

**North East Derbyshire District Council**

**Cabinet**

**7 July 2022**

**Medium Term Financial Plan - Financial Outturn 2021/22**

**Report of the Portfolio Holder with Responsibility for Finance**

Classification: This report is public

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

Contact Officer: as above

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**PURPOSE/SUMMARY**

To inform Cabinet of the outturn position of the Council for the 2021/22 financial year.

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**RECOMMENDATIONS**

1. That Cabinet note the outturn position in respect of the 2021/22 financial year
2. That Cabinet approve the proposed carry forward of revenue budgets as detailed in 2.8 totalling £0.036m.
3. That Cabinet approve the proposed carry forward of capital budgets detailed in **Appendix 4** totalling £11.024m.

Approved by the Portfolio Holder – Yes

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**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 2021/22 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 2021/22 and the level of reserves protected.

While the Council has effectively addressed its Strategic Financial Risks during 2021/22 it needs to be recognised that it will need to continue to meet a range of challenging savings targets if it is to operate effectively within the financial environment established by Central Government spending targets. This has been an intrinsic part of the budget setting process and will continue to be so.

During the year the Covid 19 pandemic continued to have an impact on the budget on services such as Leisure and Waste Recycling however these have been carefully monitored through the year. Further Covid Response grant funding of £0.491m has been received from the Government during the year to aid the continued delivery of council services.

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 November 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 26 May 2022 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

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**DECISION INFORMATION**

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

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## **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 2022.

### **2 Financial Outturn 2021/22**

- 2.1 The Council published its draft Statement of Accounts in respect of 2021/22 on 26 May 2022, ahead of the statutory deadline of 31 July 2022. Due to the continued impact of the Coronavirus pandemic, the deadline for completion this year has remained as 31 July, however the draft accounts have been completed ahead of this time in order to facilitate the External Auditor's work schedule. The draft Statement of Accounts 2021/22 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 is 30 November this year, it is the intention that the final audited accounts will be reported to and approved by the Audit & Corporate Governance Scrutiny Committee at its meeting of 28 September 2022.
- 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 2021/22 outturn position in respect of the General Fund, Housing Revenue Account (HRA), Capital Programme and Treasury Management activities. 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.

#### **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 2021, together with the Current

Budget compared to the final 2021/22 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 from reserves can be found in Table 2.

Table 1

	<b>Current Budget 2021/22</b>	<b>Outturn 2021/22</b>	<b>Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Vacancy management	16,732	16,134	(598)
Premises related costs	1,640	1,594	(46)
Vehicle related costs	532	566	34
Supplies & services	14,308	14,261	(48)
Year end adjustment for Rent Rebates (DWP)	(59)	231	290
Income	(22,244)	(22,355)	(110)
<b>Net cost of services</b>	<b>10,909</b>	<b>10,431</b>	<b>(478)</b>

- 2.6 Table 1 above comprises:

- Vacancy management – the largest proportion of the under spend is attributable to employee salaries as a result of staff vacancies
- Premises related costs – the underspend relates mainly to reduced spend on energy costs at the leisure centres, with Eckington Leisure Centre having been closed for refurbishment works during the year.
- Vehicle related costs – the main overspend is due to increased spend on fuel.
- Supplies & services – the variance relates mainly to underspends in software maintenance, provision for bad debts and external audit fees, offset by increased costs of vehicle maintenance, increased printing costs for elections, offset by elections grant income. Covid19 spend is also included which is offset by grant funding.
- Rent Rebates – this relates to the year end adjustment on completion of the annual Housing Subsidy claim.
- Income - the variance relates mainly to increased leisure centre income post Covid, grant received to cover election costs and Covid19 grant income, offset by a shortfall in court costs recovered.

- 2.7 Two budgets have been identified for which there is a requirement to roll over into 2022/23. The first is for the funding of church wall repairs £0.008m that should have been repaired by 31 March 2022 but were delayed due to difficulties in securing a contractor. The second is for rent review valuations of £0.028m due to a slight delay in securing a valuer. The total amount to be rolled over is £0.036m.

### **Financial Reserves**

- 2.8 Transfers from Earmarked Reserves

The use of earmarked reserves in 2021/22 was £3.557m comprising:

- £2.552m from revenue grants

- £0.579m from earmarked reserves
- £0.426m from the Invest to Save Reserve

There are ongoing commitments against these reserves in 2022/23 and future years so will continue to be utilised.

The variances in Movement from Reserves can be found in Table 2 below.

Table 2

	<b>Current Budget 2021/22</b>	<b>Outturn 2021/22</b>	<b>Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Movements from Reserves:</b>			
Revised Budget	(3,107)	(3,107)	0
Plus:			
Contribution to General Fund balance	(491)	(94)	397
Healthy NED & Low Carbon Skills Fund	(101)	(131)	(30)
Low Carbon Skills Fund	0	(14)	(14)
Covid Response Grant	(278)	(211)	67
<b>Total movement from reserves - outturn</b>	<b>(3,977)</b>	<b>(3,557)</b>	<b>420</b>

## 2.9 Transfers to Earmarked Reserves

There have been transfers to earmarked reserves during 2021/22 totalling £3.681m. These comprise:

- £2.357m in revenue grants received.
- £0.811m into earmarked reserves.
- £0.513 into capital reserve

These are in line with the Revised Estimate so there are no variances to report.

- 2.10 The contribution to the General Fund of £0.094m has been transferred from reserves which is £0.397m less than the budgeted amount of £0.491m that was approved in the Medium Term Financial Plan. Members will recall the need to utilise reserves in the revised budget to fund the cost of bringing the waste recycling services in house. Whilst the cost of this service remains an additional pressure on the General Fund, the majority has been absorbed through other efficiencies during 2021/22.
- 2.11 Ongoing commitments against the earmarked reserves which will continue in 2022/23 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.

## Covid Grants

- 2.12 A number of grant and relief schemes on behalf of the Government have continued throughout 2021/22 although much reduced in number and value on last year. The eligibility criteria for these schemes are set out in government guidance and throughout the year the Council has worked closely with the Department for Business, Energy and Industrial Strategy (BEIS) to deliver all grant and relief schemes as swiftly as possible to qualifying business owners and individuals across the district. The Covid19 grants received during 2021/22 are shown in Table 3 below.

