



OPEN REPORT COUNCIL

Council – 25 July 2024

PROVISIONAL REVENUE OUTTURN 2023/24

Report of the Director of Resources

Report Author and Contact Details

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Wards Affected

District-wide

Report Summary

This report provides details of the provisional financial outturn for the District Council's Revenue spending for the year ended 31st March 2024 and significant variations from the revised budget.

Recommendations

1. To note the overall General Fund revenue budget outturn position for 2023/24 (subject to external audit) and budget variances at 31 March 2024 as set out in section 1.1.
2. To approve final required movements in reserves set out in appendix 2.
3. To approve the creation of a new reserve for Pooled Investment Fund Fluctuations as detailed in section 1.10.
4. To approve the transfer of reserves as set out in section 2.4 to achieve a balanced out-turn position.
5. That the update on Medium Term Financial Plan (MTFP) progress is received and agreed.

List of Appendices

Appendix 1 Summary of Revenue Outturn 2023/24

Appendix 2 Summary of Revenue Balances, Provisions and Earmarked Reserves

Appendix 3 Analysis and Explanation of Significant Variances

Appendix 4 Medium Term Financial Plan

Background Papers

None

Consideration of report by Council or other committee

N/A

Council Approval Required

Yes

Exempt from Press or Public

No

Provisional Revenue Out-turn 2023/24

1. Introduction

- 1.1 The provisional outturn on the revenue account for 2023/24 was a surplus of £3,469,443 against revised estimates (subject to external audit). Key reasons for the surplus are given in the report below.
- 1.2 The table below shows the main reasons for the 2023/24 surplus. As explained in the subsequent paragraphs, the reasons for many of the variances were outside the Council's control (being due to the changes in the economy and interest rates, changes in service use/demand, contractor performance etc.). Most of the areas contributing to the surplus arose from circumstances that were unforeseen at the time the budget was set and are one-off, rather than recurring, items.

	£ 000s
Improved return on investment income	(1,120)
Reduction in planning application fees	114
Staffing underspend	(211)
Underspend on waste services	(742)
Additional income from Waste Default notices	(352)
Additional car parking income	(203)
Other variances detailed in Appendix 3	(955)
Total 2023/24 Surplus	(3,469)

- 1.3 When the 2023/24 budget was set in March 2023, the Bank of England base rate was 4%; by 30 September 2023 this had risen to 5.25% and remains at this rate to date. The Council had already exceeded its investment income budget by quarter 1 and had forecast an overachievement of £1.013m at quarter 3. The actual overachievement of budget at 31st March 2024 was £1.120m, this increase in interest rates has been reflected in our budget setting for 2024/25. The Medium-Term Financial Plan in Appendix 4 has been updated to reflect the forecast future impact of this.
- 1.4 There has been a reduction in demand for the planning application service during 2023/24, this is due to the increase in interest rates and other cost of living pressures. As a result of this, planning application fee income was £114k under budget for this financial year.
- 1.5 The Council had an underspend on staffing budgets of £211k in 2023/24; this is mainly due to recruitment difficulties. This is a national issue for local authorities and other sectors as well (such as audit firms).
- 1.6 The waste contract budget has underspent by £742k, this is mainly due to the cautious approach taken at budget setting for 2023/24 when there were a number of uncertainties, in particular the impact of rising inflation on the contract and the

impact of the closure of the Vital Earth plant used for processing organic waste. This revised position has been taken into account when setting the 2024/25 budgets.

- 1.7 In 2023/24 default notices on our waste contract were £352k above the income budgeted. This is mainly due to the route optimisation roll out in September 2023 and the data issues this caused.
- 1.8 There was an overachievement of car parking income above budget in 2023/24 of £203k, this was partially due to the early Easter holidays.
- 1.9 In establishing the Council's final outturn position a number of movements in reserves require appropriate approval as per the Council's Financial Regulations. Approval is therefore requested for the movement in reserves as set out in Appendix 2. The movement in reserves requested relating to the year-end surplus requiring approval are detailed in section 2.4.
- 1.10 There is currently a statutory override in place that mitigates the impact of the changes brought in by the implementation of accounting standard IFRS 9 (Financial Instruments). Without this statutory override fair value movements in our pooled property fund would have an effect on our revenue accounts and would need to be reflected in our budgets. This statutory override is in place until 31 March 2025, to give authorities time to review their investments and put provisions in place. It is therefore recommended that a new reserve is set up called the "Pooled Investment Fund Fluctuations Reserve" and that £140,000 is set aside in this reserve to fund the current anticipated loss on the property fund to be used from 2025/26 onwards to mitigate the impact of future movements in fair value relating to this investment.
- 1.11 If the recommendations of this report are approved, the Council has reduced its general fund balances from £4.777m to £4.422m at 31 March 2024 and reduced the revenue earmarked reserves from £16.871m to £15.994m for the same period.

