



**Dr J Ives**  
**Chief Executive**  
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Date: 07 February 2024

Dear Councillor,

### **Finance and Management Committee**

A Meeting of the **Finance and Management Committee** will be held at **Council Chamber**, Civic Offices, Civic Way, Swadlincote, DE11 0AH on **Thursday, 15 February 2024 at 18:00**. You are requested to attend.

Yours faithfully,

Chief Executive

To:- **Labour Group**

Councillor R Pearson (Chair), Councillor L Singh (Vice-Chair)  
Councillors S Harrison, M Mulgrew, G Rhind, B Stuart, S Taylor and N Tilley.

**Conservative Group**

Councillors D Corbin, M Fitzpatrick, M Ford and S Meghani

**Liberal Democrats**

Councillor G Andrew



## **AGENDA**

### **Open to Public and Press**

- 1** Apologies and to note any substitutes appointed for the Meeting.
  
- 2** To receive the Open Minutes of the meetings held on:  
  
09 January 2020 **4 - 8**  
  
23 November 2023 **9 - 14**  
  
Audit Sub-Committee 06 December 2023 **15 - 19**
  
- 3** To note any declarations of interest arising from any items on the Agenda
  
- 4** To receive any questions by members of the public pursuant to Council Procedure Rule No.10.
  
- 5** To receive any questions by Members of the Council pursuant to Council procedure Rule No. 11.
  
- 6** Reports of Overview and Scrutiny Committee.
  
- 7** PROPOSED CONTINUATION OF BANDED COUNCIL TAX REDUCTION SCHEME FOR 2024 -2025 **20 - 24**
  
- 8** COMMENTS, COMPLIMENTS, COMPLAINTS AND FREEDOM OF INFORMATION REQUESTS 1 APRIL 2023 TO 30 SEPTEMBER 2023 **25 - 30**
  
- 9** CONSOLIDATED BUDGET REPORT 2024-25 AND MEDIUM-TERM FINANCIAL PLAN TO 2028-29 **31 - 131**
  
- 10** CAPITAL STRATEGY, TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL INDICATORS 2024-25 **132 - 186**
  
- 11** COMMITTEE WORK PROGRAMME **187 - 193**

### **Exclusion of the Public and Press:**

- 12** The Chairman may therefore move:-  
That in accordance with Section 100 (A)(4) of the Local Government Act 1972 (as amended) the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraph of Part I of the Schedule 12A of the Act indicated in the header to each report on the Agenda.
- 13** To receive the Exempt Minutes of the Meetings held on:  
09 January 2020  
23 November 2023
- 14** To receive any exempt questions by Members of the Council pursuant to Council Procedure Rule No. 11.
- 15** PREMISES IN NETHERSEAL
- 16** REVIEW OF COMMUNICATIONS TEAM – ORGANISATIONAL DEVELOPMENT AND PERFORMANCE SERVICE UNIT
- 17** LEGAL AND DEMOCRATIC SERVICES STAFFING
- 18** CORPORATE RESOURCES DIRECTORATE RESOURCES
- 19** CHIEF EXECUTIVE MANAGEMENT STRUCTURE (Report to be circulated separately)

FINANCE AND MANAGEMENT COMMITTEE (SPECIAL BUDGETARY)

9<sup>th</sup> January 2020

**PRESENT:**

**Conservative Group**

Councillor Watson (Chairman), Fitzpatrick (Vice-Chairman) and Councillors, Angliss, Mrs Bridgen (substituting for Cllr Mrs Brown), Ford, MacPherson, Roberts and Cllr Mrs Wheelton (substituting for Cllr Billings)

**Labour Group**

Councillors Dr Pearson, Rhind, Richards, Southerd and Taylor.

FM/99 **APOLOGIES**

Apologies were received from Councillor Billing, Mrs. Brown

**IN ATTENDANCE**

Councillors Atkin and Hewlett

FM/100 **DECLARATIONS OF INTEREST**

The Committee was informed no declarations of interest from Members of the Committee had been received.

FM/101 **QUESTIONS FROM MEMBERS OF THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO 10**

The Committee was informed no questions from members of the public had been received.

FM/102 **QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO 11**

The Committee was informed no questions from Members of the Council had been received.

FM/103 **REPORTS OF OVERVIEW AND SCRUTINY COMMITTEE**

The Committee was informed there were no reports from Overview and Scrutiny.

**MATTERS DELEGATED TO COMMITTEE**

FM/104 **SERVICE BASE BUDGETS 2020-21**

The Strategic Director (Corporate Resources) presented the report to the Committee outlining the Committee's proposed base budget for 2020/21. The Committee was informed that it was proposed that the estimated income and expenditure was to be included in the consolidated budget of the Council for 2020/21 subject to the Council's overall medium-term financial position, which would be subject to a separate report on the Agenda.

The Committee was informed how the report set out proposals for the level of fees and charges under the responsibility of the Committee for the next financial year, 2020/21.

The Committee considered the report and supported the officer's recommendations.

**RESOLVED:**

- 1.1 The proposed revenue income and expenditure for 2020/21 as detailed in Appendix 1 to the report, for the Committee's Services were approved for inclusion in the consolidated proposals for the General Fund.***
- 1.2 The Committee considered and approved the proposed fees and charges as detailed in Appendix 2 of the report for 2020/21.***
- 1.3 The Committee considered and approved an increase of 2% in contributions to Parish Councils in 2020/21 for Concurrent Functions.***

FM/105 **BUDGET REPORT 2020/21 INCORPORATING THE CONSOLIDATED BUDGET PROPOSALS AND MEDIUM TERM FINANCIAL PLAN TO 2025**

The Strategic Director (Corporate Resources) presented the report to the Committee and summarised the Council's overall financial position following a detailed review of current income and expenditure on the General Fund. It was noted that the report detailed the Council's current spending and proposed base budget position for 2020/21 including proposed spending by Policy Committees.

The Strategic Director (Corporate Resources) requested that the Committee considered the proposed Council Tax Base for 2020/21, the projected Collection Fund position for 2019/20 and the planned Council Tax levels in 2020/21 and future years. The Committee were asked to consider the overall impact of the proposals on the General Fund's 5-year financial projection.

The Committee considered the report and supported the officer's recommendations.

**RESOLVED:**

- 1.1 The Committee approved the estimates of revenue income and expenditure for 2020/21 for the General Fund.**
- 1.2 The Committee considered and approved an increase of 2% in grants to voluntary bodies and payments to Parish Councils under concurrent functions for 2020/21.**
- 1.3 The Committee approved the Council Tax Base for 2020/21 of 34,474 (equivalent Band D) properties, as detailed in Appendix 3 to the report.**
- 1.4 The Committee approved that an estimated Council Tax Surplus of £800,000 be declared on the Collection Fund for 2019/20 and the Council's proportion of £83,200 be transferred to the General Fund in 2020/21.**
- 1.5 The Committee approved an increase of 1.95% in the rate of Council Tax for 2020/21, to be referred to Council on 26th February 2020.**
- 1.6 The Committee approved the updated 5-year financial projection on the General Fund to March 2025 as detailed in Appendix 1 to the report, including associated assumptions and risks as detailed in the report.**
- 1.7 The Committee approved that efficiencies and budget savings continue to be pursued where opportunities arise to sustain the current financial position.**
- 1.8 The Committee approved that the decisions made in recommendations 1.1 to 1.7 are used as the basis for consultation with local residents, businesses, voluntary and community groups, etc. and are subject to review by the Overview and Scrutiny Committee.**

FM/106 **COUNCIL TAX PREMIUM ON LONG TERM EMPTY PROPERTIES**

The Strategic Director (Corporate Resources) presented the report to the Committee and summarised the details regarding discretion given to local billing authorities that allowed the Council Tax Premium on long term empty properties to be increased. The Committee was informed how the discretion was introduced in the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018.

The Committee considered the report and supported the officer's recommendations.

**RESOLVED:**

***The Committee considered and approved to increase the Council Tax Premium to 200% on properties empty for between 5 and 10 years from 1 April 2020.***

FM/107 **COMMITTEE WORK PROGRAMME**

The Strategic Director (Corporate Resources) presented the report to the Committee.

**RESOLVED:**

***Members considered and approved the updated work programme.***

FM/108 **LOCAL GOVERNMENT ACT 1972 (AS AMENDED BY THE LOCAL GOVERNMENT [ACCESS TO INFORMATION] ACT 1985)**

**RESOLVED:-**

***That, in accordance with Section 100(A)(4) of the Local Government Act 1972 (as amended), the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraphs of Part 1 of the Schedule 12A of the Act indicated in brackets after each item.***

**TO RECEIVE QUESTIONS FROM MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO. 11**

The Committee was informed no questions had been received.

**ECONOMIC DEVELOPMENT AND GROWTH RESTRUCTURE UPDATE**

***The Committee approved the recommendation in the report.***

The meeting terminated at 6:40 pm.

COUNCILLOR P WATSON

CHAIRMAN

FINANCE AND MANAGEMENT COMMITTEE

23 November 2023

**PRESENT:**

**Labour Group**

Councillor R Pearson (Chair), Councillor L Singh (Vice-Chair) and Councillors S Harrison, G Rhind, V Redfern (substituting for Councillor M Mulgrew), B Stuart, S Taylor and N Tilley.

**Conservative Group**

Councillors D Corbin, M Fitzpatrick, M Ford and S Meghani.

**Liberal Democrats**

Councillor G Andrew.

**In Attendance**

Councillor A Wheelton.

FM/59 **APOLOGIES**

The Committee was informed that apologies had been received from Councillor M Mulgrew (Labour Group).

FM/60 **TO RECEIVE THE OPEN MINUTES OF THE FOLLOWING MEETINGS:**

The Open Minutes of the meetings held on 27 April 2023, 08 June 2023, 20 July 2023, 24 August 2023, 05 October 2023, and the meeting of the Audit Sub-Committee held on 06 September 2023 were noted and approved as a true record and signed by the Chair.

FM/61 **DECLARATIONS OF INTEREST**

The Committee was informed that no declarations of personal interest had been received.

FM/62 **QUESTIONS FROM MEMBERS OF THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO 10**

The Committee was informed that no questions from members of the public had been received.

FM/63 **QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO 11**

The Committee was informed that no questions from members of the council had been received.

FM/64 **REPORTS OF OVERVIEW AND SCRUTINY**

The Committee was informed that no reports from the Overview and Scrutiny Committee had been received.

FM/65 **CORPORATE PLAN 2020-24: PERFORMANCE REPORT 2023-24 QUARTER 2 (1 APRIL TO 30 SEPTEMBER)**

The Head of Organisational Development and Performance presented the report to the Committee noting that there were no changes to the risks and that overall performance was good.

Members raised a query regarding Health and Safety training and the review of the Health and Safety Policy.

The Head of Organisational Development and Performance informed the Committee that the Health and Safety Policy was being reviewed along with the Risk Register in light of the newly appointed Health and Safety Officer, who recognised the importance of Health and Safety training.

Councillor Taylor addressed the Committee and highlighted that Health and Safety issues were reviewed by the Employee Health and Safety Committee and explained how it considered all incidents and near misses.

**RESOLVED:**

***1.1 The Committee approved progress against performance targets set out in the Corporate Plan 2020 - 2024.***

FM/66 **QUARTERLY BUDGET MONITORING 2023-24**

The Head of Finance presented the report to the Committee noting the key areas of the report.

Members considered the report and commended the level of detail and information it contained.

Councillor Meghani and Councillor Fitzpatrick discussed the possible merits of an executive summary.

**RESOLVED:**

***1.1 The Committee noted the position and provided any comments regarding the latest revenue and capital financial position for the General Fund and Housing Revenue Account for 2023/24.***

FM/67 **TREASURY MANAGEMENT UPDATE 2023-24**

The Head of Finance presented the report to the Committee and sought approval of the recommendations.

The Committee considered the report and supported the recommendations.

Councillor Andrew sought clarification regarding the pattern of debt repayments.

The Head of Finance addressed the Committee and explained that the cycle of planned debt repayments related to the 2012 Self-Financing loans and that they were included in the Housing Revenue Account's Medium Term Financial Plan.

**RESOLVED:**

***1.1 The Committee noted the latest Quarter 2 updates in respect of Treasury Management attached as Appendix 1 to the report, the Prudential Indicators and Limits attached as Appendix 2 to the report and the Counterparty List for investments and bank deposits as attached as Appendix 3 to the report.***

FM/68 **CONSOLIDATED DRAFT BUDGET REPORT 2024/25 AND MEDIUM-TERM FINANCIAL PLAN TO 2028/29**

The Strategic Director (Corporate Resources) addressed the Committee presented the report to the Committee and summarised improvements made and savings expected.

Councillor Rhind commended the report and noted that it contained nothing that Members had not been made aware of.

Members raised queries regarding net zero costs, the vision for budget gaps and contract procurement costs.

The Strategic Director (Corporate Resources) informed the Committee that there was nothing new linked to the estimates for the net zero costs and that the vision was about building resilience within the Council regarding budget gaps. It was explained that effective financial contract management would lead to savings.

Members raised further queries regarding the proposed Council Tax increase and the £400K in relation to parish Concurrent expenses.

The Head of Finance advised the Committee that the Council Tax forecast was based on figures provided by the government.

The Strategic Director (Corporate Resources) reiterated that the Concurrent expense grants to Parish Councils would remain at the 2023/24 levels in 2024/25 and that information regarding Parish Concurrent expenditure in Appendix 1 of the report would be made clearer in the next report.

**RESOLVED:**

- 1.1 The Committee noted the draft budget and associated information.**
- 1.2 The Committee approved the draft budget for consultation with the Council's relevant Committees, rate payers and the public.**
- 1.3 The Committee noted the proposals considered material.**
- 1.4 The Committee noted the Indicative Assurance Statement provided by the Section 151 Officer.**

FM/69 **HOUSING COMPLIANCE IN CONJUNCTION WITH NEW REGULATOR CONSUMER STANDARDS**

The Strategic Director (Service Delivery) presented the report to the Committee noting the financial implications and sought approval of the recommendations.

Members commended Housing Officers for their presentation of the report to Housing and Community Services Committee earlier in the month.

The Committee considered the report and supported the recommendations.

**RESOLVED:**

- 1.1 The Committee accepted the proposals outlined in the Financial Implications part of the report in order to meet key legal and regulatory requirements.**
- 1.2 The Committee approved the expenditure proposals outlined in the report following approval by Housing and Community Services Committee on 16 November 2023**
- 1.3 The Committee delegated authority to the Strategic Director (Service Delivery) to procure the software and surveys recommended in the report, using an approved procurement option.**

FM/70 **COMMITTEE WORK PROGRAMME**

The Strategic Director (Corporate Resources) presented the report.

**RESOLVED:**

- 1.1 The Committee considered and approved the updated work programme.**

FM/71 **LOCAL GOVERNMENT ACT 1972 (AS AMENDED BY THE LOCAL GOVERNMENT [ACCESS TO INFORMATION] ACT 1985)**

**RESOLVED:**

*That, in accordance with Section 100(A)(4) of the Local Government Act 1972 (as amended), the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraphs of Part 1 of the Schedule 12A of the Act indicated in brackets after each item.*

**TO RECEIVE THE EXEMPT MINUTES OF THE FOLLOWING MEETINGS:**

*The Exempt Minutes of the Finance and Management Committee held on the 27 April 2023, 08 June 2023, 20 July 2023, 24 August 2023 and 05 October 2023 were received.*

**QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO 11**

*The Committee was informed that no questions had been received.*

**LAND AT ALBERT VILLAGE**

**RESOLVED:**

*The Committee approved the recommendations in the report.*

**PREMISES IN SWADLINCOTE**

**RESOLVED:**

*The Committee approved the recommendations in the report.*

**PENSION STRAIN CONTRIBUTION – FLEXIBLE RETIREMENT REQUEST**

**RESOLVED:**

*The Committee approved the recommendations in the report.*

**BETTER CARE FUNDING ALLOCATION – FINANCIAL POSITION**

**RESOLVED:**

*The Committee approved the recommendations in the report.*

**LONG TERM LEASE OF PHILIP RICHARDSON MEMORIAL FIELD TO NETHERSEAL PARISH COUNCIL**

**RESOLVED:**

***The Committee approved the recommendations in the report.***

**TRANSFER OF SPORTS PAVILION TO WILLINGTON PARISH COUNCIL**

**RESOLVED:**

***The Committee approved the recommendations in the report.***

The meeting terminated at 18:55 hours.

COUNCILLOR R PEARSON

CHAIR

AUDIT SUB-COMMITTEE

06 December 2023

**PRESENT:**

**Non-Grouped**

Councillor A Wheelton (Chair)

**Labour Group**

Councillors D Shepherd (Vice-Chair) A Jones and A Tilley.

**Conservative Group**

Councillor N Atkin.

**In Attendance**

Councillor R Pearson

AS/23 **APOLOGIES**

The Sub-Committee was informed that no apologies had been received.

AS/24 **TO RECEIVE THE OPEN MINUTES**

The Open Minutes for the Meeting held on 06 September 2023 were taken as read, approved, and signed by the Chair.

The Chair referred to the above mentioned Minutes and sought clarification regarding the outstanding action for the enforcement issues information at item AS/18, to which the Head of Planning and Strategic Housing responded, referring to a response that had been provided by the Strategic Director (Service Delivery on 06 December 2023. The Chair requested further information to be reported back to the Sub-Committee about these cases by 01 February 2023.

**RESOLVED:**

***The Sub-Committee approved that the outcomes of the seven Enforcement cases of damage to Tree Preservation Orders and conservation areas for the last twelve months be shared with this Sub-Committee by 01 February 2024.***

AS/25 **DECLARATIONS OF INTEREST**

The Sub-Committee was informed that no declarations of interest had been received.

AS/26 **TO RECEIVE ANY QUESTIONS FROM MEMBERS OF THE PUBLIC PURSUANT TO COUNCIL PROCEDURE RULE NO.10**

The Sub-Committee was informed that no questions from members of the public had been received.

AS/27 **TO RECEIVE ANY QUESTIONS FROM MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO.11**

The Sub-Committee was informed that no questions from Members of the Council had been received.

**MATTERS DELEGATED**

AS/28 **INTERNAL AUDIT PROGRESS REPORT 2023-24**

The Audit Manager presented the report to the Sub-Committee highlighting the dashboard and summary of progress since the last meeting.

Members raised queries regarding a commitment from Leadership Team for recommendations to be monitored, that a formalised escalation process was in place for unactioned recommendations, the status of the performance monitoring of grounds maintenance activities, the limits for procurement contracts, the costs of housing repairs and the provision of bereavement services.

The Strategic Director (Corporate Resources) informed the Sub-Committee that Leadership had agreed an escalation process for outstanding recommendations in the Audit Progress Report. The Strategic Director (Corporate Resources) confirmed that Leadership had reviewed the recommendations of the Internal Audit Progress Reports prior to the meetings and that Heads of Service would be invited to the Audit Sub-Committee meetings to provide updates if no response had been noted in the report. The Strategic Director (Corporate Resources) informed the Sub-Committee that the procurement framework was changing for the Public Sector and that a new internal working group would be formed to review contract matters, procedure roles and contract strategy.

The Audit Manager informed the Sub-Committee that once evidence of the manual system for monitoring grounds maintenance in operation was provided the recommendation would be signed off.

The Head of Planning and Strategic Housing informed the Sub-Committee that community facilities, such as cemeteries, would qualify under the Local Plan

Section 106 Agreement funding and this would be reviewed and debated in the Environmental and Development Services Committee.

The Chair proposed that a progress report of grounds maintenance be reviewed at the March 2024 Sub-Committee meeting.

**RESOLVED:**

***1.1 The Sub-Committee considered the Audit Manager’s Internal Audit Progress Report 2023-24 at Appendix 1 of the report and noted that any issues identified would be subject to a follow-up report.***

***1.2 The Sub-Committee approved that the Head of Service attends the March 2024 Sub-Committee meeting to provide an update and progress report of Grounds Maintenance.***

AS/29 **INTERNAL AUDIT COVERAGE 2024-25**

The Strategic Director (Corporate Resources) presented the report to the Sub-Committee confirming that there were no changes to Audit Coverage for the period 2024-25 highlighting that the two authorities that had reduced coverage were not included in the partnership with South Derbyshire District Council.

Members raised queries regarding good practice and the co-opting of an independent person to the Sub-Committee and whether this had been considered within the report.

The Strategic Director (Corporate Resources) informed the Sub-Committee that it hadn’t been considered for this report, but would be reviewed as part of the Sub-Committee’s self-assessment against the Chartered Institute of Public Finance and Accountancy (CIPFA) best practice.

**RESOLVED:**

***The Committee noted the contents of the report and that the audit coverage would be formally reviewed again in two years’ time.***

AS/30 **2023-2024 ANTI FRAUD & CORRUPTION PLAN & COUNTER FRAUD PARTNERSHIP PERFORMANCE UPDATE**

The Head of Customer Services presented the report to the Sub-Committee and introduced Michael Sergeant, the Counter Fraud Investigator from Derby City Council. The Head of Customer Services highlighted the successes of the

partnership with Derby City Council and the training that had been delivered to South Derbyshire District Council Officers.

Members asked how fraud was reported, types of fraud and if the results were published on social media.

The Head of Customer Services informed the Sub-Committee that all reporting of potential fraud could be done through the Council's web site and this link would be made available to Members.

The Counter Fraud Investigator informed the Sub-Committee that housing fraud was the most difficult to detect, Council Tax fraud was easier to investigate, the most common reason for reporting fraud was local disputes and disagreements and that fraud results were not usually published in the press.

**RESOLVED:**

***1.1 The Sub-Committee noted the performance of the Counter Fraud Partnership with Derby City Council at Appendix 1 of the report and the cashable and value for money savings that had been delivered in 2022-23 and April – November 2023.***

***1.2 The Sub-Committee approved the Council's proposed Anti-Fraud and Corruption Action Plan at Appendix 2 of the report that directs the work of the partnership.***

AS/31 **COMMITTEE WORK PROGRAMME**

The Strategic Director (Corporate Resources) presented the updated work programme and introduced Hayley Clark, Audit Partner from Ernst Young LLP.

The Audit Partner from Ernst Young LLP provided an update of upcoming audit items, priorities, fees, value for money and statutory obligations.

The Strategic Director (Corporate Resources) informed the Sub-Committee that the audit backlog was a priority and that all statutory deadlines needing to be met by the Council would be met on an ongoing basis.

The Chair requested information about timescales to complete the external audit.

The Audit Partner from Ernst Young LLP confirmed that guidance for timelines was expected in the New Year and an update would be provided at the March 2024 meeting of the Sub-Committee.

**RESOLVED:**

*The Sub-Committee considered and approved the updated work programme.*

AS/32 **LOCAL GOVERNMENT ACT 1972 (AS AMENDED BY THE LOCAL GOVERNMENT [ACCESS TO INFORMATION] ACT 1985)**

**RESOLVED:**

*That in accordance with Section 100 (A)(4) of the Local Government Act 1972 (as amended) the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraph of Part I of the Schedule 12A of the Act indicated in the header to each report on the Agenda.*

AS/33 **EXEMPT QUESTIONS BY MEMBERS OF THE COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE NO.11**

The Sub-Committee was informed that no questions from Members of the Council had been received.

The Meeting terminated at 17:10hours

COUNCILLOR A WHEELTON

CHAIR

<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM:7</b>
<b>DATE OF MEETING:</b>	<b>15 FEBRUARY 2024</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR (CORPORATE RESOURCES)</b>	
<b>MEMBERS' CONTACT POINT:</b>	<b>CATHERINE GRIMLEY</b> <a href="mailto:Catherine.grimley@southderbyshire.gov.uk">Catherine.grimley@southderbyshire.gov.uk</a>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>PROPOSED CONTINUATION OF BANDED COUNCIL TAX REDUCTION SCHEME FOR 2024 - 2025</b>	<b>REF:</b>
<b>WARD (S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM12</b>

## **1.0 Recommendations**

1.1 The Committee supports the continuation of a banded Council Tax Reduction Scheme for working age recipients for 2024/2025, as well as other changes proposed, including:

- Uprating to the applicable amounts in line with the prescribed scheme but with the exception of non-dependent deduction for working age which will remain at £5.00 for 2024/2025 year for all cases.
- Adopt any other changes within the prescribed scheme in accordance with the statutory instrument due to be published in January 2024.
- Undertake a review of the current Council Tax Reduction Scheme in 2024 to allow time to implement any potential changes for the 2025/2026 scheme following consultation.
- Continue current funding of £20,000 for hardship cases.

## **2.0 Purpose of Report**

2.1 To recommend to committee that a banded scheme for Council Tax Reduction is continued for 2024/2025

2.2 To recommend to committee that they approve the following amendments to the scheme;

- Uprating to the applicable amounts in line with the prescribed scheme but with the exception of non-dependent deduction for working age which will remain at £5.00 for 24/25 for all cases.

- Adopt any other changes within the prescribed scheme in accordance with the statutory instrument due to be published in January 2024.

### **3.0 Executive Summary**

3.1 South Derbyshire District Council consulted widely with stakeholders including residents and precepting partners on proposed changes to its Local Council Tax Reduction Scheme in 2021 for working-age claimants. A banded scheme was the preferred option and as a result it was adopted for 2022/2023. The scheme reflects our corporate priorities below.

**Better for residents** Greater Council Tax reductions for residents on the lowest incomes, fairer distribution of support to the most financially vulnerable residents, less paperwork and confusion, more financial stability, and greater customer satisfaction.

**Better for the Council** More streamlined administration, less debt recovery carried out with vulnerable residents, update of the scheme in line with changes introduced by welfare reform and Universal Credit (UC).

### **4.0 Detail**

4.1 Under the banded scheme, the council tax reduction scheme regulations are simplified so they are easier to understand and remove outdated legislation. The scheme also aligns with other welfare benefits.

4.2 The banded scheme works out how much council tax discount claimants will get as a percentage of the total charge by putting a claimant's excess income into one of ten bands.

4.3 Historically evidence suggests that most changes in income are within the £15 band limits, so most claimants whose income fluctuates a little will know week-to-week how much discount they are going to get allowing some financial stability. This also reduces the amount of administration required on the Benefits Team as claims are not having to be reassessed on a regular basis.

#### **4.4 Up-rating of applicable amounts in line with the prescribed scheme**

The prescribed regulations are those which govern the assessment of support for pension age claimants. The Government has announced that the needs allowances (also known as applicable amounts) for Pension age support will increase in line with inflation (8.5%) and that Welfare Benefits in general, not just those related to pension age customers, will also rise by 6.7%.

These increases to income and applicable amounts will broadly offset each other as they are both increasing in line with each other therefore there will be no significant impact on the cost of the scheme.

Keeping our working age (local scheme) needs allowances aligned with those prescribed by the government makes the administration of the scheme less complicated and easier for customers to understand their benefit calculations. The

only exception to this is the non-dependent deduction for working age cases which will remain at £5.00 for 2024/2025 for all claimants within the scheme.

An increase in the non-dependent deduction is not recommended at this time due to the current cost of living crisis and the consequences this may have on our most vulnerable benefit claimants. An inflationary increase to £5.50 would result in negligible savings across the whole scheme but would cause an increase in financial burden on our most financially vulnerable residents.

- 4.5 Any other legislative changes in the prescribed scheme will be adopted in accordance with the statutory instrument that is due to be published by the end of January 2024. Statutory Instruments are a form of legislation which allow the provisions of an Act of Parliament to be subsequently brought into force or altered without Parliament having to pass a new Act.

## 5.0 Financial Implications

5.1

	<b>Total Scheme Cost</b>	<b>Notes</b>
Council Tax Support Spend 2023/2024 to date (not including discretionary)	£5,374,223.	As at 06/12/23
Projected Council Tax Support Spend 2023/2024	£5,345,956.	
Projected Council Tax Support Spend 2024/2025	£5,505,800.	Based on a ctax increase of 2.99%
<b>Total projected Council Tax Support Spend 2024/2025</b>	<b>£5,505,800.</b>	

- 5.2 Table 5.1 shows that the estimated cost of the scheme has increased for 2024/2025 however this increase is contained within the collection fund. Previous years have generated an in-year surplus that have supplemented this scheme, however in 2023/24 we have estimated to make an in-year deficit of £195k. Therefore, the costs of this scheme will be utilising brought forward surplus balances. This will need to be kept under review in future years.
- 5.3 The Council's contribution to the scheme is 10% amounting to costs of £550k, the funding for the scheme is contained within the Local Governments Finance Settlement.
- 5.4 The Government introduced a new initiative in 2023/24 to support local authorities in using their allocation from the Council Tax Support fund. The new scheme awarded SDDC £126,867 towards supporting the most vulnerable households.
- 5.5 It is proposed that a review of the scheme is undertaken during 2024-25 in light of the current rising cost of the scheme in its current format. Financial modelling of potential changes will begin in Q1 with a consultation exercise taking place thereafter with all affected stakeholders. Future options on proposed changes to the scheme will be brought back to F&M Committee for approval in readiness for 2025/2026.

- 5.6 It is proposed that £20,000 is continued to be set aside within the hardship fund under section 13A for any unforeseen/major impacts on benefit claimants as a result of the scheme.
- 5.7 The banded scheme will continue to deliver significant service efficiencies and help to generate time and resource savings in the long-term.

## **6.0 Corporate Implications**

### **Employment implications**

- 6.1 There are no employment implications arising from the changes detailed in this report.

### **Legal implications**

- 6.2 There are no legal implications arising from the changes detailed in this report.

### **Corporate Plan Implications**

- 6.3 Continuation of a banded scheme will support the Council's Corporate Plan in the following ways:

- Encourage independent living and keep residents healthy and happy in their homes.
- Ensure consistency in the way the Council deals with its service users.
- Support unemployed residents back into work.
- Provide modern ways of working that support the Council to deliver services to meet changing needs.

### **Risk Impact**

- 6.4 Appropriate risk assessments will be completed as part of the roll-out of the proposed changes.

## **7.0. Equality & Diversity and Social Value Impact**

- 7.1 The scheme has been assessed against protected characteristic groups, as set out the Equalities Act, detailed below:

<b>Protected characteristic</b>	<b>Comment</b>
<b>Age</b>	The schemes only apply to working age claimants and not to pensioners or children. The scheme does not affect or alter the applicable ages.
<b>Sex</b>	The scheme does not discriminate against people of any particular sex.
<b>Sexual orientation</b>	The scheme does not discriminate against people of any particular sexual orientation.
<b>Gender reassignment</b>	The scheme does not discriminate against people who have undergone gender reassignment.

<b>Race</b>	The scheme does not discriminate against people based on their race.
<b>Gypsy and travellers</b>	The scheme does not discriminate against gypsies or travellers, however the scheme provides a reduction on Council Tax payable, so anyone who does not pay Council Tax does not benefit.
<b>Religion or belief</b>	The scheme does not discriminate against people based on their religion or belief.
<b>Marriage and civil partnership</b>	The scheme does not discriminate against people based on their marital or civil partnership status. Civil partners are recognised as dependents.
<b>Disability</b>	The banded scheme disregards incomes awarded for disabilities and vulnerabilities and consider a household's circumstances before determining the excess income amount (for example disabled claimants).

## **8.0 Conclusions**

## **9.0 Background Papers**

None.

<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 8</b>
<b>DATE OF MEETING:</b>	<b>15 FEBRUARY 2024</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR (CORPORATE RESOURCES)</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>TRACY BINGHAM (595811)</b> <a href="mailto:tracy.bingham@southderbyshire.gov.uk">tracy.bingham@southderbyshire.gov.uk</a>	<b>DOC:</b> s:\cent_serv\complaints\committee reports\working papers for December 2023\Complaints and FOI report for 15 February 2024
<b>SUBJECT:</b>	<b>COMMENTS, COMPLIMENTS, COMPLAINTS AND FREEDOM OF INFORMATION REQUESTS 01 APRIL 2023 TO 30 SEPTEMBER 2023</b>	
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM11</b>

## 1.0 Recommendations

- 1.1 That the comments, compliments, complaints, and FOI requests, as detailed in the report, are considered, and noted.

## 2.0 Purpose of the Report

- 2.1 The report provides a summary of official comments, compliments, complaints, and Freedom of Information (FOI) requests received by the Council for the period 01 April 2023 to 30 September 2023. Details of individual complaints and requests etc, can be found at:  
<https://www.southderbyshire.gov.uk/about-us/open-data-and-transparency>.
- 2.2 Figures for the corresponding period in 2022/23 are given for comparison purposes.

## 3.0 Executive Summary

### **Comments, Compliments and Complaints**

- 3.1 The comments, compliments and complaints procedure are designed to encourage people to give informal feedback on Council services.
- 3.2 It is intended that this report format will be reviewed and improved for future Committees to include recent data sets that reflect current performance, allowing for improved trend analysis. More focus will also be given to 'lessons learnt', responsiveness, and repeat service failures.
- 3.3 The introduction of e-Case case management software will provide an end to end digital journey for the receipt, management and response of requests moving

forward. e-Case will also provide an increased level of meaningful reporting for managers to enable them proactively resolve and put measures in place to avoid repeat complaints and bottlenecks in demand for service.

- 3.4 2 comments, 41 compliments and 95 complaints have been received between 01 April 2023 to 30 September 2023.
- 3.5 The number of complaints received in the first half of this financial year has increased compared to the corresponding period of 2022/23 and the number of compliments received has decreased.
- 3.6 Members are informed via e-mail (enclosing a copy of the original complaint) when a complaint is received relating to their ward. This is for information purposes only. A copy of the response letter sent to the complainant has been provided to Ward members from 01 June 2019.

### **Freedom of Information**

- 3.7 The Council is committed to making itself open. A large amount of information is already available to the public, through for example, the Council's website and at community centres and village halls, etc.

### **Publication Scheme**

- 3.8 Under the Freedom of Information Act, South Derbyshire District Council has a duty to adopt and maintain a Publication Scheme describing:
  - The classes of information it publishes
  - How and where such information is published (e.g., website, paper copy, etc.)
  - Whether or not a charge is made for such information

The purpose of a Publication Scheme is to let everyone know what information will be automatically or routinely published by the Council and to ensure that a significant amount of information is available to the public, without the need for a specific request to be made.

In line with guidance from the Information Commissioner's Office, the scheme is updated regularly, and the current version is available from the Website at:

<https://www.southderbyshire.gov.uk/assets/attach/10445/Publication-Scheme-September-2021.pdf>

- 3.9 A total of 184 Freedom of Information requests have been received from 01 April 2023 to 30 September 2023. This is an increase of 19 over the corresponding period for 2022/23.

## **4.0 Detail**

### **Comments**

- 4.1 2 comments were received over the past six months. Any comments received are carefully considered and if appropriate, are investigated under the Complaints Procedure.

Department	1 April 2022 – 30 September 2022	1 April 2023 – 30 September 2023
Housing	0	1
Planning and Strategic Housing Services	0	1
<b>Total</b>	<b>0</b>	<b>2</b>

## Compliments

- 4.2 The table below compares the number of compliments received for the first half of 2023/2024 against the first half of 2022/2023. Compliments generally relate to the quality of the service provided and/or actions of individuals.

Department	1 April 2022 – 30 September 2022	1 April 2023 – 30 September 2023
Customer Services	12*	5
Housing Services	19*	21
Cultural and Community Services	7*	6
Operational Services	23*	8
Planning and Strategic Housing Services	2	0
Environmental Services	2	0
Legal and Democratic Services	0	0
Corporate Resources	2	0
Business Change and ICT	3	1
<b>Total</b>	<b>70</b>	<b>41</b>

\* This indicates where one compliment has referred to two separate services

## Complaints

- 4.3 The table below compares the number of official complaints received:

	1 April 2022 – 30 September 2022	1 April 2023 – 30 September 2023
Resolved at Stage 1	38	76
Stage 1 still ongoing	1	0
Resolved at Stage 2	8	15
Stage 2 still ongoing	1	0
Withdrawn	2	4
<b>Total received</b>	<b>50</b>	<b>95</b>

4.4 The complaints received can be broken down as follows:

Department	1 April 2022 – 30 September 2022	1 April 2023 – 30 September 2023
Customer Services	12*	10*
Finance Services	0	1*
Housing Services	19*	23*
Cultural and Community Services	7*	4*
Operational Services	23*	38*
Planning and Strategic Housing	2	15*
Property Services	0	1
Environmental Services	2	2*
Legal and Democratic Services	0	1*
Business Change and ICT	3	0
Corporate Resources	2	0
<b>Total</b>	<b>70</b>	<b>95</b>

\* This indicates where one complaint has referred to more than one service

4.5 For comparison, the table below shows the total number of complaints over the last four complete years:

Department	2019/20	2020/21	2021/22	2022/23
Organisational Development and Performance	1	1	1*	1
Finance Services	1	1	2*	0
Corporate Property Services	2	2*	0	1
Customer Services	18	5	20*	23*
Housing Services	26	36	44*	49*
Cultural and Community Services	10	6*	12*	9
Planning and Strategic Housing Services	14	14	23	16
Environmental Services **	12	6	6*	3**
Operational Services **	22	29	33*	25*
Legal and Democratic Services	5	5	2*	1
Economic Development and Growth	0	0	1	0
Business Change and ICT	0	0	1	3*
Chief Executive	0	0	2	0
<b>Total</b>	<b>111</b>	<b>105</b>	<b>147</b>	<b>131</b>

\* This indicates where one complaint has referred to two separate divisions.

4.6 Managers dealing with the complaint are asked to complete a questionnaire following each complaint. This provides details of actions taken and improvements made because of a complaint.

4.7 From 01 April 2022 complainants have been asked to complete a complaint satisfaction questionnaire. This is to ascertain the satisfaction rate with the way in which the complaint was handled. 76 were issued from 01 April 2023 to 30 September 2023 and 6 returned. Of these questionnaires returned, complainants

were satisfied overall with the handling of the complaint's procedure, however, not necessarily satisfied with the outcome and the way the complaints were dealt with to fruition.

- 4.8 If a complaint cannot be resolved at Stage 2 of the Council's procedure, it can be taken to the Local Government Ombudsman for independent consideration. These complaints are the subject of a separate annual report.

### Freedom of Information Requests

- 4.9 Although the Freedom of Information Act 2000 creates a general right of access to information, it also sets out information that the Council does not have to make available for specific reasons. This is information, which, if published, might prejudice the health, safety or security of the Council, its staff, systems, services, or property.
- 4.10 As much information is made available as possible without charging for it. The Council, however, reserves the right to levy a reasonable charge where the information request is extensive and would require more than two days' staff time to satisfy the request.
- 4.11 The Council deals with hundreds of routine requests for information every day. These are referred to as "business as usual requests". However, information that is not readily available and that has to be prepared or extracted is handled differently. The Council is entitled to make a charge for this kind of information.
- 4.12 Requests for information under Freedom of Information must be processed within 20 working days. However, requests for details under the Freedom of Information Act can be turned down if they fall within certain exemption criteria.
- 4.13 The table below compares the Freedom of Information requests received for the first half 2022/2023 against the first half of 2023/2024.

Note: the figures also include any requests that have been made under EIR (Environmental Information Regulations).

	<b>1 April 2022 – 30 Sept 2022</b>	<b>1 April 2023 – 30 Sept 2023</b>
Total Number of Requests Received	165	184
Less passed to other organisations	24	22
Less those withdrawn or duplicate requests	2	2
Less exemptions/partial exemptions	4	8
<b>Total Requests Answered</b>	<b>135</b>	<b>152</b>
Number replied to within 20 statutory days	119	135
Number replied to after 20 statutory days	16	17
Percentage replied to within 20 statutory days	88%	89%
Percentage replied to after 20 days	12%	11%

- 4.14 The above table shows that the response times increased overall to 89% in the first half of 2023/24.

4.15 The requests for information received can be broken down as follows:

<b>Department</b>	<b>1 April 2022 – 30 September 2022</b>	<b>1 April 2023 – 30 September 2023</b>
Corporate Resources	0	1
Finance Services	17*	14*
Organisational Development and Performance	9*	11
Business Change and ICT	9*	14*
Corporate Property Services	4*	6*
Customer Services	24*	21*
Environmental Services	25*	29*
Housing Services	12*	13*
Cultural and Community Services	6*	11*
Operational Services	8*	3
Planning and Strategic Housing	10*	19*
Legal and Democratic Services	15*	20*
Economic Development and Growth	1*	0
All Departments	1	0
Passed to 3 <sup>rd</sup> Parties	24*	22*

\* Same request has involved several Services.

## **5.0 Financial Implications**

5.1 None directly stemming from this report.

## **6.0 Corporate Implications**

6.1 Under the Complaints procedure the Council will write to the complainant within five working days, telling them who is dealing with their complaint and when they can expect to receive a reply. In most cases a full reply will be sent within 10 working days.

6.2 Under the Freedom of Information Act the Council must respond to any requests received within 20 working days. For many requests the information required affects several areas of the Council. Consequently, a coordinated approach must be taken in the Council's response, with each service area being responsible for providing the information requested relating to their area.

## **7.0 Community Impact**

None

## **8.0 Background Papers**

None

<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 9</b>
<b>DATE OF MEETING:</b>	<b>15 FEBRUARY 2024</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR (CORPORATE RESOURCES)</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>CHARLOTTE JACKSON</b> <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>	<b>DOC:</b> S/Finance/Committee/2023-24/February
<b>SUBJECT:</b>	<b>CONSOLIDATED BUDGET REPORT 2024/25 AND MEDIUM-TERM FINANCIAL PLAN TO 2028/29</b>	
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM 08</b>

## **1.0 Recommendations**

### **1.1 That the Committee:**

- 1.1.1 Note the S151 Officer's statement on the robustness of budgetary estimates and the adequacy of reserves as set out in section 14 of the report;
- 1.1.2 Recommend to Council an increase in Council Tax by the maximum referendum limit of 2.99% from the options set out in section 6;
- 1.1.3 Following approval of 1.1.1 and 1.1.2 recommend to Council the General Fund Revenue Budget for 2024/25, subject to any final adjustments as may be required for Council, as set out in Appendix 1;
- 1.1.4 Recommend that Council approve the HRA budget for 2024/25 as detailed in Appendix 3, and following resolution of the Housing and Community Services Committee at its meeting on 1 February 2024 in respect of the council housing rent increase for 2024/25 of 7.7%;
- 1.1.5 Recommends that Council approves the proposed fees and charges as detailed in Appendix 5;
- 1.1.6 Recommends that Council approves the Capital Programme of the General Fund and HRA for 2024/25, as set out in Appendix 6;
- 1.1.7 Notes the indicative Capital Programme for 2025/26 – 2028/29 and recommends that Council approve the Fleet Replacement budget for 2025/26 to allow for the effective ordering of replacement fleet due to long lead-in times.

## **Purpose of the Report**

- 2.1 The purpose of this report is for the Committee to consider the comments received as part of the budget consultation, receive an update on the medium-term financial outlook and recommend to Council the General Fund and Housing Revenue Account (HRA) revenue budget proposals and the Draft Capital Programmes for approval.

