

Council

08 July 2021

Report of the Director of Resources

PROVISIONAL REVENUE AND CAPITAL OUTTURN 2020/21, REVISED REVENUE BUDGET 2021/22, CAPITAL PROGRAMME AND MEDIUM TERM FINANCIAL PLAN UPDATE

PURPOSE OF REPORT

This report provides details of the provisional financial outturn for the District Council's Revenue and Capital spending for the year ended 31st March 2021 and significant variations from the revised budget.

The report also seeks approval for the updated Capital Programme for 2021/22 to 2025/26, revised revenue budget for 2021/22 and an updated Medium Term Financial Plan (MTFP) for 2021/22 to 2025/26.

RECOMMENDATION

1. That the General Fund Revenue and Capital Outturn reports for 2020/21 be noted.
2. That the General Fund Revenue Account for the year 2020/21 be balanced by a transfer of £17,873 into the Funding Uncertainties Reserve;
3. Members note that, subject to the approval of recommendation 2, the revenue account for 2020/21 is balanced.
4. Members approve the creation of a new Covid Funding Reserve to earmark funds for future pressures relating to Covid-19.
5. That the provisional Capital Out-turn, as detailed in Appendix 3, and financing arrangements for 2020/21, in the sum of £4,944,145 are approved;
6. That the revised Capital Programme as detailed in Appendix 3 and financing arrangements for 2021/22, in the sum of £10,444,275 are approved;
7. That the Capital Programmes for 2022/23 to 2025/26, as detailed in Appendix 3, for the sum of £1,731,162, are approved;
8. That the potential future capital programme liabilities outlined in Appendix 4 are noted.
9. That the revised budget for 2021/22, as presented in Appendix 6, including virements and supplemental budgets detailed in appendix 7 are approved.
10. That the updated Medium Term Financial Plan 2020/21 to 2024/25, as shown in Appendix 5, and revised indicative Corporate Savings Target for 2023/24 of £500,000 are approved;
11. That the summary of revenue balances, provisions and earmarked reserves, set out in Appendix 2, is noted.

WARDS AFFECTED

All

STRATEGIC LINK

The Council's Revenue Budget and Capital Programme assist in delivering the priorities and targets within the Corporate Plan, by allocating budgets to specific projects. It should be noted, however, that not all projects shown in the new Corporate Plan have been costed and included in these financial plans.

The Revenue Budget, Capital Programme and Medium Term Financial Plan specifically address the following priority area: "People: Achieve a sustainable financial position by prudent management of resources and reviewing services". The Capital Programme is presented to link spending with the three priority areas of People, Place and Prosperity.

The provisional financial position as at 31st March 2021 has been reflected in an updated Medium-Term Financial Plan and will be reflected in an updated Medium Term Financial Strategy and Revenue Spending Proposals for 2022/23 that will be presented in 2022.

1 SUMMARY

- 1.1 The provisional outturn on the revenue account for 2020/21 was a surplus of £17,873 against the revised budget. Key reasons for the variance are highlighted in the report below.
- 1.2 The provisional outturn for the 2020/21 Capital Programme was an under-spend of £2,907,960 against the revised Capital Programme that was approved in March 2020 and updated in August 2020, December 2020 and March 2021. Key schemes that contributed to this underspend are given in the report below. Most of the under-spend has been treated as "slippage" and moved into the revised Capital Programme for 2021/22.
- 1.3 If the recommendations of this report are approved, the provisional outturn is that Council will maintain its general fund balances at £2.0m at 31 March 2021 and increase earmarked reserves from £17.664m to £20.976m in the financial year.
- 1.4 It is necessary to update the budget for 2021/22 to take account of the impact of year end transfers into the Committed Expenditure Reserve which were not included in the Original Budget, alongside other minor budget amendments and virements which have been identified to date. The net impact of this results in an anticipated reduction in the contribution from the general reserve of £20,200.
- 1.5 An updated Medium Term Financial Plan has been prepared to reflect the 2020/21 outturn, and events that have occurred since the budget and MTFP were approved in March 2021. The updated MTFP indicates that ongoing annual savings of approximately £500,000 will be required to balance the revenue budget from 2023/24, unless favourable finance settlements are received.
- 1.6 The figures shown in this report reflect the provisional outturn for 2020/21. The Council's accounts are subject to external audit review and technical adjustments might be required that could affect the overall financial position. Any changes that are required during the audit will be reported to the Governance & Resources Committee when the Statement of Accounts is considered for approval (expected) in September.

2 REVENUE SPENDING

- 2.1 The General Fund contains all services that the Council is responsible for providing. During 2020/21 the Council faced a number of challenges in successfully managing its financial position, delivering new and existing services during the Covid-19 pandemic whilst also planning for the future. The Council set a balanced revised budget in March 2021 which accounted for the known and expected impacts of Covid-19 as fully as possible at that stage. There was an expectation that a contribution of £695,684 (£490,533 from the Funding Uncertainties Reserve and £205,151 from the General Reserve) would be required to balance the budget. It has not been necessary to fund the 2020/21 out-turn with these contributions and a surplus of £17,873 has been achieved.
- 2.2 A number of services had to be temporarily suspended as the country entered national and local lockdowns, and this had a significant impact in particular on income generating services such as car parking, trade waste and markets, but also on other frontline services including those which have been outsourced such as to Freedom Leisure for Leisure Centre closures and Serco for Waste Collection. Many of the financial impacts were taken into consideration when the revised budget was set in March 2021.
- 2.3 There remains uncertainty on the Government's plans for local government funding reform, including the fair funding review and changes to business rates retention, with the potential of a delay to the implementation of funding reforms. A delay may allow the reforms to take account of the effects of the pandemic. It is recommended that the 2020/21 surplus be transferred into the Funding Uncertainties Reserve, increasing the funding available to support the Council in responding to future financial pressures.
- 2.4 The Summary Revenue Account, comparing the outturn with the revised budget, is shown at Appendix 1. The main reason for the 2020/21 surplus is the receipt of additional government grant funding that was not anticipated when the revised budget was set. The table below identifies the most significant variances against the revised estimates:

Budget Head	Variance: Revised Budget to Outturn 2020/21 £000s
Income from Section 106 contributions (offset by contribution to Revenue Grants Unapplied).	(1,117)
Discretionary Grants funded by government grants paid to Businesses (offset by contribution to Revenue Grants Unapplied Reserve)	(642)
Tree maintenance (offset by contribution to Committed Expenditure Reserve)	(163)
Underspend in anticipated Leisure Centre Management payments (offset by transfer to Covid Funding Reserve)	(302)
Reduced utility bills (electricity, gas and water charges)	(147)
National Leisure Recovery Fund Grant to support Leisure Services	(117)
SWEP Homeless Grant (offset by contribution to Revenue Grants Unapplied)	(163)
Other variances - net	2
Net Cost of Services	(2,649)
Transfers to / (from) Reserves*	3,682

Retained Business Rates (offset by contribution to Revenue Grants Unapplied Reserve for NNDR rate reliefs and from Business Rates Fluctuations Reserve)	(228)
Covid-19 New Burdens Grant	(229)
Covid-19 Sales, Fees and Charges Grant in excess of Revised Budget	(452)
Council Tax Income Guarantee Scheme compensation (offset by contribution to Revenue Grants Unapplied)	(77)
Other Non-ring-fenced Government Grants	(65)
Sub Total (surplus)	(18)
Proposed Transfer to Funding Uncertainties Reserve	18
Total	0

Reductions in expenditure or increased income are shown in brackets in the table above.

*A breakdown of the transfers to and from reserves is included in Appendix 2.

- 2.5 The impact of Covid-19 on the financial position of the Council has been significant throughout 2020/21 as the effects of the pandemic were felt and as the Council, in its position as a community leader, engaged in a number of projects and initiatives to support its local businesses and electorate, whilst continuing to deliver its core services, where able.

Covid-19 Grants and Reliefs Administered on Behalf of Central Government

- 2.6 During the 2020/21 financial year Derbyshire Dales District Council has been responsible for administering and distributing a number of grant schemes over the course of the Covid-19 pandemic. The most significant grants related to business grants awarded by BEIS (Department for Business, Energy & Industrial Strategy). The Council has been required to distribute these grants to eligible businesses as either a principal where the Council is acting in its own right, or as an agent where the Council is an intermediary. The Council has also received Test & Trace Support Scheme grants to deliver a mandatory scheme (agent) and a local discretionary scheme (principal) for payments to qualifying individuals.
- 2.7 Where the Council is the Principal, these grants and the payments are recognised in the Council's relevant services and included in the out-turn position. Any grant unspent by the 31st March 2021, but expected to be spent is carried forwards within the Revenue Grants Unapplied balance for use during 2021/22. Where the Council is an agent, these transactions are not included within the outturn.
- 2.8 A number of other grants and reliefs have also been awarded or recognised during the year. The table at Appendix 8 summarises the Covid-19 grants received and utilised from Central Government during 2020/21, indicating whether they have been included within the outturn position.