2. REVENUE SPENDING

- 2.1 The General Fund contains all services that the Council is responsible for providing. During 2023/24 the Council faced several challenges in successfully managing its financial position.
- 2.2 The Summary Revenue Account, comparing the outturn with the revised budget, is shown at Appendix 1.
- 2.3 The most significant variances against the revised estimates are shown in Appendix 3.
- 2.4 It is proposed that the £3,469,443 surplus is transferred to reserves as follows:
- £57,466 underspend on elections budgets to be transferred to the elections reserve. (Balance at 31/3/24 - £77,766)
 - £1,500,000 is transferred into a Waste Vehicles Replacement Reserve.
 - £500,000 is transferred to the Recruitment and Retention Reserve. (Balance at 31/3/24 - £650,000)

- £225,126 is transferred to the Corporate Plan Priority Reserve. (Balance at 31/3/24 - £935,003)
- £140,000 interest received from the CCLA Property Fund is transferred to the Pooled Investment Fund Fluctuations Reserve as detailed in section 1.10.
- £52,000 IT underspend is transferred to the IT Reserve and that this reserve is renamed the IT and Transformation Reserve. (Balance at 31/3/24 - £273,345)
- £794,851 is transferred into the Capital Programme Reserve. (Balance at 31/3/24 - £1,347,655)
- £200,000 is transferred to a new reserve to contribute towards the provision of a permanent Traveller Site.

Reserves and Balances as at 31 March 2024

2.5 The table below shows a summary of General Fund Reserves and Provisions, assuming that approval is given to the transfers set out in section 2.4.

Reserves	Balance at 31 March 2023 £	Contribution in 2023/24 £	Used in 2023/24 £	Balance at 31 March 2024 £
Revenue Reserves	4,777,401	0	(355,326)	4,422,075
Capital Reserves	3,878,628	5,613,579	(5,020,008)	4,472,199
Earmarked Reserves	16,871,376	5,575,407	(6,452,555)	15,994,228
Total	25,527,405	11,188,986	(11,827,889)	24,888,502

- 2.6 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.
- 2.7 Revenue balances carried forward at 31 March 2024 total £4.422m (31 March 2023 £4.777m). 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 £1.4m to meet emergencies and contingencies and to assist with cash flow. This balance will also be required in the event that the Council does not achieve the savings required to balance the budget in any financial year.
- 2.8 The Council holds a number of earmarked reserves to finance future capital and revenue expenditure. The value of earmarked reserves held at 31 March 2024 is £15.994m (31 March 2023 £16.871m). An analysis of earmarked reserves is contained in Appendix 2.
- 2.9 A five-year projection of reserves is also shown in Appendix 2 although it should be noted that at this point only the actuals for 2023/24 have been amended with all other previous Medium Term Financial Planning (MTFP) assumptions unchanged. A full review of the MTFP will follow in the autumn.

Council Tax and Business Rates Collection

- 2.10 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 2023/24 £63.5m (£60.5m in 2022/23) was collected from council taxpayers; this represents 97.8% of council tax that was due by 31 March (97.8% collected in 2022/23). The final year-end position on the Council Tax Collection Fund is a deficit of £1.554m, (2022/23 £1.550m deficit).
- 2.11 During 2023/24 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 2023/24, £16.1m was collected from business rate payers (£16.8m in 2022/23); this represents 97.8% of business rates that were due by 31 March, (97% collected in 2022/23). The final year-end position on the National Non-Domestic Rates (NNDR) Collection Fund is a deficit of £0.6m (2022/23 £1.038m deficit).
- 2.12 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.

Statement of Accounts

- 2.13 The recommendations made in this report have been reflected in the draft Statement of Accounts, which is due to be published on the Council's website in July 2024. The Statement of Accounts is subject to an independent audit, carried out by Forvis Mazars LLP, which is scheduled to commence in September 2024. The audited Statement of Accounts will be presented for approval at the Governance & Resources Committee meeting to be held in December 2024.

3. MEDIUM TERM FINANCIAL PLAN

- 3.1 The Medium-Term Financial Plan (MTFP), shown in Appendix 4, 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.
- 3.2 The Council's Medium-Term Financial Plan was last updated in February 2024 when the Council set its budget for 2024/25. An analysis of the year-end variances set out in paragraph 1.2 and appendix 3 has been undertaken and recurring variances have been included in the revised MTFP presented in appendix 4.

