

Public Document Pack



**North East
Derbyshire**
District Council

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Date: Wednesday, 10 July 2024

To: **Members of the Cabinet**

Please attend a meeting of the Cabinet to be held on **Thursday, 18 July 2024, at 4.00 pm** in the **District Council Offices**, 2013 Mill Lane, Wingerworth, Chesterfield, S42 6NG.

The meeting will also be live streamed from the Council's website on its You Tube Channel. Click on the following link if you want to view the meeting:

[North East Derbyshire District Council - YouTube](#)

Yours sincerely



Assistant Director of Governance and Monitoring Officer

<u>Cabinet Members</u>	
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 Alan Maher 01246 217391

A G E N D A

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 4 - 6)

To approve as a correct record and the Leader to sign the attached Minutes of the meeting of Cabinet held on 20 June 2024.

4 Stonebroom Regeneration Update - NOW PUBLISHED (Pages 7 - 10)

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

5 Pre-Application Planning Advisory Service (Pages 11 - 25)

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

6 Productivity Plan (Pages 26 - 43)

Report of Councillor J Birkin, Portfolio Holder for Council Services

**7 Treasury Management Financial Outturn 2023-24 - ADDITIONAL ITEM
(Pages 44 - 65)**

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

**8 Medium Term Financial Plan Financial Outturn 2023-24 - ADDITIONAL ITEM
(Pages 66 - 82)**

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

9 Urgent Items

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.

Access for All statement

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CABINET

MINUTES OF MEETING HELD ON THURSDAY, 20 JUNE 2024

Present:

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

Councillor Jayne Barry
Councillor Stephen Pickering

Councillor Joseph Birkin
Councillor Kathy Rouse

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)
S Sternberg	Assistant Director of Governance and Monitoring Officer
A Maher	Governance Manager
N Ellis-Hall	Temporary Senior Governance Officer

CAB/ Apologies for Absence

11/2

4-25 None.

CAB/ Declarations of Interest

12/2

4-25 None.

CAB/ Minutes of the Last Meeting

13/2

4-25 RESOLVED - That the minutes of the meeting held on 14 May 2024 were approved as a true record.

CAB/ Environment Scrutiny Committee Review into becoming a 100% Plant Based Council in the Procurement and Provision of Food

14/2

4-25 The report to Cabinet explained that the Environment Scrutiny Committee had carried out a review into becoming a 100% plant-based Council in the procurement and provision of Food. Members were reminded that the Committee had been asked to look at this issue by Council at its meeting on 29 January 2024. The Committee complied with this request by carrying out review on the subject. A summary of the issues covered by the review and the Environment Scrutiny Committee's findings were appended to the report.

The Chair of the Environment Scrutiny Committee, Councillor C Smith, explained the Committee's main findings. In particular, that the Annual Leisure Service Survey should now measure the demand for specific foodstuffs, and in particular the demand for plant-based vegan food. The Committee also asked that these findings be assessed to determine whether there was a growing demand for such food and whether as a consequence the Council should develop a new approach to the procurement and provision of vegan

food.

Cabinet discussed the review and the Committee's findings. The Environment Scrutiny Committee was congratulated for carrying out the review in a fair and reasonable way. It had made practical suggestions that would ultimately allow more people to eat vegan food at Council facilities, if they chose to, while not preventing those who wished to eat meat or animal products from doing so. Cabinet agreed that the Annual Leisure Service survey be used to monitor the demand for vegan food and that the findings from Survey on this be shared with the Environment Scrutiny Committee. Cabinet also agreed that the Committee be informed of, and consulted on, any changes that were subsequently proposed on how the Council procures and provides plant-based vegan food.

RESOLVED - That Cabinet approved the review of the Environment Scrutiny Committee's into becoming a 100% plant-based Council in the procurement and provision of food.

REASONS FOR DECISION – The Review will enable the Council to develop further its Plan Objective as being A Great Place that cares for the Environment. It highlights what the Council is already doing to provide food/drink options to customers and recognises the changing demand for vegan food.

OTHER OPTIONS CONSIDERED AND REJECTED - The option of not approving the review was considered but rejected. The review represents a clear commitment to becoming a 100% Plant Based Council in the Procurement and Provision of Food as part of the organisation's future.

CAB/ **Urgent Items (Public)**
15/2
4-25 None.

CAB/ **Exclusion of Public**
16/2
4-25 **RESOLVED** – That the public be excluded from the meeting during the discussion of the following item(s) 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).

CAB/ **Corporate Property Estates Maintenance Contract 2023-25**
17/2
4-25 Cabinet was asked to accept the tender for the Corporate Property Maintenance Contract. Cabinet was informed of the tendering exercise which had been undertaken and the previous work carried out by the proposed contractor for the Council.

RESOLVED - That Cabinet approved the acceptance of the tender received and to award the contract to Gary Fletcher (Surfacing Ltd).

REASONS FOR DECISION – Agreeing to contract with the identified company will mean that a quality experienced provider can be commissioned to meet the

objectives of the contract.

OTHER OPTIONS CONSIDERED AND REJECTED – The option to not approve this tender was considered but rejected. This was due to the hugely increased workload involved in obtaining quotations for individual pieces of work and the timescales involved.

CAB/ **Urgent Items (Private)**
18/2
4-25 None.

North East Derbyshire District Council

Cabinet

18 July 2024

Stonebroom Regeneration Update – July 2024

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

Classification: This report is public

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

Contact Officer: as above

PURPOSE/SUMMARY

To update Cabinet on progress at Cleveland Road, Stonebroom

RECOMMENDATIONS

1. That Cabinet agrees to progress with the development of the replacement community facility at Cleveland Road Stonebroom subject to Council approval of funding.
2. That Cabinet recommend to Council the approval of additional borrowing of £0.650m for the development of the community facility at Stonebroom
3. That Cabinet recommend to Council the inclusion of the changes to the scheme in the HRA Capital Programme

Approved by the Leader of the Council - Cllr Nigel Barker

IMPLICATIONS

Finance and Risk

Yes ✓

No

The overall budget for the main regeneration of the bungalows at Stonebrook remains as approved. However, at the time of approval, proposals for a replacement community building were not included. This work is now complete and should Cabinet agree to the proposals the additional cost needs to be funded.

On Behalf of the Section 151 Officer

Legal including Data Protection

Yes ✓

No

There will be legal considerations as the schemes progress. Any specialist advice required in relation to the scheme will be procured as required

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

Decision Information	
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: NEDDC: Revenue - £125,000 <input type="checkbox"/> Capital - £310,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No

Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Significantly Affected	Shirland & Stonebroom,
Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet <input type="checkbox"/> SMT <input checked="" type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes Details:
Links to Council Plan priorities, including Climate Change, Equalities, and Economics and Health implications.	
<ul style="list-style-type: none"> • Protect the most vulnerable people in our communities. • Ensure residents have safe and good quality homes. • Increase the number of homes for rent in the district. • Reduce the environmental impact of housing in the district 	

1. **REPORT DETAILS**

- 1.1 This report is to update Cabinet on the progress achieved to date on the regeneration projects at the Cleveland Road area of Stonebroom.

Stonebroom Regeneration

- 1.2 In November, Cabinet approved the proposal to replace 50 prefabricated homes at Stonebroom with 74 new bungalows and in March agreed to consider including a proposal to include the area of Council land occupied by a community building into the layout and the option to construct a new community building on Council land at Cleveland Road. The existing community building needs substantial investment and relocating makes better use of the available land from a wider regeneration perspective, but further work was needed to assess the practicalities of doing so.
- 1.3 Feasibility and consultation work has now been completed regards inclusion of the land and the community facility into the scheme. Consultation on the plans was positive and the benefit of relocation as part of the wider scheme confirmed. The development cost of the community building was not included in the original scheme costs of £17.9m as further work was needed at the time of approval. This has now been costed at £0.650m, increasing the overall scheme cost to £18.55m.
- 1.4 RHL have now entered into a preconstruction services agreement with a contractor for the main site and a planning application is due to be submitted in November. Phase 1 of the redevelopment is due for completion in June 2025 with the further two phases scheduled to complete by spring 2028. This is a complex regeneration scheme with many residents remaining on site whilst works are undertaken and requiring temporary and permanent moves as the phases complete.
- 1.5 The redevelopment of the community building and 7 bungalows on the garage site are being separately procured through a compliant framework and separate planning applications are being submitted. It is expected that works on the garage site will commence in December.
- 1.6 In March, Cabinet also approved the next steps in the plan to support existing customers of the bungalows due for demolition. The customers remaining on site wishing to permanently transfer (8 at the end of June 2024) now have priority 1 banding for any Council homes they choose to bid for through the allocations process. One customer has already been successful in relocating to a new home in Clay Cross with this priority. Should all customers requiring a permanent move be rehoused there will remain 29 customers in situ, who will be supported to be temporarily decanted during construction works. There are currently 13 void homes on the site.
- 1.7 Demolition notices have been approved for the occupied homes and the legal steps to publicise and issue these is underway. This status facilitates the statutory home loss payment for each home and residents are also entitled to a disturbance allowance to assist with the cost of moving home.
- 1.8 Some customers will be required to move on twice to facilitate the phased construction programme. RHL are working very closely with each customer and their families/friends to support them through the process and wherever possible will minimise the number of

moves customers will be asked to undertake. Construction of the 7 bungalows on the garage site ahead of the main programme will assist with this process.

2 Reasons for Recommendation

- 2.1 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.

3 Alternative Options and Reasons for Rejection

- 3.1 Not to build the community facility. This was rejected due to strong community support for the facility and the regeneration benefits to the wider scheme.

DOCUMENT INFORMATION

Appendix No	Title
Background Papers	

North East Derbyshire District Council

Cabinet

18 July 2024

Implementing a chargeable pre-application advice service

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

Classification: This report is public

Report By: David Thompson – Assistant Director of Planning

PURPOSE / SUMMARY

For Cabinet to consider the appropriateness of charging for pre-application planning advice.

RECOMMENDATIONS

1. To approve the implementation of a chargeable pre-application advice service, in accordance with the charging schedule attached at appendix 1 and the draft service standards at appendix 2.
-

IMPLICATIONS

Finance and Risk: Yes ☒ No ☐

Details:

Charging for pre-application advice will provide an income stream to support proposals for additional resources within the Planning Service and will reduce the reliance on the general fund to subsidise the cost of delivering pre-application advice.

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 a chargeable pre-application advice service 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 a chargeable pre-application advice service other than a shift towards time spent negotiating with developers at this stage rather than during the determination of formal application stage. This will be a shift in culture within the Service but will not require additional resource within the Development Management team to deliver in the short term.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
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: NEDDC: Revenue - £125,000 <input type="checkbox"/> Capital - £310,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
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 / Executive <input checked="" type="checkbox"/> SMT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes Details: Click here to enter text.

Links to Council Plan priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications.
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Council Plan – A Great Place to Access Good Public Services

REPORT DETAILS

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

- 1.1 The value of an effective pre-application advice service is recognised in the National Planning Policy Framework states (at paragraph 39) that 'early engagement has significant potential to improve the efficiency and effectiveness of the planning application system for all parties. Good quality pre-application discussion enables better coordination between public and private resources and improved outcomes for the community.'
- 1.2 The Council currently offers an informal and free pre-application advice service. The current arrangement has two main weaknesses:
 1. There are no clear expectations in terms of how much time officers will spend providing pre-application advice and what information is required from customers to be able to provide appropriately detailed advice; and
 2. The cost of officer time to provide the service is borne entirely by the General Fund.
- 1.3 The lack of clarity about the current pre-application advice offer (point 1 above) means that there is inconsistency in the quality of the information provided by customers seeking advice and no clear expectation in terms of the time officers will commit to providing a response.
- 1.4 Due to the informal nature of the existing process, we are not currently realising the benefits that an efficient pre-application advice service can deliver at the application stage. Officer time is spent both responding to the informal advice requests (including multiple meetings in several cases) and trying to make improvements to schemes at the application stage.
- 1.5 Whilst that does show a proactive approach by officers, it is a labour intensive approach. By setting clear expectations in relation to both the information that we need from customers and the level of service that the customer can receive from the Local Planning Authority (LPA) in return, these inefficiencies will reduce.
- 1.6 The previous government recently consulted on changes that would speed up the determination of planning applications. The proposals include an Accelerated Planning Service, whereby major applications for commercial development would have a target determination period of 10 weeks.
- 1.7 The existing 13 week target would apply to all other major applications, likewise the 8 week target for the determination of non-major applications (less than 10 houses, less than 1000 square metres floorspace etc.) Under the current system, applications that take longer than the target period can also be classed as 'in time' if there is an agreed extension of time between the LPA and the applicant.

- 1.8 The recent consultation referred to above proposed performance targets that will require a significant reduction in the number of cases that have extensions of time. Whilst there has been a change in national government, officers consider it likely that a focus on speeding up the planning system is likely to be maintained, given the stated priorities around increase the supply of housing and delivering infrastructure projects.
- 1.9 With these national objectives in mind, we need to move to a position where officers spend more time giving comprehensive pre-application advice and less time trying to make up for a lack of prior engagement at the planning application stage.
- 1.10 In relation to the second weakness identified at 1.2 above, the Council currently bears the full cost of providing pre-application advice. When one considers the financial benefit realised by an applicant, particularly as a result of securing planning permission for a major development, alongside the general pressures on Local Government finance, this is considered not to be a tenable position.
- 1.11 Alongside the decision to introduce Planning Performance Agreements, a decision endorsed by Cabinet in January this year, charging for a structured pre-application advice offer will give the planning department an income stream that can be invested (alongside additional fee income) in specialist resources which are currently either not present at all (urban design) or stretched beyond capacity (conservation).
- 1.12 Charging for pre-application advice is now fairly commonplace nationwide. North East Derbyshire is one of 3 Councils (at the time of writing) in the County that does not charge for pre-application advice and one of those Councils has not provided pre-application advice at all since 2019. Widening out to the Combined Authority area, all of the Nottinghamshire Authorities operate a chargeable service, with varying categories and costs.

2. Details of Proposal or Information

- 2.1 Officers have undertaken a detailed benchmarking exercise across the Combined Authority area to establish a baseline for the chargeable service that North East Derbyshire may want to adopt. The Draft Fee Schedule attached at appendix 1 is the result of the benchmarking exercise, alongside a period of recording of officer time spent on providing pre-application advice. A summary of the key issues that arose from the benchmarking exercise are detailed in the following paragraphs.
- 2.2 Officers are proposing not to charge for enquiries regarding whether planning permission is required for a development. The vast majority of such enquiries will relate to minor developments, often from residents wanting to install dropped kerbs to the highway, put up new boundary treatments or make minor alterations to their property.
- 2.3 A number of Authorities that charge for pre-application advice do not charge for this service (including Chesterfield and the Peak District National Park), others

charge in the region of £50-60. To ensure that technical support resources are not overstretched, officers propose a 4 week response time. Not charging for this advice hopefully demonstrates a focus on recouping the costs of those schemes that require more significant amounts of officer time.

