



**Dr J Ives**  
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Date: 06 March 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, 14 March 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:  |           |
|    | 11 January 2024   | 4 - 7     |
| 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  | CORPORATE PLAN 2020-2024 PERFORMANCE REPORT (2023-2024 QUARTER 3 1 APRIL TO 31 DECEMBER)      | 8 - 59    |
| 8  | EQUALITY, DIVERSITY AND INCLUSION POLICY  | 60 - 86   |
| 9  | QUARTERLY BUDGET MONITORING 2023-24   | 87 - 121  |
| 10 | TREASURY MANAGEMENT UPDATE 2023-24  | 122 - 145 |
| 11 | MEDIUM TERM FINANCIAL STRATEGY 2024-25 – 2028-29  | 146 - 204 |
| 12 | COMMITTEE WORK PROGRAMME  | 205 - 211 |

### Exclusion of the Public and Press:

**13** 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.

**14** To receive and consider the Exempt Minutes of the following meetings:

11 January 2024

**15** To receive any Exempt questions by Members of the Council pursuant to Council procedure Rule No. 11.

**16** SUNDRY DEBTOR, CTAX, NNDR, HOUSING BENEFIT OVERPAYMENT  
WRITE OFFS

**17** ACQUISITION OF TWO BUNGALOWS IN REPTON

FINANCE AND MANAGEMENT COMMITTEE

11 January 2024

**PRESENT:**

**Labour Group**

Councillor R Pearson (Chair), Councillor L Singh (Vice-Chair) and Councillors D Pegg (substitute for Cllr S Harrison) G Rhind, 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  
Councillor P Watson

FM/80 **APOLOGIES**

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

FM/81 **DECLARATIONS OF INTEREST**

The Committee was informed that Councillor Corbin declared a personal in item FM/90.

FM/82 **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/83 **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/84 **REPORTS OF OVERVIEW AND SCRUTINY**

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

FM/85 **SERVICE BASE BUDGET 2024-25**

The Head of Finance presented the report to the Committee noting that there were no changes since the draft budget and that the Levelling Up Funding received would be subject to a separate report to the Committee.

Councillor Watson raised a query regarding the Management Restructure costs.

The Chief Executive informed the Committee that the figure within the report was an indicative figure and that a full report regarding the restructure would be presented to the Committee and the next meeting.

Members raised concerns regarding the budget deficit and sought clarity regarding the Microsoft TEAMS telephone service, the additional service costs, and procurement costs.

The Strategic Director (Corporate Resources) informed the Committee that that the deficit reserves were covering the short term and that the financial sessions with Members were developing the Medium Term Financial Strategy how the Council could deal with the historical deficit. It was noted that the budget proposals had been through a high degree of scrutiny, with officers, Senior Management and Senior Leadership as well as approval by the relevant Committees.

The Strategic Director clarified that the proposed Microsoft TEAMS telephone service would be more expensive than the current softphones used but would be a more robust system. The Committee was informed that additional service and procurement costs would be subject to separate exempt reports to be presented to the next Committee meeting.

Members supported the budget plan and noted the increased involvement of Members in the budget and commended the reduction of the deficit.

**RESOLVED:**

- 1.1 The Committee considered the proposed revenue budget for this Committee's services for 2024/25 as detailed in Appendix 1 of the report and recommended for Council approval.***
- 1.2 The Committee considered the proposed fees and charges for 2024/25, as detailed in Appendix 2 of the report and recommended to for Council approval.***
- 1.3 The Committee considered the proposed Capital budget for the Committee's services for 2024/25 as detailed in Appendix 3 of the report and recommended for Council approval.***

**FM/86 COUNCIL TAX BASE 2024-25 AND SURPLUS FOR 2023-24**

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

Councillor Corbin sought clarity regarding how the council tax base was worked out.

The Strategic Director addressed the Committee and explained that granted planning development permissions were used to arrive at the Council Tax base.

Councillor Fitzpatrick raised a query regarding the figure for the projected deficit.

The Head of Finance informed the Committee that the in-year projected deficit took into account any fluctuations in council tax reduction schemes.

**RESOLVED:**

***1.1 The Committee approved the Council Tax Base for 2024/25 of 38,809 (equivalent Band D) properties as detailed in Appendix 1 of the report.***

***1.2 The Committee approved that a Council Tax Surplus of £550,000 for 2023/24 be declared on the Collection Fund and that the Council's proportion of £55,000 be transferred to the General Fund in 2023/24.***

**FM/87 COMMITTEE WORK PROGRAMME**

The Strategic Director (Corporate Resources) presented the report.

**RESOLVED:**

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

**FM/88 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.***

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

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

**LEISURE MANAGEMENT CONTRACT PROCUREMENT**

**RESOLVED:**

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

The meeting terminated at 19:00 hours.

COUNCILLOR R PEARSON

CHAIR

<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 7</b>
<b>DATE OF MEETING:</b>	<b>14 MARCH 2024</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>LEADERSHIP TEAM</b>	<b>OPEN DOC:</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>DR JUSTIN IVES (EXT. 5700)</b> <b>TRACY BINGHAM (EXT. 5811)</b>	
<b>SUBJECT:</b>	<b>CORPORATE PLAN 2020-24: PERFORMANCE REPORT (2023-2024 QUARTER THREE 1 APRIL TO 31 DECEMBER)</b>	
<b>WARD (S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: G</b>

## 1.0 Recommendations

- 1.1 That the Committee approves progress against performance targets set out in the Corporate Plan 2020 - 2024.
- 1.2 That the Risk Register for the Committee's services are reviewed.

## 2.0 Purpose of the Report

- 2.1 To report progress against the Corporate Plan under the priorities of Our Environment, Our People and Our Future.

## 3.0 Executive summary

- 3.1 The Corporate Plan 2020 – 2024 was approved following extensive consultation into South Derbyshire's needs, categorising them under three key priorities: Our Environment, Our People and Our Future. The Corporate Plan is central to the Council's work – it sets out its values and vision for South Derbyshire and defines its priorities for delivering high-quality services.
- 3.2 This Committee is responsible for overseeing the delivery of the key priorities and the following key aims:

### **Our People**

- *Supporting and safeguarding the most vulnerable.*
- *Deliver excellent services.*





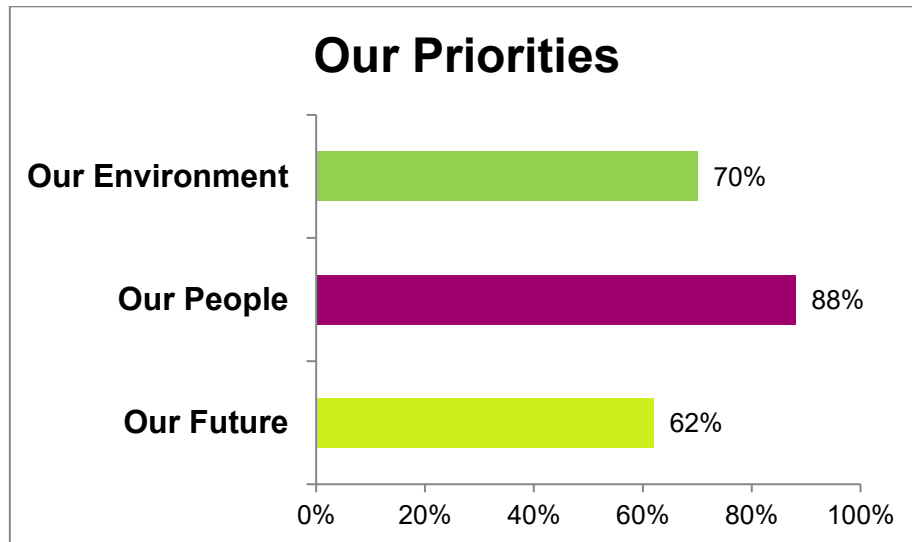
## Our Future

- *Transforming the Council.*

### 4.0 Performance Detail

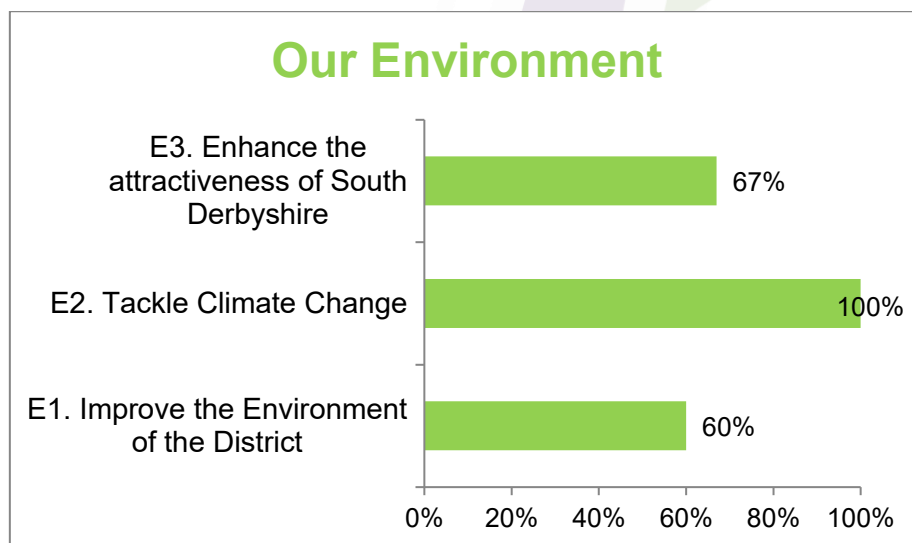
#### 4.1 Overall Council performance against the priorities– Quarter three 2023-2024.

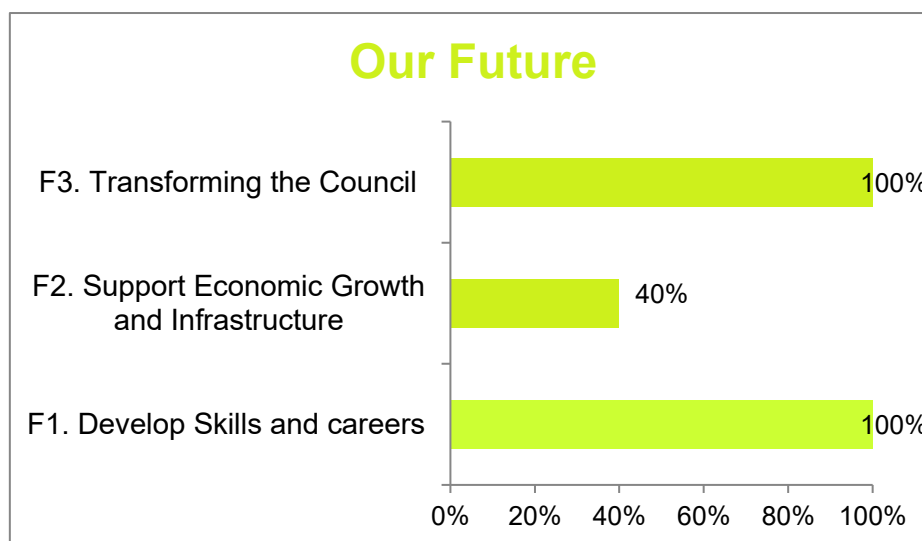
The below chart provides an overview for the percentage of measures that are on track to achieve the annual target.



#### 4.2 Overall Council performance against key aims – Quarter three, 2023-2024.

The below charts provide an overview for the percentage of measures that are on track to achieve the annual target within each key aim of the Corporate Plan.





4.3 Of the 35 measures which support the progress of the Corporate Plan 20-24, 23 are green, one is amber, eight are red and three are grey.

Overall, 68% of the key aims within the Corporate Plan are on track to achieve the four-year target. As at quarter three, 70% of indicators are on track for Our Environment, 88% are on track for Our People and 62% are on track for Our Future.

4.4 This Committee is responsible for overseeing the delivery of eleven Corporate measures.

Below outlines the 10 (91%) measures for this Committee that are on track (green, amber or grey) for the quarter:

- Develop and deliver the Public Buildings programme over four years.
- Increase the number of customers who interact digitally as a first choice.
- Reduce face-to-face contact to allow more time to support those customers who need additional support.
- Number of customer telephone calls answered by Customer Service.



- Increase digital engagement (Twitter, Instagram, Facebook.)
- Increase the level of staff engagement.
- Deliver against the Transformation Action Plan.
- Develop our approach towards the commercialisation of services.
- Number of apprenticeships.
- The Council has a positive health and safety culture.

4.5 There is one measure (1%) for this Committee that is not on track (red) for the quarter:

- Average number of staff days lost due to sickness.

For more detailed information please refer to **Appendix B**, Performance Measure Report Index.

4.6 An overview of performance can be found in the Performance Dashboard in **Appendix A**. A detailed update of the quarterly outturn of each performance measure including actions to sustain or improve performance is included in the detailed Performance Measure Report Index in **Appendix B**.

4.7 Questions regarding performance are welcomed from the Committee in relation to the Corporate performance measures that fall under its responsibility and are referenced in the detailed Performance Measure Report Index in **Appendix B**

## **5.0 Financial and Implications**

None directly.

## **6.0 Corporate Implications**

### **6.1 Employment Implications**

None directly.

### **6.2 Legal Implications**

None directly.

### **6.3 Corporate Plan Implications**

This report updates the Committee on the progress against the key measures agreed in the Corporate Plan and demonstrates how the Council's key aims under the priorities, Our Environment, Our People and Our Future contribute to that aspiration.

### **6.4 Risk Impact**

The Risk Register for the Committee's services is detailed in **Appendix C** Chief Executive Risk Register and **Appendix D** Corporate Risk Register. This includes the register, risk mitigation plans and any further actions for the relevant departmental



risks. Each risk has been identified and assessed against the Corporate Plan aims which are considered to be the most significant risks to the Council in achieving its main objectives. The Risk Register details a risk matrix to summarise how each identified risk has been rated.

The following risks have been updated for quarter three in the Corporate Risk Register:

- CR1 – Universal Credit (UC). Mitigating actions have been updated to advise on the review of the Benefits Team structure to retain technical knowledge and succession plan for the future.
- CR2 - Fraudulent activities. Mitigating actions have been updated to confirm 26 mandatory staff training sessions have been delivered to employees by Derby City Council and the Audit Sub Committee have approved the latest Fraud and Anti-Corruption Action Plan in December 2023.
- CR3 – Procurement Services. The mitigating actions have been updated to confirm a review of internal resources available to manage procurement has now been completed, with new permanent internal resource due to be approved in 2024/25 budget. An Interim Procurement Manager has been appointed to assist with retendering exercise of shared services, a competitive tender exercise for procurement advice and support is in the scoping stage and a cross-Council multidisciplinary officer group, “Spend Matters” has been mobilised to develop the Council’s procurement and contract management approach. The risk rating after mitigating actions has been reduced from six (amber) to three (green.)
- CR9 - Transformation Compliance. Mitigating actions have been updated to confirm transformation compliance has been a key theme when developing the next four-year Council Plan. The Head of Business Change, ICT, Digital has been working with the Leadership Team to define a strong and robust governance procedure to be agreed in Quarter 4.
- CR12 - Government Funding - a reduction in core funding. The mitigating actions have been updated to confirm the draft budget position for 2024/25 is in deficit of £700k. The emerging Medium Term Financial Strategy is due to be presented to April Council for final approval.
- CR13 - The Economy - the impact of the national economic situation locally. The risk rating after mitigating actions has been reduced from nine to six (remaining at amber level – medium risk.) The risk rating has been reduced following the additional control added on the 2024/25 budget setting approach, the mitigating control added is, the Council’s draft budget for 2024/25 has been based on extensive service area engagement and includes sufficient coverage based on known information.
- CR14 - Technology, Data and Security. The mitigating actions have been updated to confirm the new Member IT Protocol was agreed by Finance and Management Committee and was presented at Full Council on 2<sup>nd</sup> November 2023.
- CR16 - Business Continuity. Further actions have been updated to confirm Business Continuity exercise and training of key officers is to be undertaken and business



continuity plans will be created by all service areas. The risk rating after mitigating actions has increased from eight to nine (amber risk).

- CR20 – Health and Safety. Mitigating actions have been updated to confirm the Health & Safety Policy has been reviewed and approved at the Health and Safety Committee on the 24<sup>th</sup> January 2024. Campaigns are held to raise awareness of the importance of reporting incidents and near misses with the use of a QR code to make the process more timely, the use of the QR code being trialled during quarter 4. Health and Safety procedures are being reviewed and will be shared across the Council with supporting resources and training as appropriate. Further actions have been updated to confirm all health and safety related policies are currently under review and will be updated.
- CR21 - Managing the environmental impact of incidents across the District. Certification to ISO14001 retained following an audit in November 2023.
- CR22 – Climate Emergency. The mitigating actions have been updated to confirm the Council Plan 2024-2028 addresses the Council’s significant sources of carbon emissions.
- CR23 - Internet Connection. Further actions updated to confirm following an internet provider fault the ICT department are reviewing further resilient options, part of this includes a new proxy service, the costs have been included in the budget setting process.
- CR24 – Technical Resource. Mitigating actions updated to confirm budget proposals to increase support to ICT will be presented to F&M Committee in quarter 4.
- CR26 – Supply Chain (Operational Service update) The position for the second apprentice has been offered and the successful applicant is due to commence work in February 2024. Recruitment of HGV driver vacancies is underway, completion in quarter 4.
- CR27 – External audit of the Council’s accounts. Further actions have been updated to confirm there are ongoing discussions with External Audit regarding the availability of the audit team to undertake and complete the audit of accounts for 2021/22 and 2022/23, pending receipt of consultations on “clearing the backlog”, the Council’s response to the proposed measures will be prepared.

There have been no changes to the Chief Executive Risk Register in quarter three.

## 7.0 **Community Impact**

### 7.1 **Consultation**

None required.

### 7.2 **Equality and Diversity Impact**

Not applicable in the context of the report.

### 7.3 **Social Value Impact**

Not applicable in the context of the report.



## 7.4 Environmental Sustainability

Not applicable in the context of the report.

## 8.0 Appendices

Appendix A – Performance Dashboard 2020-2024

Appendix B – Performance Measure Report

Appendix C – Chief Executive Risk Register

Appendix D – Corporate Risk Register



Priority	Key Aim	Outcome	Ref	How success will be measured	2019-2020 (baseline) Outturn	Q4 2020-2021: Apr - Mar	Q4 2021-2022: Apr - Mar	Q4 2022-2023: Apr - Mar	Q1 2023-2024: Apr - Mar	Q2 2023-2024: Apr - Sept	Q3 2023-2024: Apr - Dec	Plan Target 2020-2024	Head of Service	Strategic Lead	Committee	
OUR ENVIRONMENT	Keeping a clean, green District for future generations	E1.1 Reduce waste and increase composting and recycling	E1.1A	Household waste collected per head of population	Cumulative (Apr-Mar) 404 kgs Q4 (Dec-Mar) 90kgs	460kgs	416kgs	395kgs	118kgs	229kgs	332kgs	Sustain during Y1 and Y2. See a downward trend in Yrs. 3 and 4	Gary Charlton, Head of Operational Services	Heidi McDougall, Strategic Director, Service Delivery	E&DS	
			E1.1B	% of collected waste recycled and composted	Cumulative (Apr-Mar) 45% Q4 (Jan-Mar)39%	47%	46%	43%	50%	50%	47%	Sustain during Y1 and Y2. See an upward trend in Y3 and Y4	Gary Charlton, Head of Operational Services	Heidi McDougall, Strategic Director, Service Delivery	E&DS	
		E1.2 Reduce fly tipping and litter through education, engagement and zero tolerance enforcement action where appropriate	E1.2A	Number of fly tipping incidents	714 (total figure for 2019/20)	1003	604	590	119	246	380	Downward trend over four years	Matt Holford, Head of Environmental Services	Heidi McDougall, Strategic Director, Service Delivery	E&DS	
			E1.2B	Improve the quality of the District through the Local Environmental Quality Survey	The first survey was completed in January 2020 the result was 89.67% above grade C+. Committee report being prepared. Some service PIs developed to assist overall performance.	Report in Q1 21/22	93.79% of streets meet grade B or higher	96.65% Grade B or above	96.65% Grade B or above	97.4% (Grade B or above)	97.4% (Grade B or above)	>95% (Grade B or above)	Gary Charlton, Head of Operational Services	Heidi McDougall, Strategic Director, Service Delivery	E&DS	
		E1.3 Enhance biodiversity across the District	E1.3A	% of eligible new homes and commercial developments to achieve net gain in Biodiversity by a minimum of 10% compared to the sites pre development baseline.	Not possible to provide as outputs not held in software until April 2020. Monitoring underway and baseline data to be provided Q1 and Q2.	66.7%	66.7%	0	0	0	0	85%	Steffan Saunders, Head of Planning and Strategic Housing	Heidi McDougall, Strategic Director, Service Delivery	E&DS	
		E2. Tackle climate change	E2.1A	Reduce South Derbyshire District Council carbon emissions	No update required for Q4. First update to be provided Q1 2020-21.	Achieved	Achieved	Achieved	Achieved	Target - Publish a revised Climate & Environment Action Plan - Achieved. >90% of actions in the C&EAP to be RAG rated 'Green' - Achieved	>90% of actions in the C&EAP to be RAG rated 'Green' - Achieved	Reduce CO2 emissions through the achievement of actions in the South Derbyshire Climate and Environment Action Plan 2020-24 (C&EAP)	Matt Holford, Head of Environmental Services	Heidi McDougall, Strategic Director, Service Delivery	E&DS	
	E2.2A		% of new homes to meet water efficiency targets as set out in the Part G optional standard of 110 litres of potable water usage per person per day	Baseline figure of 50% based on 18 qualifying decisions in Q4.	100%	75.6%	86%	89.5%	93%	93%	85%	Steffan Saunders, Head of Planning and Strategic Housing	Heidi McDougall, Strategic Director, Service Delivery	E&DS		
	E3. Enhance the attractiveness of South Derbyshire	E3.1A	Increase Swadlincote Town Centre visitor satisfaction	49% of respondents would recommend Swadlincote Town Centre - May 2019. No update required for Q4. First update to be provided Q2 2020-21	55%	60%	66%	66%	66%	66%	National small towns average 72%. Target to be above the National average by 2023/24	Mike Roylance, Head of Economic Development and Growth	Dr Justin Ives, Chief Executive	E&DS		
		E3.2A	The number of Green Flag Awards for South Derbyshire parks	2	Achieved	3	3	3	4	4	Increase from two green flag park awards to four by 2024	Sean McBurney, Head of Cultural and Community Services	Heidi McDougall, Strategic Director, Service Delivery	H&CS		
		E3.2B	Proportion of good quality housing development schemes	92%	Out turn unavailable	Out turn unavailable	Out turn unavailable	Out turn unavailable	Out turn unavailable	Out turn unavailable	90% of schemes which score high	Steffan Saunders, Head of Planning and Strategic Housing	Heidi McDougall, Strategic Director, Service Delivery	E&DS		
	OUR PEOPLE	P1. Engage with our communities	P1.1 Support and celebrate volunteering, community groups and the voluntary sector	P1.1A	Number of new and existing Community Groups supported	36	153 groups	160 groups	216	65	135	191	Year 1 -2(Proxy)- collate baseline data. Year 3-4 we will show an increase on the average over two years (>157)	Sean McBurney, Head of Cultural and Community Services	Heidi McDougall, Strategic Director, Service Delivery	H&CS
			P1.2 Help tackle anti-social behaviour & crime through strong and proportionate action	P1.2A	Number of ASB interventions by type	2,893 ASB reports	Minimal	Moderate	Moderate	Moderate	Moderate	Moderate	Performance to be rated as 'High' or 'Moderate'	Matt Holford, Head of Environmental Services	Heidi McDougall, Strategic Director, Service Delivery	H&CS
P2. Supporting and safeguarding the most vulnerable		P2.1 With partners encourage independent living and keep residents healthy and happy in their homes.	P2.1A	Number of households prevented from Homelessness	103 cases	265 cases	261 cases	182 cases	47 cases	106 cases	205 cases	Proxy Measure to show service activity	John Comber, Interim Head of Housing	Heidi McDougall, Strategic Director, Service Delivery	H&CS	
			P2.1B	Continue to undertake interventions per year to keep families out of fuel poverty	Numbers of interventions in 2019/20 were not recorded	276	210	198	45	162	191	>160 interventions during 2023-2024 640 interventions over the four-year Plan	Matt Holford, Head of Environmental Services	Heidi McDougall, Strategic Director, Service Delivery	E&DS	
		P2.2 Promote health and wellbeing across the District	P2.2A	Deliver the objectives identified in the South Derbyshire Health & Wellbeing Group	Not applicable for Q4	Ongoing delivery of plan	Delivery of Health and Wellbeing Action Plan over 2021-22	Delivery of Health and Wellbeing Action Plan over 2022-23	Action plan for 2023/24 in development to be adopted.	On Track - Delivery against the 5 Keys priorities is underway. all 5 of the priorities are being addressed and intervention is assigned accordingly.	On Track - Delivery against the 5 key priorities is ongoing.	100% of actions identified delivered	Sean McBurney, Head of Cultural and Community Services	Heidi McDougall, Strategic Director, Service Delivery	H&CS	
		P2.3 Improve the condition of housing stock and public buildings.	P2.3A	Deliver the Planned Maintenance Housing programme over four years	£2,717,193.80	114.10% (£ 2,377,625)	89.1% (£2,116,365.65)	89.29% (£1,721,162.36 against total budget for 2022-2023.	22.67% £415,879.94	49.41% £882,083 of £1,785,216 spent.	70.83% £1,264,530.52 of £1,785,216 spent.	100% spend against the planned maintenance budget	John Comber, Interim Head of Housing	Heidi McDougall, Strategic Director, Service Delivery	H&CS	
			P2.3B	Develop and deliver the Public Buildings programme over four years	Project Plan for 2020-21 developed	29 surveys	44 surveys	38 surveys	7 surveys	14 surveys	28 surveys	100% of surveys undertaken	Steve Baker, Head of Corporate Property	Tracy Bingham, Strategic Director, Corporate Resources	F&M	
		P2.3C	Average time taken to re-let Council homes	Q4 157 days YTD 122 days	200 days	156 days	169 days	199.91 days	176.01 days	164.27 days	Median Quartile Performance (Benchmark via Housemark)	John Comber, Interim Head of Housing	Heidi McDougall, Strategic Director, Service Delivery	H&CS		
P2.4 Support social mobility to ensure people have the opportunity to access skilled jobs, higher and further education.	P2.4A	Deliver the objectives identified in the Supporting Aspirations Plan	Ranked >311 in the Social Mobility Commission's Social Mobility Index	Research and data analysis	Supporting Aspirations Action Plan adopted.	Achieved	Reported annually in Q4	Reported annually in Q4	Reported annually in Q4	Deliver the objectives identified in the Supporting Aspirations Plan	Mike Roylance, Head of Economic Development and Growth	Dr Justin Ives, Chief Executive	E&DS			

Priority	Key Aim	Outcome	Ref	How success will be measured	2019-2020 (baseline) Outturn	Q4 2020-2021: Apr - Mar	Q4 2021-2022: Apr - Mar	Q4 2022-2023: Apr - Mar	Q1 2023-2024: Apr - Mar	Q2 2023-2024: Apr - Sept	Q3 2023-2024: Apr - Dec	Plan Target 2020-2024	Head of Service	Strategic Lead	Committee			
P e o p l e	Working with communities and meeting	P3. Deliver Excellent Services	P3.1 Ensuring consistency in the way the Council deal with service users	P3.1A	Increase the number of customers who interact digitally as a first choice	During 2019/20 there were 1,282 council tax and digital forms submitted, 13,912 general website forms via the website and 287 social media enquiries. Total 15,481.	Total: 23,461	Total: 24,405	Total: 25,856	Total: 5,864	Total: 14,400	Total: 21,416	2023-2024 - Upward Trend on 2019/20 baseline data	Catherine Grimley, Head of Customer Services	Tracy Bingham, Strategic Director, Corporate Resources	F&M		
			P3.2 Have in place methods of communication that enables customers to provide and receive information.	P3.2A	Reduce face-to-face contact to allow more time to support those customers who need additional support	2,463 enquiries dealt with at Customer Services Desk. Visitors to office 4,490. Please note this was up to 20 March 2020, when offices closed due to Covid 19. Quarter 4 figures.	0	744 self serve and 115 face to face	8,253	2,092	4,054	6,324	Downward trend <8253	Catherine Grimley, Head of Customer Services	Tracy Bingham, Strategic Director, Corporate Resources	F&M		
			P3.3 Ensuring technology enables us to effectively connect with our communities.	P3.3A	Number of customer telephone calls answered by Customer Service	Total Calls 26,280 (21,350 calls handled & 4,930 automated call payments). Quarter 4 figures.	Total: 98,099	Total: 99,165	85,197	21,142	43,557	63,944	Downward Trend <85,197	Catherine Grimley, Head of Customer Services	Tracy Bingham, Strategic Director, Corporate Resources	F&M		
				P3.3B	Increase digital engagement (Twitter, Instagram, Facebook)	Total FACEBOOK fans: 22,440, total TWITTER followers: 11,448, No Instagram account yet, total ALL SOCIAL MEDIA fans: 33,888. Social Media queries: 287	43,850	49,181	52,682	55,781	58,708	59,848	Upward Trend	Fiona Pittam, Head of Organisational Development & Performance	Tracy Bingham, Strategic Director, Corporate Resources	F&M		
			P3.4 Investing in our workforce	P3.4A	Increase the level of staff engagement	No Q4 Update. First Staff survey to take place in 20/21.	Survey postponed until 21-22	Target not achieved			167 staff attended staff briefing sessions	Employee survey on hold until Q3.	Employee survey launched.	Collate baseline data – proxy measure	Fiona Pittam, Head of Organisational Development & Performance	Tracy Bingham, Strategic Director, Corporate Resources	F&M	
				P3.4B	Number of apprenticeships	4 (1.2% of head count)	5 (1.5% of head count)	6 (1.84% of head count)	9 (2.47% of workforce)	8 ( 2.1% of head count)	10 (2.67% of head count)	10 apprentices - (2.67% of head count)	>2.3% of head count	Fiona Pittam, Head of Organisational Development & Performance	Tracy Bingham, Strategic Director, Corporate Resources	F&M		
				P3.4C	Average number of staff days lost due to sickness	3.58	12.93	10.28	9.64	2.11	4.17	7.44	Downward Trend	Fiona Pittam, Head of Organisational Development & Performance	Tracy Bingham, Strategic Director, Corporate Resources	F&M		
				P3.4D	The Council has a positive health and safety culture	No Q4 update for 19/20. First Staff survey to take place in 20/21.	Postponed until early 22/23	Postponed until early 22-23	81%	72%	75%	73%	Annual upward trend in Health and Safety mandatory training delivered (%) and up to date health and safety policy	Fiona Pittam, Head of Organisational Development & Performance	Tracy Bingham, Strategic Director, Corporate Resources	F&M		
			O u r F u t u r e	F1. Develop skills and careers	F1.1 Attract and retain skilled jobs in the District	F1.1A	Increase the number of employee jobs in South Derbyshire	32,000	32,000 Impacted by Covid-19	31,000 Impacted by Covid-19	34,000	34,000 Reported annually in Q4	34,000 Reported annually in Q4	34,000 Reported annually in Q4	Upward Trend	Mike Roylance, Head of Economic Development and Growth	Dr Justin Ives, Chief Executive	E&DS
					F1.2 Support unemployed residents back into work	F1.2A												
				F2. Support economic growth and infrastructure	F2.1 Encourage and support business development and new investment in the District	F2.1A	Annual net growth in new commercial floorspace (sqm)	2,885 sqm	4,140 sqm	1,665 sqm	28,174 sqm net growth	28,174 sqm net growth Reported annually in Q4	28,174 sqm Reported annually in Q4	28,174 sqm Reported annually in Q4	Net annual growth in commercial floorspace over the four year plan - 49,078 sqm net growth	Mike Roylance, Head of Economic Development and Growth	Dr Justin Ives, Chief Executive	E&DS
					F2.1B	Total Rateable Value of businesses in the District	£67,486,786	£67,341,926	£67,234,722	£67,120,292	£75,432,537	£75,458,747	£75,266,043	Upward trend >£75,132,472	Mike Roylance, Head of Economic Development and Growth	Dr Justin Ives, Chief Executive	E&DS	
F2.2 Enable the delivery of housing across all tenures to meet Local Plan targets	F2.2A	Speed of decision on discharging conditions on housing applications		80%	100%	60.9%	78%	80%	76%	65%	90% within 8-13 weeks or as agreed with the applicant	Steffan Saunders, Head of Planning and Strategic Housing	Heidi McDougall, Strategic Director, Service Delivery	E&DS				
	F2.2B	% of planning applications determined within the statutory period		93%	98%	90.50%	83%	70.50%	80%	76%	>90%	Steffan Saunders, Head of Planning and Strategic Housing	Heidi McDougall, Strategic Director, Service Delivery	E&DS				
F2.3 Influence the improvement of infrastructure to meet the demands of growth.	F2.3A	Secure new facilities and contributions through Section106 to mitigate impacts of development. Achieve all necessary highway, education, healthcare, and recreation contributions		No Q4 update for 19/20. New indicator, data will be collected from April 2020 onwards as retrospective data is not possible to collect.	94%	100%	90%	Reported annually in Q4	Reported Annually in Q4	Reported Annually in Q4	90%	Steffan Saunders, Head of Planning and Strategic Housing	Heidi McDougall, Strategic Director, Service Delivery	E&DS				
F3. Transforming the Council	F3.1 Provide modern ways of working that support the Council to deliver services to meet changing needs.	F3.1A		Deliver against the Transformation Action Plan	No Q4 update for 19/20. Transformation plan to report from Q1 onwards	On target	85%	On target	On target	On target	On target	Deliver 100% against action plan	Anthony Baxter, Head of Business Change and ICT	Tracy Bingham, Strategic Director, Corporate Resources	F&M			
	F3.2 Source appropriate commercial investment opportunities for the Council	F3.2A		Develop our approach towards the commercialisation of services which include grants, sponsorship, fees and charges and operating models and increase the income generated from these activities	Preliminary discussion between Operational Services and Finance have taken place, working group and action plan not yet established					Plan approved at E&DS Committee Sep 23		An Operational Services Commercialisation Plan will be produced which will set out the aims and objectives of the commercialisation of the service for the next three years.	Gary Charlton, Head of Operational Services	Heidi McDougall, Strategic Director, Service Delivery	F&M			



# Corporate Plan 2020-2024

## Performance Measure Report

### Finance and Management Committee

**Team: Organisational Development and Performance**

**Date: March 2024**

Quarter 3, 2023-2024

# Performance Measure Report Index

## Corporate Plan 2020-2024

### Summary

The Corporate Plan 2020-2024 has 35 Corporate Measures which underpin the Council's three priorities Our Environment, Our People, Our Future.

The following Committees are responsible for overseeing the delivery of the following key aims and outcomes:

**Environmental and Development Services Committee (E&DS) are responsible for 17 Corporate measures under the key aims:**

- E1. Improve the environment of the District.
- E2. Tackle climate change.
- E3 Enhance the attractiveness of South Derbyshire.
- P2. Supporting and safeguarding the most vulnerable
- F1. Develop skills and careers.
- F2. Support economic growth and infrastructure.

**Housing and Community Services Committee (H&CS) are responsible for seven Corporate measures under the key aims:**

- E3. Enhance the attractiveness of South Derbyshire.
- P1. Engage with our communities.
- P2. Supporting and safeguarding the most vulnerable.

**Finance and Management Committee (F&M) are responsible for 11 corporate measures under the key aims:**

- P2. Supporting and safeguarding the most vulnerable.
- P3. Deliver Excellent Services.
- F3. Transforming the Council.

**Finance and Management Committee (F&M) are responsible for the following 11 corporate measures.**

## **Our People**

### **Measure**

- Develop and deliver the Public Buildings programme over four years
- Increase the number of customers who interact digitally as a first choice
- Reduce face-to-face contact to allow more time to support those customers who need additional support
- Number of customer telephone calls answered by Customer Services
- Increase digital engagement (Twitter, Instagram, Facebook)
- Increase the level of staff engagement
- Number of apprenticeships
- Average number of staff days lost due sickness
- The Council has a positive health and safety culture

## **Our Future**

### **Measure**

- Deliver against the Transformation Action Plan
- Develop an approach towards the commercialisation of services which include grants, sponsorship, fees and charges and operating models and increase the income generated from these activities.

**Priority: Our Future**

**F3.1 Provide modern ways of working that support the Council to deliver services to meet changing needs.**

<b>Measure and Reference</b>	<b>F3.1A Deliver against the Transformation Action Plan</b>	<b>Committee</b>	F&M		
<b>Definition</b>	In order to deliver services to meet the needs of the organisation, the Council needs a robust plan to identify areas of improvement, evaluate and benchmark a target operating model and map a route to achieving our ambitions.	<b>Why this is Important</b>	The Transformation Plan provides a focal point for major change in the organisation, evaluating conflicting priorities, allocating resources, escalating problem and above all else, manage core programmes of work by documenting progress.		
<b>What Good Looks Like</b>	Each year the Head of Business Change, ICT & Digital will present a workplan for adoption, outlining projects, milestones and resources needed to achieve the objectives set by the Corporate Plan.				
<b>History of this Indicator</b>	The Council is committed to improving outcomes and outputs for its stakeholders as is evident in the Corporate Plan.				
<b>2019/20 Baseline Data</b>	Not applicable				
<b>Reporting Year</b>	<b>Annual Target</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
2020/21	Deliver 100% against action plan	On target	On target	On target	On target
2021/22	Deliver 100% against action plan	On target	Quarterly target not achieved	Continue to deliver the annual transformation plan including the emerging Future Service Delivery programme	85%
2022/23	Deliver 100%	On target	On track	On track	Complete

	against action plan				
2023/24	Deliver 100% against action plan	On target	On target	On track	

<b>Performance Overview - Quarterly Update</b>	<b>Actions to sustain or improve performance</b>
<p>Each Project Executive has reported good progress with transformation projects in quarter three. Highlights on progress are detailed below:</p> <p>Testing has been completed for the proposed routes from the route optimisation project which is due to go live on the 26<sup>th</sup> February 2024.</p> <p>Procurement process and financial approvals have been confirmed for the waste back-office solution and a committee report will be presented early 2024.</p> <p>A range of forms for customer contact relating to Council tax have been built within the intelligent forms package as well as an enhanced 'Contact Us' web form. This enhancement provides a better customer experience in relation to completion of the form as well as better quality information captured and forwarded to the Council tax team for processing</p> <p>In addition to the enhanced web forms, the Customer Services team have gone live with the introduction of the Customer Relationship Management tools within the Digital Platform solution, which allows for customer accounts to be created and cases to be raised against customer accounts.</p> <p>Scoping work to inform the tender process for a replacement Environmental Health and Licencing solution has been completed. The tender is live and will be evaluated in early 2024.</p>	<p>n/a</p>

Priority: Our Future

F3.2 Source appropriate commercial investment opportunities for the Council

<b>Measure and Reference</b>	<b>F3.2A Develop our approach towards the commercialisation of services which include grants, sponsorship, fees and charges and operating models and increase the income generated from these activities</b>	<b>Committee</b>	F&M		
<b>Definition</b>	Using Council assets wisely, trading services with others across the public and private sectors and selling commodities to generate income.	<b>Why this is Important</b>	As funding shrinks exploring new ways to maximise our income is essential, in order to protect valuable frontline services and ensure positive outcomes for our local communities.		
<b>What Good Looks Like</b>	Year 1 to form a working group and define the action plan Year 2 to 4 deliver 100% against the action plan and sustain an upward trend in income generation				
<b>History of this Indicator</b>	New indicator				
<b>2019/20 Baseline Data</b>	Baseline data to be collated during 20-21				
<b>Reporting Year</b>	<b>Annual Target</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
2020/21	Year 1 to form a working group and define the action plan	On target	On target	On target	On target
2021/22	deliver 100% against the action plan and sustain an upward trend in income generation	Quarterly outcome not achieved	Quarterly outcome not achieved	No change from last quarter	No change from last quarter
2022/23	A corporate action plan collating Council department strands of commercialisation is to be drafted by then end of Quarter four.	No change from last quarter	No change from last quarter	n/a	No change from last quarter

2023/24	An Operational Services Commercialisation Plan will be produced which will set out the aims and objectives of the commercialisation of the service for the next three years.	No change from last quarter	Plan approved at E&DS Committee Sep 23		
<b>Performance Overview - Quarterly Update</b>		<b>Actions to sustain or improve performance</b>			
The Leadership Team are reviewing the corporate approach to commercialisation as part of the overall review to the corporate plan.		Operational Services staff are continuing to develop new trade waste clients to support commercialisation, there have been four new customers signed up to the service. Also during quarter 3, Environmental Health have been commissioned by Amber Valley Council to supply EH advice to planning applications, at a value of circa £10k per annum.			

**Priority: Our People**

**P2.3 Improve the condition of housing stock and public buildings.**

<b>Measure and Reference</b>	<b>P2.3B Develop and deliver the Public Buildings programme over four years</b>	<b>Committee</b>	<b>F&amp;M</b>		
<b>Definition</b>	The purpose of the Performance Indicator is to measure progress in the completion of condition surveys and a Planned Maintenance Programme over the term of the Corporate Plan.	<b>Why this is Important</b>	Completion of Public Buildings condition surveys and a planned maintenance programme will ensure the Council's buildings are fit for purpose, with repairs undertaken in a proactive, efficient and prioritised manner.		
<b>What Good Looks Like</b>	The portfolio contains 149 Public Building Assets. 100 % of the portfolio will be surveyed over the life of the Corporate Plan				
<b>History of this Indicator</b>	No historical monitoring of this indicator				
<b>2019/20 Baseline Data</b>	Not applicable				
<b>Reporting Year</b>	<b>Annual Target</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
2020/21	25% of assets to be surveyed and the planned maintenance programme for phase one to be created	Software tested and calibrated	Condition surveys on the five largest assets have been completed	Carry out further surveys on 12 more of the Public Buildings portfolio.	29 surveys
2021/22	30% of surveys to be undertaken.	9.1% (11 Surveys)	16% (22 Surveys)	33 surveys	44 surveys
2022/23	25.5% (38 surveys undertaken)	10 surveys	20 surveys	20 surveys	38 surveys
2023/24		7 surveys	14 surveys	28 surveys	
<b>Performance Overview - Quarterly Update</b>		<b>Actions to sustain or improve performance</b>			
To date the Council have completed condition surveys for 139 of the 149 assets (Council's public buildings). 93% of assets have had condition surveys completed to		Not applicable.			



<p>date. This measure is on track to achieve the target to undertake condition surveys on all assets by year end.</p>	
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**Priority: Our People**

**P3.1 Ensuring consistency in the way the Council deal with service users**

<b>Measure and Reference</b>	<b>P3.1A Increase the number of customers who interact digitally as a first choice</b>	<b>Committee</b>	<b>F&amp;M</b>		
<b>Definition</b>	Increase number of customers who interact/raise service requests with the Council using online forms, web chat, and integrated social media, versus alternative methods (phone, face-to-face etc).	<b>Why this is Important</b>	The Council has an ambition to enable online interaction, to reduce the cost-of-service transaction and increase customer satisfaction. This will provide more time to support those who need additional support by telephone or face-to-face.		
<b>What Good Looks Like</b>	Increased number of customers who choose to raise service requests digitally with the Council – whether through the Council’s Customer Relationship Management (CRM) platform, web chat, integrated social media or supporting digital systems (such as council tax, planning and housing systems).				
<b>History of this Indicator</b>	The Council has not yet adopted a centralised digital platform to enable true online interactions, however, has been adopting improved forms and new forms to boost digital interactions until a new CRM is in place.				
<b>2019/20 Baseline Data</b>	During 2019/20 there were 1,282 council tax and digital forms submitted, 13,912 general website forms via the website and 287 social media enquiries. Total 15,481.				
<b>Reporting Year</b>	<b>Annual Target</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
2020/21	Upward trend	Total: 5,693	Total: 11,393	Total: 17,322	Total: 23,461
2021/22	>22,242 (upward trend year on year)	Total: 5,301	Total: 10,491	Total: 15,379	Total 24,405
2022/23	Upward trend	Total: 6,021	Total: 16,334	Total 21,245	Total: 25,856
2023/24	Upward Trend on 2019/20 baseline data>15,481.	Total: 5,864	Total: 14,400	Total: 21,416	
<b>Performance Overview - Quarterly Update</b>			<b>Actions to sustain or improve performance</b>		

Further online forms went live this month including which included frequent contact council tax enquiries and a 'contact us' form. This has enabled customer contact to be directed more efficiently to the relevant department resulting in faster response times.

