

Public Document Pack

Mid Devon District Council

Cabinet

Tuesday, 6 June 2023 at 5.15 pm
Phoenix Chamber, Phoenix House, Tiverton

Next ordinary meeting
Tuesday, 4 July 2023 at 5.15 pm

Please Note: This meeting will take place at Phoenix House and members of the Public and Press are able to attend via Teams. If you are intending to attend in person please contact the committee clerk in advance, in order that numbers of people can be appropriately managed in physical meeting rooms.

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Membership

Cllr N Bradshaw
Cllr J Buczkowski
Cllr S J Clist
Cllr S Keable
Cllr J Lock
Cllr L D Taylor
Cllr J Wright
Cllr D Wulff

A G E N D A

Members are reminded of the need to make declarations of interest prior to any discussion which may take place

1. **Apologies**
To receive any apologies for absence.
2. **Public Question Time**
To receive any questions relating to items on the Agenda from members of the public and replies thereto.
3. **Declarations of Interest under the Code of Conduct**
To record any interests on agenda matters.
4. **Minutes of the Previous Meeting** *(Pages 5 - 16)*
To consider whether to approve the minutes as a correct record of the meeting held on the 4 April 2023.
5. **2022/23 Annual Treasury Management Outturn Report** *(Pages 17 - 30)*
To receive a report from the Deputy Chief Executive (S151)
6. **2022/23 Financial Outturn** *(Pages 31 - 78)*
To receive a report from the Deputy Chief Executive (S151)
7. **Loan to Crediton Pharmacy** *(Pages 79 - 82)*
To receive a report from the Deputy Chief Executive (S151)
8. **Notification of Key Decisions** *(Pages 83 - 92)*
To note the contents of the Forward Plan.

Stephen Walford
Chief Executive
Thursday, 25 May 2023

Meeting Information

From 7 May 2021, the law requires all councils to hold formal meetings in Person. The Council will enable all people to continue to participate in meetings via Teams.

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MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **CABINET** held on 4 April 2023 at 10.00 am

Present

Councillors B G J Warren (Leader), G Barnell, Mrs C P Daw, D J Knowles and Mrs N Woollatt

Also Present

Councillor(s) B. Holdman, R. Dolley, S. Clist

Also Present

Officer(s): Andrew Jarrett (Deputy Chief Executive (S151)), Maria De Leburne (District Solicitor and Monitoring Officer), Paul Deal (Corporate Manager for Finance), Lisa Lewis (Corporate Manager for Business Transformation and Customer Engagement), Simon Newcombe (Corporate Manager for Public Health, Regulation and Housing) and Matthew Page (Corporate Manager for People, Governance and Waste), Luke Howard (Environment and Enforcement Manager), Dr Stephen Carr (Corporate Performance & Improvement Manager), Andrew Seaman (Member Services Manager) and Sarah Lees (Member Services Officer)

162. **APOLOGIES (0:03:30)**

No apologies were given.

163. **PUBLIC QUESTION TIME (0:03:44)**

Ros Nichols

Good Morning, I'm Ros Nichols a local Tiverton resident, business owner and an accountant by profession. Accountancy and budgeting is all about double entry and balancing the books, I have 2 points to make relating to the increasing charges in the pay and display carparks and raising money.

Previous Cabinet Members and Councillors removed the half hour car parking charges in some of the most used car parks. These quick turnaround times encourage people to pop into town, grab what they need without having to pay £1.25 for an hours stay. Can the Cabinet consider amending the current proposals of the Economy Policy Development Group to reintroduce these at Tiverton Market and at Becks Square and at the Crediton and Cullompton equivalents?

For example, one of my friends recently needed to collect a prescription for an elderly relative from the Pharmacy. She drove around the town twice to try and get a free half an hour space on street. But to no avail, all the spaces were full. Williams Street Car Park that still has the half hour free stay was full of parents picking up their children from school. So she parked in the car park very close to the pharmacy and considered not paying the £1.25 minimum fee as she was literally going to be 3 minutes maybe 5 minutes at most.

Now if she considered that now, how many folk are going to do that when the minimum fee is £2 for an hour, because they only want to stay 5 minutes or because

they can't afford to add £2 to their shopping bill. Not everyone wants to stay for an hour, if they just want to pop to the post office, one of our remaining banks or even to buy a dozen eggs in the market. The half hour on street parking in Bampton Street is constantly busy, with folk fighting for a space so that they don't have to pay in the car park.

William Street Car Park is also busy as it still offers half hour for 50p. Wouldn't it be better to charge a nominal 50p for half an hour and have all the car parks constantly busy rather than drive people to risk it and not pay at all? Please take on board the reasons why people use the car parks. Yes there are those that come to town who want to have a mooch in the shops, grab a coffee and that's fine for a reasonable hours charge but not to the detriment of people who want to grab and go.

Finally, an idea that was put forward at a previous meeting to fill the gap in the budget, why not offer members of Mid Devon District Council Staff and Councillors who use the multi-story carpark a discounted permit? Even if this was at 50% of the day rate, in my calculations 100 people at 50% would fill a £23,000 hole. Take it from their monthly pay and they are still getting a better deal than the members of the public. If they worked anywhere else in town they would have to pay full price for a permit. If you can't amend existing contracts make it clear for new members of staff that car parking is not a perk for working at the council, because like everyone else you as an employer as well as a local authority are trying to balance the books.

Nick Quinn

Firstly, concerning Item 5: Financial Monitoring, paragraph 1.2 states that "the purpose of this report is to provide a high level update on any material changes since the last report – Quarter 3 presented to February Cabinet. In the Q3 Report, it was stated that a £467,000 overspend on the Modular Housing development at Shapland Place was "largely due to additional planning requirements".

Since that report was issued it has become apparent, from written replies to Public Questions at the last Cabinet meeting regarding this development, that £332,000 of the overspend (70%) stems from Contract Inflation Rises – not from Additional Planning Requirements. It is clear that Cabinet were misinformed on the cause of this overspend, which is concerning, as the costs of other Modular Home developments may also be affected - but Cabinet have not been forewarned.

Q1. Why were Cabinet given incorrect information in this Q3 financial monitoring report?

Q2. Do other Modular Housing contracts have similar inflation bombs?

Secondly concerning Item 8: Car Parking and Permit Tariffs. The sole basis for the proposed increases in tariffs is given as a cumulative rise in inflation. There is nothing in the reports about the actual costs of the operation of the service or the appropriateness of the recharges being allocated to it. As the result of written replies to Public Questions, it is now apparent that the Premises cost set in the 2023/24 budget at £381,650 has increased greatly from the 2022/23 actual figure of only £221,115. An increase of 73%.

Q3: Why have the actual costs of the service, and the appropriateness of the recharges, not been considered and addressed in this report?

Q4: What is the basis for the very significant rise in the premises cost?

The Leader explained that questions 3 and 4 would be answered at the appropriate agenda item through the Cabinet's discussion.

The Corporate Manager for Public Health, Regulation & Housing provided an answer to questions 1 and 2 and would be attached to the minutes.

The Corporate Manager for People, Governance & Waste responded to questions 3 and 4 by explaining that the cost of this service was considered when the inflationary uplift was calculated, with recharges regularly reviewed within the agreed budget. The Council had suffered from rising utility costs which was due to the cost of living climate. Electricity usage was high for this service as this included powering, for example, ticket machines and lighting as well as other provisions. This was also timed with the coming of a previous fixed price tariff and that maintenance costs would vary year to year. The maintenance schedule would be provided in writing.

Kate Clayton-White

Good morning. In February we faced a very real prospect of 115% rise in the cost of our allocated space rental. It has been encouraging to note that through representations at subsequent Council meetings, Councillors seemed to have listened to us and amended their fee proposals for allocated spaces for which we thank you. We appreciate that the current Cabinet membership seems to be more open and upfront about their proposals than previous incumbents who sought to hide their outrageous proposals in private part 2 minutes.

We were very pleased to hear the amendment the S151 officer put forward by the Economy PDG on the 16 March, which suggested an increase from £425 to £460 which is much fairer and in line with inflation. Your amendment kicked into touch the other totally unjustifiable suggestion of implementing a backdated increase over the last 7 years when the council had chosen not to increase our fees.

These amendments regarding the allocated spaces were unanimously agreed by the Economy PDG committee and we urge you to accept those. Car parking issues are very important to the people in Tiverton, a major problem at this time has been terrible communication and lack of engagement with the public. Many people don't read the gazette because it's so expensive and your website is not the easiest to navigate. So in future, please try to find a better way of communication and let us know where and when car parking increases are to be discussed.

You already use email to tell us when our fees are due, maybe start a Council car parking Facebook page and put up an old fashioned large public information board. Maybe on the wall next to the market toilets. Something for people who do not use social media, then give us time to respond. I'm sure you fulfilled some sort of minimum statutory obligation by posting a tiny little chart of fees in the local paper. But as has been said before, there is a difference between statutory obligation and best practice.

Affordable car parking fees are essential to Tiverton's economy, affecting everybody and should only ever increase in line with current inflation and no more. They should certainly never be used to raise money to subsidise holes from the budget from

unrelated questionable activities. It was for this reason, in February I asked, what was so commercially sensitive about raising car parking charges that the decision making process had to take place under private part 2 rules, i.e. in secret. You did not actually answer my question, you replied that it was because fees and charges were considered by Cabinet, how does that explain the commercial sensitivity and the need for secrecy? We are, however, very pleased to hear that future reviews of the car parking fees will take place in normal part 1 sessions. So my question remains, what was so commercially sensitive about raising car parking charges that the decision making process had to take place in secret?

Sophia Beard

I am Chair of the Tiverton Town Centre Partnership representing the businesses in Town, I am a local resident also. Again, as Jo has said, I think that quite a lot of the points have been quite elegantly put out over the last few meetings and indeed today by the colleagues that have spoken before, but I do have 4 questions that I would like to just bring to the focus again, also this is obviously on a car parking issue.

In discussion over those previous meetings one of the things that was stated by the finance officer was that notification of the car park charge options had been sent out with the council tax bundle last year. My question is, why if you made these decisions, again these are comments pulled from the previous meeting, so if these decisions were made to balance the budget in October, why there was nothing in the pack that was sent out to all residents regarding the council tax this year and all this sort of advertising leaflets that come in that envelope. There was nothing about the car parking charges and the options that people have this year. So the previous comments about how that is being communicated to the wider public, I would really like some justification on that.

The second question, is that again due to comments made, by the finance officer in previous meetings. There is serious concern that whilst at the previous meeting of the Economy PDG said that they would pass across the responsibility of the annual review to the officers to make sure that it is going to be happening on that basis and the comment made said that it was going to be difficult to apply inflation increases on a fractional percentage basis and if that kind of maths is beyond the scope of the officers in charge of the budgeting for the Council. I would suggest that there are some really good primary schools around here that would be able to help them out with that extra learning.

Because that is not a justification for waiting until inflation rises at 10% or indeed waiting 7 years to actually look at the bottom line of what is coming in. That is unacceptable, So I would like some clarification in that if it is on an increased percentage base on each year if the officer are able to do that maths.

The third question, alludes largely to what has also been said here, the last minute statutory deadlines which is largely what has caused the issues and the furore around this, is not acceptable in terms of consultation with the public. Where there is a duty to deliver a clear customer service. Therefore, I want to ask that the Cabinet and the Council look to give more than the statutory minimum in terms of consultation.

And my final question is would the Cabinet agree today to take the recommendations of the Economy PDG as a starting point in their discussions today as it has

addressed some of the immediate needs of residents, but has not addressed those of the businesses and visitors of the town centre as Tiverton still needs to be competitive compared to Taunton and Exeter. And for example, there are 30 minute wait times, from the Economy PDG that was put forward for the evening tariff and we do need that through the day to support the town businesses.

The Leader explained that the points raised by public questioners would be answered at the appropriate agenda item through the Cabinet's discussion.

164. **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (0:26:15)**

Cllr Mrs N Woollatt declared a personal interest in relation to item 6 as Cllr Mrs N Woollatt works for Exeter Community Energy.

Members were reminded to make declarations of interest where appropriate.

165. **MINUTES OF THE PREVIOUS MEETING (0:26:50)**

The minutes of the previous meeting from 7 March 2023 were approved as a correct record and signed by the Leader.

166. **FINANCIAL MONITORING (0:27:28)**

The Cabinet were presented with, and **NOTED** a report* which provided a financial update in respect of the income and expenditure so far in the year. The following was highlighted:

- There was a continued overspend towards circa £400k due to cost pressures.
- His Majesty's Revenue and Customs (HMRC) had changed their stance on charging Councils VAT on leisure service income.
- Under the New Burdens guidance, the Council was due to receive circa £150k for the energy rebate works undertaken as well for the business relief rates provided by the Council, it was noted that this almost covered the total costs.
- There were new energy scheme payments due to residents.
- The Council was now able to keep "right to buy" receipts for the 2022/2023 financial year as well as the 2023/2024 financial year, which would benefit social housing development plans.

The following was discussed:

- Asked for an update on New Burdens Funding, the Deputy Chief Executive explained that the Council was still waiting for a final claim made during the Covid-19 Pandemic and that an energy rebate scheme had been received.
- Whether the Council could claim back further than 2011 in relation to the VAT charges on leisure service income. The Deputy Chief Executive explained that the Council would make claims prior to 2011 if the appropriate information was available.
- It was asked if Mid Devon District Council had the resources and could manage planning guarantees reduced from 26 weeks to 16 weeks. The Deputy Chief Executive explained that this was at a consultation stage and there might be a need to add resources to fulfil this.

- Regarding energy schemes, it was asked whether the Government payback covered the incurred costs. The Deputy Chief Executive explained that the Council was circa 20% short, however, both the Local Government Association (LGA) and individual Councils had made strong representations about the delivery of these schemes and expected lobbying would continue.

Note: *report previously circulated and attached to the minutes

167. PERFORMANCE UPDATE (0:42:55)

The Cabinet received and **NOTED** a report* which provided Members with an update on performance against the Corporate Plan and local service targets for quarter 3 (2022/23). It was highlighted that the performance and risk update had been split into two separate updates because it allowed greater accessibility to the information presented and were structured to align with the Corporate Plan with Key Performance Indicators (KPIs) provided.

The following was discussed:

- There was a preference for numbers alongside Key Performance Indicators (KPIs) rather than percentages only. Officers reassured Members that the way KPIs were presented would be altered so that needs were met.
- Clarification was sought for why sickness rates had increased. The Corporate Manager for People, Governance, and Waste highlighted that this was the first winter without Covid-19 restrictions and was due to Covid-19 and other infections. The Council had offered free flu jabs and encouraged good hygiene practice. Compared to other authorities, this Council had been one of the first to track sickness.
- Regarding regular traders at Tiverton's Pannier Market, it was mentioned that this KPI would be renamed so that it highlighted the occupancy rate of stalls at the market.
- It was noted that the Council had failed to meet their tree planting targets, however an officer explained that Mid Devon District Council had planted circa 1,192 trees, which in fact exceeded targets. This was achieved at a recent tree planting event, but it was emphasised that with no budget for tree planting grants were heavily relied upon for this to be achieved.
- It was raised that the report had a lot of detail from the previous year, to which Officers confirmed that this would be reviewed.
- A hydro project update was due to take place.
- Whether staff turnover was expected to increase. The Corporate Manager for People, Governance, and Waste explained that the Council was in a challenging situation with public service wages, a high level of vacancies and organisations being able to be more competitive due to hybrid working.
- Regarding housing delivery, it was raised there was an absence of information, with no information for delivery of affordable homes and council homes. It was noted that priority should be given to these KPIs. The Corporate Manager for Public Health, Regulation and Housing explained that there was a housing strategy which sets ambitions for the next 4 years. Progress on strategy delivery had been provided to the Homes Policy Development Group (PDG) and a review was also scheduled in the forward plan for a future PDG under the new administration. Several schemes were in progress with a number of further schemes also planned where even more council homes

could be provided. The Medium Term Financial Plan (MTFP) sets out budget proposals for around 500 council houses to be delivered over the next five-years. It was also highlighted by the Deputy Chief Executive that it had proven difficult to build council houses as it had been unaffordable for the Council, however, with recent changes it was now a more deliverable metric.

- Homelessness was raised and whether the Council could cope with the upward trend. It was explained by the Corporate Manager for Public Health, Regulation and Housing that the cost of living was a factor but the team was now fully staffed. Also, the Government Rough Sleeper Initiative funding for homelessness prevention work is now in place so the team is in the best position it could be, but demand continued to grow and this will be under continued review.
- Clarification was sought over the percentages that related to the House of Multiple Occupancy (HMO) investigations. The Corporate Manager for Public Health, Regulation and Housing explained the team did not have control over the number of properties requiring investigation and important consideration was that all required investigations were undertaken. Nonetheless, the Deputy Chief Executive reassured that the percentages for these targets could be supplemented with totals.
- It was raised that the Hydro-dam would be unlikely to be delivered due to the nature of the river.
- In relation to Tiverton's Pannier Market it was asked whether more support could be given to Tiverton's Pannier Market. The Deputy Chief Executive explained that support was given.

Note: *report previously circulated and attached to the minutes

168. **CORPORATE RISK UPDATE (1:22:58)**

Cabinet received and **NOTED** a report* which provided Members with an update on Corporate risk for quarter 3 (2022/23).

The following was discussed:

- Culm Garden Village was raised and it was asked whether the delivery of a relief road should be considered a risk. The Corporate Performance and Improvement Manager, explained that this would be raised with the risk owner.
- At risk that the net zero target would not be met and that there should be more focus on our climate change targets. The Deputy Chief Executive explained that it was likely that most Councils were struggling to meet targets, but the Council was working hard to meet those targets set.

Note: *report previously circulated and attached to the minutes

169. CAR PARKING AND PERMIT TARIFFS: REVIEW AND WAY FORWARD (1:30:45)

Cabinet received a report* which provided Members with Economy PDG recommendations for pay and display charges as well as permit tariffs for consideration. Cabinet to approve or reject these recommendations with awareness of the assumed additional income included within the agreed 2023/24 budget and there is an implementation timetable of 21 calendar days from time of public advert.

The following was highlighted:

- The Leader acknowledged the petitions received that related to the rise in car parking charges from members of the public and noted that these had been considered. In addition, this report had been reviewed and recommended by the Economy PDG.
- The fees and charges had been more appropriately tailored and that future improvements would be applied. For example, a consultation group would be formed to be part of the consultation process.

The following was discussed:

- That Day Permits should be removed because it would have been more expensive than the day/night permit.
- That a 5 hour tariff should be aligned with other car parks at £4.
- That the 30 minutes free parking should be raised during a future consultation.
- There were additional challenges when adding new tariffs and this required a longer consultation period.
- The possibility of monthly payments.
- Whether there should be a 30 minute tariff and should be considered during a future consultation.
- An officer explained that monthly payments would mean a heavy administrative burden and the need for additional resources.
- That local businesses should also be consulted during a future consultation that related to fees and charges.

Cllr Mrs N Woollatt **PROPOSED** an **AMENDMENT**, seconded by Cllr A Wilce that:

That we remove completely the Rover permits.

Upon a vote being taken the **AMENDMENT** was declared to have been **CARRIED**

Cllr Mrs N Woollatt **PROPOSED** an **AMENDMENT**, seconded by Cllr Mrs C Daw that:

In addition to permits being available to purchase annually, half yearly at 55% of the annual cost, quarterly at 30% of the annual cost. That they should also be available to purchase an annual permit payable by monthly direct debit at a monthly cost of 10% of the annual tariff.

Upon a vote being taken the **AMENDMENT** was declared to have been **CARRIED**

Cllr Mrs N Woollatt **PROPOSED** an **AMENDMENT**, seconded by Cllr D J Knowles that:

That during a consultation we add a 5 hour tariff at £4 at Station Road Carpark and that consideration be given to reviewing half hour parking and the potential for introducing a half hour tariff at 50% of the hourly rate.

Upon a vote being taken the **AMENDMENT** was declared to have been **CARRIED**

RESOLVED:

That Cabinet agree the Economy PDG recommendations (16 March 2023) regarding pay and display and permit tariffs (Appendix 1) with the following amendments:

- That we remove completely the Rover permits.
- In addition to permits being available to purchase annually, half yearly at 55% of the annual cost, quarterly at 30% of the annual cost. That they should also be available to purchase an annual permit payable by monthly direct debit at a monthly cost of 10% of the annual tariff.
- That during a consultation we add a 5 hour tariff at £4 at Station Road Carpark and that consideration be given to reviewing half hour parking and the potential for introducing a half hour tariff at 50% of the hourly rate.

(Moved from the Chair)

Reason for Decision: There was a need for new fee and charges to be reviewed.

Note: *report previously circulated and attached to the minutes

170. AIR QUALITY SPD (2:12:18)

Cabinet received a report* which provided information on the air quality supplementary planning document (SPD).

The following was highlighted:

- The document outlined how air quality would be imposed for developers and those who wished to make planning applications. It adopted the local plan and provided direction on policies within the local plan on air quality procedures.
- 12 responses had been received during the consultation which had been considered, the Planning Policy Advisory Group (PPAG) were also consulted.

RESOLVED:

- 1) The Mid Devon Air Quality Supplementary Planning Document (Appendix 1 to this report) is adopted and this is published on the Council's website together with its Strategic Environmental Assessment screening report (Appendix 2), Habitats Regulation Assessment Screening report (Appendix 3), Air Quality Supplementary Planning Document Summary Guide (Appendix 4) and Air Quality Supplementary Planning Document Consultation Statement (Appendix 5) and its Adoption Statement (Appendix 6).
- 2) The existing Supplementary Planning Document on Air Quality and Development (May 2008) is revoked, removed from the Council's website and

is no longer made publicly available, in accordance with the local planning regulations.

(Proposed by Cllr G Barnell, seconded by Cllr Mrs N Woollatt)

Reason for Decision: So that the Air Quality SPD could be adopted and published on the Council's website.

Note: *report previously circulated and attached to the minutes

171. **COMMUNICATION AND ENGAGEMENT STRATEGY (2:17:15)**

Cabinet received a report* which provided Members with the revised Communication and Engagement Strategy and accompanying Media and Social Media Policy.

The following was discussed:

- It was felt that more emphasis on public engagement was needed within the report and that the report could be improved with more information that covered rights and accountability. The Corporate Manager for Digital Transformation & Customer Engagement, Digital Services explained that the report was made deliberately light, however reassured the Cabinet that the report could be revisited.
- The Deputy Chief Executive highlighted that communications had improved according to a recent survey however, there was still room for improvement.

RESOLVED:

That the Communication and Engagement Strategy be deferred.

(Proposed by Cllr D J Knowles, seconded by Cllr A Wilce)

Reason for Decision: So that a revised version of this report that considered the Cabinet's feedback could be presented back to Cabinet.

Note: *report previously circulated and attached to the minutes

172. **REGULATION OF INVESTIGATORY POWERS (2:27:36)**

The Cabinet received and **NOTED** a verbal update from the District Solicitor and Monitoring Officer who highlighted that no applications had been received under the Regulation of Investigatory Powers Act.