**Table 3**

Covid19 Grants	Grant Brought Forward from 2020/21	Grant Received/ Returned 2021/22	Net Expenditure 2021/22	Grant Carried Forward	Grant Transfer to Reserves
	£'000	£'000	£'000	£'000	£'000
<b><u>Agency Grants</u></b>					
Local Restrictions Support Grants (Closed)	(694)	231	8	(455)	0
Christmas Support Payments	(18)	18	0	0	0
Closed Business Lockdown Payments	(460)	0	17	(443)	0
Local Restrictions Support Grant (Open)	(95)	0	84	(11)	0
Covid19 Test & Trace	(109)	(269)	310	(68)	0
Business Restart Grant	0	(4,518)	4,808	290	0
Omicron Hospitality & Leisure	0	(996)	715	(281)	0
<b>Total</b>	<b>(1,376)</b>	<b>(5,534)</b>	<b>5,942</b>	<b>(968)</b>	<b>0</b>
<b><u>Principal Grants</u></b>					
Local Authority Discretionary Grants (LADGF)	0	0	(10)	0	(10)
Additional Restrictions Grants (ARG)	(587)	(726)	1,298	0	(15)
Covid19 Response Grant (via Resilience Reserve)	(377)	(491)	211	0	(657)
Council Tax Hardship	(160)	0	0	0	(160)
Homelessness during lockdown	0	(10)	10	0	0
Covid19 Compliance & Enforcement	(9)	(127)	124	0	(12)
Covid19 Enforcement	(50)	0	0	0	(50)
New Burdens - 1 SBGF & RHLG	(130)	0	0	0	(130)
New Burdens - 2 LADGF	(53)	(167)	72	0	(148)
New Burdens - 3 Business Rates Admin Costs	(23)	0	0	0	(23)
New Burdens - 4 Restart & ARG	0	(73)	8	0	(65)
New Burdens - 5 Post Payment Assurance, Reco & Debt Recovery	0	(18)	0	0	(18)
New Burdens - 6 Omicron Hospitality & Leisure and ARG grants	0	(39)	0	0	(39)
<b>Total</b>	<b>(1,389)</b>	<b>(1,651)</b>	<b>1,713</b>	<b>0</b>	<b>(1,327)</b>
<b>Grand Total</b>	<b>(2,765)</b>	<b>(7,185)</b>	<b>7,655</b>	<b>(968)</b>	<b>(1,327)</b>

### Invest to Save

- 2.13 The Invest to Save Reserve has a balance at the end of the year of £2.984m. Commitments already made against this reserve for 2021/22 and future years amount to £0.733m leaving £2.251m uncommitted.

### Resilience Reserve

- 2.14 The Resilience Reserve has a balance at the end of the year of £2.601m. This will be utilised to provide financial resilience to the General Fund in future years as required by Medium Term Financial Plan. Ongoing pressures arising from the Covid pandemic will continue to be met from this reserve.

### General Fund Balances

- 2.15 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 while securing its ongoing savings targets in order to safeguard both its reserves and its financial sustainability.
- 2.16 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 £5.253m in savings by 2025/26, as identified in the Medium Term Financial Plan (MTFP) of January 2022, the need to continue to tackle the underlying forecast budget deficit remains.
- 2.17 The main feature of the 2021/22 financial year is that the Council was successful in reducing the amount of funding required from reserves to fund the General Fund budget shortfall. This reduced from £0.491m at the Medium Term Financial Plan stage to £0.094m at outturn, a reduction of £0.397m.
- 2.18 The Efficiency Plan, presented as part of the Medium Term Financial Plan identifies the plans in place to address the ongoing budget shortfall, summarised below in Table 4. This plan is embedded in the financial monitoring and reporting processes and regularly reviewed and refreshed.

**Table 4**

	2022/23 Original Budget	2023/24 Planning Budget	2024/25 Planning Budget	2025/26 Planning Budget
	£000's	£000's	£000's	£000's
<b>Savings Target MTFP Jan 2022</b>	<b>111</b>	<b>1,505</b>	<b>1,716</b>	<b>1,921</b>
<b>Less savings identified in Efficiencies Plan (App 3):</b>				
Corporate	300	380	460	540
Digital Transformation	58	98	98	98
Income Generation	20	96	170	182
Service Review/Cost Reduction	35	240	255	270
<b>Target Budget (Surplus)/Shortfall before council tax increase</b>	<b>(302)</b>	<b>691</b>	<b>733</b>	<b>831</b>
<b>Less Council Tax Increase (* indicative 2% from 23/24)</b>	<b>160</b>	<b>282</b>	<b>406</b>	<b>532</b>
<b>Target Budget (Surplus)/Shortfall after council tax increase</b>	<b>(462)</b>	<b>409</b>	<b>327</b>	<b>299</b>
<i>Contribution to (from) Resilience Reserve</i>	<i>462</i>	<i>(409)</i>	<i>(327)</i>	<i>(299)</i>
<b>Target Budget (Surplus)/Shortfall</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### **Housing Revenue Account (HRA)**

- 2.19 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.
- 2.20 The Housing Revenue Account position shows a number of relatively small variances during the year. Income is just £0.052m above budget. The overall expenditure position is £0.253m below the current budget mainly due to a decrease in the bad debt provision in year. This gives a net cost of services underspend of £0.305m, which remains constant after interest. A contribution of £2.540m has been made from the Development Reserve which is available to sustain the Council's housing stock.
- 2.21 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 to the rent setting process together with the increasing numbers of houses lost 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**

- 2.22 Details of the capital expenditure incurred by the Council in 2021/22 on a scheme by scheme basis is provided in **Appendix 4**



The Capital Programme may be summarised as follows:-

	<b>Current Programme £m</b>	<b>Outturn £m</b>	<b>Variance £m</b>
HRA	28.605	20.678	(7.927)
General Fund	9.376	4.966	(4.410)
Programme Total	37.981	25.644	(12.337)

## 2.23 HRA Schemes

The housing investment programme was underutilised during 2021/22 including EWI works to non-traditional properties. This was largely due to material shortages on site in the earlier part of the year but both are progressing well again now. The acquisitions and disposals budget was fully utilised during 2021/22.