## **3.0 Introduction**

- 3.1 The draft General Fund and HRA Revenue proposals, Fees and Charges and Capital Programmes were considered and approved for consultation by the Finance and Management Committee on 23 November 2023,
- 3.2 The draft budget was presented to this committee at its meeting on 23 November 2023, following earlier engagement on the budget approach with all policy committees throughout September and October 2023. Subsequently, the draft budgets were presented to the Policy Committees, Environmental and Development on 4 January 2024, Housing and Community Services on 8 January 2024 and Finance and Management Committee on 11 January 2024.
- 3.3 This report summarises changes proposed as part of the final budget. It also presents the responses to the budget consultation so that any further final recommendations can be made to Council on 28 February 2023.
- 3.4 The report is divided into several sections with corresponding appendices, which are summarised below for ease:

**Table 1 - Report Index**

<b>Area</b>	<b>Detail</b>	<b>Relevant Appendices</b>
<b>4.0 Consultation</b>	This section of the report refers to the consultation undertaken.	Appendix 8 – Budget Consultation responses
<b>5.0 Local Government Finance Settlement</b>	This section provides the background to the annual settlement and the current position.	
<b>6.0 Council Tax</b>	Sets out the proposed council tax increase	n/a
<b>7.0 Medium Term Financial Strategy development</b>	Provides an update on the developing Medium Term Financial Strategy	n/a
<b>8.0 Budget Setting Approach</b>	Outlines the core assumptions to setting the 2024/25 budget	n/a
<b>9.0 General Fund</b>	Presentation of the proposed final budget position for 2024/25 and impact to five-year Medium Term Financial Plan (MTFP), including any further changes since the draft budget was presented.	Appendix 1 – General Fund Budget Summary and MTFP Appendix 2 – General Fund Budget Proposals

	All budget changes set out in appendices.	Appendix 7 – Assumptions to the General Fund Medium Term Financial Plan
<b>10.0 Housing Revenue Account (HRA)</b>	Presentation of the proposed final budget position for 2024/25 and impact to five-year Medium Term Financial Plan (MTFP), including any further changes since the draft budget was presented. All budget changes set out in appendices.	Appendix 3 – HRA Budget Summary and MTFP  Appendix 4– HRA Budget Proposals
<b>11.0 Fees and Charges</b>	Detail around fees and charge variations proposed	Appendix 5 – Final Proposed Fees & Charges
<b>12.0 Capital Programmes</b>	Presentation of the proposed final capital programme for 2024/25 – 2028/29, including any changes since the draft budget.	Appendix 6 – Capital Programme
<b>13.0 Risk Assessment</b>	An assessment of key risk areas to determine the robustness of estimates and adequacy of reserves.	n/a
<b>14.0 Robustness of estimates and adequacy of reserves</b>	The Section 151 Officer’s current assessment around robustness of the final budget proposals and estimates of reserves. This is the equivalent of the annual report of the Section 151 Officer which accompanies the final budget at Council each February (known as the “Section 25 statement”).	N/A
<b>15.0 Corporate Implications</b>	Provides an overview of corporate implications as per report template.	
<b>16.0 Community Impact</b>	Provides an overview of community impact as per report template. A separate Equalities Impact Assessment has been undertaken.	Appendix 9 – Equalities Impact Assessment Preliminary Assessment Form.

## **4.0 Consultation**

### **Statutory and public consultation**

- 4.1 The consultation on the budget for 2024/25 consisted of statutory and public consultation between 15 December 2023 and the 26 January 2024.
- 4.2 The statutory consultation was undertaken directly with Trade Unions and business community representative organisations the Federation of Small Businesses, Staffordshire Chambers of Commerce, Burton and District Chambers of Commerce and East Midlands Chamber.

- 4.3 Direct consultation was also undertaken with all Parish Councils and the Derbyshire Association of Local Councils (DALC).
- 4.4 All direct consultees were provided with copies of the budget reports and given the opportunity to provide feedback.
- 4.5 The public consultation was undertaken via an online consultation and communicated over social media platforms. The survey shared several high-level features of the budget for 2024/25 and asked respondents whether they were in support and any further views. A total of 119 responses were received, 114 of which were from residents, 3 were businesses and 1 employee and 1 resident who was also representing a charitable organisation.
- 4.6 An update was also shared in the Local Authority Update at the January and February 2024 Area Forums.
- 4.7 A summary of all consultation responses is set out in appendix 8.
- 4.8 There are no proposed amendments to the budget proposals because of the consultation. Members are encouraged to consider the final budget in light of the responses.

#### **Consultation with elected members**

- 4.9 Elected members of the policy committees were consulted on service proposals in the relevant committees throughout January and February. The Overview and Scrutiny Committee were consulted on the draft budget in full at its meeting on 17 January 2024.
- 4.10 On 1 February an additional report was tabled concerning the council housing rent increase proposed for 2024/25 following publication of guidance from central government which confirmed the maximum rent increase is 7.7% (not 7.3% as had been the assumption included in the 2024/25 draft budget).
- 4.11 Except for the proposed rent increase for council housing rents, which is now proposed at 7.7% in line with government guidance there are no proposed amendments to the budget proposals arising from committee consideration.

#### **5.0 Local Government Finance Settlement**

- 5.1 The settlement is the annual determination of funding to local government. The process commences with the Chancellor of the Exchequer's Autumn Statement, which for this annual cycle was on 22 November 2023. This announcement set out the major fiscal policy for the UK, along with an updated Officer for Budget Responsibility Economic Forecast.
- 5.2 In early December, a Local Government Financial Policy Statement was published, confirming the governments intentions for the forthcoming finance settlement. The provisional local Government Finance Settlement, which confirms individual

allocations, was subsequently published on 18 December and was out to consultation until 15 January 2024.

5.3 On 24 January 2024, Michael Gove, Secretary of State for Levelling up, Housing and Communities announced additional measures for councils worth £600 million. Whilst most of this funding is earmarked for councils with responsibility for adults and children's social care, districts received an increase in grant funding.

5.4 The final Local Government Finance Settlement received on 5 February 2024.

5.5 The key headlines for district councils were:

- No change to Council Tax referendum principles for districts – highest of £5 or 2.99%;
- Revenue Support Grant increase with CPI;
- No changes to NHB, meaning another round of new payments following same calculation;
- Business Rates income retained increased by CPI;
- Minimum Funding Guarantee to maintain Core Spending Power increase at 4% or above. This is the minimum funding increase that all DCN member councils will receive before taking into account council tax increases or any other rise in locally generated income.

5.6 The changes in funding from that assumed as part of the draft budget now confirmed in the settlement are set out in the Table 5 below.

5.7 A number of other key messages were shared as part of the final settlement. Firstly, the Secretary of State outlined the requirement for councils to produce "local productivity plans" will be expected to be published following approval by Council Leaders and Members, by July 2024. The plans are expected to cover four main areas:

- transformation of services to make better use of resources.
- opportunities to take advantage of technological advances and maximising data-informed decision making and service design.
- ways to reduce wasteful spend within systems, including specific consideration of expenditure on consultants and EDI programmes.
- barriers preventing activity that Government can help to reduce or remove.

5.8 The second key matter arising was the commitment that the Minister for Local Government will begin engaging with the sector over the coming months to consider reforms to local government finance in the next Parliament.

## **6.0 Council Tax**

6.1 The draft budget presented to Committee in November 2023 assumed a maximum increase of 2.99% and £5.22, representing the highest increase available under the referendum limit for district councils of the highest of 2.99% or £5.

- 6.2 As above, the provisional Local Government Finance Settlement consulted on these referendum principles and the final settlement confirmed this position.
- 6.3 The final budget presented as part of this report includes the maximum increase of 2.99% and £5.22. Assuming future years increases of 2.99% (allowing for any further base growth of 2%) the effect of the additional £5.22 increase in 2024/25 into future years is a minimum of an additional £579,000 over the life of the five-year medium-term financial plan.
- 6.4 Since the draft budget was developed, a Council tax base of 38,809 was agreed at Finance & Management Committee on the 11 January. This results in an additional £70,000 in council tax income due to the final council tax base being higher than originally forecast.
- 6.5 The table below shows the impact along with that of other levels of council tax increase for illustrative purposes:

**Table 2 – Council Tax Increase Illustrative Options**

	2.99%	£5	2.00%	1.00%	£0
<b>2024/25 impact to resident</b>	<b>£5.22</b>	<b>£5</b>	<b>£3.49</b>	<b>£1.75</b>	<b>£0</b>
<b>Per Band D Property</b>	£179.86	£179.64	£178.13	£176.39	£174.64
<b>Council Tax Income</b>	£6,980,187	£6,971,649	£6,913,047	£6,845,520	£6,777,604
<b>2024/25 foregone income</b>	£0	£8,538	£67,140	£134,667	£202,583
<b>Compound impact of foregone income to MTFP (assumed static base for ease of calculation)</b>	£0	£42,690	£335,698	£673,336	£1,012,915

- 6.6 The public budget consultation included a question on the appetite for the increase of Council Tax to 2.99%. Responses to the consultation are detailed in appendix 8.
- 6.7 The Council must confirm its Band D for 2024/25 at Council on 28 February 2024. If necessary, officers will work up any further budgetary implications as part of the final budget to Council as per members' instructions.

## **7.0 Medium-Term Financial Plan and Strategy Development**

- 7.1 The Medium-Term Financial Strategy (MTFS) is in development and is due to be presented for review and recommendation Council, at the next meeting of the Committee on 14 March 2024.
- 7.2 The overarching strategy will consider the future funding expectations and opportunities for increasing the Council's self-sufficiency in the light of diminishing central government grants and an uncertain future funding outlook, whilst ensuring the Council can continue to fund and deliver excellent services.
- 7.3 Key features of the strategy will be:
- 7.3.1 Identifying the range of potential financial outcomes through scenario analysis to enable the Council to plan and prepare for different outcomes;
  - 7.3.2 A Sustainable Finance Plan to set out how the Council will maintain robust finances into the future. This plan will mandate officers to identify, assess and deliver savings in expenditure and improvement in additional and new income to close the budget gap over the medium-term position. The areas in which this plan will deliver savings/additional income will be based on member feedback provided at the MTFS Workshop held in December 2023; and
  - 7.3.3 A Reserves Strategy to guide the effective and optimum management and use of the council's unallocated reserves whilst balancing risk.

## **8.0 Budget Setting Approach**

- 8.1 The following core budget assumptions have been built into forecasts:
- 8.1.1 Pay award – additional 6.5% for 2023/24 (3.5% had been included within the 2023/24 budgets), 3.5% in 2024/25 and 2% thereafter.
  - 8.1.2 Contracts – Contract have been assumed to increase in line with individual agreements, which are typically aligned with CPI or RPI inflation (Consumer or Retail Price Index).
  - 8.1.3 Inflation – After reviewing the current prices and future indications based on the Office for Budget Responsibility forecasts, general inflation has not been applied, unless specifically proposed. Inflationary increases have been assumed however in the following areas:

**Table 3 – Inflation assumptions**

Area	Increase on 2023/24 budget
Gas	7.85%
Electricity	7.85%
Fuel	4%

- 8.1.4 Fees and charges – proposed levels have been reviewed on an individual basis, with some charges as appropriate proposed to increase in line with inflation or statutory obligations, benchmarking data and the cost of providing the service.
- 8.1.5 One-off expenditure pressures – have been funded via earmarked reserves which serves to not raise the base budget level.
- 8.1.6 Funding – funding is determined in line with the Local Government Finance Settlement for the General Fund, and a social rent increase of the maximum level for council house rents.
- 8.1.7 The Council will continue to receive benefit from the Derbyshire Business Rates Pool for 2024/25.

8.2 Further detail on the assumptions driving forecasts beyond the 2024/25 year are detailed in Appendix 7 which sets out the assumptions to the General Fund Medium-Term Financial Plan.

## **9.0 General Fund**

- 9.1 The final proposed position for the 2024/25 year is estimated to be a deficit of £227,000 as set out in Appendix 1.
- 9.2 This is made up of net revenue expenditure (spend) of £17.472 million and funding of £17.244 million.
- 9.3 This is a decrease on the 2023/24 budgeted position of £2.980 million. The position is also favourable when compared to estimated for the 2024/25 year that are detailed within the former version of the medium-term financial plan, which at June 2023 was estimated at £3.116 million.
- 9.4 The deficit has moved by £442,000, from £670,000, as outlined in the draft budget, to £227,000 as per this final proposed budget.
- 9.5 A number of changes were made to the budget estimates since the draft was presented to Finance & Management Committee in November 2023.
  - 9.5.1 **Depot Back Office additional spend £60,000** – A project identified within Operational Services to adopt a back-office system for Domestic and Trade Waste, Grounds Maintenance and Street Cleansing. The Council has not previous had any software for these purposes. The proposed software has been piloted as part of the D2N2 project will replace the current paper systems in place.
  - 9.5.2 **Data & Security Upgrades additional spend £38,000** - As a result of routine corporate infrastructure and security upgrades at both the Depot and the Corporate Contact Centre, additional maintenance agreements have been

identified. Additional licenses have also been identified as a result of new Microsoft Teams Rooms that have been installed throughout the Authority. Fibre lines have also been installed at Rosliston Forestry Centre which will upgrade the Wifi and WAN access at the Centre.

- 9.5.3 **Communications review additional spend £84,000** - A review of the Communications Service was undertaken, and a new structure is proposed to provide resilience in service delivery and additional resources to enhance the service for the benefits of elected members, residents, partners, and officers. Due to the sensitive contents of the report the detail is reported as a separate item to this Committee in exempt items.
- 9.5.4 **Pay Award variations to draft, reduced pressure -£78,000-** Savings to the proposed values for new posts in the draft budget, have been identified from the conclusion of the pay award relative to 2024/25. This has resulted in a saving compared to the values in the draft report.
- 9.5.5 **Retained Business Rates additional funding -£291,000-** Overall, the revised assumed level of retained business rates is £6.68 million. This has moved favourably by £291,000 since the draft budget as developed.
- 9.5.6 The assumed level of retained Business Rates for 2024/25 budget has been developed using a new strategic finance reporting model that uses a range of forecasting tools and benchmarking analysis. Predictions around further growth have been assessed alongside the annual “NNDR1” process, which effectively sets the business rates base for the district, including allowances for appeals and bad debts. This process has now concluded, and the base budget for retained rates has been determined to be £6.3 million. This figure is aligned to the draft budget position reported in November 2023.
- 9.5.7 In addition, estimates of the financial benefit the Council will receive from being in the Derbyshire Business Rates Pool has also been assessed. Indications from the council’s own rates position are that the pool benefit could be in the region of up to £1 million. However, because the pool benefit relies on the business rates forecasts of the other seven remaining Derbyshire District Councils, Derbyshire County Council and Derbyshire Fire and Rescue, the final position remains to be confirmed. In essence, if the rates forecasts in any of the districts are more or less favourable, changes can impact the pool benefit received by all partners.
- 9.5.8 As such, the S151 Officer has determined that the pool benefit that should form part of the base budget in 2024/25 will be broadly 1/3<sup>rd</sup> of this initial estimate. This approach builds on the change in approach taken during 2023/24 so far in more accurately forecasting in-year business rates but is being executed on a cautious basis (rather than assuming the potential upper limit pool benefit), in order to protect the Council from any adverse volatility due to the position of other partners in the pool.
- 9.5.9 The pool benefit position will be assessed in the first quarter of 2024/25 and a revised forecast shared once more certainty can be provided. Any upward

favourable movement in the forecast will be earmarked to reduce the budgeted deficit on the General Fund in year.

9.5.10 It is important to note that this funding, along with a significant proportion of retained rates will not continue to be retained once the business rates baseline is reset.

9.5.11 **Council Tax additional funding £70,000** - Council Tax funding for 2024/25 is assumed at the maximum increase of 2.99% which represented £5.22 for a Band D for the 2024/25 year. The additional income as part of the final budget is because the Council tax base of 38,809 was agreed at Finance and Management Committee on the 11 January, which assumes higher growth than the original prediction. The budgeted Collection Fund has been determined by the annual review of the Collection Fund.

9.5.12 **Additional grant funding £108,000** - Services Grant, New Homes Bonus and Revenue Support Grant are all in line with the Local Government Finance Settlement.

9.5.13 The level of assumed Funding Guarantee is in line with the final Local Government Finance Settlement.

9.5.14 A summary of the changes to the draft budget is detailed in table 4 and 5 below. All individual changes compared to the draft budget are set out in Appendix 2 along with proposals already presented.

**Table 4 - General Fund Movements**

Committee	Draft	Final	Movement	Detail
<b>Environmental &amp; Development</b>	8,315,456	8,089,030	-226,426	Spare parts reduction (-£236.8k <b>EMRS</b> ), Pay award reductions (-£50.2k), HRA recharge reductions (-1.7k), Interdepartmental Recharges (-£6.3k), Depot back-office system (£60k), Apprenticeship Levy Charge (£4.5k), Fleet Management (£4k)
<b>Housing &amp; Communities</b>	2,910,597	3,078,595	167,998	Pay award reductions (-£21.2k), Interdepartmental Recharges (-15.2k), Leisure Management Fee (£201.3k - <b>EMRS</b> ), Enhanced Pension (£1.6k), Apprenticeship Levy (£1.5k)
<b>Finance &amp; Management</b>	6,918,946	7,049,288	130,342	Pay award reductions (-£15.7k), Communications Review (£83.4k), Data and Security Updates (£38.4k) Interdepartmental Recharges (£21.5k), Enhanced Pension (£3k)
<b>Contingent Sums</b>	160,962	40,000	-120,962	Reduction to MPR due to change in MRP policy from 4% reducing balance to 4.50% annuity
<b>Funding</b>	-16,815,495	-17,244,283	-428,788	Details outlines in General Fund Funding (Table 5)

<b>Contribution from Reserves</b>	<b>-820,443</b>	<b>-784,892</b>	<b>35,551</b>	Reduction to one off budget relating to spare parts £236,850 and inclusion to increase in Leisure Contract management fee £201,299
<b>Budget Deficit</b>	<b>670,023</b>	<b>227,738</b>	<b>-442,285</b>	

\*EMR = Earmarked Reserves

**Table 5 – General Fund Funding**

<b>Funding</b>	<b>2023/24 Budget</b>	<b>2023/24 Forecast Outturn</b>	<b>2024/25 Draft Budget</b>	<b>2024/25 Final Budget</b>
<b>Business Rates</b>	£4,000,000	£5,200,000	£6,377,129	£6,668,000
<b>Council Tax</b>	£6,577,466	£6,577,466	£6,910,114	£6,980,186
<b>Services Grant</b>	£100,000	£100,000	£102,000	£16,061
<b>Funding Guarantee</b>	£1,800,000	£1,800,000	£1,746,000	£1,978,784
<b>New Homes Bonus</b>	£1,500,000	£1,500,000	£1,480,000	£1,441,000
<b>Collection Fund</b>	£55,000	£55,000	£55,000	£55,000
<b>Revenue Support Grant</b>	Nil	Nil	£105,252	£105,252
<b>Total</b>	<b>£14,032,466</b>	<b>£15,232,466</b>	<b>£16,775,495</b>	<b>£17,244,283</b>

### **Movement on the Medium-Term Financial Plan**

- 9.6 Due to the movements in spend and funding outlines above, there has been some movement on the medium-term financial plan into future years.
- 9.7 The version of the plan presented to committee on 23 November set out predicted deficits totalling £18.3 million over the period.
- 9.8 The revised plan estimates that these deficits will now be £14.3 million over the same period.
- 9.9 The favourable movements are attributable to the ongoing impact of changes to the budget for 2024/25 since the draft was produced as set out above.
- 9.10 In addition, the forecast for pay awards for 2025/26 has been amended from 3.5% to 2% in line with the Officer for Budget Responsibility November 2023 Economic Forecasts which predicts inflation to return to 2% by April 2025. This has had the effect of reducing the deficit by £3.1 million over the period.

**Table 6 – Medium-Term Financial Plan Gaps**

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	TOTAL
<b>Approved MTFP, revised for Q2 outturn 2023/24 (presented to FMC 23/11/2023)</b>	£1,344,672	£3,344,408	£3,677,932	£3,812,929	£4,355,119		£16,535,060
<b>MTFP Draft Budget 20204/25 (presented to FMC 23/11/2023)</b>		£670,022	£1,867,509	£3,830,974	£5,226,542	£6,751,621	£18,346,668
<b>Predicted Budget Gap revised MTFP February 2024</b>	n/a	£227,737	£1,549,207	£2,799,395	£4,297,825	£5,674,352	£14,320,779

9.11 It is important to note that the predicted budget gaps arising from 2026/27 are significant higher due to the assumed reform of local government funding, including the withdrawal of new homes bonus, the resetting of the business rates baseline and introduction of fair funding.

9.12 The assumptions around future funding are based on the advice from our external funding advisors, Pixel Financial Management Ltd, who develop a range of assumptions based on the status of the government reviews and the potential direction that local government finance policy may take.

9.13 All councils will be making such assumptions around their future funding in the respective medium-term financial plans, and so South Derbyshire’s forecast deficits will be replicated in others’ plans, depending on their own set of unique funding characteristics and the extent to which the assumed changes will impact them.

9.14 It must be noted that the assumptions around reduced funding included in the mtfp are net of a further assumption that the government will compensate us for any reduction in our “core spending power” that is greater than 5% - therefore, some “transitional” funding is assumed to dampen the effect of some of these changes.

9.15 However, another nuance of the local government finance system is that some of our funding in our budget associated with business rates gains and the benefit from participating in the Derbyshire business rates pool is excluded from core spending power. This is best demonstrated by comparison our core spending power (confirmed in the final Local Government Funding Settlement) of £13.8 million against funding assumed in our budget of £17.2 million. with difference being the additional business rates retained. This difference (of £.4 million) can be attributed to business rates and the current working assumption around the future of local government funding reform is that this would be excluded from any transitional funding protection (i.e. excluded from the compensation for any reduction in “core spending power” that is greater than 5%).

9.16 The Medium-Term Financial Plan is set out in Appendix 1. Appendix 7 Sets out the assumptions driving the plan going forward.

## Impact on Reserves

9.17 The below shows the impact of the proposed draft budget on the level of General Fund unallocated reserves. The position forecast at March 2024 is based in the current reserves.

**Table 7 – Reserves Forecast**

Type of Reserve	Opening Balance - April 2023	Estimated use of Reserves 2023/24	Estimated Balance March 2024	Estimated Use of Reserves 2024/25	Estimated balances March 2025
<b>General Fund Unallocated Reserves</b>	£15,222,148	£3,220,257	£12,001,891	£227,737	£11,774,154
<b>Earmarked Reserves</b>	£12,504,150	£241,741	£12,262,409	£3,245,651	£9,016,758
<b>Total Useable Revenue Reserves</b>	<b>£27,726,298</b>	<b>£3,461,998</b>	<b>£24,264,300</b>	<b>£3,473,388</b>	<b>£20,790,912</b>
<b>Capital Reserves</b>	£2,281,797	£1,244,362	£1,037,435	£274,928	£762,507
<b>Capital Grants unapplied</b>	£1,449,529	£381,012	£1,068,517	£458,606	£609,911
<b>Total Useable Capital Reserves</b>	<b>£3,731,326</b>	<b>£1,625,374</b>	<b>£2,105,952</b>	<b>£733,534</b>	<b>£1,372,418</b>
<b>Total General Fund Reserves</b>	£31,457,624	£5,087,372	£26,370,252	£4,206,922	£22,163,330

## Minimum Level of Reserves and Reserves Risk Assessment

9.18 It is important that the Council has sufficient reserves and balances to enable it not only to maintain its financial standing but also to ensure that the Council can realise its service provision expectations.

9.19 The Council's unallocated general reserves is estimated to be £11.8 million by March 2025, which represents 67% of its net expenditure for the 2024/25 year.

9.20 In the Audit Commission's 'Striking a Balance' report published in 2012, the majority of Chief Finance Officers at the national level regarded an amount of between three and five per cent of Council's net spending as a prudent level for risk-based reserves. For 2024/25, 5% represents circa £0.9 million for the General Fund.

9.21 In 2023, the Chartered Institute of Public Finance and Accountancy (CIPFA) published a bulletin that provides guidance to local authority chief finance officers on the establishment and maintenance of local authority reserves and balances. In accordance with the CIPFA guidance, the relevancy and adequacy of the levels of reserves for the Council should be reviewed on an annual basis. The financial risk assessment below considers the outcomes of a financial risk assessment, to ensure that as a minimum there are sufficient balances to support the budget requirements and adequately mitigate the risk of significant financial loss in the medium term.

9.22 The risk assessment indicates that in the worst case the Council could require £1.35 million of its net revenue budget requirement to fall back on, should all the potential risks happen concurrently and at their most extreme in a given year.

9.23 Ideally the General Fund Reserve balance should be somewhere between the range identified in the table (£1,150,000 - £1,350,000).

9.24 Therefore, in reviewing this figure based on current net budget requirement, the Section 151 Officer considers the level of general fund unallocated reserves as adequate.

9.25 However, it is important to note that the predicted level of reserves is insufficient to cover the total predicted level of budgetary shortfall outlined in the MTFP to 2028/29.

**Table 8 Reserves Risk Assessment 2024/25**

Risk	Likelihood	2024/25 Value <i>(based on in-year impact only)</i>
<p><b>Natural disasters and national emergencies</b></p> <p>The Bellwin Scheme provides financial assistance to local authorities in the event of a national emergency or disaster, subject to an authority contributing to the total costs by an amount equivalent of 0.2% of its approved budget. For this Authority this would require approximately £50k.</p>	Low	£50,000
<p>Business Continuity - It is difficult to anticipate the cost of such an event that would affect the Authority's business continuity, although it is likely to be substantial. The Council's response to the pandemic has enabled the organisation to be fully agile and more able to respond to emergencies whilst maintaining service delivery. However, for illustrative purposes, £100k is assumed.</p>	Medium	£100,000
<p><b>National Economic Issues</b></p> <p>As was evident through the COVID-19 pandemic and cost-of-living crises, Councils have been relied on to deliver financial assistance to businesses and residents. The New Burdens funding doctrine covers additional costs that the Council bears in delivering central government burdens.</p> <p>The Office for Budget Responsibility's forecast for inflation suggest that inflation will return to 2% by April 2025. However, in the meantime, additional pressures in relation to service demands are expected to continue to emerge.</p> <p>The Council has assessed potential impacts in this area around utilities, insurance impacts arising from property revaluations or price volatility and excess pay award above budgetary assumptions.</p> <p>In total, the Council could expect in the region of £300,000 - £500,000 of additional pressures in year.</p>	High	£300,000 - £500,000

<p><b>Grant Funding</b></p> <p>The Council sometimes seeks external funding/grants for one-off projects. In the event that the expected projected outturns are not achieved, repayment of funding or grant may be required.</p>	<p><b>Low</b></p>	<p><b>£100,000</b></p>
<p><b>Property Assets</b></p> <p>The identification of unplanned major works to the Council's property portfolio could give rise to a budget pressure. As a responsible owner and with a duty to care, the Council could be expected to fund major works at short notice. Although the initial response would be to look to re-phase the capital programme, this may not be feasible, and additional revenue funding may be required, or prudential borrowing.</p>	<p><b>Medium</b></p>	<p><b>£100,000</b></p>
<p><b>Legal Issues</b></p> <p>It would be prudent for the Authority to make provision for an unfavourable outcome of any legal action taken against it, which could be made on a range of different grounds, including compensation payments, equal pay, discrimination and corporate manslaughter.</p> <p>Where the Council provides a paid service to a third party that does not directly relate to any statutory duty, the Council may require Professional Indemnity Insurance. This insurance cover is not automatically arranged and in the event that it isn't, and a claim arises the Council could be deemed liable for resulting costs.</p>	<p><b>Medium</b></p>	<p><b>£500,000</b></p>
<p><b>Total Financial Risk Exposure</b></p>		<p><b>£1,150,000 - £1,350,000</b></p>

## **10.0 Housing Revenue Account**

10.1 The final budgeted position for the 2024/25 year is anticipated to be a deficit position of £1.158 million as set out in Appendix 3.

10.2 This is made up of net revenue expenditure (spend) of £15.022 million and rental income of £14.317 million.

10.3 This is a decrease on the 2023/24 budgeted position of £971,000. The position is favourable when compared to estimated for the 2024/25 year that are detailed within the former version of the medium-term financial plan, which at June 2023 was estimated at £2.130 million deficit.

10.4 The deficit has moved by £78,000, from £1.236 million, as outlined in the draft budget, to £1.158 million as per this final proposed budget.

10.5 A number of changes were made to the budget estimates since the draft was presented to Finance & Management Committee in November 2023:

10.5.1 **Rental Income -£52,000** – The rental income has increased from the draft budget following the announcement from The Regulator of Social Housing capping the rent increase at 7.7%. The recalculation of rental income yields an additional £52,000.

10.5.2 **Pay Award variations to Draft -£20,000** – Following the conclusion of the agreed pay ward for 2023/24 the additional budget required to align 2024/25 budget is £20,000.

10.5.3 **Depreciation £348,000** – The additional charge of depreciation for the housing stock is £348,000. Depreciation is part of an accounting adjustment set out in statute that permits depreciation to be reversed out into the Major Repairs Reserve for investment in housing stock and towards repayment of self-financing loan debt. The movement in reserves has accounted for the movements in contingent sums detailed below and in Appendix 3.

10.6 A summary of the changes to the draft budget is detailed in table 9. All individual changes compared to the draft budget are set out in Appendix 3 along with proposals already presented.

**Table 9 - Housing Revenue Account Movements**

Housing Revenue Account	Draft	Final	Movement	Detail
Rental Income	-14,063,969	-14,115,890	-51,921	Updated to 7.7%
Depreciation	4,807,023	5,155,967	348,944	Updated to actual calculation of deprecation
Contingent Sums	849,977	455,242	-394,735	Reversal of actual depreciation charge and alignment to major repairs and debt repayment reserve
Pay award	96,334	116,510	20,176	Amendment to the actual pay award agreed 2023/24
<b>Total</b>	<b>-8,310,635</b>	<b>-8,388,171</b>	<b>-77,536</b>	

### Impact on Reserves

10.7 The below shows the impact of the proposed draft budget on the level of Housing Revenue Account unallocated reserves. The position forecast at March 2024 is based in the current reserves.

**Table 10 – HRA Reserves**

Type of Reserve	Opening Balance - April 2023	Estimated use of Reserves 2023/24	Estimated Balance March 2024	Estimated Use of Reserves 2024/25	Estimated balances March 2025
<b>HRA General Reserves</b>	£4,609,000	£2,234,000	£2,375,000	£1,158,523	£1,216,477
<b>Earmarked Reserves</b>	£556,663	£356,663	£200,000	£0	£200,000
<b>Total Useable Revenue Reserves</b>	<b>£5,165,663</b>	<b>£2,590,663</b>	<b>£2,575,000</b>	<b>£1,158,523</b>	<b>£1,416,477</b>
<b>Capital Reserves</b>	£3,534,460	£650,000	£2,884,460	£127,000	£2,757,460
<b>Debt Repayment Reserves</b>	£5,693,000	£5,339,000	£354,000	£1,891,000	£2,245,000
<b>Major Repairs Reserve (Ring Fenced)</b>	£4,986,832	£0	£4,986,832	£500,000	£5,486,832
<b>Total Useable Capital Reserves</b>	<b>£14,214,292</b>	<b>£5,989,000</b>	<b>£8,225,292</b>	<b>£2,518,000</b>	<b>£10,489,292</b>
<b>Total HRA Reserves</b>	<b>£19,379,955</b>	<b>£8,579,663</b>	<b>£10,800,292</b>	<b>£3,676,523</b>	<b>£11,905,769</b>

10.8 The HRA General reserves remain above the Council’s minimum reserve balance of £1 million this is due to the reprofiling options around debt reprofiling, capital investment and major repairs reserves.

### **11.0 Fees and Charges**

11.1 The Council charges for a number of its services that are provided to the public. All fees and charges are reviewed on an annual basis as part of the budget process. Charges set by the Council are increased in line with inflation or other factors taken in to consideration, in line with the Corporate Charging Policy:

- Statutory obligations
- Policies objectives of the Council;
- Local market research and competition (where relevant);
- The impact of price changes on activity level of demand;
- Changes in taxation;
- Budget position and any associated gap;
- The cost of providing the service.

11.2 Included at Appendix 5 is the proposed charge position, together with of explanation of changes to individual charges.

11.3 There has been an amendment to the fees for Land Charges, the charges have increased following a notification that Derbyshire County Council were increasing their search fees. The fees have been uplifted to reflect the additional costs to the Council.

## **12.0 Capital Programmes**

12.1 The proposed draft Capital Programme for 2024/25 – 2028/29 is set out in Appendix 6.

### **General Fund**

12.2 Proposals funded through ‘unsupported borrowing’ on the General Fund impact the ‘Minimum Revenue Provision’ (MRP) estimate for future years, which effectively is a method of calculating the estimated repayment of that internal borrowing. MRP is funded through revenue, and so an increase in capital expenditure plans funded through unsupported borrowing, increases expenditure on the General Fund in respect of MRP.

12.3 The total General Fund programme for 2024/25 is presented in the draft budget was £7,532,201, consisting of currently budgeted and new schemes.

12.4 The changes from the draft budget are detailed below, the programme at Appendix 6 includes changes to the draft capital programme of £2,272,862 to total a proposed final capital budget of £9,805,063.

12.5 Changes since the draft budget are as follows:

**12.5.1 Swadlincote Events Space and Levelling up bid** – This project was previously considered by Finance and Management Committee in March 2022 as part of the unsuccessful Levelling Up Round 2 submission, and includes the consideration of the original proposals to complete works to the Indoor Market to create a multi-purpose events space in the town centre. Since the draft budget was developed and consulted upon, the Council has been notified of it’s successful allocation of £1.1 million government levelling up funding. As such, the council is reducing its level of contribution to the project which will be funded by internal borrowing to £0.6 million and the broadened scheme will capture other. A further report on scheme proposals will be timetabled to be presented at Finance and Management Committee.

**12.5.2 Fleet Replacement Programme** – It has been identified that a potential £7.3 million fleet replacement programme is required over the 5 year capital programme. The investment in 2024/25 is £2.3 million and £2.3 million in 2025/26 with the remaining £2.7m subject to future review and refinement. The draft budget in November 2023 did not outline an amount for the fleet replacement strategy. Since then a vehicle replacement programme was presented at the Environmental and Development Service Committee for approval in January 24. The Council is committed to reducing its carbon emissions and will be setting an ambitious target of zero carbon emissions to its

fleet by 2030. The Strategy considered the development and opportunities in alternative vehicle technologies including fuel types and provided estimated costs for inclusion. This will help minimise the Council's impact on the environment and enable it to take a proactive role in assisting the Council to maintain its ISO140001 accreditation. It is envisaged that this programme will be funded in part by earmarked reserves and unsupported borrowing. The decision is sought as part of this capital programme budget decision to agree funding for 2024/25 and 2025/26.

## HRA

12.6 The Capital programme for the HRA has been amended from the draft budget which accounted for no adjustments to the rolling 5 year programme that was in place. Subsequently a proposal was submitted planning out additional capital work £4.13 million which is set out in Appendix 6.

## 13.0 Risk Assessment

13.1 The following table provides an assessment of the key risk areas of the budget and forms the basis of the Section 151 Officer's determination of robustness of estimates and adequacy of reserves.

**Table 11 – Risk Assessment**

Question	Response
Is performance against the current years budget on track and where variances are evident, ongoing and unavoidable, are they appropriately reflected in the proposed 2024/25 budget?	<p>There are movements on both the General Fund and HRA revenue budgets for 2023/24.</p> <p>The projected financial outturn position at Quarter 2 for 2023/24 is that the General Fund will deliver a significantly reduced deficit position largely due to favourable revised forecasts on retained business rates and investment income. Other areas include adverse forecasts on spare parts to maintain the current fleet.</p> <p>In all these areas the budget has been updated to reflect accurate forecasts going forward, using best information available.</p> <p>The 2024/25 budget setting approach has represented a step-change in developing budgets with more emphasis placed on engagement with services and ensuring services are fully funded and budgetary plans realistic, including the forecasting of complex and technical areas of local government funding.</p>
Are arrangements for monitoring and reporting performance against the plans robust?	<p>Yes.</p> <p>The council has an established and robust monitoring approach.</p>
On what basis are the underlying budget	<p>All budget proposals have been justified by Heads of Service, reviewed by finance and subject to budget</p>

<p>assumptions considered reasonable?</p>	<p>challenge with the Leadership Team and Leading Members.</p> <p>Growth forecasts for council tax and business rates have been developed through close engagement with the planning, revenue and finance teams.</p> <p>External input has been sought appropriately, for example, our treasury advisers Arlingclose supported the fleet replacement programme financing exercise, funding assumptions have been tested with the council's funding advisors Pixel Financial Management Ltd and advice sought on the pay award for 2024/25 from East Midlands Councils.</p>
<p>What is the availability of un-earmarked reserves to meet unforeseen cost pressures?</p>	<p>The council currently has £15 million in general unallocated reserves.</p> <p>It has previously cited its minimum agreed level of unallocated reserves as £1.5 million on the General Fund and £1 million on the HRA.</p> <p>Currently, both reserves are in excess of these minimum levels, with the General Fund unallocated reserves being particularly higher.</p> <p>In the Audit Commission's 'Striking a Balance' report published in 2012, the majority of Chief Finance Officers at the national level regarded an amount of between three and five per cent of Council's net spending as a prudent level for risk-based reserves. For 2024/25, 5% represents circa £0.9m for the General Fund.</p> <p>In 2023, the Chartered Institute of Public Finance and Accountancy (CIPFA) published a bulletin that provides guidance to local authority chief finance officers on the establishment and maintenance of local authority reserves and balances. In accordance with the CIPFA guidance, the relevancy and adequacy of the levels of reserves for the Council should be reviewed on an annual basis. The S151 Officer has followed this guidance in undertaking a reserves risk assessment outline in this report.</p> <p>As part of the forthcoming Medium Term, Financial Strategy, the Section 151 Officer will present a detailed reserves risk assessment which look to determine a new minimum operating level of reserves going forward for SDDC. A further strategy for the maintenance and management of reserves will also be set out.</p>
<p>Have realistic income budgets been set?</p>	<p>Yes.</p> <p>Local income budgets were assessed in relation to the proposed fee and charge level and anticipated demand as part of the development of the draft budget.</p> <p>As above, the budget process has undergone a step-change in with more emphasis placed on engagement with</p>

	<p>services and ensuring services are fully funded and budgetary plans realistic.</p> <p>The budget proposals presented by services were reviewed through a series of challenge / “Star Chamber” sessions, including review finance, review by the Section 151 Officer, star chamber with Leadership Team and Star Chamber with Leading Members.</p>
Has “at risk” external funding and income been identified	<p>The areas of funding that are at greatest risk of volatility because of inaccurate forecasting include business rates and council tax/collection fund – both of which have undergone significant scrutiny by the Section 151 Officer and external testing utilising the council’s funding advisors Pixel Financial Ltd strategic finance model and external scrutiny with collection fund accounting subscription service.</p> <p>The volatility that can be experienced on retained business rates has been identified, including the impact of the rates position of other Derbyshire pool members which can impact the level of benefit SDDC receive from the pool.</p> <p>Testing of robustness of estimates over the medium-term financial plan period, where major reform of local government funding is assumed (which result in significant budgetary gaps), has also been undertaken.</p> <p>Planning income can be volatile as it is susceptible to variation in the number of planning applications coming forward. The level of assumed planning income is based on the assessment of historic applications and known pipeline demand.</p> <p>The major area of at-risk income for the HRA concerning the contributions from Derbyshire County Council has been confirmed within the 2024/25 budget, with the HRA plugging this gap.</p>
Has a reasonable estimate of demand cost pressures been made?	<p>The budget process to develop the draft budget has improved the reasonableness of estimates.</p> <p>As above, the budget process has undergone a step-change in with more emphasis placed on engagement with services and ensuring services are fully funded and budgetary plans realistic. This has extended to ensuring services are costed to meet demand.</p> <p>The budget proposals presented by services were reviewed through a series of challenge / “Star Chamber” sessions, including review finance, review by the Section 151 Officer, star chamber with Leadership Team and Star Chamber with Leading Members.</p>
Have one-off cost pressures been identified?	<p>Yes.</p> <p>These have been funded via the reallocation of redundant earmarked reserves where this has been possible, to relieve pressure in the base budget.</p>
Is there a reasonable contingency available to	<p>The Council has incorporated estimates for pay award, inflation and demand pressures into its budget. It has</p>

cover the financial risks faced by the Council?	sufficient reserves available to cover any unexpected fluctuations.
Is there a reasonable level of reserves, which could be used to mitigate any issues arising and are they reducing as the risks decrease?	The Council has a range of earmarked, unallocated and minimum levels of reserves to ensure its financial stability.
Have the previous years Accounts been signed off by external audit to verify balances?	<p>The Council's Draft Statement of Accounts for 2021/22 and 2022/23 were published on time and are available on the Council's website. At the time of writing this report, the Value for Money opinion for both years is due to be presented by the External Auditor, Ernst and Young (EY) LLP, at the March meeting of the Audit Sub-Committee. Confirmation of the timetable for completing the full audit of the accounts for both these years remains unconfirmed by EY LLP.</p> <p>A consultation is expected to be published by DLUHC setting out the intentions to clear outstanding and delayed audits in the local government sector and this is expected to outline plans for the backlog to be clear by the end of September 2024.</p> <p>Discussions are ongoing between the S151 Officer and the Audit Partner for EY LLP around the capacity of the External Auditor to complete the audits for which they are contracted to deliver and for which the Council is due to pay.</p>
Has there been a degree and quality of engagement with colleagues and councillors in the process to develop and construct the budget	<p>Yes.</p> <p>As above, the budget process has undergone a step-change in with more emphasis placed on engagement with services and ensuring services are fully funded and budgetary plans realistic. The budget setting approach commenced internally with officers in September 2023. Simultaneously, engagement commences with members around the same time, and this included the development of the principles to setting the 2024/25 budget.</p> <p>The budget proposals presented by services were reviewed through a series of challenge / "Star Chamber" sessions, including review finance, review by the Section 151 Officer, star chamber with Leadership Team and Star Chamber with Leading Members.</p> <p>The draft budget was presented to members in November 2023 and policy committees reviewed service budgets as part of this, making individual decisions to add proposals into the final budget presented as part of this report.</p>

## **14.0 Robustness of Estimates and Adequacy of Reserves**

- 14.1 The Local Government Act 2003 requires the Council's Chief Financial Officer (Section 151 Officer) to comment on the robustness of the estimates and also on the adequacy of the proposed reserves – otherwise known as the "Section 25 Statement". Members must have regard to these comments when making a decision on the budget proposals for the forthcoming year.
- 14.2 This report will be presented at Council in a separate report by the Section 151 Officer on the same agenda as the final budget in February 2024. The information below is intended to enable Members to consider proposals against an the Section 151's assessment of the robustness of estimates and the adequacy of reserves.
- 14.3 The Section 151 Officer considers that the estimates which form the General Fund and Housing Revenue Account to be robust and prudent, and the proposals are deliverable for 2024/25.
- 14.4 As set out in the risk assessment at section 13 of this report, spend assumptions have been developed by service areas and robustly tested by finance, the Section 151 Officer, the Leadership Team and Leading Members.
- 14.5 Assumptions included in this budget around funding for 2024/25 and beyond have been developed and approved by the Section 151 Officer using several sources of independent and external advice. These include forecasts derived from funding models used by the finance team from the Council's funding advisor Pixel Financial Management, the Institute of Fiscal Studies local government finance model, the 2024/25 Local Government Finance Settlement and sector intelligence shared by the LGA and the DCN. However, it remains that there is a risk that assumed funding beyond 2024/25, from 2025/26 onwards, is out of line with government intentions around the reform of the local government funding system – a commitment to which it has said will be a matter for the next parliament.
- 14.6 Based on current estimates for 2023/24 outturn, the proposed budget for 2024/25 Council has an adequate level of reserves to balance the budget on its General Fund. However, assumptions for 2025/26 – 2028/29 demonstrate that the level of unallocated general reserves will not stretch to cover the total budget gaps arising over this period.
- 14.7 The Council is susceptible to volatility in budgetary estimates. A relatively small change in the underlying assumptions can produce significant changes.
- 14.8 If forecasts for the current or 2024/25 year are less favourable than projected, the Council could see its reserves utilised at a greater rate than currently forecast.
- 14.9 Overall, the draft General Fund retains a budget gap. This is an improvement from it compared to its forecast position for the draft 2024/25 budget and budgeted position for 2023/24. However, the Council must now consider how it will close its ongoing budget gap.
- 14.10 Looking further ahead, all local authorities will face a reduction in core funding from the Government once changes to the current funding regime (in particular New Homes Bonus and Business Rates) are introduced. These changes in grant funding are

included in the assumptions in this report and MTFP, alongside with an assumption that the government will compensate the Council for any reduction in its core spending power that is more than 5% (“transitional funding”). These funding reforms therefore present a significant risk to the Councils ongoing financial sustainability, as is the case for all councils who benefit from new homes bonus and retained business rates.