173. **SINGLE EQUALITIES POLICY AND EQUALITY OBJECTIVES (2:28:26)**

Cabinet received a report* which provided Members with an update on action taken to help meet the Council's statutory duties under the Equality Act 2010.

The following was highlighted:

- This policy outlined how the Council would work towards the implementation of equality duties placed on the Council.

- The documents had been reviewed and updated, this included a review conducted by the Equality, Diversity and Inclusion Group.
- Section 3 of the policy had been updated which included the equality profile of Mid Devon.
- There were no proposed changes to the policy's objectives.
- Further work towards an action plan to meet objectives would be conducted by the Equality, Diversity and Inclusion Group.

RESOLVED:

That the Single Equality Scheme together with the Equality Objectives for 2023/24 be approved.

(Moved from the Chair)

Reason for Decision: To comply with the Equality Act 2010.

Note: *report previously circulated and attached to the minutes

174. NOTIFICATION OF KEY DECISIONS (2:31:14)

The Cabinet had before it, and **NOTED**, the notification of *Key Decisions

It was raised that the Forward Plan template had not yet been updated, it was explained that the new version was under development and would be ready for the next Cabinet Meeting.

Note: *Key Decisions previously circulated and attached to the minutes

(The meeting ended at 12.42 pm)

CHAIRMAN

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Report for: Cabinet

Date of Meeting:	6 June 2023
Subject:	Annual Treasury Management Review 2022/23
Cabinet Member:	Cllr James Buczkowski, Cabinet Member for Finance
Responsible Officer:	Andrew Jarrett, Deputy Chief Executive (S151)
Exempt:	N/A
Wards Affected:	All
Enclosures:	N/A

Section 1 – Summary and Recommendation(s)

To provide Members with a review of activities and the prudential treasury indicators on actuals for 2022/23.

Recommendation(s):

- 1. That Cabinet note the treasury activities for the year.**
- 2. That Cabinet approve the actual 2022/23 prudential and treasury indicators in this report.**

Section 2 – Report

1. Introduction

- 1.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2022/23. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.2 During 2022/23 the minimum reporting requirements were that the full Council should receive the following reports:
- an annual treasury strategy in advance of the year (Council 23/02/2022)
 - a mid-year (minimum) treasury update report (Council 14/12/2022)
 - an annual review following the end of the year describing the activity compared to the strategy (this report)
- 1.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.
- 1.4 This Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by Cabinet before they were reported to the full Council. Member training on treasury management issues was undertaken during 2019 in order to support members' scrutiny role, with further training being planned during 2023 following the recent district elections.

2. The Council's Capital Expenditure and Financing

- 2.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:
- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
 - If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

- 2.2 The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

Capital Expenditure & Financing	2021/22	2022/23
General Fund	Actual	Actual
	£000	£000
Capital expenditure	7,479	10,273
Financed in year	1,545	4,815
Unfinanced capital expenditure	5,934	5,458
Funded by Leases	52	95
Funded by Internal & External Borrowing	5,882	5,363
HRA		
Capital expenditure	4,241	6,957
Financed in year	4,195	5,035
Unfinanced capital expenditure	46	1,922
Funded by Leases	44	63
Funded by Internal & External Borrowing	2	1,859

3. The Council's Overall Borrowing Need

- 3.1 The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).
- 3.2 **Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2021/22) plus the estimates of any additional capital financing requirement for the current (2022/23) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2022/23. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

Capital Financing Requirement	31 March 2022	31 March 2023
	Actual	Actual
	£000	£000
CFR General Fund	21,525	26,226
CFR HRA	39,603	40,552
Total CFR	61,127	66,778
Gross borrowing position	37,424	35,291
(Under) / over funding of CFR	-23,703	-31,487

- 3.3 **The authorised limit** is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2022/23 the Council has maintained gross borrowing within its authorised limit.
- 3.4 **The operational boundary** is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached.

Borrowing Limits	2022/23 £000
Authorised limit	96,000
Maximum gross borrowing position during the year	37,424
Operational boundary	87,000
Average gross borrowing position	36,358

4. Treasury Position as at 31 March 2023

- 4.1 At the beginning and the end of 2022/23 the Council's treasury (excluding borrowing by PFI and finance leases) position was as follows:

Debt Portfolio	31 March 2022 £000	31 March 2023 £000
Fixed rate funding:		
-PWLB	35,234	33,310
Total debt	35,234	33,310
CFR	58,938	64,797
(Under) / over borrowing	-23,704	-31,487
Total treasury investments*	32,000	21,000
Net debt	3,234	12,310

*See 4.3 for a breakdown of treasury investments

- 4.2 The maturity structure of the debt portfolio was as follows:

Debt Maturity Structure	31 March 2022 Actual £000	31 March 2023 Actual £000
Under 12 months	1,924	1,937
12 months and within 24 months	1,937	1,975
24 months and within 5 years	6,100	6,279
5 years and within 10 years	11,420	11,756
10 years and within 20 years	13,853	11,364
20 years and within 30 years	0	0

4.2.1. During 2022/23, the Council maintained an under-borrowed position. This meant that the capital borrowing need (the Capital Financing Requirement) was not fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were initially low and minimising counterparty risk on placing investments also needed to be considered.

4.2.2. The policy of avoiding new borrowing by running down spare cash balances, has served the Council well over the last few years. However, this has been kept under review to avoid incurring higher borrowing costs in the future when this Authority may not be able to avoid new borrowing to finance capital expenditure.

4.3 The Council's investment portfolio as at 31 March was as follows:

Investment Portfolio	31 March 2022 Actual £000	31 March 2022 Actual %	31 March 2023 Actual £000	31 March 2023 Actual %
Treasury investments				
Banks	12,000	38%	4,000	19%
Local authorities	15,000	47%	12,000	57%
Other Government Organisations	0	0%	0	0%
Total managed in house*	27,000	84%	16,000	76%
Property funds (CCLA)	5,000	16%	5,000	24%
Total managed externally	5,000	16%	5,000	24%
Total Treasury Investments	32,000	100%	21,000	100%

*See Appendix 1 for a breakdown of internally managed investments held as at 31 March.

4.4 The value shown in the above table for the Council's CCLA investment is the amount paid by the Council on share acquisition. This differs to the carrying amount in the year end accounts of £4,639k (£5,554k in 2021/22) as there is a requirement to carry the investment at fair value. The fair value of the fund will continue to change over the longer term, and so this decrease in value may only be temporary in which case it would not be realised as a loss to Council funds.

- 4.5 During 2021/22 the Council made two loans to Redlands Primary Care to help fund the construction of a new NHS hub in Crediton. The first loan of £1,200k was made on 18/06/2021 and the second of £975k on 25/10/2021, giving a total of £2,175k. These loans are being repaid in quarterly instalments over a period of 27 years, with a balance of £2,100k outstanding at 31 March 2023.

Investment Portfolio	31 March	31 March	31 March	31 March
	Actual £000	Actual %	Actual £000	Actual %
Non-treasury investments				
Subsidiaries (3 Rivers Developments Ltd)	13,536	86%	20,075	91%
Crediton NHS Hub (Redlands Primary Care)	2,151	14%	2,100	9%
Total non-treasury investments	15,711	100%	22,175	100%

5. Borrowing Outturn

- 5.1 **Borrowing** – due to investment concerns, both counterparty risk and comparatively low investment returns, no borrowing was undertaken during the year.
- 5.2 **Borrowing in advance of need** – the Council has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.
- 5.3 **Rescheduling** – no rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

6. Investment Outturn

- 6.1 **Investment Policy** – the Council's investment policy is governed by the Department of Levelling Up, Housing and Communities (DLUHC) investment guidance, which has been implemented in the annual investment strategy approved by the Council on 23/02/2022. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data from our treasury advisers (Link Asset Services).
- 6.2 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

6.3 **Investments held by the Council** – the Council made a total return of £1,671k from investments in 2022/23 against a budget of £940k. This can be broken down as follows:

- The Council maintained an average balance of £28.6m of internally managed funds.
- The internally managed funds earned interest of £539k (£270k of which was transferred to HRA) giving an average rate of return of 1.84%.
- The comparable performance indicator is the 365 day backward looking SONIA rate, which was 0.9159%.
- The Council held £5m invested in Churches, Charities and Local Authorities (CCLA) property funds earning dividends of £201k (4.02%) in 2022/23.
- Interest received from 3 Rivers Ltd amounted to £856k in 2022/23.
- Interest received from Redlands Primary Care amounted to £75k in 2022/23.

7. Other Issues

7.1 IFRS 9 fair value of investments

7.1.1. Following the consultation undertaken by DLUHC on IFRS 9, the Government has extended the mandatory statutory override for local authorities to reverse out all unrealised fair value movements resulting from pooled investment funds to 31 March 2025. Local authorities are required to disclose the net impact of the unrealised fair value movements in a separate unusable reserve throughout the duration of the override in order for the Government to keep the override under review and to maintain a form of transparency.

7.1.2. Risk management will need to take account of the 2018/19 Accounting Code of Practice proposals for the valuation of investments. Whilst for many authorities, this may not be a significant issue, key considerations include:

- Expected credit loss model. Whilst this should not be material for vanilla treasury investments such as bank deposits, this is likely to be problematic for some investments such as property funds, loans to third parties or loans to subsidiaries.
- The valuation of investments previously valued under the available for sale category e.g. equity related to the “commercialism” agenda, property funds, equity funds and similar, have been changed to Fair Value through the Profit and Loss (FVPL).

7.2 Non-treasury management investments

- 7.2.1. As shown in the non-treasury investments table in section 4, the Authority holds a 100% interest in 3 Rivers Developments Limited (3 Rivers), a private limited company engaged in construction in the Mid Devon area. The Authority advances funds to the Company to facilitate operations with the intention that they are repaid from the proceeds of the sale of the developments.
- 7.2.2. During the year ended 31 March 2023, £6,540k was loaned to the Company. This brings the total loan value at 31 March 2023 to £20,075k. During the year £856k in interest was paid to the Authority in respect of these loans.
- 7.2.3. These loans are subject to overarching management review on a regular basis. This is reflected in the impairments of £4,527k provided for in the financial statements for 2022/23, which are additional to the impairments of £790k first provided for in 2019/20. These impairments do not necessarily mean that these amounts will never be recovered from 3 Rivers, rather they are a prudent provision based on possible outcomes given the company's current direction of travel.

8. Conclusion

- 8.1 Whilst 2022/23 has been far from that initially anticipated, it has provided the Council with significant additional income through its increased returns on investments, £731k above budget.
- 8.2 The Council continued its under borrowed position effectively utilising its balances to avoid additional debt financing costs. It also complied with all internal policies agreed by the previous Full Council and all requirements under the CIPFA Code of Practice.

Financial Implications

Good financial management and administration underpins the entire document. The Council's treasury position is constantly reviewed to ensure its continued financial health.

Legal Implications

Authorities are required by regulation to have regard to the Prudential Code when carrying out their duties under Part 1 of the Local Government Act 2003.

Risk Assessment

The S151 Officer is responsible for the administration of the financial affairs of the Council. Implementing this strategy and the CIPFA Code of Practice on Treasury Management manages the risk associated with the Council's treasury management activity.

Impact on Climate Change

The General Fund, Capital Programme and the Housing Revenue Account all contain significant investment in order to work towards the Council's Carbon Reduction Pledge.

Equalities Impact Assessment

No equality issues identified for this report.

Relationship to Corporate Plan

Maximising our return from all associated treasury activities enables the Council to support current levels of spending in accordance with our Corporate Plan.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett

Agreed by or on behalf of the Section 151

Date: 24/05/2023

Statutory Officer: Maria De Leiburne

Agreed on behalf of the Monitoring Officer

Date: 24/05/2023

Chief Officer: Stephen Walford

Agreed by or on behalf of the Chief Executive/Corporate Director

Date: 24/05/2023

Performance and risk: Dr Stephen Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

Date: 24/05/2023

Cabinet member notified: Yes.

Section 4 - Contact Details and Background Papers

Contact: Kieran Knowles, Principal Accountant & Procurement Manager

Email: kknowles@middevon.gov.uk

Telephone: 01884 24(4624)

Background papers: Treasury Management Strategy Statement 2022/23 (Council 23/02/2022) & Treasury Mid-Year Review 2022/23 (Council 14/12/2022)

Appendix 1: Investment Portfolio

Internally managed investments held as at 31 March:

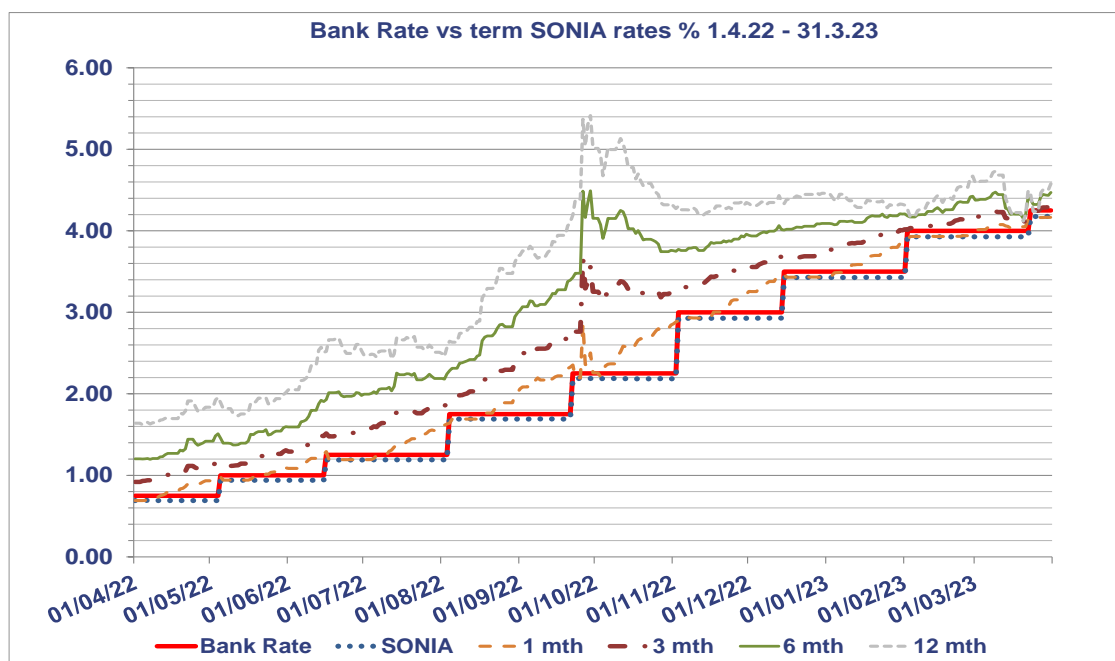
Bank/Building Society/Local Authority/PCC	Term		Fixed Interest Rate %	31/03/2022	31/03/2023
	From	To		£000	£000
Surrey Heath Borough Council	10/12/2021	10/06/2022	0.10%	2,000	
Thurrock Council	26/04/2021	25/04/2022	0.40%	2,000	
NBK International PLC	27/07/2021	27/07/2022	0.23%	1,500	
NBK International PLC	22/10/2021	21/10/2022	0.56%	1,500	
Lancashire County Council	25/10/2021	24/10/2022	0.15%	3,000	
Coventry BS	24/11/2021	24/05/2022	0.17%	4,000	
Surrey Heath Borough Council	16/12/2021	16/06/2022	0.10%	2,000	
Thurrock Council	16/12/2021	16/09/2022	0.18%	2,000	
Thurrock Council	14/01/2022	14/07/2022	0.20%	2,000	
Goldman Sachs International Bank	01/02/2022	01/08/2022	0.82%	3,000	
NBK International PLC	04/02/2022	03/02/2023	1.30%	2,000	
Slough Borough Council	15/02/2022	14/02/2023	1.10%	2,000	
Thurrock Council	25/10/2022	24/10/2023	3.55%		2,000
Thurrock Council	14/07/2022	14/04/2023	2.00%		2,000
London Borough of Croydon	24/10/2022	24/04/2023	4.00%		3,000
West Dunbartonshire Council	25/10/2022	25/07/2023	3.90%		2,000
NBK International PLC	15/11/2022	15/05/2023	3.92%		1,500
Santander	01/12/2022	01/06/2023	3.90%		2,500
Aberdeen City Council	26/01/2023	26/05/2023	3.60%		3,000
Total				27,000	16,000

Appendix 2: Market commentary provided by out Treasury Advisors (Link Group)

The strategy for 2022/23

Investment strategy and control of interest rate risk

The following chart shows how Bank Rate and SONIA (Sterling Overnight Index Average) rates have changed during the year.



Interest rate forecasts were initially suggesting only gradual rises in short, medium and longer-term fixed borrowing rates during 2022/23, but by August it had become clear that inflation was moving up towards 40-year highs. The Bank of England engaged in monetary policy tightening at every Monetary Policy Committee meeting during 2022, and into 2023, either by increasing Bank Rate by 0.25% or 0.5% each time. At the year end the CPI measure of inflation was still above 10% in the UK but is expected to fall back towards 4% by year end. Nonetheless, there remain significant risks to that central forecast.

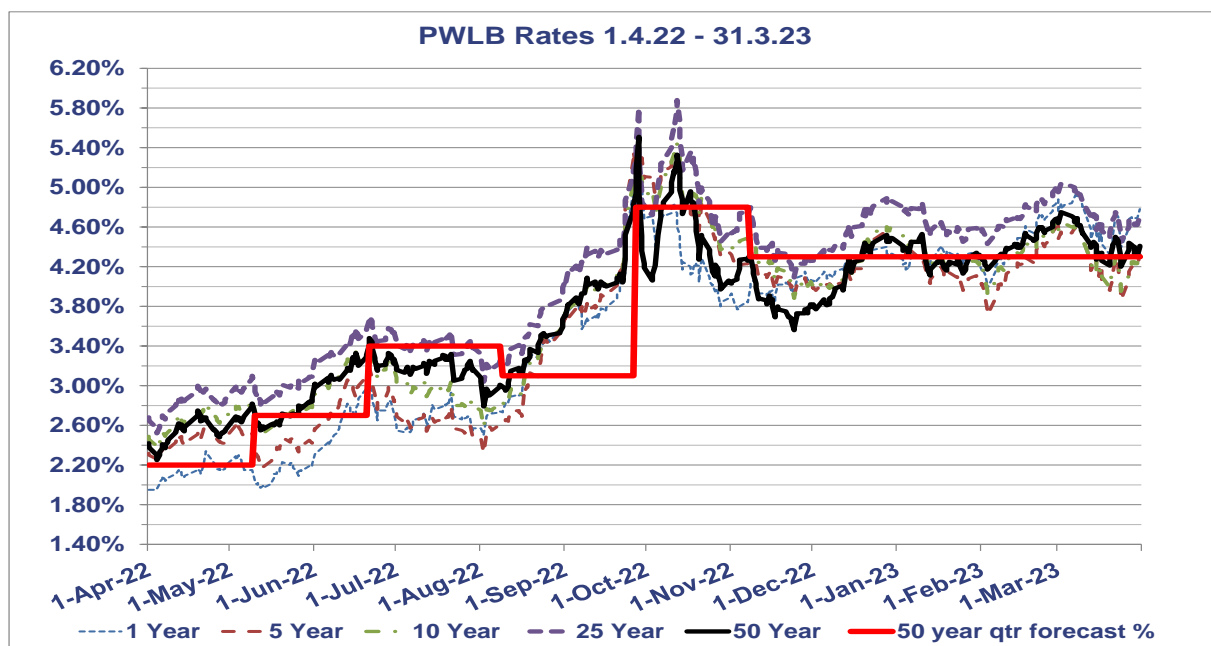
The sea-change in investment rates meant local authorities were faced with the challenge of pro-active investment of surplus cash for the first time in over a decade, and this emphasised the need for a detailed working knowledge of cash flow projections so that the appropriate balance between maintaining cash for liquidity purposes, and “laddering” deposits on a rolling basis to lock in the increase in investment rates as duration was extended, became an on-going feature of the investment landscape.

Through the autumn, and then in March 2023, the Bank of England maintained various monetary policy easing measures as required to ensure specific markets, the banking system and the economy had appropriate levels of liquidity at times of stress.

While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the Great Financial Crisis of 2008/09. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

Borrowing strategy and control of interest rate risk

PWLB rates during 2022/23 are illustrated by the following chart:



	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.95%	2.18%	2.36%	2.52%	2.25%
Date	01/04/20	13/05/20	04/04/20	04/04/20	04/04/20
High	5.11%	5.44%	5.45%	5.88%	5.51%
Date	28/09/20	28/09/20	12/10/20	12/10/20	28/09/20
Avera	3.57%	3.62%	3.76%	4.07%	3.74%
Sprea	3.16%	3.26%	3.09%	3.36%	3.26%

The following table shows forecast interest rates over the next three years:

Link Group Interest Rate View	27.03.23											
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
BANK RATE	4.50	4.50	4.25	4.00	3.50	3.25	3.00	2.75	2.75	2.50	2.50	2.50
3 month ave earnings	4.50	4.50	4.30	4.00	3.50	3.30	3.00	2.80	2.80	2.50	2.50	2.50
6 month ave earnings	4.50	4.40	4.20	3.90	3.40	3.20	2.90	2.80	2.80	2.60	2.60	2.60
12 month ave earnings	4.50	4.40	4.20	3.80	3.30	3.10	2.70	2.70	2.70	2.70	2.70	2.70
5 yr PWLB	4.10	4.10	3.90	3.80	3.70	3.60	3.50	3.40	3.30	3.20	3.20	3.10
10 yr PWLB	4.20	4.20	4.00	3.90	3.80	3.70	3.50	3.50	3.40	3.30	3.30	3.20
25 yr PWLB	4.60	4.50	4.40	4.20	4.10	4.00	3.80	3.70	3.60	3.50	3.50	3.40
50 yr PWLB	4.30	4.20	4.10	3.90	3.80	3.70	3.50	3.50	3.30	3.20	3.20	3.10

PWLB rates are based on gilt (UK Government bonds) yields through HM Treasury determining a specified margin to add to gilt yields. The main influences on gilt yields are Bank Rate, inflation expectations and movements in US treasury yields. In recent years many bond yields up to 10 years in the Eurozone turned negative on expectations that the EU would struggle to get growth rates and inflation up from low levels. In addition, there has, at times, been an inversion of bond yields in the US whereby 10-year yields have fallen below shorter-term yields. In the past, this has been a precursor of a recession.

However, since early 2022, yields have risen dramatically in all the major developed economies, first as economies reopened post-Covid-19; then because of the inflationary impact of the war in Ukraine in respect of the supply side of many goods. In particular, rising cost pressures emanating from shortages of energy and some food categories have been central to inflation rising rapidly. Furthermore, at present the Fed, ECB and Bank of England are all being challenged by persistent inflation that is exacerbated by very tight labour markets and high wage increases relative to what central banks believe to be sustainable.