Reserves and Balances as at 31 March 2021

- 2.9 The table below shows a summary of General Fund Reserves and Provisions. The detailed position on reserves and balances, following the recommendations set out above, can be seen in Appendix 2. It is important to appreciate that many of the reserves and

provisions are earmarked for specific purposes, and accordingly these funds should not be regarded as being available for general use.

Reserve	Opening Balance 1 st April 2020 £'000	Closing Balance 31 st March 2021 £'000	Amount of Closing Balance Specifically relating to Covid-19 £'000
General Reserve & Working Balance	2,000	2,000	0
Earmarked Reserves	17,664	20,976	5,589
Capital Receipts Reserve	2,962	2,559	0
Capital Grants Unapplied	236	1,262	0
Useable Reserves	22,862	26,797	5,589
Provisions	1,148	1,617	0
Total Reserves and Provisions	24,010	28,414	5,589

2.10 As a result of Covid-19 a number of grants and underspends have been specifically earmarked for future use relating to the effects of the pandemic and do not represent additional spending power otherwise available to the Council.

2.11 The balances held specifically relating to Covid-19 are as follows:

Reason	Amount	Earmarked Reserve
Future covid pressures	£608,040	Covid Funding Reserve
Discretionary Business Support Grants such as Additional Restrictions Grant	£642,290	Revenue Grants Unapplied
Track and Trace Funding	£47,000	Revenue Grants Unapplied
NNDR Section 31 relief for Expanded Retail Discount	£4,126,808*	Revenue Grants Unapplied
NNDR Section 31 relief for Nursery Discount	£14,000*	Revenue Grants Unapplied
Compliance and Enforcement Grant and DCC Contribution	£73,403	Revenue Grants Unapplied
Council Tax Income Guarantee Compensation	£77,234*	Revenue Grants Unapplied
Total	£5,588,775	

*The surplus on Business Rate Section 31 grants includes £4,140,808 of grant received by the Council to compensate for the loss of Business Rate Income as a result of the extended rate relief given to retail, hospitality and leisure businesses and nursery providers to support them through the pandemic. The revised budget estimated this amount to be £3,956,571. The legislation that governs Collection Fund Accounting means the related deficit as a result of the loss of Business Rate income in year will not be charged to the Council's General Fund until 2021/22. As a result this balance has been transferred to Revenue Grants Unapplied to be drawn down to offset the deficit in 2021/22. This funding is not available for any other use. The Council Tax Income Guarantee compensation of £77,234 similarly compensates the Council for income losses which would otherwise be recognised in 2021/22, and is not available for any other use.

2.12 The creation of the new Covid Funding Reserve underpins the Council's commitment to continue to plan for and react to any ongoing pressures arising from the Covid-19

pandemic which will continue to arise during and beyond 2021/22. This will provide an immediate funding mechanism for emerging pressures which are outside of the Council's direct control, and to develop services post covid-19 which would otherwise be unaffordable or have adverse financial impacts.

- 2.13 Following the transfer of the surplus for 2020/21 into the Funding Uncertainties Reserve, revenue balances carried forward at 31 March 2021 total £1,999,839 (31 March 2020 £1,999,839). This balance is significant as it reflects the revenue balances that are generally available for new expenditure. The Council has determined that it is prudent to maintain a working balance of £1m to meet emergencies and contingencies, and to assist with cash flow. This balance may also be required in the event that the Council does not achieve the savings required to balance the budget in any financial year after the use of relevant reserves.
- 2.14 The Council holds a number of earmarked reserves to finance future capital and revenue expenditure. The value of earmarked reserves held at 31 March 2021 is £20,970,179 (£17,664,082 at 31 March 2020).
- 2.15 Provisions are made when an event has taken place that gives the Council an obligation that most likely requires settlement, but where the timing or amount are uncertain. The Council has an Insurance provision and a provision for Business Rate Appeals, which has grown during 2020/21 based on the latest information received relating to likely appeals. The Business Rate Retention regime places a liability on the Council and other precepting Authorities to refund ratepayers who successfully appeal against the rateable value of their property on the rating list. The provision represents the Council's estimated share of such liabilities as at the 31st March 2021.
- 2.16 The section on the Capital Programme set out below explains that sources of funding for the Capital Programme and potential future capital resources are diminishing. The current Medium Term Financial Plan (MTFP), shown in Appendix 5, illustrates that in 2022/23 there is still a budget gap of £298,000. The level of the General Reserve and the Funding Uncertainties Reserve provide mitigation in case savings or additional income of that magnitude do not materialise by March 2022 when the Council must set a balanced budget for 2022/23.

Council Tax and Business Rates Collection

- 2.17 Derbyshire Dales District Council collects council tax on behalf of Derbyshire County Council, Derbyshire Fire and Rescue Authority and Derbyshire Police Authority. Amounts collected, bad debts written off and any surplus or deficit on the collection fund are distributed according to precepts. In 2020/21 £55.4m (£54.5m in 2019/20) was collected from council tax payers; this represents 97.5% of council tax that was due by 31 March (98.5% collected in 2019/20). The final year-end position on the Council Tax Collection Fund is a deficit of £1.026m, (2019/20 £0.226m surplus).
- 2.18 During 2020/21 the Council was part of a business rates pool with other Derbyshire Authorities, and business rates were collected on behalf of Derbyshire County Council and Derbyshire Fire and Rescue Authority. Amounts collected, bad debts written off and any surplus or deficit on the collection fund are distributed according to prescribed shares. In 2020/21 £9.5m was collected from business rate payers (£18.3m in 2019/20)– the reduction in 2020/21 reflects covid rate reliefs; this represents 92.2% of business rates that were due by 31 March, (97.6% collected in 2019/20). The final year-end position on

the National Non Domestic Rates (NNDR) Collection Fund is a deficit of £11.830m (2019/20 £1.416m deficit).

- 2.19 Collection rates for both council tax and business rates were affected by the coronavirus pandemic. The revenues team will continue to collect any arrears from 2020/21 and prior years during 2021/22. During 2020/21 a light touch was taken to debt recovery, with only reminders being sent. A plan is being developed to resume full debt recovery in the coming months, tying in with the government milestones for emerging from the lockdown. Court dates have been booked for September 2021.
- 2.20 As highlighted previously in this report the Council received section 31 grants during the year in respect of expanded retail relief and nursery relief to compensate the Council and the precepting authorities for the reduction in the overall business rates collectable debit. The Council has also received Council Tax Income Guarantee compensation. These balances have been transferred into Earmarked Reserves to significantly offset the deficits that will be recognised in 2021/22.
- 2.21 Derbyshire Dales District Council's share of these surplus and deficits is taken into account when setting the council tax for the following financial year.

3 CAPITAL SPENDING

- 3.1 Capital expenditure can be defined as any expenditure to acquire or construct an asset that has a useful life of more than one year, or any continuing expenditure to enhance (not merely maintains) an asset. Capital expenditure may include:
- buying or building a new property
 - work to improve or enhance the Council's properties
 - awarding grants for the above types of activity, for example, grants for facilities in disabled residents' homes.

Capital spending in 2020/21

- 3.2 The Capital budget for 2020/21 was set in March 2020 at £7,342,041. This was revised during the year to reflect progress on schemes and the addition of new schemes. In March 2021 the Council approved a revised capital programme for 2020/21 of £7,790,985. The provisional outturn for 2020/21 is £4,944,145. Details of spending against each scheme can be seen in Appendix 3 to this report.
- 3.3 The table below shows capital spending, analysed by the Council's priorities:

Council Priority	2020/21 Budget £'000s	2020/21 Revised Budget £'000s	2020/21 Actual £'000s	2019/20 Actual £'000s
Prosperity	2,717,970	2,261,736	1,347,323	1,326,218
People	37,250	37,200	37,200	112,461
Place	3,762,382	936,906	690,529	2,051
Other	824,439	4,555,143	2,869,093	594,355
Total Capital Spending	7,342,041	7,790,985	4,944,145	2,035,085

- 3.4 At 31st March 2021, there is an under-spending of £2,846,840 compared to the revised estimate. The major schemes contributing to this are:

Capital scheme	Comments	Variance: Revised Programme to Outturn 2020/21 £000s
Waste Vehicles	Further Fleet delivery scheduled for 2021/22	(1,115)
Commercial Vehicles	Further Fleet delivery scheduled for 2021/22	(298)
Ashbourne Leisure Centre - Condition surveys	Scheme scheduled to commence in 2021/22	(145)
Energy Efficiency GHG: LAD Phase 1B	Project is scheduled to commence in 2021/22	(880)
Non Traditional Homes improvement schemes	To be completed in 2021/22	(152)
Rural village affordable Housing	To be completed in 2021/22	(55)

Underspends are shown as negative figures in the table above.
Further details are given in Appendix 3 to this report.