- 14.11 As detailed within this report, the Council is currently developing its Medium-Term Financial Strategy which will set out how it intends to ensure that its future budget gaps are reduced, and the Council manages its spending within its funding means. This strategy is due to be presented to this Committee and Council in March and April 2024.
- 14.12 The strategy will set out a scenario analysis to enable the Council to plan and prepare for different outcomes; a Sustainable Finance Plan which will identify savings in expenditure and improvement in additional and new income to close the budget gap over the medium-term position and a Reserves Strategy to guide the effective and optimum management and use of the council’s unallocated reserves whilst balancing risk.
- 14.13 Of specific mention is the matter of Concurrent Expenses, which was identified by the Section 151 Officer as an area that the Council should review given its identified budget gaps over the medium term. Parish Councils fed back clearly through the budget consultation several concerns around the potential withdrawal of Concurrent Expenses grant funding. These concerns are acknowledged and the position within this budget and the current medium term financial plan remains that Concurrent Expense grants are maintained at the current 2023/24 level. Future review will now be a matter for the Sustainable Finance Plan arising from Medium Term Financial Strategy. The Section 151 Officer would like to make clear however, that should the Council pursue a future review, this will be based on extensive engagement with Parish Councils and would be focussed on the position of the current scheme, the different models that can be employed to address double taxation, the optimal solution, and the most stable way of introducing any changes. At the time of writing this report, the Section 151 Officer is in the process of writing to Parish Councils to respond to their concerns and provide these assurances.
- 14.14 Turning to the Housing Revenue Account, the position currently forecasts a budget gap for 2024/25 and this is also projected on an ongoing basis into future years. During the 2023/24-year, additional budgetary pressures have been absorbed for the service to comply to its regulatory requirements.
- 14.15 To ensure the HRA can deliver a balanced budget for the foreseeable future and maintain its reserves at a suitable level, the Council must not continue to set aside the £750,000 additional debt repayment amounts for redemption of the £10 million self-financing loan in 2027 is proposed. This will have implications for the ability of the Council to repay this loan when it falls due, however the Council is able to refinance this, recognising that there is no limit on the amount a HRA can borrow.
- 14.16 Since undertaking the self-financing loans in 2012, the Council has significantly less in projected rental income to fund its Housing service, having implemented 4 years of 1% rent reductions between 2016 and 2020 as per central government policy. A below inflation rent cap was also implemented by central government for the rent increase for 2023/24, and South Derbyshire increased its rents below this level. Although subject to

Council approval as part of the revised Treasury Management Strategy for 2024/25, this revised strategy will therefore better align with the HRA's financial health and minimise the revenue charges of debt on the HRA. It is proposed a wider review of the HRA debt position is undertaken to support this.

## **15.0 Corporate Implications**

### **Employment Implications**

15.1 There are no direct employment implications arising from this report. However, a number of proposals have employment implications through the creation of new posts to be added to the council's staffing establishment. These requests have been considered by the relevant committees in January/February 2024 and associated employment implications clearly set out. Engagement with employees and Trade Unions is underway as necessary and appropriate.

### **Legal Implications**

15.2 There are no direct legal implications arising from this report. The final budget has been developed on a series of requirements of the Council in line with legal and regulatory requirements around service provision. Specific legal implications of proposals have been considered by the relevant committees in January/February 2024.

### **Corporate Plan Implications**

15.3 This draft budget has been prepared to support the delivery of the Council's new Council Plan.

### **Risk Impact**

15.4 The draft budget has been prepared to support the effective management of service risk. The council's risk register will be updated accordingly and presented to the relevant committees as part of the council's established performance monitoring approach.

15.5 A risk assessment of the adequacy of the council's reserves is set out in the report. A separate risk assessment on the budget has been undertaken at section 13.

15.6 The budgets will be monitored throughout the year to ensure the Council remains within its funding envelope and planned budget savings are delivered. Key risks to the budget are discussed in further detail in section 5 of the report.

## **16.0 Community Impact**

### **Consultation**

16.1 As detailed in the report, relevant stakeholders in the business community were directly consulted on the budget proposals, in line with the council's statutory duty to consult ratepayers.

16.2 In addition, between 15 December 2023 and 26 January 2024 wider public consultation was undertaken via the Council's website and at Area Forums.

16.3 All consultation feedback received will be collated and reported as part of the final budget report in February 2024.

### **Equality and Diversity Impact**

16.4 A preliminary Equalities Impact Assessment (EIA) has been undertaken on the budget.

16.5 This has identified that the budget could have significant positive impacts, particularly where it focuses on expansion of some services or investment in assets. The extent to which residents will benefit is dependent on individual circumstances and the consumption of services.

16.6 Increasing the district council's Band D by the maximum referendum limit of 2.99% (£5.22) has been assessed to have a neutral effect on protected groups. Residents on low income will have their council tax met by the Local Council Tax Reduction Scheme that is designed and administered by South Derbyshire District Council. Officers will continue to work to assist households in financial difficulty where possible, including the administering of Government funds to support those households in need.

16.7 Increasing rent by the social rent policy formula has also been assessed to have a neutral effect on protected groups. Tenants on low income will have their rents met by Housing Benefit (HB full or partial) or Universal Credit (UC), so it will impact the Government as opposed to the tenant. Officers continue to work to assist households in financial difficulty where possible, including the administering of Government funds to support those households in need.

16.8 As other proposals are introduced the specific equality impacts will be considered by Heads of Service with their relevant Strategic Director before implementation taken forward.

### **Social Value Impact**

16.9 There are no social value impacts. Individual decision-based impacts on material budgetary proposals have been considered by the relevant committees in January/February 2024.

### **Environmental Sustainability**

16.10 There are no social value impacts. Individual decision-based impacts on material budgetary proposals have been considered by the relevant committees in January/February 2024.

16.11 The budget proposes investment in the replacement of council vehicles and reducing our carbon emissions.

### **17.0 Background Papers**

17.1 Report to Finance and Management Committee, 5 October 2023, "Budget Setting Approach 2024/25".

**DRAFT GENERAL FUND - BUDGET SUMMARY 2024/25**

Approved Budget 2023/24	Service	Draft Budget			Changes to Final			2024/25 Proposed Budget
		2024/25 Savings Plan	2024/25 Permanent Growth	2024/25 One-Off Growth	2024/25 Savings Plan	2024/25 Permanent Growth	2024/25 One-Off Growth	
392,641	Economic Development	-2,337	5,839	100,000				496,143
870,414	Environmental Services	-41,554	90,399	5,400				924,659
49,488	Highways & Parking	-11,696	26,945					64,737
89,012	Licensing & Land Charges	-1,429	104,354					191,937
785,982	Planning	-222,912	59,047	190,000				812,117
1,209,782	Street Scene	-35,194	36,966					1,211,554
3,511,897	Waste & Transport	-177,041	467,565	435,680		63,936	-236,850	4,065,187
734,066	Community Development & Support	-18,910	61,888					777,044
179,268	Recreational Activities	-270	16,558					195,556
274,126	Leisure Centres & Community Facilities	-66,622	237,280				201,299	646,084
567,864	Parks & Open Spaces	57,721	250,329	47,449				923,363
596,797	Private Sector Housing	-228,045	27,144					395,896
4,651,825	Central Support Services	-328,838	980,276	6,914		121,980		5,432,157
575,615	Corporate & Democratic Costs	-10,371	74,966					640,210
365,229	Elections & Registration	-76,504	10,315					299,040
-428,878	Net Interest Receivable	-414,020	4,048					-838,850

440,479	Concurrent Expenses							440,479
366,644	Bad Debt Provision & Funded Pension Schemes							366,644
-233,263	Estate Management	-40,229	16,552	35,000				-221,940
804,444	Revenues & Benefits	-105,500	33,681					732,625
	Pay Award	-48,500	789,225			-78,454		662,271
188,224	MRP	-27,262			-	120,962.00		40,000
370,041	Contingent Sums	-370,041						0
157,500	Provisions	-157,500						0
733,530	Capital Contributions	-733,530						0
<b>17,252,727</b>	<b>NET COST OF SERVICES</b>	<b>-3,060,583</b>	<b>3,293,377</b>	<b>820,443</b>	<b>-120,962</b>	<b>107,462</b>	<b>-35,551</b>	<b>18,256,913</b>

	<b>FUNDING</b>							
-4,000,000	Business Rates Retention	-2,377,129			-290,871			-6,668,000.00
-100,000	Services Grant Allocation	-2,000					85,939	-16,061.00
-1,500,000	New Homes Bonus			20,000			39,000	-1,441,000.00
-1,800,000	Funding Guarantee			54,000	-232,784			-1,978,784.00
-6,577,466	Council Tax Income	-372,648			-30,072			-6,980,185.68
-55,000	Add Estimated Collection Fund Surplus - Council Tax							-55,000.00
	Revenue Support Grant	-105,252						-105,252.00
	Contribution from one-off expenditure	-820,443					35,551	-784,892.00
<b>-14,032,466</b>	<b>TOTAL FUNDING</b>	<b>-3,677,472</b>	<b>0</b>	<b>74,000</b>	<b>-553,727</b>		<b>160,490</b>	<b>-18,029,175</b>

3,220,261	BUDGET GAP	-6,738,055	3,293,377	894,443	-674,689	107,462	124,939	227,739
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## GENERAL FUND MEDIUM TERM FINANCIAL PLAN

### Budget Setting 2024/25

	Projection £ 2024.25	Projection £ 2025.26	Projection £ 2026.27	Projection £ 2027.28	Projection £ 2028.29
<b>BASE BUDGET</b>					
Environmental & Development	8,607,637	8,866,950	8,958,851	9,289,114	9,649,140
Housing & Community	4,006,223	3,761,714	3,564,494	3,627,984	3,725,630
Finance & Management	7,236,282	7,839,603	8,070,160	8,302,519	8,536,985
<b>Net Service Expenditure</b>	<b>19,850,141</b>	<b>20,468,267</b>	<b>20,593,506</b>	<b>21,219,616</b>	<b>21,911,755</b>
<b>Accounting Adjustments</b>					
Reverse out Depreciation	-1,633,229	-1,633,229	-1,633,229	-1,633,229	-1,633,229
Contribution from Reserves for one-off expenditure	-784,892				
Minimum Revenue Provision (MRP)	40,000	42,000	44,000	46,000	48,000
<b>Additional MRP for Capital bids</b>		14,000	222,000	423,000	453,000
	<b>-2,378,121</b>	<b>-1,577,229</b>	<b>-1,367,229</b>	<b>-1,164,229</b>	<b>-1,132,229</b>

**TOTAL ESTIMATED  
SPENDING**

<b>17,472,021</b>	<b>18,891,038</b>	<b>19,226,277</b>	<b>20,055,388</b>	<b>20,779,526</b>
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**FINANCING**

Business Rates Retention	-6,668,000	-6,673,299	-4,347,720	-4,591,156	-4,849,541
Services Grant Allocation	-16,061	-85,176	0	0	0
Funding Guarantee	-1,978,784	-3,101,732			
New Homes Bonus	-1,441,000	0	0	0	0
Council Tax Income	-6,980,186	-7,311,082	-7,710,229	-8,104,811	-8,535,372
Revenue Support Grant	-105,252	-115,542	-445,780	-410,502	-372,272
Transitional Funding			-3,868,154	-2,596,093	-1,292,989
Add Estimated Collection Fund Surplus - Council Tax	-55,000	-55,000	-55,000	-55,000	-55,000

**TOTAL FINANCING**

<b>-17,244,283</b>	<b>-17,341,831</b>	<b>-16,426,883</b>	<b>-15,757,562</b>	<b>-15,105,174</b>
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**Revenue Surplus (-) /  
Deficit**

<b>227,737</b>	<b>1,549,207</b>	<b>2,799,395</b>	<b>4,297,825</b>	<b>5,674,352</b>
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**TOTAL GENERAL FUND  
SURPLUS (-) / DEFICIT**

<b>227,737</b>	<b>1,549,207</b>	<b>2,799,395</b>	<b>4,297,825</b>	<b>5,674,352</b>
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**GENERAL FUND  
RESERVE BALANCE**

Balance b/fwd	-12,001,891	-11,774,154	-10,224,947	-7,425,552	-3,127,727
Revenue Surplus (-) / Deficit	227,737	1,549,207	2,799,395	4,297,825	5,674,352
Capital Contributions	0	0	0	0	0
<b>Balance c/fwd</b>	<b>-11,774,154</b>	<b>-10,224,947</b>	<b>-7,425,552</b>	<b>-3,127,727</b>	<b>2,546,625</b>

**GENERAL FUND SERVICE DEVELOPMENT**

Committee	Value of one-off / funded by reserve proposals (2024/25 only)	Value of recurring proposals (2024/25 and every year thereafter)	TOTAL
Environmental and Development Services Committee	295,400	341,008	636,408
Housing and Community Services Committee	47,449	213,314	260,763
Finance and Management Committee	41,914	781,942	823,856
<b>TOTAL</b>	<b>384,763</b>	<b>1,336,264</b>	<b>1,721,027</b>

**PROPOSALS**

Service Area	Title of Proposal	Value	One-off or recurring	Reason for Change	Committee meeting date for material policy / staffing decisions
Economic Development and Growth	Town Centre Masterplan	100,000	One-off	<p>A report setting out further detail of this proposal will be presented to the relevant policy making committee in January / February 2024 for consideration. The following is for information only, pending this decision.</p> <p>Development of a Masterplan for Swadlincote Town Centre, to set out a vision for the mix of uses, urban form and inter-linkage with other parts of the town centre. In addition, as part of the Local Plan review, it is proposed to update the Swadlincote Town Centre Retail and Leisure Study (2015) to generate an estimate of under provision for different types of floorspace in the town centre and therefore provide the basis for the preparation of a Town Centre Masterplan, focusing on the future use of the local authority landholding. It is proposed that specialist consultants are appointed to prepare the Masterplan.</p>	Environmental and Development Services Committee <b>25 January 2024</b>

Service Area	Title of Proposal	Value	One-off or recurring	Reason for Change	Committee meeting date for material policy / staffing decisions
				The consultancy cost of preparing a Town Centre Masterplan is linked to the extent of surveying and ground investigations the Council wishes to undertake. <b>(£100,000)</b> .	
Planning and Strategic Housing	Local Plan	190,000	One-off	<p><b>A report setting out further detail of this proposal will be presented to the relevant policy making committee in January / February 2024 for consideration. The following is for information only, pending this decision.</b></p> <p>As the Local Plan Review nears its next stage the Council needs to undertake several essential evidence studies or professional service support to justify the policies and allocations contained within it, that are required to achieve a legally sound Local Plan. The Council has an existing earmarked reserve to compliment this further additional budgetary request. Having an adopted local Plan in place will provide financial benefits (planning fees, new homes bonus, business rates etc.) to the Council from delivery of additional housing and employment floorspace because of allocations.</p>	<p>Environmental and Development Services Committee</p> <p><b>25 January 2024</b></p>
Operational Services	Household Waste Collection Service expansion	308,687	Recurring	<p><b>This service development proposals may, subject to further development, add to the Council's staffing establishment on a permanent basis for the Household Waste Collection Service or be of a material policy nature and as such a further report setting out the detail will be presented to the relevant policy making committee in January / February 2024.</b></p> <p><b>Staffing</b> This budget proposal is currently an early estimate pending further internal review and is based on the anticipated costs of an additional crew to provide resilience for ongoing delivery of the Household Waste Collection service.</p>	<p>Environmental and Development Services Committee</p> <p><b>25 January 2024</b></p>

Service Area	Title of Proposal	Value	One-off or recurring	Reason for Change	Committee meeting date for material policy / staffing decisions
Operational Services	Managing Parks	32,321	Recurring	<p>This service development proposal is seeking to add to the Council's staffing establishment on a permanent basis and as such will be subject to a further report setting out the detail to the relevant policy making committee in January / February 2024.</p> <p>Proposal to extend the existing Park Rangers service to create additional capacity to service the addition of Cadley Park and provide a mobile ranger service to address issues of ASB at cemeteries and play areas.</p>	<p>Environmental and Development Services Committee</p> <p>25 January 2024</p>
Environmental Services	MSc training for staff	5,400	One-off	<p>This service development proposal is for MSc training in Environmental Health.</p> <p>Additional staff training is required for a variety of reasons, primarily to support in areas of statutory service delivery where we are faced with emerging challenges such as air quality and increases in demand for the planning consultation services we offer to both internal and external clients. We also hope that by investing in our staff development we can maintain and improve upon the current levels of performance and retain staff, at a time where other local authorities across the UK are facing serious recruitment difficulties as a national report has highlighted a recognised shortage of EHO's in the UK.</p>	N/A
Cultural and Community Services	Rosliston Forestry Centre	42,440	Recurring	<p>This service development proposal is seeking to add to the Council's staffing establishment on a permanent basis and as such will be subject to a further report setting out the detail to the relevant policy making committee in January / February 2024.</p>	<p>Housing &amp; Communities Committee</p> <p>1 February 2024</p>

Service Area	Title of Proposal	Value	One-off or recurring	Reason for Change	Committee meeting date for material policy / staffing decisions
Cultural and Community Services	Tree services	85,000	Recurring	<p>This service development proposals may, subject to further development, add to the Council's staffing establishment on a permanent basis or be of a material policy nature and as such a further report setting out the detail will be presented to the relevant policy making committee in January / February 2024.</p> <p>This proposal is for a dedicated tree maintenance budget to manage the councils tree stock effectively, based on independent assessment in 2021 which highlighted the need for a specific tree maintenance budget.</p>	<p>Housing &amp; Communities Committee</p> <p>1 February 2024</p>
Cultural and Community Services	Cemeteries Feasibility Study	22,449	One-off	<p>This service development proposal is to identify both possible future burial land and in addition explore the need /opportunities for future cremation provision. The Council has a responsibility to ensure there is sufficient provision of the disposal of the dead.</p>	N/A
Cultural and Community Services	Service provision	85,874	Recurring	<p>These service development proposals are seeking to add to the Council's staffing establishment on a permanent basis and as such will be subject to a further report setting out the detail to the relevant policy making committee in January / February 2024.</p> <p>This proposal will consider staffing resources in this areas to ensure effective service provision.</p>	<p>Housing &amp; Communities Committee</p> <p>1 February 2024</p>
Cultural and Community Services	Green Space Strategy	25,000	One-off	<p>The service development proposal related to the development a Green Space Strategy to identify shortfalls in the provision of the different typologies of green space within the district to inform planning policy and ensure current and further communities have equal access to quality green spaces. In addition, the strategy would set out how we manage and maintain our spaces over the next 10 years.</p>	N/A

Service Area	Title of Proposal	Value	One-off or recurring	Reason for Change	Committee meeting date for material policy / staffing decisions
Housing	Homelessness Services	0 (NO GENERAL FUND IMPACT)	Recurring, funded by reserves for life of MTFP  Recurring, funded by reserves for life of MTFP	<p>These service development proposals are seeking to add to the Council's staffing establishment on a permanent basis and as such will be subject to a further report setting out the detail to the relevant policy making committee in January / February 2024.</p> <p><b>ANY ADDITIONAL POSTS WILL BE FUNDED BY HOMELESSNESS RESERVES AND THEREFORE NOT IMPACT THE GENERAL FUND OVER THE LIFE OF THE MTFP.</b></p> <p>This proposal will consider staffing resources in these areas to ensure effective service provision.</p>	<p>Housing &amp; Communities Committee</p> <p>1 February 2024</p>
Legal & Democratic	Service Resource	114,944	Recurring	<p>These service development proposals are seeking to add to the Council's staffing establishment on a permanent basis and as such will be subject to a further report setting out the detail to the relevant policy making committee in January / February 2024.</p> <p>This proposal will consider resources in this areas to ensure effective service provision in the legal and democratic and enforcement service areas.</p>	<p>Finance and Management Committee</p> <p>15 February 2024</p>

Service Area	Title of Proposal	Value	One-off or recurring	Reason for Change	Committee meeting date for material policy / staffing decisions
Business Change and ICT	ICT	33,366	Recurring	<p>This service development proposal is seeking to add to the Council's staffing establishment on a permanent basis and as such will be subject to a further report setting out the detail to the relevant policy making committee in January / February 2024.</p> <p>This proposal will consider staffing resources in IT.</p>	<p>Finance and Management Committee</p> <p>15 February 2024</p>
Business Change and ICT	Microsoft Teams Telephony	50,000	Recurring	Replacement of the existing telephone infrastructure system with telephony module within Microsoft Teams.	N/A
Organisational Development and Performance	Human Resources Provision	105,166	Recurring	<p>This service development proposal is seeking to add to the Council's staffing establishment on a permanent basis and as such will be subject to a further report setting out the detail to the relevant policy making committee in January / February 2024.</p> <p>This proposal will consider resources in HR ensure an effective corporate service.</p>	<p>Finance and Management Committee</p> <p>15 February 2024</p>

Service Area	Title of Proposal	Value	One-off or recurring	Reason for Change	Committee meeting date for material policy / staffing decisions
Corporate Resources	Procurement	63,672	Recurring	<p>This service development proposal is seeking to add to the Council's staffing establishment on a permanent basis and as such will be subject to a further report setting out the detail to the relevant policy making committee in January / February 2024.</p> <p>This proposal will consider resources in respect of Procurement to ensure effective service delivery for an area of high risk and high reputational risk for the Council.</p>	<p>Finance and Management Committee</p> <p>15 February 2024</p>
Customer Services	Customer Feedback	55,513	Recurring	<p>This service development proposal is seeking to add to the Council's staffing establishment on a permanent basis and as such will be subject to a further report setting out the detail to the relevant policy making committee in January / February 2024.</p> <p>This proposal will consider resources for the management of corporate complaints.</p>	<p>Finance and Management Committee</p> <p>15 February 2024</p>
Legal Services	Shared Drive for Emails	9,281	Recurring	This service development proposal relates to an application that allows the team to save emails direct to shared drive.	N/A
Organisational Development and Performance	Corporate Plan Development Support	6,914	One-off	<p>This service development proposal is to support the development of resources and materials for the launch of the new Council Plan 2024-28.</p> <p>The additional costs are required to change corporate branding across the Council and requires additional external support to progress this via a graphic designer.</p>	N/A
Property Services	Revaluation of the Council's property assets	35,000	One-off	This service development proposal is seeking the Valuation Office to undertake a revaluation of the Council's property assets including the Housing stock for building insurance purposes.	N/A

Service Area	Title of Proposal	Value	One-off or recurring	Reason for Change	Committee meeting date for material policy / staffing decisions
Chief Executive	Management Restructure	350,000	Recurring	<p>This service development proposal is seeking to change the Council's existing management staffing establishment on a permanent basis and is considered material in value. As such will be subject to a further report setting out the detail to the relevant policy making committee in January / February 2024.</p> <p>This service development proposal will be presented by the Chief Executive in a subsequent report and will outline the proposed management structure for delivering Council services.</p>	<p>Finance and Management Committee</p> <p>15 February 2024</p>

## GENERAL FUND COST PRESSURE

Committee	Value of one-off proposals (2024/25 only)	Value of recurring proposals (2024/25 and every year thereafter)	Totals
Environmental and Development Services Committee	198,830	380,847	579,677
Housing and Community Services Committee	201,299	273,078	474,377
Finance and Management Committee		442,528	442,528
Establishment Costs		733,586	733,586
Inter-departmental Recharges		11,240	11,240
De-minimis		223,296	223,296
<b>TOTAL</b>	<b>400,129</b>	<b>2,064,575</b>	<b>2,464,704</b>

Service	Title of Proposal	Value	One-off or Recurring	Reason for Change
Finance	Uplift in Internal Audit Fees	9,311	Recurring	Annual Contributions to the Central Midlands Audit Partnership (CMAP) (increased by 5% as confirmed by CMAP)
Finance	Bank Charges	8,110	Recurring	Increase in fees in line with Contract
Finance	External Audit Fees	85,336	Recurring	The audit fee scale variation was increased by 151% in 23/24 to £144,179 (a £76,824 uplift on current budget provisions) as part of the Redmond review. Additional budgetary provision to cover Pooling Audits, which was previously insufficient.
Corporate Resources	Procurement Shared Service	7,500	Recurring	Cost of current provider increased by 25% for reprocurring of new contract
ICT & Business Change	Increase costs of Computer Licenses	46,890	Recurring	Inflationary increase to cover anticipated additional costs over and above current budget of £296k, since the current agreement for Microsoft expires December 2024.

Service	Title of Proposal	Value	One-off or Recurring	Reason for Change
ICT & Business Change	Data & Security Upgrades	38,423	Recurring	As a result of routine corporate infrastructure and security upgrades at both the Depot and the Corporate Contact Centre, additional maintenance agreements have been identified. Additional licenses have also been identified as a result of new Microsoft Teams Rooms that have been installed throughout the Authority. Fibre lines have also been installed at Rosliston Forestry Centre which will upgrade the Wifi and WAN access at the Centre.
Customer Services	Out of Hours call answering service	6,577	Recurring	Budget now includes Answer 4u - Out of hours calls. This service provision is under review and any further budgetary implications will be presented to members.
Customer Services	Postage costs	18,686	Recurring	The Council's postage supplier has announced price increases for their services. The average of these increases is around 18.5% and therefore this has been reflected in the budget
Customer Services	Customer Relationship Manager (CRM) System	54,084	Recurring	System costs going forward
Organisational Development	Health & Safety - Employee equipment to work from home	6,000	Recurring	The Council has adopted an employment model that enables staff to work from home. It is estimated that including both new starters and existing staff on a yearly basis, up to 40 employees may need equipment each year
Organisational Development	Communications Review	83,557	Recurring	A review of the Communications Service was undertaken, and a new structure is proposed to provide resilience in service delivery and additional resources to enhance the service for the benefits of elected members, residents, partners, and officers. Due to the sensitive contents of the report the detail is reported as a separate item to this Committee in exempt items.
Customer Services	External Audit Fees for Housing Benefit claims	6,400	Recurring	Cost of audit of the Housing Benefit Subsidy Claim on an annual basis that was previously not budgeted for.
Customer Services	Housing Benefits Administration -	10,000	Recurring	Due to the complexities of Supported Exempt Accommodation cases these are being managed internally by our Benefits Officers. The additional off-

Service	Title of Proposal	Value	One-off or Recurring	Reason for Change
	Revenue and Benefit Claims Processing			site processing provision through Capita has assisted in keeping our processing times down for new claims and changes of circumstances cases whilst our experienced benefits officers are focusing their time on these more in-depth cases. This budget will cover the continuation of this and mitigate the need for an increase in establishment.
Customer Services	Corporate Fraud - Counter Fraud Services	7,041	Recurring	Contractual inflationary increase for the Derby City Council Counter Fraud Services.
Environmental Services	Food Safety - Food Export Licence Income	31,000	Recurring	Forecast ongoing reduction in food export licencing income due to changes in the exports of a local international supplier.
Community and Cultural	Environmental Education – conservation materials	12,300	Recurring	The future arrangements and lease agreement at Rosliston Forestry centre resulted in SDDC being responsible for maintaining Forestry England land. As a result of this, additional general fund contribution is being sought to cover the costs of conservation and biodiversity works, including additional materials, tools and specialist training.
Community and Cultural	Environmental Education – conservation tools	2,000	Recurring	
Community and Cultural	Environmental Education – conservation training	3,000	Recurring	
Community and Cultural	Environmental Education – Reduction in grant income	10,000	Recurring	
Community and Cultural	Environmental Education Total - Casual Staff	11,630	Recurring	This grant income budget has not been achieved and so it is therefore prudent to assume a realistic forecast.
Community and Cultural	Environmental Education Total - Casual Staff	11,630	Recurring	The future arrangements and lease agreement at Rosliston Forestry centre resulted in SDDC being responsible for maintaining Forestry England land. Casual staff to deliver additional work at Rosliston Contract and leading volunteer activities. Work includes biodiversity and conservation.

Service	Title of Proposal	Value	One-off or Recurring	Reason for Change
Property Services	Off-Street Parking - Utilities	8,217	Recurring	This additional cost pressure is based on the Council's utilities position which includes Electricity being fixed until September '24 and Gas fixed until November '24.
Property Services	Off-Street Parking - Metered Water charges	14,144	Recurring	The water budget has been set based on the last 12 months' worth of actual cost data (where available) – a contingency of 10% has been applied to these costs, utility costs are expected to increase over the next 12 months but by how much is unknown. Water costs have risen between 9% and 13% in 23/24 TB TO UPDATE WORDING ONCE 10% TAKEN OUT
Property Services	Admin Offices & Depot - Utilities	43,316	Recurring	This additional cost pressure is based on the Council's utilities position which includes Electricity being fixed until September '24 and Gas fixed until November '24.
Property Services	Estate Management - Utilities	11,297	Recurring	This additional cost pressure is based on the Council's utilities position which includes Electricity being fixed until September '24 and Gas fixed until November '24.
Legal & Democratic Services	Land Charges Professional Fees	29,075	Recurring	Increase in fees paid to Derbyshire County Council.
Legal & Democratic Services	Loss of income from Licences	20,000	Recurring	Forecast permanent reduction in income from Private Hire licences.
Planning & Strategic Housing	Planning System Computer Maintenance	9,963	Recurring	Inflationary increase of CPI on maintenance agreements
Planning & Strategic Housing	Income for Other Organisations	15,000	Recurring	Loss of contribution from East Staffordshire Borough Council towards Conservation officers
Building Regulations	Building Control Fees	15,472	Recurring	Partnership Board Meeting concluded that the contribution of £35,200 has been fixed and consequently the Council's budget needs to reflect this
Operational Services	Household Waste Collection - Vehicle Hire	108,680	One-Off	This is a one-off budget pressure to cover the service whilst new vehicles are on order, recognising the up to 12m lead in time for delivery. The

Service	Title of Proposal	Value	One-off or Recurring	Reason for Change
				budget will cover the costs of vehicle breakdowns/MOT's and routine maintenance during this time period.
Operational Services	Household Waste Collection - Bins and Sacks	20,000	Recurring	The purchase of Bins and Sacks increase by £20k to £184,000, due to growing district and breakage issues due to the age of the existing receptacles in the district.
Operational Services	Household Waste Collection - Third Party Payments of Recycling Disbursements	16,675	Recurring	This additional provision will cover the additional cost of Biffa tonnages which is forecast at £59 per tonne
Operational Services	Trade Waste Collection - Third Party Payments of Waste Collection	6,407	Recurring	To cover the Derbyshire County Council disposal charge, increase of 3%.
Operational Services	Trade Waste Collection - Third Party Payments of Recycling Disbursements	6,600	Recurring	This additional provision will cover the additional cost of commercial recycling collections - average £2k per month (Viola)
Operational Services	Recycling - Waste Management fee	15,536	Recurring	Increase to Wilshee contracts of 8%. All other contracts remaining the same
Operational Services	Fuels - Diesel for vehicles	20,005	Recurring	This is based off approx. 370k litres a year at a rate of £1.40 which is an average price per litre during 22/23 when fuel had increased. This is based on current trend of fuel raising again to £1.30 in recent months. There is no funding for hydrogen secured for next year. The hydrogen trial starts in November and runs for 5 months therefore the data will be reviewed in April 2024
Operational Services	Fleet Spare Parts	90,150	One-Off	Ageing fleet requires more costly repairs. The budget reflects the anticipated costs associated with the bulk of the fleet moving into their 6 <sup>th</sup> year of operation. This budget is being funded by one-off reserve contribution and will be reviewed as part of the 2025/26 budget development process.

Service	Title of Proposal	Value	One-off or Recurring	Reason for Change
Operational Services	Vehicle Insurance	49,887	Recurring	Increase to insurance due to increased level of claims paid. Claim to premium ratio 86%
Operational Services	Computing Maintenance Agreements	63,936	Recurring	A project identified within Operational Services to adopt a back-office system for Domestic and Trade Waste, Grounds Maintenance and Street Cleansing. The Council has not previously had any software for these purposes. The proposed software has been piloted as part of the D2N2 project will replace the current paper systems in place
Culture & Community Services	Supplies and Services for Events	8,000	Recurring	The request is for an annual increase for the Events team to assist with the delivery of the Festival of Leisure, the flagship Council Event.
Culture & Community Services	Supplies and service for the Christmas Lights annual switch on event	8,000	Recurring	The request is for an annual increase for the Christmas Lights switch on Event, for the cost of a technician who arranges the Christmas, trees, Christmas lights and decorations in Swadlincote.
Culture & Community Services	Utilities provision for the Council's leisure centres and services	401,299	One-off	Following on from the successful tender process and the appointment of a new supplier, the budget has been uplifted based on the management fee the Council will be expected to pay in year one. There will be changes to the budget moving forwards, as it is expected that the Council will receive money, rather than pay in future years.
Culture & Community Services	Rosliston Forestry Centre - Utilities	17,005	Recurring	The Council's fixed tariff for electricity ends September '24 and gas ends in November '24. Given the significant rise based on the volatile market conditions, budgets have been set to reflect current predictions.
Culture & Community Services	Rosliston Forestry Centre Business Rates	5,052	Recurring	Based on current RV levels and amended for percentage increase
Culture & Community Services	General Repairs and Maintenance	10,000	Recurring	The council is responsible for 26 play areas, many of which are at the end of their life. Whilst we will submit a programme of improvements via the capital bid process, we still have a statutory duty to ensure the remaining play areas are safe and this budget will cover this.

Service	Title of Proposal	Value	One-off or Recurring	Reason for Change
Culture & Community Services	Community Parks & Open Spaces - Electricity	5,290	Recurring	This additional cost pressure is based on the Council's utilities position which includes Electricity being fixed until September '24 and Gas fixed until November '24.
Culture & Community Services	Sharpes Pottery and Heritage Trust – Grants	45,644	Recurring	Report was ratified at F&M on 5th October 2023 - the committee approved the fully requested additional costs to support the growth plan for the period 2023/28 to Sharpes Pottery Heritage and Arts Trust.
Housing Services (GF)	Pre-tenancy Furniture Purchases for temporary accommodation	8,000	Recurring	Housing Solutions Team purchase furniture from the YMCA to support customers with move on from temporary accommodation into settled accommodation.
Housing Services (GF)	Pre-tenancy Services - Subscriptions & Computer Maintenance	6,087	Recurring	Inflation increases CPI
Housing Services (GF)	Pre-tenancy Services - Miscellaneous Expenses	10,000	Recurring	The Household Support Fund tranches 1-4 from Derbyshire County Council has been heavily utilised by the Housing Solutions Team to purchase furniture from the YMCA to support customers with move on from temporary accommodation into settled accommodation. It is unclear whether the Household Support Fund will have a tranche 5 in the financial year 2024-2025 therefore an increase in Furniture Purchases (YMCA) is requested from £8k in 23/24 to £16k in 24/25 to maintain current service provision.
Utilities	Removal of contingency within Utilities Budget	-50000	Recurring	

Service	Title of Proposal	Value	One-off or Recurring	Reason for Change
Current Establishment	Current Establishment - Pay Award	504,977	Recurring	Based on 3.50% pay award
Current Establishment	Current Establishment - Incremental Rises	201,254	Recurring	Spinal point increases in year
Current Establishment	Current Establishment - Members Allowances	27,355	Recurring	Additional opposition group and responsibility allowances not previously budgeted
Interdepartmental Recharges Changes	Interdepartmental Recharges Changes -	11,240	Recurring	Recharges between GF departments
De-minimis	Total value of budgetary changes that increase provision and that are individually below £5k	223,296	Recurring	Various costs to include, insurances, subscriptions and training

## GENERAL FUND SAVINGS

Committee	Value of one-off proposals (2024/25 only)	Value of recurring proposals (2024/25 and every year thereafter)	Total
Environmental and Development Services Committee		400,162	400,162
Housing and Community Services Committee		178,131	178,131
Finance and Management Committee		679,641	679,641
Establishment Savings		48,500	48,500
HRA Recharges		302,522	302,522
Reserve Funding Savings		163,296	163,296
Capital Contributions		733,530	733,530
Contingent Sums		370,041	370,041
Provisions		157,500	157,500
MRP		148,224	148,224
<b>TOTAL</b>	<b>0.00</b>	<b>3,181,547</b>	<b>3,181,547</b>

Service	Title of Proposal	Value	One- Off/Recurring	Reason for Change
ICT & Business Change	Reduction in Public Transport	-1,000	Recurring	Not used - budget removed
ICT & Business Change	Reduction in Car Allowances	-300	Recurring	Not used - budget removed
ICT & Business Change	Reduction in Car Parking - Staff expenses	-70	Recurring	Not used - budget removed
ICT & Business Change	Reduction in Materials - Other Materials	-500	Recurring	Not used - budget removed

Service	Title of Proposal	Value	One-Off/Recurring	Reason for Change
ICT & Business Change	Reduction in Computing Maintenance Agreements for actual charge	-481	Recurring	actual cost calculation
ICT & Business Change	Reduced professional fess	-25,611	Recurring	Professional fees have been reduced due to a new Digital Systems Specialist Post (in Planning). ICT cover the cost of this post in excess of £20k contributed by Planning. No longer outsourcing this service, now managed in house. Approve at EDS/FM November '22
ICT & Business Change	Computer Licenses reduced to allow additional budget to be offset in maintenance	-10,000	Recurring	Reduction to budget as previously used as a contingency - utilised towards increases to maintenance/licences.
ICT & Business Change	Reduction in maintenance agreements	-17,870	Recurring	Renewal terms not agreed when package deal expired
ICT & Business Change	Reduction in Public Transport	-50	Recurring	Not used - budget removed
ICT & Business Change	Reduction in Car Allowances	-100	Recurring	Not used - budget removed
ICT & Business Change	Reduction in Car Parking - Staff expenses	-20	Recurring	Not used - budget removed
Financial Services	Subscription no longer required in Professional Fees	-25	Recurring	Subscription fees reduced for CIPP
Financial Services	Reduction in Training Expenses	-1,000	Recurring	Not used - budget removed
Financial Services	Cancelled Subscription to	-892	Recurring	Not used - budget removed

Service	Title of Proposal	Value	One-Off/Recurring	Reason for Change
	Newspapers and Magazines			
Financial Services	Subscription no longer required in Professional Fees	-192	Recurring	Removal of CIPP
Financial Services	Subscription no longer required in Professional Fees	-819	Recurring	Removal of CIPP
Finance Services	Interest on Council Investment portfolio	-414,020	Recurring	Interest rates have remained high throughout 2023/24 return on investment is currently averaging around 5%. Market experts predict that going into 2024/25 the interest rates will slowly start to come down and the effects will be felt in the market. Therefore, the increase in budgeted income for the year predicts an average rate of 4% which is where the market is predicted to be while the wider economy settles. The budget is set on an investment portfolio of £35m
Property Services	Reduction in Business rates payable for the Civic Offices	-10,617	Recurring	Reduction to Civic Offices RV rate
Property Services	Reduced water charges	-1,178	Recurring	Reduction based on actual meter readings
Property Services	Insurance Charge reduction for terrorism	-1,686	Recurring	Insurance - reduced risk
Property Services	Reduction in Training Expenses	-5,000	Recurring	Reallocated budget to PSX85 to fund Building Surveyors MA
Property Services	Reduction in Business rates payable for the Depot	-2,380	Recurring	Reduction in rateable value
Property Services	Reduction in rechargeable Insurance to	-2,692	Recurring	Insurance recharge to Commercial Properties

Service	Title of Proposal	Value	One-Off/Recurring	Reason for Change
	Commercial Properties			
Property Services	Increase in Rental income - Shops	-1,318	Recurring	Increase to rental income as we relet - 12% void provision - increased voids from 10% to 12% as plans to repossess
Property Services	Increase in Rental income - Other Property	-5,455	Recurring	Increase to income as we relet - 12% void provision
Property Services	Reduction in insurance premium	-107	Recurring	Reduction in Insurance Premium
Property Services	Reduction in Business rates payable for Off street parking	-776	Recurring	Based on current RV levels and amended for percentage increase
Procurement	Business Credit Check reports	-364	Recurring	Dun & Bradstreet - Finance Analytics - reduced number of searches
Legal & Democratic Services	District Election costs not required	-67,000	Recurring	Reduction from 23/24 - No District Election
Legal & Democratic Services	Maintenance agreement	-447	Recurring	Xpress annual fee - renewing contract until 2025
Legal & Democratic Services	Reduction in Insurance Premium – Land Charges	-1,421	Recurring	Reduction in Insurance Premium
Legal & Democratic Services	Reduction in Insurance Premium - Licensing	-8	Recurring	Reduction in Insurance Premium
Customers Services	Reduction in insurance Premium	-75	Recurring	Reduction in Insurance premium
Customers Services	Reduction in - Public Transport	-300	Recurring	Not used - budget removed
Customers Services	Reduction in staff Car Parking	-50	Recurring	Not used - budget removed

Service	Title of Proposal	Value	One-Off/Recurring	Reason for Change
Customers Services	Reduction in Non Staff Advertising not required	-1,000	Recurring	Not used - budget removed
Customers Services	Reduction in costs associated with recovery services	-3,000	Recurring	Land registry and Court Costs not fully spend budget reduced to be in line with actual spend
Customers Services	Reduction in Car mileage	-1,239	Recurring	Not used - budget removed
Customers Services	Reduction in Car mileage	-400	Recurring	Not used - budget removed
Customers Services	Reduction in Car mileage	-1,239	Recurring	Not used - budget removed
Customers Services	Government Grants Within AEF	-87,578	Recurring	Income reviewed over prior 3 years and increased budget accordingly.
Customer Services	Rent Allowances & Rebates	-11,361	Recurring	Additional income from Housing Benefits
Economic Development	Utilities	-758	Recurring	The Council's fixed tariff for electricity ends September '24 and gas ends in November '24. Given the significant rise based on the volatile market conditions, budgets have been set to reflect current predictions.
Economic Development	Utilities	-39	Recurring	Reduction in the actual water charges
Economic Development	Telephone Call Charges	-348	Recurring	Absorbed in central ICT budget for phone call charges
Economic Development	Reduction in - Public Transport	-200	Recurring	Budget never spent - removed
Economic Development	Reduction in Car Allowances	-1,000	Recurring	Reduced car allowances - minimal spend
Environmental Services	Reduction in subscriptions	-55	Recurring	RIAMS & 5+1 Subscription (increased by 6.8% CPI)

Service	Title of Proposal	Value	One-Off/Recurring	Reason for Change
Environmental Services	Reduction in Insurance Premium	-135	Recurring	Reduction in Insurance Premium
Environmental Services	Increase In Fees	-10,000	Recurring	Additional anticipated income above existing base budget arising from consultancy income
Environmental Services	Increase in licensing fees	-3,000	Recurring	(Environmental permits) fees set by government
Environmental Services	Increase in Fees	-15,000	Recurring	Increase in consultancy fees as a result of the Commercialisation Plan
Environmental Services	Increase in pest Control fees	-3,250	Recurring	Additional income in the event of recruiting a new, full time Pest Control Officer
Environmental Services	Reduction in Insurance Premium	-6	Recurring	Reduction in Insurance Premium
Culture & Community Services	Reduced professional fess	-48	Recurring	CIM Membership
Culture & Community Services	Reduction in Insurance Premium	-1	Recurring	Reduction in Insurance Premium
Operational Services	Bus Shelter Cleaning	-10,920	Recurring	Contract cleaning ceased due to purchase of pressure washer
Operational Services	Reduction in Insurance Premium	-9	Recurring	Reduction in Insurance Premium
Operational Services	Street Cleansing Fees	-5,000	Recurring	Parish Council Servicing of Bins, in line with contracts
Operational Services	Recycling Credits County Council	-25,785	Recurring	Increase in rebate - £65.61 per tonne for the recycling credits paid by DCC
Operational Services	Additional Income from Extra Refuse Collections	-10,000	Recurring	To increase bulky waste income by £10k due to a modest increase in bookings since the service started to provide an on-line booking facility.