3.3 The budget set in February 2024 was based on the 2024/25 one-year finance settlement and assumptions about future funding levels (including the Fair Funding Review and the business rates baseline reset), assuming implementation in 2026/27. Inflation levels have now reached the Bank of England target level 2% at May 2024 and due to the recent change in Government it is uncertain what the future funding arrangements for Local Government will look like. Therefore, the MTFP, at appendix 4, is based on funding levels remaining steady and consistent (rising with inflation) over the term of the MTFP i.e. it no longer includes assumed reductions from the Fair Funding Review and the business rates baseline reset. This position will be monitored throughout the financial year.

3.4 The below table outlines the change in the corporate savings target required from those reported in February 2024 to the current forecasts included in appendix 4. Also detailed below is an overview of the current MTFP if we assumed the Fair Funding Review and business rates baseline reset were to be implemented in 2026/27, to highlight the volatility of our current budget position as a result of uncertainty regarding future funding arrangements.

Corporate Saving Target	Revised Budget 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30
MTFP at February 2024 (Budget 2024/25)	-	1,139	2,635	3,600	3,915	Not included
Proposed MTFP 25th July 2024 (Revenue Out-turn Report)	(414)	144	415	105	(240)	(44)
Change	(414)	(995)	(2,220)	(3,495)	(4,155)	
Forecast MTFP 25th July pessimistic view*	(414)	197	2,002	2,652	3,257	3,538

*This assumes that the fair funding review and business rates baseline will be implemented in 2026/27 and is based on the most recent assumptions of our funding advisory service

3.5 The current MTFP also does not include any potential significant additional budget pressures relating to expenditure on the waste and leisure contracts which are both due to expire in 2028/29, the potential additional cost of which cannot currently be quantified.

4. Options considered and recommended proposal

4.1 Council approval is sought:

- I. To note the overall General Fund revenue budget outturn position for 2023/24 (subject to external audit) and budget variances at 31 March 2024 as set out in section 1.1.
- II. To approve final required movements in reserves set out in appendix 2.
- III. To approve the creation of a new reserve for Pooled Investment Fund Fluctuations as detailed in section 1.10.
- IV. To approve the transfer of reserves as set out in section 2.4 to achieve a balanced out-turn position.

- V. That the update on Medium Term Financial Plan (MTFP) progress is received and agreed.

- 4.2 An alternative to this would be to transfer the surplus from 2023/24 to other specific reserves.

5. Consultation

- 5.1 None.

6. Timetable for Implementation

- 6.1 Once Council has made its decision, the approved transfers to reserves will be reflected in the Council's financial accounts and in the draft Statement of Accounts for 2023/24. The arrangements for publication, external audit and approval of the Statement of Accounts 2023/24 is explained in paragraph 2.13.

7. Policy Implications

- 7.1 The Council's financial position is considered in determining all the priorities and allocating resources in the Corporate Plan.

8. Financial and Resource Implications

- 8.1 The provisional outturn on the revenue account for 2023/24 was a surplus of £3,469,443 (subject to external audit). The report explains that most of the areas contributing to the surplus arose from circumstances that were unforeseen at the time the budget was set and are one-off, rather than recurring, items. If they have not already been reflected in the budget for 2024/25, any recurring items will be considered when preparing revised estimates and forecast outturns for 2024/25 and the draft budget for 2025/26, as well as in the updated Medium Term Financial Plan.

- 8.2 The recommended transfers to reserves provide financing for specific future liabilities and commitments and will increase financial resilience and enable the use of this funding to be considered when updating the Medium Term Financial Plan and Medium-Term Financial Strategy later this year.

- 8.3 The impact of inflationary pressures has reduced, and lower levels of inflation have been assumed in an updated Medium Term Financial Plan. Furthermore, the potential impact of the Fair Funding Review and the business rates baseline reset have been removed from the MTFP, following the election of a new government. This results in an MTFP that becomes sustainable over the five-year period.

- 8.4 The financial risk arising from this report's recommendations is assessed as low.

9. Legal Advice and Implications

- 9.1 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.

- 9.2 Legal have been informed that the accounts have been prepared by qualified personnel using accepted principles for to ensure proper accountability.
- 9.3 Provided the relevant legal requirements and guidance are followed, the legal risk associated with this report has been assessed as low.

10. Equalities Implications

- 10.1 There are no direct equalities implications for this report.

11. Climate Change Implications

- 11.1 There are no direct climate change implications arising from the recommendations of this report.