- 3.5 This report seeks Members' approval to carry forward most of the underspending from 2020/21 as slippage into 2021/22, as set out in Appendix 3.

Capital spending in 2021/22

- 3.6 The revised capital programme for 2021/22 has been updated to reflect slippage and is summarised below:

Priority	2020/21 Recommended Capital Programme £
Prosperity	5,869,331
People	11,000
Place	2,027,020
Other	2,536,924
	10,444,275

Further details are given in Appendix 3 to this report.

- 3.7 The spending proposals shown in the table above are the aggregate of the estimated scheme costs. All estimated grants and contributions have been dealt with as part of the financing arrangements (shown below). The major items in the spending proposals where expenditure in 2021/22 is estimated at £250,000 or more are:

Scheme	Cost £000
Development at Blenheim Road, Ashbourne	250
Disabled Facilities Grants	667

Social Housing Grants: Tideswell	413
Social Housing Grants: Matlock YMCA with NCHA	500
Non Traditional Homes improvement scheme	351
Social Housing Grants: Wirksworth community land trust	350
Social Housing Grant - Wirksworth	280
Commercial vehicles – Vans, lorries etc.	578
Purchase of waste vehicles	1,115
Potential purchase of land at Longcliffe	250
Bakewell Road, Matlock Development	799
De-carbonisation at Ashbourne Leisure Centre	734
Energy Efficiency GHG: LAD Phase 1B	880
Empty Homes - Council Houses	300

New Bids

- 3.8 The revised Capital Programme for 2021/22 **does not include** the following schemes which are subject to a separate report at this Council meeting. If these schemes receive approval they will be included in the next update to the Capital Programme.

New Scheme	Reason for Inclusion	Amount
Travellers' Site	In response to the needs by Homeless Gypsy and Traveler Family	Site Works = £25,000
Car parks	Security measures for vulnerable car parks	Barrier = £10,000
Total New Bids		£35,000

*This does not include the cost of the CCTV for monitoring the Coach area.

Capital spending in 2022/23 to 2025/26

- 3.9 The revised Capital Programmes for 2022/23 to 2025/26 have been updated to reflect slippage and are summarised below:

Priority	2022/23 to 2025/26 Recommended Capital Programme
	£
Prosperity	491,470
People	0
Place	467,000
Other	772,692
	1,731,162

Further details are given in Appendix 3 to this report.

Capital Resources

- 3.10 The Council has substantial internal resources to finance its capital programme including its strategic reserves and the balance of its Capital Receipts Reserve. Also available is the use

of external borrowing when required. The Council has sufficient resources to fund the proposed capital programme.

3.11 The table below shows how the capital spending in 2020/21 was financed and how it is proposed to finance the capital programme from 2021/22 to 2025/26:

Source of Funding	2020/21 £	2021/22 £	2022/23 £	2023/24 to 2025/26 £	Total £
Capital Receipts	403,139	2,468,096	55,000	55,000	2,981,235
Grants & Contributions	1,074,765	696,260	458,470	0	2,229,495
Use of Reserves:					
Capital Programme Reserve	91,193	1,709,759	0	0	1,800,952
Section 106 Contributions	667,465	4,312,224	570,000	0	5,549,689
Waste Vehicles Reserve	2,497,571	0	0	0	2,497,571
Vehicle Renewals Reserve	166,684	577,666	214,000	322,000	1,280,350
ICT Reserve	13,048	81,000	50,000	0	144,048
Economic Development Reserve	0	10,000		0	10,000
Carsington Reserve	0	26,760	6,692	0	33,452
Investment Reserve	2,080	562,510	0		564,590
Customer Innovation Reserve	28,200	0	0	0	28,200
Total Capital Financing	4,944,145	10,444,275	1,354,162	377,000	17,119,582

3.12 The table below shows the impact on the Council's Reserves and Balances of the above proposals:

Reserve/Balance	B/fwd 01/04/2020 £	New Receipts £	Used for capital expenditure £	C/fwd 31/03/2026 £	Comments
Capital Programme Reserve	1,807,120	0	1,800,952	6,168	Mostly earmarked for specific projects
Other Strategic Reserves* (earmarked for capital schemes) See below	3,949,642	912,200	4,558,211	303,631	Mostly earmarked for specific projects
Section 106 Income	6,128,692	1,210,179	5,549,689	1,789,182	Relies on new receipts being attained
Capital Receipts	2,962,476	300,000	2,981,235	281,241	Relies on new receipts being attained
Capital Grants	235,693	3,284,206	2,229,495	1,290,404	Mostly earmarked for specific projects
Total	15,083,623	5,706,585	17,119,582	3,670,626	

*Other Strategic Reserves” comprise the following:

Reserve	B/fwd 01/04/2020 £	New Receipts £	Used for capital expenditure £	C/fwd 31/03/2026 £
Carsington Improvements	33,452	0	33,452	0
Vehicle Renewals	590,063	900,000	1,280,350	209,713
ICT Reserve**	223,237	12,200	144,048	91,389
Economic Development Reserve**	10,000	0	10,000	0
Investment Reserve	564,590	0	564,590	0
Waste Vehicles Reserve	2,500,100	0	2,497,571	2,529
Customer Innovation Reserve**	28,200	0	28,200	0
Total	3,949,642	912,200	4,558,211	303,631

** Element of reserve that is earmarked for capital expenditure

3.13 Officer comments:

The table above demonstrates that, if the recommendations of this report are accepted, sources of capital funding are forecast to amount to £3,670,626 by 31 March 2026. However, Section 106 contributions, capital grants and the amounts in other strategic reserves are set aside for specific purposes; if these are excluded the amount available for new capital schemes reduces to £287,409. The Corporate Leadership Team has identified a number of future capital liabilities and potential new projects that will be required in the next 1-2 years that have not been included in this revised capital programme. These projects are set out in Appendix 4. They total £140,500 but do not include the estimated costs of constructing the traveller site (which haven't yet been quantified) and the new bids mentioned above. If the potential future capital liabilities and the new bids (totalling £175,500) are deducted from the £287,409 it leaves the Council with available funds of only £111,909 to meet further liabilities, not yet identified or quantified. If reserves or grant funding are not available to finance future capital projects, the Council's Capital Strategy (approved in March 2021) indicates that other sources of finance, such as borrowing, could be considered as long as the impact on the revenue account is sustainable.

For a small district council, in the current economic climate, a fully funded capital programme of £17.1m can be seen as fairly healthy. Members should note, however, that much of the capital programme is spent on enhancing and replacing existing assets and that existing funds are likely to be depleted by 2025/26. There will always be a need for some asset replacements and hence the need for annual contributions from revenue to capital reserves, as identified in the Medium term Financial Strategy.

4 REVISED REVENUE BUDGET 2021/22

- 4.1 On the 4th March 2021 Council approved the 2021/22 Original Budget with net revenue expenditure of £11,015,556. Following the closure of 2020/21 and the allocation of balances into the Committed Expenditure Reserve, it is necessary to update the 2021/22

budget to reflect the anticipated appropriations of £335,318 from the Committed Expenditure Reserves to fund services.