Gilt yields have been on a continual rise since the start of 2022, peaking in the autumn of 2022. Currently, yields are broadly range bound between 3% and 4.25%. At the close of the day on 31 March 2023, all gilt yields from 1 to 50 years were between 3.64% and 4.18%, with the 1 year being the highest and 6-7.5 years being the lowest yield.

Regarding PWLB borrowing rates, the various margins attributed to their pricing are as follows:

PWLB Standard Rate is gilt plus 100 basis points (G+100bps)

PWLB Certainty Rate is gilt plus 80 basis points (G+80bps)

Local Infrastructure Rate is gilt plus 60bps (G+60bps)

There is likely to be a fall in gilt yields and PWLB rates across the whole curve over the next one to two years as Bank Rate first rises to dampen inflationary pressures and a tight labour market, and is then cut as the economy slows, unemployment rises, and inflation (on the Consumer Price Index measure) moves closer to the Bank of England's 2% target. As a general rule, short-dated gilt yields will reflect expected movements in Bank Rate, whilst medium to long-dated yields are driven primarily by the inflation outlook.

The Bank of England is also embarking on a process of Quantitative Tightening, but the scale and pace of this has already been affected by the Truss/Kwarteng "fiscal experiment" in the autumn of 2022 and more recently by the financial market unease with some US (e.g., Silicon Valley Bank) and European banks (e.g., Credit Suisse). The gradual reduction of the Bank's original £895bn stock of gilt and corporate bonds will be sold back into the market over several years. The impact this policy will have on the market pricing of gilts, while issuance is markedly increasing, is an unknown at the time of writing.

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Report for: Cabinet

Date of Meeting:	6 June 2023
Subject:	REVENUE AND CAPITAL OUTTURN 2022/23
Cabinet Member:	Cllr James Buczkowski, Cabinet Member for Finance
Responsible Officer:	Andrew Jarrett, Deputy Chief Executive (S151)
Exempt:	N/A
Wards Affected:	All
Enclosures:	Appendix 1a – General Fund Summary Appendix 1b – General Fund Service Variances Appendix 2 – HRA Summary and Variance Analysis Appendix 3 – Movement in Earmarked Reserves Appendix 4 – Capital Programme Summary

Section 1 – Summary and Recommendation(s)

To present the Revenue and Capital Outturn figures for the financial year 2022/23 for both the General Fund (GF) and Housing Revenue Account (HRA).

Recommendation(s):

That Cabinet consider the finance position reported and:

- 1. Note the General Fund Outturn achieved in 2022/23 which shows an overall over spend of £190k (1.38% on the Net Cost of Services Budget) and the Housing Revenue Account which shows an under spend of £312k (2.90% on the Total Direct Expenditure Budget).**
- 2. Approve the transfer of the £190k General Fund over spend to the General Fund Reserve which will decrease the balance to £2,025k; above the minimum recommended level of £2,000k. Similarly, approve the transfer of the £312k Housing Revenue Account surplus to the ring-fenced HRA Earmarked Reserves.**

3. **Approve the Net Transfers from Earmarked Reserves of £2,496k detailed in the General Fund Service Budget Variance Reports shown in Appendix 1a and 1b and summarised in Appendix 3. Similarly, approve the Net Transfers to HRA Earmarked Reserves of £312k as detailed in the HRA Budget Variance Report shown in Appendix 2 and summarised in Appendix 3.**
4. **Approve the slippage of £7,229k from the 2022/23 Capital Programme and the £29,940k for the schemes to be delivered in 2023/24 or later years. Also approve the virement as explained in para Error! Reference source not found. for the amalgamation of budgets for the modular developments.**
5. **Note the procurement waivers used in Quarter 4 of 2022/23, as outlined in Section Error! Reference source not found..**

Section 2 – Report

1.0 Executive Summary

- 1.1 This report contains information relating to the Council’s overall financial performance for the 2022/23 financial year. The Outturn figures included are provisional and subject to external audit; the findings of which are expected to be reported to Audit Committee in October this year.
- 1.2 Monitoring the Budget is an important part of the Council’s performance management framework. The aim is to keep a tight control on spending on services within a flexible budget management framework.
- 1.3 The Revenue Outturn position for the financial year 2022/23 is as follows:
 - The General Fund (GF) Revenue Outturn position for 2022/23 is a net over spend of £190k as shown in **Appendix 1a**. The table below assumes this is transferred to the General Fund Reserve. An explanation of variances at service level is included within **Appendix 1b**.
 - The HRA is a “Self-Financing” account for the Council’s Housing Landlord function, which is budgeted to “breakeven” (net of approved transfers to/from HRA Reserves). The HRA Outturn for 2022/23 is a net under spend of £312k as shown in **Appendix 2**. It is assumed this will be transferred to the ring-fenced HRA Earmarked Reserves, therefore the balance held on the HRA Reserve is unaffected.
- 1.4 Members should note that officers have also identified areas where the carry-forward of some unspent budgets will be beneficial to help mitigate the impact of financial pressures and commitments in 2023/24. These are proposed to be transferred into Earmarked Reserves. These are identified within the individual service summaries and within Appendix 3.
- 1.5 The Council continued to feel some legacy financial effects of Covid-19 in 2022/23 with income levels still recovering to pre-pandemic levels. It has also

incurred costs in supporting the Government deliver various grant schemes, particularly in relation to the Cost of Living Crisis. This has been partially compensated by a wide variety of additional grant payments, although some of this remains outstanding at the end of the year.

- 1.6 Along with all other businesses and households, the Council has had increased energy and fuel costs, along with increases in material and labour prices, leading to some significant variances in expenditure incurred, income collected and funding received.
- 1.7 Actual Capital expenditure across the financial year was £17,072k leaving a variance of £10,477k against the 2022/23 Deliverable Budget. Of which, £5,166k is an under spend, £1,918k is an over spend, and £7,229k will slip into future years. The status of the Capital Programme is shown at Appendix 4.
- 1.8 A summary of the Council's Treasury Management year end position is shown in Section **Error! Reference source not found.**. Further detail on the Treasury Management position is included within a separate report on this meeting agenda.

2.0 Introduction

- 2.1 Members of the Cabinet should note that the Outturn report is fundamentally a set of management reports that show the year-end position on all service areas. The Finance Team then have to turn these management reports into the statutory financial statements which are subject to a wide number of complex accounting rules that often significantly change the final picture of a service's financial position for the year. However, it is important to note that the bottom-line profit or loss for the year remains constant.
- 2.2 Members will be aware that the position can change between "in-year" projections and the final Outturn position, mainly due to demand-led service costs and income levels. The budget monitoring process involves a regular review of budgets. Budget Holders, with support and advice from their Accountants, review the position and update their forecasts based on currently available information and knowledge of service requirements for the remainder of the year. As with any forecast there is always a risk that assumptions and estimates will differ from the eventual outcome.
- 2.3 During the budget setting process, Budget Holders / Accountants continue to ensure that Revenue and Capital Budgets are set on a robust basis and take a prudent view of the likely levels of income and expenditure.

3.0 The General Fund

- 3.1 The summarised General Fund Revenue Outturn Position is provided in **Appendix 1a**, with more detail provided on a service-by-service basis shown in **Appendix 1b**.
- 3.2 Detailed budget monitoring reports were provided to both senior managers and Members throughout 2022/23. This monitoring focused on significant budget

variances (+/- £20k), including any remedial action where necessary leading to an estimated overall Outturn position. The final written in-year monitoring report considered by the Cabinet gave a detailed position as at 31 December 2022 and predicted an end of year over spend of £436k for the General Fund. Therefore the final position at £190k has improved, mainly due to the receipt of over £100k of Grant funding to compensate for the costs incurred in delivering the various grant schemes.

3.3 The table below shows the overall Budget, Actual and Variance, summarised for 2022/23.

Financial Summary for 2022/23	2022/23 Budget £	2022/23 Actual £	2022/23 Variance £
Total Net Cost of Services	13,778,396	13,823,811	45,415
Other Income and Expenditure	(3,517,236)	(3,111,982)	405,254
Total Net Budgeted Expenditure	10,261,160	10,711,829	450,669
Total Funding	(10,260,160)	(10,521,806)	(261,646)
Net Income and Expenditure	0	190,022	190,022

3.4 As described above, there have been some significant variances at an individual service level. A summary explanation of these key variances is shown in Appendix 1a, service by service. Appendix 1b also provides the detail of the key variances at individual service level to enable full transparency of the position.

3.5 Overarching Variances

3.5.1 **Covid-19 and Cost of Living Crisis**

The Covid-19 Pandemic continued to have a legacy impact on the Council's finances. Income generated in services such as Leisure continued to be below pre-pandemic levels, although have shown recovery during the year. Also, the Council has continued to be the vehicle chosen by Government to distribute various grants to local businesses and residents affected by the pandemic and the increase in energy prices. This has significantly diverted the team's attention and required additional staffing to cope with the additional requirements placed upon the Council. There has however been a number of one-off grants to mitigate the impact on staffing costs arising from the additional requirements such as the grant distribution. These requirements, and the associated financial support, looks set to continue in 2023/24.

3.5.2 **Local Government Pay Award**

During the year, the Local Government pay award was offered and accepted nationally. As a result of the Cost of Living Crisis, and the rising costs of energy, food and fuel, the uplift of £1,925 per FTE (broadly 6.5% on average) was significantly in excess of the 2% budget assumption. This added c£500k to our staffing costs within the General Fund and c£150k in the HRA.

3.5.3 Agency Costs

The Council continues to struggle with recruitment and retention and has had higher levels of sickness during the year. This has resulted in key services, particularly Waste and Planning having higher usage of agency staff than planned although this is partially offset by the vacancy underspends on the staffing establishment, leading to a net additional cost of £238k. Some of these additional agency costs will be further mitigated through the use of Earmarked Reserves.

3.5.4 Bin-it 123

In October 2022, the Council moved to collecting all non-recyclable waste every three weeks as part of the Council's drive to increase recycling and reduce waste. All other collections remain unchanged – with food waste collected weekly, dry recycling and garden waste (opt-in chargeable service) fortnightly. The implementation cost including providing the new Black Bins and recycling boxes, advertising campaign and additional staff time was £930k. This was largely covered by the planned drawdown from reserves of £762k. Recycling rates improved by 2% from 2021/22, placing us in the top 15% of Councils in the Country.

3.5.5 Homes for Ukraine / Homelessness

Across 2022/23 the Council managed the Homes for Ukraine scheme on behalf of the Government. During 2022/23 we assisted 282 Ukrainians through local host families, community support and subsistence payments at a cost of £650k. A number of staff have been deployed to support this scheme, therefore £80k of the funding has been allocated to cover that staffing cost.

We successfully bid for £141k of funding under the Rough Sleeping Initiative grant scheme and prevented 75 people from becoming rough sleepers.

3.5.6 Leisure VAT

In March 2023, the long awaited outcome of the legal challenge concluded that local authorities' leisure services are provided under a statutory framework and can therefore be treated as non-business for VAT purposes. As such, a significant refund dating back to 2011 is likely. This also means that moving forward, 20% VAT no longer needs to be passed to Government, meaning £300k+ on income is retained.

3.5.7 3 Rivers Developments Ltd (3Rivers)

The Council's subsidiary company, 3 Rivers Developments Ltd, has had a challenging year. It, along with all development companies, has suffered significant price increases for labour and materials. This has put pressure on the budgets for their live developments and on the potential future opportunities. Alongside, also as a consequence of the Cost of Living Crisis, the housing market has stagnated, adding further pressure as sales income is likely to be reduced.

In addition, towards the end of the financial year the council rejected three submitted business plans, only agreed to support the completion of the live development projects and agreed to commission an option appraisal report externally. This uncertainty has had a financial and confidence impact on the company's 2022/23 trading position and potential future going concern.

The company are currently finalising their trading accounts for the year and this will be made available once completed.

3.6 Key Service Variances from the Original Budget

3.6.1 **Car parks** – Car parking income has recovered a little from the reduced lower activity as a result of Covid-19 restrictions and less travel to work or shops. Overall, income was £69k above budget and over £100k above the previous year. This has been achieved across all areas of Pay & Display, Permits and Penalty Notices.

3.6.2 **Public Health** – This underspend is due to vacancy savings, additional S106 income mainly related to Pollution and additional grant funding to cover the additional costs of delivering Government schemes re Covid-19 and Homes for Ukraine. This was offset by agency costs to cover vacancies and the project costs incurred in developing the town centre CCTV solution with Exeter City Council. The majority of these variances have been earmarked to offset expenditure in 2023/24.

3.6.3 **General Fund Housing** – There has been a significant increase in the need to provide temporary accommodation. This has been offset by increases in rental income from those placed in the temporary accommodation and additional homelessness and rough sleeping grant funding.

3.6.4 **Human Resources** – the under spend has been driven by the decision to no longer upgrade the HR Software system. In addition, the service have received income for Apprenticeships and won an award for its outstanding commitment and contribution to the development of apprentice programmes.

3.6.5 **Legal and Democratic Services** – the elections service has had a number of unbudgeted events including a Boundary Review, a District and Parliamentary by-election. This has been more than offset by vacancy savings and lower costs including lower member allowance payments.

3.6.6 **Planning & Regeneration** – similar to Public Health, significant additional S106 income has been received which is proposed to be added to an earmarked reserve. Planning income has also over achieved by over £160k on budget. In addition, £800k of additional grant was received for further feasibility work on J28. The S106 funding and the majority of the grant funding has been earmarked to offset expenditure in 2023/24. This is partially offset by the costs

incurred through a planning appeal, which is part funded through a reserve created following previously lost appeals, but will now require replenishing. There is also significant delayed expenditure against planned projects, Crediton Masterplan, Cullompton HAZ and the Local Plan. This has also been earmarked to be spent in 2023/24.

3.6.7 Property Services – Salary underspends and delays in completing maintenance projects are partially offset by the increases in energy costs and minor reductions in rental income from the commercial property portfolio. The under spend has been earmarked to offset expenditure in 2023/24.

3.6.8 Revenues & Benefits – As stated above, additional grant funding has been received to compensate for the additional workload required to make the payments for the various Covid-19 and energy support related grant schemes. The reduction in Housing Benefit payments was greater than the reduction in the subsidy claim, giving a £40k gain. Similarly, there was an under spend against the Household Support Fund grant.

3.6.9 Recreation & Sport – Membership and fee income was £236k lower than budget as the service continues its recovery from the reduction in patronage as a result of Covid-19. The service has also been impacted by the higher than budgeted pay award, higher energy costs and increases in material prices. Priority over some planned maintenance work was given to moving two of the centres off mains gas to reduce their carbon footprint, which has been covered by Salix Funding and from Earmarked Reserves. The planned maintenance projects will now be undertaken in 2023/24.

3.6.10 Waste Services – the main reason for this overspend is the additional salary expenditure with over £300k additional cost across the Pay Award and the need for additional agency staffing to cover absences through vacancies, holiday, sickness and training. In addition, the service suffered from the significant increase in fuel costs. The roll out of Bin-it 123 was largely covered by the planned draw from the Earmarked Reserve, as was the vehicle maintenance and damage repairs. As a result of the increased recycling, income from recycling materials was significantly above budget, as was Garden and Bulky Waste, Trade Waste and the contribution from the Devon Shared Savings scheme.

3.6.11 Non-Service Area – Interest received on treasury investments were significantly higher (£229k) than budget due to rapid increase in interest rates following setting the budget. Increased interest charges on lending to 3 Rivers Developments Ltd also generated an additional £241k.

3.6.12 The Council has considered its outstanding loans to 3Rivers given the information available to it regarding the economic conditions and has concluded that it needs to impair some of the loans. If sales proceeds vary from the current

forecasts, and if the Council agree a new Business Plan for the company that enables them to progress with new developments, the position will be reviewed again. To mitigate the financial impact of the impairments, the Council will use the leisure VAT refund and remove/reduce the earmarked reserves set aside for Covid-19 recovery and a new Waste Depot site. The opportunity cost of utilising these funds means that should the Council still require a new Waste Depot, it will need to find alternative funding, most likely through borrowing, at additional cost.

4.0 Reserves

4.1 The General Fund Reserve is the major Revenue Reserve of the Council. It is increased or decreased by the surplus or deficit generated on the General Fund in the year. This reserve held a balance of £2,215k at the start of the year.

4.2 In 2022/23 the final £190k deficit generated in year is proposed to be transferred to this Reserve leaving a balance of £2,025k; above the recommended minimum level of £2,000k as agreed by Cabinet / Full Council as part of the budget recommendations.

4.3 During the 2023/24 budget setting process a number of late changes were required in order to agree the budget. Given the timing of these changes, it required funding to be taken from the General Fund Reserve, which will reduce the balance below the minimum £2,000k requirement. Cabinet, in consultation with the Deputy Chief Exec (S151), will need to consider whether the minimum level remains appropriate and assuming so, have a plan as to how and over what period it will be replenished back to the £2,000k minimum.

General Fund Reserve	Movement	Balance Held
Balance @ 31 March 2022		£2,215
In Year Movement (* Pre Audit)	(£190k)	
Balance @ 31 March 2023		£2,025
2023/24 Budget Drawdown	(£625k)	
Balance @ 1 April 2023		£1,400

4.4 In addition to the General Fund Reserve, the Council holds a number of Earmarked Reserves (EMRs) where service underspends are kept so that they can be used to help fund anticipated future expenditure commitments. The net movement is a reduction of £2,496k in these reserves and the end of year balances held on them are shown in Appendix 3.

4.5 The Council (in common with other public bodies) continues to face a difficult financial climate, therefore, it is prudent to retain robust balances to smooth the potential effect to the tax payer of further cuts. The level of Earmarked Reserves in this report further supports the forward planning of the organisation. This approach to financial management will help to deliver our corporate priorities during the short to medium term whilst mitigating the effect of any future cuts in

Government funding as we move towards becoming a self-financing organisation.

5.0 Housing Revenue Account (HRA)

5.1 This is a ring-fenced reserve in respect of the Council's housing landlord function. It is increased or decreased by the surplus or deficit generated on the HRA in the year. For 2022/23 the Outturn is a net surplus of £312k and Members are requested to approve a transfer to HRA reserves to bring this to zero.

5.2 Main budget variances during 2022/23 giving rise to the surplus of £312k include:

- £226k salary savings due to delays in filling vacancies, net of pay award;
- £151k lower recharge to the Disabled Facilities Grant due to lower demand for works;
- £350k additional materials costs due to inflationary pressures;
- £149k reduction in service recharges from the General Fund;
- £120k additional Rental Income received and lower bad debt write off;
- £247k additional investment income receipts due to increased interest rates;
- £101k lower interest charges than budgeted;
- £262k depreciation costs higher than budgeted;
- £799k additional Grant funding received from Homes England and One Public Estate to support the modular development projects.

For further details, please see the HRA Outturn Summary for 2022/23, which is attached as **Appendix 2** to this report.

5.3 Given the positive closing financial position delivered in 2022/23, it is recommended to transfer a sum of £312k into the ring-fenced HRA reserves, as shown below. This therefore leaves the HRA balance of £2,000k untouched as at 31 March 2023.

HRA Balance

HRA Balances Summary	Movement	Balance Held
HRA balance @ 31/03/2022		(£2,000)
Outturn saving achieved in 2022/23	(£312k)	
Net transfer to Renewable Energy Fund Reserve	£59k	
Net transfer to Affordable Rent Surplus Reserve	£11k	
Net transfer to Housing Maintenance Fund Reserve	£242k	
HRA balance @ 31/03/2023		(£2,000)

5.4 In addition to the above, the HRA holds a number of other Earmarked Reserves. The movements on these during 2022/23 and their closing balances

are shown on Appendix 3. This money is effectively “ring-fenced” and will be held to meet expenditure during 2023/24 and beyond.

6.0 The Collection Fund

- 6.1 Mid Devon is a Collection Authority for Council Tax and Non-Domestic Rates, and as such, is required to produce a Collection Fund Account for the Mid Devon area.
- 6.2 The Council collects Council Tax on behalf of Devon County Council, Devon Fire and Rescue Service, Devon & Cornwall Police and the Town/Parish Councils. The Council Tax collection rate for 2022/23 was 97.1% (96.6% in 2021/22). The budget was based upon a collection rate of 97.5% and therefore this resulted in a closing collection deficit of £553k for the year, with Mid Devon’s share of this amounting to £73k.
- 6.3 The Non-Domestic Rates collection rate was 96.8% for 2022/23 (98.6% in 2021/22). This has resulted in a closing collection deficit of £267k for the year, with Mid Devon’s 40% share of this amounting to £107k. In addition to this, the Devon Business Rates Pool is forecast to collectively make a surplus and Mid Devon’s share is forecast as £168k.
- 6.4 This demonstrates how our Revenues section has consistently been effective in collecting the annual charge in extremely challenging economic times.

7.0 Capital Outturn

- 7.1 It is important to recognise the difference between a Revenue and Capital under spend; Revenue is an under spend against a cash budget, Capital is an under spend against an outline approval. Therefore this does not necessarily result in a cash balance to carry forward, instead it generally leads to a lower Capital Financing Requirement (in essence lower borrowing).
- 7.2 A Capital Outturn summary is attached as Appendix 4 to this report. The total Capital Programme Approval was £70,896k, although much of this is planned to be spent in future years. Therefore a Deliverable Programme for 2022/23 of £27,549k was set. These schemes will continue to be funded as before through a mix of unspent Capital Grants, Capital Earmarked Reserves or Prudential Borrowing.
- 7.3 At the year-end £17,072k has been spent leaving a variance of £10,477k against the 2022/23 Deliverable Budget. Of which, £5,166k is an under spend, £1,918 is an over spend, and £7,229k will slip into future years. This can be explained by the following key variances.

£5,166k Under spend

- £3,929k 3Rivers Knowle Lane development following rejection of their Business Plan;
- £500k 3Rivers Post Hill development following rejection of their Business Plan the company could not submit their tender bid;
- £290k net lower than expected Right-to-Buy properties.

£1,918k Over spend

- £694k 3Rivers St George's development, due increased materials prices arising from the Cost Of Living Crisis;
- £86k additional Renewable Energy works;
- £111k upfront costs against a development scheme (Project 41) which has budget approved in 2023/24;
- £607k Post Hill development – tender submissions are currently being reviewed.

£7,229k Slippage into future years

- £3,642k Cullompton Town Centre Relief Road (HIF project) – following the second rejection of a bid for Levelling-up Funding – alternative funding options continue to be explored;
- £1,863k 3Rivers projects including Park Road should the Council approve further work for the company;
- £167k various projects planned to be completed within Leisure – prioritisation has been given to the Salix decarbonisation projects;
- £300k remodelling works and other minor works across the property portfolio – due to resourcing;
- £177k various IT infrastructure works – due to resourcing;
- £62k refurbishment works on the 2 recently purchased House of Multiple Occupation (HMO) to bring them into use;
- £744k various HRA development projects to be completed largely in 2023/24.