## 2.24 General Fund

The General Fund element of the Capital Programme during 2021/22 increased significantly from the previous year. This was largely in response to the award of £24.1m New Town Deal funding from the Government for place making works in Clay Cross. The regeneration programme runs from now until 2026 and the under spend in 2021 will be rolled over to future years as delivery phases get fully underway. In addition, works continued on the refurbishment of Killamarsh Leisure Centre, which is expected to complete by the summer of 2022 and this year's underspend of £1.06m will be utilised by completion. The same applies to the variances for the Eckington Depot Refurbishment (£0.582m) and Eckington Pool Carbon Efficiencies Programme (£0.285m) both of which will carry forward into 2022/23. The vehicle replacement scheme shows a variance of £0.451m which is also being carried forward to be available to fund the purchase of vehicles in the future financial years as required.

2.25 **Appendix 4** details the proposed carry forward amounts to 2022/23 as mentioned in 2.25 above. The total carry forward amounts to £11.024m. 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 2022/23.

## Capital Financing

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

### HRA Capital Financing

2.27 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

- 2.28 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 February 2021.

## Treasury Management

- 2.29 **Appendix 5** provides a brief report on the Treasury Management activity of the Council for 2021/22. In summary the Council operated throughout 2021/22 within the Authorised Limit and Operational Boundary limits approved in the Treasury Management strategy as approved by the Council in February 2021.
- 2.30 The key points from the summary report are:
- The overall borrowing requirement of the Council was £187.116m at 31 March 2022.
  - The PWLB debt is £147.032m at 31 March 2022.
  - Effective internal borrowing is £40.084m at 31 March 2022
  - No new PWLB borrowing was undertaken in 2021/22
  - Repaid PWLB debt in year of £2.206m
  - PWLB interest paid in year was £5.227m
  - Interest received in year on investments was £0.027m

## **3 Reasons for Recommendation**

### **3.1 General Fund**

During the previous financial year the Council managed its budget effectively securing an improved financial position on net cost of services of £0.478m underspend. This underspend has meant a much reduced call on reserves has been required at outturn resulting in a contribution of £0.094m being made from reserves compared to the original budget of £0.491m, which is an improvement of £0.397m. Two budgets have been identified for rollover into 2021/22 totalling £0.036m.

### **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, 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 2021/22 financial year despite the continued disruptions due to the Coronavirus pandemic. 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 2022/23 financial year.

### 3.4 Capital Financing

Capital expenditure during 2021/22 has been fully financed in line with the approved programme.

### 3.5 Treasury Management

The Council operated in line with its agreed Treasury Management Strategy during the 2021/22 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 in order to assist the Council's revenue position whilst interest receivable reduced slightly.

## 4 Alternative Options and Reasons for Rejection

- 4.1 The financial outturn report for 2021/22 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.

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## DOCUMENT INFORMATION

Appendix No	Title
1	General Fund Summary Outturn 2021/22
2	General Fund Detailed Outturn 2021/22
3	HRA Summary Outturn 2021/22
4	Capital Expenditure Outturn 2021/22
5	Treasury Management Outturn 2021/22
Background Papers	
Report Author	Contact Number
Jayne Dethick – Director of Finance and Resources (S151 Officer)	(01246) 217078

## GENERAL FUND ACCOUNT - SUMMARY OUTTURN 2021/22

## APPENDIX 1

	Original Budget 2021/22 £	Current Budget 2021/22 £	Outturn 2021/22 £	Variance £
Operations Directorate	8,151,169	7,399,048	7,734,096	335,048
Growth Directorate	1,091,510	1,395,709	1,257,291	(138,418)
Transformation Directorate	2,861,350	2,684,877	2,020,174	(664,703)
Recharges to Capital and HRA	(527,500)	(570,500)	(580,500)	(10,000)
Savings Target	(15,933)	0	0	0
<b>Net Cost of Services</b>	<b>11,560,596</b>	<b>10,909,134</b>	<b>10,431,061</b>	<b>(478,073)</b>
Investment Properties	(413,910)	(463,677)	(474,243)	(10,566)
Bad Debt Provision	40,000	40,000	60,864	20,864
Interest	(177,160)	(110,572)	(163,718)	(53,146)
Debt Repayment Minimum Revenue Provision	56,000	56,000	56,000	0
Parish Precepts	3,386,780	3,386,780	3,386,780	(0)
Parish Council Grants	70,382	0	0	0
Transfer To Earmarked Reserves	60,000	3,680,767	3,680,767	0
Transfer From Earmarked Reserves	(1,683,186)	(3,977,723)	(3,557,338)	420,385
<b>Total Spending Requirement</b>	<b>12,899,502</b>	<b>13,520,709</b>	<b>13,420,172</b>	<b>(100,537)</b>
Business Rates	(2,826,100)	(3,447,307)	(3,345,413)	101,894
Lower Tier Services Grant	(205,095)	(205,095)	(205,095)	0
New Homes Bonus	(360,439)	(360,439)	(360,439)	0
Collection Fund (Surplus)/Deficit - Council Tax	0	0	(1,357)	(1,357)
Collection Fund (Surplus)/Deficit - NNDR	0	0		0
NEDDC Council Tax Requirement	(6,121,088)	(6,121,088)	(6,121,088)	0
Parish Council Council Tax Requirement	(3,386,780)	(3,386,780)	(3,386,780)	0
<b>Council Tax Requirement</b>	<b>(12,899,502)</b>	<b>(13,520,709)</b>	<b>(13,420,172)</b>	<b>100,537</b>