- 4.2 A small number of other budget amendments (virements) and supplemental budgets are also necessary to update the current anticipated financial position for 2021/22 which is now reflected as the Revised Budget. Fees and income relating to the Countywide Building Control Partnership have resulted in a saving which is proposed to reduce the contribution from the General Reserve during 2021/22 from £56,627 to £36,427, a reduction of £20,200.
- 4.3 Summary information on these budget changes is reflected in the table in Appendix 7. Where the total = 0 the required budget amendments are contained within the same directorate with no overall budgetary implication.
- 4.4 During Quarter 1 there have been ongoing lockdown restrictions which are slowly being lifted and have impacted the delivery of ordinary Council services, and both income and expenditure budgets. At present it is too early to determine the absolute impact and the budget is not yet updated to consider this. The full financial and operational impact of Covid-19 on the Council remains uncertain with our covid-19 response remaining a key priority during 2021/22. The creation of the Covid funding reserve will provide financial resilience to the Council to help mitigate against emerging cost pressures and income losses in excess of those compensated by government grants and contributions. Income and expenditure will be monitored through the year, and further revisions to the budget will be reported to members and recommended for approval as they are required.
- 4.5 The impact of Covid-19 on the Public Sector could not have been expected, with no previous experience of this type of virus or of the economic impact that it would have. The future economic situation remains uncertain. It is hoped that this is a one off event, but this cannot be guaranteed and further highlights the necessity to maintain an adequate level of Reserves, including the General Reserve to protect the Council against exceptional events. Due to robust Leadership and sound Financial Management the financial situation at Derbyshire Dales District Council is secure. The need to plan long term and to hold sufficient levels of reserves is reinforced in order to be able to deliver our key services, support our residents and businesses now and in the future, and continue to provide value for money in all that we do.

5 MEDIUM TERM FINANCIAL PLAN

- 5.1 The Medium Term Financial Plan (MTFP), shown in Appendix 5, sets out in broad terms the Authority's anticipated future spending requirements and indicates the level of savings that could be required in future years if the Council is to meet its statutory duty to set a balanced budget. The MTFP takes account of current and known additional requirements. The quantified additional requirements are based on the planned intentions of the Council and any future impact of decisions already implemented, but cannot be conclusive, as other changes will undoubtedly occur over time.
- 5.2 The Council's Medium Term Financial Plan was last updated in March 2021 when the Council set its budget for 2021/22. At that time a Corporate Savings Target of £318,000 a year by 2022/23, rising to almost £600,000 by 2024/25 was approved. The current update reflects the 2020/21 outturn position, and updates to the 2021/22 Revised Budget.
- 5.3 The figures in the updated MTFP reflect the funding that has been indicated in the Government's Settlement Funding Assessment for 2021/22. Several funding streams such as New Homes Bonus and Rural Services Delivery Grant received from Government have

a significant, direct impact on the Council. The Ministry for Communities and Local Government (MHCLG) has previously indicated that these funding streams may reduce and that information has been used to model the Council's MTFP. Central Government have made ongoing commitments to local government funding reform, including the Fair Funding Review. However there is currently a consensus across both Local Government and Whitehall that it may be better to delay the implementation of these funding reforms to take account of the effects of the pandemic alongside major reviews of the business rates system and social care. These reviews could bring about significant changes to the Council's funding in future financial years, which makes medium term financial planning very difficult at this point in time. There remains strong support for multi-year finance settlements which give improved certainty of local government funding. As the provisional and final settlements are not normally received until December and January respectively prior to financial year start, the Council will have limited time to respond to changes.

- 5.4 The MTFP includes the anticipated impact of several key developments for the council over the MTFP period. These include the impact of the climate change strategy, the Bakewell Road Development, the triennial review of the pension fund and impacts of savings arising through the previous Leisure Review.
- 5.5 The figures in the medium term financial plan indicate that significant savings must be achieved in the medium term if the Council is to be able to set a balanced budget each year. It is recommended that the Corporate Savings Target should be maintained at £500,000 by 2023/24, based on the assumptions in the MTFP which may or may not turn out to be accurate.

5.6 Officer comment

If the assumptions in the medium term plan turn out to be accurate, the Council will need to identify ongoing annual savings or additional income in excess of £298,000 in 2022/23 rising to over £500,000 to balance the budget by 2023/24, or use the General Reserve or Funding Uncertainties Reserve in those years to cover any shortfall. The use of reserves is a one-off, not sustainable for future years, but it would provide time during 2022 (when it is hoped that there will be more clarity over the funding position) for the Corporate Leadership Team to develop a Savings Plan to address budgetary shortfalls arising in 2022/23 onwards.

- 5.7 The approach to achieving the savings is set out in the Council's Medium Term Financial Strategy, which was approved in March 2021. Given the amount set aside in usable revenue reserves, the timing of the required savings, and the uncertainty surrounding local authority funding (arising mainly from the outcome of the anticipated level of the government's Fair Funding Review and its review of the Business Rates Retention scheme), the Council's approach to meeting the Corporate Savings Target and closing the budget gap is to refrain from significant service reductions at the present time, until the outcome of the government reviews is known. The Council will continue to explore commercial and investment opportunities to help it to achieve a sustainable financial future. The overall aim of this approach is that the Council will be far less reliant on government funding and will become more self-sufficient. The approach will focus on income generation and investment in economic development that will lead to growth. In the longer term, this approach will provide the Council with more financial resilience than depending on government grants.
- 5.8 The recommendations made in this report have been reflected in the draft Statement of Accounts, which will be published on the Council's website. The Statement of Accounts is subject to an independent audit, carried out by Mazars LLP. The audited Statement of

Accounts will be presented for approval at the Governance and Resources Committee meeting scheduled to be held in September 2021.

6 RESERVES AND BALANCES FOR 2021/22 AND BEYOND

- 6.1 The impact on reserves and balances of the revised revenue budget for 2021/22 and the updated capital programme is set out in Appendix 2 and summarised below:

Reserve	Opening Balance 1 st April 2021 £'000	Forecast Closing Balance 31 st March 2022 £'000	Forecast Balance 31 st March 2026 £'000
General Reserve & Working Balance	2,000	1,963	1,963
Earmarked Reserves	20,976	9,029	8,657
Provisions	1,617	1,617	1,617
Capital Grants & Receipts	3,821	1,499	1,572
Total Reserves and Provisions	28,414	14,108	13,809

7 KEY EVENTS FOR 2021/22 AND BEYOND

- 7.1 Whilst the impact of Covid19 has affected service delivery and Council priorities during 2020/21, Central Government has provided funding to Local Authorities to assist them both with cash flows and with enacting government priorities to protect businesses and individuals who would otherwise have been adversely affected. The longer term impacts and the ability for a V shaped recovery is not guaranteed and this presents a further risk to the Council, especially in returning to pre-covid levels of income for services such as car parking and stall markets and for leisure services through its relationship with Freedom Leisure.
- 7.2 Further uncertainties arise due to the continuing delay of the Fair Funding Review and the Retained Business Rate Review. Both of these reviews have the potential to significantly affect the amount of funding received by the Council in future years. The full impact of the McCloud/ Sargeant tribunal judgement on public sector pensions is also likely to have long term cost implications on the LGPS, the revenue impact of this is also not yet known.
- 7.3 Looking ahead, the key issue facing Derbyshire Dales District Council in the medium term is the need to produce a sustainable, balanced budget in the face of declining government support, following previous government austerity measures, and significant uncertainty of how the future now looks. The Council will continue to explore commercial and investment opportunities to help it to achieve a sustainable financial future. The overall aim of this approach is that the Council will be far less reliant on government funding and will become more self-sufficient. The approach will focus on income generation and investment in economic development that will lead to growth. In the longer term, this approach will provide the Council with more financial resilience than depending on government grants.
- 7.4 There are ongoing major projects outlined below that are being undertaken that will significantly influence the Council's ability to balance its budget in the future. There is also

a requirement for significant work and expertise to ensure that the best outcome for the Council and residents is achieved.

7.5 Council House Building Programme

The Council has previously approved proposals to become a provider of social housing. The modest programme of development will see up to 52 homes delivered over the next few years. The programme will provide a new and ongoing revenue stream to the General Fund, helping to support the Council's wider strategic objectives. The business plan for the programme was revised in June 2020 and forecast an annual revenue income of approximately £200,000 when all 52 homes have been completed.

7.6 Climate Change Action Plan

The Council's Climate Change Strategy and Action Plan is expected to be received very shortly and will be reported to Council separately. Whilst the detail is not yet known, it is expected that the Action Plan will identify a number of items that will require significant investment, if the Council is to meet its commitment to reach net zero carbon emissions by 2030.

7.7 Matlock Regeneration – Bakewell Road

The Bakewell Road Regeneration Project, Matlock, will convert the unattractive, underutilised former indoor Market Hall to enable provision of a new indoor leisure attraction for Matlock (a two-screen cinema), and will enclose part of the covered legacy bus bay area to provide an ancillary commercial use (a retail / food & beverage unit). The project's business case secured Council approval on 25 November 2020, along with capital investment of up to £848,820 from the District Council. It is intended that works will complete during 2022.

7.8 Local Plan Review

A review of the Derbyshire Dales Local Plan began in 2020. The Council has determined that economic recovery and climate change will be front and centre in the revised Local Plan. During 2021/22, evidence gathering will enable a revised Local Plan to be consulted upon. Examination and adoption is scheduled for 2023.

