

North East Derbyshire District Council

Council

30 January 2023

Medium Term Financial Plan 2022/23 to 2026/27

Report of the Portfolio Holder for Economy, Transformation & Climate Change

Classification: This report is public

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

Contact Officer: as above

PURPOSE/SUMMARY

To seek approval of the Current Budget for 2022/23 and Original Budget for 2023/24 for the General Fund, Housing Revenue Account and Capital Programme as part of the Council's Medium Term Financial Plan covering the years 2022/23 to 2026/27.

RECOMMENDATIONS

1. That the view of the Director of Finance & Resources, that the estimates included in the Medium Term Financial Plan 2022/23 to 2026/27 are robust and that the level of financial reserves are adequate at this time, 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.

General Fund

3. A Council Tax increase of £5.93 will be levied in respect of a notional Band D property (2.99%).
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 2022/23, as the Original Budget 2023/24, and as the financial projections in respect of 2024/25 to 2026/27.
5. That the shortfall in the General Fund budget for 2023/24 as set out in **Appendix 1** be met from the resilience reserve

6. That the General Fund Capital Programme be approved as the Current Budget in respect of 2022/23, and as the Approved Programme for 2023/24 to 2026/27.
7. That any under spend in respect of 2022/23 be transferred to the Resilience Reserve to provide increased financial resilience for future years of the plan.

Housing Revenue Account (HRA)

8. That Council sets its rent levels for 2023/24 by increasing rents by 5% from 1st April 2023.
9. That all other charges be implemented in line with the table shown in Appendix 1 with effect from 1 April 2023.
10. 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 2022/23, as the Original Budget in respect of 2023/24, and the financial projection in respect of 2024/25 to 2026/27.
11. That the HRA Capital Programme be approved as the Current Budget in respect of 2022/23, and as the Approved Programme for 2023/24 to 2026/27.
12. That the Management Fee for undertaking housing services at £10.612m and the Management Fee for undertaking capital works at £1.1m to Rykneld Homes in respect of 2023/24 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

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: <i>BDC: Revenue - £75,000</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC: Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
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

REPORT DETAILS

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

- 1.1 Attached at **Appendix 1** is the report presented to Cabinet on 26 January 2023 providing details of the current budget for 2022/23, original budget for 2023/24 and financial plans for 2024/25 to 2026/27.
- 1.3 Cabinet considered the report on 26 January 2023 following scrutiny at the Audit and Corporate Governance Scrutiny Committee on 18 January 2023. 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 2022/23 to 2026/27 and Appendices 1-4
Background Papers	
Report Author	Contact Number
Jayne Dethick – Director - Finance and Resources (S151 Officer)	(01246) 217078