Service	Title of Proposal	Value	One-Off/Recurring	Reason for Change
Operational Services	Increase in Trade Waste Fees	-5,000	Recurring	Additional customers
Operational Services	Recycling Collection Hire of Vehicles	-94,848	Recurring	Reduction in the amount of vehicles on hire
Operational Services	Recycling Credits County Council	-13,370	Recurring	Increase in rebate - £65.61 per tonne for the recycling credits paid by DCC
Operational Services	Remove Essential User Lump Sum	-1,239	Recurring	Changes to essential user in restructure
Operational Services	Reduced subscription fees	-151	Recurring	Fuel quip management system & fuel Tek system (raised by 6.8% CPI)
Planning Delivery	Fees - Planning Application	-200,000	Recurring	Increase in fees per committee report EDS/F&M April '23
Culture & Community Services	Reduced professional fess	-255	Recurring	CLOA Memberships x2
Culture & Community Services	Reduction in Business Rates on Community Centres	-194	Recurring	Based on current RV levels and amended for percentage increase
Culture & Community Services	Utilites	-24	Recurring	Saving on actual water costs
Culture & Community Services	Reduction in Car Allowances	-550	Recurring	Reduction to budget due to minimal previous spend
Culture & Community Services	Removed Cleaning Materials	-100	Recurring	Not required - covered by property
Culture & Community Services	Removed Training Expenses	-500	Recurring	Reduced in line with actuals
Culture & Community Services	Reduction in Car Allowances	-100	Recurring	Reduction to budget due to minimal previous spend
Culture & Community Services	Reduction in Car Parking - Staff expenses	-20	Recurring	Not used - budget removed
Culture & Community Services	Contributions - Other Organisations	-6	Recurring	£15.7k PCC/DCC cont to CSO Salary, £25k Community Safety Grant - BCU funding not budgeted

Service	Title of Proposal	Value	One-Off/Recurring	Reason for Change
Culture & Community Services	Reduction in Car Allowances	-250	Recurring	Reduction to budget - minimal use
Culture & Community Services	Reduction in Car Parking - Staff expenses	-20	Recurring	Not used - budget removed
Culture & Community Services	Midway Community Centre Utilities	-3,909	Recurring	The Council's fixed tariff for electricity ends September '24 and gas ends in November '24. Given the significant rise based on the volatile market conditions, budgets have been set to reflect current predictions.
Culture & Community Services	Stenson Fields Utilities	-2,144	Recurring	The Council's fixed tariff for electricity ends September '24 and gas ends in November '24. Given the significant rise based on the volatile market conditions, budgets have been set to reflect current predictions.
Culture & Community Services	Melbourne Assembly Rooms - Health & Safety checks	-7	Recurring	Legionella checks
Culture & Community Services	Reduction in Insurance Premium	-14	Recurring	Reduction in Insurance Premium
Culture & Community Services	Reduced professional fess	-70	Recurring	British Nordic Walking membership
Culture & Community Services	Reduction in Insurance Premium	-21	Recurring	Reduction in Insurance Premium
Culture & Community Services	Reduction in Insurance Premium	-15	Recurring	Reduction in Insurance Premium
Culture & Community Services	Rosliston Forestry Centre Water	-3,827	Recurring	Reduction in actual water costs
Culture & Community Services	Reduction in Insurance Premium	-1,348	Recurring	Reduction in Insurance Premium
Culture & Community Services	Reduction in Insurance Premium	-402	Recurring	Reduction in Insurance Premium
Culture & Community Services	Increase in income Rosliston Forestry	-3,600	Recurring	£6k Ice cream, £12k Gift shop, £100 vending - increased in line with actuals

Service	Title of Proposal	Value	One-Off/Recurring	Reason for Change
	Centre Sale of Promotional Materials			
Culture & Community Services	Increase in income Rosliston Forestry Centre Fees	-1,764	Recurring	Car park income - in line with actuals
Culture & Community Services	Reduction in Business rates payable for Cemeteries	-573	Recurring	Based on current RV levels and amended for percentage increase
Culture & Community Services	Water Services at Cemetery	-117	Recurring	Based on actual water costs
Culture & Community Services	Reduction in Insurance Premium	-15	Recurring	Reduction in Insurance Premium
Culture & Community Services	Increase in Cemetery fees	-4,755	Recurring	Fees increased avg 9%
Culture & Community Services	Increase in Cemetery fees	-489	Recurring	Fees increased avg 5%
Culture & Community Services	Water Services in parks and green spaces	-120	Recurring	Based on actual water costs
Culture & Community Services	Reduction in Insurance Premium	-480	Recurring	Reduction in Insurance Premium
Culture & Community Services	Reduction in Public Transport	-50	Recurring	Reduced in line with actuals
Culture & Community Services	Reduction in Car Allowances	-500	Recurring	Reduction to budget - minimal use
Culture & Community Services	Reduction in Car Parking - Staff expenses	-20	Recurring	Not used - removed budget
Community Parks & Open Spaces	Furniture - Repair and Maint	-4,200	Recurring	Split budget with R4005

Service	Title of Proposal	Value	One-Off/Recurring	Reason for Change
Culture & Community Service	Increase in Fees for Parks & Green Spaces	-2,918	Recurring	Pitch hires, fun fairs, park trainer permits - increased for parish recharges and avg of 7% increase to fees and charges
Housing Services (GF)	Reduced professional fess	-4	Recurring	AB - FPWS & CIAT
Housing Services (GF)	Remove Tools & Equipment Purchase budget	-200	Recurring	Not used - budget removed
Housing Services (GF)	Reduced professional fess	-1	Recurring	PM only now (used to be 3 staff - are all still required)
Housing Services (GF)	Reduction in Car Allowances	-1,000	Recurring	Reduction to budget due to minimal previous spend
Housing Services (GF)	Government Grants Outside AEF	-77,918	Recurring	Homelessness prevention fund allocation for 24/25 has been confirmed. Not usually confirmed at budget setting therefore not included in budget previously. <b>NETTED OFF AGAINST REDUCTION TO RESERVE FUNDING (£140,346)</b>
Housing Services (GF)	Computing - Maint Agreements	-15,786	Recurring	The new system (Jigsaw) was cheaper than the previous system
Housing Services (GF)	Contributions - Other Organisations	-5,050	Recurring	Choice based lettings recharge to other authorities increase
Housing Services (GF)	Temporary Housing Accommodation & Prevention Officer	-44,795	Recurring	Post now made permanent but funded by earmarked reserves
Current Establishment	Casual Wages	-40,000	Recurring	Reduction to casual wages relating to the elections budget. 23/24 budget includes casual wages for the District Election. 24/25 budget only includes casual wages for any by-elections
Current Establishment	Telephone Allowances	-302	Recurring	No longer required
Current Establishment	Essential User	-8,198	Recurring	Changes in allowances due to restructures
<b>HRA Recharges Changes</b>		<b>-302,522</b>	Recurring	Increase in HRA recharges as a result of General Fund increases passed on, in line with HRA recharge policy.

Service	Title of Proposal	Value	One-Off/Recurring	Reason for Change
<b>Reserve Funded Changes</b>		<b>-163,296</b>	Recurring	Changes funded via reserves.
<b>Capital Contributions</b>		<b>-733,530</b>	Recurring	Removal of capital contributions from reserves – capital items funded by dedicated existing reserve or via borrowing.
<b>Contingent Sums</b>		<b>-370,041</b>	Recurring	Change in accounting approach, with contingent sums now included in base budget.
<b>Provisions</b>		<b>-157,500</b>	Recurring	Change in accounting approach, with contingent sums now included in base budget.
<b>MRP Reduction</b>		<b>-148,224</b>	Recurring	Reduction in Minimum Revenue Provision payment for 2024/25.

**DRAFT HOUSING REVENUE ACCOUNT - BUDGET SUMMARY 2024/25**

Approved Budget 23/24	Housing Service Department	Draft Budget			Changes to Final Budget			Proposed Budget 2024/25
		Savings	Cost Pressures	Service Developments	Savings	Cost Pressures	Service Developments	
1,555,429	Housing Department Support Staff and Costs (HRA)		47,377	70,000				1,672,806
73,178	Development & Regeneration (HRA)		56					73,234
-10,010	Rechargeable Repairs (HRA)							-10,010
1,865,313	Responsive (DLO Trading HRA)		34,859	797,000				2,697,172
1,785,037	Planned (HRA Revenue)		157,868	350,464				2,293,369
3,239	Associated Costs (HRA)- interest		177					3,416
638,995	Managing Tenancies (HRA)		9,848	27,310				676,153
-12,972,561	Rent Collection and Accounting (HRA)	-1,103,401	11,197		-51,921			-14,116,686
770,149	Supported Housing (HRA)	-763	187,778					957,164
131,000	Increase/Decrease in Provision for Bad or Doubtful Debts (HRA)							131,000
4,719,441	Depreciation and Impairment - Dwellings (HRA)				207,015			4,926,456
87,582	Depreciation and Impairment - Other HRA Assets				141,928			229,510
-196,604	Interest & Investment Income (HRA)	-239,553						-436,157

1,504,805	External Interest Payable (HRA)	-270,000						1,234,805
<b>-45,007</b>	<b>HRA Net Operating</b>	<b>-1,613,717</b>	<b>449,160</b>	<b>1,244,774</b>	<b>297,023</b>	<b>0</b>	<b>0</b>	<b>332,233</b>
2,176,326	Contingent Sums (HRA)	-1,362,916			-394,735			455,000
	Interdepartmental recharges	-11,240						-11,240
	HRA Recharges		302,522					302,522
	Pay award		96,333			20,176		116,509
<b>2,131,319</b>	<b>HRA Total Cost</b>	<b>-2,987,873</b>	<b>848,015</b>	<b>1,244,774</b>	<b>-97,713</b>	<b>20,176</b>	<b>0</b>	<b>1,158,699</b>

## HOUSING REVENUE ACCOUNT FINANCIAL PROJECTION - 2024/25

	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33	2033.34
	Forecast									
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>INCOME</b>										
Rental Income	-14,026	-14,304	-14,589	-14,880	-15,176	-15,479	-15,787	-16,102	-16,423	-16,751
Non-Dwelling Income	-106	-108	-112	-115	-118	-121	-125	-128	-132	-136
Supporting People Grant	0	0	0	0	0	0	0	0	0	0
Other Income	-185	-185	-185	-185	-185	-185	-185	-185	-185	-185
<b>Total Income</b>	<b>-14,317</b>	<b>-14,597</b>	<b>-14,886</b>	<b>-15,180</b>	<b>-15,479</b>	<b>-15,785</b>	<b>-16,097</b>	<b>-16,415</b>	<b>-16,740</b>	<b>-17,072</b>
<b>EXPENDITURE</b>										
General Management	2,676	2,737	2,799	2,863	2,928	2,995	3,063	3,133	3,204	3,278
Supporting People	1,194	1,232	1,273	1,315	1,361	1,408	1,459	1,512	1,568	1,628
Responsive	2,711	1,986	2,034	2,083	2,133	2,185	2,239	2,294	2,350	2,408
Planned Maintenance	2,352	2,153	2,205	2,259	2,315	2,371	2,429	2,489	2,550	2,612
Bad Debt Provision	131	143	145	148	151	154	157	161	164	167
Interest Payable & Receivable	802	802	802	501	501	502	502	502	172	172
Depreciation	5,156	5,157	5,157	5,158	5,159	5,160	5,161	5,161	5,162	5,163
<b>Net Operating Income</b>	<b>705</b>	<b>-387</b>	<b>-471</b>	<b>-853</b>	<b>-931</b>	<b>-1,010</b>	<b>-1,087</b>	<b>-1,163</b>	<b>-1,570</b>	<b>-1,644</b>
<b>Known variations:</b>										
Reversal of Depreciation	-5,156	-5,157	-5,157	-5,158	-5,159	-5,160	-5,161	-5,161	-5,162	-5,163
Capital Expenditure	2,820	3,200	3,550	3,900	4,000	2,489	2,403	1,805	2,301	1,627
Disabled Adaptations	300	300	300	300	300	300	300	300	300	300
Asbestos and Health & Safety Surveys	100	100	100	100	100	100	100	100	100	100
Debt Repayment - Balance of Depreciation	1,436	1,057	707	358	259	1,771	1,858	2,456	1,961	2,636
Major Repairs Reserve	500	500	500	500	500	500	500	500	500	500
Asset Replacement Earmarked Reserve	0	0	0	54	57	60	63	66	69	73

## HOUSING REVENUE ACCOUNT FINANCIAL PROJECTION - 2024/25

	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33	2033.34
	Forecast									
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Additional Debt Repayment Transfer	455	0	100	0	0	0	0	0	0	0
Capital works non-traditional properties	0	0	0	0	0	0	0	0	0	0
Options Appraisal Smallthorne Place	0	0	0	0	0	0	0	0	0	1
Potential Pay Award	0	0	0	0	0	0	0	0	0	0
ICT Upgrades	0	0	0	0	200	0	0	0	0	0
Rent Loss Provision	0	0	0	0	0	0	0	0	0	0
Pension Valuation 2023/24	0	0	0	0	0	0	0	0	0	0
Increase in Electricity Tarrif	0	0	0	0	0	0	0	0	0	0
<b>HRA Surplus (-) / Deficit</b>	<b>1,160</b>	<b>-387</b>	<b>-371</b>	<b>-799</b>	<b>-674</b>	<b>-950</b>	<b>-1,024</b>	<b>-1,097</b>	<b>-1,501</b>	<b>-1,570</b>
<b>HRA General Reserve</b>										
HRA Reserve B/fwd	-2,254	-1,093	-1,480	-1,851	-2,650	-3,323	-4,274	-5,298	-6,396	-7,897
(Surplus) / Deficit for year	1,160	-387	-371	-799	-674	-950	-1,024	-1,097	-1,501	-1,570
<b>HRA Reserve C/fwd</b>	<b>-1,093</b>	<b>-1,480</b>	<b>-1,851</b>	<b>-2,650</b>	<b>-3,323</b>	<b>-4,274</b>	<b>-5,298</b>	<b>-6,396</b>	<b>-7,897</b>	<b>-9,467</b>
<b>RESERVES</b>										
<b>Debt Repayment Reserve</b>										
Balance B/fwd	-354	-2,245	-3,302	-4,109	-4,467	-4,726	-6,497	-8,355	-811	-2,772
Depreciation balance	-1,436	-1,057	-707	-358	-259	-1,771	-1,858	-2,456	-1,961	-2,636
Transfers to reserve	-455	0	-100	0	0	0	0	0	0	0
Repayment of loan	0	0	0	0	0	0	0	10,000	0	0
<b>Reserve C/fwd</b>	<b>-2,245</b>	<b>-3,302</b>	<b>-4,109</b>	<b>-4,467</b>	<b>-4,726</b>	<b>-6,497</b>	<b>-8,355</b>	<b>-811</b>	<b>-2,772</b>	<b>-5,408</b>

**Earmarked Reserve**

Balance B/fwd	-200	-200	-200	0	0	0	0	0	0	0
Vehicle Replacement Transfer to Reserve	0	0	0	0	0	0	0	0	0	0
Software Upgrade	0	0	0	0	0	0	0	0	0	0
Asset Replacement	0	0	200	0	0	0	0	0	0	0
<b>Reserve C/fwd</b>	<b>-200</b>	<b>-200</b>	<b>0</b>							

**HOUSING REVENUE ACCOUNT FINANCIAL PROJECTION - 2024/25**

2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33	2033.34
Forecast									
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000

**Major Repairs Reserve**

Balance B/fwd	-4,987	-5,487	-5,987	-6,487	-6,987	-7,487	-7,987	-8,487	-8,987	-9,487
Transfers to reserve	-500	-500	-500	-500	-500	-500	-500	-500	-500	-500
Earmarked non-traditional properties	0	0	0	0	0	0	0	0	0	0
Reserve Drawdown	0	0	0	0	0	0	0	0	0	0
<b>Reserve C/fwd</b>	<b>-5,487</b>	<b>-5,987</b>	<b>-6,487</b>	<b>-6,987</b>	<b>-7,487</b>	<b>-7,987</b>	<b>-8,487</b>	<b>-8,987</b>	<b>-9,487</b>	<b>-9,987</b>

**New Build Reserve**

Capital Receipts B/fwd	-2,884	-3,496	-4,108	-4,719	-5,331	-5,943	-6,554	-7,166	-7,777	-8,389
Acquisitions in year	0	0	0	0	0	0	0	0	0	0
RTB Receipts in year	-612	-612	-612	-612	-612	-612	-612	-612	-612	-612
Borrowing in year	0	0	0	0	0	0	0	0	0	0
<b>Balance c/fwd</b>	<b>-3,496</b>	<b>-4,108</b>	<b>-4,719</b>	<b>-5,331</b>	<b>-5,943</b>	<b>-6,554</b>	<b>-7,166</b>	<b>-7,777</b>	<b>-8,389</b>	<b>-9,001</b>

## HRA Service Development

Committee	Value of one-off proposals (2024/25 only)	Value of recurring proposals (2024/25 and every year thereafter)	Total
Housing Revenue Account	£97,310	£1,147,465	£1,244,775

Housing Service (HRA)	Title of Proposal	Value	One-off/Recurring	Reason for Change	Committee meeting date for material policy/staffing decisions
Housing Service (HRA)	Asset management data base	70,000	Recurring	<p><b>A report setting out further detail of this proposal will be presented to the relevant policy making committee in January / February 2024. For consideration. The following is for information only, pending this decision.</b></p> <p>Asset management data base needed for compliance for asbestos register/legionella and stock condition data.</p>	<p><b>Housing &amp; Communities Committee</b></p> <p><b>1 February 2024</b></p>
Housing Service (HRA)	Repairs and Maintenance of Void properties	797,000	One-off	<p><b>A report setting out further detail of this proposal will be presented to the relevant policy making committee in January / February 2024. For consideration. The following is for information only, pending this decision.</b></p> <p>This additional budgetary provision will support the anticipated additional high level costs associated with managing voids as the service improves it's performance in respect of voids and the cost of voids is in line with peers.</p>	<p><b>Housing &amp; Communities Committee</b></p> <p><b>1 February 2024</b></p>

Housing Service (HRA)	Title of Proposal	Value	One-off/Recurring	Reason for Change	Committee meeting date for material policy/staffing decisions
Housing Service (HRA)	Planned (HRA Revenue) - Professional fees for stock condition and other related surveys	350,465	One-off	<p><b>A report setting out further detail of this proposal will be presented to the relevant policy making committee in January / February 2024. For consideration. The following is for information only, pending this decision.</b></p> <p>This proposal seeks to increase the budget for the purposes of undertaking up to date stock condition surveys of the council housing stock and to ensure sufficient provision for other surveys requires by housing regulatory standards</p>	<p><b>Housing &amp; Communities Committee</b></p> <p><b>1 February 2024</b></p>
Housing Service (HRA)	Managing Tenancies (HRA) - Professional House clearance services	19,310	Recurring	This additional budget is proposed to deal with the environmental cleans required for void properties.	
Housing Service (HRA)	Managing Tenancies (HRA) - Purchase of Software	8,000	Recurring	This additional budget will support the purchase of bolt-on software to enable the service to efficiently undertake Tenant Satisfaction Surveys.	
<b>Overall Budget Impact</b>		<b>1,244,775</b>		<b>TOTAL</b>	

## HRA Cost Pressures

Committee	Value of one-off proposals (2024/25 only)	Value of recurring proposals (2024/25 and every year thereafter)	Total
Housing Revenue Account	£170,266	£697,926	£868,192

Housing Service (HRA)	Title of Proposal	Value	One-off/Recurring	Reason for Change
Housing Department Support Staff and Costs (HRA)	Housing Department Support Staff and Costs (HRA) - Subscriptions inflationary increases and 2 new subscriptions	16,102	Recurring	This covers the following subscriptions (The Housing Ombudsman, HQN membership, RTB valuations, Orchard Consultation, and new subscriptions Housing Regulator charges & annual subscription and new subscription to campaign
Housing Department Support Staff and Costs (HRA)	Housing Department Support Staff and Costs (HRA) - Inflationary increases to Computing Maintenance Agreements	10,382	Recurring	Castleton Technology - and Orchard Information Systems (MRI) Castleton Technology is the 'old' name of MRI Communications Manager – the text messaging solution used by Housing for tenant engagement campaigns and other standard automated messages. Orchard (MRI) is the Housing Rental system.
Housing Department Support Staff and Costs (HRA)	Housing Properties Insurance	11,811	Recurring	Inflationary increases in policy cover (Property value 15%)
Housing Department Support Staff and Costs (HRA)	Cost of materials for housing repairs	12,962	Recurring	Industry inflationary increase on cost of materials (7%) purchased for repairs by inhouse trades

Housing Service (HRA)	Title of Proposal	Value	One-off/Recurring	Reason for Change
Housing Department Support Staff and Costs (HRA)	Compensation Payments - Disrepair claims	10,000	One-off	Due to the lack of investment in particular since 2012 the Council owned properties and data have not allowed for the Council to meet all its repairs / decency commitments. With additional focus and publicity put on disrepair claims from both the government from a category one failure in decency, solicitors, and local radio advertising the volume of disrepair claims is growing significantly this year. It is unknown at this point what longer term effect will have on the budget but given this year's spend so far (£9783) and the fact that we are dealing with 9 cases currently, an increase of budget for next year should be factor into the forecast.
Housing Department Support Staff and Costs (HRA)	Planned Maintenance inflationary increase to contractor payments	153,266	One-off	There are several contractors, but Novus is the main contractor, their current contract is due to expire June 2024, and included yearly increases
Housing Department Support Staff and Costs (HRA)	Management Company Service Charges	3,596	Recurring	Management Company service charges on new build acquisitions (Aston x 12, Repton x 4, Overseal x 7)
Housing Department Support Staff and Costs (HRA)	Supported Housing - Utilities	45,973	Recurring	Electricity budgets have been set based on annual usage at current fixed rates until September '24, a 25% contingency has then been applied to the remaining 6 months. Gas budgets are set based on the last 12 months actual data until November '24 when the fixed tariff ends, a 25% contingency has then been applied to the remaining 4 months. Water budgets have been set based on the last 12 months actual data (where available) with a 10% contingency applied. The contingency has been applied to reflect the volatility of market conditions, at this stage there isn't any information available to apply a more accurate contingency.
Housing Department	Garage Rents	7,000	One-off	Garages and Garage plots rents normally increase in line with rents, the budget has been calculated the same % as used for rents and the currently level of occupancy.

Housing Service (HRA)	Title of Proposal	Value	One-off/Recurring	Reason for Change
Support Staff and Costs (HRA)				
Housing Department Support Staff and Costs (HRA)	Supported Housing (HRA) Derbyshire County Council Contributions to services	130,000	Recurring	County Council Contributions advised to be discontinued after March 2024 - Careline & Independent Living Services was an item in the August 2023 Housing & Community Services Committee
Current Establishment	Current Establishment - Pay Award	84,537	Recurring	
Current Establishment	Current Establishment - Incremental Rises	31,859	Recurring	
Current Establishment	Current Establishment - Apprenticeship Levy	114	Recurring	
HRA Recharges Changes		302,522	Recurring	
Housing Department Support Staff and Costs (HRA)	De-minimis	48,067	Recurring	Insurances, subscriptions, training etc.
<b>Overall General Fund Budget Impact</b>		<b>868,192</b>		<b>TOTAL</b>

## HRA Savings

Committee	Value of one-off proposals (2024/25 only)	Value of recurring proposals (2024/25 and every year thereafter)	Total
Housing Revenue Account	£0	£3,085,587	£3,085,587

Housing Service (HRA)	Title of Proposal	Value	One-off/Recurring	Reason for Change
Housing Service (HRA)	External Interest Payable (HRA) Interest Paid	-270,000	Recurring	Paid Sept/March - 2nd £10m paid back March 2024 is reflected in the reduction of interest payable
Housing Service (HRA)	Council House Rental Income	-1,154,025	Recurring	Increase as per Housing Rent Standards 7.7% (CPI +1)
Housing Service (HRA)	Interest Receivable	-239,553	Recurring	Interest rates have remained high throughout 2023/24 return on investment is currently averaging around 5%. Market experts predict that going into 2024/25 the interest rates will slowly start to come down and the effects will be felt in the market. Therefore, the increase in budgeted income for the year predicts an average rate of 4% which is where the market is predicted to be while the wider economy settles. The budget is set on an investment portfolio of £35m
Housing Service (HRA)	Insurance premium recovery	-500.00	Recurring	
Housing Service (HRA)	Staff Car Allowances	-569	Recurring	Reduced hours to 20 on one post

Housing Service (HRA)	Title of Proposal	Value	One-off/Recurring	Reason for Change
Housing Service (HRA)	Engineering Insurance-Boilers, Lifts & Machines	-15	Recurring	Decrease in insurance premium
Current Establishment	Enhanced Pension	-616	Recurring	
Current Establishment	Essential User	-361	Recurring	
Interdepartmental Recharges Changes		-11,240		
Removal of Contingent Sums		-1,113,708		Includes reversal of depreciation
Reduction to Additional Debt Repayment		-295,000		Looking to reprofile loans due in 2026/27
<b>Overall Budget Impact</b>		<b>-3,085,587</b>		<b>TOTAL</b>

PROPOSED FEES AND CHARGES 2024/25

APPENDIX 5

VAT Key - O: Outside Scope S: Standard rate E: Exempt Z: Zero

LAND AND PROPERTY CHARGES	VAT	GL Account Code	Unit	Date of Last Change	2023/24 £:	Proposed Fee 2024/25	%age Increase	£ Increase	Externally set	Explanation regarding the recommended level of charge
<b>LOCAL LAND CHARGE Searches</b>										
LLCI Local Land Charges Residential	O	R9309 ACL00		01/04/2023	30.00	31.05	3.50%	0.90		DCC have given an indicative rise of 3.50% for inflation - this same basis has been applied to our charges
LLCI Local Land Charges Commercial	O	R9309 ACL00		01/04/2023	48.00	49.68	3.50%	1.44		DCC have given an indicative rise of 3.50% for inflation - this same basis has been applied to our charges
CON 29R (required form) Residential	S	R9309 ACL00		01/04/2023	66.00	107.29	62.56%	40.77		Fees have increased in line with charges imposed by DCC from Feb 23 this is to recoup the costs recharged to customers.
CON 29R (required form) Commercial	S	R9309 ACL00		01/04/2023	144.00	188.02	30.57%	43.11		Fees have increased in line with charges imposed by DCC from Feb 23 this is to recoup the costs recharged to customers.
Full Standard Search (LLC1 & CON 29R) Residential	O/S	R9309 ACL00		01/04/2023	96.00	138.34	44.10%	41.67		Fees have increased in line with charges imposed by DCC from Feb 23 this is to recoup the costs recharged to customers.
Full Standard Search (LLC1 & CON 29R) Commercial	O/S	R9309 ACL00		01/04/2023	192.00	237.70	23.80%	44.55		Fees have increased in line with charges imposed by DCC from Feb 23 this is to recoup the costs recharged to customers.
CON 29 (optional form) Other Questions - Each Enquiry	S	R9309 ACL00		01/04/2023	20.40	37.67	84.68%	17.09		Fees have increased in line with charges imposed by DCC from Feb 23 this is to recoup the costs recharged to customers.
Each Additional Enquiry (applicant's own question)	S	R9309 ACL00		01/04/2023	30.00	31.05	3.50%	0.90		DCC have given an indicative rise of 3.50% for inflation - this same basis has been applied to our charges
Additional Parcel of Land	S	R9309 ACL00		01/04/2023	42.00	43.47	3.50%	1.26		DCC have given an indicative rise of 3.50% for inflation - this same basis has been applied to our charges
<b>LICENSING FEES</b>										
<b>PRIVATE HIRE LICENCES</b>										
Vehicle	O	R9307 CEE70		01/04/2023	190.00	190.00	0.00%	0.00		
Hire Vehicle	O	R9307 CEE70		01/04/2021	121.00	121.00	0.00%	0.00		
Operator 1 to 5 cars	O	R9307 CEE70		01/04/2021	382.00	382.00	0.00%	0.00		
Operator 6 to 20 cars	O	R9307 CEE70		01/04/2021	505.00	505.00	0.00%	0.00		
Operator 21 to 50 cars	O	R9307 CEE70		01/04/2021	684.00	684.00	0.00%	0.00		
Operator 51 cars or more	O	R9307 CEE70		01/04/2021	893.00	893.00	0.00%	0.00		
Driver (3 years)	O	R9307 CEE70		01/04/2023	265.00	265.00	0.00%	0.00		
Driver (2 years)	O	R9307 CEE70		01/04/2023	190.00	190.00	0.00%	0.00		
Driver (1 year)	O	R9307 CEE70		01/04/2023	135.00	135.00	0.00%	0.00		
Transfer of vehicle licence to another person	O	R9307 CEE70		01/04/2012	38.00	38.00	0.00%	0.00		
Re-test of vehicle	O	R9307 CEE70		01/04/2016	31.00	31.00	0.00%	0.00		
Depot non-attendance fee	O	R9307 CEE70		01/04/2020	31.00	31.00	0.00%	0.00		
Trailer	O	R9307 CEE70		01/04/2015	25.00	25.00	0.00%	0.00		
Knowledge Test	O	R9307 CEE70		01/04/2020	38.40	38.40	0.00%	0.00		
Change of licence details (not requiring another type of application)	O	R9307 CEE70		01/04/2013	10.50	10.50	0.00%	0.00		
Copy of a paper licence, or the replacement of a badge/plate	O	R9307 CEE70		01/04/2013	10.50	10.50	0.00%	0.00		
Replacement of a badge/plate	O	R9307 CEE70		01/04/2014	15.00	15.00	0.00%	0.00		
Plate platforms	O	R9307 CEE70		01/04/2013	10.00	10.00	0.00%	0.00		
Plate magnets	O	R9307 CEE70		01/04/2022	37.00	37.00	0.00%	0.00		
<b>FOOD EXPORT CERTIFICATES</b>										
Food Export Certificates (hardcopy)	O	R9307 CEE00	Each	01/04/2023	£62.70	£67.00	6.86%	4.30		Increased by CPI (6.7%) and rounded to the nearest pound
Food Export Certificates (electronic)	O	R9307 CEE00	Each	01/04/2023	£51.50	£55.00	6.80%	3.50		Increased by CPI (6.7%) and rounded to the nearest pound
Food Export Certificates (Fish Products)	O	R9307 CEE00	Each	01/04/2023	£94.00	£100.00	6.38%	6.00		Increased by CPI (6.7%) and rounded to the nearest pound
Primary Authority Partnership (standard hourly fee)	O	R9308 CEE00	Hour	01/04/2023	67.50	72.00	6.67%	4.50		Increased by CPI (6.7%) and rounded to the nearest pound
Whole register	O	R9308 CEE00	Each	01/04/2023	57.70	61.50	6.59%	3.80		Increased by CPI (6.7%) and rounded to the nearest pound
Single registration - Any other party	O	R9308 CEE00	Each	01/04/2023	18.90	20.00	5.82%	1.10		Increased by CPI (6.7%) and rounded to the nearest pound
Food hygiene re-inspection at the request of the food business operator	O	R9308 CEE00	Each	01/04/2023	125.00	133.00	6.40%	8.00		Increased by CPI (6.7%) and rounded to the nearest pound
<b>Register of Food Premises</b>										
Food Hygiene re-rating inspection	O	R9308 CEE00	Each	01/04/2023	£180.00	£192.00	6.67%	12.00		Increased by CPI (6.7%) and rounded to the nearest pound
Food Hygiene Level 2 training (cost per person for 1-4 delegates)	O	R9308 CEE00	Each	01/04/2023	£40.00	£43.00	7.50%	3.00		Increased by CPI (6.7%) and rounded to the nearest pound
Food Hygiene Level 2 training (cost per person for 5 plus delegates)	O	R9308 CEE00	Each	01/04/2023	£50.00	£53.00	6.00%	3.00		Increased by CPI (6.7%) and rounded to the nearest pound
Food Hygiene Level 3 training (per person)	O	R9308 CEE00	Each	01/04/2023	£150.00	£160.00	6.67%	10.00		Increased by CPI (6.7%) and rounded to the nearest pound
Food Hygiene Refresher training (per person)	O	R9308 CEE00	Each	01/04/2023	£30.00	£32.00	6.67%	2.00		Increased by CPI (6.7%) and rounded to the nearest pound
Safer Food Better Business plus diary	O	R9308 CEE00	Each	01/04/2023	£15.00	£16.00	6.67%	1.00		Increased by CPI (6.7%) and rounded to the nearest pound
<b>Animal Licences</b>										
Pet shops - Grant of Licence - Application Fee (with more than one type of animal)	O	R9307 CEE70		01/04/2022	380.00	380.00	0.00%	0.00		
Pet shops - Grant of Licence - Licence Fee (with more than one type of animal)	O	R9307 CEE70		01/04/2022	185.00	185.00	0.00%	0.00		
Pet shops - Renewal - Application Fee (with more than one type of animal)	O	R9307 CEE70		01/04/2022	380.00	380.00	0.00%	0.00		
Pet shops - Renewal - Licence Fee (with more than one type of animal)	O	R9307 CEE70		01/04/2022	185.00	185.00	0.00%	0.00		
Pet shops - Grant of Licence - Application Fee (with one type of animal)	O	R9307 CEE70		01/04/2022	275.00	275.00	0.00%	0.00		
Pet shops - Grant of Licence - Licence Fee (with one type of animal)	O	R9307 CEE70		01/04/2022	177.00	177.00	0.00%	0.00		
Pet shops - Renewal - Application Fee (with one type of animal)	O	R9307 CEE70		01/04/2022	275.00	275.00	0.00%	0.00		
Pet shops - Renewal - Licence Fee (with one type of animal)	O	R9307 CEE70		01/04/2022	177.00	177.00	0.00%	0.00		
Riding establishments - Application Fee	O	R9307 CEE70		01/04/2022	275.00	275.00	0.00%	0.00		
Riding establishments - Licence Fee	O	R9307 CEE70		01/04/2022	175.00	175.00	0.00%	0.00		
Animal Boarding establishments - Home Boarding - Application Fee	O	R9307 CEE70		01/04/2023	138.00	138.00	0.00%	0.00		

Animal Boarding establishments - Home Boarding - Licence Fee	○	R9307 CEE70	01/04/2023	70.00	70.00	0.00%	0.00
Animal Boarding Establishments - Doggy Day Care - Application Fee	○	R9307 CEE70	01/04/2022	230.00	230.00	0.00%	0.00
Animal Boarding Establishments - Doggy Day Care - Licence Fee	○	R9307 CEE70	01/04/2022	120.00	120.00	0.00%	0.00
Animal Boarding establishments - Kennels & Catteries - Application Fee	○	R9307 CEE70	01/04/2022	275.00	275.00	0.00%	0.00
Animal Boarding establishments - Kennels & Catteries - Licence Fee	○	R9307 CEE70	01/04/2022	165.00	165.00	0.00%	0.00
Dangerous wild animals	○	R9307 CEE70	01/04/2013	204.00	204.00	0.00%	0.00
Breeding of Dogs - Grant of licence - Application Fee	○	R9307 CEE70	01/04/2020	242.00	242.00	0.00%	0.00
Breeding of Dogs - Grant of licence - Licence Fee	○	R9307 CEE70	01/04/2020	145.00	145.00	0.00%	0.00
Breeding of Dogs - Renewal - Application Fee	○	R9307 CEE70	01/04/2020	185.00	185.00	0.00%	0.00
Breeding of Dogs - Renewal - Licence Fee	○	R9307 CEE70	01/04/2020	145.00	145.00	0.00%	0.00
Breeding of Dogs - Grant of licence - Kennel Breeding - Application Fee	○	R9307 CEE70	01/04/2022	305.00	305.00	0.00%	0.00
Breeding of Dogs - Grant of licence - Kennel Breeding - Licence Fee	○	R9307 CEE70	01/04/2022	205.00	205.00	0.00%	0.00
Breeding of Dogs - Renewal of licence - Kennel Breeding - Application Fee	○	R9307 CEE70	01/04/2022	225.00	225.00	0.00%	0.00
Breeding of Dogs - Renewal of licence - Kennel Breeding - Licence Fee	○	R9307 CEE70	01/04/2022	205.00	205.00	0.00%	0.00
Keeping or Training Animals for Exhibition - Grant of Licence - Application Fee	○	R9307 CEE70	01/04/2023	200.00	200.00	0.00%	0.00
Keeping or Training Animals for Exhibition - Grant of Licence - Licence Fee	○	R9307 CEE70	01/04/2023	100.00	100.00	0.00%	0.00
Keeping or Training Animals for Exhibition - Renewal - Application Fee	○	R9307 CEE70	01/04/2023	200.00	200.00	0.00%	0.00
Keeping or Training Animals for Exhibition - Renewal - Licence Fee	○	R9307 CEE70	01/04/2023	100.00	100.00	0.00%	0.00
Boarding Arranger - Application Fee	○	R9307 CEE70	01/04/2023	205.00	205.00	0.00%	0.00
Boarding Arranger - Licence Fee	○	R9307 CEE70	01/04/2023	110.00	110.00	0.00%	0.00
Add Host Family Fee	○	R9307 CEE70	01/04/2023	65.00	65.00	0.00%	0.00
Change of Details - Animal Licence	○	R9307 CEE70	01/04/2020	20.00	20.00	0.00%	0.00
Variation of Animal Licence	○	R9307 CEE70	01/04/2019	147.00	147.00	0.00%	0.00
Re-inspection for risk rating purposes	○	R9308 CEE70	01/04/2019	120.00	120.00	0.00%	0.00
Additional application fee if applying for more than one licensable activity at a time	○	R9307 CEE70	01/04/2019	100.00	100.00	0.00%	0.00
Inspection fee in relation to appeals (travel time will be added on to the time taken to inspect)	○	R9307 CEE70	01/04/2019	£45 per hour	£45 per hour		
Zoo Plus Vet Fees - (Grant 4 Years) (6 Year Renewal - Application Fee)	○	R9307 CEE70	01/04/2019	522.00	522.00	0.00%	0.00
Zoo Plus Vet Fees - (Grant 4 Years) (6 Year Renewal - Licence Fee)	○	R9307 CEE70	01/04/2019	222.00	222.00	0.00%	0.00
<b>Other Licences</b>							
Film Classifications	○	R9307 CEE70	01/04/2017	£50.00 to include the first half of viewing plus an additional fee of £20.00 for every half hour or part thereof	£50.00 to include the first half of viewing plus an additional fee of £20.00 for every half hour or part thereof		
Street Trading - Grant/Renewal of consent - Application Fee	○	R9307 CEE70	01/04/2017	206.00	206.00	0.00%	0.00
Street Trading - Grant/Renewal of consent - Consent Fee	○	R9307 CEE70	01/04/2017	166.00	166.00	0.00%	0.00
Street Trading - Special Events consent	○	R9307 CEE70	01/04/2017	179.00	179.00	0.00%	0.00
Tattooist - Operator & Premises	○	R9307 CEE70	01/04/2019	145.00	145.00	0.00%	0.00
Tattooist - Transfer	○	R9307 CEE70	01/04/2015	48.00	48.00	0.00%	0.00
Tattooist - temporary registration (less than 30 days)	○	R9307 CEE70	01/04/2020	77.00	77.00	0.00%	0.00
Sex establishment - Grant/Renewal - Application Fee	○	R9307 CEE70	01/04/2019	1,980.00	1,980.00	0.00%	0.00
Sex establishment - Grant/Renewal - Licence Fee	○	R9307 CEE70	01/04/2019	630.00	630.00	0.00%	0.00
Sex establishment - Variation - Application Fee	○	R9307 CEE70	01/04/2019	1,825.00	1,825.00	0.00%	0.00
Sex establishment - Variation - Licence Fee	○	R9307 CEE70	01/04/2019	393.00	393.00	0.00%	0.00
Sex establishment - Transfer - Application Fee	○	R9307 CEE70	01/04/2019	1,680.00	1,680.00	0.00%	0.00
Sex establishment - Transfer - Licence Fee	○	R9307 CEE70	01/04/2019	235.00	235.00	0.00%	0.00
Sex establishment - Change of details	○	R9307 CEE70	01/04/2019	28.00	28.00	0.00%	0.00
<b>LICENCES &amp; LICENSING (under the 2005 Regulations)</b>							
<b>Premises Licences &amp; Club Premises Certificate - Application Fee</b>							
Rateable value - nil to £4,300 - Band A	○	R9307 CEE70		100.00	100.00	0.00%	0.00
Rateable value - £4,300 to £33,000 - Band B	○	R9307 CEE70		190.00	190.00	0.00%	0.00
Rateable value - £33,001 to £87,000 - Band C	○	R9307 CEE70		315.00	315.00	0.00%	0.00
Rateable value - £87,001 to £125,000 - Band D	○	R9307 CEE70		450.00	450.00	0.00%	0.00
Rateable value - £125,001 and above - Band E	○	R9307 CEE70		635.00	635.00	0.00%	0.00
<b>Premises Licences &amp; Club Premises Certificate - Annual Fee</b>							
Rateable value - nil to £4,300 - Band A	○	R9307 CEE70		70.00	70.00	0.00%	0.00
Rateable value - £4,300 to £33,000 - Band B	○	R9307 CEE70		180.00	180.00	0.00%	0.00
Rateable value - £33,001 to £87,000 - Band C	○	R9307 CEE70		295.00	295.00	0.00%	0.00
Rateable value - £87,001 to £125,000 - Band D	○	R9307 CEE70		320.00	320.00	0.00%	0.00
Rateable value - £125,001 and above - Band E	○	R9307 CEE70		350.00	350.00	0.00%	0.00
<b>Variation Fee in Transition (relates to alcohol only)</b>							
Rateable value - nil to £4,300 - Band A	○	R9307 CEE70		20.00	20.00	0.00%	0.00
Rateable value - £4,300 to £33,000 - Band B	○	R9307 CEE70		60.00	60.00	0.00%	0.00
Rateable value - £33,001 to £87,000 - Band C	○	R9307 CEE70		80.00	80.00	0.00%	0.00
Rateable value - £87,001 to £125,000 - Band D	○	R9307 CEE70		100.00	100.00	0.00%	0.00
Rateable value - £125,001 and above - Band E	○	R9307 CEE70		120.00	120.00	0.00%	0.00
<b>Multiplier (mainly relates to town &amp; city centre pubs) - Application Fee</b>							
Rateable value - £87,001 to £125,000 - Band D	○	R9307 CEE70		900.00	900.00	0.00%	0.00
Rateable value - £125,001 and above - Band E	○	R9307 CEE70		1,905.00	1,905.00	0.00%	0.00