		Current Budget 2021/22 £	Outturn 2021/22 £	Variance £
<b><u>Operations Directorate</u></b>				
<b>Director of Operations &amp; Head Of Paid Service</b>				
1283	Emergency Planning	16,000	16,756	756
4500	Managing Director - Operations & Head of Paid Service	90,814	100,101	9,287
5700	Joint Strategic Director - Environment & Enforcement	19,199	19,132	(67)
5720	Supporting PA's	123,998	124,076	78
		250,011	260,065	10,054
<b>Assistant Director Environmental Health</b>				
3400	Environmental Protection	86,701	78,968	(7,733)
3401	Food, Health & Safety	123,970	118,124	(5,846)
3402	Environmental Enforcement	97,499	74,188	(23,311)
3403	Neighbourhood Management	0	0	0
3404	Licensing	(28,176)	(28,176)	(0)
3405	Pollution	110,687	104,524	(6,163)
3407	Pest Control	32,329	34,606	2,277
3409	EH Technical Support & Management	228,087	235,628	7,541
3410	Private Sector Housing	73,241	70,710	(2,531)
3419	Destitute Funerals	1,500	3,012	1,512
3420	Fly Tipping	3,000	2,577	(423)
3421	VARM (NE) Discretionary Funding	(252)	781	1,033
3423	Air Quality Feasibility Study	16,452	16,453	1
3425	Covid-19 Fines	(260)	(1,260)	(1,000)
3426	Covid Enforcement Team	(2,364)	(2,364)	(0)
3427	Private Water Supply Contract	0	(2,779)	(2,779)
3428	MEES Project	(23,248)	(23,248)	(0)
3726	Works In Default	0	154	154
		719,166	681,896	(37,270)
<b>Assistant Director Streetscene</b>				
3174	Street Scene	341,276	314,441	(26,835)
3227	Materials Recycling	588,859	406,589	(182,270)
3244	Parks Derbyshire County Council Agency	(360,000)	(359,667)	333
3282	Eckington Depot	105,580	106,006	426
3285	Dronfield Bulk Depot	3,495	3,493	(2)
3511	Hasland Cemetery	(52,820)	(64,144)	(11,324)
3513	Temple Normanton Cemetery	(7,405)	(4,488)	2,917
3514	Clay Cross Cemetery	(59,685)	(67,942)	(8,257)
3516	Killamarsh Cemetery	(22,015)	(27,247)	(5,232)
3918	Dog Fouling Bins	(57,150)	(65,921)	(8,771)
3921	Street Cleaning Service	615,802	578,002	(37,800)
3943	Transport	128,824	466,165	337,341
3944	Grounds Maintenance	605,226	582,177	(23,049)
3945	Domestic Waste Collection	1,547,232	1,610,286	63,054
3946	Commercial Waste Collection	(215,980)	(242,543)	(26,563)
		3,161,239	3,235,206	73,967
<b>Assistant Director Planning</b>				
4111	Applications And Advice	(588,400)	(536,606)	51,794
4113	Planning Appeals	28,847	28,847	0
4116	Planning Policy	227,911	230,041	2,130
4119	Neighbourhood Planning Grant	0	0	0
4311	Environmental Conservation	14,220	13,920	(300)
4511	Assistant Director Planning	63,079	62,488	(591)
4513	Planning	295,816	279,738	(16,078)
4515	Building Control	58,000	48,108	(9,892)
4522	Section 106 Agreement	35,603	35,604	1
		135,076	162,141	27,065
<b>Assistant Director Governance</b>				
1121	Member's Services	430,613	415,350	(15,263)
1123	Chair's Expenses	12,120	10,127	(1,993)
1131	District Elections	0	28,048	28,048
1133	Parish Elections	0	0	0
1137	Parliamentary Elections	0	0	0
1139	County Council Elections	0	0	0

		<b>Current Budget 2021/22</b>	<b>Outturn 2021/22</b>	<b>Variance</b>
1231	Corporate Training	0	0	0
1259	Corporate Groups	38,480	28,799	(9,681)
1311	Human Resources	6,000	0	(6,000)
1313	Work Well Team	196,645	178,668	(17,977)
3121	Health & Safety Advisor	88,488	78,079	(10,409)
5250	National Civic Events	0	364	364
5273	Brass Band Concert	5,000	0	(5,000)
5313	Register Of Electors	160,036	148,054	(11,982)
5321	Assistant Director Governance	41,760	50,214	8,454
5353	Legal Section	158,002	112,624	(45,378)
5354	Land Charges	(8,653)	(11,458)	(2,805)
5392	Scrutiny	52,274	35,432	(16,842)
5711	Democratic Services	209,075	186,645	(22,430)
		<b>1,389,840</b>	<b>1,260,946</b>	<b>(128,894)</b>

#### **Assistant Director Finance**

1312	Payroll	57,217	47,550	(9,667)
3176	Pool Car	0	0	0
5113	Unison Duties	16,891	16,995	104
5611	External Audit	83,061	32,066	(50,995)
5615	Bank Charges	95,500	104,000	8,500
5621	Contribution to/from HRA	(185,600)	(185,450)	150
5713	Audit	104,160	104,000	(160)
5714	Financial Support Services	3,500	2,475	(1,025)
5715	Procurement	47,667	42,872	(4,796)
5721	Financial Services	338,520	331,852	(6,668)
5724	Insurance	321,000	312,867	(8,133)
5725	Apprenticeship Levy	45,000	43,439	(1,561)
5727	Cost Of Ex-Employees	864,000	860,876	(3,124)
5728	Covid-19 Response	(430,735)	(430,736)	(1)
5729	Additional Restrictions Grant	571,522	571,522	(0)
5730	Local Restrictions Support Grant (Closed)	0	0	0
5731	Local Restrictions Support Grant (Open)	0	0	0
5732	Christmas Support Payments	0	0	0
5738	Closed Business Lockdown Payments	0	0	0
5739	LAGDF	(10,000)	(10,000)	0
5740	Council Tax Hardship	0	0	0
5741	Housing Benefit Service	(100,474)	373,552	474,026
5742	Test and Trace	0	0	0
5743	Business Restart Grant	0	0	0
5744	Omicron Hospitality and Leisure Grant	0	0	0
5745	Covid New Burdens	(217,265)	(217,266)	(1)
5747	Debtors	51,149	52,121	972
5751	NNDR Collection	(11,437)	6,554	17,991
5759	Council Tax Administration	247,620	222,134	(25,486)
5775	Council Tax Rebate	0	0	0
5776	Discretionary Fund	(162,450)	(162,450)	0
5781	Village Hall Grants	14,870	14,867	(3)
		<b>1,743,716</b>	<b>2,133,842</b>	<b>390,126</b>

<b>Total for Operations Directorate</b>	<b>7,399,048</b>	<b>7,734,096</b>	<b>335,048</b>
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#### **Growth Directorate**

##### **Director of Growth**

1143	Director of Growth	51,941	52,332	391
1218	Community Safety	12,257	9,547	(2,710)
3512	CBC Crematorium	(173,000)	(221,787)	(48,787)
		<b>(108,802)</b>	<b>(159,908)</b>	<b>(51,106)</b>