- 2.4 For householder developments, all Authorities in the Combined Authority area, with the exception of High Peak, charge for advice. Officers are proposing to charge £60 for written advice only, approximately £10 below the average fee for that same service amongst those Authorities that offer it.
- 2.5 Officers are proposing an additional £100 is charged for householder enquiries that affect heritage assets e.g. Listed Buildings, properties within Conservation Areas. This is broadly in line with what other Authorities charge for enquiries involving Listed Buildings. The same fee is also proposed for cases requiring the input of the Arboricultural Officer, including proposed works to trees within Conservation Areas and those protected by Tree Preservation Orders.
- 2.6 For applications larger than householder scale, there is a variation in how many different fee categories are available across the Combined Authority area. Officers consider that the most practical approach is to have one category for minor applications (up to 9 dwellings, up to 999 square metres of floor space). One fee category is also proposed to cover major commercial development schemes with a floorspace between 1000 and 9999 square metres.
- 2.7 In recognition of the often more graded complexity of residential developments, it is proposed to have one category for schemes of 10-50 units, with a second category for schemes of between 51 and 149 dwellings.
- 2.8 For commercial schemes proposing 10,000 or more square metres floorspace or 150 or more dwellings, the proposal is to charge £3915 for pre-application advice, encouraging developers into Planning Performance Agreements that would also allow the Council to recoup the cost of officer time spent dealing with the formal planning application that would follow. The proposed schedule includes a breakdown of the tasks/officer time that is required when dealing with these major projects and the fee is derived from the hourly rates for this time.
- 2.9 The fee schedule at appendix 1 proposes a charge of £350 for minor scale proposals, inclusive of 1 meeting with the case officer. For minor scale residential schemes, considering the range of different approaches, the average fee across the Combined Authority region for this service is approximately £352. For commercial schemes, the average is approximately £377. These findings suggest that the proposed fee is not out of kilter with the benchmark.
- 2.10 For commercial developments of between 1000 and 9999 square metres, officers are proposing a fee of £1000, which would include 2 x 1 hour meetings before the written advice is issued. Derby City Council charge £3000 for advice on this scale of development, reflecting the urban environment within their boundaries. After excluding Derby from the benchmarking results and taking a mid-point in the range of a number of LPAs, the average cost for this category across the Combined Authority region is approximately £1055.

- 2.11 A fee of £1000 is also considered appropriate for the smaller scale major housing developments, moving up to £1500 for schemes of between 50 and 149 units. Some Authorities have one category to cover both (Chesterfield for example charge £794.35 for a letter and a meeting) but officers consider that the time recording exercise (described in more detail below) demonstrates that a distinction is appropriate given the greater complexity of larger scale schemes.
- 2.12 Both proposed fees would also include 2 x 1 hour meetings, as opposed to the single meeting offered by most of the Authorities included in the benchmarking exercise. The fees are considered to be comparable with the benchmark, with the average (excluding Derby City with a higher fee) fee for up to 199 dwellings being £1133 when taking the mid-point of a range that exceeds £1500 at the top end in a number of cases (including the Peak District National Park Authority, Erewash and Broxtowe).
- 2.13 For larger scale major schemes, the proposal is to charge a rate based on a Planning Performance Agreement model. This would involve agreeing a bespoke service with the prospective applicant, proportionate to the complexity of the scheme. The draft fee schedule at appendix 1 itemises how officer time will be spent to reach this figure and offers up to 4 meetings and includes time to complete the EIA screening process which is generally required for such schemes.
- 2.14 The fee of £3915 is higher than a number of Authorities included within the benchmarking exercise. However, most commit only to a letter and 1 or 2 meetings for this fee and some Authorities charge higher. Having recorded the time spent on a smaller but complex recent case, officers feel that the proposed fee reflects the resources required to provide comprehensive advice on the largest scale schemes.
- 2.15 In addition to the benchmarking exercise, officers have also been recording the time that they have spent providing pre-application advice over the last 6 months. The informal nature of the current pre-application advice offer (as described earlier in this report) does make it difficult to compare the situation we are in now with the position that we need to be in to respond to the national pressures to speed up the planning system.
- 2.16 For example, officers do not routinely hold meetings with applicants on all pre-applications above householder level and site visit are not always undertaken at this stage. These elements are important to ensuring an accurate and consistent approach to pre-application advice. A template letter was also introduced for the time recording exercise, to ensure appropriate levels of detail were consistently provided in written responses.
- 2.17 Taking examples where these elements have been included and the officer time recorded, the benchmarking exercise produced the following results:
- Householder (highest) - £83.04 (proposed charge - £60);

- Listed Building (highest) - £183.31 (proposed charge for Heritage input - £100);
- Minor scale development (highest) - £314.32 (proposed charge - £300 or £350 inclusive of 1 meeting);
- Smaller scale majors (1 example) - £1062.79 but this excluded engagement with a number of consultees (at the applicant's request), a member briefing and the time taken to complete the EIA screening opinion, all of which would be required under the formal process proposed and would equate to at least £500 worth of officer time (proposed charge – either £1000 or £1500 depending on size);
- Larger scale major – 1 Planning Performance Agreement has been entered into where the proposed fee of £3915 for all schemes of this scale has been paid.

- 2.18 Recognising that there will remain some inconsistency in current practice until a more structured service is introduced, officers consider that the time recording exercise provides sufficient evidence to justify the charges being proposed for each category of development.
- 2.19 A group of officers within the team have led the development of the proposed fee charging schedule appended to this report and are developing content for the website, including an online application form and details of what customers can expect from the service. A draft version of the 'Service Standards' are attached to this report at appendix 2.
- 2.20 The officer group has considered the number of categories and different levels of charging. Some Councils within the Combined Authority region have more categories and vary the fees accordingly. Officers consider that the proposed approach strikes the right balance between ensuring that officer time is accurately recouped (by avoiding potential under or overcharging through too few categories) and also offering a service that reflects good value for money, focussing the cost on larger scale schemes.
- 2.21 This approach has led to the proposed fee exemptions for Parish/Town Councils and affiliated community groups. It is also proposed not to charge registered charities/charitable trusts where the specific proposal is dependent on grant funding, for adaptation works that would improve the accessibility of buildings and for queries about whether planning permission is required.
- 2.22 Officers are also proposing that the service is reviewed annually, to ensure that the offer to customers and the fees charged remain appropriate. Fees would be updated each financial year and as a minimum would be adjusted in line with inflation, as is the case with nationally set planning application fees.

Proposed timetable for implementation

- 2.23 In the event that Cabinet supports the adoption of a chargeable pre-application advice service in the form proposed, officers would plan to implement this service once agents and regular service users have been notified via a Forum with officers. In that event, officers will need to update the Council's website,

including a new page devoted to the pre-application service, allowing customers to clearly understand the offer and the information that we require from them, before the service formally commences.

- 2.24 The period between introduction of the chargeable service and the end of the current financial year would also give us an evidence base from which to set a realistic income budget. Officers have estimated the income that would have been generated had the Council charged for pre-application advice since financial year 2021/22, using charges lower than those proposed in order to take a precautionary approach. The results are as follows:

2021/22 – circa £68,500;
2022/23- circa £57,600; and
2023/24 – circa £60,100

- 2.25 The evidence from the first 6 months (approximately) of charging will clearly need to be factored into the budget setting process and the figure would need to be set below the lowest figure above to ensure the risk of underperformance is adequately mitigated but the last 3 years demonstrate that pre-application charging could be an important component of a more financially resilient Planning Service.

3 Reasons for Recommendation

- 3.1 As set out in the main body of the report, it is considered that providing a chargeable but also clearly structured pre-application service is a key part of speeding up the decision making process. The service will give customers greater clarity about depth of the advice that they will receive and the timeframes that their enquires will be responded to.
- 3.2 The income received by charging for the Service, when combined with the increase in planning fees last financial year will be the basis of ongoing discussions with the Section 151 Officer about investing in further specialist resources within the team. As referred to earlier in this report, this represents a 'self-financed' expansion of resources that will be required to meet the future demands placed on all LPAs, as opposed to additional demand being placed on the General Fund.

4 Alternative Options and Reasons for Rejection

Not to charge for pre-application advice and/or not to introduce a more structured service with clear expectations on and for customers.

- 4.1 Any combination of these options is not recommended by officers due to the missed opportunity for the Service to become more financially resilient and facilitating the shift in time and resource to the pre-application stage, in conjunction with much shorter turn around times for formal applications.
- 4.2 Making these changes alongside the introduction of a validation checklist and a 'customer charter' (subject to further discussions between officers and

Members) is considered vital in making sure the Service is going to meet future challenges.

DOCUMENT INFORMATION

Appendix No	Title
Appendix 1	Draft Fee Schedule
Appendix 2	Draft Service Standards
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)	

Appendix 1

Draft Fee Schedule for Pre-Application Advice (the below fees apply for the financial year 2024/25. Charges will be reviewed annually).

Householder Enquiries (Desk Based Assessment)

	Fee	Target Timescale
Do I need planning permission (Nb. If the answer to the query is 'yes' and further advice is required, submission of a valid pre-application request and payment of the correct fee will be required for the advice to be given.)	No Fee	6 weeks for period to April 2025 4 weeks from April 2025
Householder	£60	8 weeks for period to April 2025 6 weeks from April 2025
Householder - Heritage Asset*	£160	8 weeks for period to April 2025 6 weeks from April 2025

***Listed Building/Conservation Area/Article 4 Property/Non-designated Heritage Asset/Registered Park or Garden**

Minor Applications

	Fee	Target Timescale
Works to a Tree covered by a Tree Preservation Order on within a Conservation Area	£100	6 weeks for period to April 2025 4 weeks from April 2025
Minor Application (unaccompanied site visit)	£300	10 weeks for period to April 2025 8 weeks from April 2025
Minor Application with 1 x 1 hour meeting (either on site or elsewhere)	£350	10 weeks for period to April 2025 8 weeks from April 2025
Telecommunications development	£200	8 weeks
Advertisements	£150	8 weeks
Additional fee for Heritage advice	£100	N/A
Additional fee for Arboricultural	£100	N/A

Fee for 1 x 1 hour follow up meeting (Nb. The purpose of this meeting will be to discuss the contents of the written advice only, not any amended plans. Any further meeting requests after this /requests to discuss amended plans will be treated as a new enquiry, for which the relevant full enquiry fee will be payable.)	£100	N/A
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Small Scale Major Applications

	Fee	Target Timescale
Commercial development of between 1000-9999 sq metres (includes 2 x 1 hours meeting)	£1000	Minimum 10 weeks until April 2025 Minimum 8 weeks from April 2025- TBC on confirmation of details
Residential Development of 10-50 Units (includes 2 x 1 hours meetings)	£1000	Minimum 10 weeks until April 2025 Minimum 8 weeks from April 2025- TBC on confirmation of details
Residential Development of 51-149 Units (incl. up to 2 x 1 hour meetings)	£1500 – unless using the Planning Performance Agreement, in which case, fee to be negotiated	Minimum 12 weeks until April 2025 Minimum 10 weeks from April 2025- TBC on confirmation of details
Additional Fee for Heritage Advice	£300	N/A
Additional fee for Arboricultural Advice	£300	N/A

Large Scale Major Applications

For larger scale developments, we would encourage applicants to enter into a Planning performance Agreement (PPA) with the District.

We have produced a guidance note on the role of PPAs and how the process is managed and this can be accessed via the link below:

[Planning Performance Agreement Guidance Note](#)

The fees for standalone large scale major pre-application enquiries are below:

	Fee	Target Timescale
Commercial 10000 sq m + (incl. up to 3 x 2 hour meetings)	£3915	TBC on confirmation of details
Residential Development of 150 + Units (incl. up to 3 x 2 hour meetings)	£3915	TBC on confirmation of details

The above fees are not negotiable but we have listed below an estimate of how officer time is allocated to dealing with more complex cases.

(Any additional officer time will be agreed at an inception meeting, with additional charges based on the hourly rates of all officers involved):

- 25 hours on EIA screening opinion;
- 25 hours for meetings (including coordinating, preparation time and follow up work post each meeting);
- 5 hours for design review prep/post work;
- 5 hours briefing note for design review panel;
- 30 hours prep/post meeting with NEDDC and DCC technical consultees;
- 22 hours officer time to co-ordinate meetings, consider the scheme, hold internal discussions and brief senior officers, request and review amended details etc;
- 5 hours site visit;
- 6 hours member briefing (including prep); and
- 15 hours producing written response

Terms of Service

- **Pre-application enquiries for Listed Buildings, Conservation Area, Article 4 Property, Non-designated Heritage Assets and Registered Parks and Gardens will be subject to the higher fee which includes Heritage advice .**
- **Site visits will not be carried out for Householder enquiries unless the building is a Heritage Asset and then a site visit may be carried out at the discretion of the Case Officer.**
- **The timescale for the response will only commence when we have a valid pre-application enquiry as detailed below**

Householder, Minor	• Location Plan
---------------------------	------------------------

	<ul style="list-style-type: none"> • Existing and proposed plans – can be sketches but need to be sufficient to assess the impact of the proposal • Pre-Application Form • Fee <p>Further information may be required for a Heritage Asset – it is likely that a Heritage Statement will be required.</p>
Major	See Local Validation Checklist – please note that where information would be required to validate a planning application is not being provided at with the pre-application enquiry, we will not be able to provide detailed advice on that technical matter.

- **Please note that once the advice letter has been issued, the submissions of a revised scheme will be classed as a new request for pre-application advice and will be subject to a further fee.**

Disclaimer

Advice given by officers for pre-application enquiries does not indicate a formal decision by the council. Any views or opinions given are without prejudice to the formal consideration of any planning or other application. The final decision on any application that you may then make can only be taken after the council has consulted local people, statutory consultees and any other interested parties and will then be made either by the Planning Committee, or under delegated powers in accordance with the council's approved Scheme of Delegation, based on all information available at the time. Officers cannot therefore guarantee the final formal decision that will be made on your application(s).

Pre-application advice given is advisory only and if you were to purchase any land/buildings on the advice of the pre-application assessment you do so at your own risk, as the council would not be held accountable if a scheme was not supported at a later date.

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.

Appendix 2

Service standards for charged-for pre-application planning advice

Introduction:

Whilst pre-application advice is always given in good faith and on the basis of the facts available at the time, the advice you are given is not binding on the council in the event of the submission of a planning application, when full consultations will be undertaken and a full assessment will be made.

North East Derbyshire District Council retains the right not to respond to requests for pre-application advice which are not entered into cordially or objectively.

Enquiries as to whether planning permission is required

In response to such enquiries, you will receive a 'yes' or 'no' answer as part of the free service.

If the answer to your enquiry is 'yes' and you would like advice on the likelihood of planning permission being granted, that request will be treated as a pre-application enquiry and will be subject to the relevant validation information, fee and target response timeframe as set out in the Fee Schedule.