Rateable value - £87,001 to £125,000 - Band D	0	R9307 CEE70		640.00	640.00	0.00%	0.00		
Rateable value - £125,001 and above - Band E	0	R9307 CEE70		1,050.00	1,050.00	0.00%	0.00		
<b>Exceptionally large Events (additional to licence fee) - Application Fee</b>									
Number = 5,000 to 9,999	0	R9307 CEE70		1,000.00	1,000.00	0.00%	0.00		
Number = 10,000 to 14,999	0	R9307 CEE70		2,000.00	2,000.00	0.00%	0.00		
Number = 15,000 to 19,999	0	R9307 CEE70		4,000.00	4,000.00	0.00%	0.00		
Number = 20,000 to 29,999	0	R9307 CEE70		8,000.00	8,000.00	0.00%	0.00		
Number = 30,000 to 39,999	0	R9307 CEE70		16,000.00	16,000.00	0.00%	0.00		
Number = 40,000 to 49,999	0	R9307 CEE70		24,000.00	24,000.00	0.00%	0.00		
Number = 50,000 to 59,999	0	R9307 CEE70		32,000.00	32,000.00	0.00%	0.00		
Number = 60,000 to 69,999	0	R9307 CEE70		40,000.00	40,000.00	0.00%	0.00		
Number = 70,000 to 79,999	0	R9307 CEE70		48,000.00	48,000.00	0.00%	0.00		
Number = 80,000 to 89,999	0	R9307 CEE70		56,000.00	56,000.00	0.00%	0.00		
Number = 90,000 and over	0	R9307 CEE70		64,000.00	64,000.00	0.00%	0.00		
<b>Exceptionally large Events (additional to licence fee) - Annual Fee</b>									
Number = 5,000 to 9,999	0	R9307 CEE70		500.00	500.00	0.00%	0.00		
Number = 10,000 to 14,999	0	R9307 CEE70		1,000.00	1,000.00	0.00%	0.00		
Number = 15,000 to 19,999	0	R9307 CEE70		2,000.00	2,000.00	0.00%	0.00		
Number = 20,000 to 29,999	0	R9307 CEE70		4,000.00	4,000.00	0.00%	0.00		
Number = 30,000 to 39,999	0	R9307 CEE70		8,000.00	8,000.00	0.00%	0.00		
Number = 40,000 to 49,999	0	R9307 CEE70		12,000.00	12,000.00	0.00%	0.00		
Number = 50,000 to 59,999	0	R9307 CEE70		16,000.00	16,000.00	0.00%	0.00		
Number = 60,000 to 69,999	0	R9307 CEE70		20,000.00	20,000.00	0.00%	0.00		
Number = 70,000 to 79,999	0	R9307 CEE70		24,000.00	24,000.00	0.00%	0.00		
Number = 80,000 to 89,999	0	R9307 CEE70		28,000.00	28,000.00	0.00%	0.00		
Number = 90,000 and over	0	R9307 CEE70		32,000.00	32,000.00	0.00%	0.00		
<b>Permitted Temporary Activities, Personal Licences &amp; Miscellaneous</b>									
Section 25 - theft, loss, etc of premises licence or summary	0	R9307 CEE70		10.50	10.50	0.00%	0.00		
Section 29 - application for a provisional statement where premises being built etc.	0	R9307 CEE70		315.00	315.00	0.00%	0.00		
Section 33 - notification of change of name or address	0	R9307 CEE70		10.50	10.50	0.00%	0.00		
Section 37 - application to vary licence to specify individual as premises supervisor	0	R9307 CEE70		23.00	23.00	0.00%	0.00		
Section 42 - application for transfer of premises licence	0	R9307 CEE70		23.00	23.00	0.00%	0.00		
Section 47 - interim authority notice following death etc of licence holder	0	R9307 CEE70		23.00	23.00	0.00%	0.00		
Section 79 - theft, loss etc of certificate or summary	0	R9307 CEE70		10.50	10.50	0.00%	0.00		
Section 82 - notification of change of name or alteration of rules of club	0	R9307 CEE70		10.50	10.50	0.00%	0.00		
Section 83(1) or (2) - change of relevant registered address of club	0	R9307 CEE70		10.50	10.50	0.00%	0.00		
Section 100 - temporary event notice	0	R9307 CEE70		21.00	21.00	0.00%	0.00		
Section 110 - theft, loss, etc of temporary event notice	0	R9307 CEE70		10.50	10.50	0.00%	0.00		
Section 117 - application for a grant or renewal of personal licence	0	R9307 CEE70		37.00	37.00	0.00%	0.00		
Section 126 - theft, loss etc of personal licence	0	R9307 CEE70		10.50	10.50	0.00%	0.00		
Section 127 - duty to notify change of name or address	0	R9307 CEE70		10.50	10.50	0.00%	0.00		
Section 178 - right of freeholder etc to be notified of licensing matters	0	R9307 CEE70		21.00	21.00	0.00%	0.00		
<b>LICENCES UNDER THE GAMBLING ACT 2005</b>									
<b>Premises Licence Fee - regulation SI2007/479 - maximum fee</b>									
New Application - New small Casinos	0	R9307 CEE70		8,000.00	8,000.00	0.00%	0.00		
New Application - New large Casinos	0	R9307 CEE70		10,000.00	10,000.00	0.00%	0.00		
New Application - Regional Casino	0	R9307 CEE70		15,000.00	15,000.00	0.00%	0.00		
New Application - Bingo Club	0	R9307 CEE70	01/04/2019	1,276.00	1,276.00	0.00%	0.00		
New Application - Betting premises (excluding tracks)	0	R9307 CEE70	01/04/2019	1,276.00	1,276.00	0.00%	0.00		
New Application - Tracks	0	R9307 CEE70	01/04/2019	1,276.00	1,276.00	0.00%	0.00		
New Application - Family entertainment centres	0	R9307 CEE70	01/04/2019	1,063.00	1,063.00	0.00%	0.00		
New Application - Adult gaming centres	0	R9307 CEE70	01/04/2019	1,063.00	1,063.00	0.00%	0.00		
Annual Fee - New small Casinos	0	R9307 CEE70		5,000.00	5,000.00	0.00%	0.00		
Annual Fee - New large Casinos	0	R9307 CEE70		10,000.00	10,000.00	0.00%	0.00		
Annual Fee - Regional Casino	0	R9307 CEE70		15,000.00	15,000.00	0.00%	0.00		
Annual Fee - Bingo Club	0	R9307 CEE70		835.00	835.00	0.00%	0.00		
Annual Fee - Betting premises (excluding tracks)	0	R9307 CEE70		536.00	536.00	0.00%	0.00		
Annual Fee - Tracks	0	R9307 CEE70		777.00	777.00	0.00%	0.00		
Annual Fee - Family entertainment centres	0	R9307 CEE70		609.00	609.00	0.00%	0.00		
Annual Fee - Adult entertainment centres	0	R9307 CEE70		777.00	777.00	0.00%	0.00		
Application to vary - New small Casinos	0	R9307 CEE70		4,000.00	4,000.00	0.00%	0.00		
Application to vary - New large Casinos	0	R9307 CEE70		5,000.00	5,000.00	0.00%	0.00		
Application to vary - Regional Casino	0	R9307 CEE70		7,500.00	7,500.00	0.00%	0.00		
Application to vary - Bingo Club	0	R9307 CEE70	01/04/2019	1,276.00	1,276.00	0.00%	0.00		
Application to vary - Betting premises (excluding tracks)	0	R9307 CEE70	01/04/2019	1,276.00	1,276.00	0.00%	0.00		
Application to vary - Tracks	0	R9307 CEE70	01/04/2019	1,250.00	1,250.00	0.00%	0.00		
Application to vary - Family entertainment centres	0	R9307 CEE70	01/04/2019	1,000.00	1,000.00	0.00%	0.00		
Application to vary - Adult gaming centres	0	R9307 CEE70	01/04/2019	1,000.00	1,000.00	0.00%	0.00		

Application to transfer - Existing Casinos	0	R9307 CEE70		1,350.00	1,350.00	0.00%	0.00		
Application to transfer - New small Casinos	0	R9307 CEE70		1,800.00	1,800.00	0.00%	0.00		
Application to transfer - New large Casinos	0	R9307 CEE70		2,150.00	2,150.00	0.00%	0.00		
Application to transfer - Regional Casino	0	R9307 CEE70		6,500.00	6,500.00	0.00%	0.00		
Application to transfer - Bingo Club	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Application to transfer - Betting premises (excluding tracks)	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Application to transfer - Tracks	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Application to transfer - Family entertainment centres	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Application to transfer - Adult gaming centres	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Application for reinstatement - Existing Casinos	0	R9307 CEE70		1,350.00	1,350.00	0.00%	0.00		
Application for reinstatement - New small Casinos	0	R9307 CEE70		1,800.00	1,800.00	0.00%	0.00		
Application for reinstatement - New large Casinos	0	R9307 CEE70		2,150.00	2,150.00	0.00%	0.00		
Application for reinstatement - Regional Casino	0	R9307 CEE70		1,350.00	1,350.00	0.00%	0.00		
Application for reinstatement - Bingo Club	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Application for reinstatement - Betting premises (excluding tracks)	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Application for reinstatement - Tracks	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Application for reinstatement - Family entertainment centres	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Application for reinstatement - Adult gaming centres	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Application for provisional statement - New small Casinos	0	R9307 CEE70		8,000.00	8,000.00	0.00%	0.00		
Application for provisional statement - New large Casinos	0	R9307 CEE70		10,000.00	10,000.00	0.00%	0.00		
Application for provisional statement - Regional Casino	0	R9307 CEE70		15,000.00	15,000.00	0.00%	0.00		
Application for provisional statement - Bingo Club	0	R9307 CEE70	01/04/2019	1,276.00	1,276.00	0.00%	0.00		
Application for provisional statement - Betting premises (excluding tracks)	0	R9307 CEE70	01/04/2019	1,276.00	1,276.00	0.00%	0.00		
Application for provisional statement - Tracks	0	R9307 CEE70	01/04/2019	1,276.00	1,276.00	0.00%	0.00		
Application for provisional statement - Family entertainment centres	0	R9307 CEE70	01/04/2019	1,063.00	1,063.00	0.00%	0.00		
Application for provisional statement - Adult gaming centres	0	R9307 CEE70	01/04/2019	1,063.00	1,063.00	0.00%	0.00		
Licence Application (Provisional statement holders) - New small Casinos	0	R9307 CEE70		3,000.00	3,000.00	0.00%	0.00		
Licence Application (Provisional statement holders) - New large Casinos	0	R9307 CEE70		5,000.00	5,000.00	0.00%	0.00		
Licence Application (Provisional statement holders) - Regional Casino	0	R9307 CEE70		8,000.00	8,000.00	0.00%	0.00		
Licence Application (Provisional statement holders) - Bingo Club	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Licence Application (Provisional statement holders) - Betting premises (excluding tracks)	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Licence Application (Provisional statement holders) - Tracks	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Licence Application (Provisional statement holders) - Family entertainment centres	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Licence Application (Provisional statement holders) - Adult gaming centres	0	R9307 CEE70	01/04/2019	451.00	451.00	0.00%	0.00		
Copy licence - New small Casinos	0	R9307 CEE70	01/04/2019	17.00	17.00	0.00%	0.00		
Copy licence - New large Casinos	0	R9307 CEE70	01/04/2019	17.00	17.00	0.00%	0.00		
Copy licence - Regional Casino	0	R9307 CEE70	01/04/2019	17.00	17.00	0.00%	0.00		
Copy licence - Bingo Club	0	R9307 CEE70	01/04/2019	17.00	17.00	0.00%	0.00		
Copy licence - Betting premises (excluding tracks)	0	R9307 CEE70	01/04/2019	17.00	17.00	0.00%	0.00		
Copy licence - Tracks	0	R9307 CEE70	01/04/2019	17.00	17.00	0.00%	0.00		
Copy licence - Family entertainment centres	0	R9307 CEE70	01/04/2019	17.00	17.00	0.00%	0.00		
Copy licence - Adult gaming centres	0	R9307 CEE70	01/04/2019	17.00	17.00	0.00%	0.00		
Notification of change - Existing Casinos	0	R9307 CEE70	01/04/2019	42.00	42.00	0.00%	0.00		
Notification of change - New small Casinos	0	R9307 CEE70	01/04/2019	42.00	42.00	0.00%	0.00		
Notification of change - New large Casinos	0	R9307 CEE70	01/04/2019	42.00	42.00	0.00%	0.00		
Notification of change - Regional Casino	0	R9307 CEE70	01/04/2019	42.00	42.00	0.00%	0.00		
Notification of change - Bingo Club	0	R9307 CEE70	01/04/2019	42.00	42.00	0.00%	0.00		
Notification of change - Betting premises (excluding tracks)	0	R9307 CEE70	01/04/2019	42.00	42.00	0.00%	0.00		
Notification of change - Tracks	0	R9307 CEE70	01/04/2019	42.00	42.00	0.00%	0.00		
Notification of change - Family entertainment centres	0	R9307 CEE70	01/04/2019	42.00	42.00	0.00%	0.00		
Notification of change - Adult gaming centres	0	R9307 CEE70	01/04/2019	42.00	42.00	0.00%	0.00		
Temporary Use Notice - GA2005	0	R9307 CEE70		127.00	127.00	0.00%	0.00		
<b>Permits - SI2007454 &amp; SI2007455 - set by the Secretary of State</b>									
Application fee - FEC Gaming machine	0	R9307 CEE70		300.00	300.00	0.00%	0.00		
Application fee - Prize Gaming	0	R9307 CEE70		300.00	300.00	0.00%	0.00		
Application fee - Alcohol licences premises - notification of 2 or fewer machines	0	R9307 CEE70		50.00	50.00	0.00%	0.00		
Application fee - Alcohol licences premises - notification of more than 2 machines	0	R9307 CEE70		150.00	150.00	0.00%	0.00		
Application fee - Club Gaming permit	0	R9307 CEE70		200.00	200.00	0.00%	0.00		
Application fee - Club Gaming machine permit	0	R9307 CEE70		200.00	200.00	0.00%	0.00		
Application fee - Club Gaming permit (fast track application)	0	R9307 CEE70		100.00	100.00	0.00%	0.00		
Application fee - Club Gaming machine permit (fast track application)	0	R9307 CEE70		100.00	100.00	0.00%	0.00		
Application fee - Small Society Lottery Registration	0	R9307 CEE70		40.00	40.00	0.00%	0.00		
Annual fee - Alcohol licences premises - notification of more than 2 machines	0	R9307 CEE70		50.00	50.00	0.00%	0.00		
Annual fee - Club Gaming permit	0	R9307 CEE70		50.00	50.00	0.00%	0.00		
Annual fee - Club Gaming machine permit	0	R9307 CEE70		50.00	50.00	0.00%	0.00		
Annual fee - Small Society Lottery Registration	0	R9307 CEE70		20.00	20.00	0.00%	0.00		
Renewal fee - FEC Gaming machine	0	R9307 CEE70		300.00	300.00	0.00%	0.00		

Renewal fee - Prize Gaming	O	R9307 CEE70			300.00	300.00	0.00%	0.00		
Renewal fee - Club Gaming permit	O	R9307 CEE70			200.00	200.00	0.00%	0.00		
Renewal fee - Club Gaming machine permit	O	R9307 CEE70			200.00	200.00	0.00%	0.00		
Change of name - FEC permits	O	R9307 CEE70			25.00	25.00	0.00%	0.00		
Change of name - Prize Gaming permits	O	R9307 CEE70			25.00	25.00	0.00%	0.00		
Change of name - Alcohol Licences Premises - more than 2 machines	O	R9307 CEE70			25.00	25.00	0.00%	0.00		
Copy of permit - FEC permits	O	R9307 CEE70			15.00	15.00	0.00%	0.00		
Copy of permit - Prize Gaming permits	O	R9307 CEE70			15.00	15.00	0.00%	0.00		
Copy of permit - Alcohol Licences Premises - more than 2 machines	O	R9307 CEE70			15.00	15.00	0.00%	0.00		
Copy of permit - Club Gaming permit	O	R9307 CEE70			15.00	15.00	0.00%	0.00		
Copy of permit - Club Gaming machine permit	O	R9307 CEE70			15.00	15.00	0.00%	0.00		
Variation - Alcohol Licences Premises - more than 2 machines	O	R9307 CEE70			100.00	100.00	0.00%	0.00		
Variation - Club Gaming permit	O	R9307 CEE70			100.00	100.00	0.00%	0.00		
Variation - Club Gaming machine permit	O	R9307 CEE70			100.00	100.00	0.00%	0.00		
Transfer - Alcohol Licences Premises - more than 2 machines	O	R9307 CEE70		01/04/2015	25.00	25.00	0.00%	0.00		
<b>SCRAP METAL DEALERS ACT 2013</b>										
Site Licence (new & renewal) Application Fee	O	R9307 CEE70			189.00	189.00	0.00%	0.00		
Site Licence (new & renewal) Total for 3 years licence	O	R9307 CEE70			334.00	334.00	0.00%	0.00		
Site Licence (new & renewal) - Additional Sites Total for 3 years Licence	O	R9307 CEE70			190.00	190.00	0.00%	0.00		
Collectors Licence (new & renewal) Application Fee	O	R9307 CEE70			189.00	189.00	0.00%	0.00		
Collectors Licence (new & renewal) Total for 3 years licence	O	R9307 CEE70			125.00	125.00	0.00%	0.00		
Conversion from Collectors Licence to Site Licence	O	R9307 CEE70			75.00	75.00	0.00%	0.00		
Conversion from Site Licence to Collectors Licence	O	R9307 CEE70			75.00	75.00	0.00%	0.00		
Change of name or address notifications	O	R9307 CEE70			10.50	10.50	0.00%	0.00		
Addition of new site to a Site Licence (annual fee per site)	O	R9307 CEE70			190.00	190.00	0.00%	0.00		
Replacement Licence	O	R9307 CEE70			10.50	10.50	0.00%	0.00		
Site Licence (change of manager)	O	R9307 CEE70			10.50	10.50	0.00%	0.00		
Site Licence (change of manager) where site manager has not been suitable person tested	O	R9307 CEE70			75.00	75.00	0.00%	0.00		
<b>PEST CONTROL FEES</b>	<b>VAT</b>	<b>GL Account Code</b>	<b>Unit</b>	<b>Date of Last Change</b>	<b>2023/24 £:</b>	<b>Proposed Fee 2024/25</b>	<b>%age Increase</b>	<b>£ Increase</b>	<b>Externally set</b>	<b>Explanation regarding the recommended level of charge</b>
<b>PEST CONTROL</b>										
<b>Domestic Charges - within working hours</b>										
Rats (up to 3 visits) - low income groups	S	R9305 CEE50	Each	01/04/2023	£15.83 (£19.00)	£17.50 (£21.00)	10.55	1.67		Increased by CPI (6.7%) and rounded to the nearest pound
Rats (up to 3 visits)	S	R9305 CEE50	Each	01/04/2023	£31.67 (£38.00)	£35.00 (£42.00)	10.51	3.33		Increased by CPI (6.7%) and rounded to the nearest pound
Mice (up to 3 visits) - low income groups	S	R9305 CEE50	Each	01/04/2023	£27.08 (£32.50)	£29.17 (£35.00)	7.72	2.09		Increased by CPI (6.7%) and rounded to the nearest pound
Mice (up to 3 visits)	S	R9305 CEE50	Each	01/04/2023	£54.17 (£65.00)	£58.33 (£70.00)	7.68	4.16		Increased by CPI (6.7%) and rounded to the nearest pound
Wasps (one visit to treat one nest) - low income groups	S	R9305 CEE50	Each	01/04/2023	£27.08 (£32.50)	£29.17 (£35.00)	7.72	2.09		Increased by CPI (6.7%) and rounded to the nearest pound
Wasps (one visit to treat one nest)	S	R9305 CEE50	Each	01/04/2023	£54.17 (£65.00)	£58.33 (£70.00)	7.68	4.16		Increased by CPI (6.7%) and rounded to the nearest pound
Wasps - additional nests treated at same visit - low income groups	S	R9305 CEE50	Each	01/04/2023	£8.33 (£10.00)	£9.17 (£11.00)	10.08	0.84		Increased by CPI (6.7%) and rounded to the nearest pound
Wasps - additional nests treated at same visit	S	R9305 CEE50	Each	01/04/2023	£15.42 (£18.50)	£18.33 (£22.00)	18.87	2.91		Increased by CPI (6.7%) and rounded to the nearest pound
Fleas (per visit) - low income groups	S	R9305 CEE50	Each	01/04/2023	£33.75 (£40.50)	£35.83 (£43.00)	6.16	2.08		Increased by CPI (6.7%) and rounded to the nearest pound
Fleas (per visit)	S	R9305 CEE50	Each	01/04/2023	£67.50 (£81.00)	£71.67 (£86.00)	6.18	4.17		Increased by CPI (6.7%) and rounded to the nearest pound
Other insects not listed above - per visit - low income groups	S	R9305 CEE50	Each	01/04/2023	£33.75 (£40.50)	£35.83 (£43.00)	6.16	2.08		Increased by CPI (6.7%) and rounded to the nearest pound
Other insects not listed above - per visit	S	R9305 CEE50	Each	01/04/2023	£67.50 (£81.00)	£71.67 (£86.00)	6.18	4.17		Increased by CPI (6.7%) and rounded to the nearest pound
Aborted visit charge	S	R9305 CEE50	Each	01/04/2023	£20.83 (£25.00)	£22.50 (£27.00)	8.02	1.67		Increased by CPI (6.7%) and rounded to the nearest pound
<b>Non Domestic Charges</b>										
<b>Routine Contracts</b>										
All pests - hourly charge	S	R9305 CEE50	Hour	01/04/2023	£81.20	£86.64	6.70%	5.44		Increased by CPI (6.7%)
All pests - materials	S	R9305 CEE50	Each	01/04/2023	Actual cost	Actual cost				
All pests - minimum charge (excl. materials)	S	R9305 CEE50	Each	01/04/2023	£81.20	£86.64	6.70%	5.44		Increased by CPI (6.7%)
<b>Stray dog picked up without ID and taken to kennels</b>										
Admin fee (plus kennel fees)	0	R9308 CEH00	Each	01/04/2023	£40.00	£40.00	0.00%	0.00		
Fixed charge (Subject to statutory limit)	0	R9308 CEH00	Each	01/04/2023	£25.00	£25.00	0.00%	0.00		
Kennel charge	0	R9308 CEH00	Each	01/04/2023	£12.00	£12.00	0.00%	0.00		
<b>PLANNING</b>	<b>VAT</b>	<b>GL Account Code</b>	<b>Unit</b>	<b>Date of Last Change</b>	<b>2023/24 £:</b>	<b>Proposed Fee 2024/25</b>	<b>%age Increase</b>	<b>£ Increase</b>	<b>Externally set</b>	<b>Explanation regarding the recommended level of charge</b>
<b>PLANNING</b>										
Copies of Plans	0	R9200 CPC10		N/A	Cost of Printing	Cost of Printing				
Enquiries - Request for information tantamount to a search - Planning only	0	R9308 CPC10		01/04/2020	58.00	58.00	0.00%	0.00		
Application for an order for the stopping up or diversion of a footpath or bridleway pursuant to Section 257 of the Town and Country Planning Act 1990	0	R9308 CPC10		01/04/2020	2247.00	2247.00	0.00%	0.00		
An order for the stopping up or diversion of a footpath or bridleway pursuant to Section 257 of the Town and Country Planning Act 1990 to be submitted to the Secretary of State for a decision	0	R9308 CPC10		01/04/2020	1281.42	1281.42	0.00%	0.00		
Copies of documents relating to the South Derbyshire Local Plan	0	R9308 CPC10		N/A	Cost of Printing	Cost of Printing				
<b>STREET NAMING AND NUMBERING</b>	<b>VAT</b>	<b>GL Account Code</b>	<b>Unit</b>	<b>Date of Last Change</b>	<b>2023/24 £:</b>	<b>Proposed Fee 2024/25</b>	<b>%age Increase</b>	<b>£ Increase</b>	<b>Externally set</b>	<b>Explanation regarding the recommended level of charge</b>
<b>Street Naming and Numbering</b>										
Request to formally change an official name of an existing property	O	R9313 CPD30		01/04/2022	64.00	64.00	0.00%	0.00		

Request to formally rename an existing street or unnamed road.	O	R9313 CPD30		01/04/2022	360.00 + 46.00 per household affected	360.00 + 46.00 per household affected	0.00%	0.00		
Request for the naming of a new street	O	R9313 CPD30		01/04/2022	£183 + £40 for every street issued at the same time	£183 + £40 for every street issued at the same time	0.00%	0.00		
Request for the issuing of number or name (restrictions apply) to new properties as part of a Development consisting of 1 - 9 Dwellings	O	R9313 CPD30		01/04/2022	£64 per plot to a maximum of £320	£64 per plot to a maximum of £320	0.00%	0.00		
Request for the issuing of number or name (restrictions apply) to new properties as part of a Development consisting of 10 or more Dwellings	O	R9313 CPD30		01/04/2023	£35 per plot	£35 per plot	0.00%	0.00		
Request to amend a previously confirmed naming and numbering schedule (Restrictions apply)	O	R9313 CPD30		01/04/2023	£35 per plot affected by the schedule amendment	£35 per plot affected by the schedule amendment	0.00%	0.00		
Request for the naming of premises and Commercial/Industrial Estates	O	R9313 CPD30		01/04/2023	64.00	64.00	0.00%	0.00		
Request for the naming of premises and Commercial/Industrial Estates consisting of 10 or more business addresses	O	R9313 CPD30		01/04/2023	£35 per unit	£35 per unit	0.00%	0.00		
<b>WASTE COLLECTION FEES</b>	<b>VAT</b>	<b>GL Account Code</b>	<b>Unit</b>	<b>Date of Last Change</b>	<b>2023/24 £:</b>	<b>Proposed Fee 2024/25</b>	<b>%age Increase</b>	<b>£ Increase</b>	<b>Externally set</b>	<b>Explanation regarding the recommended level of charge</b>
<b>WASTE COLLECTION</b>										
Recharge Damaged/Stolen Wheelie bins - 240L bins	0	R9308 CEW00	Each	01/04/2023	42.00	42.00	0.00%	0.00		
Recharge Damaged/Stolen Wheelie bins - 360L bins	0	R9308 CEW00	Each	01/04/2023	71.00	71.00	0.00%	0.00		
Sale of clinical sacks - per 250 sacks	0	R9302 CEW00	Each	01/04/2023	60.00	60.00	0.00%	0.00		
Abandoned Vehicle Charge - Not on Site	0	R9302 CEW00	Each	01/04/2023	62.00	62.00	0.00%	0.00		
Abandoned Vehicle Charge - Removed from site	0	R9302 CEW00	Each	01/04/2023	96.00	96.00	0.00%	0.00		
Domestic Bulkies - 6 items excluding fridges	0	R9302 CEW00	Each	01/04/2023	31.00	31.00	0.00%	0.00		
Domestic Bulkies - fridge	0	R9302 CEW00	Each	01/04/2023	26.00	26.00	0.00%	0.00		
Sale of Trade Refuse sacks - General Trade Price - per 10 bags	0	R9302 CEW00	Each	01/04/2023	20.00	20.00	0.00%	0.00		
Sale of Trade Refuse sacks - General Trade Price - per 25 bags	0	R9302 CEW00	Each	01/04/2023	50.00	50.00	0.00%	0.00		
Sale of Trade Refuse sacks - General Trade Price - per 50 bags	0	R9302 CEW00	Each	01/04/2023	100.00	100.00	0.00%	0.00		
Sale of Trade Refuse sacks - General Trade Price - per 100 bags	0	R9302 CEW00	Each	01/04/2023	200.00	200.00	0.00%	0.00		
Sale of Trade Refuse sacks - General Trade Price - per 250 bags	0	R9302 CEW00	Each	01/04/2023	250.00	250.00	0.00%	0.00		
Sale of Trade Refuse sacks - Parish Council Price (no disposal) - per 10 bags	0	R9302 CEW00	Each	01/04/2023	15.20	15.20	0.00%	0.00		
Sale of Trade Refuse sacks - Parish Council Price (no disposal) - per 25 bags	0	R9302 CEW00	Each	01/04/2023	38.00	38.00	0.00%	0.00		
Sale of Trade Refuse sacks - Parish Council Price (no disposal) - per 50 bags	0	R9302 CEW00	Each	01/04/2023	76.00	76.00	0.00%	0.00		
Sale of Trade Refuse sacks - Parish Council Price (no disposal) - per 100 bags	0	R9302 CEW00	Each	01/04/2023	152.00	152.00	0.00%	0.00		
Sale of Trade Refuse sacks - Parish Council Price (no disposal) - per 250 bags	0	R9302 CEW00	Each	01/04/2023	380.00	380.00	0.00%	0.00		
Private hire vehicle tests	0	R9302 CEW00	Each	01/04/2023	31.00	31.00	0.00%	0.00		
Sale of Compost Sacks per roll (Caddy Liners)	0	R9302 CEW00	Each	01/04/2023	3.50	3.50	0.00%	0.00		
Sale of Compost Sacks per roll (Wheelie Bin Liners)	0	R9302 CEW00	Each	01/04/2023	7.80	7.80	0.00%	0.00		
Trade Waste (Max Charge) - 240L Wheelie bin per week	0	R9304 CEW10	Each	01/04/2023	10.10	10.10	0.00%	0.00		
Trade Waste (Max Charge) - 360L Wheelie bin per week	0	R9304 CEW10	Each	01/04/2023	15.25	15.25	0.00%	0.00		
Trade Waste (Max Charge) - 660L Wheelie bin per week	0	R9304 CEW10	Each	01/04/2023	20.35	20.35	0.00%	0.00		
Trade Waste (Max Charge) - 1,100L Wheelie bin per week	0	R9304 CEW10	Each	01/04/2023	22.95	22.95	0.00%	0.00		
Trade Waste (Max Charge) - per sack	0	R9304 CEW10	Each	01/04/2023	2.25	2.25	0.00%	0.00		
Job Tickets	0	R9304 CEW10	Each	01/04/2023	Fee dependant on work	Fee dependant on work				
<b>ENVIRONMENTAL SERVICES FEES AND CHARGES</b>	<b>VAT</b>	<b>GL Account Code</b>	<b>Unit</b>	<b>Date of Last Change</b>	<b>2023/24 £:</b>	<b>Proposed Fee 2024/25</b>	<b>%age Increase</b>	<b>£ Increase</b>	<b>Externally set</b>	<b>Explanation regarding the recommended level of charge</b>
<b>Environmental Protection</b>										
Copies of Environmental Protection Act Register	0	R9308 CEE10	Each	01/04/2023	FREE	FREE	0.00%	0		
EPR Processes (EPA90 - Part 1)	0	R9308 CEE10	Each	01/04/2023	Contact Council	Contact Council				
Copies of Environmental Protection Act Register	0	R9308 CEE10	Each	01/04/2023	FREE	FREE	0.00%	0		
Contaminated land enquiry standard search (solicitors and householders)	0	R9308 CEE10	Each	01/04/2023	£55.00	£59.00	7.27%	4.00		Increased by CPI (6.7%) and rounded to the nearest pound
<b>MISC ENVIRONMENTAL HEALTH SERVICES</b>										
High Hedge dispute (non-refundable)	0	R9308 CEE10	Each	01/04/2023	£235.00	£250.00	6.38%	15.00		Increased by CPI (6.7%) and rounded to the nearest pound
High Hedge dispute (non-refundable) - for low income groups	0	R9308 CEE10	Each	01/04/2023	£117.50	£125.00	6.38%	7.50		Increased by CPI (6.7%) and rounded to the nearest pound
Welfare funeral - Only charges where inheritors to the estate are identified following the funeral	0	R9308 CEE10	Each	01/04/2023	At cost	At cost				
<b>Private Water Supplies</b>										
Risk Assessments for supplies where the duty holder has not submitted any data ( Hourly rate, up to a maximum total cost of £500)	0	R9308 CEE00	Each	01/04/2023	37.20	39.69	6.70%	2.49		Increased by CPI (6.7%)
Risk Assessments for supplies where the duty holder has partially submitted data( Hourly rate, up to a maximum total cost of £500)	0	R9308 CEE00	Each	01/04/2023	18.96	20.23	6.70%	1.27		Increased by CPI (6.7%)
Sampling (Hourly rate up to a maximum fee of £100)	0	R9308 CEE00	Hour	01/04/2023	37.20	39.69	6.70%	2.49		Increased by CPI (6.7%)
Investigation in the event of a sample failure (Hourly rate up to maximum cost of £100)	0	R9308 CEE00	Hour	01/04/2023	37.20	39.69	6.70%	2.49		Increased by CPI (6.7%)
Authorisation to temporarily breach a standard whilst remedial work carried out.	0	R9308 CEE00	Each	01/04/2023	109.00	116.30	6.70%	7.30		Increased by CPI (6.7%)
Regulation 10 sample	0	R9308 CEE00	Each	01/04/2023	27.88	29.74	6.70%	1.87		Increased by CPI (6.7%)
Check monitoring sample analysis (up to a maximum of £100)	0	R9308 CEE00	Each	01/04/2023	At cost	At cost				
Audit monitoring sample analysis (up to a maximum of £500)	0	R9308 CEE00	Each	01/04/2023	At cost	At cost				
<b>Environmental Education</b>										

Environmental Education Programme 2 hour session 4-11yr olds	E	R9310 CPE10		01/04/2018	100.00	110.00	10.00%	10.00		Benchmarked against National Forest and also used feedback from existing groups and Schools. Approved separately at Partnership Steering Group
Environmental Education Programme 1 hour session 4-11 yr olds	E	R9310 CPE10				55.00				Benchmarked against National Forest and also used feedback from existing groups and Schools. Approved separately at Partnership Steering Group
Environmental Education Programme 1.5 hour session 4-11 yr olds	E	R9310 CPE10		01/04/2018	75.00	85.00	13.33%	10.00		Benchmarked against National Forest and also used feedback from existing groups and Schools. Approved separately at Partnership Steering Group
Environmental Education Programme 2 hour session 11+	E	R9310 CPE10		N/A		150.00				New charge for older pupils as sessions require more prep and more materials. Benchmarked against National Forest and used feedback from existing groups and Schools. Approved separately at Partnership Steering Group.
Environmental conservation training per session per leader (day)	E	R9310 CPE10		01/04/2023	100.00	100-150				lower rate for partner organisations and not-for-profit teams. Benchmarked against National Forest and also used feedback from existing groups and Schools. Approved separately at Partnership Steering Group
Wildlife Watch (approx 13 sessions per year) - per child	E	R9310 CPE10		01/04/2023	3.00	3.00	0.00%	0.00		
Walks	E	R9310 CPE10		01/04/2023	£3-10	£3-10				No Change
NightWatch - per person	E	R9310 CPE10		01/04/2023	5.00	5.00	0.00%	0.00		
Fun Science Event	N/A	R9310 CPE10		N/A	FREE	FREE				No Change
<b>Cemeteries</b>	<b>VAT</b>	<b>GL Account Code</b>	<b>Unit</b>	<b>Date of Last Change</b>	<b>2023/24 £:</b>	<b>Proposed Fee 2024/25</b>	<b>%age Increase</b>	<b>£ Increase</b>	<b>Externality set</b>	<b>Explanation regarding the recommended level of charge</b>
Grant of Right (Document giving the exclusive right of burial in a specified plot, for a period of fifty years) For an infant's grave(0-12 months)	O	R9306 CEA00		01/04/2023	411.50	453.00	10.09%	41.50		Claimed from CFF (Childrens Funeral Fund) - Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Grant of Right (Document giving the exclusive right of burial in a specified plot, for a period of fifty years) For an infant's grave for a child's grave (between12 months - 12 years)	O	R9306 CEA00		01/04/2023	549.00	603.00	9.84%	54.00		Claimed from CFF (Childrens Funeral Fund) - Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Grant of Right (Document giving the exclusive right of burial in a specified plot, for a period of fifty years) For a child's grave (between12 years - 16 years)	O	R9306 CEA00		01/04/2023	823.00	905.00	9.96%	82.00		Claimed from CFF (Childrens Funeral Fund) - Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Grant of Right (Document giving the exclusive right of burial in a specified plot, for a period of fifty years) Adult grave 9' x 4' (for a coffin)	O	R9306 CEA00		01/04/2023	823.00	905.00	9.96%	82.00		Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Grant of Right (Document giving the exclusive right of burial in a specified plot, for a period of fifty years) Adult grave 10' x 5' (for a casket)	O	R9306 CEA00		01/04/2023	1002.00	1102.00	9.98%	100.00		Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Grant of Right (Document giving the exclusive right of burial in a specified plot, for a period of fifty years) Ashes plot 2' x 2'	O	R9306 CEA00		01/04/2023	395.00	415.00	5.06%	20.00		Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Grant of Right (Document giving the exclusive right of burial in a specified plot, for a period of fifty years) Ashes plot 2' x 2' for interment of a child 12 months to 16 years	O	R9306 CEA00		01/04/2023	395.00	415.00	5.06%	20.00		Claimed from CFF (Childrens Funeral Fund) - Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Extension to Grant of Right (Document giving the exclusive right of burial in a specified plot, for a further period of 25 years) Infant grave (0-12 months)	O	R9306 CEA00		01/04/2023	206.00	227.00	10.19%	21.00		half Grant fee. Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Extension to Grant of Right (Document giving the exclusive right of burial in a specified plot, for a further period of 25 years) child's grave (between 12 months - 11 years)	O	R9306 CEA00		01/04/2023	274.50	302.00	10.02%	27.50		half Grant fee. Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Extension to Grant of Right (Document giving the exclusive right of burial in a specified plot, for a further period of 25 years) child's grave (12 years - 17 years)	O	R9306 CEA00		01/04/2023	411.50	453.00	10.09%	41.50		half Grant fee. Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Extension to Grant of Right (Document giving the exclusive right of burial in a specified plot, for a further period of 25 years) Adult grave 9' x 4' (for a coffin)	O	R9306 CEA00		01/04/2023	411.50	453.00	10.09%	41.50		half Grant fee. Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Extension to Grant of Right (Document giving the exclusive right of burial in a specified plot, for a period of 25 years) Adult grave 10' x 5' (for a casket)	O	R9306 CEA00		01/04/2023	501.00	551.00	9.98%	50.00		half Grant fee. Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Extension to Grant of Right (Document giving the exclusive right of burial in a specified plot, for a period of 25 years) Ashes plot 2' x 2'	O	R9306 CEA00		01/04/2023	197.50	208.00	5.32%	10.50		half Grant fee. Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Burials Infant, 0 - 12 months	O	R9306 CEA00		01/04/2023	283.00	311.00	9.89%	28.00		Claimed from CFF (Childrens Funeral Fund), Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Burials For a child's grave (between 12 months - 12 years)	O	R9306 CEA00		01/04/2023	377.00	415.00	10.08%	38.00		Claimed from CFF (Childrens Funeral Fund), Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Burials For a child's grave (between 12 years - 16 years)	O	R9306 CEA00		01/04/2023	565.50	622.00	9.99%	56.50		Claimed from CFF (Childrens Funeral Fund), Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Burials Adult- single depth grave	O	R9306 CEA00		01/04/2023	613.00	674.00	9.95%	61.00		Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Burials - double depth grave	O	R9306 CEA00		01/04/2023	565.50	622.00	9.99%	56.50		Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Burials - surcharge for a casket	O	R9306 CEA00		01/04/2023	167.00	172.00	2.99%	5.00		Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Burials - common grave	O	R9306 CEA00		01/04/2023	568.00	622.00	9.51%	54.00		brought into line with double depth burial fee
Burials For any burial after the first	O	R9306 CEA00		01/04/2023	511.00	562.00	9.98%	51.00		Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Burial of cremated remains in an ashes plot (infant, 0 - 12 months)	O	R9306 CEA00		01/04/2023	166.00	183.00	10.24%	17.00		Claimed from CFF (Childrens Funeral Fund) Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Burial of cremated remains in an ashes plot (child, 12 months plus to 12 years)	O	R9306 CEA00		01/04/2023	166.00	183.00	10.24%	17.00		Claimed from CFF (Childrens Funeral Fund) Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Burial of Cremated remains in ashes plot (child 12 years - 16 years)	O	R9306 CEA00		01/04/2023	166.00	183.00	10.24%	17.00		Claimed from CFF (Childrens Funeral Fund) Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Burial of cremated remains in an ashes plot (adult)	O	R9306 CEA00		01/04/2023	166.00	183.00	10.24%	17.00		Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Strewing of ashes (if carried out by SDDC staff)	O	R9306 CEA00		01/04/2023	97.00	107.00	10.31%	10.00		Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Strewing of ashes (if not carried out by SDDC staff)	O	R9306 CEA00		01/04/2023	82.00	89.00	8.54%	7.00		Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council

All Grant of Right/Burial fees listed above are treble for non-residents of the District										
Monuments A flat stone NB: not permitted in lawned cemeteries	O	R9308	CEA00		01/04/2023	150.00	160.00	6.67%	10.00	Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Monuments A headstone or footstone, not exceeding 2' in height	O	R9308	CEA00		01/04/2023	283.00	292.00	3.18%	9.00	Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Monuments A headstone or footstone, exceeding 2' in height	O	R9308	CEA00		01/04/2023	311.00	320.00	2.89%	9.00	Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Monuments Kerbstones or border stones, for a space not exceeding 6'6" x 3' (not permitted in lawned cemeteries)	O	R9308	CEA00		01/04/2023	311.00	320.00	2.89%	9.00	Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Monuments A vase, not exceeding 18" in height	O	R9308	CEA00		01/04/2023	91.00	91.00	0.00%	0.00	No change
Monuments For any inscription after the first, on any form of monument	O	R9308	CEA00		01/04/2023	150.00	160.00	6.67%	10.00	Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Monuments Supply only of 7' x 5' wall plaque (Etwell Cemetery only), inclusive of inscription up to 70 letters	O	R9308	CEA00		01/04/2023	295.00	295.00	0.00%	0.00	No change
Replacement of Memorial Stone	O	R9308	CEA00		01/04/2023	150.00	160.00	6.67%	10.00	Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Exhumation	O	R9308	CEA00		01/04/2023	1263.00	1300.00	2.93%	37.00	Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Search of records, including copy of entry	O	R9308	CEA00		01/04/2023	36.00	40.00	11.11%	4.00	Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Slabbing or sealing a grave	O	R9308	CEA00		01/04/2023	151.00	156.00	3.31%	5.00	Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Alterations to coffin size once shoring is in place	O	R9308	CEA00		01/04/2023	93.00	102.00	9.68%	9.00	Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Transfer of ownership of Grant of Right	O	R9308	CEA00		01/04/2020	40.00	44.00	10.00%	4.00	Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Saturday funeral for child between 12 months and 17 years (in addition to the Grant of Right)	O	R9308	CEA00		01/04/2023	460.00	468.00	1.74%	8.00	Claimed from CFF (Childrens Funeral Fund). Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Saturday funeral - Adult (in addition to the Grant of Right)	O	R9308	CEA00		01/04/2023	919.50	935.00	1.69%	15.50	1.5 x single depth fee
Sunday/Bank Holiday funeral for a child between 12 months and 17 years (in addition to the grant of right)	O	R9308	CEA00		01/04/2023	613.00	674.00	9.95%	61.00	Claimed from CFF (Childrens Funeral Fund)
Sunday/Bank Holiday funeral - Adult (in addition to the Grant of Right)	O	R9308	CEA00		01/04/2023	1226.00	1348.00	9.95%	122.00	2 x single depth fee
Grants for Closed Church Yards	O	R4700	CEA30		01/04/2023	400.00	420.00	5.00%	20.00	Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
<b>HOUSING FEES AND CHARGES</b>	<b>VAT</b>	<b>GL Account Code</b>	<b>Unit</b>	<b>Date of Last Change</b>	<b>2023/24 £</b>	<b>Proposed Fee 2024/25</b>	<b>%age Increase</b>	<b>£ Increase</b>	<b>Externally set</b>	<b>Explanation regarding the recommended level of charge</b>
<b>Homelessness</b>										
<b>Bed and Breakfast - recharge per week</b>										
Each adult	0	R9404	KGH10			Actual Cost	Actual Cost			
Each child under 16	0	R9404	KGH10			Actual Cost	Actual Cost			
Ineligible Charge	0	R9404	KGH10		21.10	22.15	4.98%	1.05		5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
<b>Homelessness</b>										
<b>Hire of Communal Lounges (per 1/2 day session)</b>										
Commercial rate	S2	R9308	KJE90		50.00	52.50	5.00%	2.50		5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Mixed rate (Commercial & Residents)	S2	R9308	KJE90			26.25				***New charge***This charge is to account for usage of the Community Rooms by a mixed customer based: some commercial / some council tenants. We don't charge for the use of the Community Rooms by council tenants. We charge full price for the use of the Community Rooms by commercial. A 50% discount for split usage seems reasonable
Use of guest bedroom per night	S2	R9308	KJE90		15.00	15.75	5.00%	0.75		5% increase.
<b>Lifelines</b>										
Registered disabled persons - Lifeline Monitoring per week	S1/S3	R9308	KJE90	01/04/2023	2.10	2.21	5.24%	0.11		5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Registered disabled persons - Lifeline equipment rental per week (includes monitoring)	S1/S3	R9308	KJE90	01/04/2023	5.36	5.63	5.14%	0.28		5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Other persons - Monitoring per week	S1/S3	R9308	KJE90	01/04/2023	3.15	3.31	5.08%	0.16		5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Other persons - Rental per week (includes monitoring)	S1/S3	R9308	KJE90	01/04/2023	5.25	5.51	4.95%	0.26		5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Monthly Basic Telecare package monitoring charge	S1/S3	R9308	KJE90	01/04/2023	22.75	23.89	4.99%	1.14		5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Telecare installation - private resident	S1/S3	R9308	KJE90	01/04/2023	52.50	57.75	10.00%	5.25		10% increase - all tele-care equipment installed in 24/25 will be digital equipment as opposed to analogue and is more costly. This relates to the digital switch by 2025
Telecare Installation - Additional Sensors	S1/S3	R9308	KJE90		6.29	6.88	9.08%	0.63		10% increase - all tele-care equipment installed in 24/25 will be digital equipment as opposed to analogue and is more costly. This relates to the digital switch by 2025