7.4 The expenditure has been funded by the use of £865k of Capital Receipts (including 1-4-1 receipts), £5,080k grant funding, £3,905k Revenue Contributions such as S106 or utilisation of reserves and £7,222k through internal borrowing. No further external borrowing has been required during the year.

7.5 The movement on the Capital Receipts Reserve for the year is given below:

Capital Receipts Reserve Summary	£k
Balance at 1 April 2022	(6,529)
Sale of Council Houses (12)	(1,610)
General Fund Sales	(35)
Pooling of Housing Capital Receipts to Government	0
Capital Receipts applied in year	865
Balance at 31 March 2023	(7,309)

Note – the remaining balance of £7,309k is committed in order to fund any slippage, specific projects in ICT and Private Sector Housing and to balance the Capital Medium Term Financial Plan.

- 7.6 Only £40k was required from the Capital Earmarked Reserve to fund capital projects; therefore the balance on this reserve remains at £215k as shown in Appendix 3. This remaining balance is committed to fund any slippage and to balance the Capital Medium Term Financial Plan.
- 7.7 The Council also holds New Homes Bonus which can be used for either Revenue or to support future Capital Programmes, the balance held at 31 March 2023 is £2,883k as shown in Appendix 3; again, of this remaining balance, £993k is committed to support the Capital Medium Term Financial Plan.
- 7.8 Approval is sought to transfer £500k budget from the Garages Redevelopment to the modular developments at St Andrew's and Shapland Place. These projects are interlinked and have always been considered one development project.

8.0 Treasury Management

- 8.1 A review of the 2022/23 investment performance, including the details of interest payable, are included within the separate 2022/23 Treasury Outturn Report on this meeting agenda.
- 8.2 During the year, the Council maintained an average balance of £28,619k of internally managed funds. These internally managed funds earned interest of £539k giving an average rate of return of 1.84%. The comparable performance indicator is the 365 days backward looking SONIA rate , which was 0.9159%.
- 8.3 As at the 31 March 2023, the Council had short term cash investments totalling £16,000k. In addition, the Council held £5,000k invested in Churches, Charities and Local Authorities (CCLA) Property Funds earning dividends of £201k (4.02%) in 2022/23.
- 8.4 The Authority holds a 100% interest in 3 Rivers Development Limited, a private limited company engaged in construction in the Mid Devon area. The Authority advances funds to the Company to facilitate operations with the intention that they are repaid from the proceeds of the sale of the developments.
- 8.5 During the year ended 31 March 2022, a further £6,540k was loaned to the Company and the total outstanding loan value at this date was £20,075k. During the year £856k interest was charged by the Authority in respect of these loans.

8.6 These loans are subject to overarching management review on a regular basis with any impairments made reported within both the periodic monitoring reports and in the year-end financial statements. The year-end review, carried out in compliance with IFRS 9 Financial Instruments, concluded that it was prudent to increase the impairment provision above and beyond the £790k impairment made in 2019/20 in respect of one of the project loans and the working capital loan was necessary. A further £4,527k has been impaired.

9.0 South West Mutual (SWM)

9.1 As reported within the Quarter 2 Monitoring Report, the South West Mutual (SWM) continues to struggle to gain legal approval to become a regional bank and secure a banking licence. Although a small number of new investment partners have had discussions, nothing firm has been secured. As such the Board are considering future options. One is to dissolve the Society. However the Board strongly favours effectively putting the organisation into hibernation, minimising costs etc. until such time as significant political or economic changes might present an opportunity to recommence a refreshed version of SWM and continue the work already completed. The Board will meet in May to agree next steps.

10.0 Procurement Waivers

10.1 In exceptional circumstances, there are sometimes justifiable reasons to act outside the contract procedure regulations. These include the following reasons:

- I. The work, goods or materials are urgently required, and loss would be entailed by delay arising from advertising;
- II. The work, goods or materials required are of such special nature that no advantage would accrue by inviting competitive tenders;
- III. There is no effective competition for the goods or materials required by reason of the fixing of prices under statutory authority or that such goods or materials are patented or proprietary articles or materials;
- IV. Transactions, which, because of special circumstances, may (either individually or as a class) be excepted from time to time by the Cabinet of the Council.

10.2 In such circumstances, prior written approval of the Deputy Chief Executive (S151) is required and Cabinet will be informed. Below is a list of the Procurement Waivers utilised during the third quarter of this financial year:

Ref	Subject of the Waiver	Approximate Value £	Reason Code
1	ICT Opentext RKYV Document Management System software maintenance renewal.	£18k	I, II and III
2	ICT – IDOX Core System Software Licence and maintenance.	£92k	I, II and III
3	Housing – Electronic Housing Management System, now Housing Enterprise, provided by MRI, formerly Orchard Housing System.	£48k	II
4	Housing – Housing Jigsaw Software, used for Housing Options.	£10k	I
5	HR & Payroll – Zellis Software, extension to contract until new CRM is in place and future requirements are understood.	£118k	I and II
6	HRA – Link Group – financial options appraisal for largescale development works	£15k	I and II
7	Leisure – Renewal of Public Surveillance System (PSS) CCTV at Lords Meadow	£15k	II

11.0 Conclusion

- 11.1 Members are asked to note the Revenue and Capital Outturn figures for the financial year 2022/23 and agree the proposed transfers to and from Earmarked Reserves of both surplus funds generated by in-year savings from both the General Fund and the HRA and funding required to offset planned or additional expenditure where necessary.
- 11.2 In addition, Members are requested to approve the ongoing projects on the 2022/23 Capital Programme be rolled forward into the 2023/24 Capital Programme.
- 11.3 Finally, Members are asked to note the use of Procurement Waivers as outline in Section 10.
- 11.4 Achieving an Outturn position close to budget is a significant achievement given the legacy impacts of Covid-19, the Cost of Living Crisis and the implications of the pay award settlement on the finances and is a credit to the financial management of the organisation.

Financial Implications

Good financial management and administration underpin the entire document. A surplus or deficit on the Revenue Budget will impact on the Council's General Fund balances. The Council's financial position is constantly reviewed to ensure its continued financial health.

Legal Implications

None.

Risk Assessment

Regular financial monitoring information mitigates the risk of over or underspends at year-end and allows the Council to direct its resources to key corporate priorities.

Members will be aware that the Council continues to face a financially difficult and uncertain future. As such, the Strategic Risk Register (monitored by Audit Committee) includes a specific risk relating to this issue (CR7).

Impact on Climate Change

The General Fund, Capital Programme and the Housing Revenue Account all contain significant investment in order to work towards the Council's Carbon Reduction Pledge.

Equalities Impact Assessment

No equality issues identified for this report

Relationship to Corporate Plan

The financial resources of the Council impact directly on its ability to deliver the Corporate Plan prioritising the use of available resources carried forward into 2023/24. The Outturn Report indicates how the Council's resources have been used to support the delivery of budgetary decisions

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett

Agreed by or on behalf of the Section 151

Date: 23/05/2023 via Leadership Team meeting

Statutory Officer: Maria De Leburne

Agreed on behalf of the Monitoring Officer

Date: 23/05/2023 via Leadership Team meeting

Chief Officer: Stephen Walford

Agreed by or on behalf of the Chief Executive/Corporate Director

Date: 23/05/2023 via Leadership Team meeting

Performance and risk: Dr Stephen Carr

Agreed by the Corporate Performance & Improvement Manager

Date: 24/05/2023

Cabinet member notified: No – awaiting confirmation of new Portfolio Holder.

Section 4 - Contact Details and Background Papers

Contact: Paul Deal, Corporate Manager for Finance, Property and Climate Change

Email: pdeal@middevon.gov.uk

Telephone: 01884 23(4254)

Background papers: Quarterly Monitoring reports to Cabinet
2022/23 Budget Report to Cabinet

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GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

	Budget 2022/23 £	Actual 2022/23 £	Variance 2022/23 £	To / (From) Earmarked Reserves 2022/23 £	variation after Earmarked Reserves 2022/23 £
Community Development	208,820	208,997	177	0	177
Corporate Management	1,702,694	1,006,330	(696,364)	(1,062,800)	(1,759,164)
Car Parks	(489,680)	(529,139)	(39,459)	25,000	(14,459)
Customer Services	749,318	706,394	(42,924)	0	(42,924)
Public Health	948,074	786,404	(161,670)	52,231	(109,439)
Finance and Procurement	773,070	794,864	21,794	(16,720)	5,074
Grounds Maintenance	559,523	528,245	(31,278)	(11,316)	(42,594)
General Fund Housing	269,192	175,628	(93,564)	5,099	(88,465)
Human Resources	616,470	510,636	(105,834)	0	(105,834)
I.T. Services	1,337,150	1,361,715	24,565	(40,891)	(16,326)
Legal and Democratic Services	1,182,601	1,069,825	(112,776)	0	(112,776)
Planning and Regeneration	1,921,549	6,102	(1,915,447)	1,756,318	(159,129)
Property Services	1,610,240	1,070,756	(539,484)	542,785	3,301
Revenues and Benefits	608,000	461,461	(146,539)	(19,999)	(166,538)
Recreation and Sport	903,485	1,482,360	578,875	35,867	614,742
Waste Services	1,905,790	2,880,908	975,118	(761,219)	213,898
ALL GENERAL FUND SERVICES	14,806,296	12,521,486	(2,284,810)	504,355	(1,780,455)
Net recharge to HRA	(1,714,560)	(1,565,938)	148,622	0	148,622
Statutory Adjustments (Capital Charges)	686,660	2,868,262	2,181,602	96,720	2,278,323
NET COST OF SERVICES	13,778,396	13,823,811	45,415	601,075	646,490
					0
Finance Lease Interest Payable	152,600	156,995	4,395	0	4,395
Interest Charged Between GF and HRA	(41,952)	(39,450)	2,502	0	2,502
Interest Receivable / Payable on Other Activities	(35,405)	85,612	121,017	0	121,017
Interest Receivable on Investments	(915,256)	(1,401,464)	(486,208)	0	(486,208)
Transfers into Earmarked Reserves (see Appendix 3)	1,759,064	5,507,521	3,748,457	27	3,748,484
Transfers from Earmarked Reserves (see Appendix 3)	(4,436,287)	(8,003,059)	(3,566,772)	0	(3,566,772)
Revenue contribution to fund 2022/23 Capital Programme	0	581,861	581,861	(581,861)	0
TOTAL EXPENDITURE	10,261,160	10,711,828	450,668	19,241	469,909
FUNDED BY:-					
Business Rates					
Non-Domestic Rates	(1,082,910)	(1,223,594)	(140,684)	0	(140,684)
S31 Grant associated with Covid-19 Reliefs	(2,449,280)	(2,328,582)	120,698	162,445	283,143
Non-Domestic Rates Prior Year (Surplus)/Deficit	1,677,640	1,648,280	(29,360)	0	(29,360)
Business Rates Benefit from Devon Pool	0	(168,000)	(168,000)	0	(168,000)
Council Tax					
Council Tax - (Band D at £213.84)	(6,523,930)	(6,523,929)	1	0	1
Collection Fund Prior Year (Surplus)/Deficit	(401,030)	(401,035)	(5)	0	(5)
S31 Grant - Family Annexe	(21,000)	(34,484)	(13,484)	0	(13,484)
Unringfenced Grants					
New Homes Bonus Grant	(719,072)	(719,072)	0	0	0
Rural Services Delivery Grant	(489,742)	(489,742)	0	0	0
Lower Tier Services Grant	(99,272)	(101,242)	(1,970)	0	(1,970)
2022/23 Services Grant	(152,564)	(152,564)	0	0	0
Other Grants	0	(27,842)	(27,842)	0	(27,842)
TOTAL FUNDING	(10,261,160)	(10,521,806)	(260,646)	162,445	(98,201)
NET INCOME AND EXPENDITURE	0	190,022	190,022	181,686	371,708

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GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Community Development

Code	Community and Development	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	86,560	87,162	602	0.7%
2000	Premises	47,980	63,147	15,167	31.6%
3000	Transport	0	0	0	0.0%
4000	Supplies and Services	161,570	152,030	(9,540)	-5.9%
Total Direct Expenditure		296,110	302,338	6,228	2.1%
7000	External Income	(87,290)	(93,341)	(6,051)	-6.9%
Net Direct Expenditure		208,820	208,997	177	0.1% (a)
Total Community and Development Expenditure		208,820	208,997	177	0.1%
Community and Development - Service units					
CD200	Community Development	138,500	138,500	0	0.0%
CD300	Tiverton Pannier Market	70,320	71,219	899	1.3%
CD305	Market - Electric Nights	0	(722)	(722)	0.0%
CD400	Crediton Market Square	0	0	0	0.0%
Total Community and Development Expenditure		208,820	208,997	177	0.1%
				£	£
Total Expenditure Variation					177 (a)
Major Cost Changes					
Major Cost Savings					
					0
Major Changes in Income Levels					
					0
Minor Variations					
					177
Total Expenditure Variation					177 (a)
EARMARKED RESERVES					
Utilised 2022/23					
Proposed contribution c/fwd to 2023/24					
					0
Net movement in earmarked reserves					
					0
Total Expenditure variation after Earmarked Reserves					177

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Corporate Management

Code	Corporate	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	1,487,354	1,495,763	8,409	0.6%
2000	Premises	0	0	0	0.0%
3000	Transport	1,200	1,262	62	5.2%
4000	Supplies and Services	214,140	2,621,947	2,407,807	1124.4%
Total Direct Expenditure		1,702,694	4,118,973	2,416,279	141.9%
7000	External Income	0	(3,112,643)	(3,112,643)	0.0%
Net Direct Expenditure		1,702,694	1,006,330	(696,364)	-40.9% (a)
Total Corporate Expenditure		1,702,694	1,006,330	(696,364)	-40.9%
Corporate Management Service Units					
CM100	Leadership Team	534,019	514,415	(19,604)	-3.7%
CM205	Performance and Improvement	0	82,883	82,883	0.0%
CM210	Data Protection	100,260	66,313	(33,947)	-33.9%
CM300	Corporate Fees/charges	258,730	(356,549)	(615,279)	-237.8%
CM310	Corporate Performance	0	0	0	0.0%
CM340	Unison	8,205	1,917	(6,288)	-76.6%
CM350	Housing Commission	0	(97,200)	(97,200)	0.0%
CM600	Pension Backfunding	801,480	794,551	(6,929)	-0.9%
Total Corporate Expenditure		1,702,694	1,006,330	(696,364)	-40.9%
Total Expenditure Variation					(696,364) (a)
Major Cost Changes					
CM205	Salary costs for new posts			82,700	
CM210	Consultancy costs as interim supprt			7,200	
CM100	Executive Assistant post not budgeted			15,300	
CM300	Overspend on bank transaction fees			30,700	
CM300	Additional external audit fees - Previous years			9,500	
CM300	Additional external audit fees - Current financial year			22,000	
CM300	Adjustment to impairment provision			2,341,500	
					2,508,900
Major Cost Savings					
CM210	Salary savings due to restructure			(40,500)	
CM100	Recharge of salaries to capital project			(23,500)	
CM100	Salary underspend excl. Executive Assistant post			(7,500)	
CM300	Apprenticeship levy underspend			(8,000)	
CM300	Underspend in Unison budget			(6,280)	
CM300	Underspend on past service costs - pension			(5,500)	
CM300	Bad Debt Provision for the year has reduced to reflect lower levels of long term debt			(10,000)	
					(101,280)
Major Changes in Income Levels					
CM300	Corporate VAT refund			(2,998,700)	
CM350	Devon Housing Commission Pool - Contributions			(97,200)	
					(3,095,900)
Minor Variances					(8,084)
Total Expenditure Variation					(696,364) (a)
EARMARKED RESERVES					
Utilised 2022/23					
CM300	EQ791 – Post Covid-19 Income Recovery - no longer required			(500,000)	
CM300	EQ769 – Waste Infrastructure – partial offset of impairment adjustment			(660,000)	
Proposed contribution c/fwd to 2023/24					
CM350	ER011 - Devon Housing Commission Pool			97,200	
Net movement in earmarked reserves					(1,062,800)
Total Expenditure variation after Earmarked Reserves					(1,759,164)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Car Parks

Code	Car Parks	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	0	0	0	0.0%
2000	Premises	214,450	229,066	14,616	6.8%
3000	Transport	0	0	0	0.0%
4000	Supplies and Services	71,400	86,337	14,937	20.9%
Total Direct Expenditure		285,850	315,403	29,553	10.3%
7000	External Income	(775,530)	(844,542)	(69,012)	-8.9%
Net Direct Expenditure		(489,680)	(529,139)	(39,459)	-8.1% (a)
Total Car Park Expenditure		(489,680)	(529,139)	(39,459)	-8.1%
Car Park - Service units					
CP520	Multi-Storey Car Park (MSCP)	(94,980)	(63,072)	31,908	-33.6%
CP530	Amenity Car Parks	16,740	18,993	2,253	13.5%
CP540	Paying Car Parks	(411,440)	(485,060)	(73,620)	17.9%
Total Car Park Expenditure		(489,680)	(529,139)	(39,459)	-8.1%
				£	£
Total Expenditure Variation					(39,459) (a)
Major Cost Changes					
CP540	Additional income collection fees			16,000	56,000
Major Cost Savings					
CP520	Specific maintenance projects underspend (off-set by EMR)			(25,000)	(25,000)
Major Changes in Income Levels					
CP540	Increase in pay & display income			(12,000)	
CP540	Increase in permit income			(37,000)	
CP540	Increased income from penalty charge notices			(19,000)	(68,000)
Minor Variations					(2,459)
Total Expenditure Variation					(39,459) (a)
EARMARKED RESERVES					
Utilised 2022/23					
Proposed contribution c/fwd to 2023/24					
CP520	EQ706 - Specific project maintenance underspend			25,000	
Net movement in earmarked reserves					25,000
Total Expenditure variation after Earmarked Reserves					(14,459)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Customer Services

Code	Customer Services	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	693,218	654,283	(38,936)	-5.6%
2000	Premises	0	0	0	0.0%
3000	Transport	1,290	0	(1,290)	-100.0%
4000	Supplies and Services	54,810	52,352	(2,458)	-4.5%
Total Direct Expenditure		749,318	706,634	(42,684)	-5.7%
7000	External Income	0	(240)	(240)	0.00%
Net Direct Expenditure		749,318	706,394	(42,924)	-5.7% (a)
Total Customer Services Expenditure		749,318	706,394	(42,924)	-5.7%
Customer Services - Service units					
CS200	Communications	97,580	107,346	9,766	10.0%
CS900	Central Photocopying	4,530	3,194	(1,336)	-29.5%
CS902	Central Postage	19,190	27,418	8,228	42.9%
CS930	Customer First Management	176,572	185,201	8,629	4.9%
CS932	Customer First	451,446	383,236	(68,210)	-15.1%
Total Customer Services Expenditure		749,318	706,394	(42,924)	-5.7%
Total Expenditure Variation				£	£
					(42,924) (a)
CS200	Pay award and software costs			9,700	
CS902	Equipment purchase and Maintenance costs			8,200	
CS930	Pay award and overtime costs			10,200	
					28,100
Major Cost Savings					
CS932	Salary underspend due to vacancies			(55,660)	
CS932	Supplies and Services underspend			(12,200)	
					(67,860)
Major Changes in Income Levels					
					0
Minor Variations					
					(3,164)
Expenditure Variation					(42,924) (a)
EARMARKED RESERVES					
Utilised 2022/23					
Proposed contribution c/fwd to 2023/24					
Net movement in earmarked reserves					0
Total Expenditure variation after Earmarked Reserves					(42,924)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Public Health

Code	Public Health	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	945,570	888,317	(57,253)	-6.1%
2000	Premises	236,640	324,120	87,480	37.0%
3000	Transport	29,944	25,200	(4,744)	-15.8%
4000	Supplies and Services	120,640	167,104	46,464	38.5%
	S106 Expenditure	0	0	0	0.0%
	Total Direct Expenditure	1,332,794	1,404,741	71,947	5.4%
7000	External Income	(384,720)	(500,219)	(115,499)	-30.0%
	S106 contributions	0	(118,117)	(118,117)	0.0%
	Net Direct Expenditure	948,074	786,404	(161,670)	-17.1% (a)
	Total Public Health Expenditure	948,074	786,404	(161,670)	-17.1%
	Public Health - Service units				
CB100	Cemeteries	(85,640)	(70,774)	14,866	17.4%
CB101	Cemetery Lodge	(7,560)	(7,502)	58	0.8%
CB110	Bereavement Services	25,970	27,244	1,274	4.9%
PS200	CCTV Initiatives	16,390	91,701	75,311	459.5%
PH250	Community Safety	6,070	1,925	(4,145)	-68.3%
PH252	Building Safer Community Fund	0	1,327	1,327	0.0%
PH260	Food Protection	(1,400)	(2,224)	(824)	-58.9%
PH270	Water Quality Monitoring	(23,940)	(13,846)	10,094	42.2%
EE360	Dog Warden	3,990	3,985	(5)	-0.1%
ES360	Dog Warden	0	0	0	0.0%
OS450	Parks and Open Spaces	74,260	79,032	4,772	6.4%
ES450	Parks and Open Spaces	0	0	0	0.0%
OS455	Amory Park	49,300	17,225	(32,075)	-65.1%
ES455	Amory Park	0	0	0	0.0%
OS460	Play Areas	56,630	126,288	69,658	123.0%
PH500	Emergency Planning	7,500	7,462	(38)	-0.5%
PH550	Licensing	(115,650)	(110,530)	5,120	4.4%
FM580	Pool Car Running Costs	1,884	5,648	3,764	199.8%
PH600	Pest Control	2,500	870	(1,630)	-65.2%
PH660	Control of Pollution	17,300	(97,373)	(114,673)	-662.8%
PH670	Local Air Pollution	(10,050)	(9,468)	582	5.8%
EE730	Environmental Enforcement	137,150	137,862	712	0.5%
PH733	Environmental Health	655,180	476,470	(178,710)	-27.3%
PH740	Licensing Unit	139,680	128,828	(10,852)	-7.8%
	Total Public Health Expenditure	948,074	786,404	(161,670)	-17.1%
				£	£
	Total Expenditure Variation				(161,670) (a)
	Major Cost Changes				
	Public Health agency overspend to cover vacant posts (off-set by salary underspend & external grant funding)			64,000	
PH733					
PH740	Licensing agency overspend to cover vacant posts (off-set by salary underspend)			34,000	
PS200	CCTV Town Centre management project spend (off-set by EMR)			78,400	
OS460	Play Areas maintenance overspend (partially off-set by EMR)			41,000	
OS460	Contribution towards play area Chestnut Drive now under Parish control (off-set by EMR)			29,784	
					247,184
	Major Cost Savings				
PH733	Public Health salary underspend due to vacant posts (off-set with agency costs above)			(102,000)	
PH740	Licensing salary underspend due to vacant posts (off-set with agency costs above)			(45,000)	
CB100	Cemetery specific project maintenance underspend (off-set by EMR)			(12,000)	
OS445	Amory Park specific project maintenance underspend (off-set by EMR)			(35,000)	
					(194,000)
	Major Changes in Income Levels			£	£
CB100	Cemetery income down against budget			19,000	
PH733	Contain Outbreak Management Fund (COMF) grant income received (off-set by EMR)			(55,000)	
PH733	Homes for Ukraine grant funding			(80,000)	
PH260	Income down for Private water sampling due to staffing vacancies			17,000	
					(99,000)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Public Health