If the answer is 'no,' you will be advised to submit a Certificate of Lawfulness as this will give you the official documentation that you would require in any future sale of your property.

How your pre-application request will be processed

Advice will be based on the proposals as originally made in writing. Consequently, proposers are urged to ensure that sites can be readily identified, and that proposals are adequately described, to enable a meaningful response. To this end, site location maps, block plans, and written descriptions including details of the scale of proposals are required. Detailed elevations are encouraged especially in conservation areas, and where proposals concern listed buildings. Please see the validation criteria for each category in the 'Terms of Service' section of the Fee Schedule.

All proposals will receive a planning history and planning policy review. Proposals for non-householder minor or major development will also receive an unaccompanied site visit from the public realm. It may be necessary to make arrangements to access land and property to undertake an appropriate inspection.

Requests for a meeting will normally result in the offer of a meeting within four weeks of receipt of the detailed enquiry and fee.

All written responses to proposals will include a list of the validation requirements for a planning application for those proposals, the heads of terms to be sought in any supporting Section 106 (s106) agreement for such an application, and a list of the consultees North East Derbyshire District Council would approach on receipt of such an application.

North East Derbyshire District Council cannot be held accountable for advice from third parties, including the Highways Authority or other statutory consultees. Consequently responses from third parties on proposals cannot be guaranteed within the above timescales, and may be subject to additional fees payable to them by the proposer.

Where additional meetings can be requested, as detailed on the Fee Schedule, these will be to discuss minor revisions to the existing pre-application submission, which will need to be submitted to the case officer at least 10 working days before the meeting.

The case officer will be responsible for making the judgement as to whether the additional information does constitute a minor revision to the original pre-application submission. Changes that are considered not to be minor will be considered as a new pre-application advice request, subject to the validation requirements, the full fee and relevant timescale for response as set out in the Fee Schedule.

Timescales for written responses.

We aim to respond to pre-application advice requests within the timeframes set out for each category in the Fee Schedule.

Where the case officer needs additional time to provide a written response to your request for advice, they will provide a written update to this effect and give a revised target date for a written response to the pre-application request (including a reason as to why additional time is needed.)

North East Derbyshire District Council

Cabinet

18 July 2024

Productivity Plan

Report of Councillor J Birkin, Portfolio Holder for Council Services

Classification: Open

Report By: Director of Growth and Assets

Contact Officer: M Broughton

PURPOSE / SUMMARY

To seek approval from Cabinet to adopt the proposed Productivity Plan and publish in line with government expectations.

RECOMMENDATIONS

1. That Cabinet agree the Productivity Plan in Appendix B and publish to both the Government department and on the Council's website.

Approved by the Portfolio Holder – Cllr Birkin, Cabinet Member for Council Services

Finance and Risk: Yes ☐ No ☐

Details:

There are no direct financial considerations or risks associated with this report.

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes ☐ No ☐

Details:

There are no direct legal considerations or risks associated with this report.

On Behalf of the Solicitor to the Council

Staffing: Yes ☐ No ☐

Details:

There are no direct staffing considerations or risks associated with this report.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
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: NEDDC: Revenue - £125,000 <input type="checkbox"/> Capital - £310,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
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 checked="" type="checkbox"/> SMT <input checked="" type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes Details:

Links to Council Plan priorities, including Climate Change, Equalities, and Economics and Health implications.
Continually improve Council services to deliver excellence and value for money.

REPORT DETAILS

1 Background (reasons for bringing the report)

- 1.1 On the 16 April 2024 the Council received a letter from the Minister for Local Government (Appendix A), requesting the Council develop a Productivity Plan, considering questions raised in the letter, and return the plan to the former Department for Levelling Up, Housing and Communities and publish on the Council's website.

2. Details of Proposal or Information

- 2.1 Appendix B contains the proposed Productivity Plan for consideration by Cabinet.
- 2.2 The plan has been developed considering the Council's current position and future aspiration. Consultation has taken place with Senior Management Team with buy-in from all Council departments.

3 Reasons for Recommendation

- 3.1 Whilst the timing of the Productivity Plan has been dictated by Government, the intent of the plan aligns with the Council's own improvement plans identified through the Council Plan and the emerging Engagement and Improvement Strategy. The Council are committed to listening to customers, analysing data and reviewing processes to improve services, providing feedback and transparency to residents and members through the Annual Report. We have strong partnerships and peer-to-peer learning across the public sector including shared services, co-location, leadership boards and Derbyshire wide collaborations on finance, leisure, climate change, housing, etc.
- 3.2 The Productivity Plan provides a 'snapshot' of where we are against the questions raised by the Minister however, it is a useful document for the Council too.

4 Alternative Options and Reasons for Rejection

- 4.1 Do nothing – The Council could choose not to publish a Productivity Plan but this would be ignoring the request of the government department and given the Plan has been produced (Appendix B) there would be little or no value in this approach.

DOCUMENT INFORMATION

Appendix No	Title
A	Letter from the Minister
B	Proposed Productivity Plan
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 you must provide copies of the background papers)	



Department for Levelling Up, Housing & Communities

Simon Hoare MP
Minister for Local Government
2 Marsham Street
London
SW1P 4DF

16 April 2024

Dear Chief Executive

Productivity in Local Government

As you know, the Government is reviewing productivity across all public services and local government is, of course, part of that exercise. The recent [Local Government Finance Settlement](#) announced that councils would be asked to produce productivity plans. This letter formally begins that process.

May I first thank you for your very helpful engagement with my officials. Your views and thoughts have been valuable in shaping this approach to make it as useful as possible for all of us.

Local government has already done a huge amount in recent years to improve productivity and efficiency. However, lockdown and post-lockdown has proved challenging, and you are looking for new ways to go further. These new plans will help us understand what is already working well across the whole country, what the common themes are, whether there are any gaps and what more we need to do to unlock future opportunities. We will share these important lessons across the sector.

Productivity is not one-dimensional, and I would encourage you to consider the various facets that encompass the drive for greater productivity. When developing your plans, please think broadly and include reference to not only how you run your organisation, but also how you run the public services you provide and how you provide place leadership. It is with this wide view that we can ensure we are providing value for money for residents.

I am not looking to impose excessive burdens. I am not issuing you with a formal template or a detailed list of criteria to meet. I expect your plans to be three to four pages in length, and to set out what you have done in recent years, alongside your current plans, to transform your organisation and services. I do not want to specify a list of metrics you must report, but I do want to understand how you will monitor and assess your plans to assure yourselves and your residents that they will be delivered.

The plans should consider the below themes and where appropriate, should reference the work your council undertakes alongside other public services, such as the NHS and police.

1. How you have transformed the way you design and deliver services to make better use of resources.

Questions to consider:

- how has the organisation changed in recent years to become more productive? You may wish to consider what you have done around staffing, structures, operating models etc;
- how do you measure productivity in your organisation?
- what changes have you made to improve services, and what effects have those had?
- what are your current plans for transformation over the next two years and how will you measure the effects of those changes?

- looking ahead, which service has greatest potential for savings if further productivity gains can be found? What do you estimate these savings to be?
- what role could capital spending play in transforming existing services or unlocking new opportunities? If you have already used capital spending to boost growth or improve services, we would be interested in learning more;
- what preventative approaches you have undertaken and can the value of these be quantified?
- are there wider locally-led reforms that could help deliver high quality public services and improve the sustainability and resilience of your authority?

2. How you plan to take advantage of technology and make better use of data to improve decision making, service design and use of resources.

Questions to consider:

- what are your existing plans to improve the quality of the data you collect; how do you use it and how do you make it available to residents?
- are there particular barriers from legacy systems?
- how often do you share data with other organisations, and do you find this useful?
- Are there opportunities to use new technology to improve workflows and systems, such as predictive analytics and AI?

3. Your plans to reduce wasteful spend within your organisation and systems.

I know we will share the aim to reduce waste wherever we can and, while you have all made huge strides in recent years, no organisation is ever 100% efficient. You should set out your plans to reduce wasteful or “gold-plated” spend.

Questions to consider:

- how do you approach identifying and reducing waste in the organisation? How do you monitor progress?
- where have you followed invest to save and what was the result?
- how much time and money do you spend on staff EDI training (internal and external), networks, and other programmes? How many EDI Champions do you have as an organisation? How do you log and report the time and money spent on EDI related activity? How do you assess the effectiveness of that training?
- what percentage of total staff budget is spent on a) agency and b) consultants? How do you assess value for money on agency & consultancy spend and what are your plans to reduce use / costs? How many of those consultants or agency staff have been in place for over a year?
- what governance structures do you use to ensure accountability of spend?
- do you share office functions with other councils and if so, how useful do you find this?
- if you share external training costs with neighbouring councils, how do you factor out duplications of service between your council and your upper-tier council (if you have one)?

- if you have one, what is your assessment and experience of working with an elected mayor, combined authority, or devolution deal?
- what proportion of your paybill is spent on trade union facility time?

4. The barriers preventing progress that the Government can help to reduce or remove.

There will be barriers preventing you from going as far or as fast as you would like to. I would like your plans to set those out, so that we can understand how government, or the market, can help you overcome these barriers to go even further.

Questions to consider:

- what are the barriers preventing you from improving productivity further within your organisation?
- what are the barriers preventing you from improving services further?
- are these barriers consistent across multiple services?
- what would you need to remove those barriers? What do you need from government, the market or elsewhere?

Your plans must be returned by 19 July 2024, by email to productivityplans@levellingup.gov.uk.

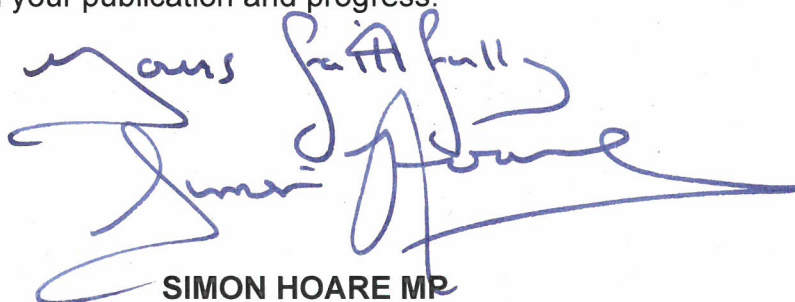
You must ensure that there is member oversight and endorsement of the plan before it is submitted, and the plan must also be uploaded to your website so that residents can see it. You should consider how you will update the plans and report on progress on a regular basis. The plans should also contain relevant metrics and key performance indicators to allow you and your residents to monitor progress.

Once received, we will review the plans to identify common themes and issues across the sector. We are keen to highlight best practice that others can learn from.

Individual plans will not be rated or scored, and we will not produce any kind of league tables. We are interested in understanding what is happening across the sector.

We are setting up a panel to consider the themes and evidence that comes from the plans. I will chair the panel and bring together experts from the sector and beyond, including Oflog and the LGA. They will consider the issues emerging from the plans, the implications for future national policy design, the role of government in supporting further change and the role of the sector in going further. The panel will advise national government and local government, and I believe this collaborative approach will ensure the most effective outcomes.

I look forward to updates on your publication and progress.


SIMON HOARE MP
 Minister for Local Government



Productivity Plan

2024 - 2025



North East
Derbyshire
District Council

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Introduction

North East Derbyshire District Council is pleased to present this Productivity Plan. It is in response to the request from the Department of Levelling Up Housing and Communities (DLUHC) that all local authorities publish a plan this year.

Over several years, the Council has delivered many initiatives and changes to improve efficiency and service delivery. Compared to 2010, our spending power has reduced by 38% and despite this our 2024 residents survey suggests 58% of residents are satisfied with how the we run things. There is always room for improvement and this plan outlines how we have, and will continue to, transform its operations to make the best use of resources and continuously



improve services.

We have carefully considered the request from DLUHC and our Plan addresses the key questions they raise. It details:

- How we have transformed the way we design and deliver services to make better use of resources.
- How we plan to take advantage of technology and make better use of data to improve decision making, service design and use of resources.
- Our plans to reduce wasteful spend within our organisation and systems.
- The barriers preventing our progress that the Government can help to reduce or remove.

We are well placed to respond to the challenges facing Local Authorities and and we have a track record in delivering improvements that will benefit our residents through efficiency and financial prudence.

This plan should be considered alongside other strategic documents, including our Risk Management Plan, Medium Term Financial Plan and our emerging Engagement and Improvement Strategy.

Medium term financial plan 2023/24 to 2027/28

The Council approved its budget for 2024/25 in January along with a council tax increase of 2.99%. The small shortfall forecast is funded from reserves, but it is fully expected that efficiency savings during the year will be sufficient to meet this.

Financial challenges increase in the latter years of the plan, largely because of the uncertainty surrounding national funding. 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.

The table below summarises the position:

	Planning Original 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.

[Medium Term Financial Plan 2023/24 to 2027/28.pdf \(ne-derbyshire.gov.uk\)](#)



How have we transformed the way we design and deliver services to make better use of resources?

Boosting productivity

A new leadership structure combined with performance monitoring through data dashboards and resident surveys optimises resource allocation.

Enhanced services

Hybrid mail, shared facilities with Rykneld Homes, and digitalisation (including online services and meeting streaming) have improved efficiency and accessibility. Customer feedback led to extended leisure centre hours. Staff development through a digital platform further strengthens service delivery.



Future vision

An Engagement & Improvement strategy and a recent £30 million investment in leisure centres (including a new facility) aim to boost attendance, revenue, and

sustainability. Digitisation efforts across the whole organisation will target further efficiency gains.

Strategic investments

Capital spending focuses on areas like leisure centres, town centre development, a new Streetscene depot, and development land, aiming to increase income, service improvements, and affordable housing delivery.

Preventative measures

Regular asset surveys, a “grow your own” staff development approach, a reviewed risk management strategy, and strategic Council Plan alignment ensure long-term value and resilience to all we do.

Wider collaboration

We lobby for regional improvements through the East Midlands County Combined Authority and collaborate with neighbouring public partners on shared services and facilities.

In essence, we prioritise efficiency, digitalisation, and resident-centric service delivery. Strategic investments and collaboration fuel the vision for a sustainable and high-quality public service future.

How do we plan to take advantage of technology and make better use of data to improve decision making, service design and use of resources?

We recognise the power of technology and data in improving decision-making, service design, and resource utilisation. Here's how we plan to move forward:

Enhancing data quality and accessibility

Management dashboard and data hub: These existing tools will be continuously developed to strengthen management oversight and data-driven decision making.

Resident access: We publish an annual report with progress updates, performance against KPIs, and Oflog metrics, providing some level of data accessibility to residents. In addition, residents have access to view public meetings where performance is regularly discussed.

Our website and social media channels are widely used especially for front line services with high customer interaction.



Challenges and opportunities

Legacy systems: Fragmented IT systems create data silos, making it difficult to collate information across departments. Cloud-based infrastructure is a step towards improvement, but cultural change is necessary to move away from departmental data ownership.



Collaboration through data sharing

Shared services: Collaboration with partners through six shared services allows for frequent data and knowledge exchange.

