval.

General Fund Revenue Account

2023/24 Current Budget

- 1.3 In January 2023, Members agreed a budget for 2023/24 to determine Council Tax. At this time there was a requirement to achieve efficiencies of £0.784m to balance the budget.
- 1.4 The Revised Budget was considered by Cabinet at its meeting on 23 November 2023 at which time the budget shortfall had reduced to £0.331m. There have been no material changes to the budget position since this time.
- 1.5 The final position will clearly be dependent on the actual financial performance out-turning in line with the revised budgets and there may be further budget changes required as the year progresses.

2024/25 Original Budget and 2025/26 - 2027/28 Financial Plan

Local Government Finance Settlement

- 1.6 The draft Finance Settlement for 2024/25 was issued for consultation on 18 December 2023. It is effectively the second year of a two-year settlement following the *local government finance policy statement 2023-24 – 2024-25*, published on 12 December 2022. In this statement the Government confirmed that 2023/24 and 2024/25 would essentially be rollover settlements from the 2019 position. The policy statement encouraged local authorities to utilise reserves to maintain services, taking account of the need to maintain appropriate levels of reserves to support financial sustainability. This stance was reiterated in the 2024/25 draft Finance Settlement.
- 1.7 The impending general election during the next 12 months means the planned funding reforms or changes to funding distribution are delayed further and are now not expected to be implemented until 2026-27 at the very earliest. Forecasting for the latter years of the financial plan is challenging whilst little is known about the next Spending Review and funding reforms. This lack of certainty from 2026/27 makes financial planning with any accuracy for future years difficult, especially considering the medium-term fiscal forecasts and the need to continue to provide sustainable public services.
- 1.8 The main principles of the 2024/25 Settlement are:

New Homes Bonus

- 1.9 The Settlement confirms that New Homes Bonus (NHB) will continue in 2024/25 for one further year with no legacy payments and payments will be made on the same basis as last year. Adopting this assumption, the forecasts exclude New Homes Bonus payments from 2025/26.

Increased “core” Band D Council Tax

- 1.10 The maximum increases in Band D have been confirmed in the Settlement. The core Band D element remains at 3% for district councils in 2024/25. The 2025/26 level is yet to be confirmed however there is widespread speculation that it will remain at 3% in the future.

3% Funding Guarantee

- 1.11 The 3% Funding Guarantee was an addition in the Settlement last year that is continuing into next year. The intention of this grant is to guarantee that every council has an increase of at least 3% in Core Spending Power, before Council Tax increases. The Council’s allocated amount in 2024/25 is £0.389m. It is widely expected that the grant will continue into 2025/26 and in the absence of New Homes Bonus will increase to ensure the 3% funding guarantee commitment is met. The grant has been excluded from 2026 in anticipation of the wider funding reforms being implemented.

Business Rates

- 1.12 Members will be aware that the Council has been a member of the Derbyshire Business Rates Pool since its establishment in 2015/16. Being a member of the pool allows us to retain more of our Business Rates income locally and all Councils have elected to remain members in 2024/25. The only major change to business rates is the introduction of the Non-Domestic Rating Act 2023 which gives ministers the opportunity to set separate multipliers for small and standard businesses. This has no financial impact for billing authorities as changes are compensated through section 31 grants.

Business Rates Reset

- 1.13 It has again been confirmed that the business rates baseline reset will not proceed until the next spending review. The reset will mean that any growth gained since 2013/14 (the last reset) will be built into a new baseline, effectively wiping it out. The lack of clarity around the national business rates review, and/or a reset beyond 2025/26 makes forecasting challenging but there is still a commitment to fundamentally review business rates in the next spending review so it is still reasonable to assume that reform will proceed at this time. Therefore, from April 2026 the impact of the reset has been factored into this plan.

- 1.14 Table 1 below summarises the Government Grants in the 2024/25 Settlement compared to 2023/24:

Table 1

| | 2023/24 £000 | 2024/25 £000 |
|----------------------|-------------------------|-------------------------|
| New Homes Bonus | 602 | 601 |
| Services Grant | 109 | 0 |
| 3% Funding Guarantee | 259 | 389 |
| Total | 970 | 990 |

Assumptions in the Plan

1.15 In developing the financial projections several assumptions have been made:

- Budgets are cash limited except where contractual commitments to increase costs exist.
- A pay award of 3% has been included in 2024/25 pay budgets. From 2025/26 pay inflation forecasts include a 2% uplift.
- Changes to national living wage have been accounted for.
- Energy costs and fuel have been forecast to reflect anticipated price changes.
- Fees and charges – annual service specific increases have been applied in 2024/25.
- Salary vacancy savings of 3% have been included each year.
- Inflation mirrors Bank of England monetary policy falling to the target of 2% by the end of 2025.
- Variable interest rates mirror Bank of England monetary policy with a gradual reduction to 3% by September 2026.

Budget Detail

1.16 The proposed budget for 2024/25 currently shows a shortfall of £0.303m before any council tax increase (see 1.32 – 1.34 below). If the council tax increase recommended in the report is approved, then the shortfall reduces to £0.1m. This is a manageable position and based on past financial performance is reasonable to assume that the required savings will be identified during the year. Financial challenges do increase in the latter years of the plan, largely because of the uncertainty surrounding national funding. It therefore remains important to ensure that financial management remains prudent and ongoing savings continue to be identified and implemented. Table 2 below, summarises the forecast position.

1.17 We have been operating in a challenging financial climate for several years and have an excellent track record of both identifying and delivering service efficiencies as required. There is a strong commitment to being fiscally responsible and efficient and to demonstrating strong financial governance in the Council Plan that was approved by Council in July. Progress against these commitments is being monitored and scrutinised through the delivery management process alongside the budget monitoring process. Both are reported to the Cabinet and the Services Scrutiny Committee each quarter.

Table 2

| | Original Budget 2024/25 £000 | Planning Budget 2025/26 £000 | Planning Budget 2026/27 £000 | Planning Budget 2027/28 £000 |
|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| General Fund Shortfall before council tax increase | 302 | 972 | 1,852 | 1,971 |
| Application of council tax increase assuming 2.99% (max) each year | (202) | (404) | (606) | (808) |
| General Fund Shortfall after applying indicative council tax increase | 100 | 568 | 1,246 | 1,163 |

NB - () denote income/surplus

Note - Council Tax increases are indicative and not included in the MTFP at Appendix 1 as the final decision rests with Council each year.

1.18 Table 2 includes indicative council tax increases. Council tax income is a significant funding stream for us, providing 40% of the annual income needed to fund the services in the general fund. Also, it is important to note, the increase each year not only services that year's budget but also increases the base for future years.

1.19 The Net Cost of Services detailed in **Appendix 1** is further analysed by type in Table 3 below. **Appendix 2** provides further analysis for each budget area.

Table 3

| | Current Budget 2023/24 | Original Budget 2024/25 | Planning Budget 2025/26 | Planning Budget 2026/27 | Planning Budget 2027/28 |
|---|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | £000 | £000 | £000 | £000 | £000 |
| Employee related costs | 19,162 | 20,428 | 21,362 | 21,756 | 22,100 |
| Premises related costs | 2,469 | 2,030 | 2,394 | 2,459 | 2,532 |
| Transport related costs | 703 | 703 | 703 | 703 | 703 |
| Supplies and Services | 7,785 | 7,094 | 7,420 | 7,468 | 7,693 |
| Rent rebates/allowances | 330 | 330 | 330 | 330 | 330 |
| Capital Financing costs | 1,006 | 442 | 866 | 801 | 816 |
| Income | (16,618) | (15,436) | (17,055) | (17,145) | (17,337) |
| Net Cost of Services - NCS (App 1) | 14,837 | 15,591 | 16,020 | 16,372 | 16,837 |
| NCS transfers to grants/reserves | 1,271 | 0 | 0 | 0 | 0 |
| NCS transfers from grants/reserves | (1,590) | (471) | (377) | (202) | (5) |
| NCS after movements in grants/reserves | 14,518 | 15,120 | 15,643 | 16,170 | 16,832 |

NB - () denotes income

1.20 Table 3 above shows that except for pay related costs, cash limiting maintained across all expenditure budgets means there are only minor variations throughout the plan. Some of the above costs are funded by grants and reserves and some of the income needs to be moved to grants and reserves to fund future expenditure commitments. Therefore, these movements are included in the table to show the "true" position.

1.21 Like many other public bodies, some of the significant and unforeseen external pressures experienced in 2023/24, continue into the medium term and have been built into these forecasts. The main ongoing budget pressure relates to pay costs; the annual NJC pay awards, increases to the National Living Wage, employer pension contribution increases, and National Insurance changes have all impacted in recent years. An additional £1m was needed in 2023/24 and a further £1.3m in 2024/25.

1.22 **Appendix 1** shows that from 2026/27 the budget pressures begin to increase. The higher costs experienced in recent years that continue into future years account for some of this but the main variance centres around the assumptions in the financial plan that national funding reforms will take place. The combined forecast impact of changes to the funding formula, the loss of grants and a business rates reset has a considerable detrimental impact.

1.23 There is still a lot of uncertainty around national funding reforms which makes future year forecasting challenging. The Government have committed to transitional protection to minimise the initial impact for those councils in a worse financial position for a minimum

of two years and this has been included in the estimates. Whilst it doesn't relieve the impact of the reforms entirely it does provide protection for a period to allow adjustment to the impact of them. The future of local government funding and proposed reforms will continue to be kept under close review and will be addressed through the annual plan refresh as further information becomes available.

Reserves

- 1.24 In the 2024/25 draft Finance Settlement, the Government again encourage local authorities to utilise their reserves to meet budget pressures. This is an acceptable short-term measure whilst long term solutions are identified, however, use of reserves to fund revenue budgets is not a sustainable or prudent solution for the medium term for any organisation. Given the current level of reserves and balances held, we do have a reasonable period in which to recover unanticipated budget shortfalls should it be necessary. In a situation in which we were operating at a lower level of balances and budget pressures occurred which took balances to below a minimum level then immediate remedial action would need to be considered, but this is not currently the case.
- 1.25 A planned response to addressing budget pressures is more conducive to sound financial management and more importantly it limits the detrimental impact upon our ability to deliver the planned and agreed level of services to residents. As mentioned at 1.17 above, we have been operating in a challenging financial climate for several years and have an excellent track record of both identifying and delivering service efficiencies as required alongside a strong commitment to financial resilience and good financial governance. We recognise that we are in a better financial position than many local authorities, some of whom are struggling to meet the legal requirement to set a balanced budget for next year, but nonetheless also appreciate that given the current level of balances and reserves, against the savings requirement in the Medium-Term Financial Plan, the need to continue to tackle the underlying forecast budget deficit in a planned and managed manner remains.
- 1.26 The main uncommitted financial reserves are held in the General Fund Balance, the Invest to Save Reserve and the Resilience Reserve. The latter was specifically created to provide financial resilience in instances where unforeseen expenditure cannot be contained within existing approved budgets whilst longer term solutions are found.
- 1.27 The level of the General Fund Balance has been maintained at £2m in this budget. It represents a working balance of resources that could be used at very short notice in the event of a major financial issue and is maintained at a percentage of the net budget requirement.
- 1.28 The Invest to Save Reserve had an opening balance of £2.75m on 1 April 2023. Commitments already made against this reserve for future years amount to £0.83m leaving £1.92m uncommitted and available for future innovations and spend to save initiatives.
- 1.29 The Resilience Reserve had an opening balance of £2.93m on 1 April 2023, and commitments in 2023/24 are forecast to reduce this to £2.59m by the end of the current financial year. The planned contribution to the 2024/25 budget of £0.97m will reduce this to £1.62m should the full amounts need to be utilised. This reserve was created for this very purpose and will continue to be utilised to provide financial resilience to the general fund in future years as required by Medium Term Financial Plan. The final contribution from the Resilience Reserve each year will clearly be dependent on the actual financial

performance. Efforts will continue, as in previous years, to identify efficiencies to reduce the need to utilise the reserve.

- 1.30 The Business Rates Reserve is an earmarked reserve created from surplus growth to protect against the impact of lost growth, either through a change in the economic climate or through changes to the business rates retention system. It is the latter that is forecast to have a significant impact on business rates income from April 2026 because of the business rates reset. The reserve is being utilised in 2027/28 to provide such protection.