Monthly 1st year instalment charge installation and monitoring	S1/S3	R9308 KJE90		01/04/2023	35.28	37.04	4.99%	1.76	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Telecare - Monthly 1st year instalment charge, rental and monitoring	S1/S3	R9308 KJE90		01/04/2023	27.13	28.49	5.01%	1.36	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Monitoring & Support level 1 - Daily visit	S1/S3	R9308 KJE90		01/04/2023	21.00	22.05	5.00%	1.05	Change to Daily Contact rather than visit & 5% increase - A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Monitoring & Support level 2 - 2 visits per week	S1/S3	R9308 KJE90		01/04/2023	12.60	13.23	5.00%	0.63	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Monitoring & Support level 3 - 1 visit per week	S1/S3	R9308 KJE90		01/04/2023	9.45	9.92	4.97%	0.47	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Monitoring & Support level 4 - 1 visit per fortnight	S1/S3	R9308 KJE90		01/04/2023	6.30	6.62	5.08%	0.32	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Monitoring & Support level 5 - 1 visit per month	S1/S3	R9308 KJE90		01/04/2023	5.25	5.51	4.95%	0.26	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Monitoring & Support level 6 - 1 visit per week	S1/S3	R9308 KJE90		01/04/2023	4.20	4.41	5.00%	0.21	Change to 1 Visit per Quarter rather than week & 5% increase - A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Monitoring & Support level 7 - 1 monitoring only	S1/S3	R9308 KJE90		01/04/2023	3.15	3.31	5.08%	0.16	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Fall Detector - Rental per Month (includes monitoring)	S1/S3	R9308 KJE90			5.07	5.32	4.93%	0.25	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Smoke Detector - Rental per Month (includes monitoring)	S1/S3	R9308 KJE90			2.90	3.05	5.17%	0.15	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Bed Occupancy Sensor - Rental per Month (includes monitoring)	S1/S3	R9308 KJE90			5.55	5.83	5.05%	0.28	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Property Exit Sensor - Rental per Month (Includes monitoring)	S1/S3	R9308 KJE90			12.13	12.74	5.03%	0.61	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
Medication Dispenser - Rental per Month (Includes monitoring)	S1/S3	R9308 KJE90			7.58	7.96	5.01%	0.38	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
<b>Garages</b>									
Rent per week - Council Tenants - Garage in Proximity to Rented Property	S2	R9401 KJC20			9.96	10.69	7.30%	0.73	Based on CPI + 1%
Rent per week - Council Tenants - Garage in Proximity to Rented Property (Chatsworth Road)	S2	R9401 KJC20			11.63	12.48	7.30%	0.85	Based on CPI + 1%
Rent per week - All other circumstances	S1	R9401 KJC20			9.96 or 11.63 + 20% VAT	10.69 or 12.48 + 20% VAT	7.30%	0.73/ 0.85	Based on CPI + 1%
<b>Garage Plots</b>									
Rent per annum - Council Tenants - Plot in Proximity to Rented Property	S2	R9401 KJC20			1.29	1.38	7.30%	0.09	Based on CPI + 1%
Rent per annum - All other circumstances	S1	R9401 KJC20			1.29 + 20% VAT	1.38 + 20% VAT	7.30%	0.09	Based on CPI + 1%
<b>Miscellaneous Housing</b>									
Heating - Council Tenants (Pear Tree Court communal)	0	R9400 KJC20			7.00	7.00	0.00%	0.00	No Change
Service Charge (Carnegie House)	0	R9308 KJE90			21.10	22.15	4.98%	1.05	5% increase. A 5% increase was previously made for the financial year 23/24 based on staff costs increasing, therefore this was deemed to be a reasonable increase for 24/25. Costs increase year on year with inflation.
<b>Statutory Notices</b>									
<b>Housing Act 2004 S.49</b>									
Recovery of administrative and other expenses incurred in taking enforcement action					Actual Cost	Actual Cost			
<b>STRATEGIC HOUSING</b>									
Issue of Immigration Certificates	0	R9308 CEE20	Each	01/04/2023	£169.50	£181.00	6.78%	11.50	Increased by CPI (6.7%) and rounded to the nearest pound
Application for new licence	0	R9308 CEE20	Each	01/04/2023	£410.40	£438.00	6.73%	27.60	Increased by CPI (6.7%) and rounded to the nearest pound
Additional application fee per pitch in excess of 1	0	R9308 CEE20	Each	01/04/2023	£7.00	£8.00	14.29%	1.00	Increased by CPI (6.7%) and rounded to the nearest pound
Amendment of licence	0	R9308 CEE20	Each	01/04/2023	£230.00	£245.00	6.52%	15.00	Increased by CPI (6.7%) and rounded to the nearest pound
Transfer of licence	0	R9308 CEE20	Each	01/04/2023	£167.30	£179.00	6.99%	11.70	Increased by CPI (6.7%) and rounded to the nearest pound
Annual fee	0	R9308 CEE20	Annual	01/04/2023	£232.20	£248.00	6.80%	15.80	Increased by CPI (6.7%) and rounded to the nearest pound
Additional annual fee per pitch in excess of 1	0	R9308 CEE20	Annual	01/04/2023	£8.00	£9.00	12.50%	1.00	Increased by CPI (6.7%) and rounded to the nearest pound

Deposit, vary or delete site rules	0	R9308 CEE20	Each	01/04/2023	£145.00	£155.00	6.90%	10.00		Increased by CPI (6.7%) and rounded to the nearest pound
Enforcement costs relating to caravan sites based on actual officer time	0	R9308 CEE20	Hour	01/04/2023	£49.00	£52.00	6.12%	3.00		Increased by CPI (6.7%) and rounded to the nearest pound
Licensing of Houses in Multiple Occupation	0	R9307 CEE20	Each	01/04/2023	£780.50	£833.00	6.73%	52.50		Increased by CPI (6.7%) and rounded to the nearest pound
Interest charges applied to outstanding enforcement debts, for example works in default	0	R9308 CEE20	Each	01/04/2023	0.035	0.035	0.00%	0.00		
Housing Standards Enforcement costs based on actual officer time	0	R9308 CEE20	Hour	01/04/2023	Manager £59 / hour, EHO £49 / hour, Assistant £37 / hour	Manager £63 / hour, EHO £52 / hour, Assistant £40 / hour				Increased by CPI (6.7%) and rounded to the nearest pound
<b>LEISURE ACTIVITIES FEES AND CHARGES</b>	<b>VAT</b>	<b>GL Account Code</b>	<b>Unit</b>	<b>Date of Last Change</b>	<b>2023/24 £</b>	<b>Proposed Fee 2024/25</b>	<b>%age Increase</b>	<b>£ Increase</b>	<b>Externally set</b>	<b>Explanation regarding the recommended level of charge</b>
<b>Get Active, Hire of Sports Equipment and Facilities</b>										
Get active in the forest Tai Chi	E	R9310 CCD10		01/04/2023	5.00	5.00	0.00%	0.00		No Change
Get active in the forest Senior Cycling - incl bike hire	E	R9310 CCD10		01/04/2023	4.50	4.50	0.00%	0.00		No Change
Get active in the forest Senior Cycling - excl bike hire	E	R9310 CCD10		01/04/2023	2.50	2.50	0.00%	0.00		No Change
Get active in the forest Nordic Walking - incl poles	E	R9310 CCD10		01/04/2023	4.50	4.50	0.00%	0.00		No Change
Get active in the forest Nordic Walking - excl poles	E	R9310 CCD10		01/04/2023	2.50	2.50	0.00%	0.00		No Change
Get active in the forest Walks	E	R9310 CCD10		01/04/2023	2.00 - 6.00	2.00 - 6.00				No Change
Get active in the forest Schools Sessions	E	R9310 CCD10		01/04/2023	90 - 125	90 - 150				No Change
Get active in the forest Out & Active - per day	E	R9310 CCD10		01/04/2023	20 - 30	20 - 35				No Change
Get active in the forest Activity Days	E	R9310 CCD10		01/04/2023	20 - 30	20 - 30				No Change
General Get active Sessions- which may from time to time run	E	R9310 CCD10		01/04/2023	12.50	12.50	0.00%	0.00		No Change
Get active goes mobile	E	R9310 CCD10		01/04/2023						No Change
Parish Council Charge-sports mobile/2 hr/all inclusive	S	R9310 CCD50		01/04/2023	225.00	250.00	11.11%	25.00		Increase in line with staffing costs and fuel costs
Parish Council Charge-play mobile/2 hr/all inclusive	S	R9310 CCD50		01/04/2023	225.00	250.00	11.11%	25.00		Increase in line with staffing costs and fuel costs
Parish Council Charge-wheels mobile/2 hr/all inclusive	S	R9310 CCD50		01/04/2023	225-350	350.00				Increase in line with staffing costs and fuel costs
Parish Council-Sport and Play Combo	S	R9310 CCD50		01/04/2023	400.00	450.00	12.50%	50.00		Increase in line with staffing costs and fuel costs
Parish Council-possible new kit/provision	S	R9310 CCD50		01/04/2021	350.00	300-450				Increase in line with staffing costs and fuel costs
Parish Council - play or sport with Adventure combo	S	R9310 CCD50		01/04/2023		550.00				New line - for alternative combo offer - based on staffing costs and fuel costs
Parish Council-Friday Combo	S	R9310 CCD50		01/04/2023	700.00	745.00	6.43%	45.00		Increase in line with staffing costs and fuel costs
General Hire Charge-normal including staff / hour * **	S	R9310 CCD50		01/04/2023	90-190	90-250				Increase in line with staffing costs and fuel costs
Coach education courses	E	R9310 CCD20		01/04/2021	£35-300	£35-400				Increased to reflect external booking fees
Sports / Physical activity sessions- e.g. basketball / netball etc	E	R9310 CCD20		01/04/2022	free-6.00	free-8.00				Increase in line with staffing costs and fuel costs
Activity options for businesses/schools	S	R9310 CCD20		01/04/2020	up to £260/hour	up to £275/hour				Increase in line with staffing costs and fuel costs
Coaching cost recharge	E	R9310 CCD20		01/04/2022	22.50-40/hour	22.50-45/hour				Increase in line with staffing costs and fuel costs
Travel-per staff member / hour	S	R9310 CCD20			12.00	12.00	0.00%	0.00		No Change
Travel per mile	S	R9310 CCD20		01/04/2023	0.56	0.56	0.00%	0.00		No Change
Glade Performances					Dependant on Performance	Dependant on Performance				No Change
Dance classes/session					Dependant on external funding, members, venue etc	Dependant on external funding, members, venue etc				No Change
<b>Festival of Leisure</b>										
Hot food vendor ( per Small unit - 4x4 gazebo ) for 2 days	E	R9308 CCA40		01/04/2023	500	300	-40.00%	-200.00		Price reduced as struggled to attract small vendors - based on feedback from stall holders in 23/24
Hot food vendor (per Large unit - Trailer / unit ) for 2 days	E	R9308 CCA40		01/04/2023	750	750	0.00%	0.00		No Change
Voluntary/Charity/Club fund raising stall - per M frontage for 1 day	E	R9308 CCA40		01/04/2023	8.00	8.54	6.70%	0.54		Increased by CPI
Voluntary/Charity/Club fund raising stall - per M frontage for 2 day	E	R9308 CCA40		01/04/2023	12.50	13.34	6.70%	0.84		Increased by CPI
Voluntary/Charity/Club information only 4m stall (admin fee)	E	R9308 CCA40			10.00	N/A				REMOVE Not having this as an option for FoL but will be taking these types of stall to Lib Day but free.
Trade stall - per M frontage for 1 day	E	R9308 CCA40			15.00	N/A				REMOVE
Trade stall (4M) for 1 day	E	R9308 CCA40		N/A		40.00				We want to amend the above to have a flat rate and not have Per M. Last year all stalls had 4x4 or 8x8. This is easier to administrate and clearer for stallholders
Trade stall (8M) for 1 day	E	R9308 CCA40		N/A		60.00				We want to amend the above to have a flat rate and not have Per M. Last year all stalls had 4x4 or 8x8. This is easier to administrate and clearer for stallholders
Trade stall - per M frontage for 2 day	E	R9308 CCA40			21.50	N/A				REMOVE
Trade stall (4M) for 2 Days	E	R9308 CCA40		N/A		50.00				We want to amend the above to have a flat rate and not have Per M. Last year all stalls had 4x4 or 8x8. This is easier to administrate and clearer for stallholders
Trade stall (8M) for 2 Days	E	R9308 CCA40		N/A		100.00				We want to amend the above to have a flat rate and not have Per M. Last year all stalls had 4x4 or 8x8. This is easier to administrate and clearer for stallholders
Trade Stall - Information Only 4m stall (admin fee)	E	R9308 CCA40			35.00	N/A				REMOVE not having this as an option for FoL but will be taking these types of stall to Lib Day but free.
Fairground 1-99m.sq. for 2 day	E	R9308 CCA40		01/04/2023	135.00	144.05	6.70%	9.04		Increased by CPI
Fairground 100-199m.sq. for 2 day	E	R9308 CCA40		01/04/2023	252.00	268.88	6.70%	16.88		Increased by CPI
Fairground 200-299m.sq. for 2 day	E	R9308 CCA40		01/04/2023	433.00	462.01	6.70%	29.01		Increased by CPI
<b>Christmas Lights Switch on Event</b>										
Trade stall providing own equipment (4m) (per day)	E	R9308 CCA40		N/A	N/A	30.00				New Charge to generate income, in line with FoL charges
Fairground (Single provider for whole event) (per day)	E	R9308 CCA40			500.00	540.00				Existing charge but hasn't been listed on prior Fees & Charges



Midway Community Centre	VAT	GL Account Code	Unit	Date of Last Change	2023/24 £:	Proposed Fee 2024/25	%age Increase	£ Increase	Externally set	Explanation regarding the recommended level of charge
Hire of Sports Hall - Off Peak (Mon-Fri 7am till 4pm)	S	R9308 CCA50	per hour	01/04/2023	12.00	12.00	0.00%	0.00		No Change
Hire of Sports hall - Peak (Mon-Fri 4pm till 10pm, Sat any time)	S	R9308 CCA50	per hour	01/04/2023	17.00	18.00	5.88%	1.00		1.5 times off peak rate. Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Hire of Sports hall - Peak (Sun/Bank Holiday)	S	R9308 CCA50	1st hour	01/04/2023	25.50	27.00	5.88%	1.50		1.5 times peak rate. Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Hire of Sports hall - Peak (Sun/Bank Holiday)	S	R9308 CCA50	per hour (after 1st hour)	01/04/2023	17.00	18.00	5.88%	1.00		1.5 times off peak rate. Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Hire of Foyer Meeting Room Hall - Off Peak (Mon-Fri 7am till 4pm)	S	R9308 CCA50	per hour	01/04/2023	12.00	12.00	0.00%	0.00		No Change
Hire of Foyer Meeting Room - Peak (Mon-Fri 4pm till 10pm, Sat any time)	S	R9308 CCA50	per hour	01/04/2023	15.00	15.00	0.00%	0.00		No Change
Hire of Foyer Meeting Room - Peak (Sun/Bank Holiday)	S	R9308 CCA50	per hour	01/04/2023	22.50	22.50	0.00%	0.00		No Change
Hire of Foyer Meeting Room - Peak (Sun/Bank Holiday)	S	R9308 CCA50	per hour (after 1st hour)	01/04/2023	15.00	15.00	0.00%	0.00		No Change
Additional charge where bouncy castle brought in	S	R9308 CCA50		01/04/2023	0.00	25.00	-			NEW FEE - additional charge introduced to cover extra electricity costs and admin
Supplementary charge for when additional cleaning required following booking	S	R9308 CCA50		01/04/2023	60.00 + travel	60.00 + travel		0.00		No Change
Stenson Fields Community Centre	VAT	GL Account Code	Unit	Date of Last Change	2023/24 £:	Proposed Fee 2024/25	%age Increase	£ Increase	Externally set	Explanation regarding the recommended level of charge
Hire of Main Hall - Off Peak (Mon-Fri 7am till 4pm)	E	R9308 CCA60	per hour	01/04/2023	12.00	12.00	0.00%	0.00		No Change
Hire of Main hall - Peak (Mon-Fri 4pm till 10pm, Sat any time)	E	R9308 CCA60	per hour	01/04/2023	17.00	18.00	5.88%	0.00		1.5 times off peak rate. Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Hire of Main hall - Peak (Sun/Bank Holiday)	E	R9308 CCA60	1st hour	01/04/2023	25.50	27.00	5.88%	0.00		1.5 times peak rate. Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Hire of Main hall - Peak (Sun/Bank Holiday)	E	R9308 CCA60	per hour (after 1st hour)	01/04/2023	17.00	18.00	5.88%	0.00		1.5 times off peak rate. Benchmarked against East Staffs BC/Derby City/NW Leics DC/Tamworth Borough Council
Hire of Meeting Room - Off Peak (Mon-Fri 7am till 4pm)	E	R9308 CCA60	per hour	01/04/2023	12.00	12.00	0.00%	0.00		No Change
Hire of Meeting Room - Peak (Mon-Fri 4pm till 10pm, Sat any time)	E	R9308 CCA60	per hour	01/04/2023	15.00	15.00	0.00%	0.00		No Change
Hire of Meeting Room - Peak (Sun/Bank Holiday)	E	R9308 CCA60	per hour	01/04/2023	22.50	22.50	0.00%	0.00		No Change
Hire of Meeting Room - Peak (Sun/Bank Holiday)	E	R9308 CCA60	per hour (after 1st hour)	01/04/2023	15.00	15.00	0.00%	0.00		No Change
Additional charge where bouncy castle brought in	E	R9308 CCA60		01/04/2023		25.00				NEW FEE - additional charge introduced to cover extra electricity costs and admin
Supplementary charge for when additional cleaning required following booking	E	R9308 CCA60		01/04/2023	60.00 + travel	60.00 + travel		0.00		No Change
MISCELLANEOUS FEES AND CHARGES	VAT	GL Account Code	Unit	Date of Last Change	2023/24 £:	Proposed Fee 2024/25	%age Increase	£ Increase	Externally set	Explanation regarding the recommended level of charge
<b>Court Costs</b>										
Court Costs Recovered	O	R9312 ACA00		01/04/2019	67.50	67.50	0.00%	0.00		
<b>National Bus Pass Scheme</b>										
Replacement Card Scheme	O	R9308 HTT00			5.00	TBC				
<b>Benefit Fraud</b>										
Fraud Investigation Court Costs recovered	O	R9312 ACA00		N/A	At Cost	At Cost				
<b>Sale of Radar Keys</b>										
Sale of Radar Keys - disabled	S	R9202 PSX77			2.55	3.06	20.00%	0.51		Fees and charges updated to reflect the actual cost of radar keys
<b>Penalty Charge</b>										
Penalty charge for C Tax payers who fail to notify us of a change in circumstances relating to a discount or exemption. Second or subsequent failure to notify	O	R9312 ACA00			250.00	250.00	0.00%	0.00		
Penalty charge for Council Tax accounts who fail to notify us of a change in circumstances relating to a discount or exemption.	O	R9312 ACA00			70.00	70.00	0.00%	0.00		
<b>Legal Fees</b>										
Conveyancing Certificate required by the HM Land Registry		R9308 PSX65		01/04/2022	50.00	50.00	0.00%	0.00		
LPE 1 & Deed Assignment		R9308 PSX65		01/04/2022	150.00	150.00	0.00%	0.00		
S106 - Draft, Negotiate and Complete		R9308 PSX65			0.00	1,000.00				New Fees which we are legally allowed to charge - Benchmarked against neighboring authorities (DCC, Rushcliffe, Leicester)
S106 - Check, Negotiate and Approve		R9308 PSX65			0.00	500.00 - 750.00				New Fees which we are legally allowed to charge - Benchmarked against neighboring authorities (DCC, Rushcliffe, Leicester)
Unilateral Undertaking - Check, negotiate and approve		R9308 PSX65			0.00	500.00				Benchmarked against neighbouring authorities
Commercial Leases - Draft, Negotiate and Complete		R9308 PSX65			0.00	450				Benchmarked against neighbouring authorities

South Derbyshire District Capital Programme 2024 to 2029

PROJECT CODE	Committee	Accountable Budget Holder	Nominated Officer	PROJECT	Budget	Budget	Budget	Budget	Budget	Total spend	Funded by						Commentary	
					2024/25	2025/26	2026/27	2027/28	2028/29	Self Financing	External Contributions	Reserves	Capital Receipts	Revenue Contributions	Internal Borrowing	Total Funding		
AA1012	HCS (HRA)	Head of Housing	Asset and Improvements Manager	Major Improvements under Self-financing	2,819,676	3,200,000	3,550,000	3,900,000	4,000,000	17,469,676	17,469,676						17,469,676	Housing Revenue Account budget for investment in the Housing Stock
	HCS (HRA)	Head of Housing	Architectural Project Officer	Major Disabled Facilities Grant (Council Houses MRA)	300,000	300,000	300,000	300,000	300,000	1,500,000	1,500,000						1,500,000	Housing Revenue Account budget for investment in the disabled adaptations in Housing Stock
	HCS (HRA)	Head of Housing	Head Of Operational Services	HRA Vehicle Replacements	0	0	780,000	0	0	780,000			199,000	140,400		440,600	780,000	
<b>Total HRA</b>					<b>3,119,676</b>	<b>3,500,000</b>	<b>4,630,000</b>	<b>4,200,000</b>	<b>4,300,000</b>	<b>19,749,676</b>	<b>18,969,676</b>	<b>0</b>	<b>199,000</b>	<b>140,400</b>	<b>0</b>	<b>440,600</b>	<b>19,749,676</b>	
AA1001	HCS	Head of Housing	Architectural Project Officer	Disabled Facility Grants and other Works	400,000	400,000	400,000	400,000	400,000	2,000,000		2,000,000					2,000,000	Funded by the BCF - Derbyshire County Council
AA1083	EDS	Head of Planning	Strategic Housing Manager	Strategic Housing Market Assessment	25,000					25,000				25,000			25,000	
AA1102	EDS	Head of Planning	Strategic Housing Manager	Private Sector Stock Condition Survey	60,000					60,000				60,000			60,000	
<b>PRIVATE SECTOR HOUSING</b>					<b>485,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>2,085,000</b>	<b>0</b>	<b>2,000,000</b>	<b>0</b>	<b>85,000</b>	<b>0</b>	<b>0</b>	<b>2,085,000</b>	
AA1173	HCS	Head of Cultural & Parks & Green Space Manager		Revitalising Rosliston Forestry Centre	315,218	0				315,218			125,290	189,928			315,218	Agreed programme of work to Resiston Forestry Centre as part of the 2020 Capital Bids
AA1180	HCS	Head of Cultural & Parks & Green Space Manager		SUDS Improvements	50,000	0				50,000				50,000			50,000	Agreed programme of work to SUDS as part of the 2020 Capital Bids
<b>COMMUNITY SERVICES</b>					<b>365,218</b>	<b>0</b>				<b>365,218</b>	<b>0</b>	<b>0</b>	<b>125,290</b>	<b>239,928</b>	<b>0</b>	<b>0</b>	<b>365,218</b>	
AA1193	EDS	Head of Environment	Low Carbon Homes Manager	Green Homes Grant	840,000	420,000				1,260,000		1,260,000					1,260,000	Funding from BEIS for reducing carbon emissions in private homes
<b>ENVIRONMENTAL SERVICES</b>					<b>840,000</b>	<b>420,000</b>				<b>1,260,000</b>	<b>0</b>	<b>1,260,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,260,000</b>	
AA1025	FMC	Head of Property Services	Head of Property Services	Public Buildings Maintenance	55,000	85,000	85,000	85,000	85,000	395,000					395,000		395,000	Fleet replacement programme
	EDS	Head of Operations	Head of Operational Services	Vehicle Replacements	2,250,000	2,324,000	1,850,000	52,500	0	6,476,500		2,207,828	1,164,925			3,103,747	6,476,500	
AA1145	FMC	Head of Business Change & ICT	Head of Business Change & ICT	IT Strategy	400,000	100,000				500,000			500,000				500,000	ICT Strategy programme of replacement equipment
<b>PROPERTY and OTHER ASSETS</b>					<b>2,705,000</b>	<b>2,509,000</b>	<b>1,935,000</b>	<b>137,500</b>	<b>85,000</b>	<b>7,371,500</b>	<b>0</b>	<b>0</b>	<b>2,707,828</b>	<b>1,164,925</b>	<b>395,000</b>	<b>3,103,747</b>	<b>7,371,500</b>	
<b>Total General Fund</b>					<b>4,395,218</b>	<b>3,329,000</b>	<b>2,335,000</b>	<b>537,500</b>	<b>485,000</b>	<b>11,081,718</b>	<b>0</b>	<b>3,260,000</b>	<b>2,833,118</b>	<b>1,489,853</b>	<b>395,000</b>	<b>3,103,747</b>	<b>11,081,718</b>	
<b>Current Planned Expenditure</b>					<b>7,514,894</b>	<b>6,829,000</b>	<b>6,965,000</b>	<b>4,737,500</b>	<b>4,785,000</b>	<b>30,831,394</b>	<b>18,969,676</b>	<b>3,260,000</b>	<b>3,032,118</b>	<b>1,630,253</b>	<b>395,000</b>	<b>3,544,347</b>	<b>30,831,394</b>	
0	EDS	Head of Economic Development	Head of Economic Development	Swadlincote Town Centre Grant Scheme	55,169					55,169			55,169			55,169	Rival of the Town Centre - Shop fronts	
0	EDS	Head of Economic Development	Head of Economic Development	Swadlincote Events Space	592,000					592,000				592,000		592,000	Swadlincote Events Space - Indoor Market	
0	EDS	Head of Economic Development	Head of Economic Development	Levelling Up Fund 3	1,108,000					1,108,000	1,108,000					1,108,000	Swadlincote Events Space - Indoor Market	
0	HCS	Head of Culture & Parks & Green Space Manager	Head of Culture & Parks & Green Space Manager	Cemetery Infrastructure Replacement	120,000	100,000	80,000			300,000				300,000		300,000	Cemetery Infrastructure - Refurb and replacement	
0	HCS	Head of Culture & Parks & Green Space Manager	Head of Culture & Parks & Green Space Manager	Parks and Green Spaces Infrastructure	100,000	100,000	100,000	60,000		360,000				360,000		360,000	Parks & Green Spaces Infrastructure - Refurb & replacement	
0	HCS	Head of Culture & Parks & Green Space Manager	Head of Culture & Parks & Green Space Manager	Play Area Refurbishment	280,000	288,000	365,000	150,000	200,000	1,283,000				1,283,000		1,283,000	Play Area Refurbishment - Play area equipment	
0	HCS	Head of Culture & Parks & Green Space Manager	Head of Culture & Parks & Green Space Manager	Stenson Community Centre Air Conditioning	15,000					15,000				15,000		15,000	Sentons Community Centre - Air conditioning	
0	HCS	Head of Culture & Parks & Green Space Manager	Head of Culture & Parks & Green Space Manager	Town Hall Heating, Lighting and AV	20,000					20,000				20,000		20,000	Town Hall Heating & Lighting and AV	
<b>Budget Proposals</b>					<b>2,290,169</b>	<b>488,000</b>	<b>545,000</b>	<b>210,000</b>	<b>200,000</b>	<b>3,733,169</b>	<b>0</b>	<b>1,108,000</b>	<b>55,169</b>	<b>0</b>	<b>0</b>	<b>2,570,000</b>	<b>3,733,169</b>	
<b>Total Capital Programme</b>					<b>9,805,063</b>	<b>7,317,000</b>	<b>7,510,000</b>	<b>4,947,500</b>	<b>4,985,000</b>	<b>34,564,563</b>	<b>18,969,676</b>	<b>4,368,000</b>	<b>3,087,287</b>	<b>1,630,253</b>	<b>395,000</b>	<b>6,114,347</b>	<b>34,564,563</b>	

## Assumptions to the General Fund Medium-Term Financial Plan

Item	2024/25 Assumption	Future Years Assumptions
Pay costs	3.5%	2% per annum.
Employer pension costs	£174,000 additional employer contribution, as per the 2022 triennial valuation report	£174,000 for 2025/26 as per triennial valuation. 2026/27 and beyond assumes the same level.
Members allowances	3.5%	3.5% per annum
Supplies and services	As per cost pressures outlined in the 2024/25 draft budget	2%
Insurance	As per cost pressures outlined in the 2024/25 draft budget	3%
Capital financing/MRP	As per cost pressures outlined in the 2024/25 draft budget	This is now aligned with the Capital Programme 2024/25 – 2028/29 and includes MRP on fleet.
Fuel	As per cost pressures outlined in the 2024/25 draft budget	2%
Utilities	As per cost pressures outlined in the 2024/25 draft budget	2%
Recharge income from the HRA	As per cost pressures outlined in the 2024/25 draft budget	Movement is in line with overall movement in the General Fund
Council Tax	2.99% increase and council tax base as approved by FMC 11 January 2024	2.99% council tax increase and growth rate of 2.6%
Retained Business Rates	Based on the NNDR1 position for 2024/25. Also includes a prudent estimate for the retained rates arising from participation in the Derbyshire Business Rates Pool.	As per separate detailed technical computations in line with the national rates system, as advised by the council's funding advisor and their strategic financial modelling tool.
New Homes Bonus	As per the provisional Local Government Finance Settlement 2024/25.	Scheme is abolished from 2025.
Services Grant	As per the provisional Local Government Finance Settlement 2024/25.	Nil

Revenue Support Grant	Nil	Nil
Lower Tier Services Grant	Nil	Nil
Funding Guarantee	Scheme remains in place for 2024/25 at the 2023/24 reward level.	Nil
Contribution from reserves	As required to balance the budget	As required to balance the budget
Locally generated income	As per budgetary proposals for 2024/25 and fees and charges.	3% for cemeteries. No other assumed increases. This is an area subject to further review and links with the emerging MTFS.
Damping (transitional funding)	Nil	Transitional funding to ease in the effect of the Fair Funding review and business rates baseline reset, assumed to be implemented in 2026/27. The payments are triggered when there is a change in core spending power (funding) of more than 5% between any year.
Interest Receivable	4% Interest rate assumed based on treasury advisors Arlingclose's strategy review.	2% in line with Office for Budget Responsibility forecasts for inflation and interest post April 2025.

# Budget Consultation 2024/25

## Summary of consultation responses received directly

### 1. PARISH COUNCILS

In total, 10 Parish Councils responded to the budget consultation. The main themes are captured below.

#### **Council Tax**

- No comments were received from Parish Councils.

#### **Proposed Council Housing rent increase**

- One Parish Council expressed concern over the level of rent increase and the ability for residents to manage this alongside the cost-of-living crisis.

#### **Concurrent Grants**

- All Parish Councils that responded expressed dissatisfaction with the freezing of Concurrent Grants in 2024/25 and dissatisfaction/concern around the S151 Officer's comments around review of Concurrent Expenses.
- Two Parish Councils urged the District Council to reconsider the proposed withdrawal of these grants\*.
- One Parish Council queried how the District Council would deliver services currently run in Parish areas by the Parish Council, on the assumption these services are the responsibility of the District Council.
- One Parish Council expressed concern around the maintenance of their assets after they took control of playground equipment from SDDC without any commuted sums and with a need to make the asset compliant with Disability Act requirements.
- One Parish Council asked SDDC to justify spend between the urban core and non-urban core areas.
- One Parish Council advised that any loss in grant would not have a significant impact on its finances or to the precept, but that it supported the concerns from other parishes.

- One Parish Council expressed concern that Both the District and County Councils have reduced expenditure in part by passing costs and services to parishes with the result in parish councils having to increase their precepts in order to deliver some of the basic services.
- One Parish Council advised that concurrent expenses are extremely helpful in enabling parishioners to be provided with the amenities and living standards to which they are entitled, namely, recreation and a pleasant living environment.

### **Capital Programme**

- One Parish Council requested an explanation of the analysis of need and equity across the district in the context of Concurrent Expenses, double taxation and the planned capital expenditure in the urban area.
- Two Parish Councils suggested capital expenditure in the urban area is postponed rather than Concurrent Expenses being reviewed, in light of the medium-term financial plan budget gaps.
- One Parish Council welcomed the Swadlincote Events Space.
- One Parish Council said they were pleased with the proposed Town Centre Grants but expressed concern over the condition of the poor condition of the High Street pavement.

*\* The position in the draft budget has been clarified with this Council – i.e. there is no proposal to withdraw the Concurrent Grants as part of this budget process. Concurrent Grants remain part of the budget for 2024/25 presented for approval, at their 2023/24 level. Concurrent Grants remain in the medium-term financial plan on an ongoing basis (at their 2023/24 level).*

## **2. AREA FORUMS**

The latest schedule of Area Forums commenced on 23 January and are due to complete on 21 February 2024.

The following responses were captured.

### **Concurrent Grants**

- Some Parish Councillors suggested the freeze on Concurrent Grants was in effect a real-terms cut.
- Several Parish Councillors present at the meetings raised concerns over the future of Concurrent Grants.
- Several Parish Councillors present at the meetings suggested any changes should be eased in.

- One Parish Councillor advised they would need to make redundancies due to loss of grant.

**Capital Programme**

- A number of Parish Councillors present at the meetings raised concerns over the balance of capital spend in the urban core in light of the comments of the S151 Officer around Concurrent Grants.

**Other**

- One Parish Councillor said the voids turnaround time was excessive.
- One Parish Councillor said agile/flexible working had impact the Council.

**3. REPRESENTATIVES OF THE BUSINESS COMMUNITY**

At the time of writing this report, no comments were received from representative of the business community. The Section 151 Officer is due to attend the South Derbyshire Partnership Meeting on Tuesday 13 February 2024.

**4. OTHER DIRECT CONSULTEES**

At the time of writing this report, no comments were received from other direct consultees.

**5. CONSULTATION RESPONSES RECEIVED FROM THE PUBLIC CONSULTATION**

1. Are you?		
Answer Choices	Response Percent	Response Total

## 1. Are you?

1	A resident who lives in South Derbyshire?		95.80%	114
2	A business who operates within South Derbyshire?		2.52%	3
3	A charity or other organisation who operates within South Derbyshire?		0.00%	0
4	Other (please specify):		1.68%	2
			answered	119
			skipped	0
Other (please specify): (2)				
1		All three apply		
2		Employee who works in South Derbyshire		

## 2. Do you live in a property owned by the council?

Answer Choices			Response Percent	Response Total
1	Yes		5.26%	6
2	No		93.86%	107
3	Don't Know		0.88%	1
			answered	114
			skipped	5

### 3. How supportive are you of this rent increase?

Answer Choices			Response Percent	Response Total
1	• Very supportive		0.00%	0
2	• Supportive		16.67%	1
3	• Neutral		33.33%	2
4	• Unsupportive		0.00%	0
5	• Very unsupportive		50.00%	3
			answered	6
			skipped	113

### 4. How supportive are you of this Council Tax rise?

Answer Choices			Response Percent	Response Total
1	• Very supportive		10.08%	12
2	• Supportive		29.41%	35
3	• Neutral		23.53%	28
4	• Unsupportive		17.65%	21
5	• Very unsupportive		19.33%	23
			answered	119
			skipped	0

### 8. Your sex and gender identity. Are you:

Answer Choices			Response Percent	Response Total
1	Female		54.62%	65
2	Male		38.66%	46
3	Non-binary / third gender		0.00%	0
4	Prefer to self-describe		0.00%	0
5	Prefer not to say		6.72%	8
			answered	119
			skipped	0

### 9. Your sexual orientation

Answer Choices			Response Percent	Response Total
1	Heterosexual / straight		84.87%	101
2	Gay or Lesbian		4.20%	5
3	Bisexual		0.00%	0
4	Other		0.84%	1
5	Prefer not to say		10.08%	12
			answered	119
			skipped	0

## 10. Your ethnicity

Answer Choices			Response Percent	Response Total
<b>White</b>				
1	English/Welsh/Scottish/Northern Irish/British		88.24%	105
2	Irish		0.00%	0
3	Gypsy or Irish Traveller		0.00%	0
4	Any other White background, please describe		0.84%	1
<b>Mixed/Multiple ethnic groups</b>				
5	White and Black Caribbean		0.00%	0
6	White and Black African		0.00%	0
7	White and Asian		0.00%	0
8	Any other Mixed/Multiple ethnic background		0.00%	0
<b>Asian/Asian British</b>				
9	Indian		0.00%	0
10	Pakistani		0.00%	0
11	Bangladeshi		0.00%	0
12	Chinese		0.00%	0
13	Any other Asian background,		0.00%	0
<b>Black/ African/Caribbean/Black British)</b>				
14	African		0.84%	1
15	Caribbean		0.00%	0
16	Any other Black/African/Caribbean background		0.00%	0
<b>Other ethnic group</b>				

## 10. Your ethnicity

17	Arab		0.00%	0
18	Any other ethnic group		0.00%	0
<b>Prefer not to say</b>				
19	Prefer not to say		10.08%	12
			answered	119
			skipped	0

## 11. Your religion. Are you:

Answer Choices			Response Percent	Response Total
1	No religion		45.38%	54
2	Prefer not to say		14.29%	17
3	Christian (including Church of England, Catholic, Protestant and all other Christian denominations)		38.66%	46
4	Buddhist		0.84%	1
5	Hindu		0.00%	0
6	Jewish		0.84%	1
7	Muslim		0.00%	0
8	Sikh		0.00%	0
9	Any other religion or belief, please describe		0.00%	0
			answered	119

**11. Your religion. Are you:**

		skipped	0
Any other religion or belief, please describe (0)			
No answers found.			

**12. Do you consider yourself to have a disability or health problem which has lasted or is expected to last at least 12 months and which limits your day-to-day activities?**

Answer Choices			Response Percent	Response Total
1	Yes		12.61%	15
2	No		74.79%	89
3	Prefer not to disclose		12.61%	15
			answered	119
			skipped	0

**13. Are you**

Answer Choices			Response Percent	Response Total
1	Under 16		0.00%	0
2	16-17		0.00%	0
3	18-24		1.68%	2
4	25-34		15.97%	19

### 13. Are you

5	35-44		26.89%	32
6	45-54		15.13%	18
7	55-64		17.65%	21
8	65-74		13.45%	16
9	75 +		1.68%	2
10	Prefer not to say		7.56%	9
			answered	119
			skipped	0

### 14. Are you

Answer Choices			Response Percent	Response Total
1	Never married and never registered a civil partnership		15.13%	18
2	Married		57.14%	68
3	In a registered civil partnership		0.00%	0
4	Separated, but still legally married		0.00%	0
5	Divorced		5.04%	6
6	Formerly in a civil partnership which is now legally dissolved		0.00%	0
7	Widowed		1.68%	2

#### 14. Are you

8	Surviving partnership from a registered civil partnership		0.00%	0
9	Prefer not to say		21.01%	25
			answered	119
			skipped	0

# Equality Impact Assessment - Preliminary Assessment Form

<i>Title of the strategy, policy, service or project:</i>		This assessment sets out the overall impact that the budget proposals have on a range of equality and diversity characteristics, including the nine protected characteristics defined under the Equality Act 2010.
<i>Service Area:</i>	All	
<i>Lead Officer:</i>	Tracy Bingham	
<i>Date of assessment:</i>	01/2024	This impact assessment provides an overview of the 2023/24 budget and business planning proposals.
<i>Is the strategy, policy, service (procedure) or project:</i>		
<i>Changed</i>	<input type="checkbox"/>	
<i>New</i>	<input checked="" type="checkbox"/>	

## Section 1 – Clear aims and objectives

<b>1. What is the aim of the strategy, policy, procedure or project?</b>
<i>A brief description of the aims of the policy – use a bullet point list if appropriate</i>
<p>The final budget represents a high-level strategic plan setting out a range of proposed budget changes including:</p> <ul style="list-style-type: none"> <li>• Increased spending on services in order to continue to deliver excellent services, for reasons such as changes in demand due to demographic factors, inflationary cost of providing services, impact of national legislation on the cost of and requirements for providing services;</li> <li>• Increased spending through investment in council-owned assets.</li> <li>• The overall resources estimated as likely to be available for the forthcoming financial year;</li> <li>• The proposed Council Tax increase on the district councils Band D for the forthcoming year; and</li> <li>• The proposed rent increase on council house rents for the forthcoming year.</li> </ul>

<b>2. Who is intended to benefit from the strategy, policy, procedure or project and how?</b>
<i>E.g. specific sections of the community, employees</i>
<p>Generally - all residents will benefit from enhanced investment in services and investment in council-owned assets. However, the extent to which one benefits will depend on individual circumstances and the extent to which services are accessed.</p> <p>It is expected once the budget is approved that individual service areas responsible for implementation of the specific programmes within the budget will undertake EIA's and specify mitigations on those protected characteristics impacted.</p>



### 3. What outcomes do you want to achieve?

*A brief summary of the anticipated outcomes (if required as explained in the accompanying Committee report) use a bullet point list if appropriate*

The budget as a whole will potentially have significant positive impacts, particularly where it focuses on expansion of some services or investment in assets. The extent to which individuals will benefit is dependent on individual circumstances.

**Council Tax** – Increasing the district council’s Band D by the maximum referendum limit of 2.99% (£5.22) will have a neutral effect on protected groups. Residents on low income will have their council tax met by the Local Council Tax Reduction Scheme that is designed and administered by South Derbyshire District Council. Officers will continue to work to assist households in financial difficulty where possible, including the administering of Government funds to support those households in need.

**Council Housing Rents** - Increasing rent by the social rent policy formula will have a neutral effect on protected groups. Tenants on low income will have their rents met by Housing Benefit (HB full or partial) or Universal Credit (UC), so a lower increase would serve to save the Government money as opposed to the tenant. Officers continue to work to assist households in financial difficulty where possible, including the administering of Government funds to support those households in need.

As other proposals are introduced the specific equality impacts will be considered by Heads of Service with their relevant Strategic Director before implementation taken forward.