12. Risk Management

- 12.1 Financial and legal risks are explained above. The key risks result from the potential need to make savings or raise additional revenue income in the short to medium term. “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 2025/26 and beyond. Transfers from the General Reserve to bridge any budget gap will help to mitigate this risk, though its use would not be sustainable. The consequences of failing to identify the required savings are shown as:

- Lack of resources available to deliver the core Council activities and priorities;
- 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 against the Council;
- Initiatives, development programmes etc. (e.g. around capital enhancements, car park maintenance) may not be performed resulting in members of the public being hurt or public property damaged

Report Authorisation

Approvals obtained from:-

	Named Officer	Date
Chief Executive	Paul Wilson	10/07/2024
Director of Resources/ S.151 Officer (or Financial Services Manager)	Gemma Hadfield	16/07/2024
Monitoring Officer (or Legal Services Manager)	Helen Mitchell	16/07/2024

Appendix 1 – Summary of Revenue Out-turn 2023/24

	Actual 2023/24	Original Budget 2023/24	Revised Budget 2023/24	Variance from Original Budget 2023/24	Variance from Revised Budget 2023/24	Actual Previous Year (2022/23)	Variance between Financial Years
Chief Executive	359,823	386,997	400,997	(27,174)	(41,174)	509,093	(149,270)
Community and Environmental Services	3,346,486	5,054,803	5,067,598	(1,708,317)	(1,721,112)	2,893,021	453,465
Corporate Services	2,812,500	3,127,730	3,092,171	(315,230)	(279,671)	2,442,726	369,774
Housing Services	292,150	554,032	447,606	(261,882)	(155,456)	50,069	242,081
Regeneration and Policy	461,773	766,766	632,517	(304,993)	(170,744)	535,958	(74,185)
Regulatory Services	591,152	1,598,209	632,390	(1,007,057)	(41,238)	886,980	(295,828)
Resources	2,121,292	2,081,137	1,969,369	40,155	151,923	2,338,119	(216,827)
Net cost of Services	9,985,176	13,569,674	12,242,648	(3,584,498)	(2,257,472)	9,655,966	329,210
Non-Service Items:							
Interest on Balances	(1,373,324)	(237,000)	(237,000)	(1,136,324)	(1,136,324)	(63,098)	(1,310,226)
Borrowing Interest Paid	231,263	225,150	225,150	6,113	6,113	223,450	7,813
Statutory Debt Repayment	109,645	100,849	100,849	8,796	8,796	100,849	8,796
Loan Premium Due	110,924	110,924	110,924	0	0	110,924	0
Income from Investment Properties	(101,255)	(102,556)	(102,556)	1,301	1,301	(101,055)	(200)
Net Revenue Expenditure	8,962,429	13,667,041	12,340,015	(4,704,612)	(3,377,586)	9,927,036	(964,607)
Appropriations to / from Reserves	(144,375)	(1,464,926)	(144,375)	1,320,551	0	(1,980,156)	1,835,781
Funding Requirement	8,818,054	12,202,115	12,195,640	(3,384,061)	(3,377,586)	7,946,880	871,174
Funded by:							
External Funding							
Retained Business Rates including S31 Grant,							
Payments to/from Pool	(3,970,672)	(3,977,147)	(3,970,672)	6,475	0	(5,542,586)	1,571,914
Business Rate Collection Fund (Surplus)/Deficit	201,550	201,550	201,550	0	0	3,949,040	(3,747,490)
CT Collection Fund (Surplus)/Deficit	100,322	100,322	100,322	(0)	(0)	99,271	1,051
Rural Services Delivery Grant	(470,518)	(471,000)	(471,000)	482	482	(420,990)	(49,528)
Lower Tier Services Grant	0	0	0	0	0	(71,358)	71,358
New Homes Bonus	(241,183)	(241,183)	(241,183)	0	0	(397,613)	156,430