Council Tax Implications

Council Tax Base

- 1.31 In preparation for the budget, the Director of Finance & Resources under delegated powers has determined the Tax Base at Band D for 2024/25 as 33,049.86.

Council Tax Options

- 1.32 The Council's part of the Council Tax bill in 2023/24 was set at £204.27 for a Band D property. This was an increase of 2.99%.
- 1.33 The Government indicate what upper limit they consider acceptable for council tax setting each year. For 2024/25, District Councils are permitted to increase their share of the Council Tax by 3% or £5 whichever is the greater, without triggering the need to hold a referendum. Table 4 below shows increase options and the extra annual revenue this would generate:

Table 4

| Increase % | New Band D £ | Annual Increase £ | Weekly Increase £ | Extra Revenue £ |
|---------------|--------------------|-------------------------|-------------------------|-----------------------|
| 0% | 204.27 | 0 | 0 | 0 |
| 1.00% | 206.31 | 2.04 | 0.04 | 158,660 |
| 2.00% | 208.36 | 4.09 | 0.08 | 226,171 |
| 2.99% | 210.38 | 6.11 | 0.12 | 293,007 |

- 1.34 The proposed increase for 2024/25 is 2.99%, generating additional annual revenue of £293,007.

Housing Revenue Account (HRA)

2023/24 Current Budget

- 1.35 In January 2023, Members agreed a budget for 2023/24 including setting of rent levels in consideration of government regulations. HRA fees and charges were also set, effective from the same date.
- 1.36 The Revised Budget was considered by Cabinet at its meeting on the 23 November 2023. There have been no material changes to the budget position since this time.
- 1.37 The estimated surplus in the year will be dependent on the actual financial performance out-turning in line with the revised budgets. The surplus will be utilised to fund additional homes and/or improved services to tenants in future financial years so all surpluses will be transferred to reserves.
- 1.38 The HRA balance is being maintained at £3m in line with the level of financial risk facing the HRA. Maintenance of this balance is necessary as it will help ensure the financial and operational stability of the HRA which is essential to maintain the level of services and quality of housing provided to tenants. We continue to work closely with Rykneld Homes (RHL) to ensure the continued sustainability of the HRA over the life of the 30-year Business Plan.

2024/25 Original Budget and 2025/26 to 2027/28 Financial Plan

- 1.39 The proposed budget for 2024/25 currently shows a balanced position. (**Appendix 3**). The HRA budget makes the same assumptions as the General Fund budget for staff costs and inflation. There are however, some additional assumptions that are specific to the HRA. The main factors considered in developing the financial plans for the HRA are set out within the sections below.

Level of Council Dwelling Rents

- 1.40 Government policy on social housing rents seeks to achieve the right balance between the following objectives:
- protecting tenants
 - protecting taxpayers (by limiting the welfare costs associated with social housing rents)
 - supporting the delivery of new social homes and the management and maintenance of existing properties
- 1.41 In April 2020 the Social Housing Rent Standard came into force which is externally regulated by the Housing Regulator applying to all registered providers of social housing.
- 1.42 The Government directed the Social Housing Regulator to apply the rent standard to all registered providers, including local authorities. The Standard confirms that rent increases of up to CPI + 1% for five years will be permitted, commencing April 2020.

Rent Increase 2024/25

- 1.43 The Social Housing Rent Standard applies in 2024/25. CPI in September was 6.7% so the maximum permitted increase from April 2024 will be 7.7%. As in previous years, landlords continue to be free to apply a lower increase if they wish to do so. Providers should consider the local market context when deciding on the level of rent increase as well as the levels of Housing Benefit or Universal Credit available to claimant households who might occupy their properties.
- 1.44 The decision to increase rents in 2024/25 also needs to be taken in the context of the increasing cost pressures on the HRA. There is a statutory requirement that the HRA breaks even each year and rental income is the main source of revenue to meet the costs of management and maintenance of the homes. It also must be sufficient to cover the cost of servicing debt each year. Budget pressures have an impact on the ability to balance the HRA (see 1.49 – 1.52 below). Table 5 below shows increase options and the extra annual revenue this would generate:

| Increase % | New Average Weekly Rent £ | Weekly Increase £ | Extra Revenue £ |
|---------------|---------------------------------|-------------------------|--------------------|
| 0% | 86.10 | 0 | 0 |
| 5% | 90.41 | 4.31 | 1.6m |
| 6% | 91.27 | 5.17 | 2.0m |
| 7.7% | 92.73 | 6.63 | 2.6m |

- 1.45 Taking all the above into consideration a rent increase of 6% is being recommended in the budget for 2024/25.

Other Fees and Charges

- 1.46 Although the main source of income for the HRA is property rents, there are other charges such as heating and rents for garages and plots. Heating charges are set on the principle that wherever possible they will reflect the cost of providing those services.

Rykneld Homes Ltd Management Fee (revenue)

- 1.47 The majority of the funding available to Rykneld Homes (RHL) is provided by way of a management fee from the Council for delivery of services in line with the Management Agreement. The Management Agreement sets out the financial framework for the relationship between the Council and RHL and Schedule 3 of the agreement sets out the arrangements for the calculation of the annual fee for services undertaken by RHL.
- 1.48 The calculation of the management fee each year is informed by the annual business planning and budget setting process. External pressures driven by changes to regulation, increased demand for services and the ongoing impact of the economic climate are putting considerable pressure on the delivery of housing services.

- 1.49 In September 2022, the Regulator of Social Housing (RSH) published the Tenant Satisfaction Measures (TSM) Standard. The TSM's are a set of performance indicators against which all registered providers must measure themselves. Registered providers must begin submitting TSM performance data to the regulator from April 2024. RHL have been proactive in this regard and began collecting and publishing performance against the TSM's during 2023.
- 1.50 The Regulator has also issued four new Consumer Standards which will form the basis for regulatory inspections from April 2024. Stringent regulatory expectations in respect of damp and mould have already been issued and there are still further areas contained within the Social Housing (Regulation) Act 2023 that have yet to be finalised. Property standards, 'Decent Homes 2', and professionalisation of the sector are all still under review. The Building Safety Regulator is also beginning its enforcement of safety standards with further guidance due in 2024.
- 1.51 Our preparations for the new regulatory standards are already underway, A self-assessment has been undertaken internally against the current Consumer Standards to identify areas of strength and improvement and an action plan is being formed. Service improvements around repairs and damp and mould have already been put in place. Processes for dealing with disrepair claims, which is becoming a significant concern for housing providers across the country, are also being scrutinised.
- 1.52 The rigorous demands of regulation are already placing a significant pressure on resources. The HRA forecasts are based on what we know about the likely challenges currently. We await details on future challenges as the demands of regulation become clearer. This will undoubtedly lead to a further review of resources needed to deliver our housing services.
- 1.53 RHL have a strong track record of absorbing budget pressures through efficiencies, which has meant the management fee has not increased for several years. However, the level of unforeseen budget pressures being experienced now mean that despite identifying a significant level of efficiencies internally, an increase to the fee is required to continue to deliver high level housing services that meet the expectations of the regulator.
- 1.54 Considering the pressures outlined above, the proposed management fee for 2024/25 will be £12.05m. This is contained within two budgets – Repairs and Maintenance (£5.93m) and Supervision and Management (£6.12m).
- 1.55 A further issue needs to be brought to the attention of Cabinet which concerns the fact that Rykneld Homes is a company wholly owned by the Council. As such the company's external auditors seek from the Council on an annual basis at the time of the audit of the Company's accounts a Letter of Comfort from the Council as the parent company. That letter of comfort fundamentally seeks reassurance regarding the fact that the Council will continue to provide financial support to the company over the coming financial year (which in the case of the 2023/24 accounts will be the 2024/25 financial year). On the basis that this report is approved then it is reasonable to provide such a letter of comfort. In addition it may be the case that specific representations are required in order to support the Auditors view that the Company remains a going concern. The reasonableness of providing such assurances will need to be considered at that point in time when the Company's auditors approach the Council, and it is therefore recommended that delegated powers be granted to the Director of Finance & Resources in consultation with the Leader of the Council to provide a response on behalf of the Council.

Financial Reserves – HRA

- 1.56 The HRA has a working balance of £3m, which like the general fund is a risk-based reserve and is calculated on a per property basis. In addition to the Working Balance there are further reserves for the HRA specifically used to fund the HRA capital programme. These are the Major Repairs Reserve and the Development Reserve. There is also a Resilience Reserve to provide financial resilience in instances where unforeseen expenditure cannot be contained within existing approved budgets whilst longer term solutions are found. An Insurance Reserve is also held to cover claims excesses and self-insured claims.

Capital Investment Programme

- 1.57 There will be a separate report to Council on 29 January 2024 concerning the Treasury Strategies. The report will consider capital financing such as borrowing which enables the proposed capital programme budgets to proceed.

2023/24 Current Budget

- 1.58 In January 2023, Members approved a Capital Programme in respect of 2023/24 to 2026/27. Scheme delays and technical problems can often cause expenditure to slip into future years and schemes can be added or extended as a result of securing additional external funding. All slippage from 2022/23 has been accounted for in the 2023/24 revised position.
- 1.59 The Revised Capital Programme was considered by Cabinet at its meeting on the 23 November 2023. There have been no material changes to the budget position since this time.

General Fund Capital Programme 2024/25 to 2027/28

- 1.60 The proposed Capital Programme for the General Fund totals:

- £21.1m for 2024/25.
- £5.2m for 2025/26,
- £2.0m for 2026/27
- £1.7m for 2027/28.

The budget in 2024/25 includes the redevelopment of Sharley Park Leisure Centre and the Clay Cross Town Deal Programmes. It also includes the cyclical Vehicle Replacement Programme along with the annual Asset Management Programme.

HRA Capital Programme 2023/24 to 2026/27

- 1.61 The proposed Capital Programme for the HRA totals:

- £28.5m for 2024/25;
- £24.5m for 2025/26,
- £22.9m for 2026/27
- £15.3m for 2027/28

- 1.62 The proposed programme for HRA capital works totals £45.9m over the four-year programme. This includes the annual fee paid to RHL for delivering the HRA capital works in the programme at £1.1m.

- 1.63 The proposed programme for HRA capital works on the non-traditional stock reflects the latest stock condition survey and includes the continuation of the part grant funded EWI scheme which is providing improvement works to a further 600 homes in the district. The programme totals £11.2m over the remaining duration.
- 1.64 Annual programmes remain for parking solutions and garage demolitions. A new build project at North Wingfield and regeneration project at Stonebroom are also included.
- 1.65 In addition, £10m has been included across the four-year programme to fund the ongoing commitment to purchasing affordable houses in the district to replace those lost through right to buy sales.
- 1.66 An analysis of all the schemes and associated funding are attached at **Appendix 4** to this report.

Robustness of the Estimates and Adequacy of Reserves

- 1.67 Section 25 of the Local Government Act 2003 requires that when a local authority is considering its budget and setting its Council Tax for the forthcoming financial year, the Council's Section 151 Officer is required to report on the robustness of the estimates made and on the adequacy of the financial reserves in relation to budget setting.
- 1.68 The Council's Section 151 Officer (The Director of Finance and Resources) is satisfied that the estimates are robust and prudent, employee costs are based on the approved establishment, investment income is based on the advice of the Council's Treasury Management Advisors and income targets are achievable.
- 1.69 Likewise, the Section 151 Officer is satisfied that the levels of reserves are adequate to fund planned expenditure and potential issues and risks that face the Council at this time.

Financial Resilience

- 1.70 Financial Resilience has become a significant issue for local authorities over recent years. CIPFA issued their Financial Management Code in 2019 designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. One of the key areas of focus in the Code is financial performance monitoring and demonstrating that financial resilience is being assessed on an ongoing basis. Three key areas are analysed to aid this:
- Revenue Health
 - Capital Health
 - Funding Sensitivities
- 1.71 Performance against these metrics is monitored and benchmarked on a regular basis and reported to the Services Scrutiny Committee. The latest analysis shows healthy results for both revenue and capital health but that the real risk to our financial resilience comes from uncertainty surrounding future national funding reforms. A further risk to financial resilience is the low taxbase position which limits the income that can be generated through council tax. This is a growing risk as the direction of travel for district councils is towards a heavier reliance on council tax to fund services.