'My South Derbyshire' customer online portal user testing is underway. Once live, the portal will allow customers to raise service requests quickly and efficiently whilst also tracking progress along the way.

**Priority: Our People**

**P3.2 Have in place methods of communication that enables customers to provide and receive information.**

<b>Measure and Reference</b>	<b>P3.2A Reduce face-to-face contact to allow more time to support those customers who need additional support</b>	<b>Committee</b>	F&M		
<b>Definition</b>	Decrease the number of face-to-face interactions, by offering enhanced alternative methods of contact (phone and online) to enable the Council to provide a better service to those customers who need additional support.	<b>Why this is Important</b>	The Council has an ambition to enable online interaction and to enhance telephone support services available. This will enable the Council to better support those customers who need more personalised support face-to-face.		
<b>What Good Looks Like</b>	To see a downward trend in the number of face-to-face customers through Customer Services.				
<b>History of this Indicator</b>	The Council has already seen a decrease in numbers of face-to-face visitors since the introduction of the Council's website, which provides answers to a variety of basic queries and the payment kiosk, which supports self-service payments.				
<b>2019/20 Baseline Data</b>	31,986 face to face enquiries (2018/2019) Q4 (Jan-Mar) 6,953 (2,463 enquiries dealt with at Customer Services Desk. Visitors to office 4,490)				
<b>Reporting Year</b>	<b>Annual Target</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
2020/21	Downward trend	No visitors due to Covid-19	No visitors due to Covid-19	No visitors due to Covid-19	0
2021/22	Downward trend (based on pre-Covid-19)	0	0	0	744 self-serve and 115 face to face
2022/23	Downward trend (based on pre-Covid-19 levels <31,986)	2,470	4,496	6,359	8,253
2023/24	Downward trend <8253	2,092	4,054	6,324	

<b>Performance Overview - Quarterly Update</b>	<b>Actions to sustain or improve performance</b>
<p>Of the 2,270 visitors who attended the Civic Offices in quarter three, 1,392 of these were dealt with by Reception, a Customer Service Advisor spoke to 329 of them via the telephone booth and 32 of them required a face-to-face interaction with a Customer Service Advisor. Therefore, 90% of customers who attended the Civic Offices to speak to a Customer Service Advisor could have had their queries resolved via the telephone or online instead if they wished. Further online forms have also gone live this quarter including a 'contact us' form that directs the customers enquiry to the correct team for it to be dealt with quickly and efficiently.</p>	<p>Customer Service Advisors are continuing to promote alternative access channels to customers that may be more easily accessible for them than physically attending the Civic Office. Support and training in using our digital channels is being offered to all customers who attend the offices where there isn't a requirement to do so.</p>

**Priority: Our People**

**P3.3 Ensuring technology enables us to effectively connect with our communities.**

<b>Measure and Reference</b>	<b>P3.3A Number of customer telephone calls answered by Customer Service</b>	<b>Committee</b>	F&M		
<b>Definition</b>	The Council has an ambition to handle an increased number/variety of customer calls at first point of contact, vs transferring to back-office teams. Initially this will result in an increase of calls into the contact centre, which will reduce over time, in parallel with the introduction of increased online tools.	<b>Why this is Important</b>	The Council has an ambition to enable customers who wish to interact online with the council to do so, and better support those customers who need more personalised support by phone or face to face.		
<b>What Good Looks Like</b>	Initially an increase in numbers of calls/variety of calls into the contact centre is anticipated, followed by a decrease in overall calls, following the introduction and roll out of digital tools.				
<b>History of this Indicator</b>	The Council has already seen a decrease in numbers of telephone calls following the introduction of the Council's website which provides answers to a variety of basic queries and some online forms.				
<b>2019/20 Baseline Data</b>	95,896 telephone calls received (2019/20). 76,804 calls handled & 19,092 automated call payments.				
<b>Reporting Year</b>	<b>Annual Target</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
2020/21	Downward trend <95,896	Total: 22,387	Total: 44,701	Total: 69,812	Total: 98,099
2021/22	Downward trend <98,099	Total: 26,756	Total: 51,866	Total: 74,981	Total: 99,165
2022/23	Downward trend <99,165	Total: 22,872	Total: 45,412	Total: 66,188	Total: 85,197
2023/24	Downward Trend <85,197	Total: 21,142	Total: 43,557	Total: 63,944	
<b>Performance Overview - Quarterly Update</b>		<b>Actions to sustain or improve performance</b>			
Additional online self-service forms have gone live in this quarter reducing telephony		End user testing has started with the 'My South Derbyshire' portal. Once live, this			

contact further into Customer Services with customers choosing to use the new Granicus 'contact us' form and frequently used council tax enquiry forms online instead. Those who continue to choose to access our service via the telephone have seen their call wait time reduce by almost 50% compared to the same quarter last year, with the average wait time for this quarter being just 2.30 minutes.

will allow customers to raise their own service requests online and track progress along the way. This will further reduce the number of telephone calls from customers chasing progress, allowing those who still choose to contact us by telephone to speak to a Customer Service Advisor quicker.

**Priority: Our People**

**P3.3 Ensuring technology enables us to effectively connect with our communities.**

<b>Measure and Reference</b>	<b>P3.3B Increase digital engagement X (formerly known as Twitter), Instagram and Facebook)</b>		<b>Committee</b>	F&M	
<b>Definition</b>	To increase the volume and quality of social media interaction with residents and customers on all Council social media platforms.		<b>Why this is Important</b>	Social media captures customers who are already digitally engaged/aware and more likely to engage with the Council digitally and acts as a good springboard to digital service delivery.	
<b>What Good Looks Like</b>	Increase number of proactive social media engagement from the Council through the Communications team, result in an increased number of engaged citizens.				
<b>History of this Indicator</b>	The engagement rate, sentiment and follower/fan base on our social media accounts has significantly evolved since 2017. The creation of the central Facebook page in 2017 and a more strategic approach – more residents are now choosing this method.				
<b>2019/20 Baseline Data</b>	Number of Facebook (central and departmental) fans and Twitter (central and departmental) followers 33,888.				
<b>Reporting Year</b>	<b>Annual Target</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
2020/21	Upward trend	34,340	39,924	42,723	43,850
2021/22	Upward trend	44,989	46,853	48,409	49,181
2022/23	Upward trend	51,990	51,762	52,232	52,682
2023/24	Upward trend	55,781	58,708	59,848	
<b>Performance Overview - Quarterly Update</b>			<b>Actions to sustain or improve performance</b>		
During Quarter three the number of Facebook followers was 45,144 and the number of X (formerly known as Twitter) followers was 12,757. The Council’s			The Communications Team will look to concentrate on content for our newer social accounts of Instagram and LinkedIn (which require a more specialised focus) to grow our overall digital engagement.		



Instagram account has contributed to an overall total of 1,947 Instagram followers.

The overall number of social media followers in quarter three is 59,848, an increase of 7,616 compared to the same quarter last year.

Campaigns in Quarter three have included Armistice and Remembrance Day, Black History Month, Christmas activities and the Butterfly Conservation project at Rosliston Forestry Centre.

**Priority: Our People**

**P3.4 Investing in our workforce**

<b>Measure and Reference</b>	<b>P3.4A Increase the level of staff engagement</b>	<b>Committee</b>	F&M		
<b>Definition</b>	This indicator is designed to measure the level of staff engagement and how satisfied staff are working for the Council. Satisfaction will be measured using the Council's annual employment survey and two pulse surveys. In addition to staff briefing sessions.	<b>Why this is Important</b>	Employee engagement is a workplace approach resulting in the right conditions for all staff to give of their best each day, committed to the Council's Corporate Plan and values. An engaged workforce supports the achievement of our key priorities.		
<b>What Good Looks Like</b>	An annual upward trend in return rates and satisfaction.  This measure to be based on the results from the Employment Survey and Pulse Surveys. In addition to, the staff briefing sessions.				
<b>History of this Indicator</b>	New indicator – No recent history available				
<b>2019/20 Baseline Data</b>	New Indicator - first survey to take place in 2020				
<b>Reporting Year</b>	<b>Annual Target</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
2020/21	No target for year 1	Reported annually in Q4	Reported annually in Q4	Survey postponed until 21-22	Survey postponed 22-23
2021/22	Annual Increase in the % of Staff completing the survey	Survey postponed 22-23	Survey postponed 22-23	254 staff attended staff briefing sessions in September 2021	Target not achieved
2022/23	Proxy Measure - Establish Baseline Data	Corporate methodology for pulse surveys approved and submitted	246 staff attended staff briefing sessions on Flexible Working Policy in July 2022	182 people responded to staff Flexible Working consultation	N/A
2023/24	Collate baseline data	167 staff attended staff	Employee survey on	Employee Survey launched	

	– proxy measure	briefing sessions	hold until Q3.
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<b>Performance Overview - Quarterly Update</b>	<b>Actions to sustain or improve performance.</b>
<p><b><u>Employee Survey</u></b></p> <p>During this quarter, the annual Employee Survey was launched and the closing date for responding was 22 December 2023.</p> <p>Staff were able to complete the survey either on-line from the Council’s intranet, using a QR code and completing from a smart phone or tablet and paper copies were provided for front line workers to use. An external supplier has been engaged to run the survey and ensure the confidentiality and anonymity of responses.</p> <p>The responses are being analysed with a high-level report being produced, followed by a more detailed report broken down by different services/demographics of the workforce during the final quarter of this year. This will be presented to Leadership Team and then be shared with the workforce, Trade Unions and Elected Members.</p> <p>An action plan can then be formulated to address and promote the key themes identified from the employee survey. This information will also be used to inform the People Strategy to take forward different workstreams to develop and improve the working arrangements for the current and future workforce.</p> <p><b><u>Values Engagement Sessions</u></b></p> <p>Eight engagement sessions were held with staff to enable them to choose and/or propose the values to be included in the Council Plan 2024-2028. Four sessions were held on teams, three sessions held for front line workers, one directorate based (Cultural and Community) and a poll was opened on Connect for any member of staff that had been unable to attend one of the previous sessions. 60% of the total workforce attended</p>	<p>n/a</p>

these sessions, with representation from across all service areas.

The Leadership Team have been presented with a rank order of values alongside new ones proposed taken from the feedback at these sessions, these seven values have been presented to Elected Members and have been approved for inclusion in the Council Plan 2024-2028.

**Priority: Our People**

**P3.4 Investing in our workforce**

<b>Measure and Reference</b>	<b>P3.4B Number of apprenticeships and expenditure against the apprenticeship levy</b>	<b>Committee</b>	F&M		
<b>Definition</b>	The number of apprenticeships posts or expenditure against the apprenticeship levy is defined as the number of posts established for apprentices or where existing employees can access funding from the apprenticeship levy. This will be a numerical outcome showing a positive increase trend from the previous year.	<b>Why this is Important</b>	To invest in the Council's current and future workforce through the provision of entry level posts and access to further academic qualifications that will support succession planning and build resilience across the Council.		
<b>What Good Looks Like</b>	The purpose of this PI is to see an increased trend over four years leading to full expenditure of the Apprenticeship Levy for a financial year (April – March each year).				
<b>History of this Indicator</b>	In the last financial year (April 2019 to March 2020), we spent approximately 34% of our levy funds (total input into the levy was £27,479, spend was £9,263.11).				
<b>2019/20 Baseline Data</b>	1.2% (4 apprentices)				
<b>Reporting Year</b>	<b>Annual Target</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
2020/21	>2.3% of head count	4 (1.2% of head count)	4 (1.2% of head count)	5 (1.5% of head count)	5 (1.5% of head count)
2021/22	>2.3%	3 (0.9% of head count)	6 (1.84% of head count)	6 (1.84% of head count)	6 (1.84% of head count)
2022/23	>2.3% of head count	6 (1.84% of head count)	6 (1.82% of head count)	6	9 (2.47% of workforce)
2023/24	>2.3% of head count	8 active apprenticeships - 2.1% of the workforce	10 (2.67% of head count)	10 (2.6% of head count)	
<b>Performance Overview - Quarterly Update</b>			<b>Actions to sustain or improve performance</b>		
During Quarter 3, one colleague has stopped their higher-level apprenticeship due to work commitments given significant			Q4 sees the return of National Apprenticeship Week, and plans have been made to celebrate this within the		

<p>changes in their service area - this was approved by the Chief Executive. This has left ten current apprenticeships active. One of these is due to finish in Q4, however this will be balanced by a new apprenticeship in Operational Services - this has been approved and the post has been filled subject to employment checks.</p> <p>Quarter 3 saw the first upskilling session for current apprentices held; feedback demonstrated this was useful and successful and plans for a second session will commence for either the latter part of Q4 or the beginning of 2024-5 Q1. This will demonstrate the Council's commitment to quality places which should support marking the Council as an employer of choice.</p> <p>At present, there are no further plans for hiring new apprentices, however continued efforts are made to ensure that hiring managers do consider apprenticeships when vacancies arise (see below for further details). Likewise, opportunities for upskilling via apprenticeships continue to be offered through key schemes such as Personal Development Reviews and the Council's leadership programme.</p> <p>For the first time in four years, we have had no funds from the levy expire in Q2 which is a testament to the increasing commitment to hiring or upskilling via apprenticeships. For Q3, expired levy funds will increase due to the financial year end and dates of expiration coming closer.</p> <p>Current Levy Funds: £77,151  Total Levy Q3: £11,522.50  Total Spend Q3: £13,133.75  Expired Levy Q3: £0</p>	<p>Council through soundbites and apprentice interviews. In addition, there are plans to work with Burton College to promote T Level opportunities to colleagues. It is hoped that this will prompt colleagues to consider the benefits of educational opportunities for promoting home-grown talent within the Council.</p> <p>The second cohort of the Council's leadership programme will be offered the opportunity to complete a coaching or leadership apprenticeship in Q4 as their programme develops, so it is hoped this will open opportunities for professional development.</p> <p>The apprenticeship upskilling sessions are set to continue on a twice-yearly basis to support all apprentices through their courses and ensure they have the opportunities needed to thrive in their careers.</p>
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**Priority: Our People**

**P3.4 Investing in our workforce**

<b>Measure and Reference</b>	<b>P3.4C Average number of staff days lost due to sickness</b>	<b>Committee</b>	<b>F&amp;M</b>		
<b>Definition</b>	The measure is designed to monitor the levels of employee absence from work due to ill-health. The target of eight days is in line with targets/performance nationally.	<b>Why this is Important</b>	Reducing the number of absences will provide an indication of the health and wellbeing of the workforce and reduce the impact on service delivery, resulting in savings arising from the payment of Occupational and Statutory Sick Pay and any secondary costs		
<b>What Good Looks Like</b>	To see a downward trend in the average number of working days lost per employee over four years and be in line with the rates for comparable sized district/borough Councils.				
<b>History of this Indicator</b>	This indicator has formed part of the corporate performance indicator set for a number of years. (2018/19 -11.38, 2017/18 -11.63)				
<b>2019/20 Baseline Data</b>	2018/19 - 11.38 days 2019/20 10.65 days				
<b>Reporting Year</b>	<b>Annual Target</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
2020/21	Downward trend	3.68	8.01	11.6	12.93
2021/22	Downward trend	2.11	4.79	7.55	10.28
2022/23	Downward trend	2.47	4.41	7.10	9.64
2023/24	Downward trend	2.11	4.17	7.44	
<b>Performance Overview - Quarterly Update</b>		<b>Actions to sustain or improve performance</b>			
The third quarter outturn figure is higher than the previous quarter (3.24 for quarter 2 and 2.27 at quarter 2). The predicted end of year outturn figure is 0.28 days higher than the previous year at 9.92 days per employees compared to 9.64 in 2022/23.		With the support provided by HR, the cases of long-term absences and a review of repeated short terms absences are being managed in line with the Attendance Management Procedure (AMP).			

<p>The number of employees on long term sick has been consistent during the quarter with actions taken to enable employees to return to work as soon as possible.</p> <p>The number of long-term absences has exceeded the number of days lost to short term absence.</p> <p>All cases are being managed in line with the Attendance Management Procedure and each case has a dedicated HR Officer supporting the Manager. Monthly reports on levels of absences, reasons and trends are completed and provided to Leadership Team.</p> <p><b>Benchmark information.</b></p> <p>East Midlands Councils complete an annual survey with authorities in the East Midlands. For the reporting year 2022/23, 75% of councils provided data and the average number of days lost by authority type are;</p> <p>District/boroughs with in house services (Refuse/ /Housing DLO) = 9.56 days per person  District/boroughs without in house services = 9.03 days per person</p> <p>Based on our current performance levels, our expected outturn figures will be 0.36 days (3.7%) higher than comparable Councils with in house services in 2022/23.</p> <p>Absence levels in County's were reported as 10.97 days and Unitary at 10.52 days per person.</p> <p>It was a 50/50 split in responses from Council showing an increase or decrease from the number of days reported in the previous year.</p> <p>70% of Councils reported that the main cause of absence was linked to long term absences (using their own definitions).</p>	<p>Training is provided in stress awareness and mental health along with a range of supporting materials made available for managers and employees. Mandatory training is also provided in managing absences from work for managers and supervisors.</p> <p>In quarter 4, a new mandatory course for Managers on Mental Health Skills for Managers from MHFA for England resources is being provided.</p> <p>Health and wellbeing interventions will also continue to be made available to staff. This will include training, videos and materials; raising awareness of the importance of physical health and reminding all employees to seek support should they need it.</p> <p>A campaign to support the national Mental Health Awareness week in quarter 1 2024/25 is being developed with the support of external partners. Additional on-site Occupational Health clinics or referrals will also be made to provide professional, independent medical advice on any cases before decisions are taken on the employees continued employment.</p> <p>Work will continue on progressing new ways of flexible working that will enable services to continue to be delivered remotely where possible subject to meeting the needs of customers. The impact on levels of employee attendance is expected to be positive and this will be kept under review.</p>
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**Priority: Our People**

**P3.4 Investing in our workforce**

<b>Measure and Reference</b>	<b>P3.4D The Council has a positive Health and Safety culture</b>		<b>Committee</b>	F&M	
<b>Definition</b>	The purpose of this performance indicator is to see an increased trend in the delivery of health & safety training and to ensure the Council's Health & Safety Policy is robust and up to date.	<b>Why this is Important</b>	The Council has statutory duties under the Health and Safety at Work Act 1974 to ensure the health and safety of the workforce. This measure will indicate how well the statutory duties and other non-statutory activities are being implemented.		
<b>What Good Looks Like</b>	Upward trend in Health and Safety mandatory training and up to date health and safety policy.				
<b>History of this Indicator</b>	New indicator – No previous history available				
<b>2019/20 Baseline Data</b>	New Indicator - No baseline data				
<b>Reporting Year</b>	<b>Annual Target</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
2020/21	Upward trend	Reported annually in Q4	Reported annually in Q4	Reported annually in Q4	Postponed until early 22/23
2021/22	Upward trend	Postponed until early 22/23	Postponed until early 22/23	Postponed until early 22-23	Postponed until early 22-23
2022/23	Proxy - establish baseline	27 employees trained	N/a	Postponed 22-23	81%
2023/24	Annual upward trend in the delivery of Health and Safety mandatory training (>81%) and an up-to-date health and safety policy	72%	75%	73%	
<b>Performance Overview - Quarterly Update</b>			<b>Actions to sustain or improve performance</b>		

<p>The review of the Health and Safety Policy has now been completed along with the equality impact assessment and the Policy was approved in H&amp;CS Committee on the 24<sup>th</sup> January. The DSE procedure is in the process of being reviewed and updated, this will be completed in January 2024.</p>	<p>The employee survey has taken place and closed 22nd December. Information from this survey is to be analysed.</p>
<p>During quarter 3, there have been a total of 21 incidents. In quarter 2 there was a total of 31 incidents which is a decrease of 10. 8 incidents involving members of the public (MOP) 13 incidents involving employees.</p>	<p>To increase the percentage of staff who have completed the Health &amp; Safety Awareness training, two courses per month will be run for the next 3 months. These courses will take the form of one face-to-face and one online course per month. This will allow more members of staff to participate. Health and safety awareness training has also been arranged for elected members, and this will take place on 3 February 2024.</p>
<p>During quarter 3, three incidents have been reported to the Health and Safety Executive in line with the Reporting of Injuries, Diseases and Dangerous Occurrences (RIDDOR) Regulations.</p>	<p>A campaign to raise awareness of the importance of reporting near misses is going to be trailed in quarter 4 with the intention of this then being rolled out across the council. This campaign will involve the scanning of a QR code to enable staff to log near misses quickly and easily. This will be supported with training and other supporting materials for staff to report near misses using the QR code. A review will then take place before further action is taken.</p>
<p>Nine different training courses have been provided that have resulted in 198 delegates attending. This has included H&amp;S Awareness, Stress Awareness, Environmental Awareness, Lone Working and Personal Safety, Reversing Assistance for front line workers, risk assessment, incident reporting and investigation along with an open session provided to raise awareness amongst staff on the health condition Parkinsons Disease and the impact it has on the person. The number of first aiders and fire wardens have been updated and a full fire evacuation has taken place at the Civic offices. Staff are still being encouraged to completed DSE assessments, and when needed staff are being referred to Posturite to advise on specialist equipment required for individuals. The use of the SoloProtect devices remain part of the lone working arrangements in place across all different service areas supplemented by the continued updating and sharing of a Potentially Violent Person Register.</p>	<p>The Health &amp; Safety officer will continue to review and update Health and Safety policies and procedures. Professional health and safety support will continue to be given across all service areas, and any ad-hoc training which is required will be delivered by the Health and Safety Officer, or other providers depending on the specialism of the training required.</p>
	<p>A project is starting regarding the SoloProtect devices. A report has been run and shows a high percentage of staff are not regularly using their device. The project will identify which devices can be reallocated to other staff and to provide additional support and guidance to staff who should be using them on a more regular basis.</p>

# Quarter 3, 2023-2024 Chief Executive Risk Register

REF	RISK TITLE & DESCRIPTION	RISK CAUSE	RISK IMPACT	RISK CATEGORY <i>Strategic, Resource Operational Financial Knowledge management Compliance, Partnership</i>	Current Risk Rating (See table below for guidance)			CONTROLS IN PLACE TO MITIGATE THE RISK	Risk Rating after mitigations (See table below for guidance)			FURTHER ACTION REQUIRED	SUMMARY OF CHANGE SINCE LAST QUARTER	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING			
CE1	Economic development partnerships	Failure of economic development partnerships	Leading to an adverse impact on businesses and local economy	Partnership	2	2	4	<ul style="list-style-type: none"> <li>Proactive engagement in partnerships and with individual partners.</li> <li>Commitment of officer time and resources to partnership activities.</li> </ul>	1	2	2	<ul style="list-style-type: none"> <li>Monitoring of projects and performance.</li> </ul>	No change in Q3.	Head of Economic Development and Growth
CE2	South Derbyshire Partnership working	Failure of the South Derbyshire Partnership	Leading to non-delivery of the community's vision and priorities set out in the Community Strategy	Partnership / Strategic	2	3	6	<ul style="list-style-type: none"> <li>Proactive support for partnership.</li> <li>Commitment of officer time and resources to partnership facilitation.</li> <li>Engagement of partners in policy making and project design and delivery.</li> </ul>	1	3	3	<ul style="list-style-type: none"> <li>Monitoring of projects and performance by Strategic Co-ordinating Group.</li> </ul>	No change in Q3.	Head of Economic Development and Growth
CE4	Effectively manage the election process and canvassing.	Failure of joined up Council approach	Leading to a failed election process	Strategic	2	2	4	<ul style="list-style-type: none"> <li>Elections Project Team in place and meets as necessary with representatives from all services involved.</li> <li>Arrangements in place for an Election to be called at short notice.</li> <li>Arrangements in place for Referenda/By-Elections to be called.</li> </ul>	1	2	2	<ul style="list-style-type: none"> <li>Monitoring of service delivery under review consistently</li> </ul>	No change in Q3.	Head of Legal and Democratic Services

## Risk Matrix Template

The table below outlines how the impact and likelihood of the risk is scored using the threshold and description as guidance.

Impact	Very High (4)	4	8	12	16	<div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; background-color: red; margin-right: 5px;"></div> 12-16  <div style="width: 15px; height: 15px; background-color: orange; margin-right: 5px;"></div> 6-9  <div style="width: 15px; height: 15px; background-color: green; margin-right: 5px;"></div> 1-4                 </div>	<b>Significant Risk</b>  <b>Medium Risk</b>  <b>Low Risk</b>
	High (3)	3	6	9	12		
	Medium (2)	2	4	6	8		
	Low (1)	1	2	3	4		
		Remote (1)	Possible (2)	Probable (3)	Highly Probable (4)		
		Likelihood					

Impact	Thresholds and Description
1 – Low	Limited impact on service objectives if any, section objectives unlikely to be met, financial loss less than £10,000, no media attention
2 – Medium	Slight delay in achievement of service objectives, minor injuries, financial loss over £50,000, adverse local media attention, breaches of local procedures
3 – High	Significant threat to Council objectives. Non-statutory duties not achieved, permanent injury, financial loss over £100,000, negative national media attention, litigation expected, serious issues raised through inspection, breakdown of confidence of partners.
4 – Very high	Objectives cannot be delivered. Statutory duties not achieved, death, financial loss over £500,000, adverse national media attention, litigation almost certain, prosecutions, breaches of law, inspection highlights inadequate service, Council unable to work with partner organisation
Likelihood	Thresholds and Description
1 – Remote	May occur only in exceptional circumstances (e.g. once in 10 years)
2 – Possible	Unlikely to occur but could at some time (e.g. once in three years)
3 – Probable (in two years)	Fairly likely to occur at some time or under certain circumstances (e.g. once in two years)
4 – Highly probable (in 12 months)	Will probably occur at some time or in most circumstances (e.g. once in 12 months)

## Corporate Risk Matrix

The below table summarises the risk likelihood and impact for risks after controls have been put in place to mitigate the risk.

Impact	Very High (4)				
	High (3)	CE2			
	Medium (2)	CE1, CE4			
	Low (1)				
		Remote (1)	Possible (2)	Probable (3)	Highly Probable (4)
		Likelihood			

CE1	Economic development partnerships	Failure of economic development partnerships
CE2	South Derbyshire Partnership working	Failure of the South Derbyshire Partnership

CE4	Effectively manage the election process and canvassing.	Failure of joined up Council approach
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## Quarter 3, 2023-2024 Corporate Risk Register

REF	RISK TITLE & DESCRIPTION	RISK CAUSE	RISK IMPACT	RISK CATEGORY  Strategic Resource Operational Financial Knowledge management Compliance, Partnership	Current Risk Rating (See table below for guidance)			CONTROLS IN PLACE TO MITIGATE THE RISK	Risk Rating after mitigations (See table below for guidance)			FURTHER ACTION REQUIRED	SUMMARY OF CHANGE SINCE LAST QUARTER	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING			
CR1	Universal Credit (UC)	Ongoing changes to the welfare system and Universal Credit impact on resources in Benefits and Customer Services.	Resources allocated to the team are not in line with workload demands.	Financial and Resource	4	1	4	<ul style="list-style-type: none"> <li>The Local Council Tax Reduction Scheme has been redesigned to improve the customer experience and make it easier/more efficient to administer. The scheme was adopted by the Council in February 2022 and is in place from 2022-2023.</li> <li>A service review will ensure the team is flexible and can adapt to changes in workload in future years.</li> <li>Following a major system upgrade, improved document management functions, the introduction of a linked CRM system and automation are being explored to increase productivity within the team and improve interaction with customers.</li> <li>The Customer Service Advisor post has been recruited.</li> <li>DWP UC migration notices will begin to be issued to tax credit (CTC/WTC) only claimants in South Derbyshire from August 2023.</li> <li>The Benefits Subsidy and Compliance Manager has reduced working hours to part time, a review of the Benefits Team structure is to be undertaken to ensure technical knowledge is retained within the team and a comprehensive succession plan is in place for the future.</li> </ul>	2	1	2	Continually monitor the workload and resources allocated to the team.	Mitigating actions updated to advise on the review of the Benefits Team structure to retain technical knowledge and succession plan for the future.	Head of Customer Services
CR2	Fraudulent activities	The possibility of fraud being undetected.	National studies show fraud leads to a significant loss of resources within the Public Sector as a whole.	Financial and Reputational	4	3	12	<ul style="list-style-type: none"> <li>The Council has a Shared Service Arrangement with Derby City Council which supports the delivery of the Council's Anti-Fraud &amp; Corruption Plan, which aims to introduce stronger anti-fraud processes across council tax, business rates, benefits, Right to Buy, social housing, supported accommodation and wider service areas. The unit also delivers fraud awareness training across the Council. This agreement was extended for 2023-2024.</li> <li>Public agencies such as the DWP and HMRC increasingly share data with local authorities on a real-time basis. This allows compliance checks to take place to spot and eliminate the potential for fraud and error in a timely manner.</li> <li>Single Person Discount checks on Council Tax are also regularly undertaken.</li> <li>26 mandatory staff training sessions have been delivered to employees by Derby City Council.</li> <li>Audit Sub Committee approved the latest Fraud and Anti-Corruption Action Plan in December 2023</li> </ul>	2	2	4	<p>The Fraud Unit have an annual work programme which is considered and approved by the Audit Sub-Committee. Outcomes are also reported to the Audit Committee.</p> <p>Regular meetings held with Derby City Council.</p>	Mitigating actions updated to include mandatory training delivered and the Audit Sub Committee have approved the latest Fraud and Anti-Corruption Action Plan in December 2023.	Head of Customer Services

REF	RISK TITLE & DESCRIPTION	RISK CAUSE	RISK IMPACT	RISK CATEGORY  Strategic Resource Operational Financial Knowledge management Compliance, Partnership	Current Risk Rating (See table below for guidance)			CONTROLS IN PLACE TO MITIGATE THE RISK	Risk Rating after mitigations (See table below for guidance)			FURTHER ACTION REQUIRED	SUMMARY OF CHANGE SINCE LAST QUARTER	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING			
CR3	Procurement Services	Limited resources to enable good quality advice and support for Services.	The Council does not have its own procurement department	Resource	3	3	9	<ul style="list-style-type: none"> <li>The Council is part of a Shared Service Arrangement with other Derbyshire Agencies and has access to a wider pool of resources for support and advice.</li> <li>Review of internal resources available to manage procurement complete, with new permanent internal resource due to be approved in 2024/25 budget.</li> <li>Interim Procurement Manager appointed to assist with retendering exercise of shared service.</li> <li>Competitive tender exercise for procurement advice and support in scoping stage</li> <li>Cross-council multidisciplinary officer group, "Spend Matters" mobilised to develop the Council's procurement and contract management approach.</li> </ul>	1	3	3	Review and update the Council's Procurement Strategy and Contract Procedure Rules.	<p>Risk rating after mitigation reduced from 6 to 3 to reflect actions undertaken.</p> <p>Further actions move to controls following implementation.</p>	Corporate Resources, Strategic Director
CR4	Public Building	Ensuring public buildings are safe and have adequate repair budgets to ensure they remain fit for purpose.	Funding available within the budget provisions to deliver the planned maintenance programme.	Financial and Compliance	2	3	6	<ul style="list-style-type: none"> <li>The additional repairs reserve has addressed the risk in the short term.</li> <li>Condition surveys are being undertaken with a view to preparing a planned maintenance programme and comparing estimated costs against available budgets.</li> <li>The safety measures identified within the Covid-19 risk assessments have been implemented.</li> </ul>	2	2	4	Continually monitor and review the repair budgets to ensure adequate funding is available for the Planned Maintenance Programme going forward.	No change in Q3.	Head of Corporate Property
CR7	Payroll Service	There is no additional capacity or expertise within the team to cope with any down time.	Employees and members not receiving payments due is significant.	Resource	4	4	16	<ul style="list-style-type: none"> <li>A report was approved in August 2021 for the approval to look into a new system or provide additional resources.</li> <li>There is a support function for payroll provision available to the Council from the supplier of the payroll software which can be utilised in an emergency.</li> <li>Discussions regarding cover of the payroll service are currently underway with the software supplier to make the detail more formal.</li> </ul>	1	2	3	Discussions with third parties are on-going regarding the provision of Payroll services.	No change in Q3.	Head of Finance

REF	RISK TITLE & DESCRIPTION	RISK CAUSE	RISK IMPACT	RISK CATEGORY  Strategic Resource Operational Financial Knowledge management Compliance, Partnership	Current Risk Rating (See table below for guidance)			CONTROLS IN PLACE TO MITIGATE THE RISK	Risk Rating after mitigations (See table below for guidance)			FURTHER ACTION REQUIRED	SUMMARY OF CHANGE SINCE LAST QUARTER	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING			
CR9	Transformation Compliance	Committing to already allocated resources or finances of projects outside the annual work programme for ICT and Business Change	The Council has signed up to a Transformation Roadmap which would be adversely affected and not delivered therefore failing the corporate plan target.	Strategic	4	2	8	<ul style="list-style-type: none"> <li>Ensure all Heads of Service are aware of the roadmap and the implications of adding additional projects.</li> <li>Ensure Transformation Steering Group members understand when they are involved in other work how that affects the ability to deliver critical transformation projects.</li> <li>Key TSG members feeding back any discussions or ongoing work relating to unauthorised projects as soon as possible. Transformation compliance has been a key theme when developing the next four-year plan. The Head of Business Change, ICT, Digital has been working with the Leadership Team to define a strong and robust governance procedure to be agreed in Quarter 4.</li> </ul>	3	2	6		Mitigating actions have been updated to include an update on transformation compliance in the Council Plan 2024-2028.	Head of Business Change, ICT, Digital
CR10	Banking and Counterparty Limits	Authorised signatories being unavailable, Internet failure resulting in no access to the bank accounts.	Result in a breach of the approved counterparty limits set by the Council.	Resource	4	3	12	<ul style="list-style-type: none"> <li>Annual leave and meetings of both approvers and administrative functions are monitored by the team to ensure any potential risks are mitigated.</li> <li>5 administration staff have responsibility for setting up transfers of cash therefore any external internet failure is mitigated by having at least 2 other staff to take over the process.</li> <li>There are 3 approvers for banking transactions, 2 of which are the S151 and Deputy S151 Officers. At least 1 of these officers is always available for approvals.</li> <li>Cash flow forecasts are updated daily, and any known transfers are set up in advance.</li> <li>The risk of the Internet failure is mitigated through risk CR23.</li> </ul>	1	1	1		No change in Q3.	Head of Finance
CR11	Failure of systems external to Finance	The Academy system interfaces data for Housing Benefit, Council Tax and Business Rates daily. The AIM system interfaces cash files daily.	Impacts of Customer accounts and financial statements not being up to date with cash paid and the FMS not including all assets and liabilities resulting in potential qualification of the Financial Statements.	Compliance and reputational	2	3	6	<ul style="list-style-type: none"> <li>An annual maintenance fee is paid to the system providers for system support and disaster recovery.</li> <li>Daily reconciliations of cash are completed by the Finance team to ensure that any failure is recognised immediately. To prevent any reputational issues, a major failure would result in debt collection reminders being delayed.</li> <li>Bank accounts are also reconciled daily, and any missing cash files would be manually transferred into the FMS to ensure the Debtor position is correct.</li> <li>Council Tax, Business Rates and Housing Benefit interface files are reconciled monthly but the processing of the interface files is a manual task so any failure of file generation would be recognised immediately and reported to the IT Helpdesk.</li> <li>An upgrade to the Academy system has taken place.</li> </ul>	1	1	2		No change in Q3.	Head of Finance



REF	RISK TITLE & DESCRIPTION	RISK CAUSE	RISK IMPACT	RISK CATEGORY  Strategic Resource Operational Financial Knowledge management Compliance, Partnership	Current Risk Rating (See table below for guidance)			CONTROLS IN PLACE TO MITIGATE THE RISK	Risk Rating after mitigations (See table below for guidance)			FURTHER ACTION REQUIRED	SUMMARY OF CHANGE SINCE LAST QUARTER	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING			
CR12	Government Funding - a reduction in core funding	As a growth area, the Council's proportion of core (Government) funding is heavily reliant on the New Homes Bonus (NHB) and Business Rates, and this has started to reduce.	The Council's core funding was reduced by £418,000 between 2021/22 to 2022/23 and by a further £100,000 in 2023/24.  If this trend continues, then the Council will need to review its income and expenditure ahead of the MTFP.	Financial	4	3	12	<p><b>Financial Planning</b></p> <ul style="list-style-type: none"> <li>The Council plans its finances over five years for the General Fund and 10 years for the Housing Revenue Account. Its financial target of achieving a minimum level of contingency balance on a rolling five-year basis allows for a planned and timely approach to address any financial difficulties.</li> <li>The Medium-Term Financial Plan (MTFP) is regularly reviewed, updated, and reported to the Finance and Management Committee on a quarterly basis.</li> </ul> <p><b>Current Financial Position</b></p> <ul style="list-style-type: none"> <li>Overall, the General Fund currently shows a healthy position due to the level of reserves, although the medium-term projection forecasts an increasing deficit in future years as it highlights increasing expenditure to meet the population growth, but a reduction in Government funding.</li> <li>Projected budget deficits could be financed from reserves if required, although this would become unsustainable after 2025/26.</li> <li>The Council has approved that no new revenue spending, over and above that approved by the Council in February 2023, is committed until the medium-term situation becomes clearer.</li> <li>Draft budget position for 2024/25 is deficit of £700k.</li> <li>Emerging Medium Term Financial Strategy due to be presented to April Council for final approval.</li> </ul>	4	3	12	Develop a new Medium Term Financial Strategy.	Mitigating actions have been updated to confirm the draft budget for 2024-25 is in deficit of £700k. The emerging Medium Term Financial Strategy is due to be presented to April Council.	Strategic Director, Corporate Resources
CR13	The Economy - the impact of the national economic situation locally.	Rising inflation and a gap in the supply of materials, services, and labour.	Rising costs, the availability of materials and pressure on recruitment and retention.	Financial	4	3	12	<p><b>Support for Local Businesses</b></p> <ul style="list-style-type: none"> <li>The Government has provided various funding and support for local businesses and residents to help them overcome the impact of Covid-19 and more latterly, with support for energy bills and the cost of living.</li> </ul> <p><b>Regeneration</b></p> <ul style="list-style-type: none"> <li>In addition, major residential development has largely continued and following an initial downturn in planning applications in April 2020, they have since shown a strong and sustained upward turn.</li> </ul>	2	3	6	Keep under review through quarterly reporting.	Risk level reduced following additional control on 2024/25 budget setting approach.	Strategic Director, Corporate Resources

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								<ul style="list-style-type: none"> <li>The Finance and Management Committee approved a new capital investment programme of approximately £4 million on 8 October 2020 which is providing resources for investment in regeneration and community projects.</li> </ul> <p><b>Treasury Management</b></p> <ul style="list-style-type: none"> <li>The MTFP is not reliant on interest rates increasing from the current level to generate revenue on its reserves and balances. Recent increases in interest rates are a direct benefit to the Budget.</li> <li>Apart from debt associated with its Council Housing, the Council is debt free. Regarding the HRA debt, this is now all fixed interest rates and is affordable within the Housing Revenue Account's financial plan.</li> </ul> <p><b>Base Budget</b></p> <ul style="list-style-type: none"> <li>The Council's draft budget for 2024/25 has been based on extensive service area engagement and includes sufficient coverage based on known information.</li> </ul>						
CR14	Technology, Data and Security – keeping pace with developments in IT, together with the management and security of data	There is a potential security risk for running outdated or unsupported systems.  Employees not following due process in relation to IT and data security.	There is potential to loss operational data and for reputational damage, together with possible fines, should a data breach occur.	Strategic	4	4	16	<p><b>IT Upgrades and Development</b></p> <ul style="list-style-type: none"> <li>The Council has an ICT replacement programme in place which directs hardware and corporate infrastructure upgrades. This is resourced through provision in the IT base budget, together with an IT Asset Replacement Reserve. New laptops, smartphones and an upgrade to Microsoft 365 was completed in 2020.</li> </ul> <p><b>Security of Systems</b></p> <ul style="list-style-type: none"> <li>The Council is currently compliant with the Government's Public Services Network requirements.</li> <li>Regular Internal Audit Reviews test the robustness of systems and the infrastructure with recommendations to strengthen the ICT environment being reported to and monitored by the Audit Sub-Committee.</li> <li>Due to potential virus attacks, measures are in place to restrict Internet access and to control the use of mobile devices.</li> <li>Continually updated and patched digital estate including firewall servers and antivirus.</li> </ul>	3	3	9	Induction process for all new starters as part of the employee lifecycle	Mitigating actions updated to confirm the new Member IT Protocol was agreed at F&M and Full Council in Quarter 3.	Head of Business Change, ICT, Digital

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							12	<p><b>Security of Data</b></p> <ul style="list-style-type: none"> <li>Regular briefings and guidance documents are issued to raise awareness of data and security issues. An E-learning package is completed annually by all Officers with access to Council systems and equipment.</li> <li>The Council's Data Protection Officer has direct access to the Leadership Team on matters concerning Information Governance.</li> <li>Whilst staff have been working remotely communications have been sent to remind of the dangers of cyber-attacks. The security in place is the same for end users regardless of location therefore hardware and software need no special arrangements in response to COVID working practices, however staff are the first, last, strongest, and weakest chain in our defences. A mandatory Cyber Security e-learning package must be completed annually. A number of procedures and policies are also in place that mandate more secure ways of working such as no use of personal email addresses and devices, information classification and encryption.</li> <li>The Council is currently upgrading its telephone infrastructure to enable full compliance with the Payment Card Industry (PCI) regulations. The implementation of actions to strengthen security and the safeguarding of data subject to PCI, are being monitored by the Audit Sub-Committee.</li> <li>An updated Member IT protocol has been agreed by Finance and Management Committee and was presented at Full Council on the 2<sup>nd</sup> November 2023.</li> </ul>			9	The Learning & Development Officer will provide quarterly reports to the Head of BC&ICT to confirm the % of staff who have completed the E learning training.		
CR16	Business Continuity	Flu Pandemic Fuel Shortage Loss of Buildings ICT Failure	Loss of Service provision	Operational	3	4	12	<ul style="list-style-type: none"> <li>Some aspects of this risk can be transferred as business interruption cover is in place as part of the Council's Property Insurance Policy.</li> <li>Business Continuity and Emergency Plans are in place and regularly reviewed in accordance with the Civil Contingencies Act. The Council buys in support from Derbyshire County Council to ensure that the Council's plans remain up to date.</li> <li>Risk assessments and action plans are in place and resources made available to provide employees with the equipment to work from home wherever possible as well as access to resources to support their physical and mental health and wellbeing.</li> <li>The Council continues to deliver all of its services. This is being undertaken within national guidelines and in conjunction with</li> </ul>	3	3	9	Business Continuity exercise and training of key officers to be undertaken.  Service area Business Continuity plans to be created by all service areas.	Further actions around BC exercise and training updated to include training of key officers.  Risk profile modified.	Strategic Director, Corporate Resources