7.9 Ashbourne Airfield

Ashbourne Airfield is the largest employment location in the Derbyshire Dales and the focus of the district's manufacturing economy, occupied by over 70 businesses employing over 2,000 people. A new roundabout access and link road will complete during 2021/22, opening up 9 hectares of new employment land and additional land for some 1,500 new homes. The District Council has led the regeneration project and is contributing capital funding to the link road.

7.10 Other Corporate Plan Priorities

It is worth noting that priorities and plans in the new Corporate Plan are not fully costed and future financing decisions will need to take this into account.

8 RISK ASSESSMENT

8.1 Legal

The Council has a legal duty to set a balanced budget and has a general duty to act in the public interest in managing the custody of public funds. The accounts have been prepared by qualified personnel using accepted principles for to ensure proper accountability. The legal risk is therefore low.

8.2 Financial

The recommended transfer of the 2020/21 revenue account surplus to the Funding Uncertainties Reserve will help to provide funding for potential future liabilities that the Council may face in balancing its revenue budget.

For revenue spending, in 2021/22 the use of the General Reserve and the Covid Funding Reserve will ensure a balanced revised budget if there is insufficient government funding to cover all Covid-19 additional spending and lost income not covered by the reserve. However, this may leave the General Reserve with a lower balance, which is assessed as high risk.

The Medium Term Financial Plan illustrates that before the 2022/23 budget is set in March 2022 significant savings must be identified or the use of reserves approved in order to set a balanced budget. There are risks associated with this approach; these risks are explained in the Council's [Medium Term Financial Strategy](#). If savings cannot be identified by March 2022, the use of the Funding Uncertainties Reserve will mitigate the risks in the short term but the financial risk in respect of the Council's long-term financial position remains high.

8.3 Corporate Risk

The Council's financial position is taken into account in determining all the priorities in the Corporate Plan. The Council is expected to deliver significant savings or approve the use of reserves to balance its revenue budget from 2022/23 onwards. "Financial Resilience" has been identified on the Council's Strategic Risk Register and has been assessed as high risk, pending the delivery of the required savings and the outcome of the Local Government Finance Settlement for 2022/23. The consequences of failing to identify the required savings are shown as:

- Lack of resources available to deliver the core Council activities
- Controls not performed or overlooked due to time and resource pressures.
- Cash flows are not available to maintain standards and quality of service provision.
- Increase in claims made to the Council
- Initiatives, development programmes etc. around capital enhancements, car park maintenance etc. may not be performed resulting in members of the public hurt or public property damaged.

9 OTHER CONSIDERATIONS

- 9.1 In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

10 CONTACT INFORMATION

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10.3 Joseph Abraham-Koranteng, Interim Principal Accountant

11 BACKGROUND PAPERS

11.1 None

12 ATTACHMENTS

Appendix 1: Summary Revenue Outturn 2020/21

Appendix 2: Summary of Revenue Balances, Provisions and Earmarked Reserves as at 31st March, 2021

Appendix 3: Capital Programme 2020/21 to 2025/26

Appendix 4: Potential capital schemes/liabilities not included in capital programme

Appendix 5: Medium Term Financial Plan

Appendix 6: 2021/22 Revised Budget

Appendix 7: 2021/22 Virements and Supplemental Budgets

Appendix 8: Covid-19 Grants and recognition.

APPENDIX 1

SUMMARY OF REVENUE OUTTURN 2020/21

	Amount	Original Budget	Revised Budget	Variance from Original Budget	Variance from Revised Budget
Chief Executive	361,253	454,349	365,566	(93,096)	(4,313)
Community and Environmental Services	4,778,361	3,605,102	5,480,845	1,173,259	(702,484)
Corporate Services	1,777,763	1,903,476	1,842,677	(125,713)	(64,914)
Housing	(355,184)	587,641	479,584	(942,825)	(834,768)
Regeneration & Policy	(160,831)	648,057	526,042	(808,888)	(686,873)
Regulatory Services	1,037,268	1,083,859	1,248,703	(46,591)	(211,450)
Resources	2,441,860	2,234,861	2,585,886	206,999	(144,026)
Net cost of Services	9,880,489	10,517,345	12,529,303	(636,856)	(2,648,829)
Non Service Items:					
Interest on Balances	(86,522)	(134,472)	(87,750) [▼]	47,950	1,228
Borrowing Interest Paid	223,901	225,000	225,010 [▼]	(1,099)	(1,109)
Statutory Debt Repayment	98,801	191,500	98,801	(92,699)	0
Loan Premium Due	110,924	110,924	110,924	0	0
Income from Investment Properties	(101,055)	(101,956)	(101,056) [▼]	901	1
Net Revenue Expenditure	10,126,537	10,808,341	12,775,232	(681,804)	(2,648,710)
Transfers to / (from) Reserves	6,748,372	(548,967)	3,066,860	7,297,339	3,681,512
Funding Requirement	16,874,909	10,259,374	15,842,092	6,615,535	1,032,802
Funded by:					
External Funding					
Retained Business Rates including S31					
Grant Payments to and from Pool	(6,838,194)	(2,602,786)	(6,610,030)	(4,235,408)	(228,164)
Business Rate Collection Fund (Surplus)/ Deficit	(130,596)	(130,596)	(130,596)	0	0
CT Collection Fund (Surplus)/ Deficit	(102,632)	(102,632)	(102,632) [▼]	(0)	(0)
Rural Services Delivery Grant	(401,179)	(401,179)	(401,179)	0	0
New Homes Bonus	(630,790)	(630,790)	(630,790)	0	0
Other Government Grants	(2,398,000)	0	(1,575,474)	(2,398,000)	(822,526)
Total External Funding	(10,501,391)	(3,867,983)	(9,450,701)	(6,633,408)	(1,050,690)
Total Council Tax Requirement (inc Parishes)	(8,132,553)	(8,132,553)	(8,132,553)	0	0
Town and Parish Precepts	1,741,162	1,741,162	1,741,162	0	0
District Council Tax Requirement	(6,391,391)	(6,391,391)	(6,391,391)	0	0
Outturn - (Surplus) / Deficit	(17,873)	(0)	0	(17,873)	(17,888)
Proposed Transfer to / (from) Funding					
Uncertainties Reserve	17,873				
Total	0				

APPENDIX 2: SUMMARY OF REVENUE BALANCES, PROVISIONS AND EARMARKED RESERVES
(Note this includes the proposed transfers set out in the body of the report).

Revenue Funding	Balance at 31st. March 2020 £	Contribution in 2020/21 £	Use in 2020/21 Revenue £	Use in 2020/21 Capital	Balance at 31st. March 2021 £	Estimated Contribution in 2021/22 £	Estimated Use use in 2021/22 Revenue £	Estimated Use in 2021/22 Capital	Estimated Balance at 31st. March 2022 £
Revenue Balances									
General Fund Working Balance	1,000,000	0	0	0	1,000,000	0	0	0	1,000,000
General Reserve	999,839	0	0	0	999,839	0	(36,427)	0	963,412
	1,999,839	0	0	0	1,999,839	0	(36,427)	0	1,963,412
Capital Balances									
Capital Receipts	2,962,476	0	0	(403,139)	2,559,337	150,000	0	(2,468,096)	241,241
Capital Grants Unapplied	235,693	2,101,266	0	(1,074,765)	1,262,194	691,470	0	(696,260)	1,257,404
	3,198,169	2,101,266	0	(1,477,904)	3,821,531	841,470	0	(3,164,356)	1,498,645
Earmarked Reserves									
Business Rates Fluctuations Reserve	760,423	0	(43,927)	0	716,496	0	0	0	716,496
Capital Programme Reserve	1,807,120	0	0	(91,193)	1,715,927	0	0	(1,709,759)	6,168
Carsington Improvements	33,452	0	0	0	33,452	0	0	(26,760)	6,692
Committed Expenditure Reserve	171,125	242,100	(77,907)	0	335,318	0	(335,318)	0	0
Corporate Plan Priority Reserve	0	201,471	0	0	201,471	0	0	0	201,471
COVID Funding Reserve	0	608,040	0	0	608,040	0	0	0	608,040
Customer Innovation Project	279,397	0	(98,129)	(28,200)	153,068	0	(132,510)	0	20,558
Economic Development Reserve	297,845	29,200	(46,673)	0	280,372	0	(42,239)	(10,000)	228,133
Elections Reserve	98,056	30,000	0	0	128,056	30,000	0	0	158,056
Funding Uncertainties Reserve	490,533	17,873	0	0	508,406	0	0	0	508,406
Information Technology Reserve	421,879	12,200	(49,141)	(13,048)	371,889	0	(112,250)	(81,000)	178,639
Insurances Reserve	464,473	0	0	0	464,473	0	0	0	464,473
Investment Fund / Invest to Save Reserve	564,590	0	0	(2,080)	562,510	0	0	(562,510)	0
Job Evaluation	150,000	0	0	0	150,000	0	0	0	150,000
Local Plan Reserve	208,422	50,000	(52,486)	0	205,936	50,000	(100,832)	0	155,104
Member / Officer Indemnity	25,000	0	0	0	25,000	0	0	0	25,000
Revenue Grants Unapplied	8,089,604	6,853,676	(890,978)	(667,465)	13,384,837	182,982	(4,357,610)	(4,312,224)	4,897,985
Vehicle Renewals Reserve	590,063	150,000	0	(166,684)	573,379	150,000	0	(577,666)	145,713
Waste Contract Fluctuations Reserve	712,000	0	(156,812)	0	555,188	0	0	0	555,188
Waste Vehicles Reserve	2,500,100	0	0	(2,497,571)	2,529	0	0	0	2,529
	17,664,082	8,194,560	(1,416,054)	(3,466,241)	20,976,347	412,982	(5,080,759)	(7,279,919)	9,028,651
Provisions									
Insurances	60,640	24,500	(3,551)	0	81,589	0	0	0	81,589
NNDR Appeals	1,087,624	1,831,641	(1,384,011)	0	1,535,254	0	0	0	1,535,254
	1,148,264	1,856,141	(1,387,561)	0	1,616,843	0	0	0	1,616,843
TOTAL	24,010,354	12,151,967	(2,803,615)	(4,944,145)	28,414,561	1,254,452	(5,117,186)	(10,444,275)	14,107,552