2 Reasons for Recommendation

- 2.1 This report presents a budget for consideration by Cabinet. It seeks to secure approval to recommend budgets to Council in respect of the General Fund, the Housing Revenue Account, and the Capital Programme.

3 Alternative Options and Reasons for Rejection

- 3.1 The Council is required to set a budget each year. There are no alternative options being considered at this time.

DOCUMENT INFORMATION

| Appendix No | Title |
|--------------------------|--|
| 1 | General Fund MTFP - Summary 2023/24 to 2027/28 |
| 2 | General Fund MTFP - Detail 2023/24 to 2027/28 |
| 3 | HRA MTFP 2023/24 to 2027/28 |
| 4 | Capital Programme MTFP 2023/24 to 2027/28 |
| Background Papers | |
| | |

GENERAL FUND ACCOUNT - SUMMARY MTFP BUDGET 2023/24 - 2027/28

APPENDIX 1

| | Current Budget 2023/24 £ | Original Budget 2024/25 £ | Planning Budget 2025/26 £ | Planning Budget 2026/27 £ | Planning Budget 2027/28 £ |
|--|--------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Organisation and Place Directorate | 7,926,480 | 8,270,273 | 8,668,953 | 8,906,075 | 9,278,285 |
| Finance and Resources Directorate | 4,281,525 | 4,917,782 | 4,960,985 | 4,870,876 | 4,854,572 |
| Growth and Assets Directorate | 3,247,273 | 3,021,457 | 3,008,573 | 3,213,486 | 3,322,093 |
| Recharges to Capital and HRA | (618,350) | (618,350) | (618,350) | (618,350) | (618,350) |
| Net Cost of Services | 14,836,928 | 15,591,162 | 16,020,161 | 16,372,087 | 16,836,600 |
| Investment Properties | (473,095) | (468,465) | (467,590) | (466,730) | (465,905) |
| Bad Debt Provision | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Interest | (801,564) | (616,538) | (492,868) | (275,535) | (204,381) |
| Debt Repayment Minimum Revenue Provision | 56,000 | 56,000 | 56,000 | 56,000 | 56,000 |
| Parish Precepts | 3,556,306 | 3,556,306 | 3,556,306 | 3,556,306 | 3,556,306 |
| Transfer To Earmarked Reserves | 1,270,546 | 0 | 0 | 0 | 0 |
| Transfer From Earmarked Reserves | (1,589,551) | (471,367) | (376,908) | (201,664) | (1,465,568) |
| Transfer Shortfall From Resilience/Risk Reserves | (331,241) | (302,708) | (972,394) | (1,851,657) | (1,971,345) |
| Total Spending Requirement | 16,564,329 | 17,384,390 | 17,362,707 | 17,228,807 | 16,381,707 |
| Business Rates | (5,297,035) | (5,948,100) | (6,149,000) | (4,669,100) | (4,799,000) |
| New Homes Bonus | (602,080) | (600,583) | 0 | 0 | 0 |
| Lower Tier Services Grant | (108,827) | 0 | 0 | 0 | 0 |
| 3% Funding Guarantee | (259,008) | (389,000) | (767,000) | 0 | 0 |
| Fair Funding Transitional Protection Grant | | 0 | 0 | (2,113,000) | (1,136,000) |
| Collection Fund (Surplus)/Deficit - Council Tax | (81,168) | (139,347) | (139,347) | (139,347) | (139,347) |
| Collection Fund (Surplus)/Deficit - NNDR | 0 | 0 | 0 | 0 | 0 |
| NEDDC Council Tax Requirement | (6,659,905) | (6,751,054) | (6,751,054) | (6,751,054) | (6,751,054) |
| Parish Council Council Tax Requirement | (3,556,306) | (3,556,306) | (3,556,306) | (3,556,306) | (3,556,306) |
| Council Tax Requirement | (16,564,329) | (17,384,390) | (17,362,707) | (17,228,807) | (16,381,707) |

| | Current Budget 2023/24 £ | Original Budget 2024/25 £ | Planning Budget 2025/26 £ | Planning Budget 2026/27 £ | Planning Budget 2027/28 £ |
|---|-----------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Organisation and Place Directorate | | | | | |
| Managing Director & Head of Paid Service | | | | | |
| 4500 | 143,595 | 147,744 | 150,635 | 153,583 | 156,589 |
| 4500 | 0 | (314,890) | (323,825) | (332,665) | (339,490) |
| 5720 | 149,772 | 154,113 | 157,291 | 160,533 | 163,841 |
| | <u>293,367</u> | <u>(13,033)</u> | <u>(15,899)</u> | <u>(18,549)</u> | <u>(19,060)</u> |
| Assistant Director Environmental Health | | | | | |
| 3400 | 127,854 | 120,948 | 125,501 | 130,290 | 135,238 |
| 3401 | 137,544 | 132,240 | 137,118 | 142,255 | 146,289 |
| 3402 | 152,961 | 140,614 | 144,936 | 149,479 | 154,163 |
| 3403 | 0 | 0 | 0 | 0 | 0 |
| 3404 | 9,039 | 19,980 | 23,645 | 27,085 | 30,609 |
| 3405 | 131,139 | 132,111 | 137,543 | 142,384 | 146,560 |
| 3407 | 45,555 | 23,359 | 24,682 | 26,055 | 27,481 |
| 3408 | 15,428 | 24,581 | 25,015 | 25,458 | 25,909 |
| 3409 | 259,403 | 273,544 | 275,241 | 280,759 | 285,668 |
| 3410 | 88,152 | 87,040 | 90,662 | 93,889 | 96,673 |
| 3419 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| 3420 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| 3426 | 20,706 | 0 | 0 | 0 | 0 |
| 3429 | 45,490 | 46,821 | 47,755 | 48,708 | 49,679 |
| 3430 | (11,710) | 0 | 0 | 0 | 0 |
| | <u>1,026,061</u> | <u>1,005,738</u> | <u>1,036,598</u> | <u>1,070,862</u> | <u>1,102,769</u> |
| Assistant Director Streetscene | | | | | |
| 3174 | 298,823 | 344,539 | 354,107 | 365,204 | 378,218 |
| 3227 | 555,220 | 626,673 | 757,342 | 777,535 | 796,252 |
| 3244 | (360,000) | (360,000) | (360,000) | (360,000) | (360,000) |
| 3282 | 149,272 | 151,943 | 154,400 | 156,897 | 159,452 |
| 3285 | 3,670 | 3,745 | 3,820 | 3,895 | 3,970 |
| 3511 | (47,820) | (47,759) | (47,700) | (47,630) | (47,570) |
| 3513 | (5,865) | (4,360) | (4,350) | (4,340) | (4,335) |
| 3514 | (62,185) | (62,185) | (62,185) | (62,185) | (62,185) |
| 3516 | (19,200) | (17,215) | (17,200) | (17,190) | (17,180) |
| 3918 | (65,180) | (65,180) | (65,180) | (65,180) | (65,180) |
| 3921 | 632,904 | 698,380 | 715,806 | 732,387 | 748,755 |
| 3943 | 679,221 | 716,813 | 727,116 | 739,106 | 749,868 |
| 3944 | 510,833 | 631,179 | 687,867 | 705,651 | 720,600 |
| 3945 | 1,800,330 | 2,001,816 | 2,048,711 | 2,095,731 | 2,141,402 |
| 3946 | (274,486) | (270,222) | (268,132) | (265,976) | (263,749) |
| 3947 | 80,390 | 85,066 | 89,136 | 93,333 | 95,201 |
| | <u>3,875,927</u> | <u>4,433,233</u> | <u>4,713,558</u> | <u>4,847,238</u> | <u>4,973,519</u> |
| Assistant Director Planning | | | | | |
| 4111 | (472,000) | (592,000) | (592,000) | (592,000) | (592,000) |
| 4113 | 25,063 | 0 | 0 | 0 | 0 |
| 4116 | 311,066 | 421,867 | 431,324 | 440,967 | 450,605 |
| 4311 | 18,630 | 18,630 | 18,630 | 18,630 | 18,630 |
| 4511 | 64,020 | 82,366 | 86,389 | 90,539 | 94,821 |
| 4513 | 861,990 | 925,289 | 950,597 | 974,486 | 994,808 |
| 4515 | 39,000 | 54,000 | 54,000 | 54,000 | 54,000 |
| 5354 | 12,576 | 13,924 | 14,850 | 15,795 | 16,758 |
| | <u>860,345</u> | <u>924,076</u> | <u>963,790</u> | <u>1,002,417</u> | <u>1,037,622</u> |
| Assistant Director Governance | | | | | |
| 1121 | 503,815 | 552,820 | 563,360 | 568,810 | 574,315 |
| 1123 | 7,400 | 6,600 | 6,600 | 6,600 | 6,600 |
| 1131 | 190,000 | 0 | 0 | 0 | 190,000 |
| 1231 | 46,280 | 41,980 | 41,980 | 41,980 | 41,980 |
| 1259 | 7,500 | 1,000 | 6,000 | 1,000 | 6,000 |
| 1311 | 303,626 | 307,354 | 315,490 | 324,446 | 283,237 |
| 3121 | 96,760 | 96,665 | 96,730 | 96,795 | 96,860 |
| 5273 | 0 | 0 | 0 | 0 | 0 |
| 5313 | 158,311 | 208,213 | 212,795 | 216,057 | 219,379 |
| 5321 | 96,648 | 99,553 | 101,495 | 103,440 | 105,422 |
| 5353 | 186,743 | 222,086 | 229,504 | 235,783 | 240,675 |
| 5392 | 39,511 | 41,465 | 43,080 | 43,966 | 44,869 |
| 5711 | 234,186 | 342,523 | 353,872 | 365,230 | 374,098 |
| | <u>1,870,780</u> | <u>1,920,259</u> | <u>1,970,906</u> | <u>2,004,107</u> | <u>2,183,435</u> |

