

North East Derbyshire District Council

Cabinet

25 January 2024

Medium Term Financial Plan 2023/24 to 2027/28

Report of the Deputy Leader (Portfolio Holder for Finance)

Classification: This report is public

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

Contact Officer: Jayne Dethick

PURPOSE/SUMMARY

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

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

RECOMMENDATIONS

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

The following recommendations to Council are made:

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

General Fund

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

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

Housing Revenue Account (HRA)

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

Approved by the Portfolio Holder for Finance

IMPLICATIONS

Finance and Risk

Yes ✓

No

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

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

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

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

On Behalf of the Section 151 Officer

Legal including Data Protection

Yes ✓

No

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

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

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

On Behalf of the Solicitor to the Council

Staffing

Yes

No ✓

There are no staffing issues arising directly from this report.

On Behalf of the Head of Paid Service

DECISION INFORMATION

| | |
|---|----|
| Is the decision a Key Decision? | No |
| A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: | |
| NEDDC: | |

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

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

REPORT DETAILS

1 Introduction

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

General Fund Revenue Account

2023/24 Current Budget

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

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

Local Government Finance Settlement

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

New Homes Bonus

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

Increased “core” Band D Council Tax

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

3% Funding Guarantee

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

Business Rates

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

Business Rates Reset

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

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

Table 1

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

Assumptions in the Plan

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

- Budgets are cash limited except where contractual commitments to increase costs exist.
- A pay award of 3% has been included in 2025/26 pay budgets. From 2026/27 pay inflation forecasts include a 2% uplift.
- Changes to national living wage have been accounted for.
- Energy costs and fuel have been forecast to reflect anticipated price changes.
- Fees and charges – annual service specific increases have been applied in 2024/25.
- Salary vacancy savings of 3% have been included each year.
- Inflation mirrors Bank of England monetary policy falling to the target of 2% by the end of 2025.
- Variable interest rates mirror Bank of England monetary policy with a gradual reduction to 3% by September 2026.

Budget Detail

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

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

Table 2

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

NB - () denote income/surplus

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

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

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

Table 3

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

NB - () denotes income

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

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

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

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

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

Reserves

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

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

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

Council Tax Implications

Council Tax Base

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

Council Tax Options

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

Table 4

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

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

Housing Revenue Account (HRA)

2023/24 Current Budget

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

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

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

Level of Council Dwelling Rents

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

Rent Increase 2024/25

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

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

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

Other Fees and Charges

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

Rykneld Homes Ltd Management Fee (revenue)

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

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

Financial Reserves – HRA

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

Capital Investment Programme

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

2023/24 Current Budget

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

General Fund Capital Programme 2024/25 to 2027/28

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

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

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

HRA Capital Programme 2023/24 to 2026/27

- 1.61 The proposed Capital Programme for the HRA totals:

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

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

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

Robustness of the Estimates and Adequacy of Reserves

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

Financial Resilience

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

2 Reasons for Recommendation

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

3 Alternative Options and Reasons for Rejection

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

DOCUMENT INFORMATION

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

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

APPENDIX 1

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

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

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

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

Housing Revenue Account 2023/24 - 2027/28

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

CAPITAL PROGRAMME 2022/23 - 2026/27

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