Minor Variations		263
SERVICE MOVEMENT BEFORE STATUTORY ADJUSTMENTS		(45,553)
PH660	S106 receipts (see EMR below) Control of Pollution	(118,117)
Total Expenditure Variation		(163,670) (a)
EARMARKED RESERVES		
Utilised 2022/23		
EE730	EQ710 - Purchase of body cameras	(1,920)
EE730	EQ756 - Vehicle maintenance and damage costs	(1,115)
PS200	EQ709 - CCTV Town Centre management project	(78,400)
OS460	EQ767 - Play Area maintenance overspend	(33,000)
OS460	EQ653 - Contribution towards play area Chestnut Drive	(29,784)
PH733	ER003 - COMF utilisation towards budgeted staffing costs	(26,049)
Proposed contribution c/fwd to 2023/24		
PH660	S106 - Air Quality	118,117
FM580	EQ756 - Reduced vehicle maintenance and damage costs	2,381
CB100	EQ766 - Cemetery specific project maintenance underspend	12,000
OS455	ER005 - Amory Park specific project maintenance underspend	35,000
PH733	ER003 - COMF grant income received	55,000
Net movement in earmarked reserves before statutory adjustments		52,231
Total Expenditure variation after Earmarked Reserves		(111,439)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Finance and Procurement

Code	Finance and Procurement	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	567,210	583,829	16,619	2.9%
2000	Premises	0	0	0	0.0%
3000	Transport	250	0	(250)	-100.0%
4000	Supplies and Services	206,110	217,989	11,879	5.8%
	Total Direct Expenditure	773,570	801,818	28,248	3.7%
7000	External Income	(500)	(6,954)	(6,454)	-1290.74%
	Net Direct Expenditure	773,070	794,864	21,794	2.8% (a)
	Total Finance and Procurement Expenditure	773,070	794,864	21,794	2.8%
	Finance and Procurement - Service units				
FP100	Accountancy Services	478,460	493,817	15,357	3.2%
FP200	Internal Audit	97,480	93,791	(3,689)	-3.8%
FP300	Procurement	101,340	103,444	2,104	2.1%
FP400	Purchase Ledger	48,460	52,879	4,419	9.1%
FP500	Sales Ledger	47,330	50,933	3,603	7.6%
	Total Finance and Procurement	773,070	794,864	21,794	2.8%
				£	£
	Total Expenditure Variation				21,794 (a)
FP100	Salary costs related to pay award			18,000	
FP100	AIM & ACR Software Upgrade to version 13			20,070	
					38,070
	Major Cost Savings				
FP100	Reduced CPD training requirement in 2022-23			(3,470)	
FP100	General consultancy not required in 2022-23			(3,000)	
FP300	Partnership working underspend			(3,660)	
FP100	Reduced requirement on Books/Publications/Newspapers spend			(2,280)	
					(12,410)
	Major Changes in Income Levels				
					0
	Minor Variations				(3,866)
	Total Expenditure Variation				21,794 (a)
	EARMARKED RESERVES				
	Utilised 2022/23				
FP100	EQ749 - AIM & ACR Software Upgrade to version 13			(16,720)	
	Proposed contribution c/fwd to 2023/24				
	Net movement in earmarked reserves				(16,720)
	Total Expenditure variation after Earmarked Reserves				5,074

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Grounds Maintenance

Code	Grounds Maintenance	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	501,150	490,065	(11,085)	-2.2%
2000	Premises	0	0	0	0.0%
3000	Transport	84,717	85,564	847	1.0%
4000	Supplies and Services	22,940	49,405	26,465	115.4%
	Total Direct Expenditure	608,807	625,033	16,226	2.7%
7000	External Income	(49,284)	(96,788)	(47,504)	-96.39%
	Net Direct Expenditure	559,523	528,245	(31,278)	-5.6% (a)
	Total Grounds Maintenance Expenditure	559,523	528,245	(31,278)	-5.6%
	Grounds Maintenance - Service units				
GM960	Grounds Maintenance	559,523	528,245	(31,278)	-5.6%
	Total Grounds Maintenance Expenditure	559,523	528,245	(31,278)	-5.6%
				£	£
	Total Expenditure Variation				(31,278) (a)
	Major Cost Changes				
GM960	Agency costs to cover vacancies			28,520	
GM960	Purchases of small plant and equipment			21,500	
	Major Cost Savings				
GM960	Salary savings due to vacancies			(32,750)	
					(32,750)
	Major Changes in Income Levels				
GM960	Additional internal income			(31,000)	
GM960	Proceeds from sale of grave digger			(9,000)	
GM960	Additional grass cutting contributions and sponsorship			(7,350)	
					(47,350)
	Minor Variations				(1,198)
	Total Expenditure Variation				(31,278) (a)
	EARMARKED RESERVES				
	Utilised 2022/23				
	EQ760 - Purchase of hedge trimmer flail			(15,540)	
	EQ760 - Purchase of trailer			(3,200)	
	EQ756 - Vehicle maintenance and damage costs			(1,576)	
	Proposed contribution c/fwd to 2023/24				
	EQ760 - Sale proceeds used to purchase capital replacement			9,000	
	Net movement in earmarked reserves				(11,316)
	Total Expenditure variation after Earmarked Reserves				(42,594)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

General Fund Housing

Code	General Fund Housing	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	407,477	438,514	31,037	7.6%
2000	Premises	22,240	14,808	(7,432)	-33.4%
3000	Transport	7,300	3,950	(3,350)	-45.9%
4000	Supplies and Services	438,305	758,734	320,429	73.1%
	Total Direct Expenditure	875,322	1,216,006	340,684	38.9%
7000	External Income	(606,130)	(1,040,377)	(434,247)	-71.64%
	Net Direct Expenditure	269,192	175,628	(93,564)	-34.8% (a)
	Total General Fund Housing Services Expenditure	269,192	175,628	(93,564)	-34.8%
	General Fund Housing - Service units				
PH320	Housing and Homelessness Advice	(59,490)	33,449	92,939	156.2%
PH325	Homes for Ukraine	0	0	0	0.0%
PH345	Rough Sleeping Initiative	35,380	(78,726)	(114,106)	-322.5%
PH349	Domestic Abuse Duty	9,875	(35,625)	(45,500)	-460.8%
HG350	Community Alarms	(91,433)	(91,917)	(484)	-0.5%
PH373	Homelessness and Enabling Team	329,750	334,247	4,497	1.4%
PH376	Ivor Macey House Project	45,110	13,377	(31,733)	-70.3%
PH377	1 Belmont Road	0	103	103	0.0%
PH378	5 St Paul's Street	0	721	721	0.0%
	Total General Fund Housing Services Expenditure	269,192	175,628	(93,564)	-34.8%
	Total Expenditure Variation			£	£
					(93,564) (a)
	Major Cost Changes				
PH373	Housing Options staffing overspend on agency and recruitment costs (off-set by EMR)			14,100	
PH320	Homelessness supplies & services overspend due to increase cost for temp accommodation (partially off-set by grant income & EMR)			353,200	
					367,300
	Major Cost Savings				
PH376	Ivory Macey House homelessness expenditure underspend (off-set overall Homelessness overspend)			(17,000)	
PH376	Underspend on supplies & services due to termination of YMCA contract as now done in-house (off-set by EMR)			(9,000)	
					(26,000)
	Major Changes in Income Levels				
PH320/PH376	Increased income from licence rents received from Homelessness temp accommodation			(161,700)	
PH320	Additional Homelessness support grant received			(31,845)	
PH320	Asylum grant received			(18,000)	
PH325	Homes for Ukraine income received to off-set HFU scheme			(35,757)	
PH345	Rough sleepers initiative grant received			(129,310)	
PH349	Domestic Abuse grant received			(37,760)	
PH373	Homes for Ukraine income to off-set Homelessness staffing costs			(7,953)	
PH354	Additional MEES grant & other small general fund grant repayments received			(11,500)	
					(433,825)
	Minor Variations				(666)
	Total Expenditure Variation				(93,191) (a)
	EARMARKED RESERVES				
	Utilised 2022/23				
PH373	ER002 - MEES funding to off-set salary overspend in Homelessness			(3,901)	
	Proposed contribution c/fwd to 2023/24				
PH376	EQ742 - YMCA contract underspend			9,000	
	Net movement in earmarked reserves				5,099
	Total Expenditure variation after Earmarked Reserves				(88,092)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Human Resources

Code	Human Resources	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	494,370	490,631	(3,739)	-0.8%
2000	Premises	0	0	0	0.0%
3000	Transport	2,230	2,174	(56)	-2.5%
4000	Supplies and Services	119,870	38,814	(81,056)	-67.6%
Total Direct Expenditure		616,470	531,619	(84,851)	-13.8%
7000	External Income	0	(20,984)	(20,984)	0.00%
Net Direct Expenditure		616,470	510,636	(105,834)	-17.2% (a)
Total Human Resources Expenditure		616,470	510,636	(105,834)	-17.2%
Human Resources - Service units					
HR100	Human Resources	456,640	369,312	(87,328)	-19.1%
HR200	Staff Development Training	25,000	11,086	(13,914)	-55.7%
HR300	Payroll	40,960	48,178	7,218	17.6%
HR400	Learning and Development	53,430	41,822	(11,608)	-21.7%
HR600	Health and Safety Officer	40,440	40,237	(203)	-0.5%
Total Human Resources Expenditure		616,470	510,636	(105,834)	-17.2%
Total Expenditure Variation				£	£
					(105,834) (a)
HR300	Pay award and additional pay			7,950	
					7,950
Major Cost Savings					
HR100	Salary saving due to vacancy			(16,970)	
HR100	Upgrade to HR software no longer migrating to cloud			(68,700)	
HR100	Consultancy costs for ER support not required			(6,000)	
HR400	Learning & Development software platform cost allocated to correct year			(10,200)	
					(101,870)
Major Changes in Income Levels					
Apprentice funding from Exeter College, Petroc and Department for Education				(10,500)	(10,500)
Minor Variations					
					(1,414)
Total Expenditure Variation					(105,834) (a)
EARMARKED RESERVES					
Utilised 2022/23					
Proposed contribution c/fwd to 2023/24					
Net movement in earmarked reserves					0
Total Expenditure variation after Earmarked Reserves					(105,834)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

ICT Services

Code	ICT Services	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	704,640	671,296	(33,344)	-4.7%
2000	Premises	0	0	0	0.0%
3000	Transport	970	541	(429)	-44.2%
4000	Supplies and Services	632,140	700,557	68,417	10.8%
Total Direct Expenditure		1,337,750	1,372,394	34,644	2.6%
7000	External Income	(600)	(10,680)	(10,080)	-1679.93%
Net Direct Expenditure		1,337,150	1,361,715	24,565	1.8% (a)
Total ICT Services Expenditure		1,337,150	1,361,715	24,565	1.8%
ICT - Service units					
IT100	Gazetteer Management	76,400	59,818	(16,582)	-21.7%
IT200	IT Projects	0	171,491	171,491	0.0%
IT300	Central Telephones	37,100	40,625	3,525	9.5%
IT400	ICT Network and Hardware	98,440	81,234	(17,206)	-17.5%
IT500	ICT Software Support and Maint.	315,290	292,870	(22,420)	-7.1%
IT600	ICT Staff Unit	381,100	442,415	61,315	16.1%
IT700	Cyber Security	151,380	58,006	(93,374)	-61.7%
IT800	Phoenix House Printing	11,300	12,482	1,182	10.5%
IT900	Digital Services	266,140	202,773	(63,367)	-23.8%
Total ICT Services Expenditure		1,337,150	1,361,715	24,565	1.8%
Total Expenditure Variation				£	£
					24,565 (a)
Major Cost Changes					
IT200	IT projects moved from Capital - fully EMR funded			171,490	
IT600	Pay award and move of post from IT900 to IT600			27,690	
IT600	Revs & Bens support costs			35,340	
					234,520
Major Cost Savings					
IT100	Salary saving due to vacancy			(12,860)	
IT400	Data lines now partially charged direct to services			(14,440)	
IT500	Multi-Factor Authentication reduced in year costs			(12,000)	
IT500	Reduced software costs			(10,700)	
IT700	Delayed IT Health Check - underspend move to EMR			(9,000)	
IT700	Delayed Disaster Recovery - underspend moved to EMR			(78,000)	
IT900	Salary saving due to vacant post and post moved to IT600. £43.6k moved to EMR			(66,500)	
					(203,500)
Major Changes in Income Levels					
					0
Minor Variations					
					(6,455)
Total Expenditure Variation					24,565 (a)
EARMARKED RESERVES					
Utilised 2022/23					
IT200	ER001 - Cyber Grant expenditure			(13,973)	
IT200	EQ755 - Capital projects - costs deemed to revenue			(5,684)	
IT200	EQ655 - Project spend funded by EQ655			(151,834)	
Proposed contribution c/fwd to 2023/24					
IT900	EQ655 - Salary saving - post removed			43,600	
IT700	EQ655 - Disaster Recovery - delayed implementation			87,000	
Net movement in earmarked reserves					(40,891)
Total Expenditure variation after Earmarked Reserves					(16,326)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Legal and Democratic Services

Code	Legal and Democratic Services	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	700,873	757,369	56,496	8.1%
2000	Premises	0	22,697	22,697	0.0%
3000	Transport	15,600	5,614	(9,986)	-64.0%
4000	Supplies and Services	485,828	624,998	139,170	28.6%
Total Direct Expenditure		1,202,301	1,410,678	208,377	17.3%
7000	External Income	(19,700)	(340,853)	(321,153)	-1630.22%
Net Direct Expenditure		1,182,601	1,069,825	(112,776)	17.3% (a)
Total Legal and Democratic Services		1,182,601	1,069,825	(112,776)	17.3%
Legal and Democratic Services - Service units					
LD100	Electoral Registration	218,278	175,074	(43,204)	-19.8%
LD200	Election costs - Parishes	0	136	136	0.0%
LD201	Election costs - District	0	15,682	15,682	0.0%
LD202	Election costs - General	0	21,596	21,596	0.0%
LD204	Election costs - County	0	(4,899)	(4,899)	0.0%
LD208	Neighbourhood Planning Referendum	0	5	5	0.0%
LD300	Democratic Rep and Management	389,968	355,200	(34,768)	-8.9%
LD400	Committee Services	154,694	147,925	(6,769)	-4.4%
LD600	Legal Services	419,661	359,102	(60,559)	-14.4%
Total Legal and Democratic Services		1,182,601	1,069,820	(112,781)	
Total Expenditure Variation				£	£
					(112,781) (a)
Major Cost Changes					
LD100	Unbudgeted spend on consultancy for parish boundary review			26,019	
LD201	Unbudgeted spend on 2022 district by-election, plus early spend on 2023 district elections			15,682	
LD202	Unfunded spend allocated to parliamentary by-election			21,596	
LD600	Agency costs			24,130	
					87,427
Major Cost Savings					
LD100	Salary underspend due to budgeted temporary Elections post not being used			(30,000)	
LD100	Underspends on printing, postage & stationery			(16,000)	
LD300	Underspends on Member allowances, mileage & internet access payments			(25,500)	
LD600	Salary underspend - 2 vacant posts			(74,350)	
					(145,850)
Major Changes in Income Levels					
LD100	Electoral Integrity Programme funding not budgeted for			(16,239)	
LD600	Increased income S106 and Planning Fees			(26,275)	
					(42,514)
Minor Variations					(11,844)
Total Expenditure Variation					(112,781) (a)
EARMARKED RESERVES					
Utilised 2022/23					
Proposed contribution c/fwd to 2023/24					
Net movement in earmarked reserves (other than budgeted)					0
Total Expenditure variation after Earmarked Reserves					(112,781)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Planning and Regeneration

Code	Planning and Regeneration	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	2,005,419	2,121,145	115,726	5.8%
2000	Premises	0	0	0	0.0%
3000	Transport	24,110	9,927	(14,183)	-58.8%
4000	Supplies and Services	1,362,500	1,312,603	(49,897)	-3.7%
	S106 Expenditure	0	289,089	289,089	0.0%
	Total Direct Expenditure	3,392,029	3,732,764	340,735	10.0%
7000	External Income	(1,470,480)	(1,346,267)	124,213	8.4%
	S106 Contributions	0	(1,204,941)	(1,204,941)	0.0%
	Grant funding	0	(1,175,454)	(1,175,454)	0.0%
	Net Direct Expenditure	1,921,549	6,102	(1,915,447)	-99.7% (a)
	Total Planning and Regeneration Expenditure	1,921,549	6,102	(1,915,447)	-99.7%
	Planning and Regeneration - Service units				
PR100	Building Regulations	16,490	29,434	12,944	78.5%
PR110	Enforcement	92,800	212,369	119,569	128.8%
PR200	Development Control	219,830	(678,612)	(898,442)	-408.7%
PR210	Local Land Charges	(24,561)	(22,142)	2,419	9.8%
PR220	Tiverton EUE	58,050	75,682	17,632	30.4%
PR225	Garden Village Project	309,690	260,497	(49,193)	-15.9%
PR227	J28 Feasibility	0	(387,453)	(387,453)	0.0%
PR401	Reopening High Street Fund	0	(4)	(4)	0.0%
PR402	Cullompton HAZ	278,040	17,691	(260,349)	-93.6%
PR403	Shared Prosperity Fund	0	(50,278)	(50,278)	0.0%
PR420	Tiverton Town Centre Regen Project	0	450	450	0.0%
PR600	Forward Planning Unit	306,890	297,170	(9,720)	-3.2%
PR810	Statutory Development Plan	234,760	12,427	(222,333)	-94.7%
PR820	Assets of community value	0	61	61	0.0%
PR900	Dangerous Buildings And Trees	900	14	(886)	-98.4%
	Total Planning and Regeneration Expenditure	1,921,549	6,102	(1,915,447)	-99.7%
	Total Expenditure Variation			£ (1,915,447)	(a)
	Major Cost Changes				
PR100	Share of Building Control Partnership costs			20,000	
PR110	Staffing and Agency cover (£126k funded by EMR release, see below)			130,500	
PR200	Staffing and Agency cover (£25.5k funded by EMR release, see below)			69,000	
PR200	Planning appeal costs (£100k funded by EMR release, see below)			132,000	
PR227	Project spend (funded by EMR release, see below)			412,547	
PR403	Project spend (funded by grant, see below)			31,120	
PR600	Spend on Joint Strategy procurement MDDC, Teignbridge DC, Exeter & EDDC			27,000	
PR600	Practical advice on how to support Community Land Trust (funded by EMR release, see below)			16,000	
				838,167	
	Major Cost Savings				
PR100	Staff vacancies			(49,500)	
PR225	Delayed project spend (funds returned to EMR, see below)			(49,193)	
PR400	Staffing vacancies (£23,750 returned to EMR, see below)			(76,500)	
PR400	Underspend and delayed spend on Growth & Economic Development projects (£17,708 transferred to EMR for spend in future years, see below)			(53,500)	
PR400	Delayed spend on Crediton Masterplan (funds returned to EMR, see below)			(60,000)	
PR402	Delayed spend on Cullompton HAZ (funds returned to EMR, see below)			(260,349)	
PR600	Underspend on Neighbourhood Plan work(funds returned to EMR, see below)			(10,540)	
PR810	Delayed spend on Local Plan (funds returned to EMR, see below)			(161,073)	
PR810	Repurpose of spend to Tiverton TC Masterplan which will now be incurred in 2023/24 (Funds to be transferred to EMR)			(61,260)	
				(732,416)	

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Planning and Regeneration

Major Changes in Income Levels		
PR100	Income less than budgeted	41,000
PR200	Income greater than budgeted (£10,400 contributed to EMR, see below)	(161,500)
PR200	Biodiversity Net Gain Grant	(26,807)
PR227	Grant receipt (transferred to EMR, see below)	(800,000)
PR403	Grant receipt (less expenditure in year transferred to EMR, see below)	(81,398)
PR600	Income from former GESP partnership to fund the Joint Strategy work (£2,943 transferred to EMR, see below)	(29,943)
		(1,058,648)
	Minor Variations	(46,697)
	SERVICE MOVEMENT BEFORE STATUTORY ADJUSTMENTS	(999,594)
PR200	Net S106 Receipts and Grants (also see EMR below)	(915,852)
	Total Expenditure Variation	(1,915,447) (a)
	EARMARKED RESERVES	
	Utilised 2022/23	
PR110	EQ790 - Agency staffing for Enforcement	(126,000)
PR200	S106 - Public Open Space	(289,089)
PR200	EQ790 - Agency staffing for Development Management	(25,500)
PR200	EQ774 - Planning appeal costs	(100,000)
PR220	EQ820 - Tiverton EUE costs	(13,854)
PR225	EQ728 - North West Cullompton Master planning costs	(8,010)
PR225	EQ824 - Return of unspent budgeted release, Garden Village	57,643
PR227	EQ781 - J28 Feasibility project spend	(412,547)
PR400	EQ728 - Return of unspent budgeted release, Crediton Masterplan	60,000
PR400	EQ722 - Return of unspent budgeted release, Business Development staffing	23,750
PR402	EQ722 - Release of HE Funds held from prior year	(2,550)
PR402	EQ653 - Return of unspent budgeted release, Cullompton HAZ	153,266
PR402	EQ652 - Return of unspent budgeted release, Cullompton HAZ	109,633
PR600	EQ780 - Community Land Trust work	(16,000)
PR600	EQ821 - Return of unspent budgeted release, Neighbourhood Plan	10,540
PR600	EQ741 - Community Housing grant spend	(375)
PR810	EQ726 - Return of unspent budgeted release	36,260
PR810	EQ729 - Return of unspent budgeted release	25,000
PR810	EQ728 - Return of unspent budgeted release, Local Plan	161,073
	Proposed contribution c/fwd to 2023/24	
PR200	S106 - Public Open Space	1,204,941
PR200	EQ782 - Biodiversity Net Gain Grant	26,807
PR200	EQ790 - PPA towards staff costs Q1 2023/24	10,400
PR227	EQ781 - Grant receipt	800,000
PR400	EQ722 - Growth & Economic Development projects	17,708
PR403	ER010 - Unspent grant receipt	50,278
PR600	EQ727 - Income from former GESP partnership to fund the Joint Strategy work	2,943
	Net movement in earmarked reserves	1,756,318
	Total Expenditure variation after Earmarked Reserves	(159,129)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Property Services