| | Current Budget 2023/24 £ | Original Budget 2024/25 £ | Planning Budget 2025/26 £ | Planning Budget 2026/27 £ | Planning Budget 2027/28 £ | |
|--|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------|
| Total for Organisation and Place Directorate | 7,926,480 | 8,270,273 | 8,668,953 | 8,906,075 | 9,278,285 | |
| Finance and Resources Directorate | | | | | | |
| Director of Finance & Resources | | | | | | |
| 1312 | Payroll | 90,712 | 69,977 | 72,834 | 75,736 | 77,371 |
| 1315 | Design & Print | 131,524 | 135,248 | 137,468 | 139,733 | 142,041 |
| 1321 | Communications & Marketing | 127,338 | 133,795 | 138,664 | 142,239 | 145,113 |
| 1323 | NEDDC News | 38,000 | 39,000 | 39,000 | 39,000 | 39,000 |
| 1329 | Corporate Web Site | 2,350 | 2,395 | 2,445 | 2,495 | 2,545 |
| 3512 | CBC Crematorium | (200,000) | (200,000) | (200,000) | (200,000) | (200,000) |
| 5113 | Unison Duties | 8,612 | 20,909 | 21,349 | 21,796 | 22,252 |
| 5611 | External Audit | 174,640 | 173,760 | 173,760 | 173,760 | 173,760 |
| 5615 | Bank Charges | 133,500 | 133,500 | 133,500 | 133,500 | 133,500 |
| 5621 | Contribution to/from HRA | (185,450) | (185,450) | (185,450) | (185,450) | (185,450) |
| 5713 | Audit | 115,020 | 118,045 | 118,845 | 119,650 | 120,450 |
| 5714 | Financial Support Services | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 |
| 5715 | Procurement | 32,420 | 31,420 | 40,420 | 39,420 | 39,420 |
| 5716 | Director of Finance & Resources | 57,419 | 60,933 | 63,827 | 66,822 | 69,678 |
| 5716 | Finance & Resources Vacancy Savings Target | 0 | (149,905) | (154,140) | (152,325) | (152,345) |
| 5721 | Financial Services | 311,643 | 352,868 | 361,237 | 369,796 | 377,213 |
| 5724 | Insurance | 409,820 | 418,250 | 418,250 | 418,250 | 418,250 |
| 5725 | Apprenticeship Levy | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 |
| 5727 | Cost Of Ex-Employees | 169,800 | 131,160 | 108,300 | 108,300 | 108,300 |
| 5728 | Covid-19 Response | 35,425 | 0 | 0 | 0 | 0 |
| | | 1,501,273 | 1,334,405 | 1,338,809 | 1,361,222 | 1,379,598 |
| Assistant Director ICT | | | | | | |
| 5215 | Telephones | 45,260 | 45,720 | 45,720 | 45,720 | 45,720 |
| 5216 | Mobile Phones and Ipads | 28,300 | 28,300 | 28,300 | 28,300 | 28,300 |
| 5701 | Joint ICT Service | 15,800 | 15,800 | 15,800 | 15,800 | 0 |
| 5734 | NEDDC ICT Service | 682,194 | 726,106 | 742,772 | 751,826 | 756,751 |
| 5736 | Business Development | 122,176 | 141,842 | 144,021 | 148,520 | 152,485 |
| 5737 | Corporate Printing Costs | 20,665 | 21,000 | 21,000 | 21,000 | 21,000 |
| | | 914,395 | 978,768 | 997,613 | 1,011,166 | 1,004,256 |
| Assistant Director Corporate Resources | | | | | | |
| 1218 | Community Safety | 42,005 | 110,529 | 114,930 | 98,487 | 74,386 |
| 1220 | Assistant Director Communities | 39,072 | 41,073 | 43,085 | 45,160 | 47,301 |
| 3165 | Housing Options Team | 360,267 | 352,320 | 312,315 | 296,554 | 277,326 |
| 3176 | Pool Car | 500 | 500 | 500 | 500 | 500 |
| 3740 | Strategic Housing | 122,019 | 168,175 | 171,481 | 174,852 | 178,292 |
| 3747 | Homeless Temp Accomodation | 36,990 | 38,036 | 38,787 | 39,555 | 40,336 |
| 3748 | Homelessness Grant | (98,206) | 62,000 | 62,000 | 62,000 | 62,000 |
| 3749 | Empty Properties | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| 3750 | Housing Growth | 35,734 | 36,844 | 37,605 | 28,788 | 0 |
| 3754 | Rough Sleepers | 6,000 | 51,657 | 45,742 | 0 | 0 |
| 3756 | Supported Housing Improvement Programme | 0 | 102,162 | 108,828 | 10,685 | 0 |
| 3759 | Emergency Welfare Assistance Grant | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| 5221 | Customer Services | 359,399 | 382,831 | 391,581 | 403,401 | 410,427 |
| 5223 | Franking Machine | 47,700 | 47,900 | 47,900 | 47,900 | 47,900 |
| 5741 | Housing Benefit Service | 652,162 | 776,708 | 797,323 | 818,793 | 840,704 |
| 5745 | Covid New Burdens | (17,460) | 0 | 0 | 0 | 0 |
| 5747 | Debtors | 65,525 | 67,781 | 69,200 | 70,647 | 72,124 |
| 5751 | NNDR Collection | (5,368) | 5,556 | 8,144 | 10,832 | 13,577 |
| 5759 | Council Tax Administration | 209,618 | 350,857 | 365,687 | 381,109 | 396,850 |
| 5825 | Concessionary Bus Passes | (11,600) | (11,820) | (12,045) | (12,275) | (12,505) |
| | | 1,865,857 | 2,604,609 | 2,624,563 | 2,498,488 | 2,470,718 |
| Total for Finance and Resources Directorate | | | | | | |
| | | 4,281,525 | 4,917,782 | 4,960,985 | 4,870,876 | 4,854,572 |
| Growth and Assets Directorate | | | | | | |
| Director of Growth & Assets | | | | | | |
| 1283 | Emergency Planning | 17,390 | 17,390 | 17,390 | 17,390 | 17,390 |
| 4600 | Director of Growth & Assets | 116,832 | 123,579 | 129,453 | 135,052 | 137,757 |
| 4600 | Growth & Assets Vacancy Savings Target | 0 | (143,675) | (149,695) | (154,600) | (155,210) |
| | | 134,222 | (2,706) | (2,852) | (2,158) | (63) |
| Assistant Director Property, Estates & Assets | | | | | | |
| 3135 | Drainage | 16,120 | 13,861 | 12,905 | 11,928 | 10,929 |
| 3172 | Engineers | 107,353 | 143,675 | 147,296 | 150,884 | 153,970 |
| 3241 | Car Parks | 49,300 | 50,120 | 50,755 | 51,405 | 52,060 |

| | | Current Budget 2023/24 £ | Original Budget 2024/25 £ | Planning Budget 2025/26 £ | Planning Budget 2026/27 £ | Planning Budget 2027/28 £ |
|---|---|---|--|--|--|--|
| 3247 | Street Names/Lights | 3,500 | 6,500 | 6,500 | 6,500 | 6,500 |
| 3249 | Footpath Orders | (400) | (400) | (400) | (400) | (400) |
| 3265 | Dams And Fishing Ponds | 50 | 50 | 50 | 50 | 50 |
| 3281 | Clay Cross Depot | 670 | 685 | 0 | 0 | 0 |
| 4412 | Midway Business Centre | (72,915) | (82,350) | (83,830) | (83,630) | (83,605) |
| 4425 | Coney Green Business Centre | (94,752) | (88,619) | (83,831) | (79,780) | (76,603) |
| 4523 | Estates Administration | 334,823 | 428,983 | 442,426 | 454,838 | 465,478 |
| 4525 | Miscellaneous Properties | 31,148 | 37,810 | 37,810 | 37,810 | 37,810 |
| 5204 | Assistant Director Property, Estates & Assets | 80,463 | 85,136 | 89,206 | 93,403 | 95,271 |
| 5205 | Mill Lane | 913,074 | 153,340 | 159,120 | 165,042 | 170,442 |
| 5209 | Facilities Management | 83,750 | 42,295 | 42,310 | 54,825 | 54,840 |
| 5210 | Pioneer House | 66,934 | 88,437 | 87,973 | 89,720 | 91,742 |
| | | 1,519,118 | 879,523 | 908,290 | 952,595 | 978,484 |
| Assistant Director Regeneration & Programmes | | | | | | |
| 1255 | Strategy and Performance | 152,624 | 154,936 | 156,945 | 158,617 | 160,320 |
| 1331 | Strategic Partnerships | 195,458 | 228,710 | 235,752 | 283,145 | 289,681 |
| 1333 | Healthy North East Derbyshire | (90,395) | 0 | 0 | 0 | 0 |
| 1336 | UKSPF | (395,321) | 43,624 | 0 | 0 | 0 |
| 3284 | Wingerworth OPE | 15,592 | 0 | 0 | 0 | 0 |
| 4211 | Tourism Promotions | 33,390 | 55,165 | 61,792 | 63,503 | 65,241 |
| 4238 | Working Communities Strategy | 85,853 | 88,417 | 90,180 | 91,977 | 93,812 |
| 4351 | Alliance | 3,590 | 3,590 | 3,590 | 3,590 | 3,590 |
| 4443 | Elderly Peoples Clubs | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| 4512 | Growth Agenda | 16,000 | 16,000 | 16,000 | 16,000 | 16,000 |
| 4517 | Economic Development | 165,134 | 225,201 | 232,833 | 240,105 | 246,210 |
| 5748 | Ukrainian Guests | 402 | 0 | 0 | 0 | 0 |
| 5750 | Assistant Director Regeneration & Programmes | 82,395 | 86,187 | 90,301 | 92,133 | 94,001 |
| 5785 | Contributions | 136,085 | 136,085 | 136,085 | 136,085 | 136,085 |
| | | 404,807 | 1,041,915 | 1,027,478 | 1,089,155 | 1,108,940 |
| Assistant Director Leisure | | | | | | |
| 4561 | Leisure Centre Management | 51,577 | 187,491 | 192,546 | 195,335 | 198,180 |
| 4723 | Generation Games | 0 | 0 | 0 | 0 | 0 |
| 4724 | Walking into Communities | 10,000 | 0 | 0 | 0 | 0 |
| 4727 | Five 60 | 0 | 0 | 0 | 0 | 0 |
| 4731 | Promotion Of Recreation And Leisure | 35,834 | 36,944 | 37,705 | 38,483 | 39,276 |
| 4732 | Schools Promotion | 0 | 0 | 0 | 0 | 0 |
| 4736 | Derbyshire Sports Forum | 14,450 | 14,450 | 14,450 | 14,450 | 14,450 |
| 4742 | Arts Development | 2,570 | 2,570 | 2,570 | 2,570 | 2,570 |
| 8441 | Eckington Swimming Pool | 127,296 | 118,255 | 199,722 | 220,424 | 241,606 |
| 8445 | Eckington Pool Cafe | (10,580) | (14,064) | (9,093) | (8,577) | (8,064) |
| 8451 | Dronfield Sports Centre | 16,399 | 5,420 | 82,091 | 104,454 | 126,847 |
| 8455 | Dronfield Café | (927) | (459) | 2,629 | 4,078 | 5,560 |
| 8461 | Sharley Park Sports Centre | 690,108 | 596,552 | 620,990 | 571,746 | 571,257 |
| 8465 | Sharley Park Sports Centre Outdoor | (1,250) | (27,363) | (82,090) | (82,503) | (83,328) |
| 8466 | Sharley Park Café | 0 | (78,639) | (235,916) | (254,229) | (259,339) |
| 8471 | Killamarsh Leisure Centre | 230,951 | 238,789 | 225,889 | 342,087 | 358,700 |
| 8475 | Killamarsh Outdoors | (11,200) | (18,135) | (18,135) | (18,135) | (18,135) |
| 8476 | Killamarsh Café | 33,898 | 40,914 | 42,299 | 43,711 | 45,152 |
| | | 1,189,126 | 1,102,725 | 1,075,657 | 1,173,894 | 1,234,732 |
| Total for Growth and Assets Directorate | | 3,247,273 | 3,021,457 | 3,008,573 | 3,213,486 | 3,322,093 |
| Corporate Charges | | | | | | |
| 5790 | Savings Target | 0 | 0 | 0 | 0 | 0 |
| 0001 | Recharges to Capital and HRA | (618,350) | (618,350) | (618,350) | (618,350) | (618,350) |
| Total for Corporate Charges | | (618,350) | (618,350) | (618,350) | (618,350) | (618,350) |
| Net Cost of Services | | 14,836,928 | 15,591,162 | 16,020,161 | 16,372,087 | 16,836,600 |
| Investment Properties | | | | | | |
| 4411 | Stonebroom Industrial Estate | (54,170) | (54,115) | (54,055) | (54,000) | (53,940) |
| 4413 | Clay Cross Industrial Estate | (85,680) | (85,670) | (85,655) | (85,645) | (85,630) |
| 4415 | Norwood Industrial Estate | (201,350) | (207,775) | (207,605) | (207,435) | (207,270) |
| 4417 | Eckington Business Park | 1,400 | (3,600) | (3,600) | (3,600) | (3,600) |
| 4418 | Rotherside Court Eckington Business Unit | (27,745) | (16,165) | (15,645) | (15,125) | (14,580) |
| 4423 | Pavillion Workshops Holmewood | (98,050) | (93,640) | (93,530) | (93,425) | (93,385) |
| 4432 | Miscellaneous Properties | (7,500) | (7,500) | (7,500) | (7,500) | (7,500) |
| Total for Investment Properties | | (473,095) | (468,465) | (467,590) | (466,730) | (465,905) |