The General Fund Working Balance is specified as a “controlled reserve” for the purposes of Section 26 of the Local Government Act 2003.

APPENDIX 3

CAPITAL PROGRAMME – 2020/21 OUT-TURN & PROPOSED PROGRAMME FOR 2020/21 TO 2023/24

Key: Includes **Actual 2020/21** Slippage **Revised Budget 2021/22**

Corporate Priority – Prosperity

Earmarked Schemes	Corporate Priority (new)	Budget 2020/21 including new schemes March Council	Actual Spend @ 31st March 2021	To Be Carried Forward	Revised 2021/22 Budget. (including C/F)					Total Capital Programme approved March Council 2
					2022/23	2023/24	2024/25	2025/26		
Blenheim Road	Prosperity	-	-	-	212,410.00					212,410.00
Disabled facilities Grants	Prosperity	401,736.00	426,675.40	24,939.40	666,530.60	491,470.00				1,584,676.00
Social Housing Grants - Bakewell Lady Manners School	Prosperity	80,000.00	80,000.00	-	-					80,000.00
Social Housing Grant - Cromford / Matlock Bath	Prosperity	-	-	-	100,000.00					100,000.00
Social Housing Grant - Tideswell	Prosperity	-	-	-	412,500.00					412,500.00
Social Housing Grant - Rural village affordable Housing	Prosperity	255,000.00	200,000.00	55,000.00	210,000.00					410,000.00
Social Housing Grant - Darley Dale	Prosperity	-	-	-	157,500.00					157,500.00
Social Housing Grant - Luke Lane / Mercaston Lane	Prosperity	-	-	-	135,000.00					135,000.00
Hurst farm Estate Cladding Programme	Prosperity	-	43,567.56	-	46,510.00					90,077.56
Social Housing Grant - Matlock YMCA with NCHA	Prosperity	-	-	-	500,000.00					500,000.00
Social Housing Grant - Wirksworth community land trust	Prosperity	-	-	-	350,000.00					350,000.00
Social Housing Grant - Bakewell Alms-house Trust	Prosperity	-	-	-	35,000.00					35,000.00
Social Housing Grant - Bakewell Road, Darley Dale	Prosperity	570,000.00	570,000.00	-	-					570,000.00
Social Housing Grant - Harrison Alms-house Charity	Prosperity	-	-	-	26,500.00					26,500.00
Social Housing Grant - Ashbourne Empty Property Buyback	Prosperity	25,000.00	25,000.00	-	-					25,000.00
Hurst Farm Social Club	Prosperity	-	-	-	110,000.00					110,000.00
Social Housing Grant - Bradwell	Prosperity	40,000.00	-	40,000.00	40,000.00					40,000.00
Social Housing Grant - Calver	Prosperity	-	-	-	43,000.00					43,000.00
Social Housing Grant - Matlock Almshouse Trust	Prosperity	-	-	-	212,000.00					212,000.00
Council Housing Station House	Prosperity	-	-	-	104,000.00					104,000.00
Social Housing Grant - Wirksworth	Prosperity	-	-	-	280,000.00					280,000.00
Empty Homes - Council Houses	Prosperity	-	-	-	300,000.00					300,000.00
Energy Efficiency GHG: LAD Phase 1B	Prosperity	880,000.00	-	880,000.00	880,000.00					880,000.00
Potential Purchase of land at Longcliffe	Prosperity	-	-	-	250,000.00					250,000.00
Bakewell Road, Matlock Development	Prosperity	10,000.00	2,080.00	7,920.00	798,380.00					800,460.00
Total Programme	Total	2,261,736.00	1,347,322.96	957,980.60	5,869,330.60	491,470.00	-	-	-	7,708,123.56

Corporate Priority – People

Earmarked Schemes	Corporate	Budget 2020/21 including new schemes March Council	Actual Spend @ 31st March 2021	To Be Carried Forward	Revised 2021/22 Budget.					Total Capital Programme approved March Council 2
	Priority (new)				(including C/F)	2022/23	2023/24	2024/25	2025/26	
V13 Income Management system upgrade	People	9,000.00	9,000.00	-	11,000.00					20,000.00
Customer Innovation Project - White Space	People	15,000.00	13,200.00	1,800.00	-					13,200.00
Customer Innovation Project - Direct Debit set up	People	13,200.00	15,000.00	1,800.00	-					15,000.00
Total Programme	Total	37,200.00	37,200.00	-	11,000.00	-	-	-	-	48,200.00

Corporate Priority - Place

Earmarked Schemes	Corporate	Budget 2020/21 including new schemes March Council	Actual Spend @ 31st March 2021	To Be Carried Forward	Revised 2021/22 Budget.					Total Capital Programme approved March Council 2
	Priority (new)				(including C/F)	2022/23	2023/24	2024/25	2025/26	
Non Traditional Homes improvement schemes	Place	800,000.00	648,089.60	151,910.40	351,910.00					999,999.60
Condition Surveys - Parks & Pavilions	Place	20,000.00	18,528.97	1,471.03	48,826.03					67,355.00
Ashbourne Pavillion Project	Place	36,000.00	14,200.43	21,799.57	136,372.57					150,573.00
Ashbourne Pavillion Project Grant	Place	-	-	-	175,000.00					175,000.00
Bakewell Riverside Path	Place	-	-	-	10,000.00					10,000.00
Hall Leys Park Ranger Station	Place	1,157.00	-	1,157.00	1,157.00					1,157.00
Bakewell Riverside Path	Place	3,749.00	-	3,749.00	3,749.00					3,749.00
Ashbourne Memorial Gardens and Bandstand	Place	10,000.00	-	10,000.00	70,000.00					70,000.00
Climate Change: Energy Efficiency Measures	Place	-	-	-	65,000.00					65,000.00
Climate Change: Town Hall Biomass Boiler	Place	-	-	-	150,000.00					150,000.00
Climate Change: Electrification of Heater	Place	-	-	-	55,000.00					55,000.00
Climate Change: Roof mounted PV	Place	-	-	-	-	467,000.00				467,000.00
Surface repairs & full relining of car parks	Place	21,000.00	-	21,000.00	21,000.00					21,000.00
Reinstatement of paths at Broadwalk Park	Place	10,000.00	9,710.00	290.00	-					9,710.00
Extensive structural & roof repairs required at Hall Leys Park	Place	-	-	-	40,000.00					40,000.00
Resurfacing of Paths in Hall Leys Park	Place	-	-	-	30,000.00					30,000.00
Ashbourne Recreation Gound Footbridge replacement	Place	-	-	-	40,000.00					40,000.00
Ashbourne Recreation Building Rationalisation	Place	15,000.00	-	15,000.00	45,000.00					45,000.00
Dimple Palying Fields, Matlock	Place	-	-	-	30,000.00					30,000.00
Hall Leys Park Play area - Plant Equipment	Place	20,000.00	-	20,000.00	20,000.00					20,000.00
Decarbonisation - Ashbourne Leisure Centre	Place	-	-	-	734,006.00					734,006.00
Total Programme	Total	936,906.00	690,529.00	246,377.00	2,027,020.60	467,000.00	-	-	-	3,184,549.60