Benchmarking: Participation in formal benchmarking initiatives facilitates data comparison and learning from others.

Harnessing new technologies

M365 implementation: We have recently implemented M365 and collaboration with partner councils on staff and process development aims to maximise benefits and drive cultural change towards data-driven processes.

Predictive analytics and AI: There is an openness to exploring new technologies like AI and predictive analytics and we recognise these can help with tasks like forecasting resource needs, identifying service gaps, and streamlining workflows. It is expected the technology will be implemented through existing IT Systems led by an organisational review process of all major systems and how AI will benefit.

We are on the right track with our existing initiatives. However, overcoming legacy system challenges and fostering a data-driven culture are crucial for maximising the benefits of technology and data in the future. By focusing on data accessibility, collaboration, and exploring new technologies, we can make informed decisions, design better services, and optimise resource allocation, ultimately leading to a more efficient and resident-centric council.



What are our plans to reduce wasteful spend within our organisation and systems?

We adopt multi faceted approach to identify and reduce wasteful spending:

Process mapping: Processes are being mapped to streamline workflows, create staff training materials, and ensure clear audit trails. This is being implemented across the organisation to eliminate inefficiencies and improve services.

Budget review: Annual line-by-line budget reviews are conducted to challenge spending, identify potential waste, and ensure accurate and realistic forecasts.

Service plan alignment: Service plans are reviewed annually and must align with the Council Plan. Service delivery not contributing to overall goals is reviewed and reshaped.

Invest to Save Approach: We utilise the “invest to save” principle, where upfront investments aim to generate future efficiencies or revenue growth. Recent examples include:

- **Hybrid mail:** Reduced mail cost and processing time.
- **Collocation with Rykneld Homes:** Reduced office space and improved customer access.
- **Leisure centre decarbonisation:** Lowered carbon emissions and utility costs.
- **Talent Pipeline:** Recruiting talented people to improve organisational health and efficiency, looking towards the next generation.

Staff equality, diversity and inclusivity (EDI) training:

While there are no dedicated EDI Champions, EDI is integrated throughout the council. Training and team practices emphasise Equality Impact Assessments, ensuring EDI is embedded in daily operations.

Robust financial management: There is a strong commitment to being fiscally responsible and efficient and to demonstrate strong financial governance which is reflected in the Council Plan. Progress against these commitments is regularly scrutinised through the delivery management process and the budget monitoring process.

There are strong financial controls embedded in the financial management systems. Internal and external audits assess the effectiveness of these controls. There are clear spending delegations and thresholds detailed in the Constitution.

Transparency: This is important to us and we comply fully with the Transparency Code. The recent investment in technology to digitise meeting facilities has significantly enhanced resident access, participation and transparency of decision making.

Shared office functions and training:

We actively seek opportunities to share functions with other public sector partners. We currently share facilities and services with various organisations like Rykneld Homes, Derbyshire County Council and Citizens Advice. Back-office functions including ICT and internal audit are also shared with neighbouring councils.



Collaboration with upper-tier Council:

As the East Midlands County Combined Authority (EMCCA) is newly established, it's too early to assess its impact. However, collaboration efforts during the Devolution Deal drafting stage continue to be leveraged and remain positive.

What are the barriers preventing progress that the Government can help to reduce or remove?

We possess the capability to identify and implement productivity and service improvements but inevitably do encounter barriers to delivery. Here's a breakdown of the key barriers we have identified that would benefit from Government intervention alongside potential solutions:

Financial constraints

Council Tax Inequity: Greater flexibility around current council tax referendum principles would be helpful, but equalisation of the council tax system is essential to ensure that low tax base councils benefit in equal measure to those with high taxbases. To demonstrate, our taxbase is 20% lower than comparable districts with a high taxbases.

Insufficient funding for waste changes: New waste management regulations come with substantial costs, exceeding the provided funding. Government support for capital expenditure, including the forecast cost to build a new facility, is crucial.

Impact of social housing regulation changes: New consumer standards introduced for social housing landlords including councils like us came into effect in April 2024. The standards aim to protect tenants and improve the services they receive.

Balancing financial constraints whilst ensuring compliance is challenging. The Government can empower us and other stock owning councils by collaborating closely on the impact the changes are having on housing delivery and recognising that support including financial resources may be required to enhance our services and ensure compliance.

Aging assets: Maintaining our aging assets requires significant investment, limiting resources available for service improvement initiatives.

Resource limitations

Time constraints due to limited resources:

While improvement opportunities exist, implementing them takes time, a luxury limited by current resource allocation.

AI and technological advances: We won't be alone in an appetite for technological advances but we're largely dependant on private sector providers of IT systems to develop solutions for the public sector. Government could support this at scale, working with private sector IT systems suppliers for common local authority functions.

Future policy and regulatory issues

Business rates reset: The anticipated reset of business rates has the potential to significantly reduce the level of income generated, having a substantial, detrimental impact on our budget.

Business rates retention at a local level, allowing districts to retain growth would be of significant benefit to us.



Public trust and engagement

Public perception: Negative public perception of local government discourages resident engagement and considering careers in the public sector.

Support for initiatives that improve public perception of local government and recruitment campaigns promoting careers in Local Government would improve positive engagement and the supply of high quality staff.

By working to resolve the above, the government can empower us and similar councils to fully optimise their services and deliver better outcomes for their communities.

Equalities Statement

North East Derbyshire District Council is committed to equalities as an employer and when delivering the services it provides to all sections of the community.

The Council believes that no person should be treated unfairly and is committed to eliminating all forms of discrimination, advancing equality and fostering good relations between all groups in society.

Access for All statement

You can request this document or information in another format such as large print or language or contact us by:

- Phone: [01246 231111](tel:01246 231111)
- Email: connectne@ne-derbyshire.gov.uk
- Text: [07800 00 24 25](tel:07800 00 24 25)
- BSL Video [Call](#): a FREE, three way video call with us and a BSL interpreter.
- Call with [Relay UK](#) via textphone or app on [0800 500 888](tel:0800 500 888). FREE phone service for anyone who has difficulty hearing or speaking.
- Visiting our [offices](#) at Wingerworth:
2013 Mill Lane, [S42 6NG](#).



North East Derbyshire District Council

Cabinet

18 July 2024

Treasury Management Financial Outturn 2023/24

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

Classification: This report is public

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

Contact Officer: Jayne Dethick

PURPOSE/SUMMARY

To inform Cabinet of the Treasury Management outturn position for 2023/24.

RECOMMENDATIONS

1. That Cabinet note the outturn position in respect of the 2023/24 financial year.

Approved by the Portfolio Holder – Cllr Pat Kerry, Deputy Leader with responsibility for finance.

IMPLICATIONS

Finance and Risk

Yes ✓

No

These are detailed in the attached report.

On Behalf of the Section 151 Officer

Legal including Data Protection

Yes ✓

No

The Statement of Accounts is required to be prepared by the 30 September this year. The Council has now completed the draft Statement of Accounts and they have been signed off by the Chief Financial Officer as at 29 May 2024 which secures compliance with the Council's obligations.

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

Decision Information	
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: NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
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 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:

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

All

REPORT DETAILS**1 Background**

- 1.1 In January 2023, the Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Council to approve treasury management semi-annual and annual outturn reports.
- 1.2 There is also a new requirement in the Code, which became mandatory from 1 April 2023, of quarterly reporting of the treasury management indicators and the prudential indicators.

- 1.3 Whilst treasury management updates have been provided for many years alongside the quarterly revenue and capital monitoring reports, the new requirements of the Code require more detailed reporting. Therefore, to meet these new requirements a separate treasury management outturn will be presented alongside the main financial outturn.

2. Treasury Management

- 2.1 The treasury management function covers the borrowing and investment of Council funds. All transactions are conducted in accordance with the Council's approved strategy and the CIPFA Code of Practice. Good treasury management plays an important role in the sound financial management of the Council's resources.
- 2.2 The Council approved the 2023/24 Treasury Management Strategy at its meeting on 30 January 2023. **Appendix 1** identifies the Treasury Management activity undertaken in 2023/24. This includes reporting on the treasury management indicators as required by the new Code such as the maturity structure of borrowing. In summary, the Council operated throughout 2023/24 within the Authorised Limit and Operational Boundary limits approved in the approved Treasury Management Strategy.
- 2.3 The key points from the summary report at **Appendix 1** are:
- The overall borrowing requirement of the Council was £198.988m at 31 March 2024.
 - The PWLB debt is £142.809m at March 2024.
 - Effective internal borrowing is £45.348m at 31 March 2024.
 - No new PWLB borrowing was undertaken in 2023/24.
 - Repaid PWLB debt in year of £4.112m.
 - PWLB interest paid in year was £5.118m.
 - Interest received in year on investments was £1.472m.

Prudential Indicators

- 2.3 As from 1 April 2023 there is a new requirement that monitoring of prudential indicators should be reported quarterly. Prudential Indicators are a means of demonstrating that capital expenditure plans are affordable to aid decision making. **Appendix 2** identifies the impact on the Prudential Indicators from the treasury management activity in 2023/24.

3 Reasons for Recommendation

- 3.1 The Council operated in line with its agreed Treasury Management Strategy during the 2023/24 financial year. This ensures that lending and borrowing arrangements were prudent and sustainable, minimising the risk of financial loss to the Council. Effective management of these arrangements ensured that interest costs during the year were minimised to assist the Council's revenue position whilst interest receivable increased slightly above budget due to increased interest rates.

4 Alternative Options and Reasons for Rejection

- 4.1 This report is primarily a factual report detailing the actual position against the Council's previously approved treasury management strategy. Accordingly, the report does not set out any options where a decision is required by Members.

DOCUMENT INFORMATION

Appendix No	Title
1	Treasury Management Outturn 2023/24
2	Prudential Indicators Outturn 2023/24
Background Papers	

Treasury Management Outturn Report 2023/24

Introduction

In January 2023, the Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve, treasury management semi-annual and annual outturn reports. This quarterly report provides an additional update.

This report includes the new requirement in the 2021 code, mandatory from 1 April 2023, of quarterly reporting of the treasury management prudential indicators.

The Council's treasury management strategy for 2023/24 was approved at a meeting on 30 January 2023. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.

External Context

Economic background: UK inflation continued to decline from the 8.7% rate seen at the start of 2023/24. By the last quarter of the financial year headline consumer price inflation (CPI) had fallen to 3.4% in February but was still above the Bank of England's 2% target at the end of the period. The core measure of CPI, i.e., excluding food and energy, also slowed in February to 4.5% from 5.1% in January, a rate that had stubbornly persisted for three consecutive months.

The UK economy entered a technical recession in the second half of 2023, as growth rates of -0.1% and -0.3% respectively were recorded for Q3 and Q4. Over the 2023 calendar year GDP growth only expanded by 0.1% compared to 2022. Of the recent monthly data, the Office for National Statistics reported a rebound in activity with economy expanding 0.2% in January 2024. While the economy may somewhat recover in Q1 2024, the data suggests that prior increases in interest rates and higher price levels are depressing growth, which will continue to bear down on inflation throughout 2024.

Labour market data provided a mixed message for policymakers. Employment and vacancies declined, and unemployment rose to 4.3% (3mth/year) in July 2023. The same month saw the highest annual growth rate of 8.5% for total pay (i.e., including bonuses) and 7.8% for regular pay growth (i.e., excluding bonuses). Thereafter, unemployment began to decline, falling to 3.9% (3mth/year) in January and pay growth also edged lower to 5.6% for total pay and 6.1% for regular pay, but remained above the Bank of England's forecast.

Having begun the financial year at 4.25%, the Bank of England's Monetary Policy Committee (MPC) increased Bank Rate to 5.25% in August 2023 with a 3-way split in the Committee's voting as the UK economy appeared resilient in the face of the dual headwinds of higher inflation and interest rates. Bank Rate was maintained at 5.25% through to March 2024. The vote at the March was 8-1 in favour of maintaining rates at this level, with the single dissenter preferring to cut rates immediately by 0.25%. Although financial markets shifted their interest rate expectations downwards with expectations of a cut in June, the MPC's focus remained on assessing how long interest rates would need to be restrictive in order to control inflation over the medium term.

In the Bank's quarterly Monetary Policy Report (MPR) released in August 2023 the near-term projection for services price inflation was revised upwards, goods price inflation widespread across products, indicating stronger domestic inflationary pressure with second-round effects in domestic prices and wages likely taking longer to unwind than they did to emerge. In the February 2024 MPR the Bank's expectations for the UK economy were positive for the first half of 2024, with a recovery from the mild recession in calendar H2 2023 being gradual. Headline CPI was forecast to dip below the 2% target quicker than previously thought due to declining energy prices, these effects would hold inflation slightly above target for much of the forecast horizon.

Following this MPC meeting, Arlingclose, the authority's treasury adviser, maintained its central view that 5.25% remains the peak in Bank Rate and that interest rates will most likely start to be cut later in H2 2024. The risks in the short-term are deemed to be to the downside as a rate cut may come sooner than expected, but then more broadly balanced over the medium term.

The US Federal Reserve also pushed up rates over the period, reaching a peak range of between 5.25-5.50% in August 2023, where it has stayed since. US policymakers have maintained the relatively dovish stance from the December FOMC meeting and at the meeting in March, economic projections pointed to interest rates being cut by a total of 0.75% in 2024.

Following a similarly sharp upward trajectory, the European Central Bank hiked rates to historically high levels over period, pushing its main refinancing rate to 4.5% in September 2023, where it has remained. Economic growth in the region remains weak, with a potential recession on the cards, but inflation remains sticky and above the ECB's target, putting pressure on policymakers on how to balance these factors.

Financial markets: Sentiment in financial markets remained uncertain and bond yields continued to be volatile over the year. During the first half of the year, yields rose as interest rates continued to be pushed up in response to rising inflation. From October they started declining again before falling sharply in December as falling inflation and dovish central bank attitudes caused financial markets to expect cuts in interest rates in 2024. When it emerged in January that inflation was stickier than

expected and the BoE and the Federal Reserve were data dependent and not inclined to cut rates soon, yields rose once again, ending the period some 50+ bps higher than when it started.

Over the financial year, the 10-year UK benchmark gilt yield rose from 3.44% to peak at 4.75% in August, before then dropping to 3.44% in late December 2023 and rising again to 3.92% (28th March 2024). The Sterling Overnight Rate (SONIA) averaged 4.96% over the period to 31 March.

Credit review: In response to an improving outlook for credit markets, in January 2024 Arlingclose moved away from its previous temporary stance of a 35-day maximum duration and increased its advised recommended maximum unsecured duration limit on all banks on its counterparty list to 100 days.

Earlier in the period, S&P revised the UK sovereign outlook to stable and upgraded Barclays Bank to A+. Moody's also revised the UK outlook to stable, Handelsbanken's outlook to negative, downgraded five local authorities, and affirmed HSBC's outlook at stable while upgrading its Baseline Credit Assessment. Fitch revised UOB's and BMO's outlooks to stable.