Housing Revenue Account 2023/24 - 2027/28

| | Current Budget 2023/24 | Original Budget 2024/25 | Planning Budget 2025/26 | Planning Budget 2026/27 | Planning Budget 2027/28 |
|--|---------------------------------------|--|--|--|--|
| INCOME | | | | | |
| Dwelling Rents | (33,687,136) | (35,736,184) | (35,661,582) | (35,668,591) | (35,618,393) |
| Non-Dwelling Rents | (443,038) | (444,038) | (445,038) | (446,038) | (447,038) |
| Charges for Services and Facilities | (113,130) | (91,150) | (91,150) | (91,150) | (91,150) |
| Contributions Towards Expenditure | (50,000) | (50,000) | (50,000) | (50,000) | (50,000) |
| INCOME TOTAL | (34,293,304) | (36,321,372) | (36,247,770) | (36,255,779) | (36,206,581) |
| EXPENDITURE | | | | | |
| Repairs & Maintenance | 5,927,645 | 5,941,719 | 5,948,937 | 5,955,750 | 5,962,659 |
| Supervision & Management | 7,962,526 | 8,409,883 | 8,433,514 | 8,462,680 | 8,490,693 |
| Rents, Rates & Taxes | 112,000 | 113,000 | 114,000 | 115,000 | 116,000 |
| Depreciation | 8,322,072 | 8,322,072 | 8,322,072 | 8,322,072 | 8,322,072 |
| Provision for Doubtful Debts | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 |
| Debt Management Expenses | 11,500 | 11,500 | 11,500 | 11,500 | 11,500 |
| EXPENDITURE TOTAL | 22,585,742 | 23,048,173 | 23,080,023 | 23,117,001 | 23,152,923 |
| NET COST OF SERVICES | (11,707,561) | (13,273,199) | (13,167,747) | (13,138,778) | (13,053,657) |
| Corporate & Democratic Core | 185,450 | 185,450 | 185,450 | 185,450 | 185,450 |
| NET COST OF HRA SERVICES | (11,522,111) | (13,087,749) | (12,982,297) | (12,953,328) | (12,868,207) |
| HRA Debt, and Reserve charges | | | | | |
| Interest Payable | 7,024,746 | 7,543,937 | 8,052,105 | 8,459,576 | 8,706,907 |
| Interest Receivable | (2,784,808) | (2,622,080) | (2,787,457) | (3,127,413) | (3,266,672) |
| Contribution to Major Repairs Reserve | 7,532,928 | 7,433,028 | 3,677,928 | 3,677,928 | 3,677,928 |
| Contribution to Development Reserve | 0 | 682,864 | 3,989,721 | 3,893,237 | 3,700,044 |
| Contribution to Insurance/Litigation Reserve | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Contribution to/(from) Resilience Reserve | (300,755) | 0 | 0 | 0 | 0 |
| (Surplus)/Deficit on HRA Services | (0) | 0 | (0) | 0 | (0) |
| Opening HRA Balance | (3,000,000) | (3,000,000) | (3,000,000) | (3,000,000) | (3,000,000) |
| Transfers (to)/from Balances | (0) | 0 | (0) | 0 | (0) |
| Transfers (to)/from Balances | | | | | |
| Closing HRA Balance | (3,000,000) | (3,000,000) | (3,000,000) | (3,000,000) | (3,000,000) |

CAPITAL PROGRAMME 2022/23 - 2026/27

| Capital Expenditure | Revised Budget 2023/24 £ | Original Budget 2024/25 £ | Original Budget 2025/26 £ | Original Budget 2026/27 £ | Original Budget 2027/28 £ |
|---|-----------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Housing Revenue Account | | | | | |
| HRA Capital Works | 11,594,100 | 11,385,100 | 11,500,000 | 11,500,000 | 11,500,000 |
| HRA Capital Works - Non Traditional Properties | 9,743,000 | 9,743,000 | 500,000 | 500,000 | 500,000 |
| Green Homes EWI - Mickley | 0 | 0 | 0 | 0 | 0 |
| Pine View, Danesmoor | 110,000 | 0 | 0 | 0 | 0 |
| Stock Purchase Programme (1-4-1) | 4,964,000 | 1,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| Acquisitions and Disposals (RHL) | 0 | 0 | 0 | 0 | 0 |
| North Wingfield New Build Project | 7,402,000 | 5,555,000 | 0 | 0 | 0 |
| Stonebroom Regeneration | 0 | 502,000 | 9,203,000 | 7,544,000 | 0 |
| Garage Demolitions | 83,000 | 23,000 | 23,000 | 23,000 | 23,000 |
| Concrete Balconies | 0 | 0 | 0 | 0 | 0 |
| Parking Solutions | 703,000 | 288,000 | 288,000 | 288,000 | 288,000 |
| LADS3 Project | 437,000 | 0 | 0 | 0 | 0 |
| HRA - Capital Expenditure | 35,036,100 | 28,496,100 | 24,514,000 | 22,855,000 | 15,311,000 |
| General Fund | | | | | |
| Private Sector Housing Grants (DFG's) | 820,000 | 820,000 | 820,000 | 820,000 | 820,000 |
| ICT Schemes | 518,700 | 80,000 | 133,000 | 248,000 | 248,000 |
| Clay Cross Football Pitch | 9,000 | 0 | 0 | 0 | 0 |
| Asset Refurbishment - General | 566,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Asset Refurbishment - Mill Lane | 870,000 | 450,000 | 0 | 0 | 0 |
| Roller Shutter Doors | 1,000 | 0 | 0 | 0 | 0 |
| Eckington Pool Carbon Efficiencies Programme | 4,000 | 0 | 0 | 0 | 0 |
| Dronfield Sports Centre Carbon Efficiencies Programme | 98,000 | 0 | 0 | 0 | 0 |
| Coney Green Telephony System | 36,000 | 80,000 | 65,000 | 0 | 15,000 |
| Replacement of Vehicles | 3,786,450 | 2,684,500 | 456,000 | 460,000 | 161,000 |
| Contaminated Land | 42,000 | 0 | 0 | 0 | 0 |
| Killamarsh Leisure Centre | 36,000 | 0 | 0 | 0 | 0 |
| Sharley Park 3G pitch | 0 | 1,000,000 | 0 | 0 | 0 |
| CX Town Market Street Regeneration | 5,871,000 | 6,000,000 | 3,000,000 | 0 | 0 |
| CX Town Sharley Park Active Community Hub | 12,655,000 | 8,605,000 | 0 | 0 | 0 |
| CX Town Low Carbon Housing Challenge Fund | 1,300,000 | 650,000 | 0 | 0 | 0 |
| CX Town Rail Station Feasibility | 150,000 | 0 | 0 | 0 | 0 |
| CX Town Programme Management | 423,000 | 241,000 | 241,000 | 0 | 0 |
| UK SPF Grants | 1,534,000 | 0 | 0 | 0 | 0 |
| General Fund Capital Expenditure | 28,720,150 | 21,110,500 | 5,215,000 | 2,028,000 | 1,744,000 |
| Total Capital Expenditure | 63,756,250 | 49,606,600 | 29,729,000 | 24,883,000 | 17,055,000 |
| Capital Financing | | | | | |
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| Housing Revenue Account | | | | | |
| Major Repairs Reserve | (15,974,100) | (15,755,100) | (12,000,000) | (12,000,000) | (12,000,000) |
| Prudential Borrowing - HRA | (9,628,400) | (8,095,000) | (8,603,000) | (6,944,000) | (600,000) |
| Development Reserve | (886,000) | (311,000) | (2,911,000) | (2,911,000) | (2,311,000) |
| External Grant - SHDF | (5,195,000) | (3,005,000) | 0 | 0 | 0 |
| External Grant - LADS3 | (437,000) | 0 | 0 | 0 | 0 |
| 1-4-1 Receipts | (2,915,600) | (1,330,000) | (1,000,000) | (1,000,000) | (400,000) |
| HRA Capital Financing | (35,036,100) | (28,496,100) | (24,514,000) | (22,855,000) | (15,311,000) |
| General Fund | | | | | |
| Disabled Facilities Grant | (820,000) | (820,000) | (820,000) | (820,000) | (820,000) |
| External Grant - Lottery Funded Schemes | (9,000) | 0 | 0 | 0 | 0 |
| External Grant - Contaminated Land | (42,000) | 0 | 0 | 0 | 0 |
| External Grant - Clay Cross Towns Fund | (12,154,000) | (6,891,000) | (3,241,000) | 0 | 0 |
| External Grant - Sharley Park Rebuild (Sport E) | (1,500,000) | 0 | 0 | 0 | 0 |
| External Grant - Sharley Park 3G pitch | 0 | (750,000) | 0 | 0 | 0 |
| External Grant - UKSPF | (1,389,000) | 0 | 0 | 0 | 0 |
| Prudential Borrowing - Vehicle Replacement | (2,065,000) | (1,504,000) | 0 | 0 | 0 |
| Prudential Borrowing - Killamarsh Leisure Centre | (36,000) | 0 | 0 | 0 | 0 |
| Prudential Borrowing - Sharley Park Leisure Centre | (6,745,000) | (8,605,000) | 0 | 0 | 0 |
| Prudential Borrowing - Sharley Park Leisure Centre 3G pitch | 0 | (250,000) | 0 | 0 | 0 |
| RCCO - Killamarsh Skate Park | (14,150) | 0 | 0 | 0 | 0 |
| RCCO - Mill Lane Refurbishment | (657,000) | (450,000) | 0 | 0 | 0 |
| RCCO - Coney Green Telephony System | (36,000) | (80,000) | (65,000) | 0 | (15,000) |
| RCCO - Roller Shutter Doors | (1,000) | 0 | 0 | 0 | 0 |
| RCCO - UK SPF (Skate Park) | (95,000) | 0 | 0 | 0 | 0 |
| RCCO - Roller Shutter Doors | 0 | 0 | 0 | 0 | 0 |
| Useable Capital Receipts | (3,157,000) | (1,760,500) | (1,089,000) | (1,208,000) | (909,000) |
| General Fund Capital Financing | (28,720,150) | (21,110,500) | (5,215,000) | (2,028,000) | (1,744,000) |
| HRA Development Reserve | | | | | |
| Opening Balance | (892,067) | (6,067) | (44,154) | (789,098) | (1,437,558) |
| Amount due in year | 0 | (349,087) | (3,655,944) | (3,559,460) | (3,366,267) |
| Amount used in year | 886,000 | 311,000 | 2,911,000 | 2,911,000 | 2,311,000 |
| Closing Balance | (6,067) | (44,154) | (789,098) | (1,437,558) | (2,492,825) |
| Major Repairs Reserve | | | | | |
| Opening Balance | (970,498) | (851,498) | (851,498) | (851,498) | (851,498) |
| Amount due in year | (15,855,100) | (15,755,100) | (12,000,000) | (12,000,000) | (12,000,000) |
| Amount used in year | 15,974,100 | 15,755,100 | 12,000,000 | 12,000,000 | 12,000,000 |
| Closing Balance | (851,498) | (851,498) | (851,498) | (851,498) | (851,498) |
| Capital Receipts Reserve | | | | | |
| Opening Balance | (1,680,236) | (23,236) | (262,736) | (1,173,736) | (1,965,736) |
| Income expected in year | (1,500,000) | (3,000,000) | (3,000,000) | (3,000,000) | (3,000,000) |
| Allowable Debt/Pooling Expenses | 0 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Amount used in year | 3,157,000 | 1,760,500 | 1,089,000 | 1,208,000 | 909,000 |
| Closing Balance | (23,236) | (262,736) | (1,173,736) | (1,965,736) | (3,056,736) |
| Capital Receipts Reserve 1-4-1 receipts | | | | | |
| Opening Balance | (2,183,065) | (267,465) | (37,465) | (37,465) | (37,465) |
| Income expected in year | (1,000,000) | (1,100,000) | (1,000,000) | (1,000,000) | (1,000,000) |
| Amount used in year | 2,915,600 | 1,330,000 | 1,000,000 | 1,000,000 | 400,000 |
| Closing Balance | (267,465) | (37,465) | (37,465) | (37,465) | (637,465) |
| Total Capital Financing | (63,756,250) | (49,606,600) | (29,729,000) | (24,883,000) | (17,055,000) |

North East Derbyshire District Council

Cabinet

25 January 2024

Publication of the first Biodiversity Net Gain report.

Report of Councillor S Pickering, Portfolio Holder for Environment and Place

Classification: This report is public

Report By: Assistant Director of Planning

Contact Officer: David Thompson - david.thompson@ne-derbyshire.gov.uk

PURPOSE / SUMMARY

To seek authorisation from Cabinet for the publication of the first Biodiversity Net gain report on the Council's website.

RECOMMENDATIONS

1. To publish the first Biodiversity Net Gain report on the Council's website

Approved by the Portfolio Holder – 16.01.2024.

IMPLICATIONS

Finance and Risk: Yes No

Details:

There are no specific financial implications arising from this report. Consultants with a specialist knowledge of Biodiversity net Gain will be required to support a number of actions set out in the Action Plan but the cost of this will be covered by existing grant money from DEFRA and where necessary, existing budgets within the Planning Service.

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

This report demonstrates how the Council is meeting its obligations under the relevant sections of the Environment Act 2021.

Staffing: Yes No

Details:

There are no specific staffing implications arising from this report. Consultants with a specialist knowledge of Biodiversity net Gain will be required to support a number of actions set out in the Action Plan.