##### **Assistant Director Property, Estates & Assets**

3135	Drainage	36,240	20,493	(15,747)
3172	Engineers	87,546	82,129	(5,417)
3241	Car Parks	50,945	48,591	(2,354)
3247	Street Names/Lights	5,000	4,286	(714)
3249	Footpath Orders	(900)	155	1,055
3265	Dams And Fishing Ponds	3,550	2,084	(1,466)
3281	Clay Cross Depot	1,000	562	(438)
3811	Closed Circuit Television	0	270	270
4412	Midway Business Centre	(67,485)	(74,298)	(6,813)

		<b>Current Budget 2021/22</b>	<b>Outturn 2021/22</b>	<b>Variance</b>
4425	Coney Green Business Centre	(160,945)	(119,027)	41,918
4519	The Avenue, Wingerworth	20,664	20,664	0
4523	Estates Administration	352,705	310,796	(41,909)
5204	Assistant Director Property, Estates & Assets	114,000	133,652	19,652
5205	Mill Lane	273,313	274,239	926
5206	Mill Lane Land	0	0	0
5209	Facilities Management	52,135	47,412	(4,723)
5210	Pioneer House	(24,503)	(22,402)	2,101
		<b>743,265</b>	<b>729,605</b>	<b>(13,660)</b>

#### **Assistant Director Economic Development, Regeneration & Housing**

3165	Housing Options Team	206,401	227,180	20,779
3740	Strategic Housing	71,288	45,989	(25,299)
3745	Household Support Fund	0	0	0
3746	Homelessness Prevention Grant	(154,637)	(154,637)	0
3747	Homeless Temp Accomodation	(14,625)	(25,390)	(10,765)
3748	Homelessness Grant	80,467	80,467	0
3749	Empty Properties	2,000	1,019	(981)
3750	Housing Growth	14,998	14,998	0
3754	Rough Sleepers	116,674	116,674	(0)
3759	Emergency Welfare Assistance Grant	38,308	38,308	(0)
4211	Tourism Promotions	51,284	40,165	(11,119)
4237	KickStarter Project	0	0	0
4238	Working Communities Strategy	72,743	71,273	(1,470)
4512	Growth Agenda	21,385	24,596	3,211
4517	Economic Development	162,617	105,301	(57,316)
4520	Eckington Killamarsh OPE	17,794	17,794	(0)
4521	Eckington Masterplan	29,781	29,781	0
4524	New Towns Fund - Clay Cross	2,575	2,575	0
4526	Sheffield City Region	0	(4,000)	(4,000)
4527	Dronfield Civic Centre	34,528	34,528	(0)
5750	Assistant Director Economic Development, Regeneration & Housing	7,665	20,972	13,307
		<b>761,246</b>	<b>687,593</b>	<b>(73,653)</b>

#### **Total for Growth Directorate**

**1,395,709      1,257,291      (138,418)**

#### **Transformation Directorate**

##### **Director of Transformation**

4600	Director of Transformation	37,918	61,122	23,204
5215	Telephones	37,370	37,354	(16)
5216	Mobile Phones and Ipad	23,110	22,346	(764)
5701	Joint ICT Service	(84,991)	(84,991)	0
5734	NEDDC ICT Service	453,349	437,676	(15,673)
5735	Cyber Security	3,042	3,042	0
5736	Business Development	92,621	101,198	8,577
5737	Corporate Printing Costs	15,610	14,309	(1,301)
		<b>578,029</b>	<b>592,058</b>	<b>14,029</b>

##### **Assistant Director Leisure**

4561	Leisure Centre Management	440,494	410,687	(29,807)
4720	Sportivate	0	0	0
4722	Physical Inactivity Fund	0	84	84
4723	Generation Games	0	0	0
4724	Walking into Communities	11,000	11,101	101
4726	Walking for Health	0	0	0
4727	Five 60	0	0	0
4731	Promotion Of Recreation And Leisure	30,335	30,143	(192)
4732	Schools Promotion	0	0	0
4736	Derbyshire Sports Forum	14,450	14,450	0
4739	Coach Core Apprentices	0	0	0
4742	Arts Development	2,530	2,524	(6)
8441	Eckington Swimming Pool	334,039	196,693	(137,346)
8445	Eckington Pool Cafe	(9,069)	(24,789)	(15,720)
8451	Dronfield Sports Centre	104,867	(109,249)	(214,116)
8455	Dronfield Café	11,413	(14,310)	(25,723)
8461	Sharley Park Sports Centre	379,399	240,727	(138,672)
8465	Sharley Park Sports Centre Outdoor	(3,090)	(1,969)	1,122
8471	Killamarsh Leisure Centre	(39,498)	(79,953)	(40,455)
8475	Killamarsh Outdoors	(9,389)	(4,794)	4,595

		<b>Current Budget 2021/22</b>	<b>Outturn 2021/22</b>	<b>Variance</b>
8476	Killamarsh Café	4,548	0	(4,548)
		<b>1,272,029</b>	<b>671,346</b>	<b>(600,683)</b>
	<b>Assistant Director Transformation &amp; Communication</b>			
1255	Strategy and Performance	105,410	103,074	(2,336)
1256	Corporate Consultation	4,653	1,169	(3,484)
1315	Design & Print	109,234	107,941	(1,293)
1321	Communications & Marketing	91,124	89,404	(1,720)
1323	NEDDC News	26,400	25,977	(423)
1329	Corporate Web Site	1,000	1,081	81
1331	Strategic Partnerships	169,597	163,524	(6,073)
1332	Strategic Partnership Projects	(71,004)	(71,004)	(0)
1333	Healthy North East Derbyshire	(150,694)	(150,694)	(0)
3408	Home Improvement	20,985	20,836	(149)
4352	LEADER	0	0	0
4443	Elderly Peoples Clubs	4,000	698	(3,302)
5221	Customer Services	339,729	310,102	(29,627)
5223	Franking Machine	58,400	41,586	(16,814)
5785	Contributions	136,085	123,497	(12,588)
5825	Concessionary Bus Passes	(10,100)	(10,419)	(319)
		<b>834,819</b>	<b>756,771</b>	<b>(78,048)</b>
	<b>Total for Transformation Directorate</b>	<b>2,684,877</b>	<b>2,020,174</b>	<b>(664,703)</b>
	<b>Corporate Charges</b>			
5790	Savings Target	0	0	0
0001	Recharges to Capital and HRA	(570,500)	(580,500)	(10,000)
	<b>Total for Corporate Charges</b>	<b>(570,500)</b>	<b>(580,500)</b>	<b>(10,000)</b>
	<b>Net Cost of Services</b>	<b>10,909,134</b>	<b>10,431,061</b>	<b>(478,073)</b>
	<b>Investment Properties</b>			
4411	Stonebroom Industrial Estate	(58,330)	(62,529)	(4,199)
4413	Clay Cross Industrial Estate	(80,715)	(85,207)	(4,492)
4415	Norwood Industrial Estate	(231,590)	(240,312)	(8,722)
4417	Eckington Business Park	(6,200)	(2,713)	3,487
4418	Rotherside Court Eckington Business Unit	(17,785)	(8,014)	9,771
4423	Pavillion Workshops Holmewood	(93,840)	(94,406)	(566)
4432	Miscellaneous Properties	24,783	18,937	(5,846)
	<b>Total for Investment Properties</b>	<b>(463,677)</b>	<b>(474,243)</b>	<b>(10,566)</b>



