

North East Derbyshire District Council

Council

31 January 2022

Medium Term Financial Plan 2021/22 to 2025/26

Report of the Portfolio Holder with Responsibility for Finance

- Classification:** This report is public
- Report By:** Jayne Dethick, Assistant Director - Finance and Resources
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PURPOSE/SUMMARY

To seek approval of the Current Budget for 2021/22 and Original Budget for 2022/23 for the General Fund, Housing Revenue Account and Capital Programme as part of the Council's Medium Term Financial Plan covering the years 2021/22 to 2025/26.

RECOMMENDATIONS

1. That the view of the Assistant Director – Finance & Resources, that the estimates included in the Medium Term Financial Plan 2021/22 to 2025/26 are robust and that the level of financial reserves whilst at minimum levels are adequate, be accepted.
2. That officers report back to Cabinet and the Audit and Corporate Governance Scrutiny Committee on a quarterly basis regarding the overall position in respect of the Council's budgets. These reports to include updates on achieving the savings and efficiencies necessary to secure a balanced budget over the life of the medium term financial plan.

General Fund

3. A Council Tax increase of £4.99 will be levied in respect of a notional Band D property (2.58%).
4. The Medium Term Financial Plan in respect of the General Fund as set out in the report to Cabinet (**Appendix 1**) be approved as the Current Budget 2021/22, as the Original Budget 2022/23, and as the financial projections in respect of 2023/24 to 2025/26.
5. That the General Fund Capital Programme be approved as the Current Budget in respect of 2021/22, and as the Approved Programme for 2022/23 to 2025/26.

6. That any under spend in respect of 2021/22 be transferred to the Resilience Reserve to provide increased financial resilience for future years of the plan.

Housing Revenue Account (HRA)

7. That Council sets its rent levels for 2022/23 in line with the Social Housing Rent Standard increasing rents by 4.1% from 1st April 2022.
8. That all other charges be implemented in line with the table shown in Appendix 1 with effect from 1 April 2022.
9. The Medium Term Financial Plan in respect of the Housing Revenue Account as set out in the report to Cabinet (**Appendix 1**) be approved as the Current Budget in respect of 2021/22, as the Original Budget in respect of 2022/23, and the financial projection in respect of 2023/24 to 2025/26.
10. That the HRA Capital Programme be approved as the Current Budget in respect of 2021/22, and as the Approved Programme for 2022/23 to 2025/26.
11. That the Management Fee for undertaking housing services at £9.751m and the Management Fee for undertaking capital works at £1.100m to Rykneld Homes in respect of 2022/23 be approved.
12. That Members endorse the section in the current Financial Protocol which enables the Council to pay temporary cash advances to Rykneld Homes in excess of the Management Fee in order to help meet the cash flow requirements of the company should unforeseen circumstances arise in any particular month.
13. That Members note the requirement to provide Rykneld Homes with a 'letter of comfort' to the company's auditors and grant delegated authority to the Council's Assistant Director – Finance & Resources in consultation with the Portfolio Member for Finance to agree the contents of that letter.

Approved by the Portfolio Holder – Yes

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

These are detailed in the attached report.

On Behalf of the Solicitor to the Council

Staffing

Yes

No ✓

There are no staffing issues arising directly from this report.

On Behalf of the Head of Paid Service

DECISION INFORMATION

<p>Is the decision a Key Decision?</p> <p>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><i>BDC: Revenue - £75,000</i> <input type="checkbox"/></p> <p><i>Capital - £150,000</i> <input type="checkbox"/></p> <p><i>NEDDC: Revenue - £100,000</i> <input type="checkbox"/></p> <p><i>Capital - £250,000</i> <input type="checkbox"/></p> <p><input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i></p>	No
<p>Is the decision subject to Call-In?(Only Key Decisions are subject to Call-In)</p>	No
<p>Has the relevant Portfolio Holder been informed</p>	Yes
<p>District Wards Affected</p>	All
<p>Links to Corporate Plan priorities or Policy Framework</p>	All

REPORT DETAILS

1 Medium Term Financial Plan 2021/22 – 2025/26

- 1.1 Attached at **Appendix 1** is the report presented to Cabinet on 27 January 2022 providing details of the current budget for 2021/22, original budget for 2022/23 and financial plans for 2023/24 to 2025/26.

1.3 Cabinet considered the report on 27 January 2022 following scrutiny at the Audit and Corporate Governance Scrutiny Committee on 12 January 2022. The recommendations are now referred to this Council for members' consideration and approval.

2 Reasons for Recommendation

2.1 These are detailed in the attached report.

3 Alternative Options and Reasons for Rejection

3.1 These are detailed in the attached report.

DOCUMENT INFORMATION

Appendix No	Title
1	Medium Term Financial Plan 2021/22 to 2025/26 and Appendices 1-5
Background Papers	
Report Author	Contact Number
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