Services Grant	(694,635)	(694,635)	(694,635)	0	0	0	(694,635)
Other Government Grants	(156,913)	(64,574)	(64,574)	(92,339)	(92,339)	(796,738)	639,825
Total External Funding	(5,232,049)	(5,146,667)	(5,140,192)	(85,382)	(91,857)	(3,180,974)	(2,051,075)
District Council Tax Requirement	(7,055,448)	(7,055,448)	(7,055,448)	0	0	(6,572,971)	(482,477)
Total Funding	(12,287,497)	(12,202,115)	(12,195,640)	(85,382)	(91,857)	(9,753,945)	(2,533,552)
Out-turn	(3,469,443)	0	0	(3,469,443)	(3,469,443)	(1,807,065)	(1,662,378)
Proposed Transfers to/(from) Reserves	3,469,443						
Total	0	0	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 2023	Contribution in 2023/24	Budgeted transfers (to)/from in 2023/24 Revenue	Requested transfers (to)/from reserves	Use in 2023/24 Capital	Forecast Balance at 31st March 2024	Budgeted Contribution in 2024/25	Approved transfers (to)/from in 2024/25 Revenue	Anticipated Use in 2024/25 Revenue	Estimated (Use)/contribution in 2024/25 Capital	Estimated Balance at 31st March 2025
	£	£	£		£	£	£	£	£	£	£
Revenue Balances											
General Fund Working Balance	(1,000,014)	0	0	(400,000)	0	(1,400,014)	0	0	0	0	(1,400,014)
General Reserve	(3,777,386)	0	0	755,326	0	(3,022,060)	0	0	0	0	(3,022,060)
	(4,777,401)	0	0	355,326	0	(4,422,075)	0	0	0	0	(4,422,075)
Capital Balances											
Capital Receipts	(1,977,814)	(888,409)	0	0	398,989	(2,467,234)	(160,000)	0	0	1,355,856	(1,271,378)
Capital Grants Unapplied	(1,900,813)	(4,725,170)	0	0	4,621,019	(2,004,964)	(15,768,604)	0	0	17,199,013	(574,555)
	(3,878,628)	(5,613,579)	0	0	5,020,008	(4,472,199)	(15,928,604)	0	0	18,554,869	(1,845,934)
Earmarked Reserves											
Business Rates Fluctuations Reserve	(1,675,496)	0	0	6,475	0	(1,669,021)	0	450,724	0	0	(1,218,297)
Capital Programme reserve	(956,984)	0	0	(794,851)	604,180	(1,147,655)	0	0	0	112,276	(1,035,379)
Carsington Improvements	(33,452)	0	0	0	0	(33,452)	0	0	0	0	(33,452)
Committed Expenditure Reserve	(538,005)	0	104,049	(482,296)	0	(916,252)	0	39,902	616,201	0	(260,149)
Corporate Plan Priority Reserve	(201,471)	0	0	(733,532)	0	(935,003)	0	0	0	0	(935,003)
Customer Innovation Project	(76,166)	0	76,166	0	0	(0)	0	0	0	0	(0)
Economic Development Reserve	(140,769)	0	54,931	0	5,701	(80,137)	0	0	0	42,300	(37,837)
Elections Reserve	(188,056)	0	167,757	(57,466)	0	(77,766)	0	(30,000)	0	0	(107,766)
Funding Uncertainties Reserve	(508,406)	0	0	508,406	0	0	0	0	0	0	0
Information Technology Reserve	(282,166)	0	0	(42,470)	51,291	(273,345)	0	10,000	0	135,000	(128,345)
Insurances Reserve	(464,473)	0	0	0	0	(464,473)	0	0	0	0	(464,473)
Investment Fund / Invest to Save Reserve	(562,510)	0	0	0	0	(562,510)	0	0	0	0	(562,510)
Recruitment and Retention Reserve	(150,000)	0	0	(500,000)	0	(650,000)	0	0	0	0	(650,000)
Local Plan Reserve	(113,879)	0	50,000	(51,551)	0	(115,429)	0	(30,000)	106,994	0	(38,435)
Member / Officer Indemnity	(25,000)	0	0	0	0	(25,000)	0	0	0	0	(25,000)
Major Repairs Reserve	(12,660)	0	(16,955)	0	0	(29,615)	0	(27,000)	0	0	(56,615)
Revenue Grants Unapplied	(9,305,465)	(31,562)	1,077,590	(974,724)	3,256,758	(5,977,403)	0	326,002	451,979	2,512,971	(2,686,451)
Vehicle Renewals reserve	(549,302)	0	(50,000)	0	489,251	(110,051)	0	(300,000)	0	391,882	(18,169)
Waste Fluctuations Reserve	(912,116)	0	0	0	0	(912,116)	0	0	0	0	(912,116)
Waste Vehicles Replacement Reserve	0	0	0	(1,500,000)	0	(1,500,000)	0	0	0	0	(1,500,000)
Pooled Investment Fund Fluctuations Reserve	0	0	0	(140,000)	0	(140,000)	0	0	0	0	(140,000)
Permanent Travellers Site	0	0	0	(200,000)	0	(200,000)	0	0	0	0	(200,000)
Ashbourne Reborn Reserve	(175,000)	0	0	0	0	(175,000)	0	0	0	0	(175,000)
TOTAL	(16,871,376)	(31,562)	1,463,538	(4,962,009)	4,407,181	(15,994,228)	0	439,628	1,175,174	3,194,429	(11,184,997)
	(25,527,405)	(5,645,141)	1,463,538	(4,606,683)	9,427,189	(24,888,501)	(15,928,604)	439,628	1,175,174	21,749,298	(17,453,005)

Transfers to/(from) reserves requiring approval:

	£
Carry forward of budget's not used in 2023/24 but required for 2024/25 to the Committed Expenditure Reserve	596,271
Transfer salary underspend to Committed Expenditure Reserve to fund Interim Development Control Staffing in 2024/25	91,942
Transfer adjustment to Business Rates Revaluation Tariff to Business Rates Fluctuations Reserve for use in 2024/25	269,650
Use of Business Rates Fluctuations Reserve to fund pressures from reduction of income from Business Rates pool	(276,125)
Transfer unspent Local Plan budgets back into local plan reserve for use in 2024/25	106,994
Transfer unspent revenue grants with restrictions into reserves for use in future years	638,073
Transfer unspent revenue grants with restrictions into reserves for use in 2024/25	451,979
Use of Revenue Grants unapplied reserve to fund expenditure in 2023/24	(233,863)
Transfer unspent S106 funding into reserves for future years	475,638
Use of S106 funding to fund revenue expenditure	(31,561)
Transfer Elections underspend to Elections reserve for use in future years	57,466
Transfer of £500,000 of underspend to the Recruitment and Retention Reserve	500,000
Transfer of £1,500,000 of underspend to the Waste Vehicles Replacement Reserve	1,500,000
Transfer £225,126 of underspend to the Corporate Plan Priority Reserve	225,126
Transfer £794,851 of underspend to the Capital Programme Reserve	794,851
Transfer CCLA Property Fund Interest to Pooled Investment Fund Fluctuations Reserve	140,000
Transfer IT underspend to IT Reserve	52,000
Create new Permanent Traveller Site Reserve and transfer £200,000 to this reserve	200,000
Total requested transfers to/(from) reserves	5,558,441
 Supplementary Budgets approved and actioned between 1 January and 31 March 2024:	
Use of General Reserve to fund urgent decision notice for the planning appeal costs	(100,000)
Use of Committed Expenditure Reserve to fund consultancy services required for decarbonisation project at the depot	(17,000)
Total	(117,000)

Summary of Useable Reserves and Balances

	Actual Balance at 31st. March 2024 £	Estimated Balance at 31st. March 2025 £	Estimated Balance at 31st. March 2026 £	Estimated Balance at 31st. March 2027 £	Estimated Balance at 31st. March 2028 £	Estimated Balance at 31st. March 2029 £
<u>Revenue Balances</u>						
General Fund Working Balance	(1,400,014)	(1,400,014)	(1,400,014)	(1,400,014)	(1,400,014)	(1,400,014)
General Reserve	(3,022,060)	(3,022,060)	(2,997,310)	(2,997,310)	(2,997,310)	(2,997,310)
	(4,422,075)	(4,422,075)	(4,397,325)	(4,397,325)	(4,397,325)	(4,397,325)
<u>Earmarked Reserves</u>						
Business Rates Fluctuations Reserve	(1,669,021)	(1,218,297)	(1,218,297)	(1,218,297)	(1,218,297)	(1,218,297)
Capital Programme Reserve	(1,147,655)	(1,035,379)	(842,546)	(842,546)	(842,546)	(842,546)
Carsington Improvements	(33,452)	(33,452)	(33,452)	(33,452)	(33,452)	(33,452)
Committed Expenditure	(916,252)	(260,149)	(237,697)	(237,697)	(237,697)	(237,697)
Corporate Plan Priority Reserve	(935,003)	(935,003)	(733,532)	(733,532)	(733,532)	(733,532)
Economic Development	(80,137)	(37,837)	(37,837)	(37,837)	(37,837)	(37,837)
Elections	(77,766)	(107,766)	(137,766)	(167,766)	(197,766)	(197,766)
ICT Renewals	(273,345)	(128,345)	(118,345)	(108,345)	(98,345)	(88,345)
Insurances Reserve	(464,473)	(464,473)	(464,473)	(464,473)	(464,473)	(464,473)
Investment Fund / Invest to Save Reserve	(562,510)	(562,510)	0	0	0	0
Recruitment and Retention Reserve	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)	(650,000)
Local Plan	(115,429)	(38,435)	(68,435)	(98,435)	(128,435)	(128,435)
Ashbourne Reborn Reserve	(175,000)	(175,000)	(175,000)	(175,000)	(175,000)	(175,000)
Member / Officer Indemnity	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Major Repairs Reserve	(29,615)	(56,615)	(89,961)	(123,307)	(156,653)	(156,653)
Revenue Grants Unapplied	(5,977,403)	(2,686,451)	(2,615,220)	(2,615,220)	(2,615,220)	(2,615,220)
Vehicle Renewals	(110,051)	(18,169)	(150,169)	(54,169)	(199,169)	(199,169)
Waste Vehicle Replacement Reserve	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	0
Pooled Investment Fund Fluctuations Reserve	(140,000)	(140,000)	(140,000)	(140,000)	(140,000)	(140,000)
Permanent Travellers Site	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Waste & Recycling Reserve	(912,116)	(912,116)	(912,116)	(912,116)	(912,116)	(912,116)
	(15,994,228)	(11,184,997)	(10,349,846)	(10,337,192)	(10,565,538)	(9,055,538)
<u>Capital Expenditure Financing</u>						
Capital Receipts	(2,467,234)	(1,271,378)	(1,174,745)	(1,144,745)	(1,144,745)	(1,144,745)
Capital Grants Unapplied	(2,004,964)	(574,555)	(979,978)	(979,978)	(979,978)	(979,978)
	(4,472,199)	(1,845,934)	(2,154,724)	(2,124,724)	(2,124,724)	(2,124,724)
TOTAL	(24,888,501)	(17,453,005)	(16,901,895)	(16,859,241)	(17,087,587)	(15,577,587)