	Potentially positive impact	Potentially negative impact	No disproportionate impact
Age			The budget proposals are likely to include some investment in some services as we respond to cost and demand pressures.  The impact arising on council; tax and council housing rent increases will have neutral impact.  Further individual Impact Assessment
Disability and long-term conditions			
Gender reassignment			
Marriage or civil partnership			
Pregnant women and people on parental leave			
Sexual orientation			



Race			may be undertaken following consultation prior to the publication of detailed budget.
Religion or belief			
Sex (Gender)			

### Section 3 – Recommendations and monitoring

If you have answered that the strategy, policy, procedure or project could potentially have a negative impact on any of the above characteristics then a full Equality Impact Assessment will be required.

#### 4. Should a full EIA be completed for this strategy, policy, procedure or project?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
------------------------------	--	--

*Please explain the reasons for this decision:*

The budget proposals are likely to include some investment in some services as we respond to cost and demand pressures.

The impact arising on council; tax and council housing rent increases will have neutral impact.

Further individual Impact Assessment may be undertaken following consultation prior to the publication of detailed budget.

### Section 4 – Approval

Please note the assessment should be reviewed and approved by the appropriate Head of Service **before** the Committee report (if required) is produced.

Reviewed by Strategic Director (Corporate resources)	Name:	Tracy Bingham
	Date:	29/01/2024



If further information regarding this assessment is required, please contact the Lead Officer for this assessment (outlined in Section 1.)



<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 10</b>
<b>DATE OF MEETING:</b>	<b>15 FEBRUARY 2024</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR (CORPORATE RESOURCES)</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>CHARLOTTE JACKSON</b> <a href="mailto:charlotte.jackson@southderbyshire.gov.uk">charlotte.jackson@southderbyshire.gov.uk</a>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>CAPITAL STRATEGY, TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL INDICATORS 2024/25</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM 08</b>

## **1.0 Recommendations**

1.1 That the Committee recommend to Council the approval of the:

- 1.2.1 Treasury Management Strategy (Appendix 1)
- 1.2.2 Prudential Indicators (Appendix 2)
- 1.2.3 Minimum Revenue Provision (MRP) Policy (Appendix 3)
- 1.2.4 Capital Strategy (Appendix 4)
- 1.2.5 Non-Treasury Investment Strategy (Appendix 5)

## **2.0 Purpose of the Report**

2.1 To detail the Council's Prudential Indicators and Treasury Management Strategy for its expected treasury operations for the medium-term financial planning period, 2024/25 – 2028/29, its MRP policy, Capital Strategy and Non-Treasury Investment Strategy. This is in accordance with the requirements of the Local Government Act 2003. The main areas covered are:

## **3.0 Detail**

### **The Prudential System for Capital Finance**

3.1 The Council is required to manage its treasury and capital expenditure activities under a National Code. The main aims of the system are to ensure that:

- Capital investment plans of local authorities are affordable and sustainable;
- Treasury management decisions are taken in accordance with best professional practice; and
- Financial planning and asset management are integrated into the Council's overall corporate planning arrangements.

## **Treasury Management Strategy**

- 3.2 Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties commensurate with the Council's risk appetite, providing adequate liquidity initially before considering investment return. The CIPFA Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield.
- 3.3 Treasury operations are measured within a set of prudential indicators (Appendix 2). The main purpose of these indicators is to provide the limits and benchmarks to control the level of capital expenditure, borrowing and investment. The Council is expected to operate comfortably within these limits.
- 3.4 The Prudential System allows councils the freedom to borrow on a prudential basis. Any new borrowing must be accommodated within any maximum debt limits or caps set by Central Government and the Council must demonstrate that it can afford to service and repay the debt within its financial plans.
- 3.5 The Strategy aims to provide transparency for treasury decisions including the use of counterparties, together with assessing how risk is managed on a day- to-day basis.
- 3.6 There are changes to the strategy in respect of the repayment of HRA self-financing debt. This is because the contributions made from the HRA on an annual basis are not sustainable against the current HRA budget position. As such, deferment of the 2027 MRP has been proposed to allow for significant investment in its housing stock in the medium term. Repayment of which will be determined at a later stage, in line with the housing review.
- 3.7 The Council has more capital investment in 2024/25 General Fund capital programme which will be funded by internal borrowing and paid off over the asset's useful life on an annuity.
- 3.8 A review of CFR was undertaken by the Council's treasury advisors. A reconciliation exercise was successfully undertaken which has subsequently been used to calculate MRP over the medium term.
- 3.9 The strategy is set out at Appendix 1.

## **Prudential Indicators**

- 3.10 As above, the prudential indicators consider the affordability and impact of capital expenditure plans and set out the Council's overall capital framework.
- 3.11 The CIPFA codes require a prescribed set of prudential indicators to be produced annually and monitored throughout the year and the Council.
- 3.12 The indicators required under the regulations are set out along with explanations in Appendix 2.

## **Minimum Revenue Provision Policy**

- 3.13 MRP statement provides details on the amount charged to revenue for the repayment of internal debt over the capital programme.

- 3.14 There are proposed changes to the MRP Policy for 2024/25 relating to the method in which the Council calculates its MRP.
- 3.15 Currently the Council adopts the regulatory method which charges 4% of the authority's underlying need to borrow. It has been proposed that this method is changed to an asset life method, which sees all capital investment is repaid by the end of an asset's life. This method represents the most prudent provision and is recommended for adoption by the Council.
- 3.16 The MRP Policy is at Appendix 3.

### **Capital Strategy**

- 3.17 The CIPFA Prudential Code for Capital Finance requires councils to produce a Capital Strategy. The strategy must set out capital expenditure planned by the council against its overall organisational strategy and resources to ensure that decisions are being made with sufficient regard to the long-term financing implications and potential risks to the Council.
- 3.18 Aligning with the Council's capital programme 2024/25 – 2028/29, the strategy sets out how the council will resource its planned capital expenditure. This includes internal borrowing. Internal borrowing is a way in which Council fund their capital expenditure rather than borrowing externally. The Council then charges to its revenue account a minimum amount (minimum revenue provision) for that financial year in respect of the financing of capital expenditure incurred by the local authority in that year or in any financial year prior. The Council determines an amount of minimum revenue provision which it considers to be prudent which is explored in the MRP statement.
- 3.19 The Capital Strategy is at Appendix 4.

### **Non-Treasury Investment Strategy**

- 3.20 The Non-Treasury Investment Strategy sets out how the Council will support local public services through investments and investing commercially alongside the performance of its existing commercial investments.
- 3.21 This information was previously presented as part of the Treasury Management Strategy in previous years but has been included as a stand-alone document for 2024/25 and going forward, in line with best practice.
- 3.22 There are no approved limits for loans or investments to/in shares in subsidiaries, suppliers, parish councils, local businesses, charities, Housing Associations, residents or employees – any forthcoming consideration will be dealt with on a case-by-case basis and require approval by Full Council following a comprehensive review.
- 3.23 The Non-Treasury Investment Strategy is at Appendix 5.

## **4.0 Financial Implications**

- 4.1 The report sets out the annual update of the core strategies which underpin the council's approach to managing its capital investment.

4.2 Treasury investment income has been budgeted at the forecasted interest rate of 4%. This equates to budgeted investment income in 2024/25 of £847k and £436k with the General Fund and HRA respectfully.

## **5.0 Corporate Implications**

5.1 None directly.

## **6.0 Community Impact**

6.1 None directly.

## **7.0 Background Papers**

7.1 Treasury Management in Public Services and the Code of Practice (CIPFA Publication – November 2011)

7.2 Local Government Act 2003 (Part 1)

7.3 Localism Act 2011 – Part 7 Chapter 3



**South  
Derbyshire  
District Council**

**Treasury Management Strategy Statement 2024/25**

**February 2024**

## **Introduction**

Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council borrows and invests substantial sums of money and is therefore exposed to financial risks, including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

Updates on treasury activity are reported to the Finance and Management Committee on a quarterly basis. A further annual report is produced alongside the final accounts each July to detail all activity for the year.

## **Responsibility for Treasury Management**

The Finance and Management Committee is responsible for setting and monitoring treasury activity at the Council. Under its terms of reference, this includes ensuring that the Council does not breach its borrowing limit.

The Committee is advised by its Section 151 (Chief Finance) Officer who is the Strategic Director (Corporate Resources). This Officer is responsible for the oversight of activity and to ensure that treasury strategy and associated policies are met.

The day-to-day operational activity is undertaken within the Financial Services Unit at the Council. The main officers who have responsibility for daily transactions are the Chief Accountant and the Service Accountants.

The Authorising Officers for transactions are the Strategic Director (Corporate Resources), and the Head of Finance. Any new borrowing or investment must have the prior approval of the Strategic Director (Corporate Resources).

## **External Support for Treasury Activity**

All designated officers involved in treasury activity are covered under the Council's Crime insurance. Officers are also supported by external treasury advisors who provide research material, news bulletins, together with general advice and guidance.

## **Audit Arrangements**

The Council's Internal Audit function audits treasury policies and procedures, together with treasury activity and transactions at least once every two years. This is a requirement of External Audit. Any matters raised concerning any governance or control matters, are considered, and monitored by the Council's Audit Sub-Committee.

### **Scrutiny and Training**

Scrutiny of this strategy and its application is undertaken by the Finance and Management Committee as part of their role of agreeing policy and monitoring performance. The Audit Sub-Committee review internal audit reports regarding any procedural or wider control matters.

The Council are currently undertaking a planned training programme for all Elected Member on financial sustainability and Local Government finance. It is planned that the Elected Members involved in reviewing Treasury Management will receive training by the Council's external treasury advisors during the year.

### **The Strategy**

This strategy covers:

- The management of debt
- The Council's debt and investment projections
- The expected movement in interest rates
- The Council's borrowing and investment strategies
- Treasury performance indicators
- Specific limits on treasury activities
- Any local treasury issues

### **External Context**

The following information provides the economic and fiscal context in which the council is currently operating. Arlingclose Ltd, who act as the council's treasury advisor, providing independent and unbiased financial and capital financing expert advice, have provided some of this information as part of their service to us.

**Economic background:** The impact on the UK from higher interest rates and inflation, a weakening economic outlook, an uncertain political climate due to an upcoming general election, together with war in Ukraine and the Middle East, will be major influences on the Council's treasury management strategy for 2024/25.

The Bank of England (BoE) increased Bank Rate to 5.25% in August 2023, before maintaining this level for the rest of 2023. In December 2023, members of the BoE's

Monetary Policy Committee voted 6-3 in favour of keeping Bank Rate at 5.25%. The three dissenters wanted to increase rates by another 0.25%.

The November quarterly Monetary Policy Report (MPR) forecast a prolonged period of weak Gross Domestic Product (GDP) growth with the potential for a mild contraction due to ongoing weak economic activity. The outlook for CPI inflation was deemed to be highly uncertain, with upside risks to CPI falling to the 2% target coming from potential energy price increases, strong domestic wage growth and persistence in price-setting.

Office for National Statistics (ONS) figures showed CPI inflation was 3.9% in November 2023, down from a 4.6% rate in the previous month and, in line with the recent trend, lower than expected. The core CPI inflation rate declined to 5.1% from the previous month's 5.7%, again lower than predictions. Looking ahead, using the interest rate path implied by financial markets the BoE expects CPI inflation to continue falling slowly, but taking until early 2025 to reach the 2% target before dropping below target during the second half 2025 and into 2026.

ONS figures showed the UK economy contracted by 0.1% between July and September 2023. The BoE forecasts GDP will likely stagnate through 2024. The BoE forecasts that higher interest rates will constrain GDP growth, which will remain weak over the entire forecast horizon.

The labour market appears to be loosening, but only very slowly. The unemployment rate rose slightly to 4.2% between June and August 2023, from 4.0% in the previous 3-month period, but the lack of consistency in the data between the two periods made comparisons difficult. Earnings growth has remained strong but has showed some signs of easing; regular pay (excluding bonuses) was up 7.3% over the period and total pay (including bonuses) up 7.2%. Adjusted for inflation, regular pay was 1.4% and total pay 1.3%. Looking forward, the MPR showed the unemployment rate is expected to be around 4.25% in the second half of calendar 2023, but then rising steadily over the forecast horizon to around 5% in late 2025/early 2026.

Having increased its key interest rate to a target range of 5.25-5.50% in August 2023, the US Federal Reserve appears now to have concluded the hiking cycle. It is likely this level represents the peak in US rates following a more dovish meeting outcome in December 2023. US GDP grew at an annualised rate of 4.9% between July and September 2023, ahead of expectations for a 4.3% expansion and the 2.1% reading for Q2. But the impact from higher rates has started to feed into economic activity and growth will weaken in 2024. Annual CPI inflation was 3.1% in November.

Eurozone inflation has declined steadily since the start of 2023, falling to an annual rate of 2.4% in November 2023. Economic growth has been weak, and GDP contracted by 0.1% in the three months to September 2023. In line with other central banks, the

European Central Bank has increased rates, taking its deposit facility, fixed rate tender, and marginal lending rates to 3.75%, 4.25% and 4.50% respectively.

**Credit outlook:** Credit Default Swap (CDS) prices were volatile during 2023, spiking in March on the back of banking sector contagion concerns following the major events of Silicon Valley Bank becoming insolvent and the takeover of Credit Suisse by UBS. After then falling back in Q2 of calendar 2023, in the second half of the year, higher interest rates and inflation, the ongoing war in Ukraine, and now the Middle East, have led to CDS prices increasing steadily.

On an annual basis, CDS price volatility has so far been lower in 2023 compared to 2022, but this year has seen more of a divergence in prices between ringfenced (retail) and non-ringfenced (investment) banking entities once again.

Moody's revised its outlook on the UK sovereign to stable from negative to reflect its view of restored political predictability following the volatility after the 2022 minibudget. Moody's also affirmed the Aa3 rating in recognition of the UK's economic resilience and strong institutional framework.

Following its rating action on the UK sovereign, Moody's revised the outlook on five UK banks to stable from negative and then followed this by the same action on five rated local authorities. However, within the same update the long-term ratings of those five local authorities were downgraded.

There remain competing tensions in the banking sector, on one side from higher interest rates boosting net income and profitability against another of a weakening economic outlook and likely recessions that increase the possibility of a deterioration in the quality of banks' assets.

However, the institutions on our adviser Arlingclose's counterparty list remain well-capitalised and their counterparty advice on both recommended institutions and maximum duration remain under constant review and will continue to reflect economic conditions and the credit outlook.

**Interest rate forecast (December 2023):** Although UK inflation and wage growth remain elevated, the Council's treasury management adviser Arlingclose forecasts that Bank Rate has peaked at 5.25%. The Bank of England's Monetary Policy Committee will start reducing rates in 2024 to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. Arlingclose sees rate cuts from Q3 2024 to a low of around 3% by early mid 2026.

Arlingclose expects long-term gilt yields to be broadly stable at current levels (amid continued volatility), following the decline in yields towards the end of 2023, which reflects the expected lower medium-term path for Bank Rate. Yields will remain relatively higher than in the past, due to quantitative tightening and significant bond supply. As ever, there

will undoubtedly be short-term volatility due to economic and political uncertainty and events.

A more detailed economic and interest rate forecast provided by Arlingclose is in Appendix A.

For the purpose of setting the budget for 2024/25, it has been assumed that new treasury investments will be made at an average rate/yield of 4% which equates to estimated investment income of £847k and £436k within the General Fund and HRA respectively.

### **Local Context**

On 31st December 2023, the Council held £47.423m of borrowing and £79m of treasury investments. Forecast changes in these sums are shown in the balance sheet analysis below.

### **Balance sheet summary and forecast (£'000)**

	<b>2022/23 Actual</b>	<b>2023/24 Estimate</b>	<b>2024/25 Forecast</b>	<b>2025/26 Forecast</b>	<b>2026/27 Forecast</b>	<b>2027/28 Forecast</b>	<b>2028/29 Forecast</b>
General Fund CFR	6,860	6,822	7,909	9,948	11,682	11,464	11,163
HRA CFR	51,584	41,584	41,584	41,584	42,025	41,971	41,914
<b>Total CFR</b>	<b>58,444</b>	<b>48,406</b>	<b>49,493</b>	<b>51,532</b>	<b>53,707</b>	<b>53,435</b>	<b>53,077</b>
<i>Less: External Borrowing</i>	47,423	37,423	37,423	37,423	27,423	27,423	27,423
Internal (over) Borrowing	11,021	10,983	12,070	14,109	26,284	26,012	25,654
<i>Less: balance sheet resources</i>	76,438	61,190	55,373	50,186	45,148	39,400	34,819
<b>Treasury Investments</b>	<b>65,417</b>	<b>50,207</b>	<b>43,303</b>	<b>36,077</b>	<b>18,864</b>	<b>13,388</b>	<b>9,165</b>

\*Shows only loans to which the Council is committed and excludes optional refinancing

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

The Council has a decreasing CFR in 2023/24 due to the repayment of PWLB debt relating to the HRA. However, the Council's has an increasing CFR from 2024/25 due to its capital programme plans over the forecasted period.

CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. The above table shows that the Council expects to comply with this recommendation during 2024/25.

**CFR Review:** In October 2023, the Strategic Director (Corporate Resources) commissioned Arlingclose to investigate the apparent difference between two areas where the Capital Financing Requirement (CFR) is recognised: the (CFR) as calculated from the Balance Sheet and the CFR figure disclosed in the Notes to the Statement of accounts.

For each year of the review there has been a difference between the two figures with, in most cases, the figure per the Balance Sheet being higher than the Note.

The reconciliation exercise has since been undertaken successfully, with this then used to calculate Medium Revenue Provision (MRP). This has resulted in a higher CFR.

The increase in the CFR will result in a higher General Fund CFR and therefore a higher MRP charge.

This will be mitigated by the planned change in the way in which the Council calculates MRP. Changes to the current MRP policy and different options are outlined in the MRP statement.

**HRA Internal Borrowing Refinancing:** MRP represents the minimum amount that must be charged to a Council's revenue account each year for financing of capital expenditure, which will have initially been funded by borrowing.

It has been the Council's policy to make MRP in line with actual debt repayments which reduces the CFR. Contributions are made annually from the HRA General Reserves into a Debt Repayment reserve in readiness for the maturity. £10m is due in March 2024 and March 2027.

Given the significance of the impact on the HRA General Reserve, deferment of the 2027 MRP has been proposed to allow for significant investment in its housing stock in the medium term. Repayment of which will be determined at a later stage, in line with the housing review.

As per the above table, external borrowing reduces in 2026/27 due to actual debt repayment, but CFR is unchanged for the HRA.

There is no requirement to re-borrow maturing HRA loans in the short term, given the high reserve and cash position. Any additional investment requirements can be met via internal borrowing.

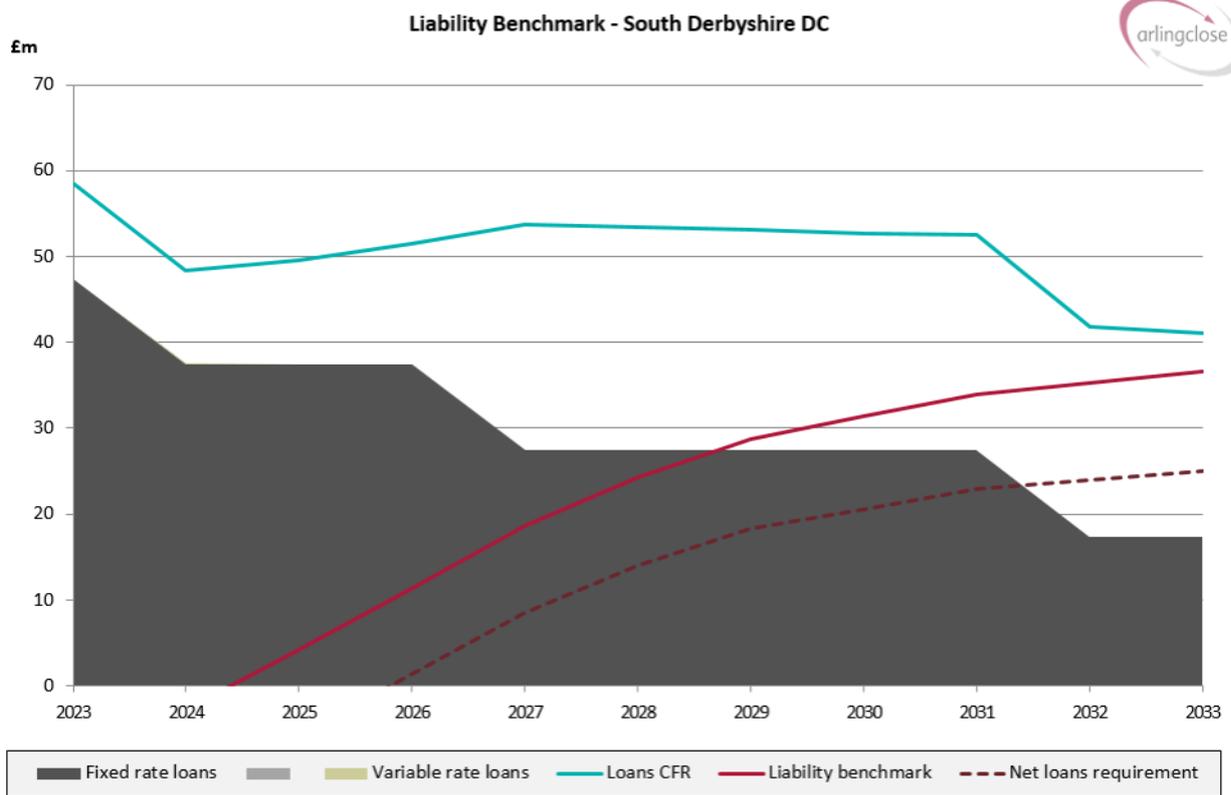
**Liability benchmark:** To compare the Council’s actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as the table above, but that cash and investment balances are kept to a minimum level of £10m (inflated from 2027/28) at each year-end to maintain sufficient liquidity but minimise credit risk.

The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

**Liability Benchmark (£'000)**

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
Loans CFR	58,444	48,406	49,493	51,532	53,707	53,435	53,077
Less: Balance Sheet Resources	-76,438	-61,190	-55,373	-50,186	-45,148	-39,400	-34,819
<b>New Loans requirement</b>	-17,994	-12,784	-5,880	1,346	8,559	14,035	18,258
Plus: Liquidity allowance	10,000	10,000	10,000	10,000	10,000	10,300	10,500
<b>Liability Benchmark</b>	<b>-7,994</b>	<b>-2,784</b>	<b>4,120</b>	<b>11,346</b>	<b>18,559</b>	<b>24,335</b>	<b>28,758</b>

Following on from the medium-term forecasts in the above table, the long-term liability benchmark assumes capital expenditure funded by borrowing per the capital programme, minimum revenue provision on new capital expenditure based on the useful life of the assets and reserves continue to reduce year on year to fund future year expenditure.



The above graph shows that actual borrowing decreases over time as debt is repaid. The liability benchmark increases due to planned capital expenditure and utilisation of reserves. This graph demonstrates that the Council may need to borrow in the medium term.

### **Borrowing Strategy**

The Council currently holds £47.423 million of loans. These loans were taken out by the Council in 2011/12 for the purpose of HRA self-financing. The principal element of these loans is repayable in full on maturity, with interest being paid each March and September.

For 2024/25, new capital investment through borrowing.

**Objectives:** The Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.

**Strategy:** Given the potential for future cuts to in local government funding due to reform, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. Short-term interest rates are currently at a 15-year high but are expected to fall in the coming years and it is therefore likely to be more cost effective over the medium-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Council can reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal / short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2024/25 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

The Council has previously raised all of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Council intends to avoid this activity in order to retain its access to PWLB loans.

Alternatively, the Council may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

**Sources of borrowing:** The approved sources of long-term and short-term borrowing are:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
- UK Infrastructure Bank Ltd
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except Derbyshire County Council Pension Fund)
- capital market bond investors
- retail investors via a regulated peer-to-peer platform
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

**Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback
- similar asset based finance

**Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to Full Council.

**LOBOs:** LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost.

**Short-term and variable rate loans:** These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below. Financial derivatives may be used to manage this interest rate risk.

**Debt rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk. The recent rise in interest rates means that more favourable debt rescheduling opportunities should arise than in previous years.

### **Treasury Investment Strategy**

The Council holds £79m invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's treasury investment balance has ranged between £61m and £79m, albeit reduced levels are expected in the forthcoming year due to £10m PWLB maturity in March 2024.

**Objectives:** The CIPFA Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.

**Strategy:** As demonstrated by the liability benchmark above, the Council expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cash flows using short-term low risk instruments. The existing

portfolio of strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income.

**ESG policy:** Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code. As surplus funds become available options for re-investing in ESG (Environmental Social & Governance) equity funds shall be contemplated. Any new fund manager appointments would be subject to due diligence by the Strategic Director (Corporate Resources) and approved at the Finance and Management Committee.

**Business models:** Under the IFRS 9 standard, the accounting for certain investments depends on the Council's "business model" for managing them. The Council aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

**Approved counterparties:** The Council may invest its surplus funds with any of the counterparty types below, subject to the limits shown.

#### Treasury investment counterparties and limits

Sector	Counterparty Limit	Time Limit	Sector Limit
The UK Government	£25m	364 days	n/a
Local authorities & other government entities	£5m	364 days	Unlimited
Banks (unsecured)*	£3m	35 days	Unlimited
Building societies (unsecured)*	£2m	35 days	£5m
Money Market Funds*	£2m	60 days	£16m
Strategic Pooled Funds	£4m	n/a	£4m
Other Investments*	£1m	35 days	Unlimited

***This table must be read in conjunction with the notes below.***

\* **Minimum credit rating:** Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower

than A-. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

For entities without published credit ratings, investments may be made either (a) where external advice indicates the entity to be of similar credit quality; or (b) to a maximum of £5m per counterparty as part of a diversified pool e.g. via a peer-to-peer platform.

**Government:** Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

**Banks and building societies (unsecured):** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.

**Money market funds:** Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. The Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

**Strategic pooled funds:** Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

**Other investments:** This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Council's investment at risk.

**Operational bank accounts:** The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £3m. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in

than made insolvent, increasing the chance of the Council maintaining operational continuity.

**Risk assessment and credit ratings:** Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "negative watch") so that it may fall below the approved rating criteria, then only investments that can be withdrawn will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

**Other information on the security of investments:** The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

**Reputational aspects:** The Council is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

**Investment limits:** The Council's revenue reserves available to cover investment losses are forecast to be £36 million on 31st March 2024. In order that no more than 11% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £5 million. A group of entities under the same ownership will be treated as a single organisation for limit purposes.

Credit risk exposures arising from non-treasury investments, financial derivatives and balances greater than £3,000,000 in operational bank accounts count against the relevant investment limits.

**Liquidity management:** The Council uses cash flow forecasts to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.

The Council will spread its liquid cash over at least 10 providers (e.g. bank accounts and money market funds) to ensure that access to cash is maintained in the event of operational difficulties at any one provider.

### **Treasury Management Prudential Indicators**

The main indicator the Council uses to measure its return on short-term investments to average over the year, is the Average 7-Day Money Market Rate. This is a standard measure of performance. Performance in recent years is shown in the following table.

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (31/12)
7-Day Rate (target)	0.65%	0.42%	0.11%	0.19%	3.89%	5.25%
Actual Rate	0.66%	0.54%	0.13%	0.26%	3.43%	5.10%

As at 31st December 2023 the Council's investment portfolio is as follows:

	Current Rate(s)	Balance at 31.12.2023 £000
Local Authorities	4.30% - 5.60%	37,000
DMO	5.12% - 5.38%	17,500
Money Market Funds	5.33% - 5.46%	16,000

CCLA Property Funds	5.27%	4,000
Banks	0.01 – 4.55%	4,862
<b>TOTAL</b>		<b>79,362</b>

**Maturity structure of borrowing:** This indicator is set to control the Council’s exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit	Position as at 31/12/2023
Under 12 months	70%	0%	21%
12 months and within 24 months	30%	0%	0%
24 months and within 5 years	30%	0%	21%
5 years and within 10 years	30%	0%	21%
10 years and above	90%	0%	37%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

**Long-term treasury management investments:** The purpose of this indicator is to control the Council’s exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management investments will be:

Price risk indicator	2024/25	2025/26	2026/27	No fixed date
Limit on principal invested beyond year end	£0m	£0m	£0m	£4m

Long-term investments with no fixed maturity date include strategic pooled funds and real estate investment trusts but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

### **Related Matters**

The CIPFA Code requires the Council to include the following in its treasury management strategy.

**Financial derivatives:** Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of

competence in section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.

In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

**Housing Revenue Account:** On 1<sup>st</sup> April 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at the Council's average interest rate on treasury investments excluding strategic pooled funds, adjusted for credit risk if a net investment balance and at the Council's average rate of borrowing if a net borrowing balance.

**Markets in Financial Instruments Directive:** The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Strategic Director (Corporate Resources) believes this to be the most appropriate status.

### **Financial Implications**

The budget for investment income in 2024/25 is £1.28m, based on an average investment portfolio of £32m million at an interest rate of 4%. The budget for debt interest paid in 2024/25 is £1.23m, based on an average debt portfolio of £37.4m at an average interest rate of 3.31%. If actual levels of investments and borrowing, or actual interest rates, differ from those forecast, performance against budget will be correspondingly different.

### **Other Options Considered**

The CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The Strategic Director (Corporate Resources), having consulted the Finance and Management Committee, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

<b>Alternative</b>	<b>Impact on income and expenditure</b>	<b>Impact on risk management</b>
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

## **Appendix A – Arlingclose Economic & Interest Rate Forecast – December 2023**

### **Underlying assumptions:**

- UK inflation and wage growth remain elevated but have eased over the past two months fuelling rate cuts expectations. Near-term rate cuts remain unlikely, although downside risks will increase as the UK economy likely slides into recession.
- The MPC's message remains unchanged as the Committee seeks to maintain tighter financial conditions. Monetary policy will remain tight as inflation is expected to moderate to target slowly, although some wage and inflation measures are below the Bank's last forecasts.
- Despite some deterioration in activity data, the UK economy remains resilient in the face of tighter monetary policy. Recent data has been soft but mixed; the more timely PMI figures suggest that the services sector is recovering from a weak Q3. Tighter policy will however bear down on domestic and external activity as interest rates bite.
- Employment demand is easing. Anecdotal evidence suggests slowing recruitment and pay growth, and we expect unemployment to rise further. As unemployment rises and interest rates remain high, consumer sentiment will deteriorate. Household and business spending will therefore be weak.
- Inflation will fall over the next 12 months. The path to the target will not be smooth, with higher energy prices and base effects interrupting the downtrend at times. The MPC's attention will remain on underlying inflation measures and wage data. We believe policy rates will remain at the peak for another 10 months, or until the MPC is comfortable the risk of further 'second-round' effects has diminished.
- Maintaining monetary policy in restrictive territory for so long, when the economy is already struggling, will require significant loosening in the future to boost activity.
- Global bond yields will remain volatile. Markets are currently running with expectations of near-term US rate cuts, fuelled somewhat unexpectedly by US policymakers themselves. Term premia and bond yields have experienced a marked decline. It would not be a surprise to see a reversal if data points do not support the narrative, but the current 10-year yield appears broadly reflective of a lower medium-term level for Bank Rate.
- There is a heightened risk of fiscal policy and/or geo-political events causing substantial volatility in yields.

### **Forecast:**

- The MPC held Bank Rate at 5.25% in December. We believe this is the peak for Bank Rate.
- The MPC will cut rates in the medium term to stimulate the UK economy but will be reluctant to do so until it is sure there will be no lingering second-round effects. We see rate cuts from Q3 2024 to a low of around 3% by early-mid 2026.

- The immediate risks around Bank Rate have become more balanced, due to the weakening UK economy and dampening effects on inflation. This shifts to the downside in the short term as the economy weakens.
- Long-term gilt yields are now substantially lower. Arlingclose expects yields to be flat from here over the short-term reflecting medium term Bank Rate forecasts. Periodic volatility is likely.

	Current	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26
<b>Official Bank Rate</b>													
Upside risk	0.00	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00
Central Case	5.25	5.25	5.25	5.25	5.00	4.75	4.25	4.00	3.75	3.50	3.25	3.00	3.00
Downside risk	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
<b>3-month money market rate</b>													
Upside risk	0.00	0.00	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00
Central Case	5.40	5.40	5.40	5.30	5.15	4.80	4.30	4.10	3.80	3.50	3.25	3.05	3.05
Downside risk	0.00	0.00	-0.25	-0.50	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
<b>5yr gilt yield</b>													
Upside risk	0.00	0.25	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.77	3.75	3.75	3.75	3.70	3.60	3.50	3.50	3.40	3.30	3.30	3.30	3.35
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
<b>10yr gilt yield</b>													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.72	3.75	3.80	3.80	3.80	3.80	3.80	3.80	3.75	3.65	3.60	3.65	3.70
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
<b>20yr gilt yield</b>													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	4.16	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.25
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00
<b>50yr gilt yield</b>													
Upside risk	0.00	0.25	0.75	0.85	0.85	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	3.76	3.80	3.85	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.95	3.95	3.95
Downside risk	0.00	-0.25	-0.75	-0.85	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00

PWLB Standard Rate = Gilt yield + 1.00%  
PWLB Certainty Rate = Gilt yield + 0.80%  
PWLB HRA Rate = Gilt yield + 0.40%  
UK Infrastructure Bank Rate = Gilt yield + 0.40%

## Appendix B – Existing Investment & Debt Portfolio Position

	<b>31/12/2023</b> <b>Actual</b> <b>portfolio</b> <b>£'000</b>	<b>31/12/2023</b> <b>Average</b> <b>rate</b> <b>%</b>
<b>External borrowing:</b>		
Public Works Loan Board	47,423	3.19%
Local authorities	89	4.25%
<b>Total gross external debt</b>	<b>47,512</b>	
<b>Treasury investments:</b>		
The UK Government	17,500	5.21%
Local authorities	37,000	5.02%
Banks (unsecured)	4,862	2.28%
Money market funds	16,000	5.40%
Strategic pooled funds - CCLA Property Fund	4,000	5.27%
		(Sept 2023)
<b>Total treasury investments</b>	<b>79,362</b>	
<b>Net investments</b>	<b>31,850</b>	



**South  
Derbyshire  
District Council**

**Prudential Indicators 2024/25**

**February 2024**

## Introduction

The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

## Estimated Capital Expenditure and Financing

This is the approved capital investment programme for the General Fund, together with stock investment proposals included in the HRA Business Plan. The programme is summarised in the following table.

<b>Estimated Capital Expenditure £</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
General Fund	4,020,795	4,742,558	6,685,387	3,817,000	2,880,000	747,500	685,000
HRA	2,456,166	2,432,186	3,119,676	3,500,000	4,630,000	4,200,000	4,300,000
<b>Total</b>	<b>6,476,961</b>	<b>7,174,744</b>	<b>9,805,063</b>	<b>7,317,000</b>	<b>7,510,000</b>	<b>4,947,500</b>	<b>4,985,000</b>
<b>Financed by £</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
Grants and Contribution	2,906,199	2,924,000	2,348,000	820,000	400,000	400,000	400,000
Council Resources	3,570,762	4,250,744	7,457,063	6,497,000	7,110,000	4,547,500	4,585,000
<b>Total</b>	<b>6,476,961</b>	<b>7,174,744</b>	<b>9,805,063</b>	<b>7,317,000</b>	<b>7,510,000</b>	<b>4,947,500</b>	<b>4,985,000</b>

In September 2023, consultations for setting the 2024/25 budget were held with each policy committee for approval. The report outlined key principles to develop budget proposals and stated that capital growth will be considered based on need and innovation.

Heads of Service put in capital bids as part of the 2024/25 budget round, for approval at Finance and Management Committee and full Council in February 2024. 8 new projects have been added to the Council's capital programme and an updated fleet replacement programme has also been included.

Of the capital projects approved as part of the 2020 bidding round, revitalisation of Rosliston Forestry Centre will be an ongoing project in 2024/25 but is expected to be completed in year.

The Council continues to invest in its ICT Strategy and public buildings. The Council is also delivering projects across the district funded through the Better Care Fund.

The general upward trend of the HRA expenditure relates to the increased level of investment needed for the upkeep of Council houses to ensure that they are compliant with regulations. The major repairs have a five-year plan for improving Council properties to decent homes standard.

Overall, the capital expenditure programme is financed from Government grants, external contributions, Council reserves (including internal borrowing) and capital receipts.

The table highlights that the five-year investment programme is fully funded. If all financing is not secured, expenditure will need to be curtailed or other resources and reserves identified.

Due to the current level of reserves and cash on deposit, current policy is that any longer-term borrowing is undertaken only as a last resort to meet any shortfall; any new borrowing will only be undertaken prudentially within the Council's debt limits.

### **The Council's Borrowing Need or Capital Financing Requirement (CFR)**

The CFR is a measure of the Council's underlying need to borrow for capital investment and is based on the net value of fixed assets contained in the Council's Balance Sheet.

The CFR does not necessarily represent the amount of actual external debt outstanding. This is due to the fact that not all borrowing previously allowed has in effect taken place against this requirement but is being financed internally through cash deposits and reserves.

Capital expenditure that has not been immediately paid for increases the CFR through additional borrowing, including internally. The CFR is reduced following debt repayment or through setting-aside revenue sums to repay internal borrowing.

The Council is required to pay off an element of the accumulated General Fund CFR each year through a revenue charge called the Minimum Revenue Provision (MRP). In addition, a Voluntary Revenue Provision (VRP) is made where borrowing has taken place on a prudential basis.

There is no requirement to make a MRP for the HRA. However, money is being set-aside to repay HRA debt in accordance with the maturity profile. This strategy is reflected in the HRA's Financial Plan.

A summary of the CFR estimates is shown in the following table.

Expected CFR	2022/2	2023/2	2024/2	2025/2	2026/2	2027/2	2028/2
	3	4	5	6	7	8	9
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CFR b/fwd	58,639	58,444	48,406	49,493	51,532	53,706	53,435
Add New Financing	0	0	1127	2095	2440	252	200
Less MRP	-175	-38	-40	-56	-266	-523	-558
Less VRP	-21	0	0	0	0	0	0
Less Debt Repayment	0	-10000	0	0	0	0	0
<b>CFR c/fwd</b>	<b>58,444</b>	<b>48,406</b>	<b>49,493</b>	<b>51,532</b>	<b>53,706</b>	<b>53,435</b>	<b>53,077</b>
General Fund Proportion	6,860	6,822	7,909	9,948	11,682	11,465	11,164
HRA Proportion	51,584	41,584	41,584	41,584	42,025	41,971	41,914
<b>Total</b>	<b>58,444</b>	<b>48,406</b>	<b>49,493</b>	<b>51,532</b>	<b>53,706</b>	<b>53,435</b>	<b>53,077</b>

The VRP has reduced to zero due to the repayment of previous internal borrowing schemes relating to the purchase of receptacles to extend the kerbside recycling scheme in 2013, together with the repayment of the internal borrowing for the Grove Hall Extreme Sports projects.

## Debt Pools

The Council operates two separate Debt Pools, one for the General Fund and one for the Housing Revenue Account (HRA). There is no external debt currently outstanding on the General Fund, although it has a positive CFR representing an underlying borrowing need.

The General Fund CFR is reduced each year by a statutory revenue charge known as the Minimum Revenue Provision (MRP). In addition, a Voluntary Revenue Provision (VRP) is made where borrowing has been undertaken on a prudential basis.

There is no requirement to make a MRP or VRP in the Housing Revenue Account. The HRA has debt outstanding of just over £47m. This represents the debt inherited under the self-financing framework for Council Housing.

Although no MRP is required for the HRA, money is being set-aside to repay the HRA debt in accordance with the maturity profile. This strategy is reflected in the HRA's Financial Plan. The expected CFRs over the current financial planning period to 2027/28 are detailed in the following table.

Expected CFR	2022/2	2023/2	2024/2	2025/2	2026/2	2027/2	2028/2
	3	4	5	6	7	8	9
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund Proportion	6,860	6,822	7,909	9,948	11,682	11,465	11,164
HRA Proportion	51,584	41,584	41,584	41,584	42,025	41,971	41,914
<b>Total</b>	<b>58,444</b>	<b>48,406</b>	<b>49,493</b>	<b>51,532</b>	<b>53,706</b>	<b>53,435</b>	<b>53,077</b>

The CFR on the General Fund will increase over the medium-term due to the Council's proposed capital programme. The MRP being applied are included in the Council's base budget.

Effectively, the MRP/VRP creates a cash amount in the Council's budget in order to write down the underlying borrowing requirement.

The larger CFR on the HRA has remained static in previous years, the first repayment of £10m self-financing loans was paid in March 2022, with another repayment in March 24 and March 27. However, given the level of investment required in the Council's houses, MRP will not be applied in March 27, but instead deferred to a later date. The CFR will then increase in 2026/27 due to the fleet replacement programme.

## Limits to Borrowing Activity

The Council is required to set limits on overall borrowing (net of investments). This controls borrowing and ensures that the Council does not, except in the short term, exceed the total of the CFR in the preceding year, plus the estimates of any additional CFR for the current and the next two financial years.

A short term deviation is allowed for flexibility if a limited amount of borrowing was required to meet temporary shortfalls in cash flow. The estimated position is detailed in the following table.

Estimated Borrowing Compared to the CFR	2022/2	2023/2	2024/2	2025/2	2026/2	2027/2	2028/2
	3	4	5	6	7	8	9
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross Borrowing - HRA	47,423	37,423	37,423	37,423	27,423	27,423	27,423
Gross Borrowing - General Fund	0	0	0	0	0	0	0
<b>Total Gross Borrowing</b>	<b>47,423</b>	<b>37,423</b>	<b>37,423</b>	<b>37,423</b>	<b>27,423</b>	<b>27,423</b>	<b>27,423</b>
<b>Total CFR</b>	<b>58,444</b>	<b>48,406</b>	<b>49,493</b>	<b>51,532</b>	<b>53,706</b>	<b>53,435</b>	<b>53,077</b>

The above table shows that as gross borrowing is likely to remain below the CFR, the Council will comply with this Prudential Indicator.

### **The Authorised Limit for External Debt**

This is the limit beyond which external debt is prohibited. It is the statutory limit determined under section 3(1) of the Local Government Act 2003. The debt cap for HRA self-financing was removed by the Government in 2018/19.

### **The Operational Boundary for External Debt**

This represents the expected external debt during the course of the year, but it is not a limit. It is designed to aid the Chief Finance Officer to manage treasury activity on a daily basis and acts as an early warning sign of any potential issues. It includes a provision for temporary borrowing of £5m. As in recent years, it is not expected that any temporary borrowing will be required but is included as a contingency should cash flow become negative in the short-term.

The Limit and Boundary are summarised in the following table.

Debt Limits	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Authorised Limit - General Fund	6,860	6,822	7,909	9,948	11,682	11,464	11,163
Authorised Limit - HRA	51,584	41,584	41,584	41,584	42,025	41,971	41,914
Operational Boundary	52,423	42,423	42,423	42,423	32,423	32,423	32,423

As noted above, there is no longer a debt cap on the HRA and therefore borrowing is no longer restricted but it must remain affordable over the plan.

To ensure affordability, the Chief Finance Officer has retained the former limit.

### **Cost of Debt to Finance Capital Expenditure**

This indicator shows how much per year the costs of borrowing impact upon each household (at Band D Council Tax rate) in the District and for each council tenant (HRA).

As there is no actual debt on the General Fund, the impact on Council Tax is positive as this represents interest on cash deposits.