On behalf of the Head of Paid Service

DECISION INFORMATION

| Decision Information | |
|---|---|
| <p>Is the decision a Key Decision? 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:</p> <p>BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/></p> <p>NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/></p> <p><input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i></p> | No |
| <p>Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)</p> | No |
| <p>District Wards Significantly Affected</p> | None |
| <p>Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet / Executive <input checked="" type="checkbox"/> SAMT <input type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/></p> | Yes Details: Portfolio Holder |

| Links to Council Plan priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications. |
|--|
| All |

REPORT DETAILS

1 **Background** *(reasons for bringing the report)*

- 1.1 The Natural Environment and Rural Communities Act 2006, (NERC Act 2006) came into force on 30th March 2006 and introduced, in Section 40, a duty on public authorities to conserve biodiversity defined as in relation to a living organism or type of habitat, restoring or enhancing a population or habitat.
- 1.2 The Environment Act, brought into force in November 2021, introduced a wide range of responsibilities in relation to Biodiversity.
- 1.3 Section 102 of the 2021 Act also amends the Natural Environment and Rural Communities Act 2006 by making it a Biodiversity Duty to 'conserve and enhance' in relation to the council's wider functions.
- 1.4 This part of the Act came into force on 1st January 2023. Section 103 requires local authorities to publish biodiversity reports which summarise action taken to comply with the duty along with a summary of the authority's plans for complying with the duty over a period of five years.
- 1.5 The 2021 Act sets out that a local authority must have regard to any relevant Local Nature Recovery Strategies (LNRS) and any relevant species conservation strategies in exercising its functions.
- 1.6 Derbyshire County Council have been designated a 'Responsible Body' tasked with creating a LNRS for Derbyshire. The County Council, at the time of publishing this first report, have just begun the LNRS process.
- 1.7 Section 103 of the Environment Act states that local authorities will be required to publish biodiversity reports, which summarise the action taken to comply with the duty, and a summary of the Council's plans for complying with the duty over a period of five years.

2. **Details of Proposal or Information**

- 2.1 The report produced by officers at appendix 1 explains the activity that North East Derbyshire District Council has undertaken in relation to the duty on public authorities and the 'first considerations' determined by the end of December 2023.
- 2.2 The report also sets out a number of actions to be taken over the next five years. More detail will be presented to Cabinet and the Environment Scrutiny Committee as the timescales and briefs for these actions emerge, following a procurement exercise to appoint a suitably qualified consultancy.

3 Reasons for Recommendation

- 3.1 To ensure compliance with Section 103 of the Environment Act in relation to the publication of annual reports demonstrating how the Council is meeting its statutory duty.

4 Alternative Options and Reasons for Rejection

- 4.1 The only alternative is not to publish the report. This would leave the Council in a position where it cannot demonstrate compliance with the relevant legislation. Whilst there are no specific sanctions for this at the time of writing, it would clearly not represent best practice in this regard.

DOCUMENT INFORMATION

| Appendix No | Title |
|--|-------------------------------------|
| Appendix 1 | Biodiversity Net Gain First Report. |
| Background Papers (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) | |
| Click here to enter text. | |

North East Derbyshire Annual Biodiversity Report 2023-24.

Contents of this report

As a public authority, the Council must:

1. Consider what you can do to conserve and enhance biodiversity.
2. Agree policies and specific objectives based on your consideration.
3. Act to deliver your policies and achieve your objectives.

To meet the biodiversity duty, Authorities must complete a first consideration of what action to take for biodiversity by 1 January 2024, with policies and objectives as soon as possible after this.

This report is North East Derbyshire District Council's first Biodiversity Net Gain Duty Report and covers the period 1 January 2023 to 1 January 2024 and sets out the work undertaken by officers in terms of a 'first consideration' of what action the Council should take in relation to biodiversity.

There is also a requirement to report on the outputs that the Council as Local Planning Authority is achieving in relation to Biodiversity Net Gain (BNG).

This report is therefore split into four parts:

- Part 1 sets out the policies, objectives and actions that have already been adopted by the Council that assist with the duty to conserve and enhance biodiversity;
- Part 2 sets out the results of the 'first consideration' work undertaken by officers;
- Part 3 sets out the actions that the Council will take over the next five years; and
- Part 4 summarises the work the Council is undertaking as Local Planning Authority in relation to BNG.

Part 1: Current adopted policies and objectives:

This part of the report summarises the policies and objectives that the Council has adopted that assist the Authority in meeting its Duty to conserve and enhance biodiversity.

Climate Change Strategy, 2022 - 2030

In July 2019 the Council declared a climate emergency to recognise the threats and challenges climate change poses along with a commitment to work with partners and local communities to achieve the UK's 2050 net zero greenhouse gas emissions target.

The Climate Change Strategy sets out the following vision for North East Derbyshire:

'A District that balances economic prosperity with environmental sustainability, improving the lives of our people and our environment today and in the future.'

The Strategy sets out a plan for Climate Change and Environmental Sustainability Plan. Biodiversity is one of ten identified 'themes' by which the Council intends to reduce the District's carbon emissions by 2030 and mitigate climate change. The following priorities fall under this theme:

- Develop a wild planting policy for parks and public open space areas where appropriate;
- Review the open space maintenance programme;
- Investigate plant, tree and hedge planting initiatives for longer term biodiversity benefits; and
- Identify opportunities to work with partners on schemes to increase biodiversity.

Local Plan 2014 - 2034

The Local Plan was adopted in November 2021 and as such pre-dates the provisions of the Environment Act and mandatory requirement for 10% net gain in Biodiversity. However, 'Policy SDC4: Biodiversity and Geodiversity' sets out that the Council will protect and enhance the District's natural environment and seek to increase the quantity and quality of biodiversity by protecting designated national and local sites of nature conservation importance within the district. This includes 7 Sites of Special Scientific Interest (SSSI), which are nationally recognised for their wildlife or geological interest, 2 Local Nature Reserves and over 200 Local Wildlife Sites. This also includes sites of international importance that lie outside of the Plan Area (Peak District Moors Special Protection Area (SPA), South Pennine Moors Special Area of Conservation (SAC) and Peak District Dales SAC) consistent with the provisions of the NPPF and other statutory duties.

Council Plan 2023 - 2027

Increasing biodiversity across the district is identified as a key tactic in delivering the environmental element of the Council Plan Vision:

“Putting strong community leadership at the heart of everything we do, we will create A Great Place that cares for the environment”..

This will involve assisting and influencing other public partners, residents, and businesses to utilise their assets to improve biodiversity; and where appropriate utilise Council assets to improve biodiversity. The following actions are proposed:

- Reviewing Council land assets to identify suitable sites for biodiversity mitigation;
- Leading by example;
- Sharing our successes with others;
- Delivering the Climate Change Strategy Action Plan;
- Including plants attractive to pollinators in planting schemes;
- Recruiting a dedicated Sustainability Officer to help deliver the Council’s climate change objectives;
- Reviewing management of natural land assets such as re-wilding, cut frequency and planting;
- Developing the co-operation with Derbyshire Wildlife Trust to provide advice and guidance;
- Developing local policies to embrace legislation such as through the Environment Act and on biodiversity net gain; and
- Encouraging re-wilding and wildlife corridors for public open spaces and wildflower verges to improve biodiversity.

Part 2: First consideration of the actions that the Council should take in relation to biodiversity – actions compiled by 01 January 2024.

Action 1: Assess the current state of biodiversity in the District;

This will be a desk based assessment, undertaken by consultants (to be procured) and will collate and evaluate existing habitat, species, landscape and designated site data within and around the District. The purpose of the assessment is to establish a baseline for the District from which strategic gaps and opportunities can be identified later in the strategy, providing a starting off point to monitor future progress. This work will involve the adaptation of the Countywide Nature Recovery Network Model to produce specific data identifying opportunity areas for biodiversity enhancement within the District.

Action 2: Produce a Strategic District-wide Action Plan relating to Biodiversity.

This action will entail the development of strategic district-wide actions to improve biodiversity and facilitate nature's recovery. The Plan will be informed by the data collection and analysis, outlined above, and will be authored by consultants (to be procured), in consultation with officers.

The plan will be bespoke for North East Derbyshire and will be designed to complement and support existing and evolving District and Countywide strategies, including the Local Nature Recovery Strategy, the Local Plan (and associated Review) and the Council's Climate Change Strategy and Action Plan.

The Plan for Nature will provide recommendation of how the Council can embed nature recovery into all strategic plans and policy areas and will consider a broad number of opportunity areas, including:

- Priority habitats and species
- Designated sites
- Ecosystem Service Provision – e.g. Natural Flood Management, Nutrient Exceedances, Carbon capture.
- Green infrastructure
- Community Leadership
- Key stakeholders and large landowners
- Identification of training needs and priorities for Council members

The Plan for Nature will be costed and will include consultation with key stakeholders and local groups to ensure local representation and support for future adoption. For each proposed action, we will identify appropriate measurable targets and provide recommendations on how the outcomes should be monitored and reported to the Council's constituents.

The Plan for Nature will also include the provision of habitat management guidelines and recommendations, for a broad range of present habitats and features, such as hedgerows, grass verges and woodlands.

Finally, the Plan for Nature will include a critical review of the council's existing policies and procedures surrounding nature's recovery.

Once finalised, the Plan for Nature will be presented to Cabinet and the Environment Scrutiny Committee.

Action 3: Review viability of delivering 10% net gain on allocated sites that do not have an extant planning permission.

This exercise will allow us to establish whether sufficient on site biodiversity net gain can be achieved alongside the delivery of the quantity of development indicated by policies allocating land for the development in the Local Plan, for those sites that are yet to achieve a planning permission. This will establish the degree to which land may be required for 'offsetting' to ensure the delivery of development committed to within the current Local Plan.

Action 4: Consider a 'call for sites' for land available in the District for net gain 'offsetting;' and

Action 5: Establish a 'bank' of land for biodiversity enhancement where 10% net gain is not possible on a development sites (both Council assets and privately owned land).

We need to develop a 'bank' of land (both publicly and privately owned) which could be used for biodiversity offsetting. Whilst resources such as the Environment Bank are available and collate this information, those resources are not organised on a local scale. By undertaking our own call for sites and deploying the expertise of a consultant (to be procured) to assess the potential for land that comes forward to achieve BNG, we will be able to accurately map the locations of these sites and connect them to sites allocated for development where offsetting is justified.

Action 6: Participate in the development of the Derbyshire Local Nature Recovery Strategy (LNRS).

Introductory meetings of the LNRS were attended by officers during 2023, prior to and following formal designation of Derbyshire County Council in this regard. Participation in the Countywide strategy for nature recovery will ensure the District Council's approach is aligned with the priorities set at the County level and that we work collaboratively with partners in the duty to conserve and enhance biodiversity.

Action 7: Consider biodiversity enhancement policies as part of the Local Plan Review.

Use the evidence gathered by consultants (to be procured) as part of Action 2 (production of a Plan for Nature) above to consider the requirements set out in a more specific Local Plan policy relating to the enhancement of biodiversity through the planning system. This work will coincide with a refresh of the Council's current Climate Change Strategy.