APPENDIX 3 – ANALYSIS AND EXPLANATION OF SIGNIFICANT VARIANCES FROM REVISED BUDGET

£'000's

Staffing Variances:

Chief Executive	(3)
Community and Environmental Services	(122)
Corporate Services (including £3k elections staffing underspend)	(61)
Housing Services	(28)
Regeneration and Policy	(92)
Regulatory Services	(125)
Resources (includes £206k staff turnover budget)	220

Staffing Underspend (Due to difficulties recruiting to vacancies and the use of existing staff time for capital projects in 2023/24) (211)

Other Key Variances by Directorate:

Chief Executive

Refund of contribution towards the establishment of Vision Derbyshire (one-off)	(52)
Non-material variances	14

Community and Environmental Services

Underspend on Waste Services (partially reflected in 24/25 budget)	(742)
Overachievement of default notices	(352)
Overspend on gate fees (one-off)	31
Overachievement of Garden Waste income	(64)
Above budget increase in Bakewell ABC recharges	(40)
Additional Agricultural Business Centre Commission Received (ongoing to be reviewed and reflected in 25/26 budget)	(72)
Underachievement of rental income at ABC and Markets	35
Reduction in Leisure contract expenditure (reflected in 24/25 budget)	(19)
Increased cemetery income	(25)
Increase in Trade Waste customers (ongoing, partially reflected in 24/25 budget)	(53)
Underspend on Wheeled Bin Purchases (one-off due to delays in ESPO Framework)	(62)
Overachievement of Car Parking income partially due to timing of Easter holidays	(203)
Overachievement of Rental Income at High Tor	(13)
Increase in Electricity costs (nets off across other services)	24
Reduction in Water costs	(27)
Underspend on Repairs Budgets	(35)
Non-material variances	18

Corporate Services

Underspend on Elections - to transfer to the elections reserve (one-off)	(54)
Underspend on IT service - mainly due to reduction in expenditure on MS365 licences and cloud security back-ups (reflected in 24/25 budget)	(52)

Additional funding for prior year police and crime commissioner elections (one-off)	(25)
Overachievement of Land Charges income (reflected in 24/25 budget)	(23)
One-off underspend on PPE due to delays awarding new contract	(12)
Non-material variances	(53)

Housing

Increase in tenants' rents income (reflected in 24/25 budget)	(65)
Underspend in Electricity costs (nets off across other services)	(8)
Underspend on Repairs Budgets	(3)
Additional funding received in year used to offset general fund expenditure (one-off)	(57)
Non-material variances	6

Regeneration and Policy

Reduction in consultancy fees for Matlock Market Hall (reflected in 24/25 budget)	(34)
Saving due to the utilisation of grant funding to fund the costs of the Wildlife Register (one-off)	(15)
Non-material variances	(30)

Regulatory Services

Reduction in planning application fees (reviewed as part of 2024/25 budget setting)	114
Increase in Electricity costs (nets off across other services)	(6)
Increase in lift maintenance expenditure (one-off)	12
Additional vehicle licencing income due to SEN private hire company (reflected in 24/25 budget)	(42)
Non-material variances	6

Resources

Change of treatment of Government Grant - income budget to be removed (reflected in 24/25 budget)	51
Reduction required in provisions held for insurance, housing benefit overpayments and debtors (one-off)	(81)
Increase in revenues and benefits contract payments (mainly due to pay award)	15
Non-material variances	(53)

Total Net Cost of Service (under)/overspend **(2,257)**

Improved Return on Investments (1,120)

Funding:

Additional Grants Received - unbudgeted (one-off) (92)