In the final quarter of the financial year, Fitch revised the outlook on the UK sovereign rating to stable from negative based on their assessment that the risks to the UK's public finances had decreased since its previous review in October 2022, the time of the mini- budget.

Moody's, meanwhile, upgraded the long-term ratings of German lenders Helaba, Bayern LB and LBBW on better solvency and capital positions, despite challenges from a slowing German economy and exposure to the commercial real estate sector. Moody's also upgraded or placed on review for an upgrade, Australian banks including ANZ, CBA NAB and Westpac on the back of the introduction of a new bank resolution regime.

Credit default swap prices began the financial year at elevated levels following the fallout from Silicon Valley Bank and collapse/takeover of other lenders. From then the general trend was one of falling prices and UK lenders' CDS ended the period at similar levels to those seen in early 2023. Earlier in the year some Canadian lenders saw their CDS prices rise due to concerns over a slowing domestic economy and housing market, while some German lenders were impacted by similar economic concerns and exposure to commercial real estate towards the end of the period, with LBBW remaining the most elevated.

Heightened market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remain under constant review.

Local Context

On 31 March 2024, the Council had net borrowing of £127.4m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	31.3.23 Actual £m	31.3.24 Actual £m
General Fund CFR	20.9	21.7
HRA CFR	171.3	177.3
Total CFR	192.2	199.0
Less: *Other debt liabilities	0	0
Borrowing CFR	192.2	199.0
External borrowing**	(146.9)	(142.8)
Internal borrowing	45.3	56.2
Less: Balance sheet resources	(71.3)	(70.2)
Net	26.0	14.0

* finance leases, PFI liabilities and transferred debt that form part of the Council's total debt

** shows only loans to which the Council is committed and excludes optional refinancing

The treasury management position at 31 March and the change over the quarter is shown in Table 2 below.

Table 2: Treasury Management Summary

	31.3.23 Balance £m	Movement £m	31.3.24 Balance £m	31.3.24 Rate %
Long Term Borrowing – PWLB	146.9	(4.1)	142.8	3.54
Total Borrowing	146.9	(4.1)	142.8	3.54
Short-Term Investments	(26.0)	12.0	(14.0)	(5.53)
Cash and cash Equivalents	(0.7)	(0.7)	(1.4)	(5.15)
Total Investments	(26.7)	11.3	(15.4)	(5.45)
Net Borrowing	120.2	7.2	127.4	

Borrowing

CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Council. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes.

The Council has not invested in assets primarily for financial return or that are not primarily related to the functions of the Council. It has no plans to do so in future.

Borrowing strategy and activity

As outlined in the treasury strategy, the Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing lower interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective. The Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

Interest rates have seen substantial rises over the last two years, although these rises have now begun to plateau. Gilt yields fell in late 2023, reaching April 2023 lows in December 2023 before rebounding to an extent in the first three months of 2024. Gilt yields have remained volatile, seeing upward pressure from perceived sticker inflation at times and downward pressure from falling inflation and a struggling economy at other times.

On 31 December, the PWLB certainty rates for maturity loans were 4.74% for 10-year loans, 5.18% for 20-year loans and 5.01% for 50-year loans. Their equivalents on 31 March 2023 were 4.33%, 4.70% and 4.41% respectively.

The cost of short-term borrowing from other local authorities has generally risen with Base Rate over the year. Interest rates peaked at around 7% towards the later part of March 2024 as many authorities required cash at the same time. These rates are expected to fall back to more normal market levels in April 2024.

On 31 December, the PWLB certainty rates for maturity loans were 4.19% for 10-year loans, 4.90% for 20-year loans and 4.67% for 50-year loans. Their equivalents on 31 March 2023 were 4.33%, 4.70% and 4.41% respectively.

A new PWLB HRA rate which is 0.4% below the certainty rate was made available from 15th June 2023. This rate will now be available until June 2025. The discounted rate is to support local authorities borrowing for the Housing Revenue Account and for refinancing existing HRA loans, providing a window of opportunity for HRA-related borrowing and to replace the Council's £4m loans relating to the HRA maturing during this time frame.

At 31 March 2024 the Council held £142.8m of loans, a decrease of £4.1m since 31 March 2023, as part of its strategy for funding previous and current years' capital programmes. Outstanding loans on 31 March are summarised in Table 3A below.

Table 3A: Borrowing Position

PWLB Borrowing	Maturity Profile 31 March 2023 £'000	Net Movement £'000	Maturity Profile 31 March 2024 £'000
Term			
12 Months	4,112	(4,112)	0
1 - 2 years	6,109	(0)	6,109
2 - 5 years	15,191	(0)	15,191
5 - 10 years	24,419	(0)	24,419
10 - 15 years	42,000	(0)	42,000
Over 15 years	55,090	(0)	55,090
Total PWLB Debt	146,921	(4,112)	142,809

The Council's borrowing decisions are not predicated on any one outcome for interest rates and a balanced portfolio of short-term and long-term borrowing was maintained.

There remains a strong argument for diversifying funding sources, particularly if rates can be achieved on alternatives which are below gilt yields + 0.80%. The Council will evaluate and pursue these lower cost solutions and opportunities with its advisor Arlingclose.

Treasury Management Investment Activity

CIPFA revised TM Code defines treasury management investments as those which arise from the Council's cash flows or treasury risk management activity that ultimately represents balances which need to be invested until the cash is required for use in the course of business.

The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Council's investment balances ranged between £14.0 and £37.5 million due to timing differences between income and expenditure. The investment position is shown in table 4 below.

Table 4: Treasury Investment Position

Bank Name	Duration of Loan	B/Fwd 01/04/23 £000's	Amount Invested 2023/24 £000's	Amount Returned 2023/24 £000's	Balance Invested 31/3/24 £000's	Interest Received 31/3/24 £000's
Federated Fund 3	Call	3,000	1,150	(1,150)	3,000	(150)
Federated GBP 3	Call	2,000	186	(2,186)	0	(186)
Aberdeen Standard	Call	1,000	20,593	(21,593)	0	(93)
CCLA Public Sector Deposit Fund	1 Day Call	5,000	94	(5,094)	0	(94)
Aviva	Call	1,500	3,742	(5,242)	0	(242)
Invesco	Call	0	10,191	(9,191)	1,000	(191)
JP Morgan	Call	0	3,003	(3,003)	0	(3)
Goldman Sachs	Call	0	6,518	(6,518)	0	(18)
SSGA	Call	3,500	28,089	(31,589)	0	(89)
Ashford Borough Council	12 Months	5,000	133	(5,133)	0	(133)
Lancashire County Council	12 Months	5,000	5,191	(5,191)	5,000	(191)
Aberdeen County Council	12 Months	0	5,082	(82)	5,000	(82)
Total		26,000	83,972	(95,972)	14,000	(1,472)

Overnight Investments

The balance of the daily surplus funds can be placed as overnight investments with the Council's bank which is Lloyds. The maximum amount invested with Lloyds in the financial year was £4.990m. There has been no breach of the £5m limit set in the Treasury Management Strategy. For clarity, this limit relates to the amount invested and doesn't include interest accruing as a result. The interest earned from daily balances up to 31 March 2024 is £81,857.92.

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

As demonstrated by the liability benchmark in this report, the Council expects to be a long-term borrower and new treasury investments are therefore primarily made to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income.

Bank Rate increased by 1% over the period, from 4.25% at the beginning of April to 5.25% by the end of December. Short term rates peaked at 5.6% for 3-month rates and 6.6% for 12-month rates during the period, although these rates subsequently began to reduce towards the end of the period. Money Market Rates also rose and were between 5.27% and 5.29% by the end of March.

The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in Table 5 below.

Table 5: Investment Benchmarking – Treasury investments managed in-house

	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return %
31.03.2023 31.3.2024	5.29	A+	32%	155	5.61
Similar Las/All LAs	4.90	A+	61%	50	5.07

*Weighted average maturity

Statutory override: In April 2023 the Department for Levelling Up, Housing and Communities (DLUHC) published the full outcome of the consultation on the extension of the statutory override on accounting for gains and losses on pooled investment funds. The override has been extended for two years until 31 March 2025 but no other changes have been made; whether the override will be extended beyond the new date is unknown but commentary to the consultation outcome suggests not. The Authority will discuss with Arlingclose the implications for the investment strategy and what action may need to be taken.

ESG policy: Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's strategy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.

Non-Treasury Investments

The definition of investments in CIPFA's revised 2021 Treasury Management Code covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).

Investment Guidance issued by the Department for Levelling Up Housing and Communities (DLUHC) and Welsh Government also includes within the definition of investments all such assets held partially or wholly for financial return.

The Council also held £15.9m of such investments in

- Loans to Rykneld Homes Ltd £6.5m
- Loans to Northwood Group Ltd £9.4m

The Council held £21.8m of investments made for commercial purposes

- Directly owned property £21.8m

These investments generated £0.553m of investment income for the Council after taking account of direct costs, representing a rate of return of 2.53% as at 31 March 2024.

Treasury Performance

The Council measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates, as shown in table 6 below.

Table 6: Performance

	Actual £m	Budget £m	Over/ under	Actual %	Benchmark %	Over/ under
PWLB Borrowing	142.8	150.8	Under	3.54	4.33	Under
Total borrowing	142.8	150.8	Under	3.54	4.33	Under
Total debt	142.8	150.8	Under	3.54	4.33	Under
Investments (see table 4)	14.0	11.7	Over	5.53	2.42	Over
Total treasury investments	14.0	11.7	Over	5.53	2.42	Over

Consultation

In December DLUHC published two consultations: a “final” consultation on proposed changes to regulations and statutory guidance on MRP closing on 16th February and a “call for views” on capital measures to improve sector stability and efficiency closing on 31 January.

Draft regulations and draft statutory guidance are included in the MRP consultation. The proposals remain broadly the same as those in June 2022 – to limit the scope for authorities to (a) make no MRP on parts of the capital financing requirement (CFR) and (b) to use capital receipts in lieu of a revenue charge for MRP.

In its call for views on capital measures, Government wishes to engage with councils to identify and develop options for the use of capital resources and borrowing to support and encourage ‘invest-to-save’ activity and to manage budget pressures without seeking exceptional financial support. Whilst Government has identified some options including allowing authorities to capitalise general cost pressures and meet these with capital receipts, there is no commitment to take any of the options forward.

Compliance

The S151 Officer reports that all treasury management activities undertaken during the quarter complied fully with the principles in the Treasury Management Code and the Council’s approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 7 below.

Table 7: Investment Limits

	2023/24 Maximum per counterparty	31.3.24 Actual	2023/24 Limit	Complied?
The UK Government	Unlimited	£0m	n/a	Yes
Local authorities & other government entities	£5m	£10m	Unlimited	Yes
Secured investments	£5m	£0m	Unlimited	Yes
Banks (unsecured)	£5m	£0m	Unlimited	Yes
Building societies (unsecured)	£5m	£0m	£20m	Yes
Registered providers (unsecured)	£5m	£0m	£20m	Yes
Money market funds	£5m	£4m	Unlimited	Yes
Strategic pooled funds	£5m	£0m	£20m	Yes
Real Estate Investment Trusts	£5m	£0m	£20m	Yes
Other investments	£5m	£0m	£20m	Yes

Compliance with the Authorised Limit and Operational Boundary for external debt is demonstrated in table 8 below.

Table 8: Debt and the Authorised Limit and Operational Boundary

	2023/24 Maximum £m	31.3.24 Actual £m	2023/24 Operational Boundary £m	2023/24 Authorised Limit £m	Complied?
Borrowing	146.9	142.8	212.5	217.5	Yes
Total debt	146.9	142.9	212.5	217.5	Yes

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

Treasury Management Indicators

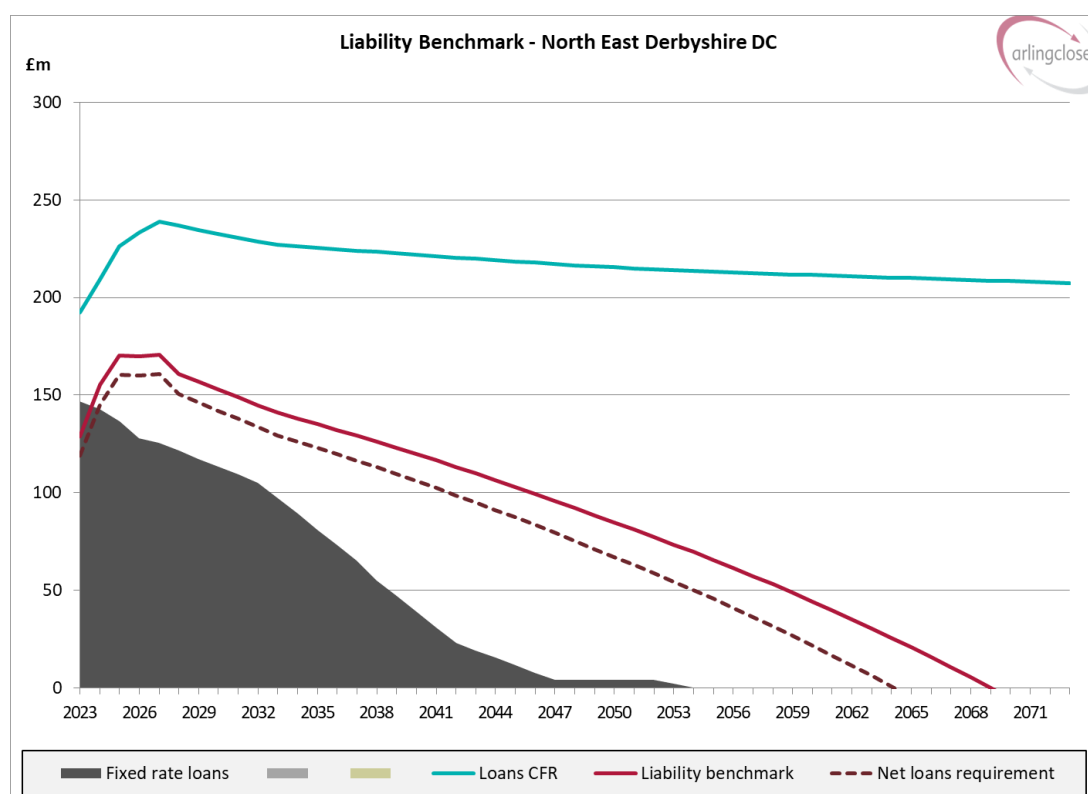
As required by the 2021 CIPFA Treasury Management Code, the Council monitors and measures the following treasury management prudential indicators.

1. Liability Benchmark:

This new indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £10m required to manage day-to-day cash flow.