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								other agencies in Derbyshire. Guidance is being provided to staff and the public regarding on-going services and to help protect health and well-being. <ul style="list-style-type: none"> <li>A new Flexible Working Policy was implemented on Friday 1<sup>st</sup> July. This allows staff to work remotely and at different sites within the needs of customers and the Service. Regularly review of the Flexible Working Policy undertaken.</li> <li>Reports submitted to F&amp;M Committee in January and February 2023 on the implementation of the Flexible Working Policy,</li> <li>Elected Member Plan and Business Continuity plan is available.</li> </ul>						
CR17	Capacity and Resilience	Recruitment/retention of difficult to recruit/retain posts.	The Council will be unable to deliver the key priorities set out in the Corporate Plan and in addition services will be severely impacted upon	Operational	4	3	12	<ul style="list-style-type: none"> <li>Market Value supplements is being explored and a report will be presented to Committee for consideration.</li> <li>Job Evaluation Framework is being reviewed and a report will be presented in 2023/24.</li> </ul>	3	2	6	People Strategy is being developed	No change in Q3.	Head of Organisational Development & Performance
CR18	Terrorism and potentially violent situations	As a public body there is a potential for the Council and its workforce to become a target.	From time to time, members of the workforce do face individual threats while undertaking their duties.	Operational	3	4	12	<ul style="list-style-type: none"> <li>Lone working systems in place including a 'Solo-Protect' warning and call for assistance system.</li> <li>A Potentially Violent Persons Policy and Risk Register are in place.</li> <li>Alarms and warning system in place in the Civic Offices.</li> </ul>	3	3	9	Monitoring and review of systems in place; learn from incidents and near misses.	No change in Q3.	Head of Organisational Development and Performance
CR19	Statute and Regulation	Failure to meet requirements.	There is no recent evidence to suggest any significant issues; the impact would depend on the nature of the failure.	Compliance	2	3	6	<ul style="list-style-type: none"> <li>This applies to many Council services. In general, the necessary skills and resources are in place to ensure that the Council meets its statutory duties. In addition, the Council's Constitution, policies and procedures aim to support strategic and regulatory delivery.</li> </ul> <p><b>Note:</b> Some aspects of this risk can be transferred as the Council has insurance cover in place. If the failure rises due to an action of an employee during the normal course of their duties, it is covered under the Official Indemnity (accidental or negligent act) or Professional Indemnity (breach of professional duty) Policies.</p>	1	3	3	Keep under review. Continue training and awareness for staff.	No change in Q3.	Strategic Director, Corporate Resources

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CR20	Health and Safety	The potential to contravene Health and safety procedure, practice and legislation through non-adherence to safe systems of work, risk assessments and associated work practices.	Serious harm through incidents and near misses	Compliance	4	4	16	<ul style="list-style-type: none"> <li>The Council employs a Health and Safety Officer.</li> <li>All employees are provided with the relevant training, resources and PPE required for their role.</li> <li>An on-going mandatory training programme is in place for all staff and occupational specific training for parts of the workforce where there is a greater risk of an accident.</li> <li>Incidents and near misses are logged, reported and reviewed corporately and any major incidents are investigated to review procedures. Campaigns are held to raise awareness of the importance or reporting incidents and near misses with the use of a QR code to make the process more timely being trialled in quarter 4.</li> <li>Risk assessments are regularly undertaken, and procedures updated when necessary.</li> <li>Monthly and quarterly meetings are held to review health and safety performance and compliance.</li> <li>An independent review of the Councils Health and Safety Culture and Behaviour is planned to be completed in 2024/25.</li> <li>The Health and Safety Policy has been reviewed and approved at the Health and Safety Committee on the 24<sup>th</sup> January 2024.</li> <li>Health and Safety procedures are being reviewed and will be shared across the Council with supporting resources and training as appropriate.</li> </ul>	3	2	6	Monitoring and review of incidents and near misses.  All current health and safety related procedures to be reviewed and updated.	The Health and Safety Policy has been reviewed with minimal changes and approved in H&CS Committee on the 24 <sup>th</sup> January. The Health and Safety Policy and supporting documents are available to access in Connect. A new pilot to report and capture data for near misses will be rolled out in quarter 4.	Head of Organisational Development & Performance
CR21	Managing the environmental impact of incidents across the district	Incidents arising directly from actions by the Council in the provision of its services. For example, an oil spill which contaminates land or water courses	Impacts on environment and economy; increased risk of major events: potential for litigation; reputational damage.	Strategic	2	3	6	<ul style="list-style-type: none"> <li>The Council has plans in place through Emergency Planning to manage the environmental impact of any incidents across the district.</li> <li>The Council is accredited to the prestigious international ISO 14001 standard for Environmental Management.</li> <li>The Council has also declared a "Climate Emergency" and has a Corporate Steering Group to oversee an action plan to reduce the Council's carbon footprint and become carbon neutral as an organisation by 2030. (<b>See Risk below</b>)</li> </ul>	2	2	4	A review of the Local Resilience Forum (LRF) at Derbyshire County Council during 2023 may require change to local emergency management arrangements	Certification to ISO14001 retained following an audit in November 2023.	Head of Environmental Services
CR22	Climate Emergency	The failure of the Council to achieve carbon neutrality for its operations by 2030 and carbon	Impacts on environment and economy; increased risk of major events: potential for litigation; reputational damage.	Strategic	4	3	12	<ul style="list-style-type: none"> <li>Achievement of the carbon reduction ambitions are mainly vested in our <b>Climate and Environment Strategy</b> and <b>Climate &amp; Environment Action Plan</b>.</li> <li>The Action Plan contains planned and programmed actions and will be reviewed annually. It has quantified the estimated net financial costs and net carbon savings associated with the contents of the Plan. The Plan includes a calculation of the contribution of</li> </ul>	4	3	12	The emerging Council Plan will need to include all six Transformation Actions if the Council is to stand a realistic prospect of being net zero by 2030.	Mitigating actions updated to confirm the Council Plan 2024-2028 addresses the Council's	Head of Environmental Services

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		neutrality for the district by 2050.						each action to the carbon reduction trajectory, along with the calculated shortfall in carbon reductions. Attaining the targets in the Plan is one of the Corporate Plan Key Performance Indicators. Whist the action plan has been agreed it does contain six Transformation Actions which are central to achieving net zero and for which funding has not been committed. <ul style="list-style-type: none"> <li>The Strategy and Plan have identified the main carbon emissions sources. The Council will be alive to the many and various windfall opportunities for interventions in between the annual Plan revisions where these are considered likely to make significant impacts on reducing emissions.</li> <li>Emerging statute is expected to exert significant influence over the Council's operations and indirect influence in relation to climate change.</li> <li>The draft Council Plan addresses the majority of the Councils significant sources of carbon emissions.</li> </ul>					significant sources of carbon emissions.	
CR23	Internet Connection	The effects of the internet connection becoming unavailable for a length of time would be a major incident.	Most applications whether they are onsite or hosted will need the Council's internet connection to be active for their use.  There is only one ISP in Swadlincote. Therefore, if the cable is damaged or the service is disrupted, no internet connection will be available.	Strategic	2	4	8	<ul style="list-style-type: none"> <li>New RA02 Circuits are being procured which have been specified with a resilient line. Although full resilience isn't proved due to a single supplier, the lines are coming from different exchanges so both would have to be out of service for a total loss of connection.</li> <li>There are options to make some services available over alternative connections, be that personal or business, if needed.</li> <li>Smartphone users can use the mobile data connection to access outlook and teams, etc.</li> </ul>	2	3	6	The ICT department are reviewing further resilient options, part of this includes a new proxy service, the costs have been included in the budget setting process	Further actions updated to confirm following an internet provider fault the ICT department are reviewing further resilient options, part of this includes a new proxy service, the costs have been included in the budget setting process.	Head of Business Change, ICT, Digital

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CR24	Technical Resource	The Council relies on a small pool of technical specialists and support operatives to keep the organisation operational	Availability of resource to conduct and support Council meetings.  Availability of resource to support day to day operations and projects.		3	3	9	<ul style="list-style-type: none"> <li>The COVID-19 Fund is being used to finance an agency resource. The introduction of the post has offered relief for first line calls and Committee meetings.</li> <li>The agency resource is more expensive than an established post and is not a permanent solution.</li> <li>Budget proposals have been worked up to increase support to ICT and will be presented at Finance and Management Committee in Quarter 4.</li> </ul>	3	2	6	ICT structure will be reviewed in-line with corporate employment and operating model.  Continually review and monitor support tickets	Mitigating actions updated to confirm budget proposals to increase support to ICT will be presented to F&M Committee in quarter 4.	Head of Business Change, ICT, Digital
CR26	Supply Chain	National shortage of drivers to undertake HGV driving.  There is fast becoming a global shortage of microchips and some vehicle manufacturers have suspended production of new vehicles,	Changes to IRS rules have led many agency drivers to take permanent positions.  Could potentially impact fleet purchases and the supply of computer equipment.		4	3	12	<ul style="list-style-type: none"> <li><b>National shortage of HGV drivers/production of new vehicles:</b> Training opportunities for existing employees are still in place. There are two vacant driver posts which have been advertised in quarters one and two, three have been recruited.</li> <li>2<sup>nd</sup> year of driver salary supplement agreed.</li> <li><b>New apprentice scheme for HGV mechanics, one apprentice to start each academic year and provide a continual stream of qualified mechanics for the service.</b></li> <li>£10k salary enhancement agreed for HGV mechanics, to support recruitment and retention of staff.</li> <li>A report on the continuation of additional payments for HGV drivers and Mechanics was approved by Committee in Oct 2022 and March 2023.</li> <li>A report on the continuation of additional payments for HGV drivers will be reviewed for Qtr3 23/24.</li> <li><b>Global shortage of microchips:</b> No immediate concerns over purchase of new vehicles, if situation deteriorates then the Team will look to source ex-demonstrator vehicles or nearly new/used vehicles. Short-term hire will also be considered where appropriate.</li> </ul> <p>The shortage of semiconductors, a key component part in almost all modern electronics, is having a large effect on production of many products. Cars and computer equipment are high profile products to suffer supply chain problems. The only way to combat this problem in relation to purchase of new equipment is to order early and allow up to six months for delivery. Where practical and financially viable orders can be made before the need arises. A good example could be purchase of a new laptop</p>	4	3	12	HGV apprenticeships are an option if driver training is not taken up by existing staff.  Management is in constant discussions with local agency driver suppliers to secure additional cover.30 weeks lead period for new RCV's.	(Operations) The position for the second apprentice has been offered, to commence work in the service in February 2024.  Recruitment of HGV driver vacancies underway, completion in quarter 4.  No change in Q3 (ICT)	Head of Operational Services   Head of Business Change, ICT, Digital

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							6	after members approve the post rather than after the candidate has accepted the post and will be starting in a matter of weeks. <ul style="list-style-type: none"> <li>NOVUS and other contractors have been able to secure alternative supplies/products. The shortage of materials has now translated into an increase in materials prices of between 20-25%. This will likely be reflected in having to renegotiate rates for some repair and maintenance works.</li> <li>Materials price increases have stabilised although not reduced. Overall costs are still increasing as skilled labour costs are increasing due to overall scarcity – further renegotiation of prices has been requested by NOVUS.</li> <li>SDDC have procured additional repair material provider (Travis Perkins) to provide certainty of supply, higher risk now of skilled labour shortage.</li> <li>Re procurement of repairs and maintenance services has started.</li> <li>New rates have been agreed for repair and maintenance work streams.</li> <li>An additional contractor has now been procured through the Efficiency East Midlands Framework to complete work on voids properties.</li> </ul>			6	Renegotiation of programmes/rates for major improvement schemes.	No change in Q3. (Housing)	Head of Housing
CR27	External audit of the Council's accounts	Increased length in time for the external audit of the Council's accounts.	Making decisions, managing finance challenges, and planning for the future with limited assurance about the underlying financial position.	Financial and Compliance	2	3	6	<ul style="list-style-type: none"> <li>The Council's accounts and outturn position is reported annually in July.</li> <li>Annual reporting satisfies stewardship and accountability for public resources.</li> <li>Government returns are completed quarterly and annually giving comparators to previous years, which highlights major discrepancies.</li> <li>Government/CIPFA recommendations for improvements to the service to be kept under review.</li> <li>Appropriate working relationship with the Council's audit partner established and audit of the Councils financial statements for 2021/22 on-going.</li> </ul>	3	4	12	Ongoing discussion with External Audit regarding the availability of audit team to undertake and complete the audit of accounts for 2021/22 and 2022/23.  Pending receipt of consultations on "clearing the backlog", prepare SDDC response to proposed measures.	Further actions updated to set out SDDC's efforts in ensuring audit timetable on track.	Head of Finance



## Risk Matrix Template

The table below outlines how the impact and likelihood of the risk is scored using the threshold and description as guidance.

<b>Impact</b>	<b>Very High (4)</b>	4	8	12	16	<table border="1" style="display: inline-table; vertical-align: middle;"> <tr><td style="background-color: #FF0000; color: white; text-align: center;">12-16</td></tr> <tr><td style="background-color: #FFD700; text-align: center;">6-9</td></tr> <tr><td style="background-color: #008000; color: white; text-align: center;">1 - 4</td></tr> </table>	12-16	6-9	1 - 4
	12-16								
	6-9								
	1 - 4								
<b>High (3)</b>	3	6	9	12	<b>Significant Risk</b>				
<b>Medium (2)</b>	2	4	6	8	<b>Medium Risk</b>				
<b>Low (1)</b>	1	2	3	4	<b>Low Risk</b>				
		<b>Remote (1)</b>	<b>Possible (2)</b>	<b>Probable (3)</b>	<b>Highly Probable (4)</b>				
		<b>Likelihood</b>							

<b>Impact</b>	<b>Thresholds and Description</b>
1 – Low	Limited impact on service objectives if any, section objectives unlikely to be met, financial loss less than £10,000, no media attention
2 – Medium	Slight delay in achievement of service objectives, minor injuries, financial loss over £50,000, adverse local media attention, breaches of local procedures
3 – High	Significant threat to Council objectives. Non-statutory duties not achieved, permanent injury, financial loss over £100,000, negative national media attention, litigation expected, serious issues raised through inspection, breakdown of confidence of partners.
4 – Very high	Objectives cannot be delivered. Statutory duties not achieved, death, financial loss over £500,000, adverse national media attention, litigation almost certain, prosecutions, breaches of law, inspection highlights inadequate service, Council unable to work with partner organisation
<b>Likelihood</b>	<b>Thresholds and Description</b>
1 – Remote	May occur only in exceptional circumstances (e.g. once in 10 years)
2 – Possible	Unlikely to occur but could at some time (e.g. once in three years)
3 – Probable (in two years)	Fairly likely to occur at some time or under certain circumstances (e.g. once in two years)
4 – Highly probable (in 12 months)	Will probably occur at some time or in most circumstances (e.g. once in 12 months)

## Corporate Risk Matrix

The below table summarises the risk likelihood and impact for risks after controls have been put in place to mitigate the risk.

Impact	Very High (4)			CR27	
	High (3)	CR3, CR19	CR13, CR23	CR14, CR16 CR18	CR12, CR22, CR26
	Medium (2)	CR7, CR8,	CR2, CR4, CR21	CR9, CR17, CR20, CR24	
	Low (1)	CR10, CR11, CR15	CR1		
		Remote (1)	Possible (2)	Probable (3)	Highly Probable (4)
		Likelihood			

CR1	Universal Credit (UC)	Ongoing changes to the welfare system and Universal Credit impact on resources in Benefits and Customer Services.
CR2	Fraudulent activities	The possibility of fraud being undetected.
CR3	Procurement Services	Limited resources to enable good quality advice and support for Services.
CR4	Public Building	Ensuring public buildings are safe and have adequate repair budgets to ensure they remain fit for purpose.
CR7	Payroll Service	There is no additional capacity or expertise within the team to cope with any down time so the risk of.
CR8	Payroll Software Contract Expiry	The contract expires in May 2025.
CR9	Transformation Compliance	Committing to already allocated resources or finances of projects outside the annual work programme for ICT and Business Change
CR10	Banking and Counterparty Limits	Authorised signatories being unavailable, Internet failure resulting in no access to the bank accounts.

CR11	Failure of systems external to Finance	The Academy system interfaces data for Housing Benefit, Council Tax and Business Rates daily. The AIM system interfaces cash files daily.
CR12	Government Funding	A reduction in core funding
CR13	The Economy	The impact of the national economic situation locally.
CR14	Technology, Data and Security - keeping pace with developments in IT, together with the management and security of data	There is a potential security risk for running outdated or unsupported systems. Employees not following due process in relation to IT and data security
CR15	Technology and Data – quality of performance data.	Inaccurate monitoring and reporting of performance data
CR16	Business Continuity	Flu Pandemic, Fuel Shortage, Loss of Buildings, ICT Failure
CR17	Capacity and Resilience	Service demand and loss of skills
CR18	Terrorism and potentially violent situations	As a public body there is a potential for the Council and its workforce to become a target.
CR19	Statute and Regulation	Failure to meet requirements.
CR20	Health and Safety	the potential to contravene regulations through bad practice.
CR21	Managing the environmental impact of incidents across the district	Incidents arising directly from actions by the Council in the provision of its services. For example, an oil spill which contaminates land or water courses
CR22	Climate Emergency	The failure of the Council to achieve carbon neutrality for its operations by 2030 and carbon neutrality for the district by 2050.
CR23	Internet Connection	The effects of the internet connection becoming unavailable for a length of time would be a major incident.
CR24	Technical Resource	The Council relies on a small pool of technical specialists and support operatives to keep the organisation operational
CR26	Supply Chain	EU shortage of materials to manufacture coloured plastic. National shortage of agency drivers to undertake HGV driving. There is fast becoming a global shortage of microchips and some vehicle manufacturers have suspended production of new vehicles,
CR27	External audit of the Council's accounts	Increased length in time for the external audit of the Council's accounts.

<b>REPORT TO:</b>	<b>FINANCE &amp; MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 8</b>
<b>DATE OF MEETING:</b>	<b>14 MARCH 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>FIONA PITTAM</b> <a href="mailto:fiona.pittam@southderbyshire.gov.uk">fiona.pittam@southderbyshire.gov.uk</a>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>EQUALITY, DIVERSITY, AND INCLUSION POLICY</b>	
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM05</b>

### **1.0 Recommendation**

1.1 That Committee approve the Equality, Diversity, and Inclusion policy (Appendix 1).

### **2.0 Purpose of the Report**

2.1 To present an Equality, Diversity, and Inclusion policy for approval that sets out how the Council will treat people fairly, reduce inequalities in South Derbyshire, and comply with statutory and other obligations under the Equality Act 2010 and other relevant legislation covering equality and human rights.

2.2 The Council acknowledges and welcomes its legal obligations as the minimum standard to achieve and through this Policy and its EDI Strategy 2021-25 and Action Plan will work toward improving and maintaining standards and be accountable to the community we serve.

### **3.0 Detail**

3.1 The Equality, Diversity, and Inclusion Policy sets out the Council's commitment to providing an inclusive and supportive environment for residents, employees, Elected Members, contractors, partners and visitors that is free from discrimination and where people can choose how they want to live their lives. As a public body, the Council also has legal requirements that it needs to comply with under the Equality Act 2010 but most importantly it needs to position itself as a community leader for equality, diversity, and inclusion.

3.2 The Council adopted a Equality, Diversity, and Inclusion Strategy 2021-25 and an action plan that is reviewed and updated annually to progress and monitor its performance. An annual report is produced each year to evidence the work being completed by the Council and its partners that is published on the Council's website.

- 3.3 The proposed EDI Policy has been subject to consultation with internal and external partners on the EDI Steering Group and with the Trade Unions. The feedback received included ensuring that consistent terms are used when referencing the nine protected characteristics as provided in the Equality Act 2010 and to reference the statutory duties placed on public sector organisations, both have been included in the Policy.
- 3.4 The Policy provides details on how the Council will deliver its services, take action to address any complaints of discrimination, harassment and victimisation in service delivery and employment and has further information on external groups and organisations that can support people.
- 3.5 Equality, diversity, and inclusion is an integral part of everyday life for us at the Council as service provider, employer and through our partnership working. We are committed to putting EDI at the centre of our decision-making processes to ensure we can best meet the needs of our residents and community.

#### **4.0 Financial Implications**

- 4.1 None directly arising directly from the report.

#### **5.0 Corporate Implications**

##### **Employment Implications**

- 5.1 The Policy provides information on the actions to be progressed to support employees and continue to work towards a workforce that is representative of the community.

##### **Legal Implications**

- 5.2 Failure to comply with a statutory duty under the Equality Act 2010 could result in legal proceedings being brought by individuals, Trade Unions, the Equality & Human Rights Commission and/or other statutory organisations.

##### **Corporate Plan Implications**

- 5.3 One of our corporate values is; “We have respect for everyone” and through this Policy the Council will continue to progress its work to place equality, diversity, and inclusion as a prime consideration in the delivery of services for residents and how it employs people.

##### **Risk Impact**

- 5.4 These have been considered and incorporated into the proposed Policy.

#### **6.0 Community Impact**

##### **Consultation**

- 6.1 The Policy has been presented to EDI Steering Group and the Trade Unions at the Joint Negotiating Committee to receive feedback and information. These have been included in the Policy as appropriate.

##### **Equality and Diversity Impact**

6.2 An Equality Impact assessment (EIA) is attached (appendix 2).

### **Social Value Impact**

6.3 The Equality, Diversity, and Inclusion Policy, alongside the EDI Strategy 2021-25 and Action Plan will demonstrate how the Council is advancing equality, meeting its statutory obligations and make society fairer for everyone.

### **Environmental Sustainability**

6.4 None directly arising from this report.

## **7.0 Conclusions**

7.1 The Equality, Diversity, and Inclusion Policy sets out how the Council will treat people fairly, reduce inequalities in South Derbyshire, and comply with statutory and other obligations. It has been subject to consultation with internal and external partners.

7.2 The approval of the Policy will further embed the importance of equality, diversity, and inclusion in the services provided by the Council and enhance its reputation as a community leader.

## **8.0 Background Papers**

8.1 Full Council 24 February 2021 - Equality, Diversity, and Inclusion Strategy 2021-25 and Action Plan.

# Equality, Diversity, and Inclusion Policy.

**Service Area: Organisational Development and Performance**

**Date - February 2024**

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Version Control

Version	Reason for review (Review date/legislation/process changes)	Effective date
1.0	First version of the Policy	Sept 2023

Approvals

Approved by	Date
Leadership Team	March 2023
Joint Negotiating Group	10 July 2023
Equality, Diversity, and Inclusion Steering Group	19 July 2023

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## 1.0 Introduction

Equality, diversity, and inclusion (EDI) are an integral part of everyday life for us at South Derbyshire District Council as service provider, employer and through our partnership working. We are committed to putting EDI at the centre of our decision-making processes to ensure we can best meet the needs of our residents and community.

We have new values in our Council Plan 2024-28 that sets out how we deliver services and communicate with our customers and through our ambitious Equality, Diversity, and Inclusion Strategy and Action Plan, the Council will embed this in everything we do.

The Council is working towards a community for all people who live, work and visit South Derbyshire where difference is acknowledged and valued and harassment, discrimination and victimisation are confidently challenged and not tolerated.

We recognise and accept that some people may have not had equal access to services, employment or fair chances in life. We take the view that it will be necessary to develop or create some services or opportunities that specifically meet the different needs of our community.

We understand that discrimination can be institutionalised. We are committed to combating any unintended institutional discrimination by developing an anti-discriminatory organisational culture, placing EDI at the centre of all our activities and celebrating diversity.

Elected Members, Leadership Team, and our workforce will lead by example, ensuring that this commitment is embedded in policies and day to day working practices with our residents, customers, colleagues and partners.

## 2.0 Purpose

The Equality, Diversity, and Inclusion Policy sets out how the Council will treat people fairly, reduce inequalities in South Derbyshire, and comply with statutory and other obligations under the Equality Act 2010 and other relevant legislation covering equality and human rights.

Prejudice, inequality and discrimination can affect anyone, but some people/groups are affected more than others. Some people/groups receive unfair treatment or worse outcomes as a result of negative stereotyping, assumptions, ignorance, invisibility, abuse of power or intolerance. This could be because of their personal or religious beliefs, ethnicity, disability, age, gender reassignment, sex, pregnancy and maternity, marriage or civil partnership or sexual orientation – identities that are intrinsic to them. This means that they are not provided with the same opportunities as others or are not treated with dignity and respect because of who they are or who they identify as.

Discrimination is often unintentional and occurs when someone does not realise that their actions are inappropriate and potentially unlawful. It is important that organisations and their workforce develop policies and practices that positively consider the needs of other people, irrespective of their level of contact or interaction with them.

The Council acknowledges and welcomes its legal obligations as the minimum standard to achieve and through this Policy and EDI Strategy 2021-2025 and Action Plan will work toward improving and maintaining standards and be accountable to the community we serve.



The Equality Act 2010 does not recognise ignorance as a defence and understanding the needs of communities in South Derbyshire will help us to become more customer focussed and provide high quality accessible and inclusive services.

### 3.0 Objectives

The overall objectives of the Equality, Diversity, and Inclusion Policy (the Policy) are to:

- Support the delivery of the Equality, Diversity, and Inclusion Strategy and Action Plan
- Enable the achievement of the five corporate equality objectives;
  - Enable a diverse workforce
  - Be a leader in equality, diversity, and inclusion
  - Involve our diverse communities in decision-making
  - Deliver services that are accessible and inclusive to individual's needs
  - Understand our diverse communities

### 4.0 Scope

The policy applies to all Elected Members, employees and other workers, such as agency workers, temporary workers, contractors and anyone otherwise engaged in Council activities such as volunteers.

### 5.0 Performance and monitoring

#### Equality, Diversity, and Inclusion Strategy 2021 – 25 and Action Plan

Progress against our five key equality objectives and action plan as detailed in our Equality, Diversity, and Inclusion Strategy are reported on a quarterly basis to the Equality, Diversity, and Inclusion Steering Group with an annual report submitted to Full Council.

All the details are published on the website and are accessible to residents, customers and partners to track and challenge the progress being made by the Council.

#### Legislative context

##### The Human Rights Act 1998

The Human Rights Act 1998 was introduced to ensure people are treated with dignity and respect. Respect for the rights of individuals or groups is fundamental to their quality of life. The Human Rights Act has at its core the principles of FRED A – Fairness, Respect, Equality, Dignity, and Autonomy.

##### The Equality Act

The Equality Act 2010 was introduced to bring together different pieces of equality legislation with the aim of protecting people from discrimination, victimisation or harassment. The Equality Act places specific responsibilities on public sector organisations and as such, local authorities must consider all individuals when carrying out their day-to-day work – in shaping policy, in delivering services and in relation to their own workforce.



It also requires that public sector organisations:

- have due regard to the need to eliminate discrimination;
- advance equality of opportunity; and
- foster good relations between different people when carrying out their activities.

Having due regard requires taking into consideration these three aims as part of the corporate decision-making process. This means that these issues must influence the decisions reached by the Council in ways that include how we act as employers; how policies are developed, evaluated, and reviewed; how services are designed, delivered, and evaluated and how services are commissioned and procured.

Advancing equality of opportunity involves considering the need to remove or minimise disadvantage suffered by people due to any protected characteristic, to meet their needs and encourage them to participate in public life where participation is low from people within the protected characteristics.

Fostering good relations involves tackling prejudice and promoting understanding between people who share a protected characteristic and others that don't. The Council will work with all communities and groups to understand how our services can be delivered to meet their needs and sustain effective and positive relationships that are built on mutual trust, respect and understanding.

To ensure transparency, and to assist in the performance of this duty, the Equality Act 2010 (Specific Duties) Regulations 2011 require public authorities, named on, to publish:

- equality objectives, at least every four years.
- information to demonstrate our compliance with the public sector equality duty.

### **Equality Impact Assessments**

Equality Impact Assessments (EIA's) are the most effective way of demonstrating compliance against our statutory responsibilities set down in legislation and our own objectives.

The Council will undertake an EIA on new projects, strategies, policies, or procedures or when major changes are made to existing ones. This process will help to ensure that:

- Strategies, policies and procedures and services are free from discrimination;
- The Council complies with current equality legislation;
- Due regard is given to inclusivity in decision making and subsequent processes;
- Opportunities for promoting inclusivity and diversity are identified and progressed.

All completed EIA's will be presented alongside the project or strategies, policies or procedures before any approval is given. The EIA will identify any opportunities to improve the outcome from the project or implementation of any project, strategy, policy and procedure and actions to mitigate any identified risks to people under the nine protected characteristics.

Where risks are identified, the Council will put in place and monitor these actions and assess their impact. These will be monitored by the appropriate service area and reported to the EDI Steering Group for further review and assessment.



All completed EIA's, with actions to either improve or mitigate the potential for any equality issues to arise are published on the Council's website.

## Gender Pay Reporting

As an employer with more than 250 employees, the Council has an obligation to report on our gender pay gap. We monitor pay equality across different groups and operate a comprehensive job evaluation scheme to assess each job role.

The annual report is published on the Council's website and presented to the EDI Steering Group for consideration of any additional actions that may be required to address any trends in the data.

## 6.0 Meeting our responsibilities

### Council as a direct provider of services

Our customers and potential customers can expect the Council to:

- treat customers with dignity and respect
- provide accessible and clear information about services in appropriate formats that meet people's language and communication needs.
- continue to make physical and other reasonable adjustments to Council premises, facilities and services so that they are accessible.
- provide services that consider the needs of different customers and to include protected characteristics as defined by the Equality Act 2010.
- promote and encourage people to report all forms of discrimination, harassment and victimisation and continue to work with partner organisations to make South Derbyshire a great place to live, work and visit.
- hold meetings in accessible venues or make arrangements to meet access requirements.
- consider the needs of those actively engaged in religious or cultural observances when planning events to avoid exclusion or disadvantage. This can include timing or dietary requirements.
- respond positively to any complaints that we receive about our services including those of discrimination, harassment and victimisation.
- provide training for our workforce to develop their skills, knowledge and awareness when providing services to customers.
- ensure that any organisation who works with/provides a service on our behalf comply with our equality, diversity, and inclusion key objectives and the requirements of the Equality Act 2010.
- promote and facilitate digital inclusion.
- use objective criteria to award grants and to allocate services.
- monitor our services to ensure equal access and outcomes and take action to address any inequalities.
- engage and consult with local communities and stakeholders to address inequalities and to better understand our customers' needs and shape future service delivery.



## Council working in partnership with other providers of services and contractors

The Council will ensure that any service providers and contractors engaged to undertake work on our behalf adopt the same standards in relation to equality, diversity, and inclusion. In particular to ensure:

- residents, customers and partners have a right to expect that the money spent by us on goods, works and services meet the diverse needs of the customers we serve.
- our customers deserve a high quality of service regardless of who provides the service. If any organisation wants to do business with the Council, they must comply with our standards and all the relevant equality legislation.
- the awarding of any contracts will be subject to a clear and evidenced based commitment to equality, diversity, and inclusion.
- the Contract Procedure Rules commits the Council to making sure that contractors, suppliers and organisations who provide goods and services, goods or works on our behalf comply with equality legislation and our EDI objectives.
- they develop and deliver services, goods, works and facilities that are appropriate and accessible and to have, and implement EDI policies for employment and service delivery.
- that private or third sector organisations who are carrying out a public function on behalf of a public authority or in their own right will have to comply with the public sector equality duties under the Equality Act 2010.
- procurement and commissioning employees will incorporate equality, diversity, and inclusion considerations, where appropriate, into contracts, managed premises agreements, service level agreements and monitoring agreements.
- part of the contract monitoring arrangements will include performance information on equality, diversity, and inclusion as appropriate.
- any contractors that are unable to fulfil the above obligations or have been subject to corrective or enforcement actions relating to their approach to equality, diversity, and inclusion matters will have their contract terminated.

## Partnerships

The Council works with many different partners to support the delivery of services to our communities. Each partnership arrangement will be subject to;

- agreed terms of reference that embed equality, diversity, and inclusion within strategies, plans, and projects undertaken by the partnership.
- clear criteria to ensure decision making is open and transparent where awards or funding or other support is provided to external organisations.
- establishing partnering bodies with representatives that are reflective of the community where possible.
- review and take action to address any equality, diversity, and inclusion issues arising from the partnership or any of its members.
- work together with our partners to embed inclusion within our ways of working and align our strategies, funding, and other support.
- provide information on equality, diversity, and inclusion as part of any performance reporting or monitoring of projects.



## Positive action

Lawful positive action, training and encouragement will be considered in areas where particular groups are underrepresented.

Positive action may involve treating members of a group who share a particular protected characteristic more favourably than other groups and will be lawful in certain circumstances. It is not the same as positive discrimination which is unlawful.

## Workforce

The Council understands and accepts that it needs to equip its workforce with the resources and environment to embed equality, diversity and inclusion into its day to day service provision, employment practices and ensure that everyone is treated with respect and dignity – either as an employee or members of the public.

## The Council will

- ensure we tackle inequalities and discrimination in the workplace and that equality, diversity, and inclusion underpin our employment strategies, policies, procedures, and practices.
- provide access to training and other resources to equip the workforce with the skills, knowledge, and awareness to respond appropriately to all services users and colleagues
- review and monitor the completion of training on different activities related to equality, diversity, and inclusion and take positive action to address any areas of underperformance.
- ensure our employment policies and practices comply with this Policy and do not intentionally or unintentionally discriminate against any group or individual.
- promote a culture of openness, fairness, and respect through all our policies and practices and ensure all employees are aware of their personal responsibility to comply with this Policy.
- provide forums and resources to support employees with different protected characteristics who want to share experiences, build networks, and enhance their working environment.
- develop our employment offering to be as inclusive and supportive for our current and future workforce.
- work with employee representatives and Trade Unions to review our approach and explore different options to promote equality, diversity, and inclusion.
- take positive and robust action to protect employees from discrimination, harassment, or victimisation through the continued development of employment policy and procedure
- take positive action to support employees both at work and whilst absent through the provision of flexible working practices, reasonable adjustments, and provision of equipment and other resources.
- develop and review fair pay and reward structures.
- monitor and report on our performance on equality, diversity, and inclusion
- establish and support working groups with both internal and external representatives to monitor and progress work on equality, diversity, and inclusion.
- benchmark our performance on equality, diversity, and inclusion with relevant organisations and industry standards.
- promote and sustain recruitment and retention initiatives to support different groups of people throughout the recruitment and employment cycle. This will include the Disability Confident accreditation and the commitment to the Armed Forces Covenant that guarantees interviews for these groups of people where they meet the minimum essential criteria for the post



- ensure that no prospective employee or current employee receives less favourable treatment on any grounds that cannot be shown to be justified. This applies to all terms and conditions including recruitment and selection, training, promotion, pay, employee benefits, employee grievances and disciplinary procedures
- provide learning, development and training opportunities for all employees to have an equal chance to contribute and to achieve their potential.

## 7.0 Roles and responsibilities

### Elected Members

Elected Members will provide resources, support, and receive information on the Council's performance in relation to equality, diversity, and inclusion and provide Officers with continued support for the work being progressed.

Elected Members will act as role models and positively promote the Council's work in the achievement of the corporate equality objectives.

### Leadership team

Have strategic responsibility for the implementation and monitoring of the Equality, Diversity, and Inclusion Policy across all services areas and to take positive action to address any areas of underperformance and promote positive action in the achievement of the Council stated equality objectives.

### Heads of Service

Heads of Service have responsibility for implementing the Policy within their service areas by;

- integrating Equality, Diversity, and Inclusion in service plans including equality targets in the business planning process and monitoring progress
- ensuring equality impact assessments are undertaken on new project or strategies, policies or procedures

### Managers and supervisors

All managers and supervisors have responsibility for:

- contributing towards the Equality, Diversity, and Inclusion Strategy and Action Plan.
- ensuring that employees are familiar with, and act in accordance with this Policy and have received the appropriate training, resources and access to information.
- ensuring services are accessible and meet the needs of our community.
- providing reasonable adjustments for disabled employees and customers.
- undertaking equality impact assessments.
- monitoring take up of services to identify over /under representation and set equality targets and actions to redress any potential or actual inequalities.
- supporting employee networks.





## Employees

The successful implementation of the Policy lies with every individual taking personal responsibility. All employees have a responsibility to:

- treat employees, customers, contractors, and visitors to the Council with dignity, courtesy and respect
- be aware of the effect of their own behaviour and language has on others.
- use behaviour and language that does not cause offence or is discriminatory.
- be sensitive to the diverse needs of employees and colleagues.
- respect the right of colleagues not to disclose their protected characteristics.
- take prompt action to address discrimination, victimisation, and harassment including third party harassment.
- identify and challenge discriminatory practices and behaviour.
- act as a role model and lead by example.

In addition, all employees and anyone engaged in Council activities such as volunteers have a right to:

- be treated with dignity, courtesy, and respect by other employees and customers.
- work in an environment where inappropriate and offensive behaviour and language is not tolerated.
- be treated fairly and consistently in all employment procedures.
- access training and development opportunities to develop skills and knowledge to support the achievement of corporate goals.
- have requests for work, life and wellbeing (for example, religious or caring responsibilities) recognised and sensitively considered and balanced with organisational needs.
- request and be given positive consideration to work flexibly, adjust their work patterns or have any equipment provided to undertake their duties.
- be protected from discrimination, victimisation, and harassment including third party harassment
- not disclose any condition, treatment or other actions that relate to changing their personal identity or gender.
- request the Council to respect their right to change their identity and provide appropriate support

### 8.0 Sustainability Impact Assessment

Our Environment	Potentially positive impact (Y/N)	Potentially negative impact (Y/N)	No disproportionate impact (Y/N)	Sustainable Assessments findings
Improve the Environment of the District			N	
Tackle Climate Change			N	



Enhance the attractiveness of South Derbyshire			N	
<b>Our People</b>				
Engage with Communities	Y			Promotes equality, diversity, and inclusion across the community.
Supporting and safeguarding the most vulnerable	Y			Promotes the continued development of services and employment opportunities to align with the needs and aspirations of people with barriers to service provision and employment.
Deliver Excellent Services	Y			Promotes the continued development of services to align with the needs and aspirations of people with barriers to service provision
<b>Our Future</b>				
Develop Skills and careers	Y			Provides access to training resources and other learning opportunities to develop the skills and knowledge of the current and future workforce.
Support economic growth and infrastructure			N	
Transforming the Council	Y			Underpins the key objectives and values of the Council

### 10.0 Dealing with complaints of discrimination

The Council will respond positively and robustly to all complaints received about our services, service providers and from employees relating to any matter that could be viewed as discrimination, victimisation or harassment.

The Council will ensure the complaint is recorded and an appropriate resolution sought. Each complaint will be taken seriously, and action taken where the actions of the Council, its employees, or service providers are viewed to have been in breach of the Equality, Diversity, and Inclusion Policy or any other service policy or procedure.

#### Breaches of the Policy

The Council will, on receiving a complaint or allegation that this Policy has been breached, investigate the matter and take the appropriate action in line with its current procedures

It will be a condition of service that employees adhere to the Equality, Diversity, and Inclusion Policy and failure to do so will result in formal disciplinary action being taken.



## Customers and residents

If you have experienced discrimination, victimisation or harassment whilst using one of our services, then you should use the Council's complaints procedure. This information is available on the Council website.

If you have been harassed in the community because of a protected characteristic and consider you are a victim of Hate Crime this can be reported in several ways:

1. To Derbyshire Police, by calling 101. You do not have to be the victim to report it. Derbyshire Police officers will do all they can to help you deal with what's happened to you. They can arrange to meet you at a place of your choice where you feel comfortable and safe. They work with you and provide help, including making a statement explaining what has happened.
2. In an emergency, always dial 999.
3. You can also contact the police anonymously via [Crimestoppers](#) on 0800 555 111.

We recognise that not everyone wants, or is able, to report hate crime directly to the police. In Derbyshire, independent charity [Stop Hate UK](#) offers initial support and advice.

Stop Hate UK operates a 24-hour freephone service (0800 138 1625) for victims and witnesses. The organisation is totally independent of the police and will not pass on callers' details without explicit consent. If a caller wishes, however, Stop Hate UK will report the incident to the police on their behalf.

Stop Hate UK also has facilities for [online reporting](#), as well as via text message to 0771 798 9025.

Those with hearing difficulties can use Text Relay on 18001 0800 138 1625.

## Employees

If an employee experiences discrimination, harassment or victimisation from another employee or third party, they should report the matter to their line manager who will take appropriate action in line with the Council's employment procedures.

At all times support will be provided to the employee either from the line manager, human resources or external support. Alternatively, the employee may also wish to have a confidential discussion with the Human Resources Team or a Trade Union representative.

## Job applicants

Job applicants who feel they have grounds for complaint should initially discuss the matter with the recruitment manager and if not resolved then use the Complaints Procedure available on the Council website.

## Elected Members

Elected Members will be treated as a breach of the Code of Conduct and be reported as a complaint to the Monitoring Officer and/or Public Services Ombudsman.



## Contractors

Any breach of the contract by a Contractor delivering a service with, or on behalf of the Council, will be addressed in accordance with the terms of that Contract.

### 10.0 Policy Review

The Equality, Diversity and Inclusion Policy will be reviewed every three years.

Minor changes to the Policy such as job titles resulting from organisational changes can be updated at any time

### 11.0 Associated Documentation

Description of Documentation
Equality, Diversity and Inclusion Strategy 2021- 25 and Action Plan
Corporate Plan 2020-2024
South Derbyshire Sustainable Community Strategy

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**Appendix****Glossary****Access To Work**

An Access to Work grant is money for practical support to help disabled people do their job. The money can pay for specialist equipment and travel.

**Disability**

The Equality Act 2010 says that a person has a disability if they have a physical or mental impairment that has a 'substantial' and 'long-term' negative effect on a person's ability to do normal daily activities.

**Equality impact assessment**

An equality impact assessment is a systematic method to assess implications of an organisation's decisions on people from different backgrounds. Impact assessments should take place when considering a new policy, strategy or revising an existing policy or reviewing a function, service or procedure.

**Equality Act 2010**

The Equality Act 2010 outlaws 'unfair treatment of people because of protected characteristics they have. The Act applies to the workplace, when providing goods, facilities and services, when exercising public functions, in the disposal and management of premises, in education and by associations (such as private clubs).

**Equality Act 2010: Public sector equality duty**

The Public Sector Equality Duty of the Equality Act requires public bodies to consider all individuals when carrying out their day to day work – in shaping policy, in delivering services and in relation to their own employees. There are two parts, the general duty and the specific duty.

**General Duty**

This requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out their activities.

Public sector bodies must comply with a set of Specific Duties which are designed to assist them in meeting the General Duty. This includes developing and publishing equality objectives.

**Equality Targets**

Equality targets are designed to improve outcomes for all people.

Every person falls into one or more protected characteristic; they are important as they help ensure :

- progress is being made in relation to promoting diversity and equality



- services reflect the communities they serve
- improvements are being made for customers
- people who use our services experience equal outcomes
- the inequalities experienced by some groups of people are reduced
- resources are being targeted

## Monitoring

Equality monitoring is the process to collect, store and analyse data about people's backgrounds, examples of characteristics to monitor include ethnicity, gender, age, religion, disability. Monitoring can be used to:

- highlight potential or actual inequalities;
- investigate their underlying causes ; and
- remove any unfairness or disadvantage.

## Protected Characteristics

These are the grounds upon which discrimination is unlawful.

The characteristics are:

- Age:- referring to a person belonging to a particular age (e.g. 32 year olds) or range of ages (e.g. 18 - 30 year olds).
- Disability:- a person has a disability if s/he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.
- Gender reassignment:- The process of changing or transitioning from one gender to another.
- Transsexual person - Refers to a person who has the protected characteristic of gender reassignment. This may be a woman who has transitioned or is transitioning to be a man, or a man who has transitioned or is transitioning to be a woman. The law does not require a person to undergo a medical procedure to be recognised as a transsexual
- Marriage and civil partnership:- The Act protects employees who are married or in a civil partnership against discrimination. Single people are not protected.
- Pregnancy and maternity:- A woman is protected against discrimination on the grounds of pregnancy and maternity. With regard to employment, the woman is protected during the period of her pregnancy and any statutory maternity leave to which she is entitled. Also, it is unlawful to discriminate against women breastfeeding in a public place.
- Race:- This includes colour, ethnic / national origin or nationality
- Religion or belief:- Religion has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live for it to be included in the definition.
- Sex :- male or female; and Sexual orientation:- Whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.