Cost of Servicing Debt	2022/23 Actual £	2023/24 Forecast £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £
Estimated Net Interest Received - General Fund	-751,544	-1,927,973	-846,658	-423,329	-419,096	-414,905	-410,756
Estimated Band D Properties (per MTFP)	36,702	37,663	38,809	39,585	40,377	41,184	42,008
<b>Cost per Band D Property</b>	<b>-£20.48</b>	<b>-£51.19</b>	<b>-£21.82</b>	<b>-£10.69</b>	<b>-£10.38</b>	<b>-£10.07</b>	<b>-£9.78</b>
Estimated Net Interest Payable - HRA	1,504,805	1,504,805	1,234,805	1,234,805	1,234,805	933,805	933,805
Estimated Dwellings (per MTFP)	2,945	2,927	2,909	2,891	2,873	2,855	2,837
<b>Annual Cost per Dwelling</b>	<b>£510.97</b>	<b>£514.11</b>	<b>£424.48</b>	<b>£427.12</b>	<b>£429.80</b>	<b>£327.08</b>	<b>£329.15</b>

### The Use of the Council's Resources and the Investment Position

The Council has available at any one time, reserves and balances which are held to finance future expenditure commitments or to act as a contingency sum as recommended by the Council's Chief Finance Officer.

These balances are available for investment on a short-term basis in accordance with the Treasury Management Investment Strategy. The expected level of reserves and balances is shown in the following table.

Estimated Usable Reserves	2022/2 3 £'000	2023/2 4 £'000	2024/2 5 £'000	2025/2 6 £'000	2026/2 7 £'000	2027/2 8 £'000	2028/2 9 £'000
General Fund (inc Earmarked)	42,557	35,833	28,943	21,431	14,420	6,181	-726
Capital Receipts and Grants (GF)	3,732	2,087	1,412	1,181	969	850	782
HRA Reserves	4,609	2,254	1,093	1,480	1,851	2,650	3,323
Capital Receipts and Grants (HRA)	9,227	4,703	7,112	8,780	10,096	11,065	11,936
Major Repairs Reserve	4,987	4,987	5,487	5,987	6,487	6,987	7,487
<b>Total Reserves</b>	<b>65,112</b>	<b>49,863</b>	<b>44,046</b>	<b>38,860</b>	<b>33,823</b>	<b>27,733</b>	<b>22,802</b>

The above table shows that overall the level of resources is expected to decrease over the financial period and it assumes in particular, that forecasted deficits on the General Fund will be financed from general reserves until budget savings or additional income are identified. When identified, the level of resources will remain higher.

Based on this level of reserves, it is estimated that the Council will continue to have funds available for investment each year. In accordance with the Treasury Management Investment Strategy, these investments will continue to be held in short-term (less than 364 days) deposit accounts.

### **Ratio of Financing Costs to Net Revenue Stream**

This indicator shows the trend in the net cost of borrowing (allowing for investment income) against the net revenue stream, i.e. Council Tax for the General Fund and Rent Income for the HRA. Estimates are included in the Council's Medium Term Financial Plan (MTFP) and are shown in the following table.

<b>Financing Ratios</b>	<b>Actual 2022/23</b>	<b>Forecast 2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
	£	£	£	£	£	£	£
<b>General Fund</b>							
Estimated Council Tax Income	6,346,143	6,577,466	6,980,186	7,311,082	7,710,229	8,104,811	8,535,372
Net Interest Receivable	-751,544	-1,927,973	-846,658	-423,329	-419,096	-414,905	-410,756
<b>Proportion</b>	<b>-11.84%</b>	<b>-29.31%</b>	<b>-12.13%</b>	<b>-5.79%</b>	<b>-5.44%</b>	<b>-5.12%</b>	<b>-4.81%</b>
<b>HRA</b>							
Estimated Rental Income	12,381,712	12,901,323	14,304,000	14,589,000	14,880,000	15,176,000	15,479,000
Estimated Interest Payable	1,504,805	1,504,805	1,234,805	1,234,805	1,234,805	933,805	933,805
<b>Proportion</b>	<b>12.15%</b>	<b>11.66%</b>	<b>8.63%</b>	<b>8.46%</b>	<b>8.30%</b>	<b>6.15%</b>	<b>6.03%</b>

With no debt on the General Fund, the indicator is negative. The ratio reflects the level of "gearing" - how much of the Council's revenue is tied up in borrowing costs. Although the proportion for the HRA is greater in percentage terms, this is a relatively fixed cost but affordable within the HRA's Financial Plan.



**South  
Derbyshire  
District Council**

**MRP Statement 2024/25**

**February 2024**

## Annual Minimum Revenue Provision Statement 2024/25

Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the former Ministry of Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance) most recently issued in 2018.

The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance as well as locally determined prudent methods.

### General Fund

- It is currently the Council's policy that for capital expenditure, MRP is determined as 4% of the capital financing requirement (CFR) in respect of that expenditure on a reducing basis.
- However, following a review of CFR (as outlined in the treasury management strategy) it is proposed that the method of applying MRP is changed. The four options made available to the Council are outlined below:

**Option 1: Regulatory Method:** MRP is charged at 4% of the Council's underlying need to borrow for capital purposes: the capital financing requirement (CFR)

**Option 2: CFR Method:** Annual MRP charge is set at 4% of the non-housing CFR at the end of the preceding financial year.

**Option 3: Asset Life Method:** MRP is spread over the useful life of the asset, either in equal instalments, or equal to the principal repayment on an annuity using an appropriate interest rate.

**Option 4: Depreciation method:** MRP is equal to the depreciation provision required in accordance with proper accounting practices to be charged to the comprehensive income and expenditure statement.

- As stated above, the Council currently calculates its MRP using the regulatory method (option 1), however it has been determined that the asset life method (option 3) is more appropriate. For the current CFR, the useful life has been determined as 50 years.

- This approach would be a more prudent approach to MRP than the current method as it will see the CFR fully financed within 50 years whereas the current method will not. Changes to MRP can be implemented in year so these amendments and benefits to the General Fund could be felt in the 2023/24 financial year so the Council may wish to consider making these changes immediately. This approach gives a robust basis and has been recognised as appropriate by the external auditors in a number of Council's in the past. It also allows for borrowing which is not directly linked to a particular asset. Treasury management procedures mean that the cheapest course of action to fund expenditure is to use the Council's uncommitted cash balances before borrowing externally, due to the returns on cash deposits being lower than borrowing rates. This means that we may be able to delay borrowing whilst we use our own cash, hence when we do decide to borrow this is not always directly attributable to a specific asset, it may in fact fund a number of assets or capital enhancements to existing assets. Capital expenditure funded by prudential borrowing in year will not be subject to a MRP charge until the following year or the year after the asset becomes operational if that is beyond the following year.
- Each of the options outlined in this report are recommended by CIPFA and therefore the Council's policy is in line with the guidance.

#### Reducing Balance (Current Method) Vs Annuity Method (Proposed Method)

	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
MRP Reducing Balance 4%	274	263	253	243	233	224
MRP 50-year annuity at 4.50%	38	40	42	44	46	48
<b>Reduction in MRP</b>	<b>236</b>	<b>223</b>	<b>211</b>	<b>199</b>	<b>187</b>	<b>176</b>

- For future unfinanced capital expenditure, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset as the principal repayment on an annuity, starting in the year after the asset becomes operational. MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.

#### **HRA**

- MRP in respect of the £57.423m payment made in 2012 to exit the Housing Revenue Account subsidy system has previously been determined as being equal to the principal amount repaid on the loans borrowed to finance that payment.
- However, as outlined in the Treasury Strategy deferment of the March 2027 MRP has been proposed to relieve balance sheet resources to be invested in the Council's housing stock. Repayment of this will be determined at a later stage.
- According to the HRA medium-term financial plan, MRP will then continue to be applied in line with principal repayments.

Capital expenditure incurred during 2024/25 will not be subject to a MRP charge until 2025/26 or later.

Based on the Council's latest estimate of its capital financing requirement (CFR) on 31st March 2023, the budget for MRP has been set as follows:

	<b>31.03.2024 Estimated CFR</b>	<b>2024/25 Estimated MRP</b>
	<b>£m</b>	<b>£'000</b>
Unsupported capital expenditure after 31.03.2008	6,822	40
<b>Total General Fund</b>	<b>6,822</b>	<b>40</b>
HRA subsidy reform payment	41,584	0
<b>Total Housing Revenue Account</b>	<b>41,584</b>	<b>0</b>
<b>Total</b>	<b>48,406</b>	<b>40</b>

**Overpayments:** In earlier years, the Council has made voluntary overpayments of MRP that are available to reduce the revenue charges in later years. These related to the purchase of receptacles to extend the kerbside recycling scheme in 2013, together with the repayment of the internal borrowing for the Grove Hall Extreme Sports projects. There is no plan to make any VRP in future years.



**South  
Derbyshire  
District Council**

**Capital Strategy  
2024/25 – 2028/29**

## Introduction

This capital strategy report gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in an accessible style to enhance members' understanding of these sometimes-technical areas.

Decisions made this year on capital and treasury management will have financial consequences for the Council for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

## Capital Expenditure and Financing

Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. In local government this includes spending on assets owned by other bodies and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example Property assets costing below £10,000 and vehicles below £5,000 are not capitalised and are charged to revenue in year.

In 2024/25, the Council is planning capital expenditure of £9.8m as summarised below:

*Table 1: Prudential Indicator: Estimates of Capital Expenditure (£)*

	<b>2022/23 Actual</b>	<b>2023/24 Forecast</b>	<b>2024/25 Budget</b>	<b>2025/26 Budget</b>	<b>2026/27 Budget</b>	<b>2027/28 Budget</b>	<b>2028/29 Budget</b>
<b>General Fund services</b>	3,355,210	4,402,138	4,035,387	1,393,000	1,030,000	695,000	685,000
<b>Council housing (HRA)</b>	2,456,166	2,432,186	3,119,676	3,500,000	4,630,000	4,200,000	4,300,000
<b>Capital investments</b>	665,585	340,420	2,650,000	2,424,000	1,850,000	52,500	0
<b>TOTAL</b>	<b>6,476,961</b>	<b>7,174,744</b>	<b>9,805,063</b>	<b>7,317,000</b>	<b>7,510,000</b>	<b>4,947,500</b>	<b>4,985,000</b>

The main General Fund capital projects include revitalising Rosliston Forestry Centre (£832K total project funding), which is still an ongoing project from the 2020 capital bidding round. Delays on this project have been due to public consultations, however it is expected that this project will complete in the new financial year.

There are also several new capital projects approved as part of the 2024/25 budget round. These include a new fleet replacement programme (£7.257m), play area refurbishments (£1.283m) and a new events space (£1.7m). Further smaller projects include, cemetery and green space infrastructure replacement (£660k), shop front replacements (£55k), and new air conditioning and lighting at community centres (£35k).

Sources of funding for these projects (as outlined in the table below) include capital contributions, revenue contributions, internal borrowing, and external funding. The Council was awarded £1.108m of levelling up funding to invest in Swadlincote town centre which has been used to compliment the programme of works.

General Fund Services include the funding received from Derbyshire County Council for the delivery of projects through the Better Care Fund and the BCF Assurance Plan.

The Housing Revenue Account (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately. The Council has a programme of funding major improvements under self-financing to its current housing stock.

**Governance:** In previous years Heads of Service could only bid for capital expenditure when capital funds had been identified as available.

In September 2023, consultations for setting the 2024/25 budget were held with each policy committee for approval. The report outlined key principles to develop budget proposals and stated that capital growth will be considered based on need and innovation.

Under the new approach, Heads of Service bid annually in September to include projects in the Council's capital programme. Bids are collated by Finance who calculate the financing cost (which can be nil if the project is fully externally financed). The bids are then scrutinised by Senior Leadership team, based on a comparison of corporate priorities and financing costs, and makes recommendations to Finance and Management committee as part of the consolidated draft budget in November. The final capital programme is then presented to Finance and Management Committee and to Full Council in February each year.

All capital expenditure must be financed, either from external sources (government grants and other contributions) the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

*Table 2: Capital financing (£)*

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
	<b>Actual</b>	<b>Forecast</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
External sources	2,906,199	2,924,000	2,348,000	820,000	400,000	400,000	400,000
Capital resources	532,052	1,244,362	727,828	355,800	536,000	10,625	0
Revenue resources	3,038,710	3,006,382	5,602,235	4,045,728	4,134,000	4,285,000	4,385,000
Internal Borrowing	0	0	1,127,000	2,095,472	2,440,000	251,875	200,000
Debt	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>6,476,961</b>	<b>7,174,744</b>	<b>9,805,063</b>	<b>7,317,000</b>	<b>7,510,000</b>	<b>4,947,500</b>	<b>4,985,000</b>

Debt is only a temporary source of finance, since loans and leases must be repaid and this is therefore replaced over time by other financing, usually from revenue which is known as the **Minimum Revenue Provision (MRP)**. Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance.

MRP represents the minimum amount that must be charged to a Council's revenue account each year for financing of capital expenditure, which will have initially been funded by borrowing. MRP is important for prudent accounting because it allows a Council to put aside an amount of revenue that can be used towards the capital expenditure that was previously financed through either borrowing or credit.

The Council currently uses the Regulatory method to calculate MRP and the Regulatory method is charged at 4% of the Council's underlying need to borrow for capital purposes, i.e. the Capital Financing Requirement (CFR). However, the Council has explored a more prudent approach to the way it calculates its MRP by using an annuity method. The details have been outlined in the MRP statement.

The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP / loans fund repayments and capital receipts used to replace debt. The CFR is expected to increase by £1.09m during 2024/25. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

*Table 4: Prudential Indicator: Estimates of Capital Financing Requirement (£'000)*

	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget
General Fund services	6,860	6,822	7,909	9,948	11,682	11,464	11,163
Council housing (HRA)	51,584	41,584	41,584	41,584	42,025	41,971	41,914
Capital Financing Requirement	58,444	48,406	49,493	51,532	53,707	53,435	53,077

*The relevant Prudential Indicators for the capital programme are detailed in the Treasury Management Strategy*

**Asset management:** To ensure that capital assets continue to be of long-term use, the Council has a Corporate Asset Management Plan in place. The Corporate Asset Management Plan seeks to align the Council's non-housing property assets to the corporate objectives. The Plan covers the assets under the Corporate Property Section's management and control, and sits alongside the Housing Asset Management Strategy 2016-46, with the latter addressing the management, regeneration and identification of surplus assets held under the Housing Revenue.

**Asset disposals:** When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Council is currently also permitted to spend capital receipts "flexibly" on service transformation projects until 2025/26.

Capital grants, loans and investments also generate capital receipts. The Council's known capital receipts in the coming financial years are as follows:

*Table 5: General Capital receipts (£'000)*

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
	<b>Actual</b>	<b>Forecast</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
Asset sales	589	806	612	612	612	612	612
Land Sales	196	0	0	0	0	0	0
<b>TOTAL</b>	<b>785</b>	<b>806</b>	<b>612</b>	<b>612</b>	<b>612</b>	<b>612</b>	<b>612</b>

Land sales have been achieved through collaboration with adjacent landowners. The deal secured ransom values from third parties and achieved optimum value through the joint master planning of large sites which are attractive to major housebuilders. The last of the planned receipts was paid in 22/23. Asset sales will be achieved through the predicted right to buy receipts.

### **Treasury Management**

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the Current Account.

The Council is currently cash rich in the short-term as revenue income is received before it is spent, but potentially cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

Due to decisions taken in the past, the Council currently has £47.512m borrowing at an average interest rate of 3.19% on fixed term borrowing. Treasury investments total £79m at an average rate of 3.81% (long term investment) and 5.10% in short term investments.

**Borrowing strategy:** The Council's main objectives of borrowing, are to achieve a low but certain cost of finance while retaining flexibility should plans change in the future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans and long-term fixed rate loans where the future cost is known but higher.

The Council does not borrow to invest for the primary purpose of financial return and therefore retains full access to the Public Works Loans Board.

Projected levels of the Council's total outstanding debt are shown below, compared with the capital financing requirement.

*Table 6: Prudential Indicator: Gross Debt and the Capital Financing Requirement (£'000)*

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2027/28</b>
	<b>Actual</b>	<b>Forecast</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
Council housing (HRA)	47,423	37,423	37,423	37,423	27,423	27,423	27,423

Capital Financing Requirement (HRA)	51,584	41,584	41,584	41,584	42,025	41,971	41,914
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Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Council expects to comply with this in the medium term.

**Liability benchmark:** To compare the Council’s actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes that cash and investment balances are kept to a minimum level of £10m at each year-end. This benchmark is currently -£8.03m and is forecast to drop to £11.3m over the next three years.

Table 7: Borrowing and the Liability Benchmark in (£’000)

	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget
Forecast borrowing	47,423	37,423	37,423	37,423	27,423	27,423	27,423
Liability Benchmark	-7,994	-2,784	4,120	11,346	18,559	24,335	28,758

The table shows that the Council expects to remain borrowed below its liability benchmark in the medium term. This is because cash inflows to date have been above the assumptions made when the loans were borrowed and there has been no requirement for additional sums.

However, as balance sheet resources are utilised to cover expenditure and the liability benchmark increases, there may be a need to borrow in the longer term.

**Affordable borrowing limit:** The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Table 8: Prudential Indicators: Authorised limit and operational boundary for external debt (£’000)

	2022/23 limit	2023/24 limit	2024/25 limit	2025/26 limit	2026/27 limit	2027/28 limit	2028/29 limit
Authorised limit – borrowing GF	6,860	6,822	7,909	9,948	11,682	11,464	11,163
Authorised limit – borrowing HRA	51,584	41,584	41,584	41,584	42,025	41,971	41,914
Authorised limit – total external debt	58,444	48,406	49,493	51,532	53,707	53,435	53,077

Operational boundary – borrowing	52,423	42,423	42,423	42,423	32,423	32,423	32,423
Operational boundary – total external debt	52,423	42,423	42,423	42,423	32,423	32,423	32,423

*Further details on borrowing are detailed in the Treasury Management Strategy*

**Treasury Investment strategy:** Treasury investments arise from receiving cash before it is expended. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

The Council’s policy on treasury investments is to prioritise security and liquidity over yield, i.e., to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested with the CCLA Property Fund to balance the risk of loss against the risk of receiving returns below inflation.

Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy, and the Council may request its money back at short notice.

*Table 9: Treasury management investments (£’000)*

	<b>2022/23</b> <b>Actual</b>	<b>2023/24</b> <b>Forecast</b>	<b>2024/25</b> <b>Budget</b>	<b>2025/26</b> <b>Budget</b>	<b>2026/27</b> <b>Budget</b>	<b>2027/28</b> <b>Budget</b>	<b>2028/29</b> <b>Budget</b>
Near-term investments	61,845	46,207	39,303	32,077	14,864	9,388	5,165
Longer-term investments	3,572	4,000	4,000	4,000	4,000	4,000	4,000
<b>TOTAL</b>	<b>65,417</b>	<b>50,207</b>	<b>43,303</b>	<b>36,077</b>	<b>18,864</b>	<b>13,388</b>	<b>9,165</b>

*Forecast totals represents the difference between the liability benchmark and borrowing in table 7 plus the minimum investment balance built into the liability benchmark.*

**Risk Management:** The effective management and control of risk are prime objectives of the Council’s treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses and details the extent to which financial derivatives may be used to manage treasury risks.

**Governance:** Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Strategic Director (Corporate Resources), Head of Finance and staff, who must act in line with the Treasury Management Strategy approved by the Finance and Management Committee. Quarterly reports on treasury management activity are presented to the Finance and Management Committee. The Council’s Audit Sub-Committee is responsible for scrutinising the Treasury Management Framework in response to Auditor’s reports.

*The Councils borrowing and investment strategies are detailed in the Treasury Management Strategy*

## Investments for Service Purposes

The Council makes investments to assist local public services including making grants and loans to local service providers, local small businesses to promote economic growth and the Council's partnerships that provide services.

**Risk Management:** In light of the public service objective, the Council is willing to take more risk than with treasury investments, however it still plans for such investments to break-even/generate a profit after all costs.

**Governance:** Decisions on service investments are made by the relevant service manager in consultation with the Strategic Director (Corporate Resources) and must meet the criteria and limits laid down in the Non-Treasury Investment Strategy which is to be updated. Any loans and shares entered into are capital expenditure and purchases will therefore also be approved as part of the capital programme. The Strategic Director (Corporate Resources) is responsible for ensuring that adequate due diligence is carried out before investment is made.

The Council has no plans to make any material investment in services in the medium term.

## Commercial Activities

With central government financial support for local public services declining, the Council previously invested in commercial property purely or mainly for financial gain with financial return being the main objective. In these cases, higher risks are accepted on commercial investment than with treasury investments.

**Risk management:** With financial return being the main objective, the Council accepts higher risk on commercial investment than with treasury investments.

**Governance:** Decisions on commercial investments are made by the Strategic Director (Corporate Resources) in line with the criteria and limits approved by Finance and Management Committee in the Treasury Management Strategy. Property and most other commercial investments are also capital expenditure and purchases will therefore also be approved as part of the capital programme.

The Council has a small portfolio of commercial properties which are held to earn rentals and/or for capital appreciation. The following table shows the proportion of income from commercial properties to the net revenue of the Council. The estimated decline in income is due to the uncertainty around the letting of bespoke factory premises.

The Council currently has no plans over the medium term to invest in any new commercial activities and follows its non-treasury investment strategy for lower risk returns on surplus funds.

*Table 10: Prudential indicator: Net income from commercial and service investments to net revenue stream.*

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Actual	Forecast	Budget	Budget	Budget	Budget	Budget

Net Income from Commercial and Service Investments to net revenue stream	729,199	738,029	701,997	704,937	707,966	711,085	714,297
Proportion of net revenue stream	2.35%	2.53%	2.26%	2.31%	2.30%	2.29%	2.27%

## **Liabilities**

In addition to debt of £47.423m detailed previously, the Council is committed to making future payments to cover its pension fund deficit. It has also set aside £0.649m to cover risks of appeals against planning and NNDR decisions. No contingent liabilities are currently in place at the Council.

**Governance:** Decisions on incurring new discretionary liabilities are taken by Service Managers in consultation with the Strategic Director (Corporate Resources) and Head of Finance. The risk of liabilities crystallising and requiring payment is monitored by the Head of Finance and reported quarterly to Finance and Management Committee. New liabilities exceeding the materiality threshold are reported to Full Council for approval/notification as appropriate.

*Further details on liabilities and guarantees are on pages 60 and 71 to 76 of the draft 2022/23 Statement of Accounts*

## **Revenue Budget Implications**

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP/ loan fund repayments are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream, i.e., the amount funded from Council Tax, Business Rates and General Government grants. The table below illustrates the cost of the HRA debt to rental income.

*Table 11: Prudential Indicator: Proportion of financing costs to net revenue stream.*

	<b>2022/23 Actual</b>	<b>2023/24 Forecast</b>	<b>2024/25 Budget</b>	<b>2025/26 Budget</b>	<b>2026/27 Budget</b>	<b>2027/28 Budget</b>	<b>2028/29 Budget</b>
Financing costs £m	1,505	1,505	802	802	802	501	501
Proportion of net revenue stream	12.15%	11.69%	5.74%	5.83%	5.69%	3.47%	3.39%

**Sustainability:** Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend far into the future. The Strategic Director (Corporate Resources) is satisfied that the proposed capital programme is prudent, affordable, and sustainable due to the fact that all business cases and plans for expenditure have been submitted and formally approved following strict governance arrangements before funding is made available.

Investments will be measured using appropriate project appraisals such as NPV (net present value) and direct annual revenue effects will also be considered when assessing affordability. A robust system is in place to ensure that due regard is paid to the Code of Practice on a Prudential Approach to Local Council Commitments in preparing the Capital Programme.

### **Knowledge and Skills**

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions.

For example, the Head of Finance is a qualified accountant, the Head of Corporate Property is a qualified Chartered Surveyor, and the Committee are advised by the Section 151 Officer (Chief Finance) Officer who is the Strategic Director (Corporate Resources).

The day-to-day operational responsibility of the Capital Programme is undertaken by the Chief Accountant in the Financial Services Unit at the Council. The Council pays for junior staff to study towards relevant professional qualifications including AAT, CIPFA, ACCA and CIMA for continued professional development and business continuity.

Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers. This approach is considered to be more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.



**South  
Derbyshire  
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**Non-Treasury Investment Strategy 2024/25 – 2028/29**

## **Introduction**

The Council invests its money for three broad purposes:

- because it has surplus cash because of its day-to-day activities, for example when income is received in advance of expenditure (known as treasury management investments),
- to support local public services by lending to or buying shares in other organisations (service investments), and
- to earn investment income (known as commercial investments where this is the main purpose).

This non-treasury investment strategy meets the requirements of statutory guidance issued by the government in January 2018 and focuses on the second and third of these categories.

The statutory guidance defines investments as “all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios.” The Council interprets this to exclude (a) trade receivables which meet the accounting definition of financial assets but are not investments in the everyday sense of the word and (b) property held partially to generate a profit but primarily for the provision of local public services. This aligns the Council’s definition of an investment with that in the 2021 edition of the CIPFA Prudential Code, a more recent piece of statutory guidance.

## **Treasury Management Investments**

The Council typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £20m and £50m during the 2024/25 financial year.

**Contribution:** The contribution that these investments make to the objectives of the Council is to support effective treasury management activities.

Further details: Full details of the Council’s policies and its plan for 2024/25 for treasury management investments are covered in a separate document, the treasury management strategy.

Treasury management investments is not covered by this strategy, please refer to the treasury management strategy.

## **Service Investments: Loans**

**Contribution:** The Council does not currently, but may in the future, lend money to various organisations including its subsidiaries or trading companies, suppliers, local businesses, local

charities, housing associations, local residents and its employees to support local public services and stimulate local economic growth.

**Security:** The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower have been set as follows: [34]

Table 1: Loans for service purposes in £ millions.

Category of borrower	31.3.2023 actual			2024/25
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Subsidiaries	NIL	NIL	NIL	NIL
Suppliers	NIL	NIL	NIL	NIL
Parish councils	NIL	NIL	NIL	NIL
Local businesses	NIL	NIL	NIL	NIL
Local charities	NIL	NIL	NIL	NIL
Housing associations	NIL	NIL	NIL	NIL
Local residents	NIL	NIL	NIL	NIL
Employees	NIL	NIL	NIL	NIL
<b>TOTAL</b>	NIL	NIL	NIL	NIL

Loans made for service purposes will be undertaken on a case-by-case basis and require approval by Full Council. Therefore, there is no approved limit for these loans outlined in the above table, but the option is available following a proper risk and benefit review.

Accounting standards require the Council to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Council's statement of accounts are shown net of this loss allowance. However, the Council makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

**Risk assessment:** The Council assesses the risk of loss before entering and whilst holding service loans by:

- Requesting a business case to support the service loan and reviewing the business case for validity and robustness.
- Completing a financial appraisal of the business case.
- Seeking external advice where necessary to ensure compliance with for example state aid/subsidy law and creditworthiness of the counterparty seeking a service loan.

- Monitoring and undertaking regular reviews of counterparties for credit risk.

### **Service Investments: Shares**

**Contribution:** The Council does not currently, but may in the future, invest in the shares of its subsidiaries or trading companies, its suppliers, and local businesses to support local public services and stimulate local economic growth.

**Security:** One of the risks of investing in shares is that they fall in value meaning that the initial outlay may not be recovered. To limit this risk, upper limits on the sum invested in each category of shares have been set as follows:

Table 2: Shares held for service purposes in £ millions.

Category of company	31.3.2023 actual			2024/25
	Amounts invested	Gains or losses	Value in accounts	Approved Limit
Subsidiaries	NIL	NIL	NIL	NIL
Suppliers	NIL	NIL	NIL	NIL
Local businesses	NIL	NIL	NIL	NIL
<b>TOTAL</b>	NIL	NIL	NIL	NIL

As in Table 1 there are no approved limits for investments of this kind. Applications will be dealt with on a case-by-case basis and require approval by Full Council following a comprehensive review.

**Risk assessment:** The Council assesses the risk of loss before entering and whilst holding shares by:

- Requesting a business case to support the investment and reviewing the business case for validity and robustness.
- Completing a financial appraisal of the investment.
- Seeking external advice where necessary to ensure the creditworthiness of the counterparty; and
- Monitoring and maintain regular review of counterparties for credit risk.

**Liquidity:** To maintain liquidity, the council determines the maximum period for which funds may be prudently committed through financial planning in the Medium-Term Financial Strategy and the Treasury Management Strategy Statement. The Council's cash flow is monitored and reviewed to inform these strategies.

**Non-specified Investments:** Shares are the only investment type that the Council has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Council's upper limits on non-specified investments.

The Council has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

**Commercial Investments: Property**

**Contribution:** The Council invests in local commercial property with the primary aim of supporting local growth, regeneration, and efficient use of local assets. The secondary aim is investment income that will be spent on local public services. Currently the Council only holds commercial investments within the district boundaries in line with these aims.

The following table uses information from the unaudited 2022/23 accounts. Up to date information will be provided once the 2022/23 accounts have been finalised.

Table 3: Property held for investment purposes.

Property	31.3.2023 expected	
	Gains or (losses)	Value in accounts
Industrial Units	-200,000	3,175,000
Offices	-50,000	1,650,000
Snooker Centre	0	98,000
Shops	52,972	2,749,024
Garages	-10,264	1,193,925
<b>TOTAL</b>	<b>-207,293</b>	<b>8,865,949</b>

**Security:** In accordance with government guidance, the Council considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

- Where the value in the accounts is at or above purchase cost: the property investment is deemed to be secure as the property could be sold to cover the purchase cost.
- Where the value in the accounts is below the purchase cost: the investment property portfolio is no longer sufficient to provide security against loss.

**Risk assessment:** The Council assesses the risk of loss before entering into and whilst holding property investments by:

- Assessment of the business case on a case by case basis, reviewing for validity and robustness.
- Financial appraisal of the business case.
- Seeking external expertise and advice where necessary; and
- Assessing the market competition including barriers to entry or exit; market needs; nature and level of competition; ongoing investments required;

- The council will also take into consideration any impact on local businesses before entering into new investments. This is to protect local business's interest in the local market.

**Liquidity:** Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed, the Council has minimised this risk by diversifying its portfolio to ensure that sufficient liquid cash is available at all times.

### **Proportionality**

The Council generates a small amount of income from investment activity. Table 4 below shows the extent to which the expenditure planned to meet the service delivery objectives and/or place making role of the Council is dependent on achieving the expected net profit from investments over the lifecycle of the Medium-Term Financial Plan.

The below table outlines the investment income from commercial investments against the net service expenditure. A more appropriate measure would be the gross service expenditure as that figure would not already be adjusted for income and show a truer reflection of the extent to which income from these commercial investments support the Council's overall revenue expenditure. The gross expenditure figures are not currently available for this report. The below uses net service expenditure to give the reader an idea of the overall scale.

Table 4: Proportionality of Investments £'000

	<b>2022/23 Actual</b>	<b>2023/24 Forecast</b>	<b>2024/25 Budget</b>	<b>2025/26 Budget</b>	<b>2026/27 Budget</b>
Investment income	-752	-1,928	-847	-423	-419
Net service expenditure	17,763	15,750	19,850	20,721	21,112
Proportion	4.23%	12.24%	4.27%	2.04%	1.99%

### **Borrowing in Advance of Need**

Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. The Council does not have any plans to borrowing in advance of need in 2024/25.

### **Capacity, Skills and Culture**

**Elected members and statutory officers:** The Council recognises the importance of ensuring that all Elected Members and Officers involved in investment decisions are fully equipped to undertake the duties and responsibilities allocated to them and have the appropriate capacity, skills and information to enable them to make informed decisions e.g. as to whether to enter into a specific investment. There is a requirement to understand:

- The context of the Council's corporate objectives.
  - The Council's risk appetite and risk assessment framework.
  - The Prudential Framework.
- The regulatory regime within local authorities operations.

The Council will, therefore, seek to appoint individuals who are both capable and experienced and provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge, and skills. The following measures are in place:

- Identification of officer training needs on commercial investment related issues through the reflection process.
- Attendance at relevant training events, seminars, and workshops; and
- Support from the Council's treasury management advisors, Arlingclose.

Elected members' training needs are assessed and a training plan has been developed for 2024/25. The Council will also specifically address this important issue by:

- Periodically facilitating workshops or other training for members on commercial investment issues; and
- Interim reporting and advice to members.

Where necessary the Council will engage external advisers for investment advice, property surveys and due diligence checks. The cost of any such advice will be taken into account when developing business cases and when assessing the overall viability of projects.

**Commercial deals:** The Council has a decision-making framework which is aligned to the requirements of the Statutory Guidance relating to Local Authority Investments. A Commercial Board would be constituted if the requirement arises. The Commercial Board will consider any future commercial opportunities. The guiding principles that will be used will require future commercial projects to:

- Meet the Council's corporate priorities.
- Deliver community benefit.
- Require minimum investment for maximum return.
- Be primarily within the District boundaries, consideration will be given to opportunities outside these boundaries if the benefit to the Council or North West Leicestershire is significant;
- Grow the business base;
- Deliver a diversified portfolio of projects that balance risk and return.

The Commercial Board will assess future commercial investment against the Non-Treasury Investment Strategy. All investments will be subject to rigorous scrutiny and successful schemes will result in the provision of a report to Council for approval. Schemes will be considered for investment against the following criteria;

- Economic Impact – in particular; jobs, business growth and new housing.
- Impact on Market Towns – in terms of vibrancy, footfall and heritage.
- Financial Implications – value for money, affordability and return of investment; and

- Deliverability – the ability to deliver the proposals and the associated risks.

**Corporate governance:** It is important that the Council has sound arrangements in place to ensure accountability, responsibility and authority for decision making on investment activities within the context of the Council’s values. In terms of governance, the Commercial Board will consider all new commercial investment proposals. The Commercial Board may determine an application under delegated powers or may recommend a project to Council for approval. Full Council is responsible for the approval of the Non-Treasury Investment Strategy and for monitoring performance against it.

The Council’s values include transparency in decision-making. To facilitate that, the following arrangements are in place:

- This Corporate Non-Treasury Investment Strategy will be made available on the Council’s website.
- Meetings of the Full Council will be open to the public and the agendas and minutes from such meetings will be shown on the Council’s website.

### **Investment Indicators**

The Council has set the following quantitative indicators to allow elected members and the public to assess the Council’s total risk exposure as a result of its investment decisions.

Total risk exposure: The first indicator shows the Council’s total exposure to potential investment losses. This includes amounts the Council is contractually committed to lend but have yet to be drawn down and guarantees the Council has issued over third party loans. [23]

Table 5: Total investment exposure in £millions

<b>Total investment exposure</b>	<b>31.03.2023 Actual</b>	<b>31.03.2024 Forecast</b>	<b>31.03.2025 Forecast</b>
Treasury management investments	65.417	50.207	43.303
Commercial investments: Property	8.865	8.865	8.865
<b>TOTAL INVESTMENTS</b>	<b>74.282</b>	<b>59.072</b>	<b>52.168</b>
Commitments to lend	0	0	0
Guarantees issued on loans	0	0	0
<b>TOTAL EXPOSURE</b>	<b>74.282</b>	<b>59.072</b>	<b>52.168</b>

**How investments are funded:** Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments

could be described as being funded by borrowing. The remainder of the Council's investments are funded by usable reserves and income received in advance of expenditure.

These figures have been worked out by using the actual and forecast percentage of the overall capital financing requirement (CFR) that is funded by external borrowing and applying that to the value of the investments in Table 5.

Table 6: Investments funded by borrowing in £millions.

<b>Investments funded by borrowing</b>	<b>31.03.2023 Actual</b>	<b>31.03.2024 Forecast</b>	<b>31.03.2025 Forecast</b>
Treasury management investments	53.081	38.815	32.743
Commercial investments: Property	7.193	6.854	6.703
<b>TOTAL FUNDED BY BORROWING</b>	<b>60.274</b>	<b>45.669</b>	<b>39.446</b>

**Rate of return received:** This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 7: Investment rate of return (net of all costs).

<b>Investments net rate of return</b>	<b>2022/23 Actual</b>	<b>2023/24 Forecast</b>	<b>2024/25 Forecast</b>
Treasury management investments	1.15%	3.84%	1.96%
Commercial investments: Property	8.23%	8.33%	7.92%

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<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 11</b>
<b>DATE OF MEETING:</b>	<b>15 FEBRUARY 2024</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR (CORPORATE RESOURCES)</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>DEMOCRATIC SERVICES 01283 59 5722/5889</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>COMMITTEE WORK PROGRAMME</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: G</b>

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**1.0 Recommendations**

1.1 That the Committee considers and approves the updated work programme.

**2.0 Purpose of Report**

2.1 The Committee is asked to consider the updated work programme.

**3.0 Detail**

3.1 Attached at Annexe 'A' is an updated work programme document. The Committee is asked to consider and review the content of this document.

**4.0 Financial Implications**

4.1 None arising directly from this report.

**5.0 Background Papers**

5.1 Work Programme.

**Finance and Management Committee  
Work Programme for the Municipal Year 2023/24**

<b>Work Programme Area</b>	<b>Date of Committee Meeting</b>	<b>Contact Officer (Contact details)</b>
Corporate Plan 2020-24: Performance Report (2022-2023 Quarter 4 – (1 April to 31 March))	08 June 2023	Clare Booth Corporate Performance & Policy Officer (01283) 595788
Consultation of Customer Access Strategy 2023-2026	08 June 2023	Catherine Grimley Head of Customer Services (07979149583)
Treasury Management Annual Report	20 July 2023	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Final Revenue Budget Out-turn 22-23	20 July 2023	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Final Capital Out-turn 22-23	20 July 2023	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Corporate Plan 2020-24: Performance Report (2023-2024 Quarter 1 – (1 April to 30 June))	24 August 2023	Clare Booth Corporate Performance & Policy Officer (01283) 595788
Q1 Quarterly Budget Monitoring Report	24 August 2023	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>

Q1 Treasury Management Report	24 August 2023	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Comments, Compliments, Complaints and Freedom of Information Requests 01 October 2022 to 31 March 2023	24 August 2023	Tracy Bingham Strategic Director (Corporate Resources) <a href="mailto:Tracy.bingham@southderbyshire.gov.uk">Tracy.bingham@southderbyshire.gov.uk</a>
Budget Setting Approach 2024/25	05 October 2023	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Long Term Lease of Shardlow Allotments to Shardlow and Great Wilne Parish Council (Exempt)	05 October 2023	Sean McBurney Head of Cultural and Community Services <a href="mailto:Sean.mcburney@southderbyshire.gov.uk">Sean.mcburney@southderbyshire.gov.uk</a>
Write off: Council Tax Business Rates Benefit Overpayment (Exempt)	05 October 2023	Catherine Grimley Head of Customer Services <a href="mailto:Catherine.grimley@southderbyshire.gov.uk">Catherine.grimley@southderbyshire.gov.uk</a>
Sharpe's Pottery Heritage and Arts Trust (Exempt)	05 October 2023	Mike Roylance Head of Economic Development <a href="mailto:Mike.roylance@southderbyshire.gov.uk">Mike.roylance@southderbyshire.gov.uk</a>
Regrade of Post – Project Officer Environment (HO132) (Exempt)	05 October 2023	Paul Whittingham Head of Housing <a href="mailto:Paul.whittingham@southderbyshire.gov.uk">Paul.whittingham@southderbyshire.gov.uk</a>
Outstanding Internal Audit Recommendations	05 October 2023	Tracy Bingham Strategic Director (Corporate Resources) <a href="mailto:Tracy.bingham@southderbyshire.gov.uk">Tracy.bingham@southderbyshire.gov.uk</a>

Devolution Retrofit Funding	05 October 2023	Craig Lodey Low Carbon Homes Manager <a href="mailto:Craig.lodey@southderbyshire.gov.uk">Craig.lodey@southderbyshire.gov.uk</a>
IT Protocol	05 October 2023	Anthony Baxter Head of Business Change, Digital & ICT <a href="mailto:Anthony.baxter@southderbyshire.gov.uk">Anthony.baxter@southderbyshire.gov.uk</a>
Q2 Quarterly Budget Monitoring Report	23 November 2023	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Q2 Treasury Management Report	23 November 2023	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Draft Consolidated Budget 2024-25	23 November 2023	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Corporate Plan 2020-24: Performance Report (2023-2024 Quarter 2 – (1 July to 30 September)	23 November 2023	Clare Booth Corporate Performance & Policy Officer (01283) 595788
Service Base Budget 2024-25	11 January 2024	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Council Tax Base 2024-25 and Surplus for 2023-24	11 January 2024	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>

Leisure Management Contract Procurement (exempt)	11 January 2024	Sean McBurney Head of Cultural and Community Services <a href="mailto:Sean.mcburney@southderbyshire.gov.uk">Sean.mcburney@southderbyshire.gov.uk</a>
CTS Banded Scheme	15 February 2024	Catherine Grimley Head of Customer Services <a href="mailto:Catherine.grimley@southderbyshire.gov.uk">Catherine.grimley@southderbyshire.gov.uk</a>
Comments, Compliments, Complaints and Freedom of Information Requests 1 April 2023 to 30 September 2023	15 February 2024	Tracy Bingham Strategic Director (Corporate Resources) <a href="mailto:Tracy.bingham@southderbyshire.gov.uk">Tracy.bingham@southderbyshire.gov.uk</a>
Capital Strategy, Treasury Management Strategy & Prudential Indicators	15 February 2024	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Final Proposed Revenue Budget and Capital Programme 2024/25	15 February 2024	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Local Plan Budget	15 February 2024	Steffan Saunders Head of Planning and Strategic Housing <a href="mailto:Steffan.saunders@southderbyshire.gov.uk">Steffan.saunders@southderbyshire.gov.uk</a>
Legal and Democratic Services Resources (FMC1) (exempt)	15 February 2024	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Corporate Resources Directorate Resources (FMC2) (exempt)	15 February 2024	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>

Chief Executive Management Structure (FMC3) (exempt)	15 February 2024	Tracy Bingham Strategic Director (Corporate Resources) <a href="mailto:tracy.bingham@southderbyshire.gov.uk">tracy.bingham@southderbyshire.gov.uk</a>
Review of Communications Team (exempt)	15 February 2024	Fiona Pittam Head of Organisational Development and Performance <a href="mailto:Fiona.pittam@southderbyshire.gov.uk">Fiona.pittam@southderbyshire.gov.uk</a>
Q3 Quarterly Budget Monitoring Report	14 March 2024	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Q3 Treasury Management Report	14 March 2024	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Medium Term Financial Strategy	14 March 2024	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Derby and Derbyshire Strategic Leadership Board	14 March 2024	Mike Roylance Head of Economic Development <a href="mailto:Mike.roylance@southderbyshire.gov.uk">Mike.roylance@southderbyshire.gov.uk</a>
Sundry Debtor Write Offs (Exempt)	14 March 2024	Charlotte Jackson Head of Finance <a href="mailto:Charlotte.jackson@southderbyshire.gov.uk">Charlotte.jackson@southderbyshire.gov.uk</a>
Transformation 2024-2028	14 March 2024	Anthony Baxter Head of Business Change, Digital & ICT <a href="mailto:Anthony.baxter@southderbyshire.gov.uk">Anthony.baxter@southderbyshire.gov.uk</a>

Environmental Services Commercialisation Plan Review	25 April 2024	Matt Holford (Head of Environmental Services) <a href="mailto:Matt.holford@southderbyshire.gov.uk">Matt.holford@southderbyshire.gov.uk</a>
Proposed Policy for Paying Market Supplements	TBC	Fiona Pittam (Head of Organisational Development & Performance) <a href="mailto:Fiona.pittam@southderbyshire.gov.uk">Fiona.pittam@southderbyshire.gov.uk</a>
Climate and Environmental Action Plan Review	TBC	Matt Holford (Head of Environmental Services) <a href="mailto:Matt.holford@southderbyshire.gov.uk">Matt.holford@southderbyshire.gov.uk</a>