	31.3.23 Actual	31.3.24 Actual	31.3.25 Forecast	31.3.26 Forecast
Loans CFR	192.3	199.0	221.3	218.1
Less: Balance sheet resources	(71.4)	(70.2)	(73.6)	(71.6)
Net loans requirement	120.9	128.8	147.7	146.5
Plus: Liquidity allowance	10.0	10.0	10.0	10.0
Liability benchmark	130.9	138.8	157.7	156.5
Existing borrowing	146.9	142.8	157.0	156.0

Following on from the medium-term forecast above, the long-term liability benchmark assumes capital expenditure funded by borrowing of £10.1m in 2023/24, minimum revenue provision on new capital expenditure based on a 50-year asset life. This is shown in the chart below together with the maturity profile of the Council's existing borrowing.



Whilst borrowing may be above the liability benchmark, strategies involving borrowing which is significantly above the liability benchmark carry higher risk.

2. Maturity Structure of Borrowing: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	Upper Limit	Lower Limit	31.3.24 Actual	Complied?
Under 12 months	20%	0%	0.00%	Yes
12 months and within 24 months	20%	0%	4.28%	Yes
24 months and within 5 years	40%	0%	10.64%	Yes
5 years and within 10 years	40%	0%	17.10%	Yes
10 years and above	90%	0%	67.98%	Yes

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

3. Long-term Treasury Management Investments: The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

	2023/24	2024/25	2025/26	No fixed date
Limit on principal invested beyond year end	£20m	£20m	£20m	£20m
Actual principal invested beyond year end	£0m	£0m	£0m	£0m
Complied?	Yes	Yes	Yes	Yes

Long-term investments with no fixed maturity date include strategic pooled funds, real estate investment trusts and directly held equity but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

Additional indicators

Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	2023/24 Target	31.3.24 Actual	Complied?
Portfolio average credit rating	<3.0	2.0	Yes

Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing / it can borrow each period without giving prior notice.

	31.3.24 Actual £m	2023/24 Target £m	Complied?
Total cash available within 3 months	5.4	11.7	No

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. Bank Rate rose by 1.25% from 4.25% on 1 April to 5.25% by 31 December.

Interest rate risk indicator	2023/24 Target	31.3.24 Actual	Complied
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£1.5m	£0.0m	Yes
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£1.5m	£0.0m	Yes

For context, the changes in interest rates during the quarter were:

	<u>31/3/23</u>	<u>31/3/24</u>
Bank Rate	4.25%	5.25%
1-year PWLB certainty rate, maturity loans	4.78%	5.36%
5-year PWLB certainty rate, maturity loans	4.31%	4.68%
10-year PWLB certainty rate, maturity loans	4.33%	4.74%
20-year PWLB certainty rate, maturity loans	4.70%	5.18%
50-year PWLB certainty rate, maturity loans	4.41%	5.01%

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at new market rates.

Prudential Indicators Outturn 2023/24

The Council measures and manages its capital expenditure, borrowing and commercial and service investments with references to the following indicators.

It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis.

Capital Expenditure:

The Council has undertaken and is planning capital expenditure as summarised below.

	2022/23 actual £m	2023/24 actual £m	2024/25 budget * £m	2025/26 budget £m
General Fund services	£8.970	£15.429	£19.839	£5.145
Council housing (HRA)	£20.304	£30.387	£28.094	£12.252
Capital investments	£0.000	£0.000	£0.000	£0.000
Total	£29.274	£45.816	£47.933	£17.397

* £0m of capital expenditure in arises from a change in the accounting for leases and does not represent cash expenditure.

The main General Fund capital projects to date have included Refurbishment of Mill Lane Project, General Asset Refurbishment, Dronfield Sports Centre Carbon Efficiencies Programme, Vehicle Replacement, UK Shared Prosperity Fund, Clay Cross Towns Fund Projects, and the rebuilding of Sharley Park Active Community Hub. HRA capital expenditure is recorded separately and to date includes capital works on Council Dwellings, North Wingfield New build Project, Pine View Danesmoor replacement housing and a stock purchase programme.

Capital Financing Requirement:

The Authority's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP/loans fund repayments and capital receipts used to replace debt.

	31.3.2023 actual £m	31.3.2024 actual £m	31.3.2025 budget * £m	31.3.2026 budget £m
General Fund services	£20.923	£21.697	£32.029	£28.240
Council housing (HRA)	£171.346	£177.291	£189.288	£189.888
Capital investments	£0.000	£0.000	£0.000	£0.000
TOTAL CFR	£192.270	£198.988	£221.317	£218.128

* £0.693m of the CFR increase in 2024/25 arises from a change in the accounting for leases

Gross Debt and the Capital Financing Requirement:

Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The Council has complied and expects to continue to comply with this requirement in the medium term as is shown below.

	31.3.2023 actual £m	31.3.2024 actual £m	31.3.2025 budget £m	31.3.2026 budget £m	Debt at 31.3.2024 £m
Debt (incl. PFI & leases)	£146.921	£142.809	£156.995	£155.995	£142.809
Capital Financing Requirement	£192.270	£198.988	£221.317	£218.128	

Debt and the Authorised Limit and Operational Boundary:

The Authority is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

	Maximum debt 2023/24 £m	Debt at 31.3.24 £m	2023/24 Authorised Limit £m	2023/24 Operational Boundary £m	Complied?
Borrowing	£146.921	£142.809	£217.500	£212.500	Yes
Total debt	£146.921	£142.809	£217.500	£212.500	Yes

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

Net Income from Commercial and Service Investments to Net Revenue Stream:

The Authority's income from commercial and service investments as a proportion of its net revenue stream has been and is expected to be as indicated below.

	2022/23 actual £m	2023/24 actual £m	2024/25 budget £m	2025/26 budget £m
Total net income from service and commercial investments	1.195	1.203	0.944	0.793
Proportion of net revenue stream	7.96%	7.57%	5.86%	5.67%

Proportion of Financing Costs to Net Revenue Stream:

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue.

The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

	2022/23 actual	2023/24 actual	2024/25 budget *	2025/26 budget
Financing costs (£m)	(0.4)	(0.8)	(0.1)	0.4
Proportion of net revenue stream	(2.37%)	(4.98%)	(0.52%)	2.75%

* £0m of the increase in financing costs in 2024/25 arises from a change in the accounting for leases and does not represent additional cost to the Authority.

Treasury Management Indicators:

These indicators (Liability Benchmark, Maturity Structure of Borrowing, Long-Term Treasury Management Investments) are within the Appendix 1 Treasury Management Outturn 2023/24.

North East Derbyshire District Council

Cabinet

18 July 2024

Medium Term Financial Plan - Financial Outturn 2023/24

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

Classification: This report is public

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

Contact Officer: Jayne Dethick

PURPOSE/SUMMARY

To inform Cabinet of the outturn position of the Council for the 2023/24 financial year.

RECOMMENDATIONS

1. That Cabinet note the outturn position in respect of the 2023/24 financial year.
2. That Cabinet approve the proposed carry forward of capital budgets detailed in **Appendix 4** totalling £17.193m.

Approved by the Portfolio Holder – Cllr Pat Kerry Deputy Leader with responsibility for Finance

IMPLICATIONS

Finance and Risk

Yes ✓

No

The financial implications are set out within the body of the report.

Members should note that the budgets against which we have monitored the 2023/24 outturn were those agreed within the Council's Medium Term Financial Plan. The Medium Term Financial Plan gave careful consideration to both the affordability of the budgets that were approved, and to ensuring that the level of balances remained adequate for purposes of enabling sound financial management.

The issue of financial risk is covered throughout the report. The risk of not achieving a balanced budget, together with the risk that the Council's level of financial balances will

be further eroded are currently key corporate risks identified on the Council's Strategic Risk Register. The outturn report shows the budget has been balanced in 2023/24 and the level of reserves protected.

While the Council has effectively addressed its Strategic Financial Risks during 2023/24 it needs to be recognised that it will need to continue to effectively manage budgets and ensure spending remains sustainable. 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 dependent on the outcome of the forthcoming general election (at the time of writing). This has been an intrinsic part of the budget setting process and will continue to be so.

On Behalf of the Section 151 Officer

Legal including Data Protection

Yes ✓

No

The Statement of Accounts is required to be prepared by the 31 May each year. The Council has now completed the draft Statement of Accounts and they have been signed off by the Chief Financial Officer as at 29 May 2024 which secures compliance with the Council's obligations.

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

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>NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i></p>	<p>No</p>

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 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:

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

All

REPORT DETAILS

1 Background

The Director of Finance and Resources is responsible for the preparation of the authority's Statement of Accounts which, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in United Kingdom ("the Code"), is required to present a true and fair view of the financial position of the authority at the accounting date and its income and expenditure for the year ended 31 March 2024.

2 Financial Outturn 2023/24

- 2.1 The Council published its draft Statement of Accounts in respect of 2023/24 on 29 May 2024, ahead of the statutory deadline of 31 May 2024. The draft Statement of Accounts 2023/24 is now subject to the independent audit from the Council's external auditors, Mazars. Until the accounts have been signed off by the external auditors, there remains the possibility that they will be subject to amendment. Whilst the statutory deadline for sign off by the Auditor remains at 30 September this year, draft legislation proposes changing this to 31 May 2025. The draft legislation also proposes changing the deadline for future financial years up to and including 2027/28 to address the external audit backlog. Whilst it is scheduled that the final audited accounts will be reported to and approved by the Audit Committee by 30 September 2024, it is unlikely that the audit will be complete to meet this deadline. The Audit Committee should be presented with an opportunity to scrutinise the accounts in a timely manner, therefore due to the length of time between completion of the accounts and the deadline for audit sign off the draft accounts have been presented to the Committee in July.
- 2.2 International Financial Reporting Standards (IFRS) dictates that the main focus of the Statement of Accounts is on reporting to the public in a format which is directly comparable with every country that has adopted IFRS i.e., not just UK or even other local authorities. By contrast, the focus of this report is on providing management information to Members and other stakeholders to assist in the financial management of the Council.

- 2.3 The following sections of this report will consider the 2023/24 outturn position in respect of the General Fund, Housing Revenue Account (HRA), and Capital Programme. Within the report, consideration is given to the level of balances at the year end and the impact which the closing position has upon the Council's budgets in respect of the current financial year. Treasury Management activities is now presented on a separate report as a result of the changes to CIPFA's Treasury Management in the Public Services Code of Practice (the CIPFA Code).

General Fund

- 2.4 The summary position in respect of the General Fund outturn is detailed in **Appendix 1** and shows the Original Budget that was set in January 2023, together with the Current Budget compared to the final 2023/24 Outturn position. **Appendix 2** provides a more detailed breakdown by directorate.
- 2.5 A subjective breakdown of the variances identified in Appendix 1 can be found in Table 1 below. A detailed breakdown of the amounts making up the transfers to and from reserves can be found in Tables 3 and 4.

Table 1

	Current Budget 2023/24	Outturn 2023/24	Variance
	£'000	£'000	£'000
Pay Costs	19,169	19,041	(128)
Premises related costs	2,491	2,512	21
Vehicle related costs	704	601	(103)
Supplies & services	8,401	8,201	(200)
Depreciation & Impairment	1,026	1,016	(10)
Income	(17,757)	(17,862)	(105)
Net cost of services	14,034	13,509	(525)

- 2.6 Table 1 above comprises:
- Pay costs – the under spend is attributable to employee salaries as a result of staff vacancies.
 - Premises related costs – the minor overspend relates mainly to utility costs being slightly higher than budget.
 - Vehicle related costs – the main underspend is due to reduced spend on vehicle fuel as well as underspends on car allowances.
 - Supplies & services – the variance relates to underspends in software costs, reduced costs for the district election (some costs were incurred in 2022/23), and a reduction in the provision for bad debts. Insurance premiums and telephone costs were also less than budgeted. This is offset by increased costs of vehicle maintenance, and the rising cost of bed and breakfast provision.
 - Income - the variance relates mainly to planning fees and licensing fees coming in greater than the revised budget as well as increased income from burial fees and joint crematorium income.

Financial Reserves

Transfers from Earmarked Reserves

The use of earmarked reserves in 2023/24 was £1.848m comprising:

- £0.882m from revenue grants
- £0.820m from earmarked reserves
- £0.146m from the Invest to Save Reserve

There are ongoing commitments against these reserves in 2024/25 and future years so will continue to be utilised.

The variances in Movement from Reserves can be found in Table 3 below.

Table 2

	Current Budget 2022/23	Outturn 2022/23	Variance
	£'000	£'000	£'000
Movements from Reserves:			
Revised Budget	(1,972)	(1,848)	124
Plus:			
Contribution to General Fund balance	(331)	(0)	331
Total movement from reserves – outturn	(2,303)	(1,848)	455

2.9 Transfers to Earmarked Reserves

There have been transfers to earmarked reserves during 2023/24 totalling £4.157m. These comprise:

- £1.999m in revenue grants received.
- £2.158m into earmarked reserves.

Table 3

	Current Budget 2023/24	Outturn 2023/24	Variance
	£'000	£'000	£'000
Movements to Reserves:			
Revised Budget	2,466	2,466	0
Plus:			
Net Cost of Services Outturn Surplus	0	244	244
Business Rates Growth	0	1,447	1,447
Total movement to reserves – outturn	2,466	4,157	1,691

2.10 The outturn surplus of £0.244m has been transferred to the Resilience reserve.

2.11 Ongoing commitments against the earmarked reserves which will continue in 2024/25 and future years. Should any of the reserves prove unnecessary in the light of subsequent events then they will be moved back into unallocated General Fund resources.

Invest to Save

- 2.12 The Invest to Save Reserve has a balance at the end of the year of £2.554m. Commitments already made against this reserve for 2024/25 and future years amount to £0.487m leaving £2.067m uncommitted.

Resilience Reserve

- 2.13 The Resilience Reserve has a balance at the end of the year of £2.513m. This will be utilised to provide financial resilience to the General Fund in future years as required by the Medium Term Financial Plan.

General Fund Balances

- 2.14 The level of General Fund Balances has been maintained at £2.000m. The General Fund balances are considered to be at an acceptable level rather than generous. The General Fund balance needs to be considered against the background of ongoing reductions in the level of Government funding together with the range of risks facing the Council. With only a limited level of General Fund reserves it is crucial that the Council continues to maintain robust budgetary control in order to safeguard both its reserves and its financial sustainability.
- 2.15 Given the current level of general balances, should either an over spend or an under achievement of income occur then the Council would have a period of time in which to recover the situation. In addition, the earmarked Resilience Reserve can provide short term funding support as needed. In a situation in which the Council were operating at a lower level of balances and an overspend or an under achievement of income occurred which took balances to below minimum level then immediate 'crisis' remedial action would need to be considered. Such a response is not conducive to sound financial management but more importantly would have a significant detrimental impact upon the Council's ability to deliver the planned and agreed level of services to local residents. However, Cabinet will recognise that given a level of General Fund Balances of £2.000m, against the requirement to secure £4.190m in savings by 2027/28, as identified in the Medium Term Financial Plan (MTFP) of January 2024, the need to continue to tackle the underlying forecast budget deficit remains.
- 2.16 The main feature of the 2023/24 financial year is that the Council was successful in removing the need to utilise the resilience reserve to fund the General Fund budget shortfall and was in fact able to contribute £0.244m to the Resilience Reserve at outturn.