## Provision, criterion or practice

This includes any formal or informal policies, rules, practices, arrangements, criteria, conditions, prerequisites, qualifications or provisions.



A provision, criterion or practice may also include decisions to do something in the future such as a policy or criterion that has not yet been applied, as well as a 'one-off' or discretionary decision.

### Reasonable adjustments

Where a person with a disability is at a substantial disadvantage in comparison with people who are not disabled, there is a duty to take reasonable steps to remove that disadvantage by

- (i) changing provisions, criteria or practices e.g. providing flexible working, removing core time ,
- (ii) altering, removing or providing a reasonable alternative means of avoiding physical features e.g. offering home visits, making physical alterations to the workplace/ customer contact points and
- (iii) providing auxiliary aids e.g. a specialist piece of equipment e.g. specialist telephone IT equipment or support worker.

### Types of Discrimination Direct Discrimination

**Direct discrimination** occurs when a person treats another less favourably than they treat or would treat others because of a protected characteristic.

*Example: An employer believes that someone's memory deteriorates with age. He assumes, wrongly, that a 60-year-old manager in his team can no longer be relied on to undertake her role competently. An opportunity for promotion arises, which he does not mention to the manager. The employer's conduct is influenced by a stereotyped view of the competence of 60 year olds. This is likely to amount to less favourable treatment because of age.*

*Example: A Gypsy couple are refused service in a pub that displays on its door a 'No Gypsies or Travellers' sign. It is obvious from the notice on the door and the treatment the Gypsy couple receive that their less favourable treatment is because of race.*

*Example: An employer offers 'death in service' benefits to the spouses and civil partners of their staff members. A worker who lives with her partner, but is not married to him, wants to nominate him for death in service benefits. She is told she cannot do this as she is not married. Because being a cohabitee is not a protected characteristic, she would be unable to make a claim for discrimination.*

**Indirect Discrimination** – Indirect discrimination may occur when an employer or service provider applies an apparently neutral provision, criterion or practice which puts persons sharing a protected characteristic at a particular disadvantage.

*Example: An employer has a 'no headwear' policy for its staff. Unless this policy can be objectively justified, this will be indirect discrimination against Sikh men who wear the turban, Muslim women who wear a headscarf and observant Jewish men who wear a skullcap as manifestations of their religion.*

**Discrimination by association** - it is discrimination if an employer/service provider treats a person less favourably because of their association with another person who has a protected characteristic.

*Example: A lone father caring for a disabled son has to take time off work whenever his son is sick or has medical appointments. The employer appears to resent the fact that the worker needs to care for*



*his son and eventually dismisses him. The dismissal may amount to direct disability discrimination against the worker by association with his son.*

*Example: A boy wishes to join his local football club, but he is rejected because his parents are a lesbian couple. This is direct discrimination by association because of sexual orientation because of the boy's association with his parents.*

**Discrimination by perception** – it is discrimination if an employer/ service provider treats a person less favourably because they mistakenly thinks that the employee/service user has a protected characteristic. However, this does not apply to pregnancy and maternity or marriage and civil partnership.

*Example: An employer rejects a job application form from a white woman whom he wrongly thinks is black, because the applicant has an African-sounding name. This would constitute direct race discrimination based on the employer's mistaken perception*

*Example: A woman with a medical condition that makes her appear 'masculine' is wrongly perceived to be undergoing gender reassignment and refused entry to a women-only sauna session at her local leisure centre. This is likely to be less favourable treatment because of gender reassignment.*

**Harassment** – This type of harassment occurs when an employer/ service provider engages in unwanted conduct which is related to a relevant protected characteristic and which has the purpose or the effect of:

- violating the service user's dignity; or
- creating an intimidating, hostile, degrading, humiliating or offensive environment for the service user.

*Example: A worker is subjected to homophobic banter and name calling, even though his colleagues know he is not gay. Because the form of the abuse relates to sexual orientation, this could amount to harassment related to sexual orientation.*

*Example: A publican continually refers to a transsexual woman as 'Sir' and 'he' when serving him in a pub, despite her objections. It is likely that the woman would succeed in a harassment claim if she were able to persuade the court that the conduct had the purpose or effect of violating her dignity or of creating an intimidating, hostile, degrading, humiliating or offensive environment for her.*

**Third Party harassment** - employers may be liable for harassment by a third party, such as a customer or client. Employers have a duty to prevent third party harassment; where the employee has been harassed on two different occasions, the employer must take reasonable steps to prevent harassment by a third party happening again.

*Example: A Ghanaian shop assistant is upset because a customer has come into the shop on Monday and Tuesday and on each occasion has made racist comments to him. On each occasion the shop assistant complained to his manager about the remarks. If his manager does nothing to stop it happening again, the employer would be liable for any further racial harassment perpetrated against that shop assistant by any customer.*

### **Discrimination arising from a disability**

The Equality Act (2010) says that treatment of a disabled person amounts to discrimination where:





- a service provider treats the disabled person unfavourably;
- this treatment is because of something arising in consequence of the disabled person's disability; and
- the service provider cannot show that this treatment is a proportionate means of achieving a legitimate aim, unless the employer/service provider does not know, and could not reasonably be expected to know, that the person has the disability.

*Example: An employer dismisses a worker because she has had three months' sick leave. The employer is aware that the worker has multiple sclerosis and most of her sick leave is disability related. The employer's decision to dismiss is not because of the worker's disability itself. However, the worker has been treated unfavourably because of something arising in consequence of her disability (namely, the need to take a period of disability-related sick leave).*

*Example: A mother seeks admission to a privately run nursery for her son who has Hirschsprung's disease, which means that he does not have full bowel control. The nursery says that they cannot admit her son because he is not toilet trained and all the children at the nursery are. The refusal to admit the boy is not because of his disability itself; but he is being treated unfavourably because of something arising in consequence of his disability.*

In addition, **The Equality Act 2010 introduces a Duty to make reasonable adjustments**, this requires:-

- service providers to take positive steps to ensure disabled people can access services. It involves service providers anticipating the needs of potential customers for reasonable adjustments.
- employers to take positive steps to ensure disabled people can access and progress in employment.

It means taking additional steps to which nondisabled employees and applicants are not entitled. A disabled person is discriminated against when an employer/ service provider fails to make reasonable adjustments. What is considered "reasonable" may vary.

*Example: An adviser with a visual impairment is sometimes required to make home visits to clients. The employer employs a support worker to assist her on these visits. Example: An ombudsman has a policy that all complaints must be made in writing. This policy places some disabled people - for example, those with learning disabilities or visual impairments - at a substantial disadvantage in making a complaint. The ombudsman amends the policy to permit disabled people and others who cannot use a written complaints procedure to make their complaint over the telephone. This is likely to be a reasonable step to take.*

**Victimisation** – treating people less favourably because of action they have taken under or in connection with the equality law.

*Example: An employer threatens to dismiss a staff member because he thinks she intends to support a colleague's sexual harassment claim. This threat could amount to victimisation, even though the employer has not actually taken any action to dismiss the staff member and may not really intend to do so.*

*Example: A. complains to the staff at a children's centre that her daughter's physical and social needs are not being properly met. As the centre is provided by the local 20 authority children's services*



*department, the mother also complains to her councillor and to the Director of Children’s Services. The centre’s staff invite her to a meeting, after which the care of her daughter improves. The following summer she applies to go on a trip to the seaside for parents with their disabled children organised by the department but is turned down. She believes that she has been victimised because of her complaint about the care of her daughter. Although she did not refer explicitly to the Act when she complained, she asserted that her daughter had been treated less favourably because of a protected characteristic. That is sufficient for her complaint to be a protected act.*

Sources: Equality and Human Rights Commission – Services, public functions and associations  
Statutory Code of Practice Equality and Human Rights Commission- Employment Statutory Code

DRAFT



# Equality Impact Assessment - Preliminary Assessment Form

<i>Title of the strategy, policy, service, or project:</i>		Equality, Diversity, and Inclusion Policy
<i>Service Area:</i>	All	
<i>Lead Officer:</i>	Shabir Abdul, Equality Diversity and Inclusion Officer	
<i>Date of assessment:</i>	12/23	Policy
<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

### 1. What is the aim of the strategy, policy, procedure or project?

The overall objectives of the Equality, Diversity, and Inclusion Policy (the Policy) are to:

- Support the delivery of the Equality, Diversity, and Inclusion Strategy and Action Plan
- Enable the achievement of the five corporate equality objectives;
  - Encourage and enable a skilled and diverse workforce, to build a culture of equality, diversity, and inclusion in everything we do
  - Demonstrate inclusive leadership, partnership, and a clear organisational commitment to being a leader in equality, diversity, and inclusion in the District
  - Involve and enable diverse communities to play an active role in society and put the residents' voice at the heart of decision-making
  - Deliver responsive services and customer care that is accessible and inclusive to individuals' needs and respects cultural differences
  - Understand the District's diverse communities and embed that understanding in how policy and practice are shaped across the Council.

### 2. Who is intended to benefit from the strategy, policy, procedure or project and how?

The policy applies to all Elected Members, employees and other workers, such as agency workers, temporary workers, contractors and anyone otherwise engaged in Council activities such as volunteers.

The Equality, Diversity, and Inclusion Policy sets out how the Council will treat people fairly, reduce inequalities in South Derbyshire, and comply with statutory and other obligations under the Equality Act 2010 and other relevant legislation covering equality and human rights.



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

The Council acknowledges and welcomes its legal obligations as the minimum standard to achieve and through this Policy and EDI Strategy 2021-2025 and Action Plan will work toward improving and maintaining standards and be accountable to the community we serve.

The specific outcomes are set out in the Equality, Diversity, & Inclusion Strategy Action Plan and progress will be reported via the EDI Steering Group on a quarterly basis and to full Council annually.



## Section 2 – What is the impact?

**4. Summary of anticipated impacts.** *Please tick at least one option per protected characteristic. Think about barriers people may experience in accessing services, how the policy is likely to affect the promotion of equality, knowledge of customer experiences to date. You may need to think about sub-groups within categories e.g. older people, younger people, people with hearing impairment etc. [Hyperlinks to supporting information about the protected characteristics listed below can be found here.](#)*

	Potentially positive impact	Potentially negative impact	No disproportionate impact
Age	X	<input type="checkbox"/>	<input type="checkbox"/>
Disability and long-term conditions	X	<input type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	X	<input type="checkbox"/>	<input type="checkbox"/>
Marriage or civil partnership	X	<input type="checkbox"/>	<input type="checkbox"/>
Pregnant women and people on parental leave	X	<input type="checkbox"/>	<input type="checkbox"/>
Sexual orientation	X	<input type="checkbox"/>	<input type="checkbox"/>
Race	X	<input type="checkbox"/>	<input type="checkbox"/>
Religion or belief	X	<input type="checkbox"/>	<input type="checkbox"/>
Sex (Gender)	X	<input type="checkbox"/>	<input type="checkbox"/>



### 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.

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

Yes       No

The Council's approach to progressing equality, diversity, and inclusion is one which includes everyone, regardless of background or characteristics.

The purpose of our Equality, Diversity, and Inclusion Policy is to evidence how the Council will continue to progress work to meet the General and Public Sector Equality Duty and having a positive impact for all nine protected characteristics as well progressing work to address any form of disadvantage or discrimination.

Our Action Plan sets out the specific actions and expected outcomes we hope to deliver in relation to these protected groups under the Equality Act 2010 as well as other areas where people are suffering a disadvantage in society.

By achieving the objectives set out in this Policy the Council will deliver positive outcomes for individuals and communities in service design, delivery and employment. Everyone in District will benefit from the positive outcomes achieved through this Policy including employees, residents and partners.

### 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 Head of Service	Name:	<i>F Pittam</i>
	Date:	19/12/2023

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: 9</b>
<b>DATE OF MEETING:</b>	<b>14 MARCH 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>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/Mar
<b>SUBJECT:</b>	<b>QUARTERLY BUDGET MONITORING 2023-24</b>	
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM08</b>

## **1.0 Recommendations**

- 1.1 That the Committee note the position and provide any comments it may have on the latest revenue and capital financial position for the General Fund and HRA for 2023/24.
- 1.2 That the Committee approve to waiver the fee of bulky collection for those residents that have been affected by the recent flooding.
- 1.3 That the Committee delegates authority to the Section 151 Officer to waive future charges connected to events of exceptional nature.
- 1.4 That the Committee accept the grant funding of £100,000 from Derbyshire County Council relating to Children and Young People Emotional Health and Wellbeing and authorises the Strategic Director (Corporate Resources) to sign the grant agreement.

## **2.0 Purpose of the Report**

- 2.1 To provide an update on performance against the General Fund, Housing Revenue Account and Capital Programme budget for 2023/24, as at the end of the third quarter.

## **3.0 Detail**

### **INTRODUCTION**

- 3.1 In February 2023, the Council approved its revenue and capital budgets. This report presents the consolidated forecast financial position of the Council for the third quarter.
- 3.2 As detailed in the previous monitoring report, the Section 151 Officer has committed to undertake a review of Earmarked Reserves before the end of the financial year. Phase 1 of this review was completed in Q2. Phase 2 of this review is now complete, with the outcome of this review detailed in the report.

- 3.3 The approved budgeted position on the General Fund, approved in February 2023, was a total deficit of £1,941,151 which was amended to a total budgeted deficit of £2,486,728, as reported in November 2023.
- 3.4 The amended budget deficit in Q2 has subsequently been amended to a total budgeted deficit of £2,504,641. Changes to the budget in Q3 relate to the confirmed members pay award of £17,913 which has been added to contingent sums.
- 3.5 As detailed in **Appendix 1** the updated budgeted deficit position is £2,504,641. The forecast outturn position at quarter 3 on the General Fund is a total improved deficit position of £300,743.
- 3.6 The approved budget position in February 2023 for the HRA was £2,129,238 which has been subsequently amended for an additional sum of £225,080 for the pay award and revenue compliance works in contingent sums. The forecast position at Q3 on the HRA is a total increased deficit of £2,401,867 compared to the budgeted position of £2,354,318 as shown in 3.37.
- 3.7 Spending on the Council's Capital Programmes have made good progress, with £5,567,278 spend in the first three quarters.
- 3.8 The finance team continue to monitor the impact of inflation on the Council's spend.
- 3.9 The pay award for members for 2023/24 has now been agreed internally at 3.88%. The decision has been based on the national pay agreement for 2023, which provides for a 3.88% increase on other allowances, and this was agreed by the Leader and Chief Executive. Therefore, the impact of this pay award must be taken from reserves.
- 3.10 Since the Q3 position detailed in this report, there have been several requests for additional resources or policy decisions presented to policy committees.
- 3.11 Specifically, the following decisions were presented to February policy committees which are funded via existing budgetary resources. The relevant financial forecasts for these will be reported in Quarter 4:
- a) Communications Review – funded via a virement from budgetary underspends, as agreed by the Section 151 Officer, with the remaining funded by earmarked reserves as agreed by the Section 151 Officer. Policy decision presented to Finance and Management Committee 15<sup>th</sup> February 2024.
  - b) New Management System Software for Operational Services – single capital cost funded via existing earmarked reserves as agreed by the Section 151 Officer. The annual licensing cost has been added to the budget from 2024/25. Policy decision presented to Environmental & Development Services Committee 25<sup>th</sup> January 2024.

## GENERAL FUND

- 3.12 Apart from Council housing, day-to-day revenue income and expenditure for Council services is accounted for through the General Fund. The net expenditure is financed through the Council's Core Spending Power which includes:

- General Government Grant
- Council Tax
- Retained Business Rates [Page 88 of 211](#)
- New Homes Bonus



- 3.13 Uncertainty remains over future Government funding and further details are awaited ahead of the financial settlement for 2024/25. In the meantime, the approved MTFP (**Appendix 1**) continues to assume that the Council's core funding will reduce over the medium-term.
- 3.14 The Base Budget for 2023/24 approved in February 2023 estimated a budget deficit of £1,941,151. Following an update to the medium-term financial plan the revised budget deficit is £2,504,641. A revised MTFP is detailed in **Appendix 1**.
- 3.15 Overall, the favourable £2.2m movement in the forecast position is due to spend anticipated to be £744k lower than projected, revised forecast position on business rates expected to be £1.34m more favourable and additional funding streams of £99k Revenue Support Grant and £21k Levy account surplus distribution is expected.

## General Fund Spend

- 3.16 Across the General Fund services, as at the first quarter is expecting to report a net underspend of £744k which represents a 4.33% reduction in costs. Broken down further the pressures affecting service areas across the Council are offset by the high returns achieved from the Councils investment portfolio (£1,927,127).
- 3.17 The table below shows this net spend forecast movement.

### COMMITTEE SUMMARY

#### Summary by Policy Committee

REVENUE	ANNUAL		
	Full Year Budget £	Projected Actual £	Projected Variance £
Environmental and Development Services	7,326,575	7,885,028	558,453
Housing and Community Services	3,106,785	3,462,128	355,343
Finance and Management	6,734,592	5,077,064	-1,657,528
<b>TOTAL</b>	<b>17,167,952</b>	<b>16,424,220</b>	<b>-743,732</b>
Contingent Sums	-788,345	-788,345	0
<b>TOTAL</b>	<b>16,379,607</b>	<b>15,635,875</b>	<b>-743,732</b>

- 3.18 The forecast includes net transfers from Earmarked Reserves of £17k due to grant income, together with external contributions in Community Services for projects and capital schemes which stretch beyond the current financial year, are required. This funding is transferred to specific reserves and drawn down to finance expenditure when it is incurred. Details of which are shown in the table below.
- 3.19 The figures are also adjusted for income and expenditure associated with Section 106 contributions which are reported in **Appendix 3**.

## Earmarked Reserves

Service	Variance £'000	Adverse/ Favourable	Reason for Variance
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Tourism Policy, Marketing & Development	2	A	Visitor information kit out costs and external shop front works
Community Development	(1)	F	This relates to the Community Partnership arrangements and therefore any underspends are ringfenced for future projects.
Environmental Education	11	A	Increase in wages due to increased works on additional land following lease agreement. Adverse income due to reduced grant income, ability to obtain grants that cover core costs are increasingly difficult to obtain.
Dealing with Development Control Applications	401	A	Funding five planning posts plus additional costs relating to backlog works of which £200k was allocated
Street Cleansing (not chargeable to highways)	9	A	Street Cleansing Operative posts (pro-rate to when posts were filled)
Household Waste Collection	11	A	Refuse Loader/Driver posts (pro-rate to when posts were filled)
Recycling	243	A	Agency costs because of vacant loader/driver posts. Downturn in price of recycling material
Transport Services	28	A	Vehicle Mechanic post (pro-rate to when post was filled)
Community Safety (Crime Reduction)	(37)	F	BCU funding received, not budgeted for therefore will be used to top up reserves
Get Active in the Forest	(34)	F	NFC £11.8k funding not budgeted but confirmed for 23/24. Additional grant funding received to cover some budgeted costs. Post holder working reduced hours.
Sports Development & Community Recreation	(76)	F	Higher levels of income expected
Outdoor Sports & Recreation Facilities (SSP)	(43)	F	Higher levels of income expected
Play schemes	(19)	F	Additional grants obtained which cover staffing costs that are already budgeted for.
Parks and Open Spaces	33	A	High repair costs for parks and trees, tree works
Bed / Breakfast Accommodation	(3)	F	
Pre-tenancy Services	(360)	F	Grant funding not confirmed at budget setting (homelessness prevention), funding now received
Digital Services	46	A	Granicus system funded by ICT reserve for the first two years. Mainstreamed in the budget from next year
ICT Support	13	A	Professional fees in relation to data-back up strategy project
Personnel/HR	7	A	Leadership and Development Corporate training for managers
Communications	5	A	Communications support to cover staff sickness and annual leave
Customer Services	2	A	Customer Services Administrator/Receptionist Post (pro-rate to when posts were filled)
Admin Offices & Depot	64	A	Draw down for repairs as part of PPM

Planning Agreements	(289)	F	S106 agreements
Estate Management	(62)	F	Underspend in repairs used to top up repairs reserve
Council Tax Collection	27	A	Revenue/Debt Recovery apprentice posts (pro-rate to when posts were filled)
Revenues & Benefits Support & Management	30	A	IEG4 eForms
Housing Benefits Administration	9	A	Benefits Overpayment apprentice posts (pro-rate to when post was filled)
<b>Total</b>	<b>17</b>	<b>A</b>	

## Funding

3.20 The Council's central funding, besides Business Rates, is fixed for the year and is shown in the table below.

3.21 The Business Rates outturn position for last year, 2022/23, was £5.4m compared to a budgeted position of £3.8m. A revised forecast position of £5.2m was presented for Business Rates during Quarter 2. Further analysis on Business Rates has been conducted during Quarter 3 and a revised forecast position of £5.34m will be presented in Q3.

3.22 An additional £99k Revenue Support Grant is also anticipated as advised by our external funding experts. An additional £21k Levy account surplus distribution for 2023-24 was also announced as part of the Local Government Finance Settlement.

### Core Funding

Core Grants and Funding 2023/24	Budget	Forecast Q3
	£	£
Council Tax	6,577,466	6,577,466
Retained Business Rates	4,000,000	5,340,000
Service Grant Allocation	100,000	100,000
New Homes Bonus	1,500,000	1,500,000
Funding Guarantee	1,800,000	1,800,000
Revenue Support Grant	0	99,000
Levy Account Surplus Distribution	0	21,166
Collection Fund Surplus – Council Tax	55,000	55,000
<b>Total Funding</b>	<b>14,032,466</b>	<b>15,492,632</b>

## Risk Areas

3.23 Indoor Sports and Recreational facilities are facing financial expenditure pressure due to the energy benchmarking contractual arrangements with Active Nation. The predicted outturn position for the end of the year is additional expenditure of £531k. The bid for the Sport England Swimming Pool was unsuccessful and therefore this cost will need to be met from General Fund Reserves.

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3.24 The Council may bring a complex prosecution that could result in substantial legal fees. The decision as to whether to prosecute is currently pending.

- 3.25 As can be seen in table 3.35 there are a significant number of vacant posts within the General Fund. Whilst a number of these are in the process of being recruited, there are still areas where significant costs are incurred to support services. Throughout the Council there are roles where recruiting appropriately skilled staff has proven difficult.
- 3.26 It has been identified that one of the electricity meters at Rosliston Forestry Centre's café may have been wired incorrectly. This may have resulted in the tenant being charged for electricity for the wider site. Investigations are currently underway, and the significance of the potential claim has not yet been quantified.

## Virements

- 3.27 Two virements in Q3 have been approved by the Section 151 Officer in line with the council's Financial Regulations:

3.27.1 ID Badge Process: £1k from Customer Services to ICT for tools and equipment budget relating to ID Badges. This process was transferred between departments in year.

3.27.2 Training costs: £5k from Estates Management to Civic Offices and Depot to support the cost of MSc qualification for one staff member.

- 3.28 There are no virements for Committee approval.

## Earmarked Reserves (EMRs) Review

- 3.29 The council holds EMRs for a particular purpose and are set aside to meet known or predicted future expenditure in relation to that purpose. The reserves are monitored alongside the budget as part of monthly monitoring.
- 3.30 As part of the year end close-down processes, EMRS are requested by budget holders to either carry forward existing reserves that remain unspent or to create new reserves from under spends within the current budget year if that under spend is from a budget area that aligns with the purpose of the reserve to be carried forward. These reserves are checked by the Finance team for accuracy before being presented to the S151 Officer for approval under delegated powers. Additional requests for the creation of reserves that are not from a specific budget area may be presented to Committee for approval.
- 3.31 Assuming that reserves are utilised in line with the timescales agreed as part of their approval, reserves represent an effective means of utilising surpluses and underspends and ensuring delivery of projects.
- 3.32 The balance of reserves at April 2023 is £12,504,150. The reserves and their current status are detailed in **Appendix 4**.
- 3.33 Members will recall that the Section 151 Officer committed to undertake a review of EMRs before the end of the financial year. This work has progressed, and a second stage is complete, the results of which are detailed below. A further review will be undertaken as part of the close-down process for 2023/24 and reported as part of the provisional outturn report in July 2024.

### Reserves reallocated.

EMR Description	Purpose	Balance	Reallocation details
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Building control transition	Reserve to support the transition to a shared service arrangement that has now concluded	13,709	Reallocated to new Land Registry reserve which will be used towards the cost of data transfer
EU Exit Funding	Reserve to cover additional administrative, procurement or other costs following the UK's exit from the European Union.	52,452	Reallocated to "Planning Review" as per FMC 23/11/2023
Covid - Income Fee Charges	This grant was received to compensate for the loss of service income during Covid 19. Effectively, this has been covered by the Support Grant (above) with no commitments against it.	92,803	Reallocated to General Reserves
District Conservation Works	This provision is no longer required and is therefore available for reallocation.	10,000	Reallocated to General Reserves
Software upgrades to GIS/LLPG	This provision is no longer required and is therefore available for reallocation.	9,000	Reallocated to General Reserves
Cultural Services Restructure Provision	This provision is no longer required and is therefore available for reallocation.	3,183	Reallocated to General Reserves
Section 31 Compensation	To compensate for loss of Council Tax and Business Rates income due to Covid 19. This is the amount remaining, following a review it has been determined that the performance on the Collection Fund has been sustained and the repayment of S31 grant is not needed.	1,672,065	<p>£1,000,000 reinstate growth reserve used to fund posts in Operational Services in 2023/24 &amp; 2024/25</p> <p>£250,000 reallocated to Leisure Centre/Civic Offices Project as per report to FMC 23/11/2023.</p> <p>£400,000 reallocated to fund one-off budgetary pressures identified through budget setting for 2024/25, as per report to FMC 15/02/2024.</p> <p>£22,065 (balancing figure) reallocated to general reserves.</p>
Recycling Service Provision	A reserve set-up to fund any future downturn in the price of recycling material in connection with the risk sharing arrangement under the Kerbside Recycling Contract.	675,000	Reallocated to new Fleet Replacement reserve, as per report to FMC 15/02/2024
District Growth	This Reserve has been built up from additional Council Tax collected from the increase in residential properties. It is drawn down and mainly transferred into Waste Collection, Street Cleansing and Grounds Maintenance when existing resources can no longer meet additional demand.	1,016,628	Reallocated to new Fleet Replacement reserve, as per report to FMC 15/02/2024
Fixed Asset Replacement Fund	This is spent in accordance with a vehicle replacement programme.	744,807	Reallocated to new Fleet Replacement reserve, as per report to FMC 15/02/2024
New Burdens - Covid-19 Support	Funding received to support the additional costs as a result of Covid'19. These additional costs were absorbed as part of normal budgets and therefore this provision is no longer needed.	523,960	£363,960 reallocated to fund one-off budgetary pressures identified through budget setting for

			2024/25, as per report to FMC 15/02/2024  £160,000 reallocated to new Depot Back Office System reserve, as per report to FMC 15/02/2024
Shop Fronts Contribution	This reserve was used to supplement the budget in 2022/23 for improvements to shop frontages. It was set aside as a contingency should contributions from tenants not be secured. All tenants have now contributed.	15,507	Reallocated to new Town Centre shop fronts reserve
New Town Centre Grant - Non-Heritage	To fund improvements to shop frontages on the Delph in Swadlincote	39,662	Reallocated to new Town Centre shop fronts reserve
Parks Improvement Fund	To commission the Play and Park Facility Strategy	16,071	Reallocated to new Green Space Strategy reserve
NNDR Relief Overpayment Provision	This is being drawn down to finance the loss of income on the Collection Fund due to Business Rate Reliefs provided by the Government during Covid 19.	382,038	£263,893 maintained for exceptions balance drawdown in 2023/24  £20,932 reallocated to fund one-off budgetary pressures identified through budget setting for 2024/25, as per report to FMC 15/02/2024  £97,213 (balancing figure) reallocated to general reserves.
DHP Rent Arrears Top Up	This reserve was used for a trial on the home release scheme. However, this has not been executed due to all of the funding received via the Household Support Fund	30,000	£21,556 used towards pension strain for flexible retirement  £8,434 (balancing figure) reallocated to general reserves.
Total reserve reallocated to other reserve			£3,983,836
Total reserves reallocated to General reserves			£242,698
Total reserves reallocated to fund 24/25 budgetary pressures			£784,892
Total reserves maintained			£285,449

## Projected Variances

3.34 The main reasons for the projected variances are summarised in the following tables, each detailed by Committee and Service Area. Commentary on the reason for the variance and mitigation actions have been included as appropriate.

### Environmental & Development Committee - Head of Environmental Services

Total favourable variance £28k detailed below

Service	Variance £'000	Adverse Favourable	Reason for Variance	Mitigation
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Food Safety	41	A	<b>Certification Income</b> - Reduction in certificate income due to Nestle Hatton plant being downsized due to decrease in Dulce Gusto pods usage. No export certificates from Brunnel due to certification now required from vets (containing geletine).	Brunnel could potentially be sending products to China shortly, and therefore will be seeking certificates from SDDC
Pollution Reduction	(79)	F	<b>Vacancies</b> - Salary savings £39k - post filled mid-November. <b>Consultancy Income</b> - £40k work carried out from commercialisation plan	
Community Safety	10	A	<b>Kennelling</b> - Costs have started to stabilise, however there is a concern that there may be an increase of stray XL bullies.	There is relatively little scope to further reduce the costs of the current cohort of dogs in the Councils possession. Currently most animals are now placed with foster carers. Foster care costs £50 per month per dog compared to kennels at £350. An 'Animals in Distress' Policy has been produced in draft in order to give officers explicit guidance about how to discharge their legal duties whilst balancing this with the need for the Council to prudently manage its finances.
<b>Total</b>	<b>(28)</b>	<b>F</b>		

**Environmental & Development Committee - Head of Legal and Democratic Services**  
**Total adverse variance £23k detailed below**

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
Land Charges	11	A	<b>Fees and charges</b> - DCC increase in their fees and charges.	Fees and charges have been increased in the budget round to cover the significant increase in costs from DCC
Licensing	12	A	<b>Income</b> - Fee income below average for the year. Still impacted from Covid and because of businesses closing.	
<b>Total</b>	<b>23</b>	<b>A</b>		

**Environmental & Development Committee - Head of ICT & Business Change**  
**Total adverse variance £35k detailed below**

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
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Street Name and Numbering	35	A	<b>Fees and charges</b> - Reliant on developments, demand is low at the moment
<b>Total</b>	<b>35</b>	<b>A</b>	

### Environmental & Development Committee - Head of Operational Services

Total Adverse variance £525k detailed below

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
Grounds Maintenance	(77)	F	<b>Vacancies</b> - Staff Vacancies, not requiring the use of Agency.	Grounds maintenance operative vacancies filled from January
Street Cleansing	(77)	F	<b>Vacancies</b> - Staff vacancies £135k, covered by agency £20k. £44k sweeper hire costs	Sweeper now in use
Household Waste	250	A	<b>Variations</b> - Vacancy saving £160K, agency overspend £242k extra staff required to conduct rounds at 10 loaders and 5 drivers per week covering sickness. <b>Vehicle Hire</b> - £188k overspend, 2 vehicles still on hire due to spare RCV's no longer being in use.	Mitigation action to bring into place a new vehicle replacement plan in line with the needs of the service. All loader vacancies to start in February and drivers start in March
Trade Waste Collection	(18)	F	<b>Commercial Income</b> - Favourable on income from trade waste customers	
Direct Services Central Admin	(131)	F	<b>Vacancies</b> - Vacancy saving £210k, Agency costs £79K	Recruit to permanent post from restructure
Transport Services	518	A	<b>Spare Parts &amp; Agency</b> - Vacancy savings £14k, Agency costs £139k overspend, spare parts overspend £348K - Senior Mechanic and Vehicle Mechanic vacancies filled sooner than expected. Parts overspend predicted based on age of the fleet with £200k expected on the 8 18 plate vehicles alone. Overspend on tyres due to cost increase of tyres	Parts mitigation action is to incorporate a maintenance budget with the vehicle replacement plan where the budget is profiled in line with the vehicle's age. Agency staff being reduced as posts are being filled to reduce number of vehicle accidents
Recycling	68	A	<b>Vacancies</b> - Staff vacancies £70k, covered by agency £470k. Agency forecasted on 10 loaders and 5 drivers hired a week to cover sickness and absence along with vacancies across both household and recycling. Lower tonnages rates compared to 2022/23. Partially covered by EMR's	All loader vacancies to start in February and drivers start in March
Public Transport	(8)	F	<b>Contract Cleaning</b> - pressure washer now purchased. Funded by external funding and earmarked reserves and therefore budget not utilised towards purchase price.	
<b>Total</b>	<b>525</b>	<b>A</b>		

### Environmental & Development Committee - Head of Property Services

Total Adverse variance £4k detailed below



Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
Off-Street Parking	4	A	<b>Utilities</b> - overflowing of urinals	Urinals repaired and consumption back to normal
<b>Total</b>	<b>4</b>	<b>A</b>		

**Housing & Community Services Committee - Head of Cultural & Community Services**  
**Total adverse variance £436k detailed below**

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
Community Centres	(6)	F	<b>Fees and Charges</b> - £6k favourable due to block bookings and private hire	
Indoor Sports & Recreation Facilities	477	A	<b>Utilities</b> - £531k overspend due to the increase in utility costs additional income from JPS recharge. <b>Professional Fees</b> - £15.7k overspend for Procurement support in relation to new contract. JPS - £61k favourable due to utilities cost	Sport England swimming pool support fund bid unsuccessful. However, tendered for new contract will see cost reductions in future years
Rosliston Forestry Centre	(5)	F	<b>Salaries</b> - Savings on Pension contributions from staff opting out and lower SCP's than budget	
Cemetries	(28)	F	<b>Income</b> - Increased income £24.5k due to increased need	
General Grants, Bequests and Donations	19	A	<b>Grants</b> - Uplifted grant to Sharpes Pottery and Heritage (approved at F&M)	
Defences Against Flooding	(6)	F	<b>Grounds</b> - most call outs have been to County for flooding which has meant costs are reduced	
Events Management	6	A	<b>Events</b> - Increased costs across events for talent, entertainment. <b>Income</b> - stall holders not willing to pay higher fees and therefore this has had a negative impact on income	
Midway/Stenson Community Centre	(21)	F	<b>Utilities</b> - Actual utilities less than budget. <b>Income</b> - room hire exceeding budget due to regular block bookings and private hire	
<b>Total</b>	<b>436</b>	<b>A</b>		

**Housing & Community Services Committee - Head of Housing**  
**Total favourable variance £81k detailed below**

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
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Housing Standards	(6)	F	<b>Fees and Charges</b> - Increase in HMO licenses granted along with default works charged	
Other Housing Support Costs	(20)	F	<b>Computer System</b> - New system procured savings compared to budgeted system	
Housing Strategy	(53)	F	<b>Vacancy</b> - Housing Development & Research Officer - Unsuccessful recruitment attempts	Roles are currently going through the JEQ/Recruitment process
Administration of Renovation & Improvement Grants	(2)	F	<b>Architectural Recharge</b> - lower than anticipated budget	
<b>Total</b>	<b>(81)</b>	<b>F</b>		

#### Finance & Management Committee - Head of ICT & Business Change

Total favourable variance £35k detailed below

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
Business Change	(28)	F	<b>Vacancy</b> - Senior Business Change Officer vacancy until August 23	
Digital Services	(14)	F	<b>Vacancy</b> - Digital Systems Specialist vacancy until July 23	
ICT Support	7	A	<b>Vacancy</b> - 1st line support post vacant for 3 months. <b>Computing</b> - increase in licenses due to corporate infrastructure and security upgrades	
<b>Total</b>	<b>(35)</b>	<b>F</b>		

#### Finance & Management Committee - Head of Property Services

Total favourable variance £13k detailed below

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
Caretaking	(13)	F	<b>Service charge</b> £13k relating to DCC.	
<b>Total</b>	<b>(13)</b>	<b>F</b>		

#### Finance & Management Committee - Head of Legal & Democratic Services

Total favourable variance £70k detailed below

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
Legal Services	4	A	<b>Vacancy</b> - £35k Senior Legal Officer vacancy saving covered by agency costs £22k. <b>Professional fees</b> - £23k for expert advice on specific legal matters	
Conducting Elections/Registration of Electors	(54)	F	<b>Grant Funding</b> - New burdens funding received for additional ID verification - costs have been absorbed within existing budgets. <b>Canvas</b> - lower costs than	

			anticipated, mostly relating to wages for personal canvas	
Democratic (inc Elected Members)	(20)	F	<b>Variations</b> - Members allowances due to vacancies in year and vacant Democratic Services Officer	
<b>Total</b>	<b>(70)</b>	<b>F</b>		

#### Finance & Management Committee - Head of Finance

Total favourable variance £1435k detailed below

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
Corporate Finance Management	75	A	<b>Audit Fees</b> - PSAA have confirmed 23/24 scale fee which has a 151% uplift to reflect procurement outcome	
Financial services	(19)	F	<b>Vacancies</b> - £30k accountant post covered by agency costs £13k	
Interest Receivable	(1491)	F	<b>Income</b> - Investment income on current investment portfolio	
<b>Total</b>	<b>(1435)</b>	<b>F</b>		

#### Finance & Management Committee - Head of Customer Services

Total favourable variance £98k detailed below

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
Housing Benefits Administration	(27)	F	<b>Grant Funding</b> - Benefit Subsidy Income higher than budgeted	
Council Tax Collection	(17)	F	<b>Grant Funding</b> - New burdens for Council Tax rebates, costs absorbed as part of existing budgets	
Revenues & Benefits Support & Management	(34)	F	<b>Vacancy</b> - vacant apprentice post	
Concessionary Fares	(12)	F	<b>Contributions</b> - Derbyshire County Council for Gold Card Scheme	
Customer Services	(8)	F	<b>Vacancies</b> - £43k CSA vacancies covered by agency costs £10k. <b>Computing/Professional Fees</b> £23k due to implementation of upgraded cash receipting system	
<b>Total</b>	<b>(98)</b>	<b>F</b>		

#### Finance & Management Committee - Strategic Director (Corporate Resources)

Total favourable variance £15k detailed below

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
Senior Management	(15)	F	<b>Vacancy</b> - Strategic Director vacancy - 2 months	

<b>Total</b>	<b>(15)</b>	<b>F</b>
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### Finance & Management Committee - Head of Operational Services

Total adverse variance £8k detailed below

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Mitigation
Protective Clothing	8	A	Protective clothing - increase in agency/new staff	
<b>Total</b>	<b>8</b>	<b>A</b>		

3.35 Salary savings in year relate to vacancies (£1,360k) these savings are being offset by agency and consultancy to support services (£1,270k). The result is a cost of £90k to the General Fund. The following table shows the expected costs and savings on staffing in year.

	Employee Savings £'000	Agency Costs £'000	Variance £'000	Comments
Economic Development	-60	50	-10	Vacant Post
Environmental Services	-53	2	-52	Less hours worked than budget
Licensing & Land Charges	-89	61	-28	Land charges carried out by Lichfield
Planning	-87	93	6	Vacant Posts & Agency to cover back log
Street Scene	-210	22	-188	Vacant Posts - recruitment in progress
Waste and Transport	-454	930	476	Vacant Posts, sickness cover – recruitment completed
Community Development & Support	-9	0	-9	Agreed additional hours - however externally funded
Recreational Activities	-8	0	-8	Less hours worked than budget
Leisure Centres & Community Facilities	-17	0	-17	Vacant post
Parks & Open Spaces	-49	5	-44	Vacant post
Private Sector Housing	-107	60	-47	Vacant post
Central Services Support	-169	44	-125	Vacant posts
Corporate & Democratic	-5	0	-5	Vacant post
Elections & Registration	-11	4	-7	Vacant post
Estates Management	-7	0	-7	Less hours worked than budget
Revenues & Benefits	-27	0	-27	Vacant post
	<b>-1,360</b>	<b>1,270</b>	<b>-90</b>	

### Waste from Flooded Properties

3.36 As a result of the recent flooding, assistance in removing wet carpets and damaged furniture has been provided to residents affected. Normally, this would require residents to book a bulky collection slot and pay. However, given the circumstances it has been suggested by Leadership Team that these charges are waived. It has therefore been agreed that these charges are put on hold until formal ratification by Committee.

### Public Health Wellbeing Grant Funding

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3.37 The Council has been awarded £100k grant funding from Derbyshire County Council relating to Children and Young People Emotional Health and Wellbeing. The funding is subject to a grant agreement and there are no onerous obligations within the

agreement. The Council will be responsible for distributing grant monies to successful projects following a robust application process by the end of September 2024. There will be several internal projects that will be recipients to this funding and will be of financial benefit to the Council.

## HOUSING REVENUE ACCOUNT (HRA)

3.38 The Council is required to account separately for income and expenditure in providing Council housing.

3.39 The Base Budget, after taking into account the revised contingent sums for the HRA is, an estimated deficit of £2.35m, and the revised forecast position is a deficit of £2.40m after taking into account £303k funded from earmarked reserves, an increased deficit of £48k. The greatest variance is the increase in investment income and an increase in repairs and maintenance following on from the Housing Compliance report, of which the policy decision was presented at Housing and Community Services Committee on 16<sup>th</sup> November 2023. Changes to the HRA deficit reported in November is shown in **Appendix 5**.

### Position as at 31<sup>st</sup> December 2023

#### HRA SUMMARY BY AREA - BUDGET MONITORING DECEMBER 2023

	ANNUAL		
	Full Year Budget £	Projected Actual £	Projected Variance £
Rent and Rechargeable Repairs	-12,982,571	-13,082,070	-99,499
Repairs and Maintenance	3,650,350	4,777,280	1,126,930
Managing Tenancies	2,267,602	2,306,608	39,007
Supported Housing	770,149	736,309	-33,840
Interest Payable	1,508,044	1,508,052	8
Interest Receivable	-196,604	-1,181,661	-985,057
Capital and Debt Repayment	4,807,023	4,807,023	0
Bad Debt Provision	131,000	131,000	0
Contingent Sums	2,399,326	2,399,326	
	<b>2,354,318</b>	<b>2,401,867</b>	<b>47,549</b>

### Earmarked Reserves

Service	Variance £'000	Adverse/ Favourable	Reason for Variance
Housing Department Support Staff and Costs (HRA)	4	A	Programme manager post for HRA mobile working project
Responsive (DLO Trading HRA)	299	A	£133k relating to void works. £166k relating to implementation of new HRA mobile working system
<b>Total</b>	<b>303</b>	<b>A</b>	

### Risk Areas

3.40 As with the General Fund, there are several vacant posts within the HRA especially in the repair and maintenance area, that pose a risk to the financial position due to the added cost of agency and support.

3.41 Risks to the shortage of available candidates and market salaries are present, mitigation actions have been to develop workforce skills to be multi skilled job roles to attract candidates and upskill existing staff. The Head of Housing will keep the situation under review.

3.42 Derbyshire County Council has now informed the Council that there will no longer be any funding available for the service managed by the Council after March 2024.

## Projected Variances

3.43 The main reasons for the projected variances are summarised in the following table, each detailed Service Area. Commentary on the reason for the variance and mitigation action have been included as appropriate.