Code	Property Services	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	741,920	671,219	(70,701)	-9.5%
2000	Premises	1,304,650	949,138	(355,512)	-27.2%
3000	Transport	36,560	25,869	(10,691)	-29.2%
4000	Supplies and Services	209,840	162,048	(47,792)	-22.8%
	Total Direct Expenditure	2,292,970	1,808,274	(484,696)	-21.1%
7000	External Income	(682,730)	(737,518)	(54,788)	-8.0%
	Net Direct Expenditure	1,610,240	1,070,756	(539,484)	-33.5% (a)
	Total Property Services Expenditure	1,610,240	1,070,756	(539,484)	-33.5%
	Property Services - Service units				
PS160	Asset Management	115,000	70,827	(44,173)	-38.4%
PS350	Public Conveniences	41,330	59,493	18,163	43.9%
PS400	Flood Defences and Land Drainage	26,020	10,908	(15,112)	-58.1%
PS600	Street Naming and Numbering	8,070	5,062	(3,008)	-37.3%
PS700	Contract Services - P-Health	8,260	252	(8,008)	-96.9%
PS810	Phoenix House	425,140	264,286	(160,854)	-37.8%
PS850	Old Road Depot	141,240	77,229	(64,011)	-45.3%
PS880	Bus Station Maintenance	(6,110)	(11,197)	(5,087)	-83.3%
PS950	Climate Change	73,310	63,364	(9,946)	-13.6%
PS960	Caretaking Services	134,280	122,987	(11,293)	-8.4%
PS980	Property Services	592,110	519,035	(73,075)	-12.3%
PS990	30/38 Fore Street	(52,240)	(65,445)	(13,205)	-25.3%
PS991	Industrial Units	(107,160)	(132,614)	(25,454)	-23.8%
PS992	Market Walk	(105,040)	(181,419)	(76,379)	-72.7%
PS993	Lowman Green Unit	(9,830)	(9,836)	(6)	-0.1%
PS995	Coggan's Well	(20,630)	(20,658)	(28)	-0.1%
PS996	Market Walk Service Charges	0	(4,589)	(4,589)	0.0%
WS770	Unit 3 Carlu Close	358,480	315,158	(43,322)	-12.1%
	Total Property Services	1,610,240	1,070,756	(539,484)	-33.5%
				£	£
	Total Expenditure Variation				(539,484) (a)
	Major Cost Changes				
PS810	Phoenix House utility overspend			15,100	
PS850	Old Road Depot utility overspend			6,000	
PS992	Market Walk increased responsive & planned maintenance overspend			17,600	
					38,700
	Major Cost Savings				
PS980	Property Services salary underspends due to vacant posts (partially off-set by EMR)			(70,000)	
PS400	Flood planned maintenance underspend due to delayed works (off-set by EMR)			(10,000)	
PS810	Phoenix House specific project maintenance underspend (off-set by EMR)			(166,000)	
PS850	Old Road Depot specific project maintenance underspend (off-set by EMR)			(76,000)	
PS990	Fore St specific project maintenance underspend (off-set by EMR)			(26,000)	
PS991	Industrial Unit specific project maintenance underspend (off-set by EMR)			(41,000)	
PS992	Market Walk specific project maintenance underspend (off-set by EMR)			(46,000)	
WS770	Carlu Depot specific project maintenance underspend (off-set by EMR)			(39,000)	
PS960/ PS980	Transport costs are underspent across Property Services & Caretaking Services			(10,000)	
PS160	Asset Management underspend on Property Services access database project (off-set by EMR)			(75,000)	
					(559,000)
	Major Changes in Income Levels				
PS992	Increase in Market Walk rental income due to full unit occupancy			(52,000)	
PS991	Reduction in unit rental income as budgeted rent reviews did not take place during 2022/23			15,000	
PS990	Fore St rental income reduction due to empty shop			13,000	
PS350	Public Convenience reduction in rechargeable income received from Town Councils			10,000	
					(14,000)
	Minor Variations				(5,184)
	Total Expenditure Variation				(539,484) (a)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Property Services

EARMARKED RESERVES		
Utilised 2022/23		
Proposed contribution c/fwd to 2023/24		
PS960	EQ756 - Reduced vehicle maintenance and damage costs	1,552
PS980	EQ756 - Reduced vehicle maintenance and damage costs	2,234
PS980	ER007 - Property Services salary underspend	60,000
PS400	EQ826 - Flood planned maintenance underspend	10,000
PS810	EQ827 - Phoenix House specific project maintenance underspend	166,000
PS850	EQ829 - Old Road Depot specific project maintenance underspend	76,000
PS990	EQ838 - Fore St specific project maintenance underspend	26,000
PS991	EQ771 - Industrial Units specific project maintenance underspend	41,000
PS992	EQ838 - Market Walk specific project maintenance underspend	46,000
PS160	ER014 - Asset Management underspend on Property Services access database	75,000
WS770	EQ786 - Carlu Depot specific project maintenance underspend	39,000
Net movement in earmarked reserves		542,785
Total Expenditure variation after Earmarked Reserves		3,301

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Revenues and Benefits

Code	Revenues and Benefits	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	800,380	913,741	113,361	14.2%
2000	Premises	0	0	0	0.0%
3000	Transport	3,160	2,252	(908)	-28.7%
4000	Supplies and Services	206,630	707,751	501,121	242.5%
	Housing Benefit Payments (RB400)	11,576,000	10,862,301	(713,699)	-6.2%
	Total Direct Expenditure	12,586,170	12,486,045	(100,125)	-0.8%
7000	Income from Housing Benefit Subsidy (RB400)	(11,336,000)	(10,661,738)	674,262	-5.9%
	All other Income	(642,170)	(1,362,847)	(720,677)	112.2%
	External Income	(11,978,170)	(12,024,585)	(46,415)	-0.4%
	Net Direct Expenditure	608,000	461,461	(146,539)	-24.1% (a)
	Total Revenues and Benefits Expenditure	608,000	461,461	(146,539)	-24.1%
	Revenues and Benefits - Service units				
RB100	Collection of Council Tax	382,270	349,542	(32,728)	-8.6%
RB200	Collection of Business Rates	(98,870)	(149,316)	(50,446)	-51.0%
RB300	Housing Benefit Admin	173,420	114,566	(58,854)	-33.9%
RB340	Local Welfare Assistance Scheme	7,500	(22,609)	(30,109)	-401.5%
RB400	Housing Rent Allowances	65,000	50,517	(14,483)	-22.3%
RB600	Corporate Debt Team	78,680	118,261	39,581	50.3%
RB950	Economic Vuln&Financial H/Ship	0	500	500	0.0%
	Total Revenues and Benefits Expenditure	608,000	461,461	(146,539)	-24.1%
	Total Expenditure Variation			£ (146,539)	(a)
	Major Cost Changes				
RB100	Staffing including Energy Rebate Grant awards and new RIO post (£4,750 funding from EMR, see below)			92,000	
RB340	Household Support Fund Grant expenditure			485,257	
RB600	Staffing (funded by release from EMR, see below)			16,500	
				593,757	
	Major Cost Savings				0
	Major Changes in Income Levels				
RB100	New Burdens Grant funding - Council Tax Rebate Scheme			(137,549)	
RB200	New Burdens Grant funding - Business Rate Reliefs & Post Payment Assurance Reconciliation & Debt Recovery			(66,000)	
RB300	DWP Grant funding			(45,000)	
RB340	Household Support Fund Grant funding			(508,416)	
RB400	Discretionary Housing Payment Grant less than budgeted			23,000	
RB600	Under budget on S106 monitoring fees			21,000	
				(712,965)	
	Housing Benefits				
RB400	Subsidy costs less than budgeted			(713,699)	
RB400	Subsidy income less than budgeted			674,262	
				(39,437)	
	Minor Variations				12,106
	Total Expenditure Variation				(146,539) (a)
	EARMARKED RESERVES				
	Utilised 2022/23				
RB100	EQ787 - Staffing for Council Tax			(4,750)	
RB600	EQ787 - Staffing for Corporate Recovery			(16,500)	
	Proposed contribution c/fwd to 2023/24				
RB100	EQ756 - Reduced vehicle maintenance and damage costs			1,251	
	Net movement in earmarked reserves				(19,999)
	Total Expenditure variation after Earmarked Reserves				(166,538)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Leisure Services

Code	Leisure Services	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	2,219,760	2,308,466	88,706	4.0%
2000	Premises	1,190,590	1,561,277	370,687	31.1%
3000	Transport	6,400	3,911	(2,489)	-38.9%
4000	Supplies and Services	314,220	301,144	(13,076)	-4.2%
	Total Direct Expenditure	3,730,970	4,174,799	443,829	11.9%
7000	External Income	(2,827,485)	(2,692,439)	135,046	4.8%
	Net Direct Expenditure	903,485	1,482,360	578,875	64.1% (a)
	Total Leisure Services Expenditure	903,485	1,482,360	578,875	64.1%
	Leisure Services - Service units				
RS100	Leisure Facilities Maintenance and Equipment	495,920	215,077	(280,843)	-56.6%
RS110	Leisure Management and Administration	109,130	37,859	(71,271)	-65.3%
RS140	Exe Valley Leisure Centre	127,887	525,078	397,191	310.6%
RS150	Lords Meadow Leisure Centre	135,525	503,947	368,422	271.8%
RS155	Leisure Land Rents	(9,929)	0	9,929	100.0%
RS160	Culm Valley Sports Centre	44,952	200,399	155,447	345.8%
	Total Leisure Services Expenditure	903,485	1,482,360	578,875	64.1%
				£	£
	Major Cost Changes				
RS140	EVLC Utilities overspend			150,000	
RS150	LMLC Utilities overspend			126,000	
RS160	CVSC Utilities overspend			36,000	
RS	Decarbonisation phase 2 project works (off-set by EMR)			228,133	
RS	Decarbonisation phase 3 project works (off-set by Salix income)			103,674	
	Overspend on salaries due to pay award and regrading of Swimming Teachers and Recreation Assistant posts during the year			83,389	
RS	Overspend on materials, chemicals & equipment due to significant price increases and nationwide			22,929	
					750,125
	Major Cost Savings				
RS100	Leisure specific project maintenance underspend (off-set by EMR)			(264,000)	
RS	Underspend on computer software, mainly due to one-off budget for rollout of Leisure Hub not required in			(43,946)	
					(307,946)
	Major Changes in Income Levels				
RS	Salix income received to off-set above costs for Decarbonisation phase 3 project			(100,674)	
RS	Wetside income higher than budget mainly due to swimming lesson programme and pool hire			(54,887)	
RS	Dryside income down on budget mainly due to fewer sports hall & ATP bookings than expected			84,742	
RS	Fitness income down on budget due to slower than expected recovery in membership numbers during the			206,093	
RS	Additional income from updated dual use agreement not as high as budgeted			22,187	
RS	Feed in tariff income higher than budget due to recognition of ongoing claim for 3 years worth of receipts at CVSC			(19,563)	
					137,898
	Minor Variations				(1,202)
	Total Expenditure Variation				578,875 (a)
	EARMARKED RESERVES				
	Utilised 2022/23				
RS	EQ785 - Decarbonisation phase 2 projects works			(228,133)	
	Proposed contribution c/fwd to 2023/24				
RS100	EQ764 - Leisure specific project maintenance underspend			264,000	
	Net movement in earmarked reserves				35,867
	Total Expenditure variation after Earmarked Reserves				614,742

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Waste Services

Code	Waste Services	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	2,946,840	3,388,619	441,779	15.0%
2000	Premises	0	0	0	0.0%
3000	Transport	1,001,270	1,144,558	143,288	14.3%
4000	Supplies and Services	619,870	1,491,288	871,418	140.6%
	S106 Expenditure		0	0	
	Total Direct Expenditure	4,567,980	6,024,464	1,456,484	31.9%
7000	External Income	(2,662,190)	(3,143,557)	(481,367)	-18.1%
	Net Direct Expenditure	1,905,790	2,880,908	975,118	51.2% (a)
	Total Waste Services Expenditure	1,905,790	2,880,908	975,118	51.2%
	Waste Services - Cost Centres				
FM100	Fleet Management	118,730	28,589	(90,141)	-75.9%
WS650	Street Cleansing	472,798	479,719	6,921	1.5%
WS700	Refuse Collection	628,970	706,651	77,681	12.4%
WS705	3 Weekly Collections	0	852,688	852,688	0.0%
WS710	Trade Waste Collection	(193,778)	(275,267)	(81,489)	-42.1%
WS725	Kerbside Recycling	620,030	813,992	193,962	31.3%
WS750	Waste Management Staff Unit	259,040	274,535	15,495	6.0%
	Total Waste Services Expenditure	1,905,790	2,880,908	975,118	51.2%
	Total Expenditure Variation			£ 975,118 (a)	
	Major Cost Changes				
WS650	Salary costs related to pay award			6,750	
WS650	Agency costs covering vacancies, sickness and holiday			8,280	
WS650	Equipment purchased using grant funds			6,775	
WS650	Additional bins purchased			8,080	
All WS	Increased vehicle maintenance and damage costs			88,290	
All WS	Additional vehicle tracking costs related to CCTV			9,180	
All WS	Increased fuel costs			120,910	
WS700	Pay award, overtime and additional pay			29,930	
WS700	Agency costs covering vacancies, sickness and holiday			63,630	
WS700	Increased clinical waste charges			9,310	
WS705	Salary costs related to 3 weekly rollout			72,070	
WS705	Vehicle costs related to 3 weekly rollout			16,250	
WS705	Bin purchases and advertising costs related to 3 weekly rollout			763,930	
WS710	Pay award, overtime and additional pay			15,740	
WS725	Pay award, overtime and additional pay			100,910	
WS725	Agency costs covering vacancies, sickness and holiday			169,390	
WS725	Additional baler wire and increased supply costs			25,280	
WS725	Additional recycling boxes required due to 3 weekly rollout			78,050	
WS750	Salary costs related to pay award			10,300	
				1,603,055	
	Major Cost Savings				
FM100	Salary saving due to vacancy			(20,150)	
FM100	Damage costs moved to EMR			(70,000)	
WS725	Reduced baler repairs			(20,920)	
WS710	Reduction in trade bins purchased			(15,990)	
WS710	Reduction in bad debt			(6,870)	
All WS	Reduced motor insurance			(7,560)	
				(141,490)	
	Major Changes in Income Levels				
WS650	Keep Britain Tidy grant			(15,000)	
WS650	Internal income			(16,700)	
WS700	Increased income - garden waste, bulky waste			(43,980)	
WS700	DCC Shared Savings Scheme - 80% of DCC estimate			(53,050)	
WS710	Agency cost savings			(4,120)	
WS710	Increase in adhoc work and Trade Waste customers			(95,380)	
WS725	Increased income from recycle			(280,400)	
WS725	Reduced income from recycling credits			18,360	
				(490,270)	
	Minor Variations				3,823
	Total Expenditure Variation				975,118 (a)

GENERAL FUND REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Waste Services

EARMARKED RESERVES		
Utilised 2022/23		
WS700	EQ839 - Purchase of pressure washer & high level vacuum	(5,140)
WS705	EQ769 - 3 weekly trial costs	(750,000)
WS725	EQ744 - Additional recycling boxes required due to 3 weekly	(12,000)
All WS	EQ756 - Vehicle maintenance and damage costs	(88,292)
Proposed contribution c/fwd to 2023/24		
WS650	EQ760 - Keep Britain Tidy grant - balance of grant	8,225
FM100	EQ756 - Vehicle damage costs - to allocate to services as required	70,000
WS710	EQ744 - Bin purchases	15,988
Net movement in earmarked reserves		(761,219)
Total Expenditure variation after Earmarked Reserves		213,899

HOUSING REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Code	Housing Revenue Account	2022/23 Budget £	2022/23 Actual £	Variance £	Variance %
1000	Employees	3,323,740	3,089,804	(233,936)	-7.0%
2000	Premises	267,900	321,296	53,396	19.9%
3000	Transport	240,040	269,733	29,693	12.4%
4000	Supplies and Services	6,929,300	8,905,488	1,976,188	28.5%
	Total Direct Expenditure	10,760,980	12,586,320	1,825,340	17.0%
7000	External Income	(13,456,340)	(15,436,753)	(1,980,413)	-14.7%
	Net Direct Expenditure	(2,695,360)	-2,850,433	(155,073)	5.8%
5000	Internal Recharges	1,714,560	1,565,938	(148,622)	-8.7%
6500	Capital Charges	980,800	972,143	(8,657)	-0.9%
	Total Indirect Expenditure	2,695,360	2,538,081	(157,279)	5.8%
	Total HRA Expenditure	0	(312,352)	(312,352)	(a)
	Income				
SHO01	Dwelling Rents Income	(12,673,660)	(12,769,237)	(95,577)	0.8%
SHO04	Non Dwelling Rents Income	(488,360)	(512,521)	(24,161)	4.9%
SHO07	Leaseholders' Service Charges	(29,000)	(26,194)	2,806	-9.7%
SHO08	Contributions Towards Expenditure	(80,860)	(153,020)	(72,160)	89.2%
SHO10	H.R.A. Investment Income	(25,000)	(272,245)	(247,245)	989.0%
SHO11	Miscellaneous Income	(6,800)	(804,194)	(797,394)	11726.4%
	Services				
SHO13A	Repairs and Maintenance	4,461,473	4,770,171	308,698	6.9%
SHO17A	Housing and Tenancy Services	2,645,407	2,377,090	(268,317)	-10.1%
	Accounting entries 'below the line'				
SHO29	Bad Debt Provision Movement	150,000	133,567	(16,433)	-11.0%
SHO30	Share of Corporate And Democratic Costs	337,760	327,582	(10,178)	-3.0%
SHO32	H.R.A. Interest Payable	1,077,320	974,085	(103,235)	-9.6%
SHO34	H.R.A. Transfers to earmarked reserves	1,311,720	957,701	(354,019)	-27.0%
SHO36	Financing of capital expenditure	980,800	1,638,514	657,714	67.1%
SHO37	Capital Receipts Reserve Adjustment	(20,800)	(15,600)	5,200	-25.0%
SHO38	Major Repairs Allowance	2,465,000	2,727,245	262,245	10.6%
SHO42	Accumulated absences adjustment	0	12,201	12,201	0.0%
SHO44	Capital Grants	0	799,000	799,000	0.0%
SHO45	Renewable Energy Transactions	(105,000)	(164,144)	(59,144)	56.3%
	Total HRA Expenditure	0	(0)	(0)	
	Total HRA Expenditure Variation			£	£
					(312,352) (a)
	Major Cost Changes				
SHO08	Level of debt write-offs for repairs below budget for the year			(30,430)	
SHO13A	Salary underspend due to delays in vacancies being filled			(97,560)	
SHO13A	Increased vehicle fuel costs and vehicle hire charges exceeded budget			33,060	
SHO13A	Net underspend on various planned maintenance budgets			(41,000)	
SHO13A	DLO works below budget principally due to lower demand for DFG works			151,420	
SHO13A	Spend on contractors and materials increased primarily due to inflationary factors			350,000	
SHO13A	Recharges from General Fund below budget			(101,170)	
SHO17A	Salary underspend due to delays in filling posts and posts remaining vacant			(128,640)	
SHO17A	Training spend under budget for the year			(15,000)	
SHO17A	Budget pressure from penalties for empty properties (incl properties due for demolition)			60,000	
SHO17A	Sewerage maintenance costs planned in year will be utilised in next financial year			(50,000)	
SHO17A	Maintenance spend on HRA shops below budget			(29,370)	
SHO17A	Tenant Involvement budget not fully utilised in year			(23,900)	
SHO17A	Recharges from General Fund below budget			(38,910)	
SHO17A	Income Collection expenditure budget not fully required in year			(13,640)	
SHO29	Calculated Provision for doubtful debts lower than budget			(16,430)	
SHO30	General recharges below budget			(9,160)	
SHO32	Budget included Interest on additional projects (outwith Self Financing), these were not utilised in year			(100,770)	
SHO38	Contribution to the Major Repairs Reserve equal to the depreciation charge for the year			262,250	
SHO44	Homes England and One Public Estate Grant funding applied to a number of capital projects			799,000	
SHO45	Underspend against the Renewable budget, this will be a net transfer to reserves			(59,140)	
					900,610

HOUSING REVENUE ACCOUNT OUTTURN SUMMARY 2022/23

Major Changes in Income Levels			
	Rental income from Homelessness above budget (£44k) and general rents above forecast (£33k). Bad Debt write offs below budget (£19k)		(95,580)
SHO01			
SHO04	Various areas where revenue slightly above budget: Garage rents; Ground rents and HRA shops		(24,160)
SHO08	Income generated by Building Services on ancillary works generated a surplus for the HRA		(41,440)
SHO10	Investment income from HRA cash balances above budget		(247,250)
SHO11	Homes England and One Public Estate Grant funding for capital project recognised as revenue, see SHO44 for the corresponding expenditure		(799,000)
			(1,207,430)
	Minor Variances totalling		(5,531)
	Total HRA Expenditure Variation		(312,351) (a)
EARMARKED RESERVES (memorandum account)			
Transferred/(Utilised) 2022/23			
		£	£
	Renewable Energy Fund utilised from the reserve for capital	(336,130)	
	Housing Maintenance Fund transferred for capital expenditure	(330,240)	
	Budgeted transfer to the Renewable Energy Fund	105,000	
	Budgeted transfer to the Loan Premium Deficit reserve	803,280	
	Budgeted transfer to Vehicle Reserve	50,000	
	Budgeted transfer to Decarbonisation reserve	189,440	
	Budgeted transfer to the Affordable Rent Surplus	164,000	
			645,350
	Proposed contribution c/fwd to 2022/23		
	Renewable Energy Fund	59,144	
	Affordable Rent Surplus	10,762	
	Housing Maintenance Fund final reserve transfer	242,445	
			312,351
	Net movement in earmarked reserves		957,701
	Total Expenditure variation after Earmarked Reserves		0

GENERAL FUND AND HOUSING REVENUE ACCOUNT EARMARKED RESERVES SUMMARY 2022/23

EARMARKED RESERVES AT 31 March 2023

Total Miscellaneous General Fund Reserves	Cost Centres	B/F 31/3/22	(Cont To Emr)	+ Utilisation of EMR	Transfers	C/F 31/3/23
		£	£	£	£	£
Revenue contribution to Capital Earmarked Reserves	EQ650	(255,165)	0	40,000	0	(215,165)
NNDR Reserve	EQ659	(2,387,644)	(143,085)	1,810,300	0	(720,429)
New Homes Bonus Reserve	EQ653	(3,294,562)	(460,264)	616,482	255,000	(2,883,345)