Total underspend to transfer to reserves **(3,469)**

Appendix 4 – Medium Term Financial Plan

	Original Budget	Revised Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	2024/25	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Service Funding Requirement	13,915	13,881	13,747	13,868	13,947	14,224	14,308
Inflation							
Pay Awards		0	197	201	205	209	213
Contracts		0	27	28	29	29	30
Fees and Charges		0	(63)	(64)	(65)	(67)	(68)
General Inflation		0	0	0	0	0	0
Waste Management Contract		0	93	94	96	98	100
Gas		0	1	1	1	1	1
Electricity		0	7	8	8	8	8
Water		0	1	1	1	1	1
Fuel		0	3	3	3	3	3
Pressures / Savings - Recurring							
Potential increase in pension contributions following revaluation		0	0	0	0	0	0
Climate Change revenue income / savings from capital investments		0	0	(88)	0	(198)	0
Restructure of Regen and Policy		0	61	0	0	0	0
Clean and Green & Licensing Apprentices		0	(23)	0	0	0	0
Housing Apprentices		0	(17)	(16)	0	0	0
Environmental Health Graduate post		0	(24)	0	0	0	0
Housing Rents income budget pressure/(growth)		0	(34)	0	0	0	0
Ashbourne Reborn Communications post		0	(11)	(33)	0	0	0
Increase in Agricultural Business Centre commission received - MG to confirm		(60)	0	0	0	0	0
Increase in income from Trade Waste		(23)	0	0	0	0	0
Overachievement of Garden Waste income		(100)	0	0	0	0	0
Temporary post for Travellers site		0	0	(33)	0	0	0
Home Options Co-ordinator		0	(24)	(23)	0	0	0
Planning fees pressure		100	0	0	0	0	0
Additional Housing pressures - funded by use of revenue grants unapplied reserve		0	(73)	0	0	0	0
Adjust Leisure contract base budget to reflect contract payments		(51)	0	0	0	0	0
Updated Base Service Funding Requirement for Next Year	13,915	13,747	13,868	13,947	14,224	14,308	14,596
Pressures / Savings - One off							
Underspend on elections budget		0	0	100	0	0	0
Anticipated reduction in planning application fees		0	0	100	0	0	0
Freedom leisure additional costs		0	32	0	0	0	0
Additional pressures on the Local Plan budget over and above reserves held		34	66	0	0	0	0
Net Cost of Services	13,915	13,781	13,966	14,147	14,224	14,308	14,596
Non Service Items: Debt Repayment etc.	(166)	(446)	(366)	(16)	(16)	(16)	(16)
Net Revenue Expenditure	13,749	13,335	13,601	14,131	14,208	14,292	14,580
Transfers to/(from) reserves relating to Collection Fund Accounting	(450)	(450)	0	0	0	0	0
Transfers to/(from) reserves for current year	(376)	(376)	(128)	(10)	(10)	(10)	(10)
Contributions to reserves for future years costs							
Election reserve annual contribution	30	30	30	30	30	0	0
Local plan reserve	30	30	30	30	30	30	30
Vehicle renewal fund	300	300	300	300	300	300	300
Major Repairs Reserve	27	27	33	33	33	33	33
Total Net Spending Requirements	13,310	12,896	13,866	14,514	14,591	14,645	14,933
Funded By:							
Revenue Support Grant	(69)	(69)	(70)	(71)	(72)	(73)	(74)
Business Rates Baseline Funding	(1,787)	(1,787)	(1,803)	(1,818)	(1,833)	(1,849)	(1,849)
Settlement Funding Assessment	(1,856)	(1,856)	(1,873)	(1,889)	(1,905)	(1,922)	(1,923)
Other business rates income, net of payment to pool	(2,460)	(2,460)	(2,688)	(2,741)	(2,795)	(2,850)	(2,907)
NDR Collection Fund (surplus)/deficit	(284)	(284)	0	0	0	0	0
Council Tax Collection Fund (surplus) / deficit	181	181	0	0	0	0	0
New Homes Bonus	(116)	(116)	0	0	0	0	0
Rural Services Delivery Grant	(545)	(545)	(545)	(556)	(567)	(578)	(590)
Lower Tier Services Grant	0	0	0	0	0	0	0
Services Grant	(12)	(12)	(17)	(17)	(17)	(17)	(17)
3% Funding Guarantee	(915)	(915)	(830)	(847)	(864)	(881)	(899)
Council Tax Second Homes Increase	0	0	(200)	(204)	(208)	(212)	(216)
Financing from Council Tax	(7,303)	(7,303)	(7,569)	(7,845)	(8,130)	(8,425)	(8,425)
Total Income	(13,310)	(13,310)	(13,722)	(14,099)	(14,486)	(14,885)	(14,977)
Corporate Saving Target	0	(414)	144	415	105	(240)	(44)