Part 3: Plan for delivering the ‘first considerations’ over the next 5 years

| Action | Key Milestones/outputs | Year (1-5) |
|---|---|-------------------|
| <p>1. Assess the current state of biodiversity in the District and produce baseline report.</p> | <ul style="list-style-type: none"> • Review of relevant local and national policies and existing biodiversity action plans; • Collate and evaluate existing habitat, species, landscape and designated site data within and around the District; • Identify where the existing Nature Recovery Network of habitats exists; • Output at conclusion: provision of mapping and written summary and analysis. | <p>Year 1.</p> |
| <p>2. Produce a Strategic District-wide Action Plan relating to Biodiversity.</p> | <ul style="list-style-type: none"> • Baseline data collection and analysis; • Consider the objectives within documents produced by the LNRS, the Local Plan and the Council’s Climate Change Strategy and Action Plan; • Engage with stakeholders to | <p>Year 1.</p> |

| | | |
|--|--|----------------|
| | <p>assess how successfully the above strategies are performing;</p> <ul style="list-style-type: none"> • Identify appropriate measurable targets and provide recommendations on how the outcomes should be monitored and reported to the public; • Undertake a costing exercise of the identified targets; • Further consultation, including groups to ensure local representation and support future adoption. • Output: recommendation of how the Council can embed nature recovery into all strategic plans and policy areas and will consider a broad number of opportunity areas. | |
| <p>3. Review viability of delivering 10% net gain on allocated sites that do not have an extant planning permission.</p> | <ul style="list-style-type: none"> • Review the biodiversity net gain potential of sites allocated for development in the Local Plan; • Establish the degree of 'offsetting' that would be required to meet the equivalent of 10% on site net gain; • Where a deficit is identified, establish the locations to | <p>Year 1.</p> |

| | | |
|---|--|----------------|
| | <p>target for a call for land for biodiversity 'offsetting';</p> <ul style="list-style-type: none"> • consultation with the landowner. | |
| <p>4. Consider a 'call for sites' for land available in the District for net gain 'offsetting.'</p> | <ul style="list-style-type: none"> • Produce material for and undertake a call for sites; • Baseline the sites that result from the above; • Establish schemes for offsetting on suitable sites, in consultation with the landowner; • Establish a Memorandum of Understanding with the landowner re. the role of their land in the planning process; | <p>Year 1.</p> |
| <p>5. Establish a 'bank' of land for biodiversity enhancement where 10% net gain is not possible on a development site (both Council assets and privately owned land)</p> | <ul style="list-style-type: none"> • Following on from action 4, undertake a review of all Council land assets and establish a database of sites potentially suitable for BNG. • Undertake baseline work to establish land that is suitable for biodiversity enhancement; • Establish a programme for biodiversity enhancement on each site; • Output: a GIS layer of the sites considered suitable for 'offsetting' to support the planning process and enhancement schemes can | <p>Year 2.</p> |

| | contribute towards | |
|--|---|------------------------------|
| 6. Participate in the development of the Derbyshire Local Nature Recovery Strategy (LNRS). | <ul style="list-style-type: none"> • Attend the regular meetings of the LNRS and provide District level data to support the development of the Strategy; • Organise District level events to promote opportunities for landowners (assisted by consultants); • Update District level strategies e.g. Local Plan, Climate Change Strategy to ensure alignment to LNRS | Throughout the 5year period. |
| 7. Consider biodiversity enhancement policies as part of the Local Plan Review. | <ul style="list-style-type: none"> • Consider the case for 15% and 20% net gain requirements and how this could be achieved in light of the baseline net gain evidence; • Produce a plan for actions based on the scoping work above, with specific targets to be reviewed on an annual basis. | Years 1-3. |

Part 4: Work being undertaken by the Council as Local Planning Authority in relation to BNG.

Officers have been working in partnership with Derbyshire County Council to create the Natural Capital Study for Derbyshire. This document looks at the baseline habitats across Derbyshire and forms a key part of the Local Nature Recovery Strategy for the County.

Derbyshire Wildlife Trust provides expert ecological advice on planning applications received by the District Council. The working relationship is underpinned by Service Level Agreement between the Trust and the Council.

Since the Environment Act came into force in November 2021, the following applications were submitted, and approved, where the applicant voluntarily completed Natural England's Metric and a biodiversity net gain was delivered on site:

| Application number | Site address | Habitat Unit Gain % | Hedgerow Unit Gain % | River Unit Gain % |
|---------------------------|---|----------------------------|-----------------------------|--------------------------|
| 23/00601/FL | Land north and west of Broadleys, Clay Cross | +2.59 | + 0.21 | 0 |
| 23/01089/FL | Land north of Stretton Road, Morton | +174.21 | +5.68 | 0 |
| 22/00886/OL | Land to rear of High Street, Stonebroom | +20.96 | -8 | 0 |
| 23/00732/OL | Milehill, Hasland | -82.06 | +177.91 | 0 |
| 23/00382/FL | Chesterfield Road, North Wingfield | +14.95 | +248.41 | 0 |
| 22/00317/FL | Barlow Croft, Barlow | +16.62 | +39.27 | 0 |
| 22/01247/FL | Land Between Nether House Farm & Calow Green Farm, Back Lane, Calow | +53.52 | +21.29 | 0 |
| 22/00608/FL | Sharley Park, Clay Cross | +2.26 | 0 | 0 |
| 21/00987/OL | Dark Lane, Calow | +68.65 | +3.19 | 0 |
| 21/01488/FL | Peak Edge Hotel, | +17.16 | +167.37 | 0 |

OFFICIAL-[SENSITIVE]

| | | | | |
|-------------|--|--------|---------|---|
| | Ashover | | | |
| 21/00517/FL | Land south of B6025, Chesterfield Road, Shirland | +16.28 | +31.20 | 0 |
| 23/00932/FL | Chesterfield Road, Dronfield | +23.23 | +30.83 | 0 |
| 23/00860/FL | The Old Police Station, Renishaw | +11.28 | +386.00 | 0 |
| 22/00004/FL | Market Street Clay Cross | -0.53 | -0.17 | 0 |
| 21/00976/FL | Primorose Lane, Killamarsh | +0.81 | +5.44 | 0 |
| 21/00924/FL | Station Road, Pilsley | +0.03 | +0.23 | 0 |
| 21/00754/FL | Nethermoor Road, wingerworth | +0.06 | -4.51 | 0 |

In relation to the following applications, a biodiversity net gain was achieved through enhancement of land off site (secured in the main via either Section 106 legal agreements or conditions attached to the planning permission):

| Application number | Site address | Habitat Unit Gain % | Hedgerow Unit Gain % | River Unit Gain % |
|---------------------------|---|----------------------------|-----------------------------|--------------------------|
| 22/00418/FL | Park Lane, Shirland | -3.75 | -0.67 | 0 |
| 22/00686/FL | Gladys Buxton Adult Education Centre, Oakhill Road, Dronfield | -32.67 | 0 | 0 |
| 20/00861/FL | Park Road, Holmewood | -52.67 | -60.00 | 0 |

North East Derbyshire District Council

Cabinet

25 January 2024

Delegating authority to officers to enter into Planning Performance Agreements with Developers.

Report of Councillor S Pickering, Portfolio Holder for Environment and Place

Classification: This report is public

Report By: Assistant Director of Planning

Contact Officer: David Thompson - david.thompson@ne-derbyshire.gov.uk

PURPOSE / SUMMARY

To seek approval for the use of powers delegated to the Assistant Director of Planning to enter into Planning Performance Agreements (PPAs).

RECOMMENDATIONS

1. To approve the use of powers delegated to the Assistant Director of Planning to set up a mechanism allowing applicants to enter into Planning Performance Agreements; and
2. To approve the publication of a document on the Council's website explaining the purpose of Planning Performance Agreement to applicants and members of the public, based on the contents of appendix 1.

Approved by the Portfolio Holder – 16.01.2024

IMPLICATIONS

Finance and Risk: Yes No

Details:

Major applications generate a significant cost to the Planning Service in terms of officer time. The fee received for each application offsets this to a degree but often in full, due to the time taken to resolve complex issues. PPAs offer Councils a mechanism for recouping these additional costs from a developer, as opposed to relying on the general fund.

On Behalf of the Section 151 Officer

Legal (including Data Protection):

Yes

No

Details:

Powers are delegated to Assistant Directors under section 22 (Delegation of Council Function and Executive Functions to Officers), paragraph 9.9 of the constitution to 'decide the terms upon which services will be provided to the public (which may include providing services on different terms to different individuals or classes of individuals.)' The introduction of Planning Performance Agreements and the associated charges would be covered by this delegation but Cabinet approval is advisable given that this would be a new charge.

On Behalf of the Solicitor to the Council

Staffing:

Yes

No

Details:

There are no significant adverse staffing implications directly arising from the introduction of PPAs as we are duty bound to assess planning applications whether a PPA is in place or not. PPAs do impose timescale commitments that will need to be met but the Planning Guarantee already imposes a significant penalty in terms of fee refund if an extension of time beyond 26 weeks (for major applications) cannot be agreed.

On behalf of the Head of Paid Service

DECISION INFORMATION

| | |
|---|---|
| Decision Information | |
| <p>Is the decision a Key Decision? 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:</p> <p>BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/></p> <p>NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/></p> <p><input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i></p> | No |
| <p>Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)</p> | No |
| District Wards Significantly Affected | None |
| <p>Consultation: Leader / Deputy Leader <input checked="" type="checkbox"/> Cabinet / Executive <input type="checkbox"/> SAMT <input type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input type="checkbox"/> Public <input checked="" type="checkbox"/> Other <input type="checkbox"/></p> | <p>Yes</p> <p>Details: Portfolio Holder and Leadership</p> |

| |
|--|
| Links to Council Plan priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications. |
| All |

REPORT DETAILS

- 1 **Background** *(reasons for bringing the report)*
 - 1.1 PPAs are an important tool for proactive engagement between developers and Local Planning Authorities when determining major planning applications. They allow for a collaborative approach to agreeing the key milestones for a project and realistic timeframes for their delivery. The agreed timeframes may well extend beyond the nationally set targets but the purpose of a PPA is to provide certainty for all parties as to the timescales in which decisions will actually be made.
 - 1.2 Section 93 of the Local Authorities Act 2003 allows Councils to introduce discretionary charges to support cost recovery. The use of PPAs would fall under this legislation and would allow the Council to recoup a greater proportion

of the cost of processing major applications than is currently covered by the nationally set planning application fees.

2. Details of Proposal or Information

- 2.1 The key advantages of a PPA for a developer is the certainty that they provide in relation to the amount of time allocated to planning in the wider project plan for delivery. The fact that the costs (or at least a large proportion of these costs) of processing these complex schemes can be recouped through PPA's ensures that there would be less pressure on the general fund to finance the Planning Service. This is the key advantage to PPAs from the Council's perspective.
- 2.2 PPA's can vary from a simple agreement to cover an agreed set of milestones for the determination of a planning application through to more complex agreements for the largest development proposal where, for example, it would extend to cover the various stages through from pre-application advice to the point at which conditions are discharged following the granting of planning permission.
- 2.3 PPAs therefore tend to apply to the largest development proposals that are submitted to the Council. At present the Council does not charge for pre-application advice. There is however a commitment to review this situation as part of the Council Plan and officers are undertaking benchmarking work that will inform options in this regard which will be presented to the Portfolio Holder in the first instance in early 2024. Whatever the outcome of that process, PPAs can stand separate from the general pre-application advice offer as they also cover the application and post-decision process.
- 2.4 It is important to emphasise that entering into a PPA in no way implies that either planning officers would recommend approval for an application or that the Local Planning Authority will grant planning permission and the wording of such agreements will make this caveat very clear to all signatories.
- 2.5 Officers propose to publish guidance on the purpose of PPAs on the Council's website, in order to make the public aware that this is a service that the Council offers and to explain the appropriate parameters of such Agreements. The draft text version of this document is attached at appendix 1 for consideration by Cabinet.
- 2.6 The use of PPA's supports the delivery of an effective and efficient planning service and in turn supports growth and investment in the borough. They also assist the council with making timely determination of planning applications and meeting government targets for performance.
- 2.7 In terms of risk, any PPA is entered into on a voluntary basis and so the only real risk is a failure to determine the application within agreed timescales or failure to meet any key milestones within the PPA. The worst-case scenario is that this might trigger a refund request from the developer and officers would

clearly look to avoid this through ensuring that the expectations of each PPA is reasonable before it is signed.

- 2.8 The use of a PPA does not replace the 26-week Planning Guarantee (refund of a planning application fee if not determined within 26- weeks or an agreed timescale thereafter) and so this risk remains unchanged and would be managed in accordance with existing protocols.
- 2.9 The use of a PPA will place a greater emphasis on services who act as consultees to perform and meet the agreed milestones. The Assistant Director will liaise with Derbyshire County Council and other key stakeholders (some will be site specific) to ensure that they are signatories to the PPAs and wherever possible, as signatories, they would have input into and be aware of the key milestones within the PPA.
- 2.10 Given that PPAs are voluntary, officers are not currently proposing to set any income target at this stage. It is considered more appropriate that the income generated from PPAs would be a 'reserve' to address resource pressures within the Planning Service.

3 Reasons for Recommendation

- 3.1 The use of PPAs will allow the Council to recoup a large part of the costs associated with officer time spent on proactively dealing with the large-scale planning applications received by the Council. The use of PPAs is compatible with the legislation quoted previously in the report and will reduce the cost of the Planning Service to the Council's general fund.