**HOUSING REVENUE INCOME - SUMMARY OUTTURN 2021/22**
**APPENDIX 3**

	A	B	C	D	E
	Current Budget 2021/22 £000's	Adjustments to aid comparison 2021/22 £000's	Adjusted Current Budget 2021/22 £000's	Actual 2021/22 £000's	Variance 2021/22 £000's
<b>Income</b>					
Dwelling Rents	(31,043)	0	(31,043)	(31,098)	(55)
Non-Dwelling Rents	(428)	0	(428)	(436)	(8)
Charges for Services and Facilities	(128)	0	(128)	(117)	11
Contributions Towards Expenditure	(50)	0	(50)	(50)	0
<b>Total Income</b>	<b>(31,649)</b>	<b>0</b>	<b>(31,649)</b>	<b>(31,701)</b>	<b>(52)</b>
<b>Expenditure</b>					
Repairs & Maintenance	5,156	0	5,156	5,181	25
Revenue Expenditure funded from Capital	0	915	915	915	0
Supervision and Management	6,326	0	6,326	6,297	(29)
Rents, Rates & Taxes	110	0	110	93	(17)
Capital Charges - Depreciation	7,765	0	7,765	7,766	1
Increase in Provision for Bad Debts	250	0	250	18	(232)
Water Litigation Liability	0	0	0	0	0
Debt Management Expenses	12	0	12	11	(1)
Impairments & Revaluations	0	(3,717)	(3,717)	(3,717)	0
<b>Total Expenditure</b>	<b>19,619</b>	<b>(2,802)</b>	<b>16,817</b>	<b>16,564</b>	<b>(253)</b>
<b>Net Cost of Services</b>	<b>(12,030)</b>	<b>(2,802)</b>	<b>(14,832)</b>	<b>(15,137)</b>	<b>(305)</b>
Corporate & Democratic Core	186	0	186	186	0
<b>Net Cost of all HRA services</b>	<b>(11,844)</b>	<b>(2,802)</b>	<b>(14,646)</b>	<b>(14,951)</b>	<b>(305)</b>
(Gain)/Loss on sale of HRA fixed assets	0	2,977	2,977	2,977	0
Interest Payable	4,847	0	4,847	4,857	10
Transfer - Pensions Reserve					0
					0
Revaluation of Investment Property	0	(1,755)	(1,755)	(1,755)	0
Interest Receivable	(7)	0	(7)	(17)	(10)
Capital Grants	0	(497)	(497)	(497)	0
<b>(Surplus)/Deficit on HRA Services</b>	<b>(7,004)</b>	<b>(2,077)</b>	<b>(9,081)</b>	<b>(9,386)</b>	<b>(305)</b>
MRP Voluntary Contribution	0	0	0	0	0
Transfers to/from Rykneld Homes Loss Re:	0	0	0	0	0
Transfer to Capital Grant Reserve	0	0	0	0	0
Transfer to HRA Reserves - Insurance	50	0	50	50	0
Transfer to HRA Reserves - Development	391	0	391	391	0
Transfer to/from HRA Reserves - Debt Rep	(2,846)	0	(2,846)	(2,540)	306
Adjustments between accounting and fundi	0	2,077	2,077	2,077	0
Transfers to/from Major Repairs Reserve	9,409	0	9,409	9,408	(1)
<b>Transfer to HRA Balances</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Housing Revenue Account Balances</b>	<b>Current Budget 2021/22 £</b>			<b>Actual 2021/22 £</b>	<b>Variance 2021/22 £</b>
HRA Opening Balance	(3,000)			(3,000)	0
Transfer fm Balances 21/22					
Transfer to Balances 21/22					
HRA Closing Balances	(3,000)			(3,000)	0