### Housing & Community Services Committee (Housing Revenue Account) - Head of Housing

Total adverse variance £60k detailed below

Service	Variance £'000	Adverse/ Favourable	Reason for Variance	Updated Mitigation
Housing Department Support Staff and Costs (HRA)	(13)	F	<b>Variances</b> - Salary savings of (£12.2k) due to a vacant post, agency costs to cover £5k. <b>Computing system</b> - over-budgeted for Orchard software. Increased cost for the Housing Ombudsman and Orchard implementation costs	
Development & Regeneration (HRA)	(54)	F	<b>Vacancy</b> - Housing Development & Research Officer - Unsuccessful recruitment attempts	
Rechargeable Repairs	10	A	New process not yet in place due to staffing issues	
Responsive (DLO Trading HRA)	1062	A	<b>Variances</b> - Several long-term vacancies (£376k), vacancies covered by agency £555k. <b>R&amp;M</b> £801k as a result of the Housing Compliance report. Increase costs for materials/equipment hire £57k. Utilities £28k	Trade vacancies have now been advertised. R&M under review to ensure no additional spending from the last committee report.
Planned (HRA Revenue)	65	A	<b>Variances</b> - Agency costs to cover sickness £171k, salary saving of (£51k). <b>R&amp;M</b> Saving £58k	Recruited to project officer post
Managing Tenancies	105	A	<b>Variances</b> - Agency costs to cover sickness and compliance work £114k, salary saving of (£17k), <b>Council tax</b> - £59k due to void rates. <b>Compensation payments</b> - £40k underspent, nothing expected in year	Void levels are decreasing, as well as length of time void - will reduce Council Tax charges

Rent Collection & Accounting	(110)	F	<b>Income</b> - Rental Income collection higher than budget (£123k) due to reduction in voids and reduction to Garage Income by £10K	Establishing a plan to improve garages to make them lettable.
Supported Housing	(33)	F	<b>Income</b> - Additional income from DCC for monitoring service	
Interest Receivable	(985)	F	<b>Income</b> - Investment income on current investment portfolio	
<b>Total</b>	<b>47</b>	<b>A</b>		

## Capital Programme

3.44 The Council's capital programme consists of many different projects covering both the General Fund and HRA.

3.45 The capital budget for 2023/24 was approved in February 2023 and has been updated following the outturn for 2022/23 to reflect the carry forward of income and expenditure for incomplete projects.

3.46 To the end of Quarter 3, there has been £2,793,755 of spend on General Fund and £2,773,523 on HRA programmes.

3.47 Key points of the programme to date include:

3.47.1 Park Road Council Housing - The Council acquired two new bungalows in Newhall 13/12/2023. The approved value for this project was approved as being £251,500. However, there were some additional unexpected legal fees incurred as part of the acquisition which resulted in an overspend of approximately £1.5k. This overspend has been met from additional S106 contributions which has been approved by the Section 151 officer, given its low value.

3.47.2 Demolition of Bank House and Creation of Car Park – This project has been partially funded by the Shared Prosperity Fund. However, part of this money will not be awarded until 2024/25. Spending in advance will not pose an issue. Given the timing of this funding, the 2023/24 spend will be funded from Capital Receipts Reserve with a view to top this reserve back up in 2024/25 once funding has been received.

3.47.3 Paradise Garden - This capital project was approved as part of the 2020 capital bids to create a small pocket park on West Street in partnership with Swad in Bloom and Town Centre regeneration. This budget has more recently been repurposed towards the new pocket park at the old Bank House site.

3.47.4 Carbon Reduction – This capital project was approved as part of the 2020 capital bids to install electrical vehicle recharge infrastructure at the Depot. Unfortunately, this has proved impractical and therefore the £50k budget allocation will be used to cover the installation of 8 EV charging points at the new car park on the old bank house site. This will allow enhancement to the EV infrastructure in the town centre.

3.47.5 Food Waste Collections – The Council is set to receive indicative transitional capital funding of £811k for the delivery of weekly food waste collections which will commence in 2026 for households from 1<sup>st</sup> April 2026. This capital funding is intended for the purchase of food buns and food waste collection vehicles. Capital transitional costs will be funded in the 2023/24 financial year.

3.48 Progress during the year on all capital projects and the total budget of all projects with details of the financial performance is summarised for each project in **Appendix 2**.

#### **4.0 Financial Implications**

4.1 Detailed in the report.

#### **5.0 Corporate Implications**

##### **Employment Implications**

5.1 None.

##### **Legal Implications**

5.2 None.

##### **Corporate Plan Implications**

5.3 There are no specific targets within the Corporate Plan but ensuring sustainability of the Council's financial position enables services to deliver targets included in the Plan.

##### **Risk Impact**

5.4 Financial risks and service pressures are detailed in the report.

#### **6.0 Community Impact**

##### **Consultation**

6.1 None.

##### **Equality and Diversity Impact**

6.2 None.

##### **Social Value Impact**

6.3 None.

##### **Environmental Sustainability**

6.4 None.

#### **7.0 Background Papers**

7.1 None.



## GENERAL FUND MEDIUM TERM FINANCIAL PLAN

### BUDGET & PROJECTION DECEMBER 2023

	Approved Budget £ 2023.24	Amended Budget £ 2023.24	Forecast Outturn £ 2023.24	Projection £ 2024.25	Projection £ 2025.26	Projection £ 2026.27	Projection £ 2027.28
<b>BASE BUDGET</b>							
Environmental & Development	6,789,905	7,326,575	7,885,028	7,588,761	7,822,478	8,060,601	8,319,390
Housing & Community	2,955,287	3,106,785	3,462,128	3,157,611	3,216,137	3,279,077	3,347,060
Finance & Management	6,429,329	6,734,592	5,077,064	6,961,793	7,087,442	7,287,187	7,509,814
<b>Net Service Expenditure</b>	<b>16,174,521</b>	<b>17,167,952</b>	<b>16,424,220</b>	<b>17,708,166</b>	<b>18,126,057</b>	<b>18,626,865</b>	<b>19,176,264</b>
<b>Accounting Adjustments</b>							
Reverse out Depreciation	-1,364,523	-1,364,523	-1,364,523	-1,364,523	-1,364,523	-1,364,523	-1,364,523
Minimum Revenue Provision (MRP)	167,668	167,668	167,668	160,962	154,523	148,342	142,408
Voluntary Revenue Provision (VRP - Recycling Bins & Grove Active Zone)	20,556	20,556	20,556	1,639	0	0	0
	<b>14,998,222</b>	<b>15,991,653</b>	<b>15,247,921</b>	<b>16,506,244</b>	<b>16,916,057</b>	<b>17,410,684</b>	<b>17,954,150</b>
<b>Add: Known Variations</b>							
Vehicle Maintenance Plan (Tyres and Spare Parts)	25,000	25,000	25,000	30,000	40,000	55,000	75,000
Operational Services - Allocated Growth Excluded From Base Budget	382,329	302,993	302,993	160,367	164,376	168,486	172,698
Growth Provision Drawdown	-172,294	-172,294	-172,294	0	0	0	0
Land Charges Service Review Provision	0	116,000	116,000	0	0	0	0
Public Sector Audit Appointments - Additional External Audit Fees	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Parish Concurrent Functions and Grants to Voluntary Bodies	10,885	0	0	11,103	11,325	11,551	11,782
Driver and Mechanic Incentive Payment	34,722	44,917	44,917	0	0	0	0
Local Plan Review	15,000	15,000	15,000	0	0	0	0
Potential pay award	457,181	0	0	468,610	480,326	492,334	504,642
Incremental Salary Increases	18,425	18,425	18,425	6,671	2,253	0	0
Potential Loss of Industrial Unit Income	0	0	0	0	0	0	225,000
District Election May 2023	0	0	0	0	0	0	125,000
Members pay award 2023/24	0	17,913	17,913				
Investment Income	-150,000	0	0				
Increase in Electricity Tariff September 2023 to September 2024	74,000	0	0				
Pension Revaluation	109,480	0	0				
Pension Earmarked Reserve Drawdown	-6,783	0	0				
<b>TOTAL ESTIMATED SPENDING</b>	<b>15,816,117</b>	<b>16,379,607</b>	<b>15,635,875</b>	<b>17,202,994</b>	<b>17,634,336</b>	<b>18,158,055</b>	<b>19,088,272</b>

**Provisions**

Contingent Sum - Growth	105,000	105,000	105,000
New Parishes - Concurrent Functions	2,500	2,500	2,500
Waste and Recycling	50,000	50,000	50,000
<b>TOTAL PROJECTED SPENDING</b>	<b>15,973,617</b>	<b>16,537,107</b>	<b>15,793,375</b>

143,254	143,144	113,144	113,144
5,000	10,000	15,000	15,001
50,000	50,000	50,000	50,000
<b>17,401,248</b>	<b>17,837,480</b>	<b>18,336,199</b>	<b>19,266,417</b>

**FINANCING**

Business Rates Retention	-4,000,000	-4,000,000	-5,340,000
Services Grant Allocation	-100,000	-100,000	-100,000
Lower Tier Services Grant Allocation	0	0	0
New Homes Bonus	-1,500,000	-1,500,000	-1,500,000
Funding Guarantee	-1,800,000	-1,800,000	-1,800,000
Council Tax Income	-6,577,466	-6,577,466	-6,577,466
Levy Account Surplus Distribution	0	0	-21,166
Revenue Support Grant	0	0	-99,000
<b>Core Spending Power</b>	<b>-13,977,466</b>	<b>-13,977,466</b>	<b>-15,437,632</b>

-4,000,000	-3,750,000	-3,750,000	-3,750,000
0	0	0	0
-2,700,000	-2,700,000	-2,700,000	-2,700,000
0	0	0	0
0	0	0	0
-6,875,455	-7,207,426	-7,549,729	-7,902,641
<b>-13,575,455</b>	<b>-13,657,426</b>	<b>-13,999,729</b>	<b>-14,352,641</b>

Add Estimated Collection Fund Surplus - Council Tax	-55,000	-55,000	-55,000
<b>TOTAL FINANCING</b>	<b>-14,032,466</b>	<b>-14,032,466</b>	<b>-15,492,632</b>

-55,000	-55,000	-55,000	-55,000
<b>-13,630,455</b>	<b>-13,712,426</b>	<b>-14,054,729</b>	<b>-14,407,641</b>

**Revenue Surplus (-) / Deficit**

	<b>1,941,151</b>	<b>2,504,641</b>	<b>300,743</b>
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**Revenue Surplus (-) / Deficit**

	<b>3,770,793</b>	<b>4,125,054</b>	<b>4,281,470</b>	<b>4,858,776</b>
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**Capital Contributions**

IT and Digital Strategy	160000	160,000	160,000
Purchase of Town Centre Land	0	44,335	44,335
Community Partnership Scheme	0	123,195	123,195
Rosliston Forestry Centre - Play Project	0	50,000	50,000
Asset Replacement and Renewal Fund	356000	356,000	356,000
<b>TOTAL CAPITAL CONTRIBUTION</b>	<b>516,000</b>	<b>733,530</b>	<b>733,530</b>

160,000	166,500	173,000	166,500
0	0	0	0
0	0	0	0
0	0	0	0
355,000	355,000	355,000	355,000
<b>515,000</b>	<b>521,500</b>	<b>528,000</b>	<b>521,500</b>

**TOTAL GENERAL FUND DEFICIT**

	<b>2,457,151</b>	<b>3,238,171</b>	<b>1,034,273</b>
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**TOTAL GENERAL FUND DEFICIT**

	<b>4,285,793</b>	<b>4,646,554</b>	<b>4,809,470</b>	<b>5,380,276</b>
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**GENERAL FUND RESERVE BALANCE**

Balance b/fwd	-15,222,148	-15,222,148	-15,222,148
Revenue Surplus (-) / Deficit	1,941,151	2,504,641	300,743
Capital Contributions	516,000	733,530	733,530
<b>Balance c/fwd</b>	<b>-12,764,997</b>	<b>-11,983,977</b>	<b>-14,187,875</b>

-11,983,977	-	-	1,757,840
3,770,793	7,698,184	3,051,629	4,858,776
515,000	521,500	528,000	521,500
<b>-7,698,184</b>	<b>-3,051,629</b>	<b>1,757,840</b>	<b>7,138,116</b>

## COMMITTEE SUMMARY - CAPITAL MONITORING DECEMBER 2023

Service Area	Accountable Budget Holder	Project	Q3 SPEND	FULL YEAR FORECAST			COMMENTARY
				EXPENDITURE	BUDGET	VARIANCE	
Housing	Head of Housing	Major Improvements under Self-financing	1,283,582	2,303,841	2,083,000	220,841	Includes SHDF wave 1 which wasn't completed last year. Housing currently working on ways to mitigate spend. Deficit covered by Major Repairs Reserve
Housing	Head of Housing	Social Housing Decarbonisation	690,538	0	0	0	Spend covered by external grants. SDDC contribution covered in Major Improvements (above)
Housing	Head of Housing	Major Disabled Facilities Grant (Council Houses MRA)	269,854	300,000	300,000	0	Full spend expected
Planning & Strategic Housing	Head of Planning & Strategic Housing	New Build - Orchard Street, Newhall	276,068	276,068	0	276,068	Expected to complete on Orchard Street within 22-23. However unexpected delays and therefore not budget profiled for 23/24, but the funding is still available within reserves.
Planning & Strategic Housing	Head of Planning & Strategic Housing	New Build - Park Road	249,481	252,878	0	252,878	Purchased two new bungalows in Newhall. Covered by New Build Reserve
Planning & Strategic Housing	Head of Planning & Strategic Housing	New Build - Moore Lane	3,000	3,000	0	3,000	Final retention payments - covered by new build reserve
Planning & Strategic Housing	Head of Planning & Strategic Housing	New Build - Milton Road	1,000	1,000	0	1,000	Final retention payments - covered by new build reserve
<b>HOUSING REVENUE ACCOUNT</b>			<b>2,773,523</b>	<b>3,136,787</b>	<b>2,383,000</b>	<b>753,787</b>	
Housing	Head of Housing	Disabled Facility Grants and other Works	463,069	500,000	1750,000	0	Full spend expected
Housing	Head of Housing	Discretionary Top-up Grants	0	25,000	25,000	0	£10k spend confirmed. Anticipation more to be issued due to number of extensions

Housing	Head of Housing	Healthy Homes Project	10,104	50,000	50,000	0	Full spend expected
Housing	Head of Housing	Dedicated Mental Health Worker	37,500	50,000	50,000	0	Full spend expected
Housing	Head of Housing	Additional Technical Officer	32,136	40,020	40,000	20	Based on current level of pay (including mileage claims)
Housing	Head of Housing	Relocation Grant	2,395	2,395	50,000	-47,605	No additional expenditure expected
Planning & Strategic Housing	Head of Housing/Strategic Housing	Domestic Violence Crisis Prevention	50,363	70,000	71,000	-1,000	Majority of spend expected
Environmental Services	Head of Environmental Services	Hospital Discharge Grant	29,536	55,000	55,000	0	Full spend expected
Environmental Services	Head of Environmental Services	Healthy Homes Assistance Fund	109,750	175,000	175,000	0	Full spend expected
Planning & Strategic Housing	Head of Housing/Strategic Housing	Handy Person Plus Project	70,201	70,201	84,000	-13,799	Scheme running to December '23. Credit note received for prior year (due to project late start)
Housing	Head of Housing	Temporary Health & Housing Co-ordinator	10,115	20,342	45,000	-24,658	Started in October '23 - based on 6 months' salary
Environmental Services	Head of Environmental Services	Temporary Public Health Officer	35,156	50,000	50,000	0	Full spend expected
Environmental Services	Head of Environmental Services	Fuel Poverty	0	0	50,000	-50,000	No agreed spend yet. Report going to next BFC meeting with three spend options for approval
Housing	Head of Housing	Graduate Post	-0	0	55,000	-55,000	Unable to recruit currently
Housing	Head of Housing	Careline Digital Equipment	32,257	90,000	90,000	0	Full spend expected, however experiencing supplier delays
Housing	Head of Housing	Foundations Consultancy Project	0	22,000	40,000	-18,000	
Environmental Services	Head of Environmental Services	Countrywide Health Impact Assessment Scheme	0	0	50,000	-50,000	No agreed spend yet - in conjunction with Fuel Poverty Project.

**Private Sector  
Housing**

**882,581**

**1,469,958**

**1,730,000**

**-260,042**

Environmental Services	Head of Environmental Services	Fly Tipping and Environmental Surveillance	523
Environmental Services	Head of Environmental Services	Empty Property Grants	0
Environmental Services	Head of Environmental Services	Carbon Reduction	0
Environmental Services	Head of Environmental Services	Green Homes Grant - Local Authority Delivery	134,834

2,511	11,011	<b>-8,500</b>
7,000	38,000	<b>-31,000</b>
50,000	50,000	0
500,000	840,000	<b>-340,000</b>

Budget profile anticipated less spend in 22/23 as at Feb '23. Available budget for 23/24 only £2,511 which is expected to be spent

Expected £7k spend in 23/24. Remaining budget will be carried forward.

Full spend expected for EV points

LAD3 has now closed with 26 properties completed. The total spend of the project was £131,178.13 leaving an underspend of £229,311.72 on the project. HUG2 is currently in progress with 6 park home completed. This scheme is open for two years and we are forecasted to complete 110 properties by 31/03/2025. There is £871,200 allocated for the first year and £1,306,800 allocated for the second year

**Environmental  
Services**

**135,357**

**559,511**

**939,011**

**-379,500**

Cultural and Community Services	Head of Cultural & Community Services	Community Partnership Scheme	0
Cultural and Community Services	Head of Cultural & Community Services	Oversetts Road Football Facility	9,458
Cultural and Community Services	Head of Cultural & Community Services	SuDS Improvements	0
Cultural and Community Services	Head of Cultural & Community Services	Paradise Garden, Swadlincote Town Centre	0
Cultural and Community Services	Head of Cultural & Community Services	Revitalising Rosliston Forestry Centre	14,321

39,981	147,776	<b>-107,795</b>
119,525	1,187,159	<b>-1,067,634</b>
0	54,774	<b>-54,774</b>
30,000	30,000	0
78,000	315,219	<b>-237,219</b>

Committee approved Capital funding for Sharpes Pottery

Turner & Townsend project costs expected in 23/24 - Project costs have come back above budget, currently being challenged.

No planned spend until land adopted

Will be repurposed towards bank house project

Currently commissioning signage company at an estimated cost of £52k, planning to install wifi across the site at a cost of £25k. Project re-spec in process following public consultation

Cultural and Community Services	Head of Cultural & Community Services	Improvements to Play Areas	10,000	10,000	193,050	-183,050	Project currently on hold until decision is made around new Capital project proposal
Cultural and Community Services	Head of Cultural & Community Services	Extension to Marston on Dove Cemetery	2,990	4,485	38,449	-33,964	Quarterly testing of ground; no further costs expected - looking at other options
Cultural and Community Services	Head of Cultural & Community Services	Miners Memorial Project, Eureka Park	21,344	30,000	0	30,000	Project being re-worked as original spec came in over budget
Cultural and Community Services	Head of Cultural & Community Services	Urban Park at William Nadin Way	104,161	104,161	0	104,161	Project complete, currently in maintenance period. Remaining costs covered by S106 prepayment
Cultural and Community Services	Head of Cultural & Community Services	Improvements to Swadlincote Woodlands	21,636	25,000	0	25,000	Graffiti artist commissioned to cover container
Cultural and Community Services	Head of Cultural & Community Services	Newhall Park Improvements	6,753	6,753	0	6,753	Plans currently being costed up, initial works covered by S106

**Community Services**

**190,662**

**447,905**

**1,966,427**

**-1,518,522**

Operational Services	Head of Operational Services	Vehicle Replacements	270,694	270,694	229,606	41,088	Sweeper purchase £168k. Other costs funded from external sources
Property Services	Head of Property Services	Public Building - Repairs & Renewals	141,808	273,674	86,000	187,674	Willington/Bus Station WC full refurb £83k, Civic Office Boilers £92.5k, replacement of Dance Studio Windows £23.5k, GB Heat Exchanger £31k, Council Chamber Upgrades £44k. Deficit will be covered by repairs reserve
Property Services	Head of Property Services	Repairs to Village Halls & Community Facilities	29,894	29,894	6,700	23,194	Netherseal Village Hall. Deficit will be covered by repairs reserve
Economic Development & Growth	Head of Economic Development & Growth	Civic Hub - Town Centre Regeneration	0	65,345	80,000	-14,655	Utilised part funding in 22/23 towards surveying costs. Plans to utilise remaining £65,345 funding towards new plan for Leisure Centres etc.
Business Change, Digital & ICT	Head of Business Change, Digital & ICT	IT Strategy	160,567	180,000	160,000	20,000	Backup server for data security and end user equipment - covered by earmark reserve for deficit. Will be looking at equipment refreshes in 24/25 which will utilise 60% of IT reserve

Economic Development & Growth	Head of Economic Development & Growth	Public Realm Improvements - The Delph	91,246	99,131	0	99,131	Project will complete imminently - expecting full project to cost £260k. Covered by external Shared Prosperity money and earmarked reserve. Anticipated to finish project in 22/23, but contractor delays
Property Services	Head of Property Services	Main Street Albert Village	0	100,000	0	100,000	Committee approved to use capital receipt to repurchase land
Property Services	Head of Property Services	Market Hall	1,350	1,350	0	1,350	Preparation of cost plan incurred - however project now on hold until approval through capital bids
Economic Development & Growth	Head of Economic Development & Growth	Shared Prosperity Fund	0	0	0	0	Funded from External Contributions
Economic Development & Growth	Head of Economic Development & Growth	Shared Prosperity Fund - Grants	2,871	2,871	0	2,871	Funded from External Contributions
Property Services	Head of Property Services	Demolition of Bank House and Car Park Creation	886,725	1,053,603	0	1,053,603	Project will complete in year. Full project costs expected of £1.233m. Covered by external Share Prosperity money and earmarked reserve. Anticipated to finish project in 22/23, but contractor delays
<b>Assets</b>			<b>1,585,155</b>	<b>2,076,562</b>	<b>562,306</b>	<b>1,514,256</b>	
<b>GENERAL FUND</b>			<b>2,793,755</b>	<b>4,553,936</b>	<b>5,197,744</b>	<b>-643,808</b>	
<b>TOTAL CAPITAL EXPENDITURE</b>			<b>5,567,278</b>	<b>7,690,723</b>	<b>7,580,744</b>	<b>109,979</b>	

		Cultural Services	Affordable Housing	Property	SDDC Unspecified	Spend Deadline	Description	
		£	£	£	£			
2006/1453	Swadlincote	365	0	0	0	N/A	Balance for Eureka, provision play area and public open space	Eureka Park Project Planned 24 as part of the levelling fund. Public consultation to be launched shortly
2007/0873	Swadlincote	852	0	0	0	N/A	If need further spend for Cadley Park - provision of open space	Eureka Park Project Planned 24 as part of the levelling fund. Public consultation to be launched shortly
2010/0320	Aston	932	0	0	0	No spend deadline		IH co-ordinating meeting with Aston PC & Weston PC
2011/0292	Willington and Findern	41,007	0	0	0	No spend deadline	Towards Twyford Pavilion	JC Working with Willington PC - towards Twyford Road Pavilion
2011/0952	Newhall and Stanton	15,708	0	0	0	No spend deadline	Included within the "Improvements to play areas" project at Newhall Park - SDDC currently retrieving quotes	Spent at Newhall Park play improvements
2012/0555	Stenson Road, Derby	168,412	0	0	0	15 year Maintenance period		Commuted sum - ready to be transferred to Culture and Operational Services for maintenance
2012/0568	Aston	74,286	0	0	0	28/02/2024		Shardlow Village hall - ongoing meetings - Roof /Energy efficiencies. Architect engaged.
2012/0568	Aston	272,119	0	0	0	02/02/2026		Boulton Moor - The triage - sport pitches allotments & changing rooms - awaiting planning permission
2012/0586	Woodville	11,918	0	0	0	N/A	Towards the provision of Open Space	Woodville PC - recent meeting re play equipment - quotes being sourced - about to submit form to us to claim money



2012/0743	Church Gresley	39,934	0	0	0	30/08/2024		To be used to help the refurbishments at Maurice Lea Memorial Park
2012/0743	Church Gresley	0	152,773	0	0	N/A	Towards Cadley Hill affordable housing	Waiting for SS to approve/ then transfer to be done
2012/0861	Woodville	22,134	0	0	0	No spend deadline	Towards the provision of open space - Including within the "Improvements to play areas" project	Woodville PC - recent meeting re play equipment - quotes being sourced - combine with 2012/0586
2013/0643	Repton	0	497,906	0	0	22/12/2026	Towards Provision, improvement, maintenance or management of affordable housing within the Repton Ward	affordable housing in Repton - EJ lead.
2013/1044	Hilton	37,725	0	0	0	30/06/2026		IH met with Hilton PC - balance to Village Hall pending community grant application
2014/0232	Aston	7,419	0	0	0	06/04/2024	Towards the provision of local outdoor recreational facilities - Weston & Aston PC have project for RIA	Going to be meeting with Aston & Weston - They have ideas for spend but not acceptable to SDDC
2014/0300	Swadlincote	25,858	0	0	0	20/01/2024	Towards renovation of multi-use games area at Maurice Lea Memorial Park	To be used to help the refurbishments at Maurice Lea Memorial Park
2014/0431	Seales	5,315	0	0	0	30/06/2022	Towards Salts Meadow and Swadlincote Woodlands Glade Creation	Spent on the works to create and maintain Salts meadows - check spend by CW
2014/0562	Etwall	18,109	0	0	0	21/10/2031	Towards increasing the capacity of Etwall Leisure Centre	Can only go to Etwall Leisure Centre - £18,108.85
2014/0562	Etwall	45,853	0	0	0	21/10/2031		£45,680.77 towards improvements in outdoor sports - Etwall LC only
2014/0740	Woodville	566,268	0	0	0	31/01/2027		Possible Leisure centre hub - 202,851k build facilities - Woodville Rec ground - balance towards urban sport £363,415 of which £120K for new skatepark at Woodhouse recreation ground.

2014/0886	Cadley Park		0	0	0	13/07/2023	Community Facilities Contribution	£26K Greenbank - use towards swimming pool
2014/0886	Cadley Park	-0				13/07/2030	Open Space Built Facil&Outdoor Sports Contribution	£47k used for the creation of the new Urban park
2014/0888	Newhall and Stanton	570,000	0	0		11/07/2026	Towards Oversetts Road Football Facility	Plans for the refurbishment of the recreation ground to go for planning permission shortly
					0.00			
2014/0888	Newhall and Stanton	0	0	0	140,210	17/08/2028	Towards Oversetts Road Football Facility	Plans for the refurbishment of the recreation ground to go for planning permission shortly
2014/0948	Linton	187,415	0	0	0	04/12/2025	Towards outdoor Recreational facilities & improvement of off-site open space at Rosliston Forestry Centre	Towards the capital improvements at Rosliston Forestry Centre. ( see revitalising Rosliston report for detailed spend)
2014/1141	Melbourne	7,644	0	0	0	01/11/2028	Towards Kings Newton Bowls Club	improvements to Bowls club house - IH met with PC and link with Bowls club
2014/1141	Melbourne	7,682	0	0	0	08/02/2029		
2015/0029	Seales	9,173	0	0	0	25/03/2026	Towards the changeroom at Overseal Rec	Plans for the refurbishment of the recreation ground to go for planning permission shortly
2015/0029	Seales	4,500	0	0	0	01/10/2026	Sports pitches and play equipment	
2015/0218	Melbourne	6,336	0	0	0	N/A		Cockshut lane improvements
2015/0218	Melbourne	3,225				N/A		Kings newton bowls club
2015/0396	Newhall and Stanton	6,608	0	0	7,207	04/09/2024	Towards Oversetts Road Football Facility	Plans for the refurbishment of the recreation ground to go for planning permission shortly
2015/0561	Woodville	20,401	0	0	0	12/12/2024	£16.9k towards Main Street Rec, £3.5k towards Goseley Community Centre	Clause in 106 specific to community centre - IH and Sally still working with PC.

2015/0563	Woodville	5,857	0	0	0	07/02/2024	Towards provision of outdoor sports facilities, open space and build facilities - currently in talks with Hartshorne PC	Build Facility and play area - & £7k play area - rest build
2015/0723	Linton	24,366	0	0	37,339	14/08/2024	Towards enhancements to RFC visitor centre, RFC play equipment and sports pitches at Strawberry Lane	Towards the capital improvements at Rosliston Forestry Centre. ( see revitalising Rosliston report for detailed spend)
2015/0768	Etwall	61,537	0	0	0	01/11/2027		toward group exercise and swimming at Etwall LC
2015/0768	Etwall	0	0	0	46,250	14/02/2025	Towards Newhouse Farm Community Centre	New Community Centre - will be paying developer once they have planning permission - delays with issues with Spec
2015/0768	Etwall	0	0	0	47,686	28/09/2025	Towards Newhouse Farm Community Centre	New Community Centre - will be paying developer once they have planning permission - delays with issues with Spec
2015/0768	Etwall				94,511	27/07/2026	Towards Newhouse Farm Community Centre	New Community Centre - will be paying developer once they have planning permission - delays with issues with Spec
2015/0768	Etwall	0	1,071,180	0	0	09/08/2024	Towards housing within the Derby fringe	Earmarked for Fisher Close
2015/0768	Etwall	0	1,071,180	0	0	20/10/2025	Towards housing within the Derby fringe	Earmarked for Fisher Close
2015/0768	Etwall	0	1,103,640	0	0	27/07/2026	Towards housing within the Derby fringe	Earmarked for Fisher Close
2015/0976	Woodville	3,783	0	0	0	29/11/2023	Woodville Parish looking to spend at Woodville Recreation Ground	Parish - considering Cricket club instead of Rec ground
2015/1108	Hatton	61,071	0	0	262,770	22/10/2026	Towards the enhancement of Scropton Road Recreation Ground	Possible 6 projects - checking out planning on a couple of them.
2015/1108	Hatton	149,443	0	0	0	31/03/2028	the enhancement and maintenance of Jubilee Fields	Possible 6 projects - checking out planning on a couple of them.
2015/1108	Hatton	240,184				23/08/2028	For the enhancement of Scropton Road Recreation Ground	Possible 6 projects - checking out planning on a couple of them.

2016/0094	Midway	3,900	0	0	0	19/10/2025	Towards Eureka Park, Miner's memorial, and Swadlincote Town Hall improvements	dependant on current capital projects
2016/0094	Midway	19,521	0	0	0	19/10/2025	Eureka Park	dependant on current capital projects
2016/0162	Hilton	14,535	0	0	0	28/02/2028	Hilton Village Hall	IH met with Hilton Village Hall w/c 26/06 with SH - balance to Village Hall pending community grant application and further details of project
2016/0162	Hilton	44,439	0	0	0	28/02/2028	Play at Hilton Village Hall Recreation Ground	To be used towards play facilities at Hilton Village Hall recreation ground.
2016/0162	Hilton	26,211	0	0	0	28/02/2028	improving the pitch and outdoor facilities at Mease Playing Fields or contribution towards the bike pump track at Hilton Village Hall Site	Mease Playing Fields
2016/0288	Swadlincote	26,000	0	0	0	28/02/2028	Towards improving play or sports facilities at Swadlincote Woodlands	To support the capital improvements at Swadlincote Woodlands
2016/0329	Woodville	28,960	0	0	0	02/07/2025	£5.5k towards improvements of the pavilion at Woodville Rec, £14k towards grass pitches at Woodville Rec, £9.3k towards Footpath connections at Woodville Woodlands - Including within the "Improvements to play areas" project	Woodville Pc - Pavilion £5.5k and £4.6 footpaths, £18.7 pitches at rec ground - met a few weeks ago
2016/0583	Aston	15,733	0	0	0	20/02/2024	Towards local areas of play - Derby City taking lead on spend	In talks with Derby City - No council or parish owned play areas
2016/0870	Aston	4,775	0	0	0	26/06/2024		Met with PC and RIA to look at project at the recreation site
2016/0870	Aston	4,885	0	0	0	21/11/2024		Met with PC and RIA to look at project at the recreation site
2016/0898	Aston	0	0	0	0	N/A		Duplicate payment - to be off set with 2012/0568

2016/1118	Repton	4,822	0	0	0	02/03/2026	£22.3k towards improvements to Broomfields Playing Fields	no plans as yet
2016/1118	Repton	17,490	0	0	0	13/07/2026		
2017/0194	Repton	36,773	0	0	0	15/06/2026	£36.7k towards improvements & recreational facilities at Broomfields Playing Fields	No plans yet
2017/0349	Etwall	75,648	0	0	0	28/09/2025	£75k Potentially towards a sporting hub - discussions ongoing	Pending Sporting hub
2017/0349	Etwall	0	1,549,378	0	0	23/12/2026	Affordable housing within the administrative area of the Council (North West fringe)	Earmarked for Fisher Close
2017/0416	Church Gresley	13,979	0	0	0	N/A	£13k towards play equipment at Maurice Lea Memorial Park	Public consultation on play area improvements to be launched shortly to add to capital bid
2017/0416	Church Gresley	7,000	0	0	0	N/A	£7k towards Woodhouse Recreation Ground	To be used for Skatepark improvements
2017/0416	Church Gresley	4,000	0	0	0	N/A	£4k towards Greenbank Leisure Centre	no plans yet
2017/0667	Newhall and Stanton	0		0	42,246	02/02/2026	£42k towards works to swimming pool at Green Bank	Pending Sporting hub
2017/0667	Newhall and Stanton	0	1	0	0	16/11/2025	Towards the provision of affordable housing on the Swadlincote South fringe	Two Bungalows at Site A Park Road - Committee Report - August 23
2017/0667	Newhall and Stanton	0		0	0	02/02/2026	Towards the provision of affordable housing on the Swadlincote South fringe	Two Bungalows at Site A Park Road - Committee Report - August 23
2017/0667	Newhall and Stanton	0		0	0	31/08/2026	Towards the provision of affordable housing on the Swadlincote South fringe	Two Bungalows at Site A Park Road - Committee Report - August 23
2017/0819	Seales	885	0	0	0	N/A		Towards Overseal Rec ground (also see 2014/0431)
2017/0915	Linton	4,364	0	0	0	N/A	Open Space Contribution	Towards 4 benches at Arthur Street, Castle Gresley
2017/0922	Deep Dale Lane	0	1,064,953	0	0	02/02/2028	Community Facilities, Outdoor Sports, Affordable Housing Contributions	Earmarked for Fisher Close

2017/0922	Deep Dale Lane	77,034	0	0	0	02/02/2033		Planning application in for IGV
2017/0922	Deep Dale Lane	0	0	0	41,575	02/02/2033		Community facilities on garden village - waiting for planning app
2017/1293	Hilton	0	203,817	0	0	04/10/2024		no plan yet
2017/1293	Hilton	23,359	0	0	0	04/10/2024		£23.3 Hilton Village Hall lan, £41.8 to football club - Lee English - met a few days ago
2017/1293	Hilton	1,132	0	0	0	04/10/2024	Towards the provision of native hedgerow planting as mitigation for the loss of hedgerow to be caused as a result of the Development	£1.2k biodiversity Gareth price - Hedgerow
2017/1293	Hilton	41,848	0	0	0	04/10/2024	to be used towards carrying out improvements to the playing pitches and associated facilities at The Mease (Hilton Harriers Football Club) including, without limitation, the costs of any land acquisition required	Lee English - met a few days ago
2018/0709	Hartshorne	13,875	0	0	0	20/07/2028	Outdoor sports/Built Facilities	£11.8k Outdoor sports, £6.5k Goseley Sports - IH in talks
2018/0114	Swadlincote	15,835	0	0	-2,700	31/03/2028	Build, Open Space, Outdoor Sports Contribution	£13.1k towards improvements to Swadlincote Woodlands play area , consultation to launch shortly
2018/0114	Swadlincote	0	0	0	2,700	31/03/2028		Refurb swimming pool GBLC £2.7k
2018/0265	Linton	4,882	0	0	0	04/02/2027	Built facilities	Improve Rosliston Village Hall - IH to speak with Ros PC
2018/0377	Woodville	3,400	0	0	0	16/03/2026	Towards Goseley Community Centre	no plans yet
2018/0377	Woodville	10,699	0	0	0	16/03/2026	Towards Improvements to Swadlincote Woodlands.	Towards improvements to Swadlincote Woodlands play area , consultation to launch shortly

2019/1183	Swadlincote	14,208	0	0	0	N/A	Towards the CCG and improvements at Swadlincote Surgery	no plans yet - but in talks
2019/1205	Hilton	7,776	0	0	0	N/A	Towards enhancing and managing biodiversity	no plans yet - but working with PC
2020/1460	Drakelow	430,211	0	0	0	13/07/2033	Built facilities	Provision Built facilities with SDDC
2021/1686	Tetron Point, William Nadin Way	25,187	0	0	0	11/10/2027	Towards Drainage Contribution	no plans yet
2021/1686	Tetron Point, William Nadin Way	0	0	45,336	0	11/10/2027	Cycle route	To be paid to DCC
2021/1686	Tetron Point, William Nadin Way	0	0	0	30,224	11/10/2027	Transport works	To be paid to DCC

**TOTAL AVAILABLE**

**3,746,806      6,714,828      45,336      750,019      11,256,989**

**Earmarked Reserve Balances as at 1 April 2023**

**APPENDIX 4**

<b>Description</b>	<b>Value</b>
Recycling Service Provision	-675,000
New Burdens - COVID-19 Support	-523,960
Flooding - Community Recovery Fund	-84,301
Building Control Transition	-13,709
Urban County Park	-468,855
Biodiversity Enhancements - Swadlincote - Woodville regeneration route	-142,770
Operational Services Public Open Spaces	-224,024
HRA Voids backlog	-133,000
Rosliston Capital Reserve	-217,444
Public Buildings Maintenance	-156,414
HRA Asset Replacement	-199,722
Schools Sport Partnership Project	-448,395
Planning 20% fee increase	-148,798
Homelessness Prevention	-582,073
EU Exit Funding	-52,452
Local Authority Support COVID-19	-61,971
Planning staffing and support costs	-264,560
Asset Replacement and Renewal Fund	-459,316
HRA ICT Mobile Working	-233,941
620 GENERAL FUND IT RESERVE	-738,756
Covid - Income Fee Charges	-92,803
Business Change and Transformation	-52,000
Welfare Reform, Fraud & Compliance	-407,388
Shop Fronts Contribution	-15,507
S106 Planning Policy Fee	-19,600
NNDR Relief Overpayment Provision	-382,038
Cultural Services Public Open Spaces	-304,660
Corporate Training	-76,185
Parks Improvement Fund	-16,071
Discretionary Housing Payments	-15,240
Council Tax Support Scheme - Hardship Fund	-29,118
TIC Transfer Provision	-1,536
633 FIXED ASSET REPLACEMENT FUND	-744,807
District Conservation Works	-10,000
Software upgrades to GIS/LLPG	-9,000
Cultural Services Restructure Provision	-3,183
Pensions reserve	-357,242
District Growth	-1,016,628
Rosliston Forestry Centre Café	-70,576
Pressure Washer for Shelter Maintenance	-10,000
Finance staffing and resource costs	-90,000
Economic Regeneration Fund	-826,187
Section 31 Compensation	-1,672,065
Risk Management Fund	-12,000
Land Charges Software Support	-115,000
New Town Centre Grant - Non-Heritage	-39,662
627 REVENUE COMMITTED EXPENDITURE RESERVE	-256,193
DHP Rent Arrears Top up	-30,000
	<b>-12,504,149</b>



	Housing Compliance Report	Q3	Changes	Reason for Change
Rent and Rechargeable Repairs	-13,118,868.21	-13,082,070.00	36,798.21	£26k Rents, No. of voids has been increasing over last few months, £10k rechargeable repairs, it was envisaged that a new process would be implemented, and invoices raised, but due to staffing it may not be likely.
Interest Receivable	-1,126,278.00	-1,181,661.00	-55,383.00	Favourable interest received
<b>Total Income</b>	<b>-14,245,146.21</b>	<b>-14,263,731.00</b>	<b>-18,584.79</b>	

Repairs and Maintenance	4,823,168.00	5,076,007.00	252,839.00	<b>Responsive</b> - vacant posts still not filled, plus an additional Repairs manager post which is now vacant. Additional 3 agency staff and therefore an increase to agency fees. There is a new MRI system for repairs, £166k which will be funded from EMR's <b>Planned</b> - Repairs manager stepped up as interim Head of Service and therefore additional vacancy savings. However, this post is covered by agency staff plus an additional Damp and Mould Project officer on agency
Managing Tenancies	2,321,062.39	2,311,198.00	-9,864.39	Continuation of vacant posts, expected to be filled but not successfully recruited
Supported Housing	707,968.54	736,309.00	28,340.46	Increase in overtime costs
Interest Payable	1,508,051.50	1,508,052.00	0.50	
Capital and Debt Repayment	4,807,022.69	4,807,023.00	0.31	
Bad Debt Provision	131,000.00	131,000.00	0.00	
<b>Total Expenditure</b>	<b>14,298,273.12</b>	<b>14,569,589.00</b>	<b>271,315.88</b>	

**Net Operating Position**

<b>53,126.91</b>	<b>305,858.00</b>	<b>252,731.09</b>
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Contingent Sums	2,439,326.00	2,399,326.00	-40,000.00	Removal of pay award - now within base
Earmark Reserve Drawdown	-133,000.00	-303,317.00	-170,317.00	Programme manager funded by EMRS and MRI repairs system

<b>HRA (surplus)/Deficit</b>	<b>2,359,452.91</b>	<b>2,401,867.00</b>	<b>42,414.09</b>
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<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 10</b>
<b>DATE OF MEETING:</b>	<b>14 MARCH 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: S:\Finance\COMMITTEE\2023-24\March\TM Reports</b>
<b>SUBJECT:</b>	<b>TREASURY MANAGEMENT UPDATE 2023/24</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM08</b>

## **1.0 Recommendations**

- 1.1 That the latest Quarter 3 updates in respect of Treasury Management (**Appendix 1**), Prudential Indicators and Limits (**Appendix 2**) and Counterparty List for investments and bank deposits (**Appendix 3**) are noted.

## **2.0 Purpose of the Report**

- 2.1 To provide an update on the Council's treasury management activities for the third quarter of 2023/24.
- 2.2 To provide an update on external economic factors and how these may affect treasury management in the future.

## **3.0 Financial Implications**

- 3.1 As detailed in the report.

## **4.0 Corporate Implications**

- 4.1 None directly

## **5.0 Community Implications**

- 5.1 None directly

## **6.0 Background Papers**

- 6.1 Treasury Management in the Public Services Code of Practice (CIPFA Publication - December 2021)



**South  
Derbyshire  
District Council**

**Treasury Management Report Q3 2023/24**

## **Introduction**

The Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Council to approve treasury management semi-annual and annual outturn reports.

This quarterly report provides an additional update and includes the new requirement in the 2021 Code, mandatory from 1st April 2023, of quarterly reporting of the treasury management prudential indicators. The non-treasury prudential indicators are incorporated in a separate report.

The Council's treasury management strategy for 2023/24 was approved at a meeting on 22<sup>nd</sup> February 2023. The Council has borrowed and invested 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 risk remains central to the Council's treasury management strategy.

## **External Context**

**Economic background:** UK inflation rates finally started to decline, mirroring the sharp but earlier drop seen in the Eurozone and US. Despite the fall, the Consumer Price Index (CPI) remained substantially in excess in the Bank of England's (BoE) 2% target, at 3.9% for November 2023. Market expectations for further rises in Bank Rate fell from October through to year end, indicating that the 5.25% level reached in August 2023 was indeed the peak for Bank Rate.

Economic growth in the UK remained weak over the period, edging into recessionary territory. In calendar Q3 2023, the economy contracted by 0.1%, following no change in Q2. Monthly GDP data showed a 0.3% contraction in October, following a 0.2% rise in September. While other indicators have suggested a pickup in activity in the subsequent months, Q4 GDP growth is likely to continue the weak trend.

July data showed the unemployment rate increased to 4.2% (3mth/year) while the employment rate rose to 75.7%. Pay growth edged lower as the previous strong pay rates waned; total pay (including bonuses) growth was 7.2% over the three months to October 2023, while regular pay growth was 7.3%. Adjusting for inflation, pay growth in real terms were positive at 1.3% and 1.4% for total pay and regular pay respectively.