Housing Revenue Account (HRA)

- 2.17 The Housing Revenue Account is provided in **Appendix 3** to this report. The figures provided include all the statutory accounting transactions that the Council is required to make within the Statement of Accounts. These are accounting transactions which net off to zero and are not included within the HRA management budgets as they do not impact on the overall financial position or balances of the HRA. To allow comparison between budget and outturn these accounting adjustments are included within both the adjusted budget and outturn position.
- 2.18 The Housing Revenue Account position shows a small variance to budget of £0.012m. Income is £0.105m higher than budget due to lower right to buy purchases and lower garage voids than forecast in the budget. The overall expenditure position is £0.093m

above the current budget due to an increase in the depreciation charge partially offset by a reduction in the allowance for bad debts. The overall net cost of services underspend of £0.012m is increased to £0.463m after interest. Transfers to and from reserves compared to budget include a reduced contribution to the Major Repairs Reserve, an increased contribution to the Resilience Reserve and increased use of the Development Reserve.

- 2.19 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 if we are to maintain the level of services and quality of housing provided to our tenants. Given the changes in social housing regulations and the continued loss of houses under Right to Buy the Council and Rykneld Homes will need to continue to work closely together in order to ensure the continued sustainability of the HRA over the life of the 30 year Business Plan.

Capital Investment Programme

- 2.20 Details of the capital expenditure incurred by the Council in 2023/24 on a scheme by scheme basis is provided in **Appendix 4**

The Capital Programme may be summarised as follows:-

	Current Programme £m	Outturn £m	Variance £m
HRA	35.856	30.387	(5.469)
General Fund	27.900	15.429	(12.471)
Programme Total	63.756	45.816	(17.940)

2.21 **HRA Schemes**

The variance on the housing capital programme in 2023/24 was £5.469m. The North Wingfield new build scheme was under spent by £3m, this is not uncommon in major development schemes where more certainty over timing of spend is gained as the programme progresses. The scheme is on track to complete in line the programme. The acquisitions and disposals budget was also underspent (£2.8m) largely due to delays in completion of committed sales on which the Council is wholly reliant on the developer. The funds are all committed and will be utilised in 2024/25. As is the norm with the capital budgets, both will be rolled over into 2024/25 to meet future committed spend. The housing investment programme was overspent in the year, largely because of the additional pressures being encountered to meet the rigorous requirements of regulation, particularly in relation to the impact on voids. The longer-term impact of the financial pressures of regulation are being kept under review and will be closely considered as part of the budget setting process for the Medium-Term Financial Plan.

2.22 **General Fund**

The General Fund element of the Capital Programme during 2023/24 has increased from the previous year. This was largely the continuation of the award of £24.1m New Town Deal funding from the Government for place making works in Clay Cross. The regeneration programme runs until 2026 and the under spend in 2023/24 will be rolled

over to future years as delivery of the project continues. In addition, projects funded by the UK Shared Prosperity Fund have not all been completed in 2023/24 and therefore £1.069m of works will be carried forward to be completed by the scheme closure date of March 2025. Works to refurbish Killamarsh Leisure Centre, and the Dronfield Sports Centre Carbon Efficiencies Programme completed in 2023/24 with small underspends of £0.028m and £0.019m respectively which offset the small overspend of £0.032m for Eckington Pool Carbon Efficiencies Programme. Asset refurbishment schemes that haven't completed in 2023/24 (£0.454m and £0.031m) will be completed in 2024/25 as will ICT and telephone schemes (£0.413m and £0.023m) The respective budgets will be carried forward into 2024/25. The vehicle replacement scheme shows a variance of £2.242m which is also being carried forward to be available to fund the purchase of vehicles in future financial years as required.

- 2.23 **Appendix 4** details the proposed carry forward amounts to 2024/25 as mentioned in 2.22 above. The total to carry forward amounts to £17.193m. It should be noted that all these expenditure requirements will take forward a corresponding level of financial resources and thus have a neutral impact on the financial position in 2024/25.

Capital Financing

- 2.24 **Appendix 4** also details how each scheme is financed. In summary:

HRA Capital Financing

- 2.25 The HRA Capital Programme is financed from a combination of capital receipts, revenue contributions, prudential borrowing, use of reserves and grants.

General Fund Capital Financing

- 2.26 The General Fund Capital Programme is financed from a combination of capital receipts, revenue contributions, prudential borrowing and grants. The Prudential Borrowing financing arrangements were agreed by Council as part of the Treasury Management Strategy at its meeting in January 2023.

3 Reasons for Recommendation

3.1 General Fund

During 2023/24 the Council managed its budget effectively securing a favourable financial position on net cost of services of £0.525m underspend despite a continuing challenging financial backdrop. This underspend has meant that rather than having to call on reserves it has been possible to make a contribution of £0.244m to the Resilience reserve at outturn from efficiencies identified during the year.

3.2 HRA

The HRA continues to operate within the parameters set by the 30 Year Business Plan and the MTFP. Officers will be working with Rykneld Homes to ensure that the Business Plan continues to reflect the impact of recent government legislation, particularly around social housing regulation, and that the HRA remains sustainable over the 30 year period of the Business Plan.

3.3 Capital Programme

The Capital Programme saw progress on approved schemes during the 2023/24 financial year. There are, however, a number of schemes which are work in progress and this requires that the associated expenditure and funding be carried forward into the 2024/25 financial year.

3.4 Capital Financing

Capital expenditure during 2023/24 has been fully financed in line with the approved programme.

4 Alternative Options and Reasons for Rejection

- 4.1 The financial outturn report for 2023/24 is primarily a factual report detailing the actual position compared to previously approved budgets therefore there are no alternative options that need to be considered.
- 4.2 The allocation of resources to earmarked reserve accounts has been undertaken in line with the Council's policy and service delivery framework and in the light of the risks and issues facing the Council over the period of the current MTFP. If these risks do not materialise or are settled at a lower cost than anticipated, then the earmarked reserves will be reassessed and returned to balances where appropriate.

DOCUMENT INFORMATION

Appendix No	Title
1	General Fund Summary Outturn 2023/24
2	General Fund Detailed Outturn 2023/24
3	HRA Summary Outturn 2023/24
4	Capital Expenditure Outturn 2023/24
Background Papers	

GENERAL FUND ACCOUNT - SUMMARY OUTTURN 2023/24

APPENDIX 1

	Original Budget 2023/24 £	Current Budget 2023/24 £	Outturn 2023/24 £	Variance £
Organisation & Place Directorate	7,098,395	7,470,251	7,120,697	(349,554)
Finance & Resources Directorate	4,620,372	4,770,633	4,647,851	(122,782)
Growth & Assets Directorate	3,736,445	2,411,452	2,358,475	(52,977)
Recharges to Capital and HRA	(618,350)	(618,350)	(618,350)	0
Net Cost of Services	14,836,862	14,033,986	13,508,673	(525,313)
Investment Properties	(449,920)	(482,995)	(509,420)	(26,425)
Bad Debt Provision	40,000	40,000	28,185	(11,815)
Interest	(479,180)	(801,564)	(937,209)	(135,645)
Debt Repayment Minimum Revenue Provision	56,000	56,000	56,000	0
Parish Precepts	3,467,459	3,556,306	3,556,306	0
Transfer To Earmarked Reserves	20,000	2,465,940	3,913,209	1,447,269
Transfer From Earmarked Reserves	(232,064)	(1,972,102)	(1,847,864)	124,238
Transfer Surplus to Resilience Reserve	(977,011)	(331,241)	243,733	574,974
Total Spending Requirement	16,282,146	16,564,330	18,011,613	1,447,283
Business Rates	(5,297,035)	(5,297,035)	(6,744,304)	(1,447,269)
New Homes Bonus	(602,080)	(602,080)	(602,080)	0
Lower Tier Services Grant	(367,849)	(367,835)	(367,849)	(14)
Collection Fund (Surplus)/Deficit - Council Tax	(81,168)	(81,168)	(81,168)	0
Collection Fund (Surplus)/Deficit - NNDR	0	0	0	0
NEDDC Council Tax Requirement	(6,466,555)	(6,659,905)	(6,659,905)	0
Parish Council Council Tax Requirement	(3,467,459)	(3,556,306)	(3,556,306)	0
Council Tax Requirement	(16,282,146)	(16,564,329)	(18,011,612)	(1,447,283)

		Current Budget 2023/24 £	Outturn 2023/24 £	Variance £
<u>Organisation & Place Directorate</u>				
Managing Director & Head Of Paid Service				
4500	Managing Director - Operations & Head of Paid Service	143,595	146,820	3,225
5720	Supporting PA's	149,772	149,563	(209)
		293,367	296,383	3,016
Assistant Director Environmental Health				
3400	Environmental Protection	127,854	135,707	7,853
3401	Food, Health & Safety	137,544	154,520	16,976
3402	Environmental Enforcement	147,814	167,292	19,478
3403	Community Outreach	0	0	0
3404	Licensing	11,574	600	(10,974)
3405	Pollution	128,339	126,364	(1,975)
3407	Pest Control	40,895	34,374	(6,521)
3408	Home Improvement	15,428	15,418	(10)
3409	EH Technical Support & Management	259,187	259,417	230
3410	Private Sector Housing	86,952	85,413	(1,539)
3419	Destitute Funerals	1,500	2,840	1,340
3420	Fly Tipping	3,000	2,343	(657)
3426	Covid Enforcement Team	10,338	10,338	(0)
3427	Private Water Supply Contract	0	2,236	2,236
3428	MEES Project	4,476	4,476	0
3429	Joint Assistant Director Environmental Health	45,490	45,980	490
3430	Clean Air New Burdens	(23,420)	(23,420)	0
3726	Works In Default	0	480	480
		996,971	1,024,379	27,408
Assistant Director Streetscene				
3174	Street Scene	298,823	286,009	(12,814)
3227	Materials Recycling	555,220	594,908	39,688
3244	Parks Derbyshire County Council Agency	(360,000)	(383,938)	(23,938)
3282	Eckington Depot	175,635	180,726	5,091
3285	Dronfield Bulk Depot	3,670	3,668	(2)
3511	Hasland Cemetery	(47,820)	(70,233)	(22,413)
3513	Temple Normanton Cemetery	(5,865)	(8,938)	(3,073)
3514	Clay Cross Cemetery	(62,185)	(60,905)	1,280
3516	Killamarsh Cemetery	(19,200)	(31,384)	(12,184)
3918	Dog Fouling Bins	(65,180)	(63,719)	1,461
3921	Street Cleaning Service	632,904	616,948	(15,956)
3943	Transport	679,221	750,291	71,070
3944	Grounds Maintenance	511,083	413,364	(97,720)
3945	Domestic Waste Collection	1,800,330	1,764,799	(35,531)
3946	Commercial Waste Collection	(274,486)	(283,426)	(8,940)
3947	Assistant Director Streetscene	80,390	81,303	913
		3,902,540	3,789,470	(113,070)
Assistant Director Planning				
4111	Applications And Advice	(472,000)	(620,092)	(148,092)
4113	Planning Appeals	46,614	46,614	0
4116	Planning Policy	201,204	184,818	(16,386)
4119	Neighbourhood Planning Grant	12,948	12,948	0
4311	Environmental Conservation	18,630	18,704	74
4511	Assistant Director Planning	64,020	61,152	(2,868)
4513	Planning	861,990	832,627	(29,363)
4515	Building Control	39,000	39,000	0
4522	Section 106 Agreement	(264,875)	(264,875)	(0)
		507,531	310,896	(196,635)
Assistant Director Governance				
1121	Member's Services	503,815	478,330	(25,485)

		Current Budget 2023/24	Outturn 2023/24	Variance
		£	£	£
1123	Chair's Expenses	7,400	3,219	(4,181)
1131	District Elections	190,000	166,765	(23,235)
1133	Parish Elections	0	(31,290)	(31,290)
1137	Parliamentary Elections	0	0	0
1138	Police & Crime Commissioner Elections	(117,646)	(117,646)	0
1139	County Council Elections	0	0	0
1231	Corporate Training	55,280	55,680	400
1259	Corporate Groups	7,500	6,965	(535)
1311	Human Resources	302,818	301,917	(901)
3121	Health & Safety Advisor	96,760	84,606	(12,154)
5273	Brass Band Concert	0	0	0
5313	Register Of Electors	154,251	144,619	(9,632)
5321	Assistant Director Governance	96,648	97,976	1,328
5353	Legal Section	186,708	243,810	57,102
5354	Land Charges	12,611	11,729	(882)
5392	Scrutiny	39,511	16,898	(22,613)
5711	Democratic Services	234,186	235,990	1,804
		1,769,842	1,699,569	(70,273)

Total for Organisation & Place Directorate	7,470,251	7,120,697	(349,554)
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Finance & Resources Directorate

Director of Finance & Resources

1312	Payroll	90,712	93,761	3,049
1315	Design & Print	131,524	128,312	(3,212)
1321	Communications & Marketing	127,338	124,815	(2,523)
1323	NEDDC News	38,000	37,768	(232)
1329	Corporate Web Site	2,350	2,323	(27)
3512	CBC Crematorium	(200,000)	(217,000)	(17,000)
5113	Unison Duties	8,612	141	(8,471)
5611	External Audit	174,640	174,564	(76)
5615	Bank Charges	133,500	138,297	4,797
5621	Contribution to/from HRA	(185,450)	(185,450)	0
5713	Audit	115,020	108,193	(6,827)
5714	Financial Support Services	3,500	1,934	(1,566)
5715	Procurement	32,420	44,717	12,297
5716	Director of Finance & Resources	57,419	58,422	1,003
5721	Financial Services	303,540	303,546	6
5724	Insurance	409,820	398,456	(11,364)
5725	Apprenticeship Levy	45,000	53,381	8,381
5727	Cost Of Ex-Employees	169,800	167,186	(2,614)
5728	Covid-19 Response	692,691	692,690	(1)
5745	Covid New Burdens	(17,460)	(17,460)	0
5776	Discretionary Fund	23,950	23,950	0
		2,156,926	2,132,548	(24,378)

Assistant Director ICT

5215	Telephones	45,260	33,498	(11,762)
5216	Mobile Phones and Ipads	28,300	23,987	(4,313)
5701	Joint ICT Service	(99,904)	(99,904)	(0)
5734	NEDDC ICT Service	682,194	592,325	(89,869)
5735	Cyber Security	0	4,234	4,234
5736	Business Development	122,176	116,747	(5,429)
5737	Corporate Printing Costs	20,665	13,699	(6,966)
		798,691	684,585	(114,106)

Assistant Director Communities

1218	Community Safety	66,417	62,975	(3,442)
1220	Assistant Director Communities	39,072	41,342	2,270
3165	Housing Options Team	353,919	380,447	26,528
3176	Pool Car	500	161	(339)
3740	Strategic Housing	131,787	135,788	4,001