Corporate Priority – Other

Earmarked Schemes	Corporate Priority (new)	Budget 2020/21 including new schemes March Council		Actual Spend @ 31st March 2021		Revised 2021/22 Budget. (including C/F)					Total Capital Programme approved March Council 2	
						To Be Carried Forward	2022/23	2023/24	2024/25	2025/26		
Pay & Display Ticket Machines	Other		6,000.00			6,000.00	6,000.00					6,000.00
Fishpond Meadow, Ashbourne: Car Park improve	Other		27,000.00	26,990.88		9.12						26,990.88
Bakewell ABC Car Park improvements	Other		51,719.00	65,686.01	-	13,967.01	63,813.99					129,500.00
Monsal Head car Park improvements	Other		10,500.00			10,500.00	10,500.00					10,500.00
Darley Dale Down Station Improvements	Other		-			-	22,590.00					22,590.00
Wirksworth Steeple Arch cemetery extension	Other		40,000.00	462.00		39,538.00	59,538.00					60,000.00
Commercial Vehicles	Other		464,350.00	166,683.84		297,666.16	577,666.16	214,000.00	322,000.00			1,280,350.00
Waste Vehicles	Other		3,612,382.00	2,497,570.69		1,114,811.31	1,114,811.31					3,612,382.00
Miscellaneous Grants DDCVS	Other		30,000.00	30,000.00		-	30,000.00	30,000.00	30000			120,000.00
Carsington fund grants	Other		20,070.00			20,070.00	26,760.00	6,692.00				33,452.00
Hulland Ward Recreation Ground	Other		-			-	22,000.00					22,000.00
Capital Investment Transfer of Leisure	Other		41,600.96	41,600.64		0.32	48,078.00					89,678.64
Ashbourne Leisure Centre - Condition surveys	Other		144,520.81			144,520.81	144,520.81					144,520.81
Air handling unit at ARC	Other		40,000.00			40,000.00	40,000.00					40,000.00
Public Conveniences Condition survey works	Other		-	-		-	7,000.00					7,000.00
Microsoft Enterprise Agreement	Other		-			-	-					-
Works to war Memorials	Other		10,000.00			10,000.00	30,000.00					30,000.00
Estates salaries	Other		25,000.00			25,000.00	50,000.00	25,000.00	25,000.00			100,000.00
Redevelopment of Bakewell Rec Toilets Building	Other		-			-	80,000.00					80,000.00
2020/21 New Property Condition Surveys	Other		7,000.00			7,000.00	10,000.00					10,000.00
Bakewell ABC Various	Other					-	40,000.00					40,000.00
Small Sewer Site Flagg	Other		25,000.00	21,353.73		3,646.27	3,646.00					24,999.73
Harrison Way, Northwood	Other					-	40,000.00					40,000.00
Shrovetide Walk, Ashbourne	Other		-			-	40,000.00					40,000.00
Uninterruptable power supply	Other					-	20,000.00					20,000.00
Production Server replacement	Other					-	-	30,000.00				30,000.00
Network switch replacement	Other					-	30,000.00					30,000.00
Disaster recovery Storage	Other					-	-	20,000.00				20,000.00
VDI Server Replacement	Other					-	-	30,000.00				30,000.00
SQL 2012 Replacement	Other					-	20,000.00					20,000.00
Server 2016 Replacement	Other					-	-	20,000.00				20,000.00
Windows 2016 Server consultancy	Other			1,192.82		1,192.00	-	20,000.00				21,192.82
St Mary's Churchyard Railings	Other											-
Hurst Farm Estate Cladding Programme	Other											-
CRM System	Other			10,500.00								10,500.00
Paye.net System	Other			3,303.40								3,303.40
Capita Payment Portal	Other			3,749.00								3,749.00
Total Programme	Total		4,555,142.77	2,869,093.01		1,703,602.98	2,536,924.27	395,692.00	377,000.00	-	-	6,178,709.28

Earmarked Schemes	Corporate Priority (new)	Budget 2020/21 including new schemes March Council		Actual Spend @ 31st March 2021		Revised 2021/22 Budget. (including C/F)					Total Capital Programme approved March Council 2	
						To Be Carried Forward	2022/23	2023/24	2024/25	2025/26		
Total Programme	Total		7,790,984.77	4,944,144.97		2,907,960.58	10,444,275.47	1,354,162.00	377,000.00	-	-	17,119,582.44

Potential Future Liabilities – Not included in the Capital Programme

PROJECT	COMMENTS	ESTIMATED COST
Vehicle Renewal and Replacement	New vehicles have been purchased in 2020/21, However these will need replacement in line with our depreciation policy after 5 years	TBC
Various Car Parks	Surface repairs & full re-lining	20,500
Replacement telephony	Subject to business plan & maintenance of current equipment	50,000
Mid Call Solution for telephone payments	To improve security. Dependent on new telephony being in place	30,000
Wi-Fi Replacement	May be required to address 'roaming issues'	20,000
Uninterruptable power supply	Upgrade	20,000
Traveller Site	New site(s) to meet housing need. Updating report due to be presented to members in July 2021.	TBC
	Total	£140,500

APPENDIX 5
MEDIUM TERM FINANCIAL PLAN (JULY 2021)

	Note	Original Budget 2021/22	Revised Budget 2022/23	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26
		£000s	£000s	£000s	£000s	£000s	£000s
Service Funding Requirement		10,718	10,718	11,018	9,504	9,840	10,012
Adjustment for Service Costs Funded from Strategic Reserves			320	(1,157)	55	(92)	0
Inflation							
Pay Awards				146	149	152	155
Contracts				129	132	135	138
Fees and Charges				(74)	(75)	(77)	(79)
General Inflation				67	68	69	70
Pressures / Savings - Recurring							
Increasing savings from leisure review				(300)	(50)	0	0
Additional income garden waste collections (full fee of £50)				(156)	0	0	0
Potential increase in pension contributions following revaluation				0	150	0	0
Vision Derbyshire Partnership Working				(20)	0	0	0
Ice Cream Concession Installation of Electric Points				(8)	(14)	0	0
Ice Cream Concession Increased Income				(70)	0	0	0
Bakewell Road Development (cinema) rental income				(48)	(15)	(15)	(2)
Climate Change revenue income / savings from capital investments				(23)	(65)	0	(198)
Increased Building Control Partnership Income			(5)	0	0	0	0
Decreased Building Control Partnership Fee			(15)	0	0	0	0
				0	0	0	0
				0	0	0	0
Net Cost of Services		10,718	11,018	9,504	9,840	10,012	10,096
Non Service Items: Debt Repayment etc.		297	297	300	302	304	307
Net Revenue Expenditure		11,015	11,315	9,804	10,141	10,316	10,402
Transfers to /(from) reserves relating to Collection Fund Accounting	3	(3,958)	(3,958)	0	0	0	0
Transfers to/(from) reserves for current year		(874)	(1,194)	(37)	(92)	0	0
Contributions to reserves for future years costs							
Corporate Plan Priorities Reserve		0	0	0	0	0	0
Election reserve annual contribution		30	30	30	30	30	30
Local plan reserve		50	50	50	50	50	50
Revenue Grants Unapplied		183	183	0	0	0	0
Vehicle renewal fund		150	150	150	150	150	150
Total Net Spending Requirements		6,596	6,576	9,997	10,279	10,546	10,632
Funded By:							
Revenue Support Grant	1	0	0	390	400	410	420
Business Rates Baseline Funding	2	(1,675)	(1,675)	(1,709)	(1,743)	(1,778)	(1,814)
Settlement Funding Assessment		(1,675)	(1,675)	(1,319)	(1,343)	(1,368)	(1,394)
Other business rates income, net of payment to pool	3	(1,193)	(1,193)	(1,165)	(1,187)	(1,211)	(1,235)
NDR Collection Fund (surplus)/deficit	3	3,949	3,949	0	0	0	0
Council Tax Collection Fund (surplus) / deficit		80	80	9	9	0	0
New Homes Bonus	6	(398)	(398)	(218)	0	0	0
Rural Services Delivery Grant	4	(421)	(421)	(200)	(200)	(200)	(200)
Lower Tier Services Grant		(71)	(71)	(72)	(73)	(74)	(75)
Covid 19 Grants & Contributions		(294)	(294)	0	0	0	0
Financing from Council Tax	5	(6,573)	(6,573)	(6,734)	(6,921)	(7,114)	(7,311)
Total Income		(6,596)	(6,596)	(9,699)	(9,715)	(9,967)	(10,215)
Corporate Saving Target		0	(20)	298	564	579	417

1. Negative RSG removed in 2021/22 following settlement. Effect of future negative grant cannot be dismissed.

2. Assumed NNDR receipts as per current pool arrangement. Changes to future distribution not confirmed.

3. Effect of NNDR CF balance reflected in use of S31 grants via Revenue Grants Unapplied reserve to mitigate impact.
4. Current level of RSDG only confirmed for 2021/22.
5. Council tax base growth assumed at 250 band D properties per year plus 1.94% increase from 2022/23 onwards.
6. New Homes Bonus calculated on current year methodology, no new allocations assumed only legacy payments.