Other GF Revenue Reserves	Cost Centres	B/F 31/3/22	(Cont To Emr)	+ Utilisation of EMR	Transfers	C/F 31/3/23
Private Sector Housing Grants EMR	EQ652	(200,000)	0	367	0	(199,633)
Economic Development EMR	EQ654	(101,000)	0	0	0	(101,000)
ICT Projects Reserve	EQ655	(330,329)	(130,600)	238,851	(384,000)	(606,078)
Cullompton Rail Station	EQ656	(154,662)	0	0	0	(154,662)
Flood Defence Ashleigh Park Bampton	EQ657	(67,000)	0	0	0	(67,000)
Gen Reserves - Support for 2021-22 budget	EQ660	(199,102)	0	187,660	(80,722)	(92,164)
High St Innovator Payment	EQ681	(510)	0	0	0	(510)
Car Park Machine Replacement	EQ686	(12,000)	(3,000)	0	0	(15,000)
Cred Market Square Resurfacing	EQ699	(16,579)	0	0	0	(16,579)
Multi-Story Planned Works (CP520)	EQ706	0	(25,000)	0	0	(25,000)
Resurfacing Amenity Car Parks (CP530)	EQ707	(70,682)	0	0	0	(70,682)
Struct Surfacing P&D Car Parks (CP540)	EQ708	(26,340)	0	0	0	(26,340)
CCTV Initiatives Tiv TC Proj (ES200)	EQ709	(78,400)	0	78,400	0	0
Community Safety Partnership (ES256)	EQ710	(13,244)	0	1,920	0	(11,324)
P Sector Housing (ES354)	EQ711	(29,032)	0	0	0	(29,032)
PSH - Rogue Landlord Grant	EQ712	(43,027)	0	0	0	(43,027)
Parks & O Spaces Shelter Maint (ES450)	EQ713	(42,381)	0	0	0	(42,381)
Parks & O Spaces Tree Inspection (ES450)	EQ714	(25,426)	0	0	0	(25,426)
Play Areas Works	EQ715	(39,830)	0	0	0	(39,830)
Corp Training (HR200)	EQ718	(20,000)	0	0	0	(20,000)
District Elections (LD201)	EQ720	(50,000)	(25,000)	0	0	(75,000)
Elected Members Training (LD300)	EQ721	(25,000)	0	0	0	(25,000)
PR400 Economic Development	EQ722	(212,050)	(17,708)	2,549	0	(227,208)
New Burdens Grant Fund - LLC	EQ724	(19,263)	0	0	19,263	0
Brownfield Shared Plan DCLG (PR600)	EQ726	(36,260)	0	0	0	(36,260)
Forward Planning Gesp	EQ727	0	(2,943)	0	0	(2,943)
Statutory Development Plan (PR810)	EQ728	(587,869)	(100,000)	20,437	0	(667,432)
Custom Build Grant (PR810)	EQ729	(76,277)	0	0	0	(76,277)
Community Housing Fund	EQ741	(107,860)	0	375	0	(107,485)
Homelessness Support	EQ742	(505,227)	(9,000)	137,489	0	(376,738)
Rough Sleeping Initiative	EQ743	(115,913)	0	0	0	(115,913)
Replacement Waste Containers	EQ744	(12,000)	(15,988)	12,000	0	(15,988)
Waste Options Report	EQ745	(15,290)	0	0	0	(15,290)
Food Protection	EQ746	(14,550)	0	0	0	(14,550)
Finance System Improvements	EQ749	(16,720)	(50,000)	16,720	0	(50,000)
Fleet Contract Fund	EQ756	(928,518)	(798,738)	584,213	0	(1,143,043)
Waste Infrastructure	EQ769	(2,027,700)	0	1,410,000	0	(617,700)
Industrial Unit Specific Maint	EQ771	(31,980)	(41,000)	0	0	(72,980)
Tree Works	EQ773	(27,300)	0	0	0	(27,300)
Planning Legal Expense Reserve	EQ774	(100,000)	0	100,000	-	0
Building Control Emr	EQ775	(48,000)	0	0	0	(48,000)
C/Tax Smoothing Reserve	EQ777	(124,802)	0	62,401	0	(62,401)
Hfx System Upgrade - HR	EQ778	(25,000)	0	0	0	(25,000)
Play Area-Paddling Pool Resin	EQ779	(30,000)	0	0	0	(30,000)
Housing Advisers Programme	EQ780	(25,000)	0	16,000	0	(9,000)
J28 Cullompton	EQ781	(100,000)	(800,000)	412,547	0	(487,453)
Plan-Test Nat Model Des Codes	EQ782	(10,047)	(26,807)	0	0	(36,854)
Legal Case Management System	EQ783	(15,080)	0	0	15,080	0
Climate Change Grant	EQ785	(274,751)	0	228,133	0	(46,618)
Carlu Close Specific Projects	EQ786	(81,000)	(39,000)	0	0	(120,000)
21-22 Cont'D Nndr Grants Admin	EQ787	(195,808)	0	55,840	0	(139,968)
Boundary Review	EQ788	(33,072)	0	0	0	(33,072)
Member Srv Additional Staffing	EQ789	(14,000)	0	14,000	0	0
Planning Improvement Programme	EQ790	(151,500)	(10,400)	151,500	0	(10,400)
Post Covid-19 Income Recovery	EQ791	(500,000)	0	500,000	0	0
PR400-Street Name Post Replace	EQ802	(20,000)	0	0	0	(20,000)
Capacity Funding- EUE	EQ820	(13,854)	0	13,854	0	0
Neighbourhood Planning Funding	EQ821	(26,370)	0	5,020	0	(21,350)
Culm Garden Village Project	EQ824	(431,277)	0	252,487	0	(178,790)

GENERAL FUND AND HOUSING REVENUE ACCOUNT EARMARKED RESERVES SUMMARY 2022/23

EARMARKED RESERVES AT 31 March 2023

Flood Projects (PS400)	EQ826	(32,400)	(10,000)	0	0	(42,400)
Phoenix Hse Replace Fire Panel (PS810)	EQ827	(101,039)	(166,000)	0	0	(267,039)
Phoenix Hse Meeting Rm Aircon (PS810)	EQ828	(6,400)	0	0	0	(6,400)
Old Road Depot (PS850)	EQ829	(25,000)	(76,000)	0	0	(101,000)
Insurance MMI (CM300)	EQ835	(86,278)	0	0	0	(86,278)
Members iPad (LD300)	EQ836	(8,275)	0	8,275	0	0
Property Maint Reserve	EQ837	(797,113)	(175,000)	251,000	0	(721,113)
GF Shops (PS)	EQ838	(199,090)	(72,000)	87,000	0	(184,090)
Equipment Sinking Fund	EQ684 & EQ750-755 & EQ839	(686,045)	(192,000)	139,345	180,239	(558,462)
Maintenance Sinking Fund	EQ685 & EQ763-767	(1,035,832)	(358,700)	86,261	0	(1,308,272)
Plant Sinking Fund	EQ760-761	(215,975)	(63,725)	43,240	(4,860)	(241,320)
It Government Grant	ER001	(73,172)	0	13,973	0	(59,199)
Mees Grant	ER002	(3,901)	0	3,901	0	0
Comf Grant	ER003	(26,049)	(55,000)	26,049	0	(55,000)
Domestic Abuse Grant	ER004	(27,500)	0	0	0	(27,500)
Amory Park	ER005	(10,000)	(35,000)	0	0	(45,000)
Legal Services - Additional Staffing Costs	ER006	(11,500)	0	0	0	(11,500)
Property Services Staffing	ER007	(36,500)	(60,000)	0	0	(96,500)
Customer Services Staffing	ER008	(20,791)	0	0	0	(20,791)
S106 Smoothing Reserve	ER009	0	0	0	(127,895)	(127,895)
Shared Prosperity Fund Emr	ER010	0	(50,278)	0	0	(50,278)
Devon Housing Commission Pool	ER011	0	(97,200)	0	0	(97,200)
Ps Access Database	ER014	0	(75,000)	0	0	(75,000)
Total Other GF Revenue Reserves		(11,901,743)	(3,581,087)	5,161,807	(382,895)	(10,703,918)

Section 106	Various	(2,685,507)	(1,323,085)	352,370	127,895	(3,528,327)
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Developers Contributions - Open Space Maintenance	Cost Centres	B/F 31/3/22	(Cont To Emr)	+ Utilisation of EMR	Transfers	C/F 31/3/23
Dev Cont Linear Park	EQ638	(34,298)	0	4,170	0	(30,128)
W52 Popham Close Comm Fund	EQ640	(10,190)	0	1,950	0	(8,240)
W67 Moorhayes Com Dev Fund	EQ641	(10,143)	0	1,630	0	(8,513)
W69 Fayrecroft Willand Ex West	EQ642	(24,120)	0	4,620	0	(19,500)
W70 Developers Contribution	EQ643	(26,458)	0	6,650	0	(19,808)
Dev Cont Winswood Crediton	EQ644	(25,318)	0	3,080	0	(22,238)
Total Developers Maintenance Reserves		(130,527)	0	22,100	0	(108,427)

Total Developers Contributions / s106 Funds		(2,816,034)	(1,323,085)	374,470	127,895	(3,636,754)
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TOTAL GENERAL FUND EARMARKED RESERVES		(20,655,148)	(5,507,521)	8,003,059	0	(18,159,610)
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Net movement into General Fund Earmarked

2,495,538

HRA Earmarked Reserves	Cost Centres	B/F 31/3/22	(Cont To Emr)	+ Utilisation of EMR	Transfers	C/F 31/3/23
HRA Sewage Treatment Plant works	EQ691	(30,000)	0	0	0	(30,000)
Renewable Energy Fund E.M.R.	EQ692	(814,492)	(174,762)	336,130	0	(653,124)
HRA Affordable Rent Surplus	EQ693	(255,257)	(164,144)	0	0	(419,401)
Housing Maintenance E.M.R.	EQ694	(15,862,698)	(242,445)	330,242	0	(15,774,901)
HRA Premium Deficit for PWLB loan	EQ696	(4,270,125)	(803,282)	0	0	(5,073,406)
Hra Decarbonisation Reserve	ER012	0	(189,440)	0	0	(189,440)
HRA Vehicle Reserve	ER013	0	(50,000)	0	0	(50,000)
Total HRA EARMARKED RESERVES		(21,232,572)	(1,624,072)	666,372	0	(22,190,273)

Net movement into HRA Earmarked Reserves =

(957,701)

GRAND TOTAL OF MDDC EARMARKED RESERVES		(41,887,720)	(7,131,594)	8,669,430	0	(40,349,883)
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CAPITAL PROGRAMME OUTURN 2022/23

Code	Scheme	Approved Capital Programme	Total Slippage B/Fwd from 2021/22	Adjustment to Approved Capital Programme	Total Budgeted Capital Programme	Total Deliverable Programme 2022/23	Actual Expenditure 2022/23	Variance (Underspend) to Deliverable Programme 2022/23	Variance Overspend to Deliverable Programme 2022/23	Slippage against Deliverable Programme 2022/23	Capital Programme Forecast spend (in addition to Deliverable Prog Slippage) in 2023/24 to 2026/27	Budget no longer required	Notes
		£	£	£	£	£	£	£	£	£	£	£	
General Fund Projects													
Leisure													
CA642	Reception infrastructure review - All sites		120,000		120,000	40,000	-	-	-	(40,000)	80,000	-	Projected completion Q3 23/24. Additional costs of £40k approved in 23/24 Capital programme. (Total Project £160k)
CA643	All Leisure Etarmis - Security Swipe - (linked to security project)		30,000		30,000	10,000	-	(10,000)	-	-	-	20,000	Projected completion Q3 23/24. This project is part a wider scheme 'Replacement of all Leisure sites access system' at a value of £200k included in 23/24 MTFP.
CA644	EVLC - Boilers and CHP		30,000		30,000	-	-	-	-	-	-	30,000	This sum (funded by UCR) will be used to partially offset MDDC contribution for Salix projects on CA650 & CA651
CA645	EVLC - Fitness Studio renewal of equipment		153,000		153,000	153,000	143,817	(183)	-	(9,000)	-	-	Awaiting delivery of spin bikes. Budget balance to slip into 23/24 where shortfall to be covered by the sale of outgoing equipment.
CA646	CVSC - Remodelling of Ground Floor		204,000		204,000	30,000	-	-	-	(30,000)	174,000	-	Feasibility & Procurement exercise in 23/24. Project delivery likely in 24/25
CA649	CVSC - Sports Hall Ceiling asset review	260,000			260,000	30,000	-	-	-	(30,000)	230,000	-	Procurement exercise in 23/24. Project delivery in 24/25
CA650	EVLC - ASHP - Salix Round 3 Funding			818,000	818,000	752,770	516,853	(137,917)	-	(9,000)	3,000	-	Forecast Project completion during Q1 23/24. Slippage rolled forward on this scheme & pro-rata'd across other Salix schemes below (based on anticipated spend)
CA651	EVLC - GSHP - Salix Round 3 Funding			351,000	351,000	927,694	1,078,216	-	150,522	(9,000)	3,000	-	Forecast Project completion during Q1 23/24. Slippage pro-rata'd across Salix schemes based on anticipated 23/24 spend
CA652	LMLC - ASHP - Salix Round 3 Funding			656,000	656,000	912,315	863,002	(49,313)	-	(30,000)	12,000	-	This project now includes GSHP as well as ASHP at LMLC. Forecast Project completion during Q1 23/24. Slippage pro-rata'd across Salix schemes based on anticipated 23/24 spend
CA653	EVLC - Solar - Salix Round 3 Funding			750,000	750,000	228,400	240,311	-	11,911	(42,000)	18,000	-	Forecast Project completion during Q2 23/24. Slippage pro-rata'd across Salix schemes based on anticipated 23/24 spend
CA654	LMLC - Solar - Salix Round 3 Funding			350,000	350,000	52,928	78,065	-	25,137	(8,000)	3,000	-	Forecast Project completion during Q1 23/24. Slippage pro-rata'd across Salix schemes based on anticipated 23/24 spend
Phoenix House													
CA487	Etarmis - Security Swipe - (linked to security project)		50,000		50,000	20,000	-	-	-	(20,000)	30,000	-	Projected completion Q3 23/24
Play Areas													
CA472	Open Space Infrastructure (incl Play Areas)		40,000		40,000	35,216	-	(216)	-	(35,000)	-	4,784	£4.8k used towards play area contribution please see note on CA648 below. Remaining Project delivery expected in Q3 23/24
CA632	Play area refurbishment - Amory Park Tiverton		74,000	56,000	130,000	130,000	129,999	(1)	-	-	-	-	£63k Contribution from S106. Project complete Q3
CA648	Play Area Chestnut Drive Willand		25,000		25,000	-	-	-	-	-	-	25,000	£25k Play area contribution coded to Revenue & will be funded by NHB (also see comment on CA472 above)
MDDC Shops & Industrial Units													
CA584	Market Walk Unit 17 - remodelling options		510,000		510,000	80,000	-	-	-	(80,000)	430,000	-	Feasibility during Q3 & Q4 23/24. Subject to outcome of current marketing exercise.
CA574	36 & 38 Fore Street including Flat above structure & cosmetic works	150,000	47,000		197,000	90,000	-	-	-	(90,000)	107,000	-	Feasibility & Procurement exercise in 23/24.
Other Projects													
CA491	Fire Dampeners - Corporate sites		80,000		80,000	80,000	-	-	-	(80,000)	-	-	Projected completion Q3 23/24
CA490	West Exe South - Remodelling - additional parking spaces		90,000		90,000	30,000	-	-	-	(30,000)	60,000	-	Feasibility & Procurement exercise in 23/24. Project delivery in 25/26
CA473	Land drainage flood defence schemes - St Marys Hemyock		50,000		50,000	-	-	-	-	-	50,000	-	Environment Agency are the lead organisation on this project
CA420	Land drainage flood defence schemes - Ashleigh Park Bampton		87,000		87,000	20,000	-	-	-	(20,000)	67,000	-	Environment Agency are the lead organisation on this project
CA576	Tiverton Town Centre improvements		140,000		140,000	-	-	-	-	-	-	140,000	This expenditure will be revenue in nature
CA832	Land acquisition for operational needs		1,000,000		1,000,000	-	-	-	-	-	1,000,000	-	This project is dependent on availability of land in the appropriate location
CA835	Depot Design & Build - Waste & Recycling	250,000			250,000	-	-	-	-	-	250,000	-	This project is likely to be commence in 24/25
CA497	Cemetery Lodge - Structural solution for damp	62,000			62,000	-	-	-	-	-	62,000	-	This project is likely to be delivered in 24/25
CA511	Regeneration Project 2	500,000			500,000	-	-	-	-	-	-	500,000	This project is no longer required
CA908	Grave Digger - Grounds Maintenance				-	-	24,500	-	24,500	-	-	-	Acquisition above £20k minimis - therefore moved from Revenue
HIF Schemes													
CA719	Cullompton Town Centre Relief Road (HIF bid)	8,414,000	3,638,000		12,052,000	4,044,000	402,294	294	-	(3,642,000)	8,008,000	-	This project is subject to securing additional funding - LUF 3 Bid
CA720	Tiverton EUE A361 Junction Phase 2 (HIF bid)	4,640,000			4,640,000	115,000	133,406	-	18,406	-	-	4,506,594	This project has been paused due to increased costs, unless additional funding can be identified.
Economic Development Schemes													
CA582	Hydromills Electricity generation Project - Tiverton Weir	420,000	800,000		1,220,000	20,000	-	-	-	(20,000)	1,200,000	-	Final Feasibility & Procurement exercise in 23/24
* All Economic Development schemes are subject to acceptable Business Case													

Code	Scheme	Approved Capital Programme	Total Slippage B/Fwd from 2021/22	Adjustment to Approved Capital Programme	Total Budgeted Capital Programme	Total Deliverable Programme 2022/23	Actual Expenditure 2022/23	Variance (Underspend) to Deliverable Programme 2022/23	Variance Overspend to Deliverable Programme 2022/23	Slippage against Deliverable Programme 2022/23	Capital Programme Forecast spend (in addition to Deliverable Prog Slippage) in 2023/24 to 2026/27	Budget no longer required	Notes
		£	£	£	£	£	£	£	£	£	£	£	
ICT Projects													
CA425	Server farm expansion/upgrades		74,000		74,000	74,000	6,545	(455)	-	(67,000)	-	-	Forecast project completion Q3 2023/24. This has a dependency on the reliability of the supply chain which is & will be effected for the foreseeable future due to the shortage in availability of various components.
CA433	Additional Unified Communications budget		96,000		96,000	-	-	-	-	-	-	96,000	This Project will be cloud based and will be charged to Revenue. This has a dependency on the reliability of the supply chain which is & will be effected for the foreseeable future due to the shortage in availability of various components.
CA456	CRM replacement		175,000		175,000	-	-	-	-	-	-	175,000	This Project will be cloud based and will be charged to Revenue. This has a dependency on the reliability of the supply chain which is & will be effected for the foreseeable future due to the shortage in availability of various components.
CA437	Digital Transformation		33,000		33,000	-	-	-	-	-	-	33,000	This Project will be cloud based and will be charged to Revenue. This has a dependency on the reliability of the supply chain which is & will be effected for the foreseeable future due to the shortage in availability of various components.
CA480	Lalpac Licensing System replacement		80,000		80,000	-	-	-	-	-	-	80,000	This Project will be cloud based and will be charged to Revenue. This has a dependency on the reliability of the supply chain which is & will be effected for the foreseeable future due to the shortage in availability of various components.
CA496	Hardware replacement of Network Core Switch				-	-	33,000	-	33,000	-	-	-	Project complete in Q4. To be funded by ICT EMR
CA498	Laptop/desktop refresh - Workstation	150,000			150,000	150,000	117,796	(32,204)	-	-	-	-	Project complete in Q4 2022/23. Costs associated with Member laptops to be funded by Revenue EMR.
CA463	Secure WIFI Replacement	60,000			60,000	60,000	-	-	-	(60,000)	-	-	Forecast project completion Q4 2023/24. This has a dependency on available staffing resource & the reliability of the supply chain which is & will be effected for the foreseeable future due to the shortage in availability of various components.
CA499	Network Switch/Firewall Refresh (all sites except P/House)	50,000			50,000	50,000	-	-	-	(50,000)	-	-	Forecast project completion Q4 2023/24. This has a dependency on available staffing resource & the reliability of the supply chain which is & will be effected for the foreseeable future due to the shortage in availability of various components.
Other General Fund Development Projects													
CA493	3 Rivers Scheme - Bampton	1,206,000	1,612,000	299,000	3,117,000	2,818,000	1,876,704	(296)	-	(941,000)	299,000	-	Project due to complete 2023/24.
CA462	3 Rivers Scheme - Riverside Development (rear of Town Hall) Tiverton	99,000	613,000	1,861,000	2,573,000	2,573,000	3,266,646	-	693,646	-	-	-	Project due to complete 2023/24.
CA486	* 3 Rivers scheme - Knowle Lane, Cullompton		7,954,000		7,954,000	255,580	134,821	241	-	(121,000)	7,698,000	-	Planning permission being sought. Awaiting a decision from the Council as to the future of this development.
CA495	* 3 Rivers Schemes - Future Projects	2,229,000	1,700,000		3,929,000	3,929,000	-	(3,929,000)	-	-	-	3,929,000	This budget is no longer required as the new capital programme includes budgets for various feasibility studies.
CA581	Post Hill Tiverton		4,460,000		4,460,000	500,000	-	(500,000)	-	-	-	4,460,000	This Budget is no longer required as 3 Rivers did not submit a Tender for this project
CA494	Park Road (Delivery of this project is yet to be determined until conclusion of marketing exercise & therefore maybe a Capital Receipt) * These schemes require signed loan agreements before they can be progressed further	1,265,000	875,000		2,140,000	886,085	85,085	(0)	-	(801,000)	1,254,000	-	Awaiting a decision from the Council as to the future of this development.
Private Sector Housing Grants													
CG201	Disabled Facilities Grants-P/Sector	577,000			577,000	500,000	420,526	(79,474)	-	-	-	156,000	Underspend of £77k & underspend of £79k on deliverable budget (Total £156k) will remain in the EMR for future spending
CA303	HMO Scheme 1			353,000	353,000	353,000	326,653	(347)	-	(26,000)	-	-	Approved at 09/08/22 Cabinet. Slippage for refurb works to bring HMO into use
CA304	HMO Scheme 2			336,000	336,000	336,000	299,836	(164)	-	(36,000)	-	-	Approved at 09/08/22 Cabinet. Slippage for refurb works to bring HMO into use
Total General Fund Projects		20,332,000	24,840,000	5,830,000	51,002,000	20,285,988	10,178,074	(4,739,036)	957,122	(6,326,000)	21,038,000	14,155,378	