		Current Budget 2023/24 £	Outturn 2023/24 £	Variance £
3745	Household Support Fund	0	0	0
3747	Homeless Temp Accomodation	36,990	36,907	(83)
3748	Homelessness Grant	(36,382)	(72,382)	(36,000)
3749	Empty Properties	(18,500)	(19,991)	(1,491)
3750	Housing Growth	14,336	14,482	146
3754	Rough Sleepers	(2,962)	(2,962)	(0)
3756	Supported Hosuing Improvement Programme	(101,228)	(98,168)	3,060
3759	Emergency Welfare Assistance Grant	32,674	32,674	0
5221	Customer Services	359,399	355,858	(3,541)
5223	Franking Machine	53,100	53,099	(1)
5224	Hybrid Mail	10,200	10,183	(17)
5741	Housing Benefit Service	629,119	491,842	(137,277)
5747	Debtors	65,525	65,529	4
5751	NNDR Collection	(6,768)	72,712	79,480
5759	Council Tax Administration	199,418	282,901	83,483
5825	Concessionary Bus Passes	(11,600)	(12,679)	(1,079)
		1,815,016	1,830,718	15,702

Total for Finance & Resources Directorate	4,770,633	4,647,851	(122,782)
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Growth & Assets Directorate

Director of Growth & Assets

1143	Director of Growth	0	0	0
1283	Emergency Planning	17,390	17,392	2
4600	Director of Transformation	116,832	103,434	(13,398)
		134,222	120,826	(13,396)

Assistant Director Property, Estates & Assets

3135	Drainage	16,120	(11,248)	(27,368)
3172	Engineers	107,353	88,963	(18,390)
3241	Car Parks	49,300	50,583	1,283
3247	Street Names/Lights	3,500	6,295	2,795
3249	Footpath Orders	(400)	2,117	2,517
3265	Dams And Fishing Ponds	50	48	(2)
3281	Clay Cross Depot	670	(167)	(837)
3283	Northwood	0	2,851	2,851
3811	Closed Circuit Television	0	0	0
4412	Midway Business Centre	(71,615)	(66,581)	5,034
4425	Coney Green Business Centre	(88,552)	(108,276)	(19,724)
4519	The Avenue, Wingerworth	0	0	0
4523	Estates Administration	333,823	356,203	22,380
4525	Miscellaneous Properties	31,148	29,244	(1,904)
5204	Assistant Director Property, Estates & Assets	81,693	82,060	367
5205	Mill Lane	255,808	422,810	167,002
5209	Facilities Management	86,150	80,917	(5,233)
5210	Pioneer House	66,934	60,541	(6,393)
		871,982	996,362	124,380

Assistant Director Regeneration & Programmes

1255	Strategy and Performance	152,624	147,156	(5,468)
1256	Corporate Consultation	0	128	128
1331	Strategic Partnerships	195,458	195,164	(294)
1333	Healthy North East Derbyshire	(112,645)	(112,645)	(0)
1336	UK Shared Prosperity Fund	(562,758)	(562,759)	(1)
3284	Wingerworth OPE	15,592	15,592	0
4211	Tourism Promotions	33,390	32,087	(1,303)
4237	KickStarter Project	0	0	0
4238	Working Communities Strategy	85,853	83,941	(1,912)
4351	Alliance	3,590	3,584	(6)
4352	LEADER	0	0	0
4443	Elderly Peoples Clubs	4,000	3,571	(429)

		Current Budget 2023/24 £	Outturn 2023/24 £	Variance £
4512	Growth Agenda	15,600	12,877	(2,723)
4517	Economic Development	165,534	165,130	(404)
4520	Eckington Killamarsh OPE	0	0	0
4521	Eckington Masterplan	0	0	0
4524	New Towns Fund - Clay Cross	0	0	0
4526	Sheffield City Region	0	0	0
4527	Dronfield Civic Centre	0	0	0
5748	Ukrainian Guests	2,806	2,806	(0)
5750	Assistant Director Economic Development, Regeneration & Housing	82,395	83,925	1,530
5785	Contributions	136,085	129,345	(6,740)
		217,524	199,901	(17,623)
	Assistant Director Leisure			
4561	Leisure Centre Management	51,577	50,905	(672)
4720	Sportivate	0	0	0
4722	Physical Inactivity Fund	0	0	0
4723	Generation Games	0	0	0
4724	Walking into Communities	10,000	10,000	0
4726	Walking For Health	0	0	0
4727	Five 60	0	0	0
4731	Promotion Of Recreation And Leisure	35,834	35,736	(98)
4732	Schools Promotion	0	0	0
4736	Derbyshire Sports Forum	14,450	14,450	0
4740	Parkinsons UK Physical Activity Programme	(1,402)	(1,402)	0
4742	Arts Development	2,570	2,569	(1)
8441	Eckington Swimming Pool	127,296	120,600	(6,696)
8445	Eckington Pool Cafe	(10,580)	(15,876)	(5,296)
8451	Dronfield Sports Centre	16,399	(6,276)	(22,675)
8455	Dronfield Café	(927)	(15,506)	(14,579)
8461	Sharley Park Sports Centre	690,108	625,799	(64,309)
8465	Sharley Park Sports Centre Outdoor	(1,250)	(382)	868
8471	Killamarsh Leisure Centre	230,951	214,268	(16,683)
8475	Killamarsh Outdoors	(11,200)	(20,324)	(9,124)
8476	Killamarsh Café	33,898	26,826	(7,072)
		1,187,724	1,041,387	(146,337)
	Total for Growth & Assets Directorate	2,411,452	2,358,475	(52,977)
	Corporate Charges			
5790	Savings Target	0	0	0
0001	Recharges to Capital and HRA	(618,350)	(618,350)	0
	Total for Corporate Charges	(618,350)	(618,350)	0
	Net Cost of Services	14,033,986	13,508,673	(525,313)
	Investment Properties			
4411	Stonebroom Industrial Estate	(55,470)	(56,480)	(1,010)
4413	Clay Cross Industrial Estate	(87,180)	(87,045)	135
4415	Norwood Industrial Estate	(200,150)	(201,999)	(1,849)
4417	Eckington Business Park	1,400	(3,600)	(5,000)
4418	Rotherside Court Eckington Business Unit	(25,345)	(37,506)	(12,161)
4423	Pavillion Workshops Holmewood	(100,150)	(100,156)	(6)
4432	Miscellaneous Properties	(16,100)	(22,634)	(6,534)
	Total for Investment Properties	(482,995)	(509,420)	(26,425)

APPENDIX 3

HOUSING REVENUE INCOME & EXPENDITURE ACCOUNT 2023/24

	A	B	C	D	E
	Current Budget 2023/24 £000's	Adjustments to aid comparison 2023/24 £000's	Adjusted Current Budget 2023/24 £000's	Actual 2023/24 £000's	Variance 2023/24 £000's
Income					
Dwelling Rents	(33,687)		(33,687)	(33,764)	(77)
Non-Dwelling Rents	(443)		(443)	(469)	(26)
Charges for Services and Facilities	(113)		(113)	(115)	(2)
Contributions Towards Expenditure	(50)		(50)	(50)	0
Water Litigation Provision	0	(526)	(526)	(526)	0
Total Income	(34,293)	(526)	(34,819)	(34,924)	(105)
Expenditure					
Repairs & Maintenance	5,890		5,890	5,947	57
Revenue Expenditure funded from Capital (REFCUS)	0	1,264	1,264	1,264	0
Supervision and Management	8,000		8,000	7,948	(52)
Rents, Rates & Taxes	112		112	120	8
Capital Charges - Depreciation	8,322		8,322	8,555	233
Increase in Provision for Bad Debts	250		250	97	(153)
Debt Management Expenses	12		12	12	0
Impairments & Revaluations	0	3,384	3,384	3,384	0
Total Expenditure	22,586	4,648	27,234	27,327	93
Net Cost of Services	(11,707)	4,122	(7,585)	(7,597)	(12)
Corporate & Democratic Core	185		185	185	0
Net Cost of all HRA services	(11,522)	4,122	(7,400)	(7,412)	(12)
(Gain)/Loss on sale of HRA fixed assets	0	2,995	2,995	2,995	0
Interest Payable	7,025		7,025	6,802	(223)
Revaluation of Investment Property	0	271	271	271	0
Interest Receivable	(2,785)		(2,785)	(3,013)	(228)
Capital Grants	0	(5,145)	(5,145)	(5,145)	0
(Surplus)/Deficit on HRA Services	(7,282)	2,243	(5,039)	(5,502)	(463)
MRP Voluntary Contribution	0		0	0	0
Transfers to/from Rykneld Homes Loss Reserve	0		0	0	0
Transfer to Capital Grant Reserve	0		0	0	0
Transfer to HRA Reserves - Insurance	50		50	50	0
Transfer to HRA Reserves - Development	0		0	72	72
Transfer to/from HRA Reserves - Resilience Reserve	(301)	526	226	850	624
Adjustments between accounting and funding basis	0	(2,770)	(2,770)	(2,770)	0
Transfers to/from Major Repairs Reserve	7,533		7,533	7,300	(233)
Transfer to HRA Balances	0	(0)	(0)	(0)	(0)
Housing Revenue Account Balances	Current Budget 2023/24 £			Actual 2023/24 £	Variance 2023/24 £
HRA Opening Balance	(3,000)			(3,000)	0
Transfer fm Balances 23/24					
Transfer to Balances 23/24					
HRA Closing Balances	(3,000)			(3,000)	0

Project/Scheme	Current Programme 2023/24 £000	Outturn 2023/24 £000	Variance 2023/24 £000	Amount Carried Forward to 2024/25 £000	Original Programme 2024/25 £000	Current Programme 2024/25 £000
Housing Investment						
Housing Capital Works	21,337	22,637	1,300	(1,300)	21,128	19,828
Garage Demolitions	83	0	(83)	0	23	23
Pine View, Danesmoor	110	110	0	0	0	0
Parking Solutions	703	271	(432)	0	288	288
LADS3 Scheme	437	53	(384)	0	0	0
Stonebroom Regeneration Project	0	4	4	(4)	502	498
North Wingfield New Build Scheme	7,402	4,351	(3,051)	3,051	5,555	8,606
Stock Purchase Programme	4,964	2,133	(2,831)	2,831	1,000	3,831
	35,036	29,559	(5,477)	4,578	28,496	33,074
Private Sector Spending - DFG	820	828	8	0	820	820
Total Housing Investment	35,856	30,387	(5,469)	4,578	29,316	33,894
Other Capital Projects						
Asset Refurbishment - General	566	112	(454)	454	500	954
Asset Refurbishment - Mill Lane	870	839	(31)	31	450	481
Roller Shutter Doors	1	0	(1)	0	0	0
Eckington Pool Carbon Efficiencies Programme	4	36	32	0	0	0
Killamarsh Leisure Centre Refurbishment	36	8	(28)	0	0	0
Dronfield Sports Centre Carbon Efficiencies Programme	98	79	(19)	0	0	0
Coney Green Telephony System	36	13	(23)	23	80	103
Lottery Funded Schemes	9	0	(9)	9	0	9
Replacement Vehicles	3,786	1,544	(2,242)	2,242	2,685	4,927
Contaminated Land	42	0	(42)	42	0	42
ICT Schemes	519	106	(413)	413	80	493
CX Active 3G Pitch	0	0	0	0	1,000	1,000
CX Town Market Street Regeneration	5,871	1,047	(4,824)	4,824	6,000	10,824
CX Town Sharley Park Active Community Hub	12,655	10,385	(2,270)	2,270	8,605	10,875
CX Town Low Carbon Housing Challenge Fund	1,300	226	(1,074)	1,074	650	1,724
CX Town Rail Station Feasibility	150	106	(44)	44	0	44
CX Town Programme Management	423	303	(120)	120	241	361
CX Acc Fund School Demolition	0	1	1	0	0	0
UK Shared Prosperity Fund	1,534	465	(1,069)	1,069	0	1,069
Loan Commitments - ECL	0	(5)	(5)	0	0	0
Section 106 Capital Expenditure	0	164	164	0	0	0
Total Other Capital Projects	27,900	15,429	(12,471)	12,615	20,291	32,906
Total Capital Expenditure	63,756	45,816	(17,940)	17,193	49,607	66,800
Housing Investment Funding						
HRA Capital Investment Reserve	(886)	(964)	(78)	661	(311)	350
Major Repairs Reserve	(15,974)	(16,236)	(262)	262	(15,755)	(15,493)
Prudential Borrowing - HRA	(9,628)	(5,945)	3,683	(3,683)	(8,095)	(11,778)
External Grant	(5,632)	(5,612)	20	363	(3,005)	(2,642)
Useable Capital Receipts	(2,916)	(802)	2,114	(2,181)	(1,330)	(3,511)
	(35,036)	(29,559)	5,477	(4,578)	(28,496)	(33,074)
Disabled Facilities Grant	(820)	(828)	(8)	0	(820)	(820)
Total Housing Investment Funding	(35,856)	(30,387)	5,469	(4,578)	(29,316)	(33,894)
Other Capital Projects Funding						
Useable Capital Receipts	(3,157)	(1,941)	1,216	(1,260)	(1,761)	(3,021)
Prudential Borrowing	(8,846)	(4,140)	4,706	(4,628)	(10,359)	(14,987)
RCCO - General Fund	(803)	(926)	(123)	97	(530)	(433)
External Grant	(15,094)	(8,422)	6,672	(6,824)	(7,641)	(14,465)
Other Capital Project Funding	(27,900)	(15,429)	12,471	(12,615)	(20,291)	(32,906)
Total Capital Financing	(63,756)	(45,816)	17,940	(17,193)	(49,607)	(66,800)

HRA Development Reserve					
Opening Balance	(892)	(892)	0	(6)	0
Amount due in year	0	(72)	(72)	(349)	(349)
Amount used in year	886	964	78	311	(350)
Closing Balance	(6)	0	6	(44)	(699)
Major Repairs Reserve					
Opening Balance	(970)	(970)	0	(851)	(589)
Amount due in year	(15,855)	(15,855)	0	(15,755)	(15,755)
Amount used in year	15,974	16,236	262	15,755	15,493
Closing Balance	(851)	(589)	262	(851)	(851)
Capital Receipts Reserves					
Opening Balance	(1,680)	(1,680)	0	(23)	(1,369)
Income expected in year	(1,500)	(1,630)	(130)	(3,000)	(3,000)
Debt Repayment/Other Expenses	0	0	0	1,000	0
Amount used in year	3,157	1,941	(1,216)	1,760	3,159
Closing Balance	(23)	(1,369)	(1,346)	(263)	(1,210)
Capital Receipts Reserves 1-4-1 receipts					
Opening Balance	(2,183)	(2,183)	0	(267)	(2,273)
Income expected in year	(1,000)	(892)	108	(1,100)	(1,100)
Debt Repayment/Other Expenses	0	0	0	0	0
Amount used in year	2,916	802	(2,114)	1,330	3,373
Closing Balance	(267)	(2,273)	(2,006)	(37)	0