Inflation continued to fall from its peak as annual headline CPI declined to 3.9% (down from 4.6%) in November 2023. The largest downward contribution came from energy and food prices. The core rate also surprised on the downside, falling to 5.1% from 5.7%.

The BoE's Monetary Policy Committee held Bank Rate at 5.25% throughout the period, although a substantial minority continued to vote for a 25 basis point rate rise. The Bank continues to tighten monetary policy through asset sales, as it reduces the size of its balance sheet. Financial market Bank Rate expectations moderated over the period as falling inflation and weakening data showed that higher interest rates were working in the UK, US, and Eurozone.

Following the December MPC meeting, Arlingclose, the Council's treasury adviser, maintained its central view that 5.25% is the peak in Bank Rate. Short term risks are broadly balanced, but over the remaining part of the time horizon the risks are to the downside from economic activity weakening more than expected.

The lagged effect of monetary policy together with the staggered fixed term mortgage maturities over the next 12-24 months means the full impact from Bank Rate rises are still yet to be felt by households. As such, while consumer confidence continued to improve over the period, it is likely this will reverse at some point and spending will struggle. Higher rates will also impact exposed businesses; according to S&P/CIPS survey data, the UK manufacturing and construction sectors contracted during the quarter. The services sector recovered, however, with the PMI rising strongly in December, possibly due to improving consumer confidence.

The US Federal Reserve held its key interest rate at 5.25-5.50% over the period. While policymakers continued to talk up the risks to inflation and therefore interest rates, this stance ebbed over the quarter culminating in a relatively dovish outcome from the December FOMC meeting.

The European Central Bank continues to resist market policy loosening expectations, but the Eurozone CPI rate has fallen sharply as GDP growth as markedly slowed, hitting 2.4% in November (although rising to 2.9% on energy-related base effects).

**Financial markets:** Financial market sentiment and bond yields remained volatile, but the latter rapidly trended downwards towards the end of 2023 on signs of sharply moderating inflation and economic growth.

Gilt yields fell towards the end of the period. The 10-year UK benchmark gilt yield rose from 4.57% to peak at 4.67% in October before dropping to 3.54% by the end of December 2023. The Sterling Overnight Rate (SONIA) averaged 5.19% over the period.

**Credit review:** Arlingclose maintained the advised maximum duration limit for all banks on its recommended counterparty list to 35 days over the period.

In October, Moody's revised the outlook on the UK's Aa3 sovereign rating to stable from negative. This led to similar rating actions on entities that include an element of government support in their own credit ratings, including banks and housing associations. Local authorities were, however, downgraded on expectations of lower government funding.

Following the issue of a Section 114 notice, in November Arlingclose advised against undertaking new lending to Nottingham City Council. After reducing its recommended duration on Warrington Borough Council to a maximum of 100 days in September, the local authority was subsequently suspended from the Arlingclose recommended list following a credit rating downgrade by Moody's to Baa1.

Arlingclose continued to monitor and assess credit default swap levels for signs of ongoing credit stress, but no changes were made to recommended durations over the period.

Heightened market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the Council's counterparty list recommended by Arlingclose remains under constant review.

### **Local Context**

On 31st March 2023, the Council had net investments of £17.994m arising from its revenue and capital income and expenditure. 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. These factors are summarised in the table below.

### **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 was approved at Council in February 2024.

### **Balance Sheet Summary**

	<b>31.3.23 Actual £'000</b>	<b>31.3.24 Forecast £'000</b>
General Fund CFR	6,860	6,822
HRA CFR	51,584	41,584
<b>Total CFR</b>	<b>58,444</b>	<b>48,406</b>
External borrowing	47,512	37,512
<b>Internal borrowing</b>	<b>10,932</b>	<b>10,894</b>
Less: Balance sheet resources	(76,438)	(61,658)
<b>Net (investments)</b>	<b>(65,506)</b>	<b>(50,764)</b>

The figures have been updated since Q2 because of the CFR review.

The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing, to reduce risk and keep interest costs low.

The treasury management position at 31<sup>st</sup> December 2023 and the change over the year is shown in the table below.

### **Treasury Management Summary**

	31.03.23 Balance £'000	Movement £m	31.12.23 Balance £'000	Average Rate %
Long-term borrowing:				
Fixed	47,423	0	47,423	3.19%
Variable	0	0	0	0.00%
Short-term borrowing	89	0	89	4.25%
<b>Total borrowing</b>	<b>47,512</b>	<b>0</b>	<b>47,512</b>	
Long-term investments	3,572	(115)	3,457	5.23%
Short-term investments	58,000	12,500	70,500	5.20%
Cash and cash equivalents	3,934	928	4,862	2.28%
<b>Total investments</b>	<b>65,506</b>	<b>13,313</b>	<b>78,819</b>	
<b>Net investments</b>	<b>17,994</b>	<b>13,313</b>	<b>31,307</b>	

### **Borrowing**

CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Council. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes.

The Council has not invested in assets primarily for financial return or that are not primarily related to the functions of the Council. It has no plans to do so in future.

### **Borrowing Strategy and Activity**

As outlined in the treasury strategy, 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. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

Interest rates have seen substantial rises over the last two years, although these rises began to plateau in the later months of 2023. Rates over the last 3 quarters were at the peak between June and October, since then they have fallen back to lows last seen in April 2023. Gilt yields have remained volatile, facing upward pressure following signs that UK growth had been more resilient and inflation stickier than expected. However more recent signs of slowing inflation and the perception of an increasingly struggling economy have now begun to change this sentiment, resulting in falling gilt yields and, consequently, PWLB rates.

On 31st December, the PWLB certainty rates for maturity loans were 4.19% for 10-year loans, 4.90% for 20-year loans and 4.67% for 50-year loans. Their equivalents on 31st March 2023 were 4.33%, 4.70% and 4.41% respectively.

A new PWLB HRA borrowing rate which is 0.4% below the certainty rate was made available from 15th June 2023. This rate will now be available until to June 2025. The discounted rate is to support local authorities borrowing for the Housing Revenue Account and for refinancing existing HRA loans.

At 31<sup>st</sup> December 2023 the Council held £47.m 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.

The short-term borrowing of £89k relates to deposits received from two Parish Councils within the District. These loans can be recalled on immediate notice. Interest is calculated at the Bank of England Base Rate, less 1%. Interest will be payable half yearly after the 30<sup>th</sup> September and the second after 31<sup>st</sup> March.

The following table shows the maturity dates of the loans and rate of interest payable.

#### Borrowing Position

<b>Loan Profile</b>	<b>Type</b>	<b>Value £'000</b>	<b>Rate %</b>	<b>Maturity</b>
Public Works Loan Board	Fixed	10,000	2.70	2023/24
Public Works Loan Board	Fixed	10,000	3.01	2026/27
Public Works Loan Board	Fixed	10,000	3.30	2031/32
Public Works Loan Board	Fixed	10,000	3.44	2036/72
Public Works Loan Board	Fixed	7,423	3.50	2041/42
<b>Total Long-term borrowing</b>		<b>47,423</b>		
Short-term Parish Council Loans		<b>89</b>	4.25	
<b>Total borrowing</b>		<b>47,512</b>		

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.

#### Treasury Investment Activity

The CIPFA Treasury Management Code now defines treasury management investments as those investments which arise from the Council's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Council's investment balances ranged between £45m and £74m million due to timing differences between income and expenditure. The investment position is shown in the table below.



## Treasury Investment Position

	<b>31.03.23 Balance £'000</b>	<b>Q3 2024 Movement £'000</b>	<b>31.12.23 Balance £'000</b>	<b>31.12.23 Rate of Return %</b>
Banks (unsecured)	3,934	928	4,862	2.28%
Local Authorities	42,000	12,500	54,500	5.10%
Money Market Funds	16,000	0	16,000	5.40%
CCLA Property Fund (Fair value)	3,572	(115)	3,457	5.23%
<b>Total investments</b>	<b>65,506</b>	<b>13,313</b>	<b>78,819</b>	

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum 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.

As demonstrated by the liability benchmark in this report, the Council expects to be a long-term borrower and new treasury investments are therefore primarily made 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 asset classes and boost investment income.

Bank Rate increased by 1% over the period, from 4.25% at the beginning of April to 5.25% by the end of December. Short term rates peaked at 5.6% for 3-month rates and 6.6% for 12-month rates during the period, although these rates subsequently began to reduce towards the end of the period. Money Market Rates also rose and were between 5.33% and 5.46% by the end of December.

The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking below.

### Investment Benchmarking – Treasury investments managed in-house (excludes CCLA)

	<b>Credit Score</b>	<b>Credit Rating</b>	<b>Bail-in Exposure</b>	<b>Weighted Average Maturity (days)</b>	<b>Rate of Return %</b>
<b>31.03.2023</b>	4.93	A+	32%	72	2.06
<b>31.12.2023</b>	4.96	A+	28%	62	4.56

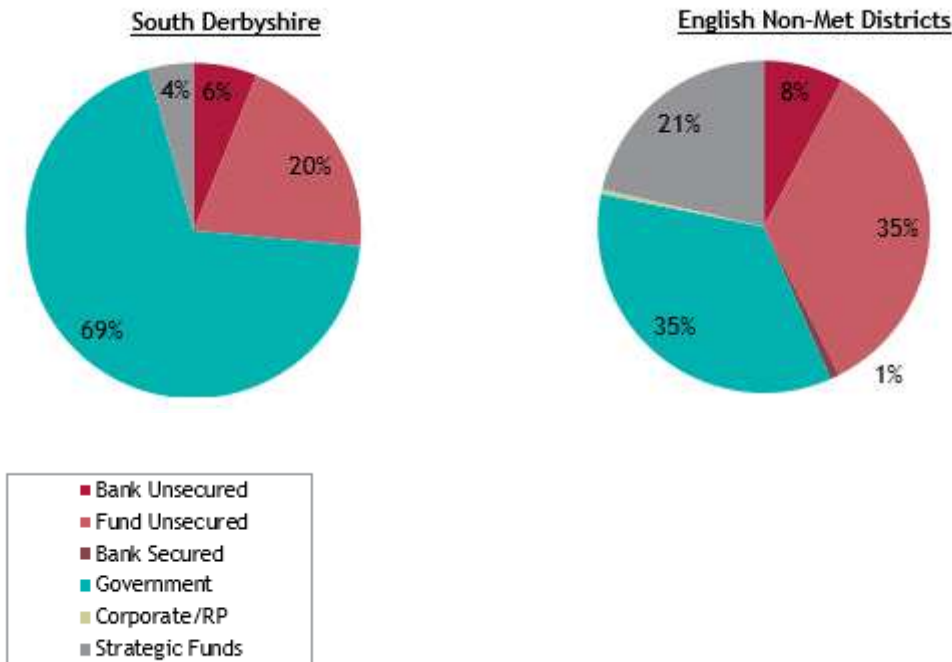
<b>Similar LAs</b>	4.81	A+	57%	54	5.12
<b>All LAs</b>	4.80	A+	60%	11	4.95

**Credit Score:** This is a value weighted average score calculated by weighting the credit score of each investment by its value. A higher number indicates a higher risk.

**Credit Rating:** This is based on the long-term rating assigned to each institution in the portfolio, by ratings agencies Fitch, Moody's and Standard & Poor's. Ratings rang from AAA to D, and can be modified by +/-

**Bail in Exposure:** The adoption of a bail in regime for failed banks results in a potential increased risk of loss of funds for local authority should this need to be implemented. Therefore, a lower exposure to bail in investments reduces this risk.

**Weighted Average Maturity:** This is an indicator of the average duration of the internally managed investments. Similar authorities have a similar profile to South Derbyshire; other larger authorities tend to hold a greater proportion of fund in money markets than fixed term deposits with other LAs, due to their cash flow requirements.



This chart illustrates the type of investment funds held by the Council in comparison to other similar Local Authorities, this shows in greater detail, the comparisons in the bail in exposure and rate of return, on the above security benchmark table. The unsecured funds held by other Local Authorities is a much higher percentage of their investment portfolio, which will offer them a higher rate of return, however the bail in exposure risk to funds is 57% of their total portfolio. The Council have invested their funds in much safer secured investments (Government) which may produce a smaller yield but the risk to Council funds is low at 28%.

**Externally Managed Pooled Funds**

£4m of the Council's investments is invested in externally managed strategic pooled property funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. These funds are expected to generate an average return of £40k - £45k per quarter, its estimated £160k - £180k income return will be achieved this year, which is used to support services in year.

Financial market conditions remained volatile between October and December. Global government bond yields initially rose before inflation data undershooting estimates led to a rally with prices rising and yields falling on the premise that the major central banks' rate hiking cycles were over. Optimism that bond yields would fall further rapidly was tempered by tight labour markets and core inflation remaining above central banks' targets. Nevertheless, for existing longer-term investors in fixed income securities, the prospect of interest rate cuts in 2024 improved sentiment.

November and December were good months for UK, Euro area and US equity markets as investors priced in a soft landing with the economies avoiding recession. Despite cautionary central bank warnings that the full effects of monetary tightening are yet to be felt and corporate refinancing in coming years will be at higher levels, expectations of interest rate cuts helped propel sentiment. On 31st December 2023 the FTSE All Share index was 4232 compared with 4127 on 30th September and 4157 on 31st March. The MSCI All Countries World Index was 3169 compared to 2853 on 30th September and 2791 on 31st March.

Investor sentiment for UK commercial property remained subdued with caution showed by buyers and sellers. With interest rates and bond yields remaining relatively high and investors demanding higher yields, property prices remained under pressure. The outlook for offices remains challenging from changing working practices. This was evident in the capital value of the Council's property funds which were below those in March and September.

The combination of the above had a marginal negative effect on the combined value of the Council's strategic funds since March 2023. The bid market value on the CCLA property fund has reduced from £3,532,118 in March 2023 to £3,417,110 in December 2023.

Income returns remained broadly consistent. The Council has budgeted £136,000 income from these investments in 2023/24. Income received up to 31<sup>st</sup> December 2023 was £88,347, whilst a further £44,670 has been declared and is due to be paid by January.

Because the Council's externally managed 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 are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates.

**Statutory override:** In April 2023 the Department for Levelling Up, Housing and Communities (DLUHC) published the full outcome of the consultation on the extension of the statutory override on accounting for gains and losses on pooled investment funds. The override has been extended for two years until 31st March 2025 but no other changes have been made; whether the override will be extended beyond the new date is unknown but commentary to

the consultation outcome suggests not. The Council will discuss with Arlingclose the implications for the investment strategy and what action may need to be taken.

### **CCLA Property Fund Performance**

		2022/23	2023/24
		Q4	Q3
Dividend Received	£	38,409	44,670
Annual Equivalent Interest Rate	%	4.35%	5.23%
Bid (Selling) Price	pence/unit	283.80	274.56

The mid-market value of the fund as at the 31<sup>st</sup> December 2023 is £3,470,910 and the bid market value is £3,417,110. The quarters market and bid values have decreased from March 23 by 3.26%. This reinforces the notion that the Fund should only be considered for long-term investments.

The Council's investment in the CCLA fund will remain stable throughout 23/24 with performance continuing to yield positive dividends.

### **Non-Treasury Investments**

The definition of investments in CIPFA's revised 2021 Treasury Management Code covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).

Investment Guidance issued by DLUHC and Welsh Government also broadens the definition of investments to include all such assets held partially or wholly for financial return.

The Council held £8.87m of investments made for commercial purposes. This consisted entirely of directly owned property and land. A full list of the Council's non-treasury investments is available in the Investment Strategy document.

These investments generated 0.752m of investment income for the Council after taking account of direct costs.

All commercial investments are located within the district.

### **Performance**

#### **Average 7-Day Money Market Rate**

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 for the second quarter is shown below.

	<b>As at 31.03.23</b>	<b>As at 31.12.23</b>
Average 7-Day Money Market Rate (Target)	3.89%	5.25%
Average Interest Rate Achieved on Short Term Deposits	3.43%	5.10%

Our current investment profile includes several local authority loans which were dealt when interest rates were not as favourable. This therefore brings down the overall average interest-rate on short term deposits. The expectation being, as these loans mature higher interest rates will be achieved upon new dealings.

### **Cost of Debt**

This indicator shows how much the costs of borrowing impact upon each household (at Band D Council Tax rate) in the District. The impact on Council Tax is positive as the General Fund has no actual debt. The performance for the first quarter is shown below using the current interest received and the estimated annual interest based on current returns. This is compared to the actual annual interest received last year.

<b>General Fund Impact per Council Tax Payer</b>	<b>Actual 31.03.2023</b>	<b>Actual 31.12.2023</b>	<b>Estimated 31.03.2024</b>
	£	£	£
Net Interest Received - General Fund	-£751,544	-£1,437,682	-£1,927,973
Band D Properties	36,702	37,663	37,663
<b>Cost per Band D Property</b>	<b>-£20.48</b>	<b>-£38.17</b>	<b>-£51.19</b>

The cost of debt on each council tenant (HRA) is shown below. The performance for the first quarter is the actual costs compared to the estimated costs for the year.

<b>HRA Debt Interest per Dwelling</b>	<b>31.03.23 Actual</b>	<b>31.03.2024 Estimated</b>
HRA Interest Payable	1,504,805	1,504,805
Dwellings	2,937	2,919
<b>Annual Cost per Dwelling</b>	<b>£512.36</b>	<b>£515.52</b>

### **Compliance**

The Chief Finance Officer reports that all treasury management activities undertaken during the quarter complied fully with the principles in the Treasury Management Code and the Council's approved Treasury Management Strategy.

Compliance with specific investment limits is demonstrated in the table below:

## Investment limits

Sector	Maximum Investment Q3 2024	Counterparty Limit	Time Limit	Sector Limit	Complied
The UK Government	£21.5m	£25m	364 days	n/a	✓
Local authorities & other government entities	£37m	£5m	364 days	Unlimited	✓
Banks (unsecured)*	£2.8m	£3m	35 days	Unlimited	✓
Building societies (unsecured)*	£2m	£2m	35 days	£5m	✓
Money Market Funds*	£16m	£2m	60 days	£16m	✓
Strategic Pooled Funds	£4m	£4m	n/a	£4m	✓
Other Investments*	0	£1m	35 days	Unlimited	✓

## Treasury Management Prudential Indicators

As required by the 2021 CIPFA Treasury Management Code, the Council monitors and measures the following treasury management prudential indicators.

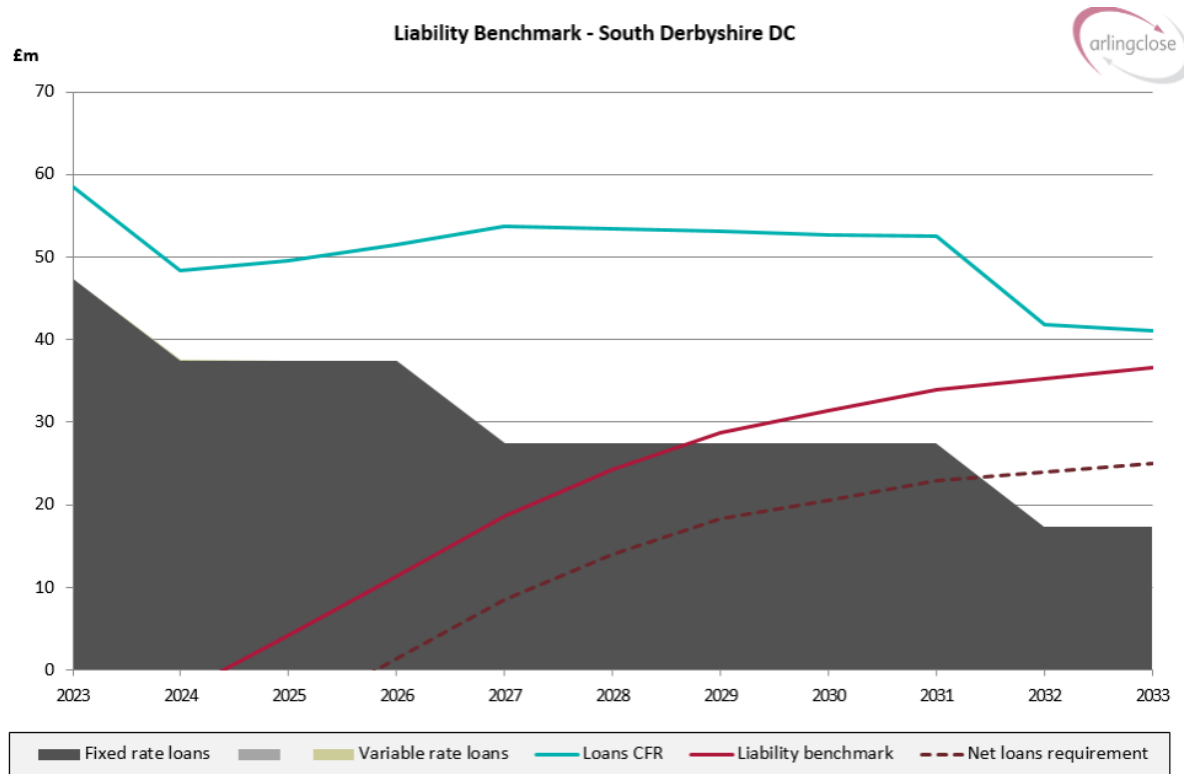
### Liability Benchmark:

This new indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. 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. It 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 of £10m required to manage day-to-day cash flow.

	31.3.23 Actual	31.3.24 Forecast	31.3.25 Forecast	31.3.26 Forecast
Loans CFR	58,444	48,406	49,493	51,532
Less: Balance sheet resources	(76,438)	(61,190)	(55,373)	(50,186)
<b>Net loan requirement</b>	<b>(17,994)</b>	<b>(12,784)</b>	<b>(5,880)</b>	<b>1,346</b>

Plus: Liquidity allowance	10,000	10,000	10,000	10,000
<b>Liability benchmark</b>	<b>(7,994)</b>	<b>(2,784)</b>	<b>4,120</b>	<b>11,346</b>
<b>Existing borrowing</b>	<b>47,423</b>	<b>37,423</b>	<b>37,423</b>	<b>37,423</b>

Following on from the medium-term forecast above, 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 asset 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.

**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 all borrowing were:

	Upper Limit	Lower Limit	31.1223 Actual	Complied?
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 limits are:

	2023/24	2024/25	2025/26	No fixed date
Limit on principal invested beyond year end	£0m	£0m	£0m	£4m
Actual principal invested beyond year end	£0m	£0m	£0m	£4m
Complied?	✓	✓	✓	✓

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

### Interest Rate Exposures:

This indicator is set to control the Council's exposure to interest rate risk. Bank Rate rose by 1.25% from 4.25% on 1st April to 5.25% by 31st December.

For context, the changes in interest rates during the quarter were:

	31/3/23	31/12/23
Bank Rate	4.25%	5.25%
1-year PWLB certainty rate, maturity loans	4.78%	5.13%
5-year PWLB certainty rate, maturity loans	4.31%	4.19%
10-year PWLB certainty rate, maturity loans	4.33%	5.37%
20-year PWLB certainty rate, maturity loans	4.70%	4.90%
50-year PWLB certainty rate, maturity loans	4.41%	4.67%

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at new market rates.





**South  
Derbyshire  
District Council**

**Prudential Indicators 2023/24**

**December 2023**

## Introduction

The Local Government Act 2003 requires the Authority 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 Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

The Authority measures and manages its capital expenditure, borrowing and commercial and service investments (where applicable) with references to the following indicators.

It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis.

## **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>Actual 2022/23</b>	<b>Forecast 2023/24</b>	<b>Forecast 2024/25</b>	<b>Forecast 2025/26</b>	<b>Forecast 2026/27</b>	<b>Forecast 2027/28</b>
General Fund	4,013,345	4,742,558	6,685,387	3,817,000	2,880,000	747,500
HRA	2,456,166	2,432,186	3,119,676	3,500,000	4,630,000	4,200,000
<b>Total</b>	<b>6,469,511</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>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>
Grants and Contribution	2,914,945	2,924,000	2,348,000	820,000	400,000	400,000
Council Resources	3,554,566	4,250,744	7,457,063	6,497,000	7,110,000	4,547,500
<b>Total</b>	<b>6,469,511</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>

There have been significant changes to the forecasts than those approved in the Capital Strategy for 2023/24 due to additional capital bids that were put forward as part of the budget round for 2024/25. 8 new projects have also been added to the rolling 5-year programme and an updated fleet replacement programme has also been included.

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

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 because 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.

<b>Expected CFR</b>	<b>Actual 2022/23 £'000</b>	<b>Forecast 2023/24 £'000</b>	<b>Forecast 2024/25 £'000</b>	<b>Forecast 2025/26 £'000</b>	<b>Forecast 2026/27 £'000</b>	<b>Forecast 2027/28 £'000</b>
CFR b/fwd	58,639	58,444	48,406	49,493	51,532	53,706
Add New Financing	0	0	1127	2095	2440	252
Less MRP	-175	-38	-40	-56	-266	-523
Less VRP	-21	0	0	0	0	0
Less Debt Repayment	0	-10000	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>
General Fund Proportion	6,860	6,822	7,909	9,948	11,682	11,465
HRA Proportion	51,584	41,584	41,584	41,584	42,025	41,971
<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>

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.

There have been significant changes to the forecasts than those approved in the Capital Strategy for 2023/24 due to additional internal borrowing required to fund the capital programme resulting from additional capital bids in the 2024/25 budget round. There has also been a change to the 2022/23 actual CFR resulting from the CFR review conducted by Arlingclose.

### **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	Actual 2022/23 £'000	Forecast 2023/24 £'000	Forecast 2024/25 £'000	Forecast 2025/26 £'000	Forecast 2026/27 £'000	Forecast 2027/28 £'000
General Fund Proportion	6,860	6,822	7,909	9,948	11,682	11,465
HRA Proportion	51,584	41,584	41,584	41,584	42,025	41,971
<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>

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.

Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The Authority has complied and expects to continue to comply with this requirement in the medium term as is shown below.

Estimated Borrowing Compared to the CFR	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Gross Borrowing - HRA	47,423	37,423	37,423	37,423	27,423	27,423
Gross Borrowing - General Fund	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>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>

## The Authorised Limit for External Debt

The Authority 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.

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

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.

Since the operational boundary is a management tool for in-year monitoring it is not significant if the boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

## 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	Actual	Forecast	Forecast	Forecast	Forecast	Forecast
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£	£	£	£	£	£
Estimated Net Interest Received - General Fund	-751,544	-1,927,973	-846,658	-423,329	-419,096	-414,905
Estimated Band D Properties (per MTFP)	36,702	37,663	38,809	39,585	40,377	41,184
<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>
Estimated Net Interest Payable - HRA	1,117,245	323,144	798,648	798,648	798,648	497,648
Estimated Dwellings (per MTFP)	2,945	2,927	2,909	2,891	2,873	2,855

Annual Cost per Dwelling	£379.37	£110.40	£274.54	£276.25	£277.98	£174.31
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## 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 Investment Strategy. The expected level of reserves and balances is shown in the following table.

Estimated Usable Reserves	Actual 2022/23 £'000	Forecast 2023/24 £'000	Forecast 2024/25 £'000	Forecast 2025/26 £'000	Forecast 2026/27 £'000	Forecast 2027/28 £'000
General Fund (inc Earmarked)	42,557	35,833	28,943	21,431	14,420	6,181
Capital Receipts and Grants (GF)	3,732	2,087	1,412	1,181	969	850
HRA Reserves	4,609	2,254	1,093	1,480	1,851	2,650
Capital Receipts and Grants (HRA)	9,227	4,703	7,112	8,780	10,096	11,065
Major Repairs Reserve	4,987	4,987	5,487	5,987	6,487	6,987
<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>

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 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.

Financing Ratios	Actual 2022/23 £	Forecast 2023/24 £	Forecast 2024/25 £	Forecast 2025/26 £	Forecast 2026/27 £	Forecast 2027/28 £
<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
Net Interest Receivable	-751,544	-1,927,973	-846,658	-423,329	-419,096	-414,905
<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>HRA</b>						
Estimated Rental Income	12,381,712	12,901,323	14,304,000	14,589,000	14,880,000	15,176,000

Estimated Interest Payable	1,504,805	1,504,805	1,234,805	1,234,805	1,234,805	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>

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.

**Treasury Management Indicators:** These indicators (Liability Benchmark, Maturity Structure of Borrowing, Long-Term Treasury Management Investments, and Interest Rate Exposure) are within the Treasury Management Report Q3 2023/24.

**COUNTERPARTY LIST 2023/24  
(as at December 2023)**

**Treasury investment counterparties and limits**

<b>Sector</b>	<b>Counterparty Limit</b>	<b>Time Limit</b>	<b>Sector Limit</b>
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.

**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 Authority 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 Authority 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 Authority'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 Authority's investment at risk.

**Operational bank accounts:** The Authority 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 Authority maintaining operational continuity.

<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 11</b>
<b>DATE OF MEETING:</b>	<b>14 MARCH 2024</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>TRACY BINGHAM, STRATEGIC DIRECTOR, CORPORATE RESOURCES</b>	
<b>MEMBERS' CONTACT POINT:</b>	<b>TRACY BINGHAM</b> <a href="mailto:tracy.bingham@southderbyshire.gov.uk">tracy.bingham@southderbyshire.gov.uk</a>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>MEDIUM TERM FINANCIAL STRATEGY 2024/25 – 2028/29</b>	
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE:</b>

## **1.0 Recommendations**

- 1.1 That the Committee review the Medium-Term Financial Strategy 2024/25 – 2028/29 and recommend it to Council for approval.

## **2.0 Purpose of Report**

- 2.1 To present the draft Medium-Term Financial Strategy (MTFS) to the Committee ahead of approval by Council on 11 April 2024.

## **3.0 Executive Summary**

- 3.1 The Council's current Medium Term Financial Plan is characterised by funding gaps brought about by assumed funding reforms.
- 3.2 The MTFS is a five-year assessment of the resources required to deliver Council services, set against a new strategic Sustainable Finance Plan to close the ongoing budget gaps predicted by the Council's current medium-term financial plan (MTFP).
- 3.3 The Sustainable Finance Plan incorporates the generation of new income and reduction in expenditure, and alongside a new Reserves Strategy, enables the Council to project an ongoing balanced budget position.
- 3.4 The purpose of this report is for the Committee to receive the draft MTFS so that it may provide any comments it may have and recommend it to Council for approval.
- 3.5 The report also sets out the establishment of a new Sustainable Finance Reserve through transfer of the balance of reserves above the approved minimum level of reserves, for which the Strategic Director (Corporate Resources) has sufficient delegation.

## 4.0 Detail

### **Background**

- 4.1 The Council has maintained a MTFP in recent years, with reviews and updates being undertaken on a quarterly basis and aligned annually with the budget. The MTFP has included provisions for growth and inflationary demands alongside assumptions and associated financial risks. Recurring budget gaps forecast each year of the plan have been a persistent feature.
- 4.2 As part of developing the 2024/25 budget, councillors were consulted on the budget setting approach, including the proposed creation of a new, overarching MTFS to compliment the current approach to medium-term financial planning, previously managed through the MTFP practices.
- 4.3 The adoption of a MTFS is considered good practice and supports good public financial management. Alongside budget development, performance management and budget monitoring, the ability to strategically look beyond the current budget period of one year is crucial to supporting an organisation's ongoing resilience and long-term financial sustainability.
- 4.4 This overarching strategy considers the future funding expectations and opportunities for increasing the Council's self-sufficiency in the light of an uncertain future funding outlook and a cycle of recurrent 1-year local government funding settlements, whilst ensuring the Council can continue to fund and deliver excellent services.
- 4.5 The Chartered Institute of Public Finance and Accountancy (CIPFA) cite that a good strategy should provide the reader with a clear view of future sustainability and the decisions needed to address any gaps.
- 4.6 In the "Best Value Standards and Intervention – A statutory guide for best value authorities" consultation, published by the Department of Levelling Up , Housing and Communities (July 2023) a "financial strategy that is aligned with strategic priorities alongside a robust process for reviewing and setting the budget" was identified as being a characteristic of a well-functioning authority.
- 3.6 The draft MTFS set out at Appendix 1 presents a five-year assessment of the resources required to deliver Council services and a new strategic Sustainable Finance Plan, which along with a Reserves Strategy, will close the budget gaps predicted.
- 3.7 Necessary background information is included in the strategy to enable the reader to gain a comprehensive picture of the council's current and projected financial health – with and without interventions.
- 3.8 Section 4 of the plan provides reference to the Housing Revenue Account and projection over the medium-term. However, the focus of the MTFS is on the General Fund, recognising that the HRA requires a separate financial strategy that will form part of the Housing Revenue Account Business Plan. At the time of writing this report, the findings and recommendations of the Housing review are due to be presented to the Housing and Community Services Committee in the coming months and this will set out the timing of the review and updating of the HRA Business Plan.

## **Strategy development approach**

- 3.9 The strategy has been co-designed with elected Councillors, the Council's Leadership Team and Heads of Service.
- 3.10 An informal workshop with all elected councillors was held in December 2023 to scope the ambitions for the strategy and specifically the themes within the Sustainable Finance Plan. Similar sessions were held with the Leadership Team and Heads of Service to garner ideas. The level of savings that will be developed were subsequently scoped with Finance and the Leadership Team.

## **The Council's Financial Outlook**

- 4.7 As the 2024/25 General Fund budget was approved, the MTFP was updated and an assessment of all assumptions that drive the future financial forecasts in the plan undertaken. Along with the effect of the structural changes to the 2024/25 budget from the 2023/24 position, this review of assumptions altered the forecast deficits of the council over the forthcoming five-year period.
- 4.8 The current MTFP outlook projects budget gaps each year of the plan as set out below. With the exception of the final year of the plan (2028/29), the Council can balance the budget with the use of reserves – until those reserves are depleted in 2028/29.
- 4.9 Analysis is provided to set out the worst- and best-case scenarios against a “base case” (the most likely outcome). A further scenario around there being no future reform of funding is also set out to show the favourable position of the Council, if the current funding regime were not to change.
- 4.10 The current financial plan is set out in Section 3 of the Strategy at Appendix 1.

## **Delivering a balanced budget – the Sustainable Finance Plan and Sustainable Finance Reserve**

- 4.11 Section 5 of the strategy sets out the 5 themes to how the Council will generate income and reduce its expenditure to close budget gaps via the Sustainable Finance Plan.
- 4.12 There is a strong emphasis in the Sustainable Finance Plan on generating more and new income. There are reductions in expenditure, but these are not characterised by reductions or cuts. As such, the Sustainable Finance Plan
- 4.13 Over the term of the strategy, the plan sets out total “savings” via income generation and tradition expenditure savings of £11 million.
- 4.14 The accompanying Reserves Strategy, also outlined in Section 5, determines that the balance of General Fund reserves above the minimum operating level required (£1.35 million, as approved by Council 28 February 2024) is set aside in a new Sustainable Finance Reserve. This new reserve will be maintained to balance the budget where income and savings do not close budget gaps in full, but also used to fund projects and/or initiatives to deliver this income/savings.
- 4.15 Existing powers are delegated to the Strategic Director (Corporate Resources) are in place for the creation of this reserve.

## **5.0 Financial Implications**

- 5.1 Budget gaps are estimated to occur within the current financial year and forthcoming financial years. This MTFS sets out a Sustainable Finance Plan for closing the budget gaps through the generation of more and new income and reduction in expenditure and a Reserves Strategy to determine how the Council can use reserve to facilitate this plan or close any remaining budget gaps.

## **6.0 Corporate Implications**

- 6.1 The MTFS sets out the finances required to deliver the Council Plan over the period.
- 6.2 Delivery of the Sustainable Finance Plan will be led by the Council's Chief Executive. A member of the Leadership team will be nominated by the Chief executive to lead a theme of the Sustainable Finance Plan.
- 6.3 Effective monitoring of the plan will be undertaken and regular updates to Committee will be provided as part of this.

## **Employment Implications**

- 6.4 There are no direct employment implications arising from these proposals. In the future, it is likely that there will be service reviews under the Transformation theme of the Sustainable Finance Plan. However, the aim of these reviews will be about service enhancement rather than identifying cashable efficiencies, so job losses are not featured. Relevant staff and the Trade Unions will be engaged and involved in service reviews.

## **Legal Implications**

- 6.5 There are no direct legal implications arising.
- 6.6 The Best Value Duty relates to the statutory requirement for local authorities and other public bodies defined as best value authorities in Part 1 of the Local Government Act 1999 to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". The draft MTFS set out at Appendix 1 seeks to ensure the Council can continuously improve its operations.

## **Risk Impact**

- 6.7 The Council has recognised a strategic risk in its risk register around a reduction on core funding from government and a proposed mitigating action to develop a MTFS was included in Q2 2023/24.
- 6.8 Development of this MTFS enables the Council to mitigate the risk that future funding reductions could effectively bankrupt the Council.

## **7.0 Conclusions**

- 7.1 The current outlook for the Council necessitates the approval of an overarching Medium Term Financial Strategy.

## **8.0 Background Papers**

- 8.1 Report to Finance and Management Committee on 5 October 2023: [Budget Setting Approach 2024/25](#) Page 149 of 211

- 8.2 Report to Finance and Management Committee on 23 November 2023: [Consolidated Draft Budget Report 2024/25 and Medium Term Financial Plan to 2028/29](#)
- 8.3 Report to Finance and Management Committee on 15 February 2024: [Consolidated Budget Report 2024/25 and Medium Term Financial Plan to 2028/29](#)
- 8.4 Report to Council 28 February 2024: [General Fund Revenue Budget Report 2024/25 and Council Tax Setting 2024/25](#)

**Medium Term Financial Strategy**  
**2024/25 – 2028/29**

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## **Section 1 – Introduction**

### **1.1 Aims and purpose of the Medium-Term Financial Strategy**

This Medium-Term Financial Strategy (MTFS) provides a strategic framework and approach to long term financial sustainability of South Derbyshire District Council. It is core to the ongoing delivery of priority outcomes in the 2024 – 2028 Council Plan and aids robust and methodical planning.

Using forecasting techniques, this strategy sets out the council's most likely Medium-Term Financial plan alongside other potential scenarios surrounding known pressures, major national policy and economic issues and local priorities and factors. Good and effective financial management and planning helps the council to respond to pressures and changes because of many internal and external influences.

An overarching MTFS is good practice – it provides the strategic financial framework for the authority at a time of considerable funding and economic pressure for councils. Critically, the strategy underpins the delivery of ongoing efficiency and budgetary savings. The key overriding aim of the MTFS is it provides a high-level assessment of the financial resources required to deliver South Derbyshire District Council's strategic priorities and essential services over the next five years.

The strategy has been co-designed by elected members of the Council, the Leadership and Extended Leadership Team.

The key objectives of the MTFS are:

- Provide financial parameters within which budget and service planning should take place over the life of this strategy.
- Ensure the council meets its commitment to deliver a balanced budget on an ongoing basis and that the council's long term financial health and viability remain sound;
- Focus and re-focus the allocation of resources so that priority areas receive additional resources;
- Maximise the use of resources available to the council;
- Ensure our reserves policy is aligned with our ambitions and at the same time, protects us against unforeseen events;
- Enable the council to respond to external pressures, particularly funding reforms;
- Highlight financial risks and put mitigating controls in place;
- Enable the council to better define services based on a clear alignment between priority and affordability;
- Ensure the council manages and monitors its financial resources effectively so that spending commitments do not exceed resources available.

## 1.2 Key strategies and plans

### Council Plan 2024 - 2028

The Council's policy drivers are the objectives as set out in the [Council Plan 2024 - 2028](#) which was approved by Council at its meeting on 28 February 2024. The plan sets out the Council's vision to "work together to shape our environment, drive our economy and support our communities" and our four key priorities to deliver this which are set out below, along with detail of our values that describe how we work to achieve our vision.

<p><b>Priority: Shape our Environment</b></p> <p>A sustainable future adapting to and mitigating climate change to deliver our net zero commitments so that future generations can thrive.</p>	<p><b>Priority: Drive our Economy</b></p> <p>A thriving economy and place that has jobs, skills, education, infrastructure, and opportunity.</p>	<p><b>Priority: Support our Communities</b></p> <p>People and communities are supported to live safely, healthily and independently.</p>	<p><b>Priority: Transform our Council</b></p> <p>Providing modernised, high performing, value for money and customer focused services.</p>
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#### Our values are:

- Working together: Working as a team to serve our residents.
- Accountability: Taking ownership of the service that we deliver.
- Respect: We value and listen to each other.
- Fairness: Offering equal opportunities for all.
- Being Responsive: We have a 'can do' attitude and respond to the needs of others quickly, positively and appropriately.
- Innovative: Looking for new solutions.
- Excellence: Delivering our services to the highest possible standards.

### Capital Strategy

The capital programme sets out the capital plans for the next five-year period, taking account of any capital investment required to deliver outcomes, transformational change, and Council priorities. The programme is reviewed annually to ensure projects are still in line with outcomes, and that the programme is affordable.

The Capital Strategy details the priorities of the council in terms of capital expenditure and its financing need and sources, and provides a framework for the council's capital plans to be agreed and delivered within. The Capital Strategy and supporting capital programme are approved each year in February by Council.

Since 2023, the council has actively considered capital investment through borrowing. Historically, the general approach has been to fund any capital investment through capital receipts or revenue contributions. Borrowing relating to the General Fund is expected to be £1.127 million in 2024/25, rising to £2.095 million in 2025/26 and £2.44 million in 2026/27, as set out in the Capital Strategy 2024/25 – 2028/29.

### **Treasury Management Strategy**

The Treasury Management Strategy is reviewed annually and provides the framework within which authority is delegated to the Strategic Director (Corporate Resources) and Section 151 Officer to make decisions on the management of the council's investment of surplus funds. The Council defines its Treasury Management activities as: "Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks".

Part of the Treasury Management operation is to ensure that the cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the Treasury Management service is the funding of the Council's Capital Programme. The Capital Programme provides a guide to the borrowing need of the Council, essentially the longer-term cash flow planning to ensure that the Council can meet its capital spending obligations.

This management of longer-term cash may involve arranging long or short-term loans or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet the Council risk or cost objectives.

The self-financing settlement involved the Council taking on £57.423 million of PWLB borrowing. It has been the Council's policy to make a prudent provision of revenue set aside for the repayment of these self-financing loans, line with the actual debt repayment profile. 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.

However, given the current outlook on the HRA General Reserve which has arisen due to several factors but in part the changes in government legislation which has impacted detrimentally on the financial position of the HRA, deferment of the 2027 repayment has been approved in the TMS for 2024/25, pending a restructuring of the self-financing loan debt repayment plan and revision of the HRA Business Plan.

## Other existing key strategies and plans

The Council has a range of other key strategic documents, which include:

- **The Local Plan** - The Council's Local Plan was adopted in two parts – Part 1 in June 2016 and Part 2 in November 2017. The Plan sets the long-term vision, objectives, and strategy for the spatial development of South Derbyshire and the amount of housing and employment development required within the district over the plan period which runs to 2028. The plan also allocates strategic housing and employment sites and contains policies used in the determination of planning applications. A review of our Local Plan is currently underway and we expect our new Local plan to be approved by June 2025.
- **Climate and Environment Strategy and Action Plan** - To support the Council's Climate Emergency declaration, in January 2020 the Council developed this strategy which highlights both the climate and ecological crisis with a supporting action plan. In May 2021 and again in July 2022 the Climate and Environment Action Plan was updated to reflect the Council's pathway to carbon neutral for the councils' activities aim by 2030 and district aims of carbon neutrality before 2050.
- **South Derbyshire Action Plan for Nature** – produced by Derbyshire Wildlife Trust in 2021 on behalf of the Council, this plan provides a strategic and spatial plan for nature's recovery in the South Derbyshire District.
- **Procurement Strategy** – The Procurement Strategy 2020 – 2024 sets out the Council's strategic approach to procurement. The strategy is currently under review considering this Medium-Term Financial Strategy and changes in the Public Contract Regulations which come into force for Councils from October 2024.
- **Transformation and Business Change Plan** – The Transformation and Business Change Plan 2020 – 2024 sets out the four-year plan to support the delivery of several corporate priorities and to enable business change at the Council. Given the focus of the Council's new Council Plan on transforming services which features heavily in this MTFs, this plan will be superseded by a new Digital and Customer Improvement Plan which will form part of a new Transformation Strategy (see below).