Code	Scheme	Approved Capital Programme	Total Slippage B/Fwd from 2021/22	Adjustment to Approved Capital Programme	Total Budgeted Capital Programme	Total Deliverable Programme 2022/23	Actual Expenditure 2022/23	Variance (Underspend) to Deliverable Programme 2022/23	Variance Overspend to Deliverable Programme 2022/23	Slippage against Deliverable Programme 2022/23	Capital Programme Forecast spend (in addition to Deliverable Prog Slippage) in 2023/24 to 2026/27	Budget no longer required	Notes
		£	£	£	£	£	£	£	£	£	£	£	
HRA Projects - Existing Housing Stock													
CA100	Major Repairs to Housing Stock	2,465,000	359,000		2,824,000	2,824,000	2,769,543	(457)	-	(54,000)	-	-	£54k Slippage is related to the Modernisation contract.
CA111	Renewable Energy Fund	250,000			250,000	250,000	336,130	-	86,130	-	-	-	Additional spend in 22/23 is to bring works up to date as underspent in 21/22. These additional costs will be funded from Renewable Energy EMR.
CG200	Home Adaptations - Disabled Facilities	300,000			300,000	300,000	309,554	-	9,554	-	-	-	Overspend due to critical adaptations with timescales less than 3 months. These additional costs will be funded from the Housing maintenance fund EMR.
** Housing Schemes (1:4:1 Receipt) Projects													
CA147	Affordable Housing/ Purchase of ex RTB	400,000			400,000	400,000	-	(400,000)	-	-	-	289,900	1 RTB buyback purchase in Q2 detailed on CA179 (line below)
CA179	RTB Buyback - 12 Shortridge Mead Tiverton						110,100	-	110,100	-	-	-	This is an RTB Buyback, budget on CA147 (line above)
CA158	Housing 1-4-1 Scheme - Project 1	35,000			35,000	35,000	-	-	-	(35,000)	-	-	Projected completion 23/24 - additional £10k Budget reflected in the draft MTFP
CA159	Housing 1-4-1 Scheme - Project 2	150,000			150,000	150,000	145,793	(4,207)	-	-	-	-	Project complete in Q4
CA160	Future Housing schemes - 1:4:1 - Project 3 (15% enabling budget)	113,000			113,000	8,000	-	-	-	(8,000)	105,000	-	Projected project completion 23/24
CA161	Future Housing schemes - 1:4:1 - Project 4 (15% enabling budget)	21,000			21,000	5,000	-	-	-	(5,000)	16,000	-	Projected project completion 23/24
CA162	Future Housing schemes - 1:4:1 - Project 8 (15% enabling budget)	360,000			360,000	60,000	-	-	-	(60,000)	300,000	-	Projected project completion 24/25 - Currently budgeted under 1:1 projects - This project will be a bid from Homes England & if successful categorised under Housing Development schemes
CA155	Modular Housing - St Andrews, Cullompton		341,000	125,000	466,000	466,000	385,926	(74)	-	(80,000)	-	-	Project due for completion Q2 23/24 - Total approved budget £1m to deliver 6 x Net Zero homes. Additional costs associated with Planning Permission including mature planting, additional parking & contract inflation. However, £572k of funding obtained for project (£120k BRLFT2 Fund & 40% from 1:4:1 receipts) – HRA funding of actual spend shown in table below. Therefore Net cost of project is estimated to be circa £442k under budget.
CA181	Housing 1-4-1 Scheme - Project 41	-			-	-	110,544	-	110,544	-	-	-	This budget is approved in 23/24 & will be adjusted to reflect these 22/23 upfront costs
** Housing Development Schemes													
CA154	Modular Housing - Shapland Place, Tiverton	-	1,023,000	375,000	1,398,000	1,198,000	752,670	(330)	-	(445,000)	200,000	-	Project due for completion Q4 23/24 - Total approved budget £1.5m to deliver 8 x Net Zero homes. Additional costs associated with Planning Permission - including additional EV charging points & communal glazing & contract inflation. However £852k of funding obtained for project (£160k BRLFT2 Fund & £692k contribution agreed from Homes England of which 75% due on Project commencement (£519k) & the remainder (£173k) will be applied in 23/24 on project completion) – HRA funding of actual spend shown in table below. Therefore Net cost of project is estimated to be circa £357k under budget.
CA163	Housing Scheme - Project 11	1,500,000			1,500,000	84,000	79,326	326	-	(5,000)	1,416,000	-	Projected project completion 23/24
CA164	Housing Scheme - Project 14	800,000			800,000	49,000	49,428	-	428	-	751,000	-	Projected project completion 23/24
CA165	Housing Scheme - Project 16	900,000			900,000	2,000	-	(2,000)	-	-	-	900,000	The Housing Delivery programme has been reviewed following consultation with stakeholders, feasibility studies & available funding. This project has been flagged in new MTFP for delivery in 26/27
CA166	Housing Scheme - Project 18	900,000			900,000	49,000	52,742	-	3,742	-	847,000	-	Projected project completion 23/24
CA167	Housing Scheme - Project 19	1,400,000			1,400,000	-	-	-	-	-	-	1,400,000	This Project will be delivered as a traditional build 1:4:1 scheme as site not suitable for Pod construction - please see scheme CA160 above
CA168	Housing Scheme - Project 17 (15% enabling budget)	150,000			150,000	-	-	-	-	-	-	150,000	The Housing Delivery programme has been reviewed following consultation with stakeholders, feasibility studies & available funding. This Project has been removed from the Housing Delivery Programme
CA169	Housing Scheme - Project 9 (15% enabling budget)	195,000			195,000	73,000	82,526	-	9,526	-	112,000	-	Projected project completion 23/24
CA170	Housing Scheme - Project 10 (15% enabling budget)	195,000			195,000	77,000	88,781	-	11,781	-	106,000	-	Projected project completion 23/24
CA171	Housing Scheme - Project 15 (15% enabling budget)	690,000			690,000	175,000	187,527	-	12,527	-	502,000	-	Projected project completion 23/24
CA172	Housing Scheme - Project 12 (15% enabling budget)	225,000			225,000	-	-	-	-	-	-	225,000	The Housing Delivery programme has been reviewed following consultation with stakeholders, feasibility studies & available funding. This project has been flagged in new MTFP for delivery in 26/27
CA173	Housing Scheme - Project 13 (15% enabling budget)	165,000			165,000	-	-	-	-	-	-	165,000	The Housing Delivery programme has been reviewed following consultation with stakeholders, feasibility studies & available funding. This project has been flagged in new MTFP for delivery in 26/27
CA174	Housing Scheme - Project 29 (15% enabling budget)	150,000			150,000	-	-	-	-	-	150,000	-	Projected project completion 24/25, however there will be enabling spend in 23/24
CA175	Housing Scheme - Project 30 (15% enabling budget)	165,000			165,000	-	-	-	-	-	-	165,000	The Housing Delivery programme has been reviewed following consultation with stakeholders, feasibility studies & available funding. This project has been flagged in new MTFP for delivery in 26/27
** Proposed Council House 1:4:1 & Housing Development schemes subject to full appraisal													

Code	Scheme	Approved Capital Programme	Total Slippage B/Fwd from 2021/22	Adjustment to Approved Capital Programme	Total Budgeted Capital Programme	Total Deliverable Programme 2022/23	Actual Expenditure 2022/23	Variance (Underspend) to Deliverable Programme 2022/23	Variance Overspend to Deliverable Programme 2022/23	Slippage against Deliverable Programme 2022/23	Capital Programme Forecast spend (in addition to Deliverable Prog Slippage) in 2023/24 to 2026/27	Budget no longer required	Notes
		£	£	£	£	£	£	£	£	£	£	£	
HRA Other Projects													
CA176	Westexe - Structural Communal area work (stairwells, steps)	100,000			100,000	20,000	-	(20,000)	-	-	-	100,000	Project complete - works under £20k diminimis
CA151	Garages Block - Redevelopment	92,000	408,000	(500,000)	-	-	-	-	-	-	-	-	This project has been vired to schemes CA154 & CA155
CA152	Post Hill, Tiverton	2,200,000	3,217,000		5,417,000	513,000	1,119,555	-	606,555	-	4,297,000	-	This project will slip to 23/24, where additional monies have been approved as part of MTFP. It is envisaged this project will complete during 25/26. The overspend is due to an unbudgeted S106 payment
CA177	Old Road Depot remodelling options - forecast expenditure to maintain operations	50,000			50,000	50,000	-	-	-	(50,000)	-	-	This budget will be utilised during 23/24
CA124	Queensway (Beech Road) Tiverton (3 units)		550,000		550,000	450,000	313,554	(446)	-	(136,000)	100,000	-	Projected completion Q2 23/24.
CA126	Sewerage Treatment Works - Washfield	-	25,000		25,000	25,000	-	-	-	(25,000)	-	-	Projected Project completion during 23/24
Total HRA Projects		13,971,000	5,923,000	-	19,894,000	7,263,000	6,893,699	(427,188)	960,887	(903,000)	8,902,000	3,394,900	
CAPITAL PROGRAMME GRAND TOTAL		34,303,000	30,763,000	5,830,000	70,896,000	27,548,988	17,071,773	(5,166,224)	1,918,009	(7,229,000)	29,940,000	17,550,278	

CAPITAL PROGRAMME FUNDING OUTTURN 2022/23

General Fund		Approved Capital Programme	Total Slippage B/Fwd from 2021/22	Adjustment to Approved Capital Programme	Total Budgeted Capital Programme	Total Deliverable Programme 2022/23	Actual Funding 2022/23
Code	Description						
9801	S106 (Revenue) Contributions	0	50,000	56,000	106,000	56,000	63,281
9803	Capital Grants Unapplied - DCC	0	20,000	0	20,000	20,000	0
9990	RCCO - From Revenue EMR's - Other	0	67,000	200,000	267,000	200,000	184,264
9945	RCCO - From Revenue EMR's - Leisure	0	0	190,000	190,000	190,000	53,261
9993	RCCO - From Revenue EMR's - Econ Development	80,000	0	0	80,000	20,000	0
9994	RCCO - From Revenue EMR's - ICT	260,000	45,000	0	305,000	260,000	128,521
9996	RCCO - From Revenue EMR's - Capital	48,000	132,000	0	180,000	80,000	40,000
9997	RCCO - From Revenue EMR's - Waste Infrastructure EMR	250,000	0	0	250,000	0	0
9701	Govt Grant (DCLG passported from DCC)	577,000	0	489,000	1,066,000	989,000	909,526
9727	New Homes Bonus	81,000	1,516,000	0	1,597,000	470,216	112,534
9980	Usable Capital Receipts	5,000	358,000	0	363,000	166,000	64,545
9942	Borrowing	5,977,000	22,329,000	2,160,000	30,466,000	10,991,665	5,363,255
9952	DCC Funding - HIF Project	153,000	0	0	153,000	0	0
9956	Salix Round 3 Funding	0	0	2,735,000	2,735,000	2,684,107	2,723,187
9959	HIF Funding	6,465,000	323,000	0	6,788,000	2,263,000	535,700
9961	Govt Grants - Levelling - up Funding	6,436,000	0	0	6,436,000	1,896,000	0
GF Total		20,332,000	24,840,000	5,830,000	51,002,000	20,285,988	10,178,074
HRA		Approved Capital Programme	Total Slippage B/Fwd from 2021/22	Adjustment to Approved Capital Programme	Total Budgeted Capital Programme	Total Deliverable Programme 2022/23	Actual Funding 2022/23
Code	Description					Funding	
9980	Usable Capital Receipts	854,000	308,000	0	1,162,000	491,000	373,670
9981	UCR 1:4:1 Replacement Homes	432,000	356,400	0	788,400	579,600	426,367
9710	MRA Reserve	2,465,000	359,000	0	2,824,000	2,824,000	2,769,543
9727	New Homes Bonus	21,000	0	0	21,000	0	0
9944	RCCO - From HRA Revenue EMR's - Other	0	25,000	0	25,000	25,000	0
9991	RCCO - From HRA Revenue EMR's - Renewable Energy	250,000	0	0	250,000	250,000	336,130
9992	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	299,000	148,000	0	447,000	148,000	0
9998	RCCO - From HRA Revenue EMR's - HMF	0	1,171,600	0	1,171,600	1,028,600	330,242
9802	Capital Grants Unapplied - S106 Afford Housing	170,000	0	0	170,000	0	0
9705	Government Grants - Homes England Funding	3,031,000	338,000	0	3,369,000	567,050	519,000
9706	Government Grants - One Public Estate Funding	0	0	0	0	0	280,000
9942	Borrowing	6,449,000	3,217,000	0	9,666,000	1,349,750	1,858,748
HRA Total		13,971,000	5,923,000	0	19,894,000	7,263,000	6,893,699
Grand Total		34,303,000	30,763,000	5,830,000	70,896,000	27,548,988	17,071,773

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Report for: Cabinet

Date of Meeting:	6 June 2023
Subject:	Loan to Crediton NHS Hub
Cabinet Member:	Cllr James Buczkowski, Cabinet Member for Finance
Responsible Officer:	Andrew Jarrett, Deputy Chief Executive (S151)
Exempt:	Some details are Exempt from publication under paragraph 3, Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)
Wards Affected:	Crediton Lawrence and Crediton Boniface
Enclosures:	N/A

Section 1 – Summary and Recommendation(s)

To consider a long term loan arrangement to help facilitate the construction of a Pharmacy at the NHS Hub building in Crediton.

Recommendation(s):

- 1. To delegate approval to the Deputy Chief Executive (S151) of a loan to the GP Practice of £240k repayable over 13 years on an annuity basis at a commercial fixed interest rate, subject to the completion of legal due diligence and documentation.**

Section 2 – Report

1.0 Introduction

- 1.1 The Council has an existing loan with the GP Practice of £2.175M for the construction of the new integrated health hub at the Chiddenbrook Surgery in Crediton. That building is mostly funded by the NHS, but the GPs sought funding from the Council on a commercial basis.
- 1.2 The GP Practice has approached the Council for an additional loan to build a new pharmacy building attached to the practice. In addition to the benefits to the residents of Crediton and the surrounding area, the Council consider this an opportunity to lend funds to a suitable stakeholder that will provide a good rate of return on our money, over and above that currently achievable in the current economic conditions.
- 1.3 The loan is intended to be very much on the same commercial basis as the existing loan, thus avoiding any State Aid issues. Draft Terms of Reference have been agreed. Michelmores LLP have been engaged to draft the loan agreement, including ensuring appropriate security for the Council is included. The partners agreed to fund our legal advice and other associated costs.
- 1.4 The view of officers is that, as an NHS body, the creditworthiness is at least Good and the Collateral is High, which will inform the appropriate interest for the loan.
- 1.5 The Council, as part of its daily Treasury decisions, may decide to fund the advance from internal borrowing, if possible. This then increases the surplus made as we would not be paying an external lender. The cost to the Council would be the opportunity cost of not investing those funds. With our average return on investment of around 4% at this time, this would be a prudent approach. Therefore, this should be considered as an attractive proposition.

Financial Implications

The proposed loan is to be undertaken on a commercial basis with the Council due to earn a higher return than if this sum was lent on the market. All costs incurred, although minimal due to the existing relationship, will be met by the Surgery.

A summary of the loan requirements are included within the report. The details are commercially sensitive and therefore there will be a requirement to move into confidential session to discuss the details.

Legal Implications

Michelmores LLP have been engaged to advise and draft the loan agreement, heavily based upon the existing Umbrella Agreement and the current loan agreement entered into by the GP's.

As a fully commercial transaction, there are no state aid implications.

Risk Assessment

The Council consider this loan a low risk of default given it is to an NHS body. The legal agreement will fully protect the Council's interest.

This loan forms part of a diversified treasury portfolio and therefore further spreads the risk and increases the overall portfolio yield.

Impact on Climate Change

Providing a local pharmacy solution will reduce the need for residents to travel to get their medical supplies.

Equalities Impact Assessment

Similarly to the climate change benefit, all protected characteristics will benefit from a more localised pharmacy solution.

Relationship to Corporate Plan

The financial resources of the Council impact directly on its ability to deliver the Corporate Plan, therefore achieving a greater return on investments enable additional service provision.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett

Agreed by or on behalf of the Section 151

Date: 23/05/2023 via Leadership Team meeting

Statutory Officer: Maria De Leburne

Agreed on behalf of the Monitoring Officer

Date: 23/05/2023 via Leadership Team meeting

Chief Officer: Stephen Walford

Agreed by or on behalf of the Chief Executive/Corporate Director

Date: 23/05/2023 via Leadership Team meeting

Performance and risk: Dr Stephen Carr

Agreed by the Corporate Performance & Improvement Manager

Date: 24/05/2023

Cabinet member notified: No – awaiting confirmation of new Portfolio Holder.

Section 4 - Contact Details and Background Papers

Contact: Paul Deal, Corporate Manager for Finance, Property and Climate Change

Email: pdeal@middevon.gov.uk

Telephone: 01884 23(4254)

Background papers: Previous Cabinet reports regarding the original loan, dated 25 July 2019 and 26 March 2020.

Forward Plan

In line with the public's general rights of access to information and the promotion of transparency in the way which decisions are taken by or on behalf of the Council, Mid Devon District Council produces a Forward Plan of any Key Decisions to be taken by the Cabinet and any to be made by the District Council. The Plan normally covers a period of a minimum of four months from the date of publication and is updated every month.

The District Council has defined key decisions as those which by reason of their strategic, political or financial significance or which will have a significant effect on communities in more than one Ward are to be made by the Cabinet or Council, in line with Article 15 of the Council's Constitution must be made by the District Council.

In line with legislation, any item may exceptionally be considered in the absence of the press and public. Where possible the Council will attempt to keep to the dates shown in the Plan. It is possible that on occasion these may need to be rescheduled.

Please ensure therefore that you refer to the most up to date Plan.

Click to see an up to date version of the [Forward Plan](#) on the Council's web site at any time. Also see the website for Copies of [Agenda and Reports](#) of the Cabinet or other Committees of the District Council referred to in this Plan. All items listed in this Forward Plan will be discussed in public at the relevant meeting, unless otherwise indicated for the reasons shown.

Any person who wishes to make representations to the Council/Cabinet about (a) any of the matters proposed for consideration in respect of which a decision is to be made or (b) whether or not they are to be discussed in public or private, as outlined below, may do so in writing, before the designated Date for Decision shown, to the Member Services Manager, Phoenix House, Phoenix Lane, EX16 6SA or by email to: committee@middevon.gov.uk

Forward Plan - June 2023

Decision & Summary	Decision Maker	Date of Decision	Lead Officer	Consultees	Means of Consultation	Cabinet Member	Public or Private Decision	Documents to be considered
Loan to Crediton Pharmacy To consider a report from the Deputy Chief Executive (S151) on whether to lend funds to Redlands Primary Care to build a new pharmacy in Crediton	Cabinet	6 Jun 2023	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Fully exempt	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
2022/23 Financial Outturn To receive a report of the Deputy Chief Executive (S151) presenting the Revenue and Capital Outturn figures for the financial year 2022/23 for both the General Fund and Housing Revenue Account.	Cabinet	6 Jun 2023	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary

<p>2022/23 Annual Treasury Management Outturn Report To receive a report of the Deputy Chief Executive (S151) providing Members with a review of activities and the prudential treasury indicators on actuals for 2022/23.</p>	Cabinet	6 Jun 2023	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>Communication and Engagement Strategy Outlines interactions with customers and how communities will be informed and engaged.</p>	Community Policy Development Group Cabinet	27 Jun 2023 29 Aug 2023	Lisa Lewis, Corporate Manager for Business Transformation and Customer Engagement Tel: 01884 234981			Cabinet Member for Community Well Being		Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>Makeup of the senior officer structure in light of posts held vacant To consider a report from the Chief Executive on the makeup of the senior officer structure in light of posts held vacant</p>	Cabinet	4 Jul 2023	Stephen Walford, Chief Executive Tel: 01884 234201				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary

<p>Local Development Scheme To approve the timetable for preparing the new Local Plan</p>	Cabinet	4 Jul 2023	Richard Marsh, Director of Place				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>High Hedges Policy 7 yearly review</p>	<p>Environment Policy Development Group</p> <p>Cabinet</p>	<p>Before 31 Jul 2023</p> <p>Before 15 Aug 2023</p>				Cabinet Member for Community Well Being	Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>2022/23 Annual Treasury Management Outturn Report To consider a report of the Deputy Chief Executive (S151) providing Members with a review of activities and the prudential treasury indicators on actuals for 2022/23 and recommend this to Council.</p>	Cabinet	1 Aug 2023	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary

<p>Qtr. 1 Budget Monitoring To receive a report from the Deputy Chief Executive (S151) on the Council's Financial position as at 30 June 2023</p>	Cabinet	29 Aug 2023	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>S106 Governance</p>	Cabinet	19 Sep 2023	Joanna Williams, Planning Obligations Monitoring Officer			Cabinet Member for Finance	Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>Meeting Housing Needs SPD To adopt the SPD</p>	Cabinet	17 Oct 2023	Richard Marsh, Director of Place				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary

<p>2024/25 – 2028/29 Medium Term Financial Plan Update To receive a report from the Deputy Chief Executive on the updated Medium Term Financial Plan (MTFP) covering the period 2024/25 to 2028/29</p>	Cabinet	17 Oct 2023	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>Qtr. 2 Budget Monitoring To receive a report from the Deputy Chief Executive (S151) on the Council's Financial position as at 30 September 2023</p>	Cabinet	14 Nov 2023	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>2023/24 Mid-Year Treasury Management Report To receive a report from the Deputy Chief Executive (S151) on the treasury performance during the first six months of 2023/24</p>	Cabinet	14 Nov 2023	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary

<p>2024/25 Budget Update To consider a report from the Deputy Chief Executive (S151) on the updated 2024/25 Budget position and consider options to reduce the remaining shortfall</p>	Cabinet	12 Dec 2023	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>Destination Management Plan for Mid Devon</p>	<p>Economy Policy Development Group</p> <p>Cabinet</p>	<p>4 Jan 2024</p> <p>6 Feb 2024</p>	Richard Marsh, Director of Place			Cabinet Member for Planning and Economic Regeneration	Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>2024/25 Budget Update To consider a report from the Deputy Chief Executive (S151) on the updated 2024/25 Budget position and consider options to reduce the remaining shortfall</p>	Cabinet	9 Jan 2024	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary

<p>Qtr. 3 Budget Monitoring To consider a report from the Deputy Chief Executive (S151) on the Council's Financial position as at 31 December 2023</p>	Cabinet	6 Feb 2024	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>2024/25 Capital Strategy and Capital Programme To consider a report from the Deputy Chief Executive (S151) proposing the 2024/25 Capital Strategy and recommends the 2024/25 Capital Programme</p>	Cabinet	6 Feb 2024	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>2024/25 Treasury Management Strategy To consider a report from the Deputy Chief Executive (S151) proposing the 2024/25 Treasury Management Strategy and Annual Investment Strategy</p>	Cabinet	6 Feb 2024	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary

<p>2024/25 Budget Update To consider a report from the Deputy Chief Executive (S151) proposing the 2024/25 Budget and recommends the Band D Council Tax charge for 2024/25</p>	Cabinet	6 Feb 2024	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary
<p>2024/25 Council Tax Resolution To consider a report from the Deputy Chief Executive (S151) proposing the 2024/25 Band D Council Tax charge for 2024/25</p>	Cabinet	6 Feb 2024	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242				Open	Report outlining all relevant considerations, information and material including any equality and / or impact assessments, as necessary

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