4 Alternative Options and Reasons for Rejection

- 4.1 Officers consider that there are 2 main alternative options:
 - 1. Not to use the powers delegated to the Assistant Director of Planning to establish a charging mechanism for entering into PPAs. This option is considered to hinder the ability for the Local Planning Authority to easily enter into PPAs with developers and would not support the delivery of an effective and efficient planning service.
 - 2. The second alternative would be to simply retain existing statutory arrangements as set out in The Town and Country (Development Management Procedure) (England) Order 2015 which provide the fall-back position for determination dates. Officers consider that this approach would not support the delivery of a high quality service to developers and investors and does not allow for cost recovery.

DOCUMENT INFORMATION

| Appendix No | Title |
|--|--|
| Appendix 1 | Draft guidance note on Planning Performance Agreements |
| Background Papers (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) | |
| Click here to enter text. | |

Appendix 1 – Draft Planning Performance Agreement Guidance note.

The purpose of Planning Performance Agreements

What is a planning performance agreement?

A Planning Performance Agreement (PPA) is a project management tool which local planning authorities and applicants can use to agree timescales, actions and resources for handling particular applications. A PPA will most often cover the pre-application and application stages but may also extend through to the post-application stage.

PPAs can be particularly useful in setting out an efficient and transparent process for determining large and/or complex planning applications. They encourage proactive working between the applicant and local planning authority (as per paragraph 46 of the National Planning Policy Framework) and can also help to bring together other parties such as statutory consultees.

A PPA is agreed voluntarily between the applicant and the local planning authority prior to the application being submitted and can be a useful focus of pre-application discussions about the issues that will need to be addressed.

Importantly, no PPA will fetter the Council in exercising its statutory duties as local planning authority. It will not prejudice the outcome of planning (and related) application(s) or the impartiality of the Council. It is important there is no perception that because an applicant has entered into a PPA the likely recommendation for the proposal will be that it is granted planning permission. Clear wording to this effect would be included in all PPAs that the Council would be a signatory to.

We recognise that the successful delivery of development projects requires good working relationships with developers, communities and other stakeholders. Improved communication and transparency can help reduce delays, provide accurate and timely advice and set realistic time frames for determination. PPAs can deliver such benefits to all the parties involved including the local planning authority, the applicant and the community.

When can a planning performance agreement be used?

In principle, PPAs can be used for any application, although whether an agreement is the most effective approach will depend on the size and complexity of the proposal.

What does a planning performance agreement comprise?

There is no one model. It is for the local planning authority and the applicant to discuss and agree a suitable process, format and content which is proportionate to the scale of the project and the complexity of the issues to be addressed. The general terms of engagement and expectations of the applicant and the local planning authority would however be consistent across all PPAs.

As with all project management approaches, it is always sensible to keep the content of PPAs as straightforward as possible and the guiding principle should be that the parties agree the way forward. As a minimum, a simple approach, such as one built around an agreed timetable, development objectives and responsibility for tasks could be sufficient. There will always need to be a clear and agreed timescale for reaching a decision on the application once it is submitted.

A PPA can extend to matters beyond the formal application process – such as programming the negotiation of any Section 106 agreement and related non-planning consents. For very large or complex schemes the agreement may also provide a basis for any voluntary contributions which the applicant has offered to pay to assist with abnormal costs of processing the application. The parties will want to ensure that such payments do not exceed the cost of the additional work involved, are not seen to have any implications for the decision on the application, and do not deflect resources from processing other cases; any additional resource provided in this way needs to be used for additional capacity that is genuinely required to ensure a timely and effective service.

What are the benefits of Planning Performance Agreements?

PPAs can provide benefits to all the parties involved including the local planning authority, the applicant and the community. PPAs help deliver successful development projects facilitating good working relationships and enhanced transparency, with developers, communities and other stakeholders.

Key benefits include:

- identification of key issues and relevant consultees at an early stage;
- setting more realistic timetables that are specific to the project (as opposed to timetabling only around national determination targets), with a structure of deadlines and action points;
- encourages improved collaborative working between the key stakeholders;
- better overall management of advice at pre-application and post application stages;
- greater accountability, transparency and communication;

- a guarantee of dedicated Council resources;
- greater commitment from relevant consultees to respond in a timely manner, particularly internal consultees;
- better commitment to community engagement and consultation, enabling communities to influence planning decisions; and
- ability to recover costs, thereby reducing the financial burden on Council resources.

How much does a planning performance agreement cost?

The fee to be paid by the applicant is based solely on the principle of recouping the cost of officer time dealing with (generally) the larger and more complex planning applications received by the Council, as the administrative cost of processing these applications is often greater than the planning application fee. Where PPAs are not in place, the gap between the fee received and the cost of processing the application is borne by the general fund.

How Planning Performance Agreements will be managed.

The process for developing a Planning Performance Agreement

For applicants wishing to enter into a PPA, the process comprises four stages:

1. Agreement with the Planning Manager - Development Management whether a PPA is appropriate to the case;
2. Inception Meeting to develop the structure and content of the PPA, agree project objectives, a work programme setting out key deliverables and responsibilities, and identifying key issues for consideration;
3. The local planning authority will assess the resources required and provide a draft/review a draft PPA produced by the applicant;
4. Any amendments to PPA agreed and both parties sign.

The precise content of the PPA is subject to agreement between the applicant and the Council and will be determined by the complexity of each individual project.

Once implemented it is expected that the work programme and milestones within the performance deadlines section of the PPA will be reviewed at regular intervals to check progress. Where necessary, a PPA could be updated if agreed with both the Council and the applicant.

How will North East Derbyshire District Council Manage Planning Performance Agreements?

Whilst the overall responsibility will lie with the Assistant Director of Planning, the Planning Manager - Development Management will oversee those development proposals that are to be managed via a PPA.

A Lead Planning Officer will be allocated to the proposals. This will normally be a Principal Planning Officer; in some cases, a Senior Planning Officer may be appropriate. As the project evolves towards the PPA process, a Project Team will be created involving relevant officers from the Council departments to ensure a unified and consistent approach.

The responsibilities of the Planning Manager - Development Management are to advise or direct the Project Team on the:

- links with other relevant corporate initiatives of the Council;
- direction of the project to meet corporate objectives;
- most appropriate form of consultation including with Members; and
- timescales to be achieved.

The responsibilities of the Council's Lead Planning Officer include:

- coordination of the project team;

- primary contact with the developer's project team;
- delivery of tasks to agreed timetable;
- liaison with stakeholders including public consultation; and
- regular reporting back to the Planning Manager - Development Management.

As part of the Council's commitment, officers will:

- work on behalf North East Derbyshire District Council in the wider public interest to secure the optimum scheme that delivers the Council's planning objectives and accords with relevant planning policy, including relevant supplementary planning documents;
- express their own professional opinions that will form guidance for the applicant. This guidance will not, however, bind officers to a final recommendation nor override the requirements for a formal planning application to be determined without prejudice and within the statutory requirements of current planning legislation;
- use best endeavours to meet the agreed programme and will respond to requests for information, advice and information in a timely way (timeframes to be agreed);
- facilitate the presentation of proposals to Members at appropriate stages, where required within a PPA;
- identify issues and information that need to be addressed , as well as any likely legal obligations, at an early stage of pre-application discussions; and
- facilitate discussions and negotiations with external consultees where appropriate.

Statutory consultees and other stakeholders will be required to provide appropriate advice at various stages in a timely and proactive manner. The Council Lead Officer will seek to co-ordinate this advice. In some instances certain consultees may form part of the PPA, although this will depend upon those external organisations being signatories to the PPA.

What North East Derbyshire District Council expects from applicants

We expect an applicant to:

- provide sufficient detail and information for consultees to properly assess a proposal and provide substantive responses at pre-application and application stage;
- approach any project in a positive and collaborative manner;
- allow adequate time for the assessment of proposals by the Council and consultees involved;
- appoint the appropriate professional consultants to inform the application, with sufficient experience to reflect the complexity of the project;
- use best endeavours to meet the agreed programme;
- agree to contribute to and participate in public consultation, in accordance with the Council's Statement of Community Involvement;
- respond within the agreed timescales to requests for further information;

- recognise that new/ additional issues may arise from the consultation of negotiation processes which may affect previously agreed timescales; and
- to provide information requested in a timely manner.

Community Engagement

North East Derbyshire District Council is committed to engaging with local communities and organisations in planning for sustainable development in an open and constructive manner, as set out in the Statement of Community Involvement. The applicant will be obliged to ensure that all community consultation is meaningful and the strategy for engagement will vary depending on the scheme. Responsibility for carrying out preapplication consultation (and the costs of doing so) will rest with the applicant and the Council can provide advice on the most appropriate methods.

Member engagement

Officers of North East Derbyshire District Council will ensure that Members are engaged with as appropriate in the PPA process. The strategy for this will be considered by the Planning Manager - Development Management and the Lead Planning Officer on a case by case basis, depending on the complexity and strategic impacts of the proposal. This could involve briefing the:

- Leader of the Council;
- Portfolio Holder for Environment and Place;
- Ward Members;
- Planning Committee Chair and Vice Chair;
- Planning Committee

The purpose of such briefing will be to allow Members to gain a full understanding of the project and other pertinent issues. Members may also attend design review panels for schemes. The role of Members in such briefings is principally to facilitate community involvement in the planning process and to ensure an understanding of the project and other pertinent issues. They may ask questions and raises issues but will not be expected to offer personal opinions on a scheme.

There will be no conflict between this role and the proper conduct of Members who are involved in determining applications as Members of a Planning Committee. Those Members will be expected to adhere to the Code of Conduct for Members on planning matters and must not predetermine their view on an application. Applicants should not engage privately with councillors.

Conditions/limitations on Planning Performance Agreements

No PPA will fetter the Council in exercising its statutory duties as local planning authority. It will not prejudice the outcome of planning (and related) application(s) or the impartiality of the Council.

Unless specified in a PPA, the Council will use its available resources to determine application(s) within 13 weeks of receipt (major applications), 16 weeks (EIA applications) and 8 weeks of receipt (minor and other applications). If an alternative date is specified in the PPA, the planning application will be exempt from the national performance indicator (statutory target determination periods identified above).

No PPA will restrict or inhibit the applicant named in the agreement from exercising the right of appeal under Section 78 of the Town and Country Planning Act 1990 (as amended). If this right is exercised the PPA between the parties will be terminated. The Council reserves the right to renegotiate the PPA fee if the timetable/programme is unreasonably extended Statutory Agency and Service Providers.

The parties entering into a PPA agreement will act with fairness and in good faith in respect of all matters related to the handling of the planning (and related) application(s) and will work jointly in complying with their respective obligations under the PPA.

Nothing contained in a PPA shall be construed to imply a joint venture or partnership relationship between the parties who have entered into such an agreement. The parties shall not have any right, power or authority to act or create any obligations, express or implied, on behalf of the other party, and the applicant and North East Derbyshire District Council shall not be obligated, separately or jointly, to any third party of any agreement.

Any party entering into a PPA will use their reasonable endeavours to adhere to any agreed timetable/schedule which sets out the procedure for handling the relevant planning enquiries, preapplication negotiations, and planning and/or listed building/conservation area consent applications in relation to the site.

Applicants will provide access to the pre-application/application site upon the Council's reasonable request to support the provision of advice and processing of any application.

Either party may by written notice terminate a PPA the event that:

(i) the other commits a material breach of any of the terms of the Agreement and in the event of a breach which is capable of remedy, fails to make good any such breach within 10 days of being required so to do by written notice identifying the breach and steps which must be taken to remedy it; or

(ii) The applicant or Council wishes to terminate the agreement for any other reason. The parties' rights, duties and responsibilities shall continue in full force during any termination notice period.

Failure to pay the fees as set out in the individual PPAs at the stated times will result in the PPA being dissolved.

Freedom of Information requests

Under the Freedom of Information Act 2000 or Environmental Information Regulations 2004 the District Council may receive a request to disclose pre-application advice requests and the advice we have provided. The applicant will need to state in writing why they require a request for pre-application advice to be

confidential, detailing the reasons valid under the Act for this at the time of your request.

The District Council will not respond at the time of your request but will take it into account when deciding whether to release information.

Agenda Item 9

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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Agenda Item 10

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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