## Other key strategies and plans under development

The Council also has a range of other strategic documents under development, which include:

- **Customer Access Strategy** –The Council is currently out to consultation on its draft Customer Access Strategy which details how the Council will serve its customers in the years to come, and to define the projects and initiatives it needs to deliver to achieve its

ambitions. We want local people to feel valued by their Council, trust us and have excellent customer experiences in their dealings with us, whatever channel they choose.

- **People Strategy** – The Council is currently developing a People Strategy, which will detail how we will become an employer of choice, enhance our employment experience, and implement at modern, agile, and relevant employment practices to retain, recruit, reward, develop and invest in our workforce.
- **Commercial Strategy** – This developing strategy will define what a commercial approach means for South Derbyshire and the broad principles of how we will generate additional income and create a commercial acumen across all levels of the organisation so that the Council can act in a more business-like manner to achieve better outcomes for residents.
- **Transformation Strategy** – One of the four key priorities within the Council's new Council Plan is around transforming services and this theme also features heavily in this MTFS in the pursuit of financial savings. This developing strategy will therefore set out how the Council will ensure services have the right resources and are modern, responsive, efficient and effective and how both cashable and non-cashable efficiency savings will be maximised to further better the services we deliver on behalf of residents.

## **Section 2 – Outlook**

### **2.1 Political, economic, and regulatory outlook**

The national fiscal and economic situation is an important consideration for the Council.

In the Office for Budget Responsibility (OBR) Economic and Fiscal Outlook report, delivered as part of the Autumn Statement in 2023, some signs of economic stability were shown, as forecasts began to improve from the previous forecasts. Slow economic growth was predicted with Gross Domestic Product (GDP – a measure of the size and health of the country's economy over a period) around ½ a per cent higher in the medium term than previous forecasts, expecting to be 0.7% growth in 2024. Inflation was predicted to fall to 4.8% by the end of 2023/24 and return to its 2 per cent target in early 2025/26 and interest rates are expected to need to remain higher for longer to bring inflation under control.

The context for managing a council's ongoing financial sustainability remains increasingly challenging. Throughout the 2023/24 several Councils have issued Section 114 notices (effectively declaring themselves bankrupt) and many others have publicly reported the potential need to do so. The combined impact of reduced grant funding, high levels of inflation and increasing demand for services have created an extremely challenging operating environment.

Currently there are several significant financial challenges for the sector including: the continued impacts of the persistent UK inflationary crisis which began in 2021; increasing service pressures in social care and homelessness; ongoing and severe recruitment challenges; restrictions on council's ability to generate commercial income; and the uncertainty surrounding local government funding.

Since 2010 the local government funding system has changed dramatically, with there now being an increasing reliance on localised funding sources such as fees and charges, but also council tax and business rates, that is in part controlled largely by central government. In Autumn 2023, various sector bodies publicly raised concerns over funding for councils. The Local Government Association (LGA) reported that Councils face a funding gap of £4 billion over the next two years.

Despite additional funding announcements made as part of the final Local Government Finance Settlement in February 2024, many councils and representative bodies have continued to publicly declare concern of a national scale. There remains no firm timetable for funding reform. As part of the settlement announcement, the Minister for Local Government, Michael Gove MP, state that the Department for Levelling UP, Housing and Communities will begin engaging with the sector over the coming months to consider reforms to local government finance in the next Parliament.

The Secretary of State also outlined in his settlement announcement 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 programme; barriers preventing activity that Government can help to reduce or remove.

Against this economic, political, and regulatory position is the status of local government audit in England. Since 2020, a significant number of local audits have not been completed and remain outstanding. The government, working with the Financial Reporting Council (FRC) and other system partners, is taking steps to clear the backlog, and put the system on a sustainable footing moving forward. Local audit is acknowledged and upheld as both a vital and independent source of assurance and a key element of the checks and balances within the local accountability framework. The backlog in the publication of audited accounts has grown to an unacceptable level.

## **2.2 The Council’s own Strategic Outlook**

### **About South Derbyshire**

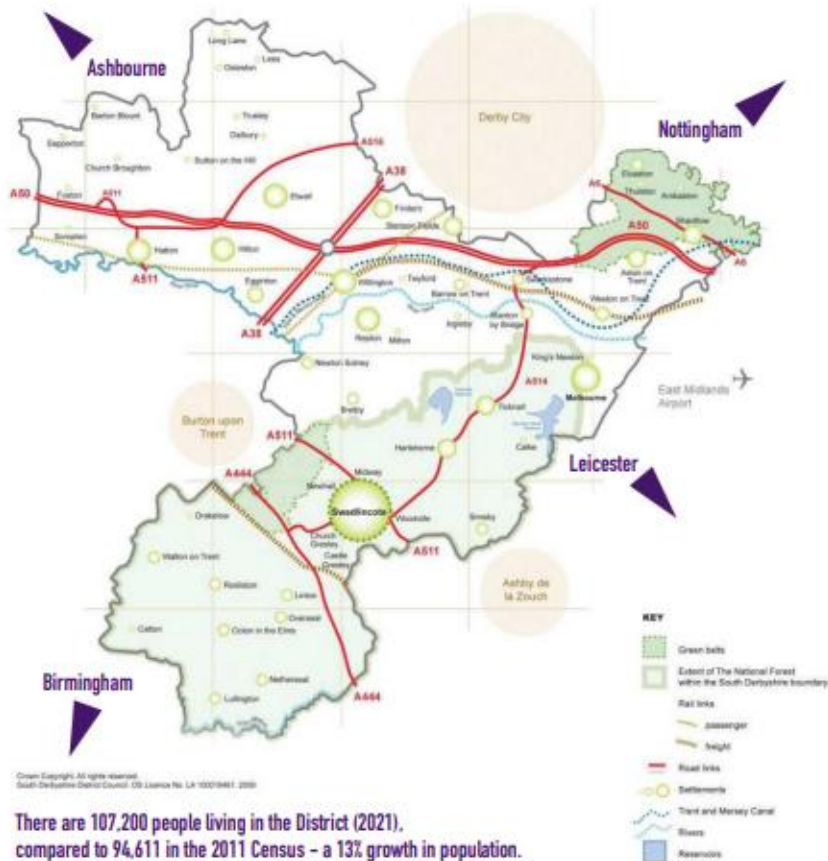
South Derbyshire, located in the centre of England, covers an area of 112 square miles, adjoining the City of Derby to the north, Burton on Trent to the west, and Ashby-de-la-Zouch to the east. It includes the rolling countryside to be found in the valleys of the Rivers Trent and Dove, with historic settlements, including Melbourne, Ticknall, and Repton, and the market town of Swadlincote. A significant part of the district is rural, which attracts visitors and people seeking relaxation or a good work-life balance.

The main population and employment centre of the district is Swadlincote, with a population of some 40,000. New housing development has led to a rapid growth in the district in recent years, and the construction of further homes is anticipated. Other sizeable settlements include the attractive Georgian town of Melbourne and the villages of Hilton, Hatton, Repton, and Willington. The National Forest is at the heart of South Derbyshire and is a key asset to the district, a unique national initiative to create a new forest in what was one of the least wooded areas of the country. In the last 25 years, over 9 million trees have been planted, creating an attractive environment and quality of life. Around one third of the National Forest is within the District of South Derbyshire.

# South Derbyshire

## Heart of the National Forest

For many years, the District has been the fastest growing in Derbyshire and is currently one of the fastest growing in England outside of the South-East.



There are 107,200 people living in the District (2021), compared to 94,611 in the 2011 Census – a 13% growth in population.

57% of people live in an urban area and 43% of people live in a rural area of the District (ONS).

The total population of the District is forecast to be 120,342 by 2028 (ONS).

ONS - Office for National Statistics.



## 2.3 Local Government Funding

### How the system works

Broadly, councils receive funding from three main sources – direct from central government in the form of grant, from local businesses in the form of a local tax on commercial properties (business rates) and a local tax on residential properties (council tax). Across these different systems, there is interplay between how much grant is received, how much business rates are retained (before being passed back to central government as part of the 50% retention system) and how much a council can generate locally in council tax.

Central government grants can be ringfenced and relate to specific areas of activity (such as homelessness) or be general and make up ‘core funding’. Grant funding in the form of core funding (particularly Revenue Support Grant) has declined in recent years overall for all councils. But for those who have achieved housing growth, grant funding may have been sustained or even increased due to the incentivised New Homes Bonus.

Business rates are a tax on commercial properties paid by businesses and are known as National Non-Domestic Rates or ‘NNDR’. Business rates are part of a national system and although collected locally, the system is mainly controlled by central government. This includes the setting of rates via the Valuation Office Agency (VOA). Today, the Business Rates Retention System determines how much of the income collected by a council can be retained. The system allows for 50% of rates to be retained locally, after a ‘tariff’ or ‘top-up’ is applied depending on whether a council is deemed able to generate business rates based on their local economic circumstances. The remaining 50% is transferred back to central government. However, the system has become increasingly flawed in recent years because the amounts that each council gets to retain in the system is fixed at the original assessment made in 2013. The fix for this flaw – the ‘resetting of the business rates baseline’ has been outstanding now for several years. The consequence of the system flaw means that councils who have generated growth in their area are able to retain much larger amounts of rates locally but may lose this sharply when the system is reset.

Council tax applies to residential properties and is paid by residents. The total tax paid in an area will include a precept for the Police and Crime Commissioner as well as the County and District, and where relevant Parish or Town Council. Although a local system, the government impose a system of referendum limits meaning that increases are capped. For districts, this has been at the highest of 2.99% or £5 for several years. A council could seek to raise its share of council tax beyond the cap set by government, but to do so they would need to hold a local referendum for residents to vote upon and the costs of undertaking a referendum are likely to outweigh the benefit of a higher than cap increase, certainly in the early years. Further central controls limit the local discretion round council tax, including no flexibility on certain exemptions on properties (such as student discounts) and no flexibility to raise council tax for different bands at different rates.

### 2024/25 Local Government Finance Settlement and proposed Changes to the Local Government Funding Regime

The one-year 2024/25 local government finance settlement provided means that understanding our funding post March 2025 is extremely difficult. Changes to the funding regime that have been anticipated for several years as part of the Review of Needs and Resources and Business Rates Reform remain delayed with no clear timetable from government communicated. A review of Business Rates Retention (BRR) was announced in 2013/14. The call for evidence on the fundamental review of Business Rates closed in December 2020 but there is still no resolution on how this should be taken forward. This will be alongside further consideration of a possible reset of accumulated business rates growth and how this might be applied. There have been various consultations concerning the future of the New Homes Bonus, but no detail

has been confirmed. As part of the 2024/25 settlement, the Secretary of State has committed to a review of local government funding being taken forward in the next parliament.

In the 2023/24 Local Government Finance Settlement, a new “Funding Guarantee” was introduced to ensure that all councils saw at least a 3% increase in their core spending power. South Derbyshire received £1.748 million, in part due to the reduction in its New Homes Bonus award, as the bonus payment profile diminished in line with its planned phase out of legacy years payments. This funding was confirmed for 2024/25 in the settlement. Coupled with New Homes Bonus, the grants now make up broadly 25% of in-budget funding for the Council.

### **Local Authority Audit**

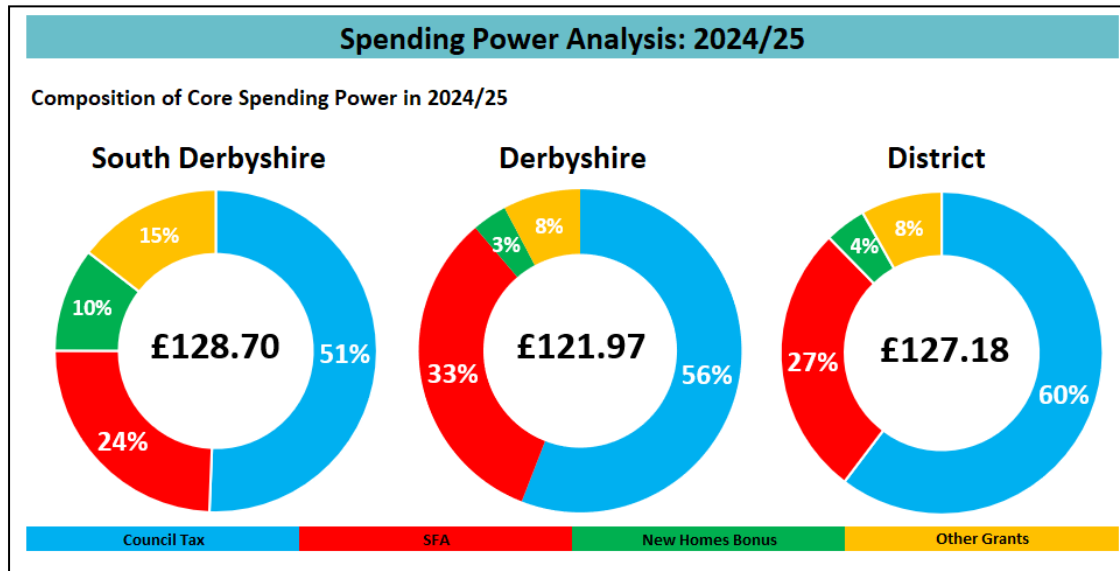
Since 2020, a significant number of local audits have not been completed and remain outstanding and this has impacted South Derbyshire. At the time of writing, the annual draft Statement of Accounts for South Derbyshire for 2021/22 and 2022/23 are published and publicly available, but the audits have not been completed. Confirmation of the plans for completion of this outstanding audit work from the council’s appointed auditors Ernst and Young LLP is being sought.

## **2.4 The makeup of funding for South Derbyshire District Council**

### **Core Spending Power**

The illustration below, provided by financial benchmarking provider [LG Improve](#), shows the current position of Core Spending Power (the government’s measure of funding) for South Derbyshire against the Derbyshire district and all district councils’ average positions. This position highlights the risk for South Derbyshire in relation to its reliance on New Homes Bonus and grant (in the form of “Funding Guarantee”). “SFA” in this context refers to the Settlement Funding Assessment and it essentially the level of Business Rates the government assumes for the Council. However, the level of Business Rates retained by the Council is much higher due to the growth generated in the system and retained pending the resetting of the baseline, and additional amounts retained due to the council’s participation in the Derbyshire Business Rates pool.

**Illustration 1 – Core Spending Power 2024/25**



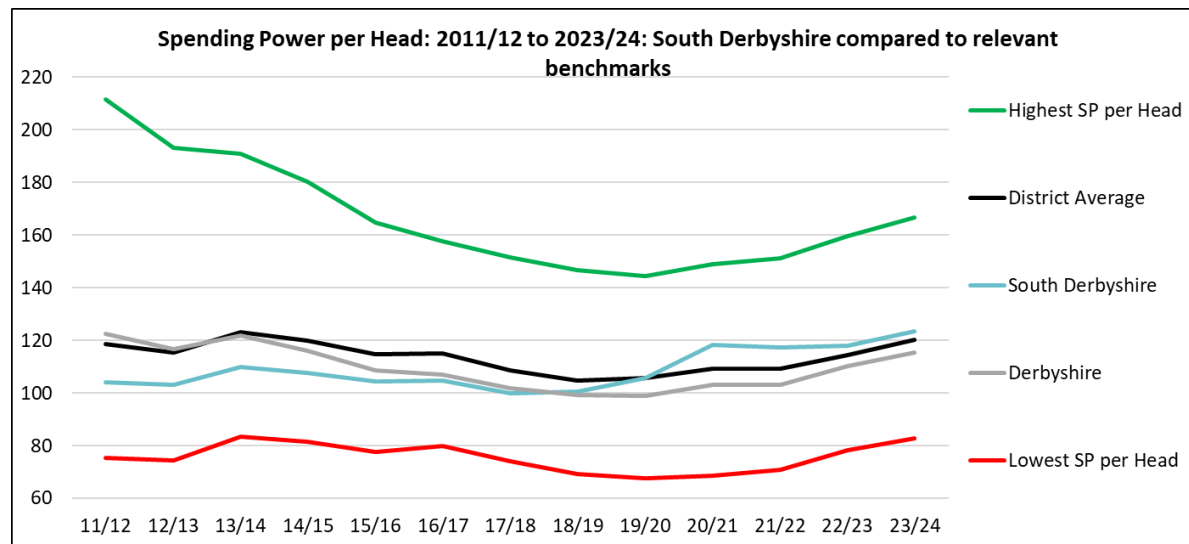
**Chart 1 – Spending Power per head of the Council compared to other Districts**

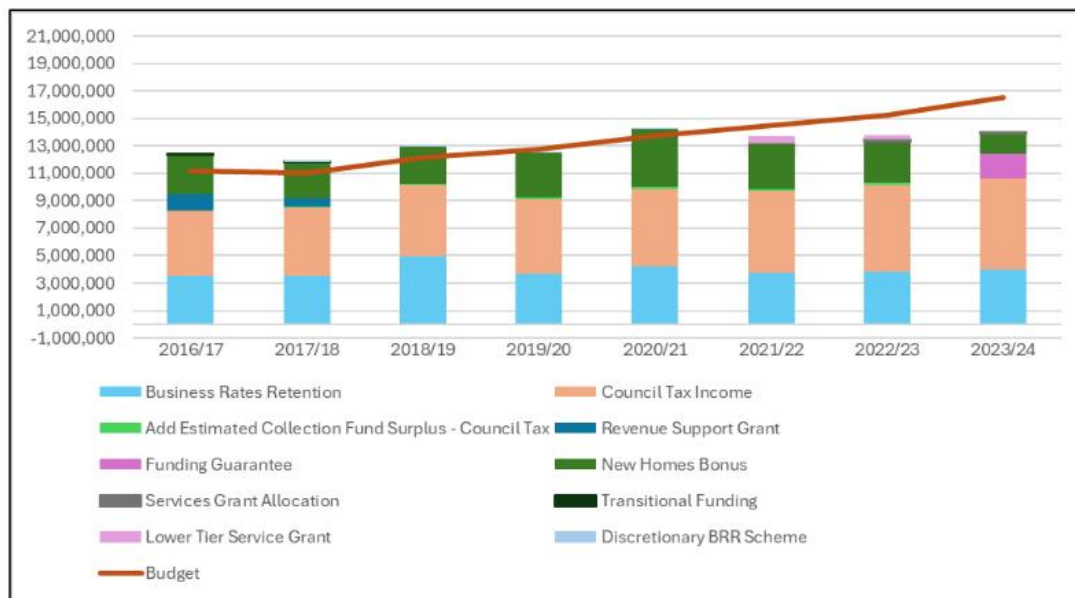
### Sources of funding and how they have changed over time

Like all councils, funding composition has changed in recent years. From 2018/19 Revenue Support Grant ('RSG') funding, which had until then been a source of funding for the Council, was no longer provided. RSG has made a return in 2023/24 and is forecast into future years.

As illustrated in Chart 2 below, New Homes Bonus has provided a substantial amount of core funding over time, to be replaced in 2023/24 by the Funding Guarantee as part of the 2023/24 Local Government Finance Settlement and a new guarantee to ensure that all councils saw at least a 3% increase on core spending power. Without this, the Council would have lost c. £1.7 million of funding between the 2022/23 and 2023/24 years.

**Chart 2 – Sources of Funding – Historical Analysis**





### Council Tax

Despite significant population and housing growth in the district in recent years, Council Tax income on a per capita basis remains lower quartile in comparison to other district councils (Chart 3). This is in part due to the Council previously having a low tax base in 2011/12 (Chart 4), with a higher proportion of properties banded A – C which serves to reduce the council tax base overall.

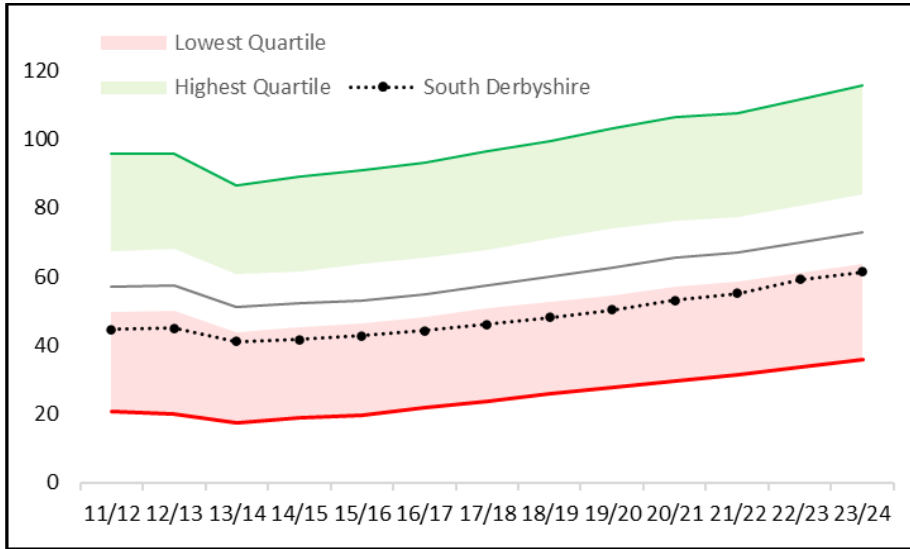
However, the council’s Band D position per head remains lower quartile (Chart 5). This is despite the Council having seen the fastest taxbase per head growth out of English district councils since 2011 to date. Although this has served to increase the level of council tax funding for the Council, it has only served to marginally improve the council tax income per head position. This is a combination of a low Band D value itself because of lower-than referendum limit increases since 2011 (as set out in Table 1 below).

Although the taxbase has increased dramatically in later years, the tax base itself remains median when compared to peers. This can be attributed in part to a higher proportion of lower banded properties in the area and the number of households who receive support via the Council’s Council Tax Support, both of which have the effect of reducing the Band D numbers.

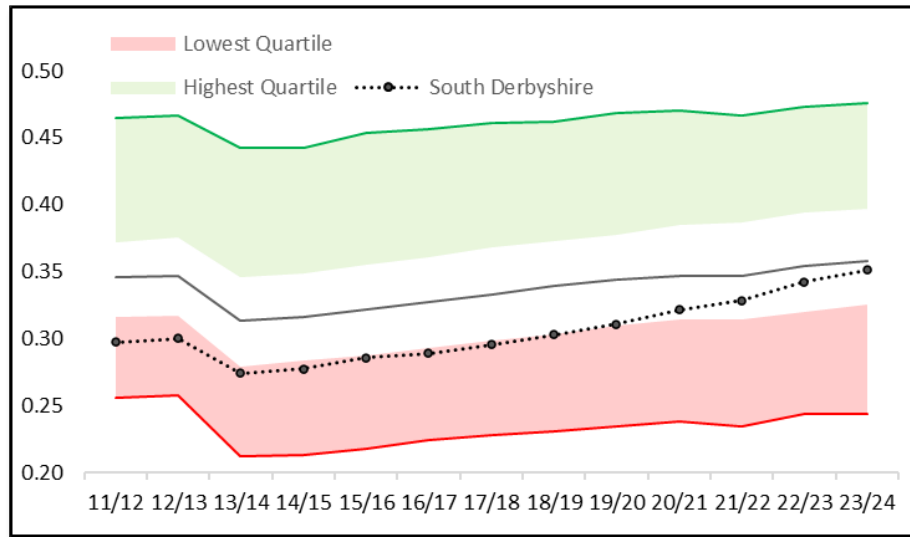
Within Derbyshire, South Derbyshire has the lowest value Band D in the area in 2023/24 (Illustration 2). Despite the Council taking advantage of the 2.99% increase in 2024/25, South Derbyshire will remain the lowest. In contrast, taxbase per head is the highest in Derbyshire.

The charts below are from the council’s financial benchmarking provider [LG Improve](#).

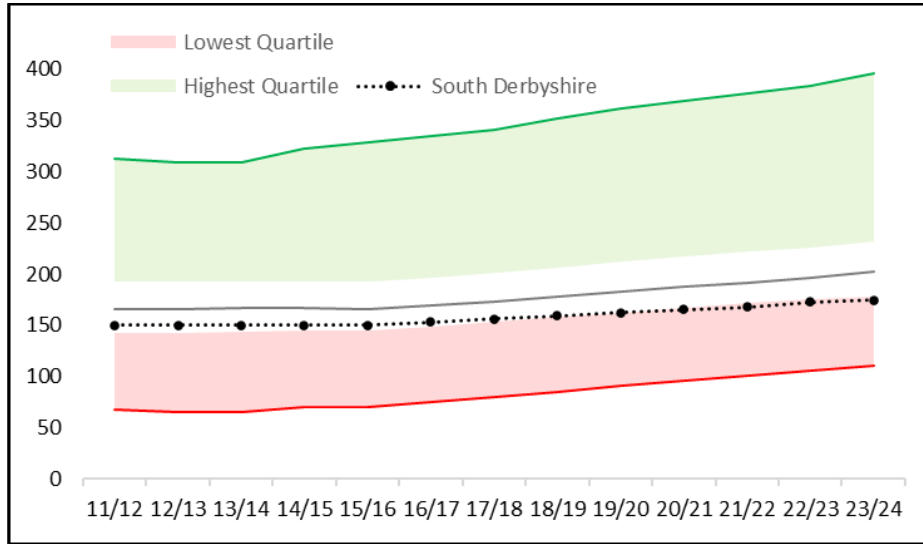
**Chart 3 – Council Tax Income per head**



**Chart 4 – Taxbase per head**



**Chart 5 – Band D Council Tax**

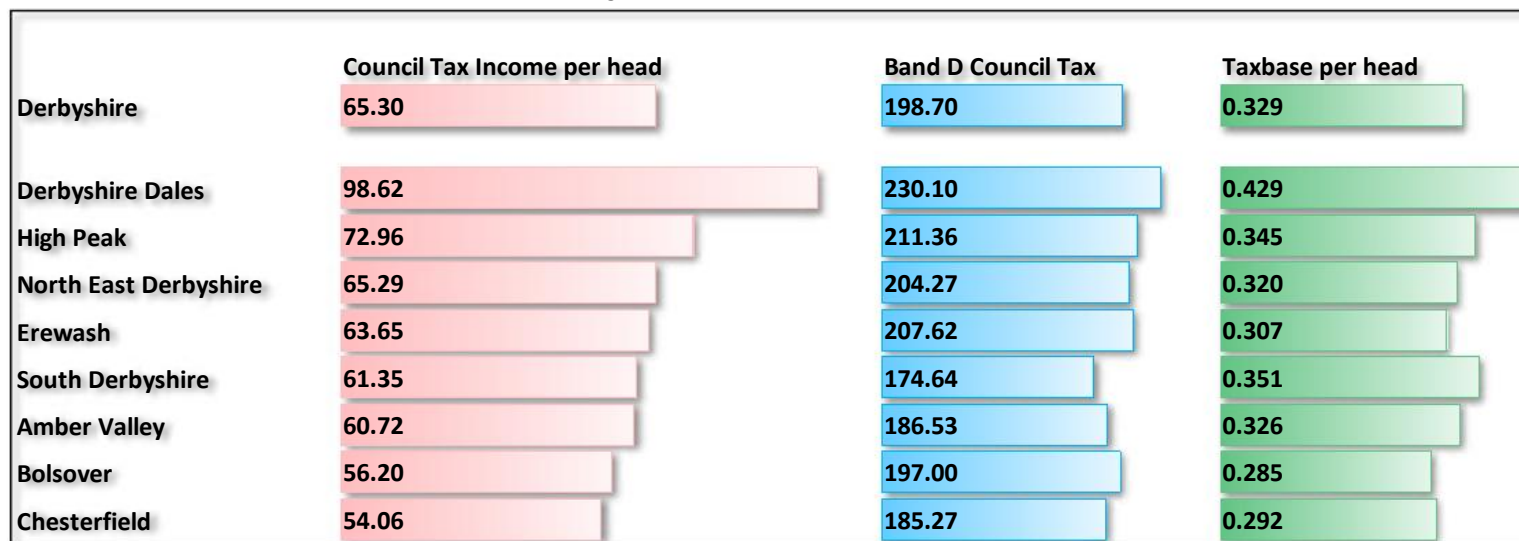


**Table 1 – Council Tax Band D for South Derbyshire 2011/12 – 2024/25**

Year	band D	£ increase	% increase
11/12	150.25		
12/13	150.25	0.00	0.00%
13/14	150.25	0.00	0.00%
14/15	150.25	0.00	0.00%
15/16	150.25	0.00	0.00%
16/17	153.18	2.93	1.95%
17/18	156.17	2.99	1.95%
18/19	159.21	3.04	1.95%
19/20	162.31	3.10	1.95%
20/21	165.48	3.17	1.95%
21/22	167.96	2.48	1.50%
22/23	172.91	4.95	2.95%

23/24	174.64	1.73	1.00%
24/25	179.86	5.22	2.99%

**Illustration 2 – Council Tax Band D for Derbyshire District Councils 2023/24**



### Business Rates

The Council has benefited from business rates growth above the baseline set in 2013 under the current Business Rates Retention System. Additionally, the Council has benefited through its participation in the Derbyshire Business Rates Pool, which allows for a greater proportion of growth to be retained centrally rather than being passported back to central government.

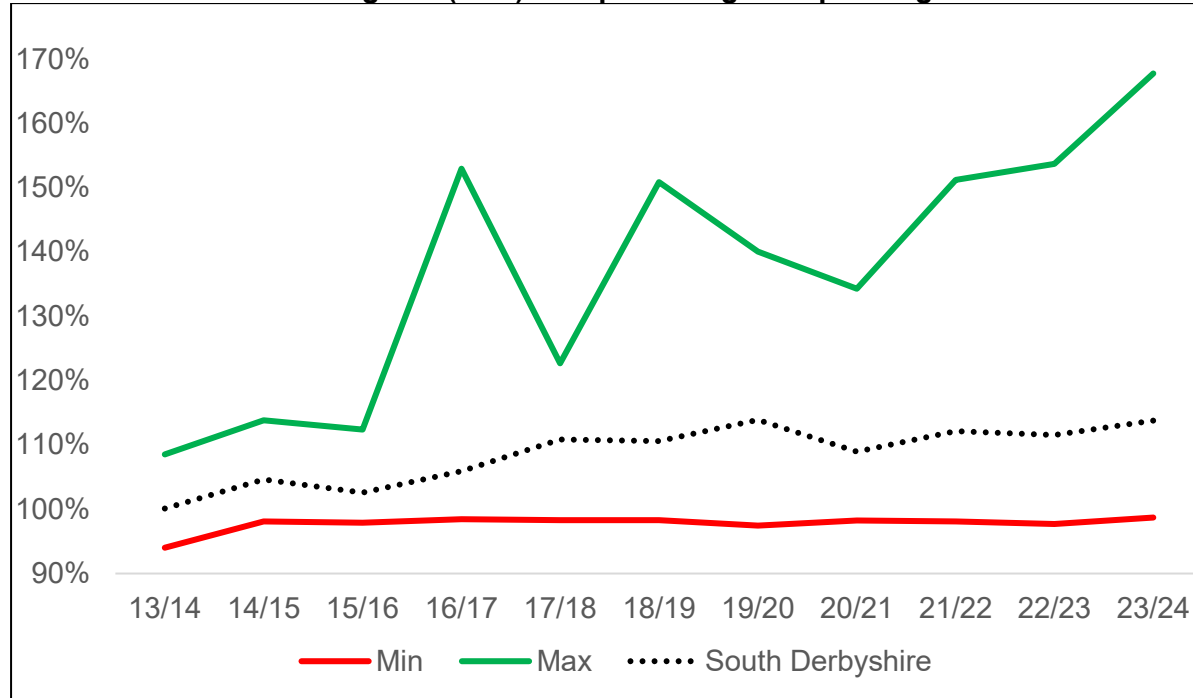
Assuming a resetting of the business rates baseline is taken forward, this will impact the Council adversely, both through the reduction in its retained rates under the system, but also through its additional rates retained through participation in the Derbyshire Business Rates Pool.

The chart below from financial benchmarking provider [LG Improve](#) shows the position of the Council's business rates gain as a percentage of its spending power compared to other district councils.

In their [Financial Resilience Index](#), the Chartered Institute of Public Finance and Accountancy (CIPFA) categorise South Derbyshire as 'Higher Risk' in relation to 'Growth Above Baseline' indicator which is calculated as the difference between the baseline funding level and the retained rates income, over the baseline funding level and compared to other district councils in England.



**Chart 6 – Business rates gain / (loss) as a percentage of Spending Power**



**Locally generated income**

The council is set to generate £2.9 million in local fees and charges in 2024/25 (excluding commercial estates income). Some of this income comes from statutory services which the council must provide and for which the level of fees or charges it can levy dictated by central government. For some other areas, there is discretion over the level of fee or charge and indeed over the service.

**Table 2 – Top Five General Fund Income Streams**

Area	2022/23 Actual	2023/24 Forecast	2024/25 Budgeted
Planning Fees	£747,308	£750,000	£865,000
Refuse Collection and Disposal	£397,316	£424,000	£365,000
Rents (Log Cabins)	£289,235	£260,500	£222,214

<b>Licensing</b>	£231,380	£209,529	£219,000
<b>Leisure Fees</b>	£229,778	£158,570	£96,763

The latest publicly available data via CIPFA's [Financial Resilience Index](#) shows

that South Derbyshire is considered 'Higher Risk' when the ratio of fee and charges income as a proportion of service expenditure is compared to that of other district councils.

Whilst this is likely a result of some chosen areas of service that remain free of charge (such as car parking and green waste), there is the need for the council to ensure its income position is built on solid foundations in respect of cost recovery and member understanding.

The Council charges a proportion of its expenses to the Housing Revenue Account – a separate ringfenced account maintained for Council Housing – for services and supplies it consumes. The charge for 2024/25 is budgeted at £1.74 million.

Additionally, the Council has benefited in recent years from high interest earned on its reserves which it has placed on short-term investments in line with the Treasury Management Strategy. Around £850,000 is forecast to be earned in 2024/25 on the General Fund.

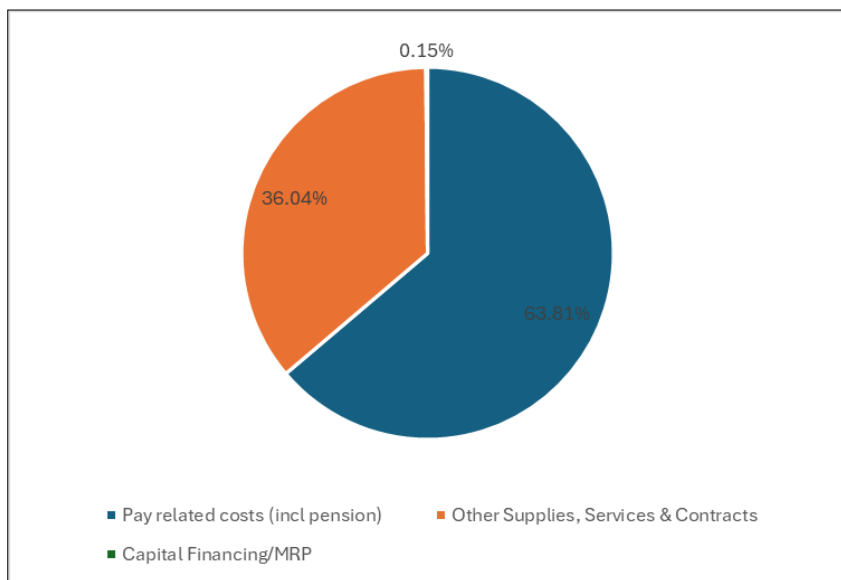
## 2.5 Council spending

In 2024/25, the Council is budgeted to spend £17.1 million on pay related costs. Pay related costs make up the largest area of spend (64%) for the Council. The spend includes all relevant on-costs such as national insurance, employers pension, the additional lump sum pension contributions that the Council is required to make to the Derbyshire Pension Fund and an allowance for an assumed pay award, which for 2024/25 is 3.5%.

The other biggest area of spend relates to spend on supplies and services, which makes up 36%, which is £9.7 million for 2024/25. This is a broad category and covers a wide range of spend, much of which is contracted. Like pay costs, spend on supplies and services is subject to inflationary pressures.

Finally, capital financing is the revenue cost of borrowing and the Minimum Revenue Provision (MRP) that the Council is required to make under accounting regulations. For 2024/25 this amount is £40,000 but this will increase over the life of the medium-term financial plan as the Council has begun to take forward investment in existing and new assets financed through borrowing.

## Chart 7 – Key Areas of Council Spend



## 2.6 Reserves and Reserves Level Risk Assessment

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.

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.

**Table 3 – Reserves Forecast**

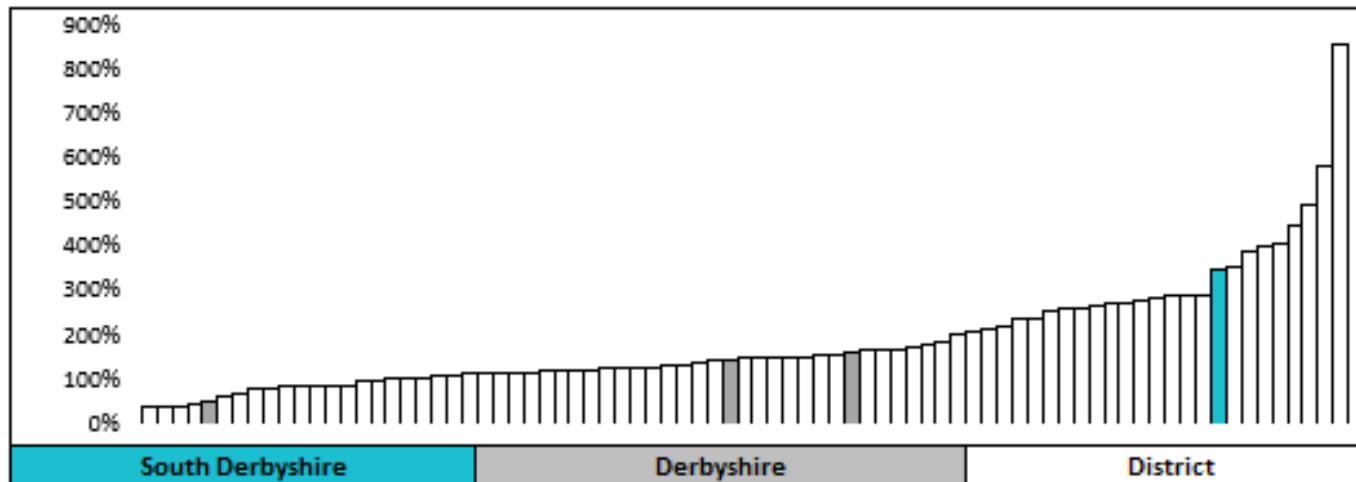
Type of Reserve	Opening Balance - April 2023	Estimated use of Reserves 2023/24	Estimated Balance March 2024	Estimated Use of Reserves 2024/25	Estimated balances March 2025
<b>General Fund Unallocated Reserves</b>	£15,222,148	£3,220,257	£12,001,891	£227,737	£11,774,154
<b>Earmarked Reserves</b>	£12,504,150	£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

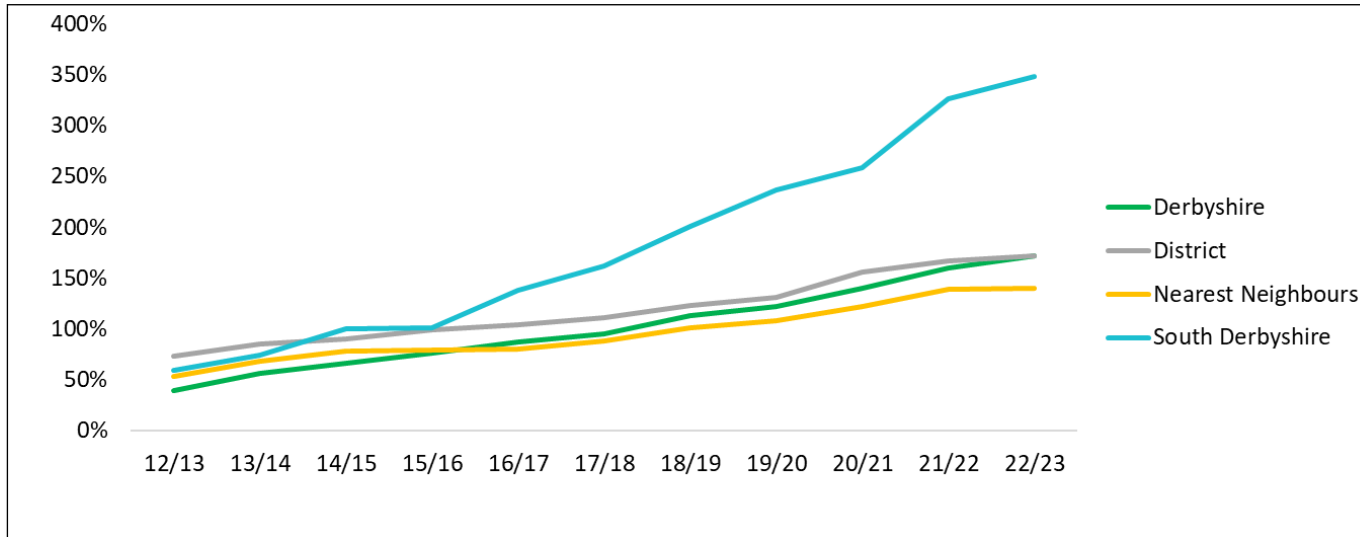
In their [Financial Resilience Index](#), the Chartered Institute of Public Finance and Accountancy (CIPFA) categorise South Derbyshire as 'Lower Risk' in relation to 'Level of Reserves' indicator which is calculated as the current level of reserves to the Council's net revenue expenditure.

Further analysis from the Council's financial benchmarking provider [LG Improve](#) is shown below.

**Chart 8 – General Fund Useable Revenue Reserves as a percentage of Spending: comparison to peers**



**Chart 9 – General Fund Useable Revenue Reserves as a percentage of Net Revenue Expenditure**



**Assessing financial risk and determining an adequate reserves level**

At its meeting on 28 February 2024, Council approved the minimum level for General Fund reserves in line with the risk assessment below which indicates that level should be £1.35 million as a requirement to fall back on, should all the potential risks happen concurrently and at their most extreme each year.

**Table 4 - Risk Assessment for the General Fund Balance 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> <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>	<p><b>Low</b></p>	<p><b>£50,000</b></p>
<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>	<p><b>High</b></p>	<p><b>£300,000 - £500,000</b></p>
<p><b>Grant Funding</b></p> <p>The Council sometimes seeks external funding/grants for one-off projects. If 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 if 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>

## 2.7 Capital Strategy and Capital Programme

The capital programme sets out the capital plans for the next five years, covering the same timeframe as the medium-term financial plan to ensure all plans are co-ordinated. The programme is reviewed annually to ensure projects are still in line with outcomes, and that the programme is affordable.

The Capital Programme Strategy details the priorities of the council in terms of capital expenditure and provides a framework for the council's capital plans to be agreed and delivered within. The Capital Programme Strategy and supporting capital programme are approved each year in February by Council.

The revenue impact of capital, including financing, interest, Minimum Revenue Provision (MRP) and impacts to revenue expenditure and income because of capital spend are accounted for in the revenue budget and medium-term financial plan.

The total value of the Capital Programme for 2024/25 is £9.8 million, made up of £6.7 million on the General Fund and £3.1 million on the HRA. Over the five-year plan, the programme totals £34.6 million, with £14.8 million bring General Fun and the remaining £19.8 million relating to the HRA.