Appendix 6 2021/22 Revised Budget

	Original Budget 2021/22 £	Budget Amendments £	Proposed Revised Budget £
Chief Executive	371,397	10,310	381,707
Community and Environmental Services	3,281,896	62,452	3,344,348
Corporate Services	1,972,854	19,542	1,992,396
Housing	586,350	0	586,350
Regeneration & Policy	610,792	15,290	626,082
Regulatory Services	1,114,325	137,119	1,251,444
Resources	2,780,575	55,173	2,835,748
Net cost of Services	10,718,189	299,887	11,018,076
Non Service Items:			
Interest on Balances	(37,000)	0	(37,000)
Borrowing Interest Paid	225,150	0	225,150
Statutory Debt Repayment	100,849	0	100,849
Loan Premium Due	110,924	0	110,924
Income from Investment Properties	(102,556)	0	(102,556)
Net Revenue Expenditure	11,015,556	299,887	11,315,443
Transfers to / from Reserves (as detailed in Appendix 6)	(4,419,167)	(320,087)	(4,739,254)
Funding Requirement	6,596,389	(20,200)	6,576,189
Funded by External Funding			
Retained Business Rates including S31			▼
Grant Payments to and from Pool	(2,868,832)	0	(2,868,832)
Business Rate Collection Fund (Surplus)/ Deficit	3,949,040	0	3,949,040
CT Collection Fund (Surplus)/ Deficit	80,418	0	80,418
New Homes Bonus	(397,613)	0	(397,613)
Rural Services Delivery Grant	(420,990)	0	(420,990)
Lower Tier Services Grant	(71,358)	0	(71,358)
Other Government Grants	(294,083)	0	(294,083)
Total External Funding	(23,418)	0	(23,418)
Total Council Tax Requirement (inc Parishes)	(8,399,207)	0	(8,399,207)
Town and Parish Precepts (As detailed in Appendix 9)	1,826,236	0	1,826,236
District Council Tax Requirement	(6,572,971)	0	(6,572,971)
Total (Surplus)/Deficit	0	(20,200)	(20,200)
Projected Surplus/ (Deficit)			
Recommended Transferred to / (from) General Reserve		20,200	20,200
Total	0	0	0

Appendix 7 2021/22 Virements and Supplemental Budgets

Directorate	Reason for Virement	Virements	Supplemental Budget	Grand Total
Chief Executive	Bright ideas offset by inc VLT	5,500		5,500
	Correct HR/Payroll salary allocations	0		0
	Funded from committed expenditure reserve	4,810		4,810
Chief Executive Total		10,310		10,310
Community and Environmental Services	New Horizon Telephone contract	(1,414)		(1,414)
	Funded from committed expenditure reserve	63,866		63,866
Community and Environmental Services Total		62,452		62,452
Corporate Services	Legal costs for Virtual Council Meetings		300	300
	New Horizon Telephone contract	2,038		2,038
	Funded from committed expenditure reserve	17,204		17,204
Corporate Services Total		19,242	300	19,542
Regeneration & Policy	Local Plan Review	5,000		5,000
	Funded from committed expenditure reserve	10,290		10,290
Regeneration & Policy Total		15,290		15,290
Regulatory Services	Building Control Fee		(40,500)	(40,500)
	Contain Outbreak Management Fund	0		0
	Funded from committed expenditure reserve	177,619		177,619
Regulatory Services Total		177,619	(40,500)	137,119
Resources	Building Control Fee		20,000	20,000
	Bright ideas offset by inc VLT	(5,500)		(5,500)
	HB Circular Updates	0		0
	HB Circular Updates	0		0
	LA Data Sharing IT Costs	0		0
	Replacement of uninterruptable power supplies at Matlock Town Hall	10,000		10,000
	New Horizon Telephone contract	(624)		(624)
	Funded from committed expenditure reserve	31,297		31,297
Resources Total		35,173	20,000	55,173
Transfer from Reserves	Local Plan Review	(5,000)		(5,000)
	Replacement of uninterruptable power supplies at Matlock Town Hall	(10,000)		(10,000)
	Funded from committed expenditure reserve	(305,087)		(305,087)
Transfer from Reserves Total		(320,087)		(320,087)
		0	(20,200)	(20,200)

Appendix 8
 Covid-19 grants and recognition in 2020/21

Grant Name	Allocation	Description	Principal / Agent	Within Outturn
Small Business Rates/Retail, Hospitality and Leisure	31,455,000	£10,000 grants to businesses in receipt of Small Business Rates relief and £10,000 and £25,000 grants for businesses in the Retail, Hospitality and Leisure sector depending on their rateable value.	Agent	No
Local Authority Discretionary Scheme	1,702,500	An allocation given to local authorities to fund a local scheme at their discretion	Principal	Yes
Additional Restrictions Grant	2,088,967	A discretionary scheme for local authorities to fund businesses based on their knowledge of their local economy	Principal	Yes
Local Restrictions Support Grant Closed	23,698,113	A mandatory grant for those businesses mandated to close during the lockdowns with set eligibility criteria running throughout October 20 to March 21	Agent	No
Local Restrictions Support Grant Open	244,350	A discretionary grant for those businesses that were not mandated to close during the lockdowns	Principal	Yes
Closed Business Support Payment for Wet Led Pubs	96,000	A £1,000 grant for those hospitality venues whereby less than 50% of their income was generated by food sales	Agent	No
Subtotal Business Grants	59,284,930			

NHS Test and Trace Mandatory	35,500	A £500 grant for those residents that were in receipt of a relevant benefit as described within the governments eligibility criteria, where they were required to self-isolate due to a positive COVID-19 test for them or their children	Agent	No
NHS Test and Trace Discretionary	54,000	A £500 grant for those residents who met the local authorities discretionary eligibility criteria, where they were required to self-isolate due to a positive COVID-19 test for them or their children	Principal	Yes
Sub-total Test and Trace Grants	89,500			
Compliance and Enforcement Grant	26,661	Funding to support additional compliance and enforcement activities. Note an additional £50,000 was awarded from DCC.	Principal	Yes
Reopening Highstreets Safely Fund	57,908	Funding to allow local authorities to put in place additional measures to establish a safe trading environment for businesses and customers	Principal	Yes
National Leisure Fund	117,542	Funding to support Local Authority leisure services	Principal	Yes

New Burdens Grants	587,858	Funding to support Local Authorities in delivering additional services which is not financed within the Local Authority Finance Settlement, including to deliver additional services as a result of Covid-19.	Principal	Yes
Coronavirus Emergency funding for Local Government	937,877	Throughout the financial year, government distributed £4.607bn in funding to local authorities as emergency funding to combat funding pressures	Principal	Yes
Sales, fees and charges Grant	896,475	To recompense local authorities for irrecoverable and unavoidable losses from sales, fees and charges income generated through the delivery of services. This has been extended into the first quarter of 2021/22	Principal	Yes
Sub-total LA Assistance funding	2,624,321			
Local Income Tax Guarantee Scheme	77,234	The government outlined that it will compensate local authorities for 75% of irrecoverable losses in council tax income in respect of 2020/21.	Principal	Yes
COVID-19 Hardship Fund	338,264	£500m of funding was provided to support economically vulnerable people and households within local areas	Principal	Yes

Business Rate Relief s31 Grant	4,140,808	Compensation from government for the cost of additional Expanded retail discounts and nursery discounts to businesses granted in year	Principal	Yes
Sub-total Council Tax/ Business Rates funding	4,556,306			
Grand Total	66,555,057			