Project/Scheme	Current Programme 2021/22 £000	Outturn 2021/22 £000	Variance 2021/22 £000	Amount Carried Forward to 2022/23 £000	Original Programme 2022/23 £000	Current Programme 2022/23 £000
<b>Housing Investment</b>						
Housing Capital Works	12,211	10,763	(1,448)	1,448	10,824	12,272
Housing Capital Works - Non Traditional Properties	7,152	7,152	0	0	4,600	4,600
Garage Demolitions	37	0	(37)	37	23	60
Concrete Balconies	111	0	(111)	111	0	111
EWI Scheme - Heath	0	(26)	(26)	0	0	0
Pine View, Danesmoor	1,007	245	(762)	762	70	832
Parking Solutions	576	3	(573)	285	288	573
Green Homes EWI - Mickley	1,110	777	(333)	333	0	333
North Wingfield New Build Scheme	2,081	120	(1,961)	1,961	0	1,961
Stock Purchase Programme	3,000	761	(2,239)	0	2,500	2,500
Acquisitions & Disposal Scheme (RHL)	500	501	1	0	500	500
	27,785	20,296	(7,489)	4,937	18,805	23,742
Private Sector Spending - DFG	820	382	(438)	0	820	820
<b>Total Housing Investment</b>	<b>28,605</b>	<b>20,678</b>	<b>(7,927)</b>	<b>4,937</b>	<b>19,625</b>	<b>24,562</b>
<b>Other Capital Projects</b>						
Asset Refurbishment - General	312	203	(109)	109	500	609
Eckington Depot Refurbishment	599	17	(582)	582	0	582
Roller Shutter Doors	42	6	(36)	36	0	36
Eckington Pool Carbon Efficiencies Programme	1,565	1,280	(285)	231	0	231
Killamarsh Leisure Centre Refurbishment	1,991	931	(1,060)	1,060	0	1,060
Dronfield Sports Centre Carbon Efficiencies Programme	0	0	0	0	1,380	1,380
Lottery Funded Schemes	9	0	(9)	9	0	9
Replacement Vehicles	920	469	(451)	451	2,976	3,427
Contaminated Land	42	0	(42)	42	0	42
ICT Schemes	205	37	(168)	168	248	416
CX Town Market Street Regeneration	2,000	1	(1,999)	1,999	0	1,999
CX Town Clay Cross Skills and Enterprise Hub	500	0	(500)	500	0	500
CX Town Sharley Park Active Community Hub	300	5	(295)	295	0	295
CX Town Rail Station Feasibility	150	0	(150)	150	0	150
CX Town Programme Management	241	67	(174)	174	0	174
CX Acc Fund Old Constabulary	150	0	(150)	150	0	150
CX Acc Fund School Demolition	60	52	(8)	8	0	8
CX Acc Fund CX Depot Demolition	85	(1)	(86)	86	0	86
CX Acc Fund Public Art Work	55	23	(32)	32	0	32
CX Acc Fund Land Assembly	10	7	(3)	3	0	3
CX Acc Fund Other	140	138	(2)	2	0	2
Loan Commitments - ECL	0	9	9	0	0	0
Section 106 Capital Expenditure	0	1,722	1,722	0	0	0
<b>Total Other Capital Projects</b>	<b>9,376</b>	<b>4,966</b>	<b>(4,410)</b>	<b>6,087</b>	<b>5,104</b>	<b>11,191</b>
<b>Total Capital Expenditure</b>	<b>37,981</b>	<b>25,644</b>	<b>(12,337)</b>	<b>11,024</b>	<b>24,729</b>	<b>35,753</b>
<b>Housing Investment Funding</b>						
HRA Capital Investment Reserve	(1,751)	(222)	1,529	(1,215)	(381)	(1,596)
Major Repairs Reserve	(19,348)	(17,110)	2,238	(1,701)	(15,424)	(17,125)
Prudential Borrowing - HRA	(3,576)	(906)	2,670	(1,356)	(1,800)	(3,156)
External Grant	(1,045)	(1,546)	(501)	0	0	0
Useable Capital Receipts	(2,065)	(512)	1,553	(665)	(1,200)	(1,865)
	(27,785)	(20,296)	7,489	(4,937)	(18,805)	(23,742)
Disabled Facilities Grant	(820)	(382)	438	0	(820)	(820)
<b>Total Housing Investment Funding</b>	<b>(28,605)</b>	<b>(20,678)</b>	<b>7,927</b>	<b>(4,937)</b>	<b>(19,625)</b>	<b>(24,562)</b>
<b>Other Capital Projects Funding</b>						
Useable Capital Receipts	(1,141)	(584)	557	(565)	(2,340)	(2,905)
Prudential Borrowing	(3,436)	(1,400)	2,036	(2,036)	(1,417)	(3,453)
RCCO - General Fund	(42)	(6)	36	(36)	0	(36)
External Grant	(4,757)	(2,976)	1,781	(3,450)	(1,347)	(4,797)
<b>Other Capital Project Funding</b>	<b>(9,376)</b>	<b>(4,966)</b>	<b>4,410</b>	<b>(6,087)</b>	<b>(5,104)</b>	<b>(11,191)</b>
<b>Total Capital Financing</b>	<b>(37,981)</b>	<b>(25,644)</b>	<b>12,337</b>	<b>(11,024)</b>	<b>(24,729)</b>	<b>(35,753)</b>
<b>HRA Development Reserve</b>						
Opening Balance	(2,382)	(2,382)	0		(2,551)	(2,551)
Amount due in year	(391)	(391)	0		(415)	(415)
Amount used in year	1,751	222	(1,529)		381	1,596
<b>Closing Balance</b>	<b>(1,022)</b>	<b>(2,551)</b>	<b>(1,529)</b>		<b>(2,585)</b>	<b>(1,370)</b>
<b>Major Repairs Reserve</b>						
Opening Balance	(2,174)	(2,174)	0		(2,238)	(2,238)
Amount due in year	(17,174)	(17,174)	0		(15,424)	(15,424)
Amount used in year	19,348	17,110	(2,238)		15,424	17,125
<b>Closing Balance</b>	<b>0</b>	<b>(2,238)</b>	<b>(2,238)</b>		<b>(2,238)</b>	<b>(537)</b>
<b>Capital Receipts Reserves</b>						
Opening Balance	(1,407)	(1,407)	0		(2,340)	(2,340)
Income expected in year	(3,000)	(3,428)	(428)		(3,000)	(3,000)
Debt Repayment/Other Expenses	2,700	644	(2,056)		1,000	1,000
Amount used in year	1,141	1,851	710		2,340	2,905
<b>Closing Balance</b>	<b>(566)</b>	<b>(2,340)</b>	<b>(1,774)</b>		<b>(2,000)</b>	<b>(1,435)</b>
<b>Capital Receipts Reserves 1-4-1 receipts</b>						
Opening Balance	(1,275)	(1,275)	0		(763)	(763)
Income expected in year	(790)	(1,748)	(958)		(1,200)	(1,200)
Debt Repayment/Other Expenses	0	1,748	1,748		763	98
Amount used in year	2,065	512	(1,553)		1,200	1,865
<b>Closing Balance</b>	<b>0</b>	<b>(763)</b>	<b>(763)</b>		<b>0</b>	<b>0</b>

**NEDDC Treasury Management Outturn 2021/22****Capital Financing Requirement**

Treasury Management is the measurement and control of the overall debt position of the Council. This is calculated through the Capital Financing Requirement (CFR). The CFR calculates the Council's underlying need to borrow in order to finance its capital expenditure. The revised estimate of the CFR for 2021/22 and the actual outturn CFR are shown in the table below: -

	<b>Current Budget 2021/22 £000's</b>	<b>Actual Outturn 2021/22 £000's</b>
Capital Financing Requirement 1 April 2021	183,170	183,170
Prudential Borrowing Gen Fund – Vehicle Replacement	920	469
Prudential Borrowing Gen Fund – Killamarsh Leisure Centre	1,991	931
Prudential Borrowing HRA – North Wingfield Scheme	3,576	907
Minimum Revenue Provision (MRP)	(636)	(627)
Net repayment of other debt	(1,972)	(1,530)
Prudential Borrowing Gen Fund - Financing of Loan to Rykneld Homes	184	184
Prudential Borrowing Gen Fund - Financing of Loan to Northwood Group Ltd	3,112	3,612
Implementation of IFRS 16 Leases	12	0
<b>Capital Financing Requirement 31 March 2022</b>	<b>190,357</b>	<b>187,116</b>

The overall final position shows a net increase in outstanding debt of £3.946m during the year.