Several new schemes were approved as part of the 20204/25 budget that are financed through borrowing. This has represented a change in the council's approach to investing in assets, in line with its budget approach, representing a prudent approach to ensuring services have the appropriate asset maintenance in place.



## Section 3 - The Council's Financial Outlook

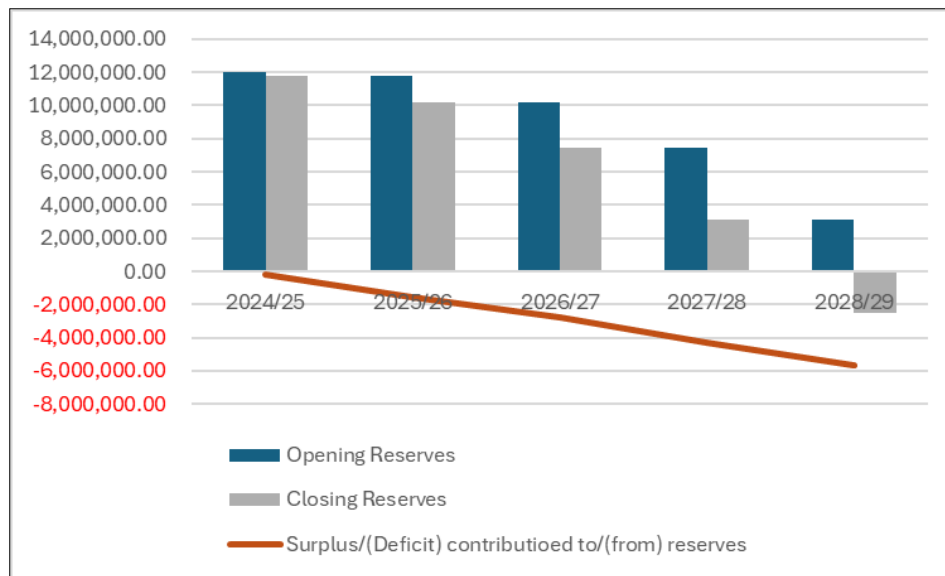
### 3.1 Forecast financial position 2024/25 – 2028/29

The Council's medium-term financial plan, aligned with the budget position for 2024/25, estimates a cumulative budget gap over the period of £14.5 million. The budgeted deficits arise and widen year on year are largely because of the assumed withdrawal of new homes bonus, the resetting of the business rates baseline and introduction of fair funding.

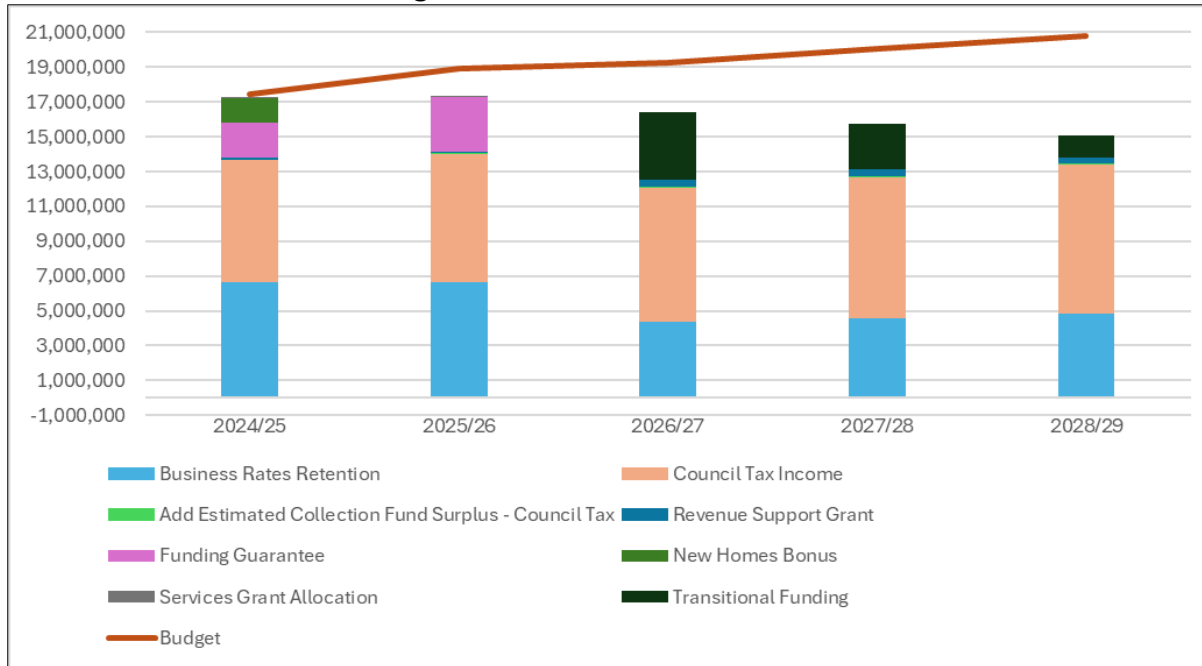
The General Fund Medium-Term Financial Plan is set out in Appendix 1.

Chart 10 below illustrates that over the life of the plan, reserves would be depleted if action were not taken whilst Chart 11 sets out the forward forecast of funding assumed against the level of revenue spend.

**Chart 10 – Budget Gap and Impact to Reserves**



**Chart 11 – Sources of Funding, Forward Forecast**



### 3.2 Key Assumptions to forecasts

Key areas of funding, expenditure and income are continually assessed and reviewed to determine the most realistic future position.

Assumptions concerning funding have been carefully selected in consultation with the Council’s funding advisor Pixel Financial Management who also supply a financial forecasting model used to forecast a range of potential outcomes associated with potential funding reform scenarios.

For key areas of spend (supplies, services, contracts, utilities, fuel and insurance), inflation forecasts from the OBR’s latest economic report are used. For pay related costs, the assumed pay award is also based on the OBR’s inflationary forecast.

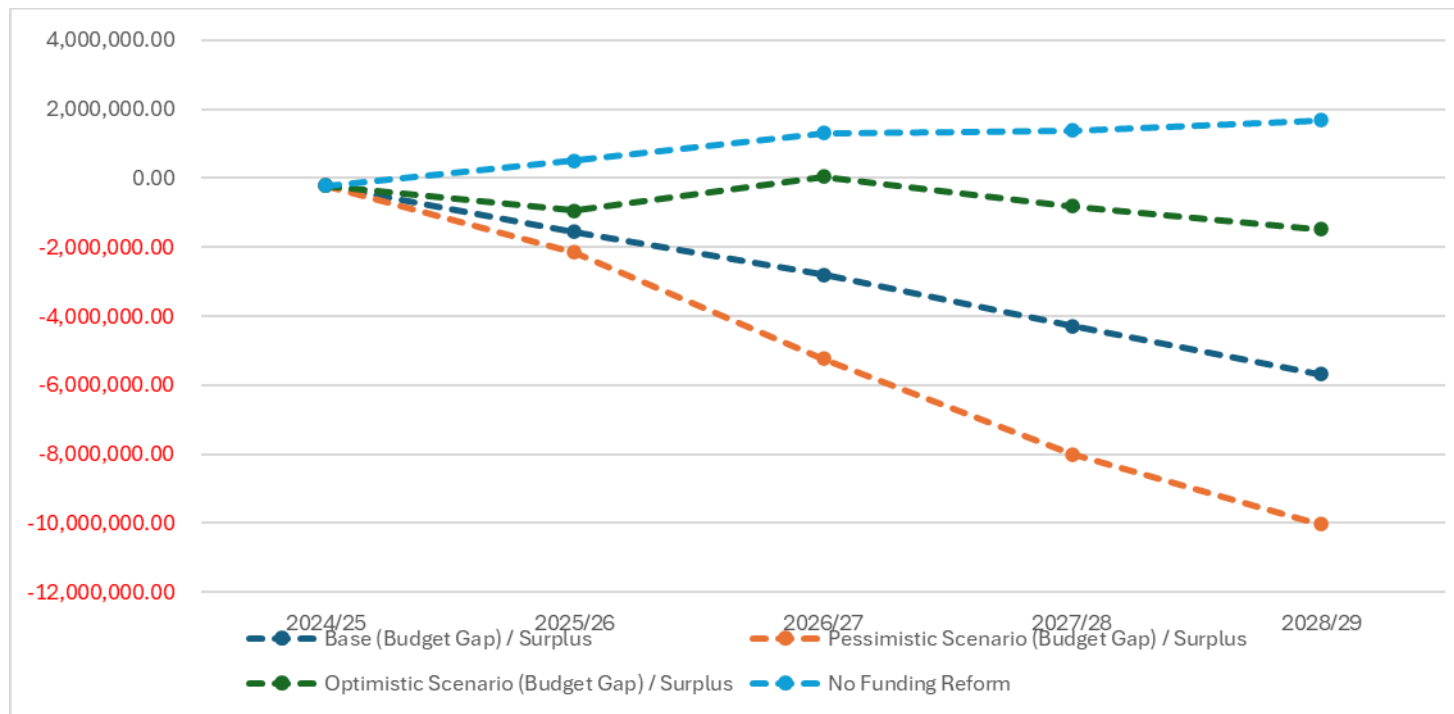
A list of all assumptions can be found in Appendix 1.

### 3.3 Scenario and Sensitivity Analysis

Scenario analysis allows for the best and worst-case scenarios for the Council to be determined. The chart below sets out the range of outcomes for the budget gap (shown as a negative figure), or surplus (shown as a positive) based on the assumptions being either more favourable or more adverse overall.

The 'No Funding Reform' scenario shows the position if the funding system was not reformed, and the local government finance system continued as it currently is (and arguably has done for several years). Whilst this is highly unlikely scenario, it provides an additional illustration of the extent to which funding reform drives the council's projected budgetary gaps.

**Chart 12 – Comparison of Budget Gaps under different scenarios**

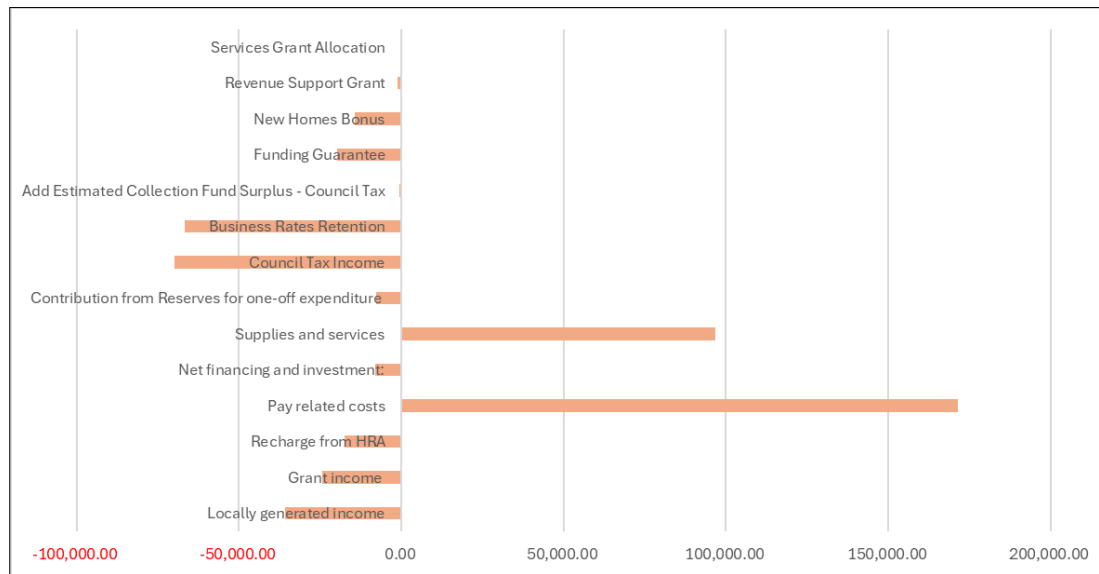


**Table 5 - Comparison of Budget Gaps under different scenarios**

	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000
<b>Base (Budget Gap) / Surplus</b>	-228	-1549	-2799	-4298	-5674
<b>Pessimistic Scenario (Budget Gap) / Surplus</b>	-228	-2155	-5237	-8004	-10024
<b>Optimistic Scenario (Budget Gap) / Surplus</b>	-228	-946	35	-823	-1481
<b>No Funding Reform</b>	-228	510	1310	1379	1669

Since most of the future years' financial strategy and model is based on a series of assumptions, the further into the future projections run, the higher the risk that these assumptions are more volatile than anticipated. As such, a relatively small change in key underlying assumptions can produce a significant change in the forecast. The key sensitivities of the financial plan are set out in below, which shows the impact of a 1% change in assumptions, based on 2024/25 levels as a starting point.

**Chart 13 – Annual impact of 1% change in key sensitivities**



## **Section 4 - The Housing Revenue Account**

### **4.1 The 30 Year Housing Revenue Account Business Plan**

The Housing Revenue Account is a 'ring fenced' account. As such, it cannot receive any financial assistance from the General Fund or the Council Taxpayer. It is essential, therefore, that the HRA can fully meet its statutory obligations and business plan ambitions from the housing stock and from other qualifying income, such as capital receipts arising from the sale of HRA assets.

At the time of writing this report, a review of the Housing Service is currently underway, with the findings of this review due to be presented to the Housing and Community Services Committee in the coming months. One of the recommendations arising from this review will be the need for the service to refresh its 30 Year [Housing Revenue Account Business Plan](#), which was last produced in 2016. This long-term strategic plan will set how the council will, for the next 30 years continue to invest in its housing stock and meet the needs of present and future tenants.

Noting this position, this Medium-Term Financial Strategy does not set out the financial strategy for the HRA in full. This is because the HRA has other key economic, social and political drivers and a different operating context which should be considered in its own right. As such, the refreshed 30-year HRA Business Plan will review in detail the HRA financial position and strategy to take the service forward.

### **4.2 Forecast financial position 2024/25 – 2028/29**

The revenue budget position for 2024/25 sets out the costs of delivering current levels of service within a rental income envelope of £14.3 million, which includes a rent increase of 7.7%, the maximum level under the governments social rent policy.

The position for 2024/25 is a balanced budget, with £1.2 million contributed from the reserves to balance a budget gap.

Over the five years from 2024/25 to 2028/29, the cumulative position on the HRA is an overall contribution to reserves (surplus) position of £1.07 million.

The HRA projections are set out at Appendix 3.

### **4.3 Key context and features of the HRA**

There are a range of features of the HRA and economic and outlook conditions which are important, some of which are set out below.

- Rent Policy – The government has a history of intervening in rent policy. Many council tenants who have a low household income will have their rent paid by Universal Credit and Housing Benefit however this passes the burden on to the national welfare bill.

- Borrowing - The Housing Revenue Account (HRA) Subsidy System was replaced in April 2012 with a new regime of self-financing. Under the previous arrangements, Councils had to pay an annual amount from tenants' rents into a national funding system. This reduced the Council's ability to control and influence local spending resources available to them and impacted on investments to the housing stock. As part of the HRA self-financing process the Council took on a debt of £57.4 million and additional £1.3 million which was the total outstanding debt on the HRA at the time. Therefore, the opening self-financing debt level was £58.7 million as of April 2012. In return for taking on this debt, the Council is now able to keep its rental income in full and use it to fund housing stock and estate improvements, as well as providing opportunities to build new homes and regenerate outdated and unsustainable stock. As part of the Treasury Management Strategy 2024/25 approved at Council in February 2024, the Council decided it would no longer set aside revenue for the purposes of debt repayment and consider the refinancing of HRA self-financing loans.
- Impacts of inflation - Like the General Fund, the HRA is subject to volatility in respect of inflation but does have a greater ability to absorb the effects due to the rent formula (CPI + 1%) remaining at 1% above inflation.
- Energy costs – the HRA is vulnerable to volatility in heating and power costs within its sheltered accommodation and other accommodation that has communal areas. The ability for the HRA to recover these costs is limited, because the Council does not currently charge separately for power or heating in the form of service charges or heating charges.
- Right-to-Buy Sales – Several sales through Right to Buy are taken forward each year. Whilst the Council does add to its stock, this has not kept pace with RTB sales and there is a net reduction which serves to reduce rental income over time.
- HRA Capital – The Council is currently commissioning a stock condition survey which will layout the amount of work required to keep the current stock up to standard.
- General Fund Recharges - Recharges between the General Fund and the HRA are undertaken on a proportionate and fair basis and in line with the services consumed.

As the Housing Service review concludes, a timetable for the refresh of the HRA Business Plan will be taken forward. This will outline the long-term future for a sustainable HRA.

## Section 5 – Delivering a balanced budget.

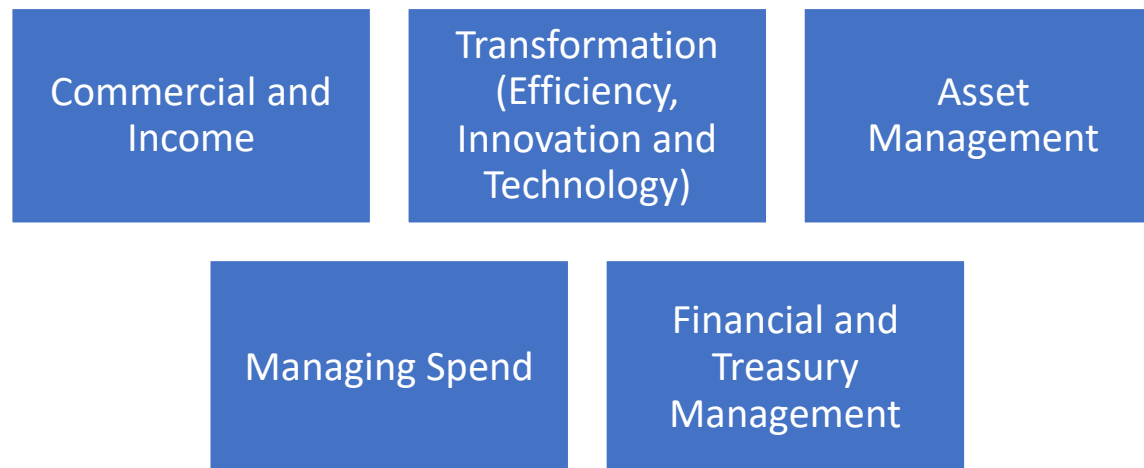
### 5.1 Sustainable Finance Plan

The Sustainable Finance Plan sets out how the Council will achieve savings over the life of the medium-term financial plan period. It will be a “living” document that will be reviewed and updated regularly.

The below themes set out how savings will be identified and delivered. Elected members, the Leadership Team and Officers at Head of Service level were engaged in identifying these themes as part of the co-design approach to this strategy.

There are five themes in total and each are set out below in detail.

#### Illustration 3 – Sustainable Finance Plan Themes



Each theme includes a target financial saving to be achieved over the life of this strategy. The value of these savings has been developed based on the budget position in 2024/25 and an assessment of realistic but challenging savings that can be achieved.

#### Sustainable Finance Plan Themes

### ***Linked strategies – Commercial Strategy (including Corporate Charging Policy)***

This theme is about maximising our revenue income generated through fees and charges, developing our commercial awareness and acumen, and ensuring our services achieve the most optimum commercial position.

As above, latest publicly available data shows that the council is considered higher risk when the ratio of fee and charges income as a proportion of service expenditure is compared to that of other district councils. This position will be explored further through the Commercial and Income theme, through identification to delivery of enhancements to the council's key strategic income maximisation opportunities.

It will be driven by the development of a Commercial Strategy which will support the delivery of the Council Plan 2024 – 2028 and forms a key element of this Medium-Term Financial Strategy. It will set out in detail how the Council will:

- Maximise existing income and generate new income streams – ensuring financial contribution meets the cost of service or contributes to fixed costs. Included will be a new Corporate Charging Policy to guide service areas effectively and practically in meeting this fundamental principle.
- Deliver commercial efficiencies and savings through developing a commercial culture where managers and staff are empowered to innovate, whilst being risk aware.
- Research, develop and implement business cases for viable commercial investment opportunities.
- Keep things simple, working to identify and overcome barriers to commercial opportunities.
- Ensure the Council has sufficient and appropriate arrangements for governance of commercial activities.

### ***Additional income generated.***

Based on the CIPFA Financial Resilience Index, our fees, and charges to service expenditure ratio in 2021/22 was 18% against the maximum position of all districts of 57%. Comparison data for 2022/23 and beyond isn't available on the CIPFA index, however, we know that our position in the years since 2021/22 is as follows:



**Table 6 – Fees and Charges to Service Expenditure Ratio Analysis and Target Position**

Year	Fees and charges to service expenditure ratio	Value of locally generated income
2022/23	16%	£3,387,532
2023/24	13%	£3,176,820
2024/25 (budgeted)	11%	£2,888,749
Target	20%	£5,252,270 (at 2024/25 value)

There are likely two service areas that the Council doesn't charge for that comparators may – these are in relation to charges for the provision of green waste household collections and car parking.

The proposed target position for this ratio is 20% by the end of the plan period. This would equate to an additional £2.4 million of income using the 2024/25 budgeted position.

Savings included in the plan are therefore based on a target of 2% income year on year across the board, to ensure current income levels match pace with pay and inflation. Further targets for the enhancement and commercialisation of existing income the development and implementation of new income streams is then included which will take the Council to the 20% level by the end of the plan period.

**Table 7 Commercial and Income**

	2024/25	2025/26	2026/27	2027/28	2028/29	TOTAL
Maintenance of cost recovery on current income		90,000	100,000	110,000	120,000	420,000
Enhancement and commercialisation of existing income		200,000	225,000	250,000	275,000	950,000
Development and implementation of new income			1,400,000	1,400,000	1,900,000	4,700,000
<b>TOTAL</b>	<b>-</b>	<b>290,000</b>	<b>1,725,000</b>	<b>1,760,000</b>	<b>2,295,000</b>	<b>6,070,000</b>

## Transformation (Efficiency, Innovation and Technology)

### **Linked strategies – Customer Access Strategy, People Strategy, Transformation Strategy**

This theme is ultimately about reviewing and improving our services. We will do this by comparing ourselves to and learning from others, making best use of well-established tools in the local government sector around benchmarking, case studies, pilots, and peer reviews. We will explore and pursue the sharing of resources, assets, and delivery of services through identifying, forging new and enhancing existing strategic alignments with partners from both the public and private sector. This will include maximising relationships with stakeholders and partners to deliver on the council's objectives.

A core focus of this theme will be the review of services to ensure the Council can deliver services within its financial means. Service reviews will initially focus on high financial and/or customer value services but once the strategy programme is embedded be part of a rolling programme. Benchmarking will be used to identify high spending services and customer feedback and benchmarking to identify those of high customer value.

Models of alternative delivery, including sharing resources, assets and jointly delivering services with other councils will be considered to identify financial savings but also improve resilience and services to customers. This theme will also link with the emerging People Strategy to capture any financial or efficiency savings delivered through the council fulfilling its aspiration to become an employer of choice.

Finally, this theme will also capture the financial savings achieved through the deployment of new technology and artificial intelligence (AI). As such it will link closely with our emerging Transformation Strategy and the plans we are already scheduled to take forward around digital improvements.

### **Savings generated**

Savings included in the plan are based on a conservative estimate around the savings attributable to supplies and services through sharing of resources, since it is recognised that efficiencies in this are more likely to arise from staffing costs and there is an expectation that where this is the case, staffing resource will be redeployed to other areas.

**Table 8 – Transformation (Efficiency, Innovation and Technology)**

	2024/25	2025/26	2026/27	2027/28	2028/29	TOTAL
Total Savings		50,000	50,000	150,000	250,000	500,000

## Asset Management

### ***Linked strategies – Asset Management Strategy, Fleet Replacement Strategy, Climate and Environment Strategy***

The Council is responsible for 110 assets on the General Fund, comprising Council offices, Green Bank Leisure Centre, Rosliston Forestry Centre, the Old Town Hall, the Depot, Community Centres, Pavilions, Public Conveniences, Parks, Land, Allotments, Car Parks, Cemeteries and an investment portfolio of shops, offices, and industrial units. Including lettings at Rosliston the General Fund investment portfolio generates current revenue more than £600,000 per annum.

This theme will predominantly focus on optimising asset performance, ensuring that the costs associated with the running and maintenance of assets is as cost-effective as possible. The Council will also undertake a review its asset base with a view to identifying opportunities for the Council to reduce ongoing liabilities through divestment or enhance its commercial income performance through optimising asset performance or acquiring new assets. Divestment will be considered where assets have significant current or future liabilities or where ownership fails to align with the Council's non-financial objectives.

### ***Savings and additional investment portfolio income generated***

Savings included in the plan are based on an early assessment of the likely reduction in annual running costs by the council deciding to create a new leisure centre and civic offices.

**Table 9 – Asset Management**

	2024/25	2025/26	2026/27	2027/28	2028/29	TOTAL
<b>Total Savings</b>			500,000	700,000	900,000	<b>2,100,000</b>

## Managing spend

### ***Linked strategies – Procurement Strategy (including Contract Management Guide)***

The Council has a wide range of contracts in place for the delivery of equipment and services. In 2024/25, forecast spend on supplies and services is £9.7 million across the General Fund alone.

Several changes are due to take place in 2024 centred around procurement and contract management at the Council.

The first of these is linked to the new internal delivery model for procurement support at the Council. Following approval to add to the council's staffing establishment, a new in-house Procurement Officer post will be created. This post will work alongside a newly procured shared service arrangement – to replace the current contractual arrangements which cease in April 2024 - to ensure the Council can effectively manage all its procurement and spend management needs.

The Procurement Strategy which will be updated to align procurement practices with the new Public Procurement Regulations which come into force for councils in October 2024. As part of this review, the Council will also review its procurement practices to realign its purchasing objectives with those of the new Council Plan. This will include how the council will achieve social value, environmental improvements, and value for money across its tragic contracts and every day spend. Of relevance will be the Council's ability to achieve better financial outcomes by using its commercial approach and enhancing its purchasing power by undertaking joint procurements.

The Procurement Strategy will also develop a set of principles to guide officers in effective contract management. This Contract Management Guide will set out the expectations of officers and managers in monitoring contract delivery and effectiveness and tackling poor performance.

As part of the annual review of the Constitution, the council's Contract procedure Rules will be updated to reflect modern ways of working. This will realise efficiencies in staff-time which will be redeployed into services.

Further work linked with this theme will focus on the roll out of training and awareness raising around modern, efficient, and effective procurement practices and contract management practices.

**Savings generated**

Savings included in the plan are based on a prudent estimate around the likely position achievable through renewed working practices in procurement and contract management that will ultimately result in savings.

**Table 10 – Managing Spend**

	2024/25	2025/26	2026/27	2027/28	2028/29	TOTAL
<b>Total Savings</b>		160,000	320,000	480,000	480,000	<b>1,440,000</b>

**Financial and Treasury Management**

**Linked strategies – Medium Term Financial Strategy, Treasury Management Strategy, People Strategy**

This theme will achieve financial savings through several measures that link with financial management practices.

The first is a general campaign to improve the internal financial management culture of the council through training of leaders and managers to ensure we have the appropriate capabilities to understand and manage finance, understand the financial health of the organisation and their

role in this context. This work will also place responsibility for financial management at the appropriate level across the council and will link with the refresh of the council’s Finance Procedure Rules within the Constitution. Whilst the Council has already adopted the CIPFA Financial Management Code (Appendix 2), further enhancements in line with the Code should be taken forward.

There will be a focus on the council’s Budget and Policy framework and its ability to achieve the optimum budget position for the Council. Work around this will include budget analysis and the delivery of ongoing continuous improvement to the council’s budgeting approach and techniques.

Key areas of spend will be reviewed. This will include a review of the model deployed for relieving double taxation for residents living in parished areas, which arises because of expenditure incurred by the district council in the urban core (and which is delivered by the Parish Councils in parished areas).

This theme will also explore further opportunities to manage the council’s treasury position (debt and investments) to achieve more lower borrowing costs or better investment returns.

***Savings and additional treasury management income generated***

Savings included in the plan are based on budget analysis, a review of the current double taxation model (“Concurrent Functions Grants”) and enhanced treasury management.

**Table 11 – Financial and Treasury Management**

	2024/25	2025/26	2026/27	2027/28	2028/29	TOTAL
<b>Total Savings</b>	40,000	160,000	260,000	260,000	260,000	<b>980,000</b>

**The Sustainable Finance Plan**

The below Sustainable Finance Plan sets out the savings of £11.09 million the Council expects to make over the coming five year period. The plan compares to the cumulative forecast budget gap position of £14.5 million, meaning that this plan meets most budget gaps but not all.

**Table 12 - The Sustainable Finance Plan**

	2024/25	2025/26	2026/27	2027/28	2028/29	Total
<b>Commercial and Income</b>		290,000	1,725,000	1,760,000	2,295,000	<b>6,070,000</b>
<b>Transformation (Efficiency, Innovation and Technology)</b>		50,000	50,000	150,000	250,000	<b>500,000</b>

<b>Asset Management</b>			500,000	700,000	900,000	<b>2,100,000</b>
<b>Managing our spend</b>		160,000	320,000	480,000	480,000	<b>1,440,000</b>
<b>Financial and Treasury Management</b>	40,000	160,000	260,000	260,000	260,000	<b>980,000</b>
<b>Total</b>	<b>40,000</b>	<b>660,000</b>	<b>2,855,000</b>	<b>3,350,000</b>	<b>4,185,000</b>	<b>11,090,000</b>

## 5.2 Reserves Strategy

The Council has established its minimum level of reserves at £1.35 million for 2024/25. Given the reserves position forecast at the end of March 2025, there is £10.4 million of general reserves forecast to be available to support the council's financial position. To ensure appropriate visibility over this reserve, it will be set aside in a newly established "Sustainable Finance" reserve.

This Sustainable Finance reserve will be utilised to balance any budget deficits from 2025/26 where the effect of the Sustainable Finance Plan doesn't close budget gaps in full. The dedicated reserve also presents the Council with an opportunity to utilise them to finance projects or initiatives that will generate additional income or reduce expenditure under the themes set out in this strategy.

The Section 151 Officer will maintain overall responsibility for this reserve and its use for the financing of projects and initiatives will require approval of the Section 151 Officer and be subject to the normal decision-making process of the Council, in line with the Scheme of delegation set out in the Constitution.

## 5.3 Medium Term Financial Strategy position

Bringing the position of the current medium term financial plan, the Sustainable Finance Plan, and the reserve strategy together, the overall revised position is detailed below, and the Council can expect to balance its budget over the medium term. This position is contingent on the Sustainable Finance Plan savings of £11.09 million being delivered over the period and the balance of the Sustainable Finance Reserve.

If the forecasts crystallise, the charge would be circa £7 million available for the Council to consider making use of to deliver its plans.

In addition, to illustrate how the Councils sustainability plan serves to close the budget gap over time the assumptions have been extrapolated over the next 10 years. As the trends in growth and income generation are projected over 10 years the budget gap diminishes over time - such that by 2031/32 annual spend is managed within the projected funding with surplus balances achieved and reserves replenished.

**Table 13 – General Fund position after Sustainable Finance Plan**

	2024/25	2025/26	2026/27	2027/28	2028/29	Total
<b>Revenue Surplus (-) / Deficit as per Medium Term Financial Plan 2024/25 - 2028/29</b>	227,737	1,549,207	2,799,395	4,297,825	5,674,352	14,548,516
<b>Total Sustainable Finance Plan savings / additional income</b>	-40,000	-660,000	-2,855,000	-3,350,000	-4,185,000	-11,090,000
<b>Remaining Surplus (-) / Deficit to be met from Reserves</b>	187,737	889,207	-55,605	947,825	1,489,352	3,458,516

**Table 14 – Use of reserves to balance the General Fund**

	2024/25	2025/26	2026/27	2027/28	2028/29
<b>Opening Sustainable Finance Reserve</b>		10,424,154	9,534,947	9,590,552	8,642,727
<b>Contribution from reserves to balance the General Fund</b>	n/a	889,207		947,825	1,489,352
<b>Contribution from the General Fund to reserves</b>			- 55,605		
<b>Closing Sustainable Finance Reserve</b>	10,424,154	9,534,947	9,590,552	8,642,727	7,153,375

\* The budget gap predicted for 2024/25 is already included in the reserves forecast

**Chart 14 – General Fund Position after Sustainable Finance Plan**

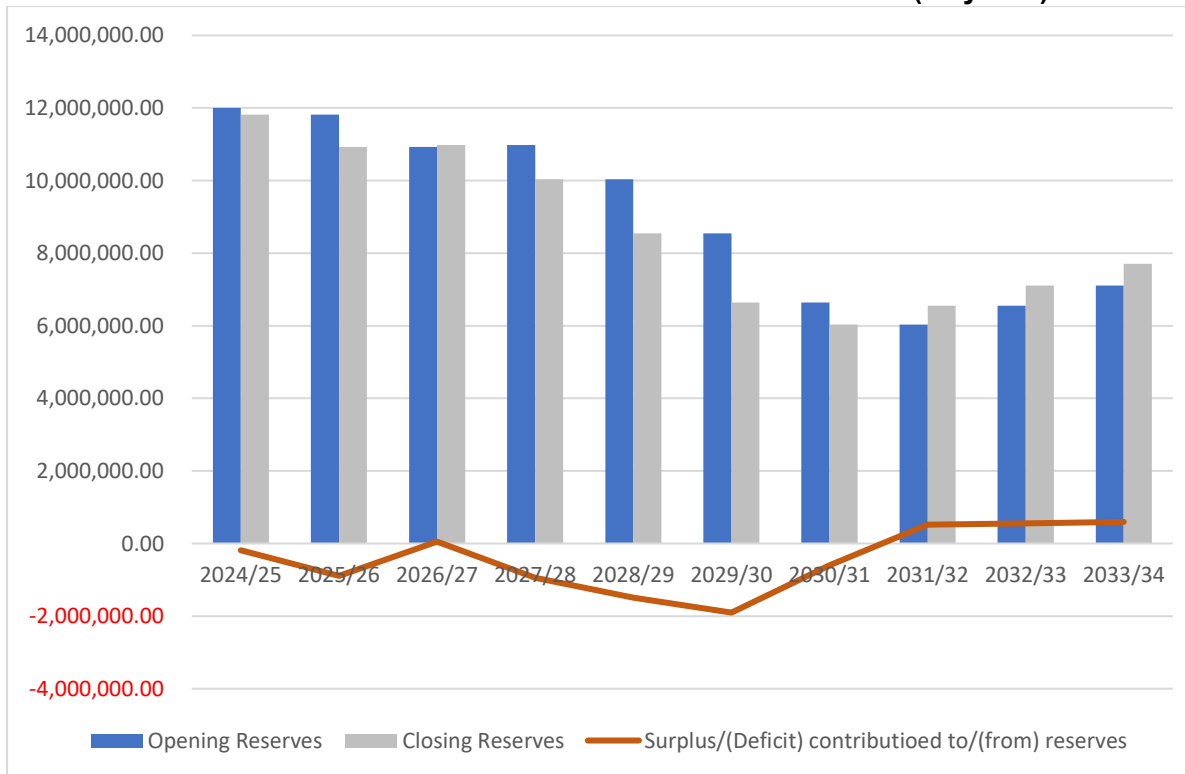




**Table 15 – General Fund position after Sustainable Finance Plan (10 years)**

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
<b>Revenue Surplus (-) / Deficit per MTFP</b>	227,737	1,549,207	2,799,395	4,297,825	5,674,352	7,146,520	6,925,643	6,899,370	6,865,575	6,823,857
<b>Total Sustainable Finance Plan</b>	-40,000	-660,000	-2,855,000	-3,350,000	-4,185,000	-5,241,975	-6,320,090	-7,419,766	-7,419,766	-7,419,766
<b>Surplus (-) / Deficit to be met from Reserves</b>	187,737	889,207	-55,605	947,825	1,489,352	1,904,545	605,553	-520,396	-554,191	-595,909

**Chart 15 – General Fund Position after Sustainable Finance Plan (10 years)**



## **Section 6 – Delivery, Monitoring and Review**

The plan will be reviewed as part of setting the forthcoming year's budget and refined as necessary.

As detailed above, the Sustainable Finance Plan will be a 'living document' that is rebased at the beginning of each financial year to look 5 years ahead, and to consider any changes in the assumed level of savings that are deliverable over the period. This practice will continue for the period of this Medium-Term Financial Strategy, and beyond should the council not be in a position where its annual net expenditure is within its funding envelope.

Each theme will be sponsored by a member of the Leadership team, who will lead the council in the delivery of savings in their area. The Chief Executive will retain overall accountability.

Each theme Lead will facilitate the design and implementation of initiatives, working with officers and members to undertake necessary options appraisals and bring forward individual decisions, in line with the council's established decision-making processes as set out in the Constitution.

Financial planning is a continuous process and the need for constant monitoring of our current and future financial position is heightened now more than ever before because of the risks associated with the uncertain economic conditions and outlook in respect of local government funding.

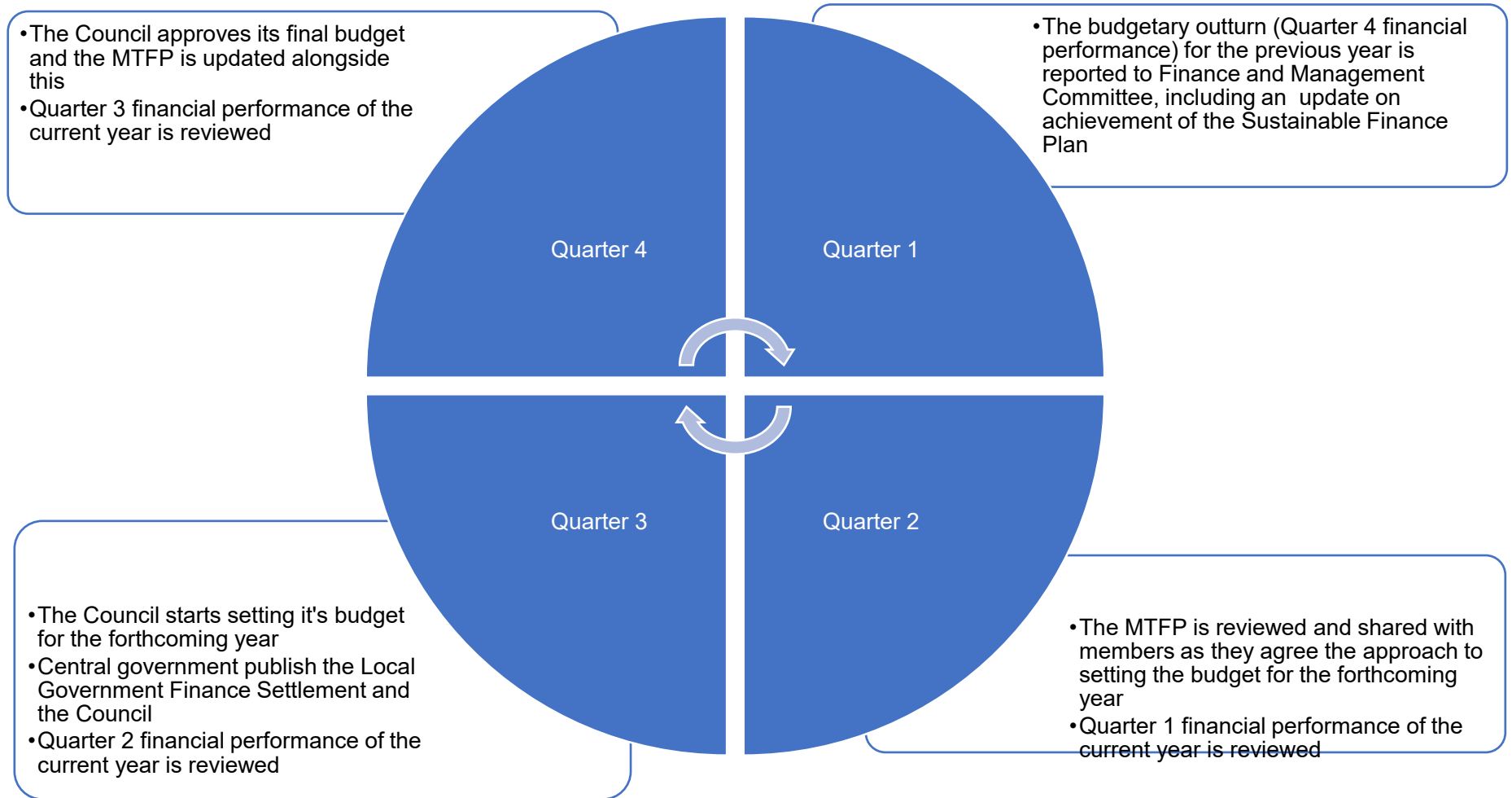
There are already well-established processes monitoring budgets which include regular monitoring and outturn reports to Committee. This regular reporting will be extended to report on the progress of savings delivery in the Sustainable Finance Plan.

The Section 151 Officer will retain ownership of the Sustainable Finance Plan, facilitating updates as part of the medium-term financial plan process.

An updated rolling five-year medium term financial plan and the refreshed Sustainable Finance Plan for making forthcoming savings will be presented to members annually alongside the forthcoming years' draft budget for approval and again at the final budget stage.

The below sets out the financial management cycle for the Council.

### Illustration 3 – the Councils Financial Management Cycle



*The Council will review its Medium-Term Financial Strategy every 4 to 5 years*

#### APPENDIX 1

## GENERAL FUND MEDIUM TERM FINANCIAL PLAN

### Budget Setting 2024/25

Projection	Projection	Projection	Projection	Projection
£	£	£	£	£
2024.25	2025.26	2026.27	2027.28	2028.29

#### BASE BUDGET

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>

#### Accounting Adjustments

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>
<b>TOTAL ESTIMATED SPENDING</b>	<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>

#### 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** -17,244,283      -17,341,831      -16,426,883      -15,757,562      -15,105,174

Revenue **Surplus (-) / Deficit** 227,737      1,549,207      2,799,395      4,297,825      5,674,352

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

**GENERAL FUND RESERVE BALANCE**

Balance b/fwd	-12,001,891	-11,774,154	-10,224,947	-7,425,552	-3,127,727
Revenue <b>Surplus (-) / Deficit</b>	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>

## Assumptions to the General Fund Medium Term Financial Plan (Base)

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%	2%
Supplies and services	As per cost pressures outlined in the 2024/25 budget	2%
Insurance		3%
Capital financing/MRP		This is now aligned with the Capital Programme 2024/25 – 2028/29 and includes MRP on fleet.
Fuel		2%
Utilities		2%
Recharge income from the HRA		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
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 Local Government Finance Settlement 2024/25.	Scheme is abolished from 2025.
Services Grant		Nil
Revenue Support Grant		Nil
Lower Tier Services Grant	Nil	Nil
Funding Guarantee	As per the provisional Local Government Finance Settlement 2024/25.	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.

## 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	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000

### INCOME

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>

### EXPENDITURE

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>

### Known variations:

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	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	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>

#### HRA General Reserve

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>

## **RESERVES**

### **Debt Repayment Reserve**

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>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</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	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	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>
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**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
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>

CIPFA Financial Management Code

Principles



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<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 12</b>
<b>DATE OF MEETING:</b>	<b>14 MARCH 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>
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>
Acquisition of Two Bungalows in Repton	14 March 2024	Eileen Jackson Strategic Housing and Development Manager <a href="mailto:Eileen.jackson@southderbyshire.gov.uk">Eileen.jackson@southderbyshire.gov.uk</a>
Arts Melbourne(Exempt)	25 April 2024	Mike Roylance Head of Economic Development <a href="mailto:Mike.roylance@southderbyshire.gov.uk">Mike.roylance@southderbyshire.gov.uk</a>

Transformation 2020-2024 Review and Summary of Next Transformation Activities	25 April 2024	Anthony Baxter Head of Business Change and ICT <a href="mailto:Anthony.baxter@southderbyshire.gov.uk">Anthony.baxter@southderbyshire.gov.uk</a>
Environmental Services Commercialisation Plan Review	TBC	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>