

**North East Derbyshire District Council**

**Council**

**17 February 2020**

**Medium Term Financial Plan 2019/20 to 2023/24**

**Report of Councillor P Parkin, Portfolio Holder for Finance**

This report is public

**Purpose of the Report**

- To seek approval of the proposed budget for 2020/21 for the General Fund, Housing Revenue Account and Capital Programme as part of the Council's Medium Term Financial Plan covering the years 2020/21 to 2023/24.

**1 Report Details**

- 1.1 Attached at Appendix one is the report presented to Cabinet on 13 February 2020 providing details of the proposed Original Budget for 2020/21 and financial plans for 2021/22 – 2023/24.
- 1.2 Cabinet has considered this report and the recommendations agreed are now referred to this Council for members' consideration and approval.

**2 Conclusions and Reasons for Recommendation**

- 2.1 These are detailed in the attached report.

**3 Consultation and Equality Impact**

**Consultation**

- 3.1 These are detailed in the attached report.

**Equalities**

- 3.2 These are detailed in the attached report.

**4 Alternative Options and Reasons for Rejection**

- 4.1 These are detailed in the attached report.

**5 Implications**

- 5.1 **Finance and Risk Implications**

## **Financial**

These are detailed in the attached report.

## **Risk**

These are detailed in the attached report.

## **5.2 Legal Implications including Data Protection**

These are detailed in the attached report.

## **5.3 Human Resources Implications**

These are detailed in the attached report.

## **6 Recommendations**

- 6.1 That the view of the Chief Financial Officer, that the estimates included in the Medium Term Financial Plan 2020/21 to 2023/24 are robust and that the level of financial reserves whilst at minimum levels are adequate, be accepted.
- 6.2 That officers report back to Cabinet and the Audit and Corporate Governance Scrutiny Committee on a quarterly basis regarding the overall position in respect of the Council's budgets. These reports to include updates on achieving the savings and efficiencies necessary to secure a balanced budgets over the life of the medium term financial plan.

## **GENERAL FUND**

- 6.3 No Council Tax increase will be levied in respect of a notional Band D property.
- 6.4 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 2019/20, as the Original Budget 2020/21, and as the financial projections in respect of 2021/22 to 2023/24.
- 6.5 That any under spend in respect of 2019/20 be transferred to reserves to be available for reinvestment in transformation and increased financial resilience as required.
- 6.6 On the basis that income from planning fees is anticipated to exceed £0.480m in 2020/21, the Chief Executive in consultation with the Leader be granted delegated powers to authorise such additional resources as are necessary to effectively manage the resultant increase in workload.

## HOUSING REVENUE ACCOUNT

- 6.7 That Council sets its rent levels in line with the Social Housing Rent Standard increasing rents by 1.7% from 1<sup>st</sup> April 2020 and by CPI + 1% for years 2021/22 to 2023/24.
- 6.8 That the increases in respect of all other charges be implemented in line with the table at 1.33 in the report to Cabinet (**Appendix 1**) with effect from 1 April 2020.
- 6.9 The Medium Term Financial Plan in respect of the Housing Revenue Account as set out in the report to Cabinet (**Appendix 1**) be approved as the Current Budget in respect of 2019/20, as the Original Budget in respect of 2020/21, and the financial projection in respect of 2021/22 to 2023/24.
- 6.10 That the Management Fee for undertaking housing services at £9.852m and the Management Fee for undertaking capital works at £1.1m to Rykneld Homes in respect of 2020/21 be approved.
- 6.11 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.
- 6.12 That Members note the potential requirement to provide Rykneld Homes with a 'letter of comfort' to the company's auditors and grant delegated authority to the Council's Chief Financial Officer in consultation with the Portfolio Member for Finance to agree the contents of that letter.

## CAPITAL PROGRAMME

- 6.13 That the Capital Programme as set out in the report to Cabinet (**Appendix 1**) be approved as the Current Budget in respect of 2019/20, and as the Approved Programme for 2020/21 to 2023/24.

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

## 8 Document Information

Appendix No	Title
1	Medium Term Financial Plan and Appendices 1-4
<p><b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)</p>	
Report Author	Contact Number
Jayne Dethick – Head of Finance and Resources	7078