The Capital Financing requirement is split between the HRA and General Fund the balance of each is shown below:

<b>Capital Financing Requirement at 31 March 2022</b>	<b>£000's</b>
General Fund	16,409
Housing Revenue Account	170,707
<b>Total CFR</b>	<b>187,116</b>

## Changes to the HRA Debt Cap

In October 2018 the legislation that capped the amount of HRA debt a local housing authority could hold was revoked with immediate effect. The capital financing requirements relating to the HRA will remain the same so there will still be no requirement for an MRP and levels of debt will be managed through prudential borrowing limits controlled by the Treasury Management Strategy approved by Council in February 2020. This is to ensure that all additional borrowing is prudent and affordable within the context of the HRA and should include:

- affordability over the life of the 30 year business plan;
- a clear case for demand/need in the district;
- generation of additional income.

Removing the debt cap and not having a statutory requirement to make a provision to repay debt presents a significant risk to the HRA. Very careful treasury management is needed to ensure that the Council's HRA borrowing remains affordable, prudent and reasonable and that the HRA remains sustainable over the long term.

## How the CFR is financed by the Council

The CFR is the Council's underlying need to borrow to finance capital expenditure. To finance the CFR the Council has external borrowing, finance leases and the use of its own reserves and balances. The position as at 31 March 2022 is as follows:

	<b>£000's</b>
Capital Financing Requirement 31 March 2022	187,116
<b>Financed from</b>	
External Borrowing via PWLB	147,032
Use of internal balances and reserves	40,084
<b>Total Financing of CFR</b>	<b>187,116</b>

The table above shows that the Council is effectively under borrowing by £40.084m at 31 March 2022. This means that no debt charges are being incurred on £40.084m of borrowing but also means that the funds are not being invested in the money market. However, the cost of borrowing from the PWLB would incur interest charges that are higher than the investment interest foregone. This position is regularly monitored and reviewed in line with forecast interest rates.

## PWLB Borrowing

The Council's total outstanding PWLB debt amounted to £149.238m at 1 April 2021. During 2021/22 an amount of £2.206m was repaid leaving a balance at 31 March 2022 of £147.032m. During 2021/22 no new loans have been taken out with the PWLB. The profile of the outstanding debt is analysed as follows: -

<b>PWLB BORROWING</b>	<b>Maturity Profile 31 March 2021 £000's</b>	<b>Maturity Profile 31 March 2022 £000's</b>
<b>Term</b>		
12 Months	2,205	111
1 - 2 years	111	4,112
2 - 5 years	19,222	17,206
5 - 10 years	18,470	20,466
10 - 15 years	36,140	40,047
Over 15 years	73,090	65,090
<b>Total PWLB Debt</b>	<b>149,238</b>	<b>147,032</b>

## PWLB Interest

The interest cost to the Council of the PWLB debt for 2021/22 is shown in the table below. The cost is split between the HRA and General Fund based on the level of debt outstanding within the CFR.

<b>Date</b>	<b>Amount Paid to PWLB £000's</b>
Less Accrued Interest re 2020/21	(46)
Interest Paid during 2021/22	5,229
Plus Accrued Interest re 2021/22	44
<b>Total Paid</b>	<b>5,227</b>

## Temporary Borrowing

Cash flow monitoring and management serves to identify the need for short term borrowing to cover delays in the receipt of income during the course of the year. No interest charges from short term borrowing were incurred during the year. At the 31 March 2022 the Council had no temporary borrowing.

## Temporary Investments

The tables below detail the short term investments made at various times during the financial year 2021/22: -

Bank Name	Duration of Loan	B/Fwd 01/04/21 £000's	Amount Invested 2021/22 £000's	Amount Returned 2021/22 £000's	Balance Invested 31/3/22 £000's	Interest Received 31/3/22 £000's
Federated Fund 3	Call	3,000	2	(2)	3,000	(2)
Federated GBP 3	Call	2,000	0	(0)	2,000	(0)
Aberdeen Standard	Call	5,000	3	(3)	5,000	(3)
CCLA Public Sector Deposit Fund	1 Day Call	5,000	5	(5)	5,000	(5)
Debt Management Account Deposit Facility	Various	0	28,000	(28,000)	0	(0)
Aviva	Call	5,000	2,003	(2,003)	5,000	(3)
Invesco	Call	5,000	2	(3,002)	2,000	(2)
JP Morgan	Call	3,000	9,001	(12,001)	0	(1)
Goldman Sachs	Call	5,000	4,000	(9,000)	0	(0)
SSGA	Call	0	10,001	(5,001)	5,000	(1)
London Borough of Croydon Council	12 months	3,000	5	(3,005)	0	(5)
Ashford Borough Council	12 months	0	5,002	(2)	5,000	(2)
Lancashire County Council	12 months	0	5,003	(3)	5,000	(3)
<b>Total</b>		<b>36,000</b>	<b>63,027</b>	<b>(62,027)</b>	<b>37,000</b>	<b>(27)</b>

## Overnight Investments

The maximum amount invested with Lloyds Bank in the financial year was £4.986m. There has been no breach of the £5m limit set in the Treasury Management Strategy.

## Compliance with Treasury Limits

During the financial year the Council continued to operate within the treasury limits set out in the Council's Borrowing and Investment Strategy.

	Actual 2021/22 £000's	Set Limits 2021/22 £000's
Authorised Limit (total Council external borrowing limit)	197,116	202,762
Operational Boundary	192,116	197,761