

**Mid Devon District Council - Medium Term Financial Plan**

Description	Budget Gap					TOTAL £	
	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £		
v1 Annual Budget Shortfall	1,332,295	604,197	49,238	(122,368)	27,276	<b>1,890,638</b>	
v2 Inclusion of 60% of 3R interest charges	(180,000)		60,000	(120,000)	60,000	<b>(180,000)</b>	
v2 Inclusion of GP Surgery loan interest	(80,000)	3,000	3,000	3,000	3,000	<b>(68,000)</b>	
<b>v2 CURRENT BUDGET GAP</b>	<b>1,072,295</b>	<b>607,197</b>	<b>112,238</b>	<b>(239,368)</b>	<b>90,276</b>	<b>1,642,638</b>	
<b>v2 Cumulative Budget Shortfall</b>	<b>1,072,295</b>	<b>1,679,492</b>	<b>1,791,730</b>	<b>1,552,362</b>	<b>1,642,638</b>		

**Budget Options to address the MTFP Budget Gap**

Previous Options	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	TOTAL £	PDG Committee
1 Recruitment freeze / 12 month ban on filling any vacancies unless proof that the service would fall below legal minimum level	(75,000)	(50,000)	(50,000)	0	0	<b>(175,000)</b>	<b>ALL</b>
2 Leisure centres. Additional income above general inflation increase based upon new capital expenditure	0		(50,000)	0	0	<b>(50,000)</b>	<b>Community</b>
3 Reduce waste collections to encourage more recycling	0	(136,000)	(75,000)	0	0	<b>(211,000)</b>	<b>Environment</b>
4 Close Public Toilets - Market Sq Crediton, TTC complete ownership of PC, Down St Mary remodel?	(25,000)	(25,000)	0	0	0	<b>(50,000)</b>	<b>Economy</b>
5 Review agency spend and look at why we need to rely on agencies/do things differently	(50,000)	0	0	0	0	<b>(50,000)</b>	<b>ALL</b>
6 Review Court Costs - Amount/Process - Also Recovery to pre COVID levels	(38,000)	0	0	0	0	<b>(38,000)</b>	<b>Homes</b>
7 Phoenix House – sublet office space; creating hot desk areas combined with WFH becoming the normal working practice	0	(30,000)	(50,000)	0	0	<b>(80,000)</b>	<b>Environment</b>
8 Invest in our own hydro scheme	0	0	(49,000)	0	0	<b>(49,000)</b>	<b>Environment</b>
9 Move staff out of Old Road, GF purchase building and lease back to HRA until decommissioned	0	(38,000)	0	0	0	<b>(38,000)</b>	<b>Environment</b>
10 Reduce grants to charitable organisations, other than those who support our statutory obligations	(13,000)	(13,000)	0	0	0	<b>(26,000)</b>	<b>Community</b>
	<b>(201,000)</b>	<b>(292,000)</b>	<b>(274,000)</b>	<b>0</b>	<b>0</b>	<b>(767,000)</b>	

**New Options to be review / worked up**

Ref Description	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	TOTAL £	PDG Committee
<b>1 Funding</b>							
a Council Tax Collection Fund gain (one-off)	(200,000)	200,000	0	0	0	0	Economy
b Council Tax Recovery/Growth - refine assumptions	£???	£???	£???	£???	£???	0	Economy
c Business Rates Collection Fund gain	(100,000)	100,000	0	0	0	0	Economy
d Business Rates Recovery/Growth - refine assumptions (particularly retention/reset)	(100,000)	£???	£???	£???	£???	(100,000)	Economy
e Future Business Rates Growth - both Costs and Income in relation to: Hitchcotts (30%), J27, J28, EUE, North Western Cullompton Expansion, Hartnells etc	0	(200,000)	(100,000)	(100,000)	(100,000)	(500,000)	Economy
f Continuation of Lower Tier Services Grant	£???	£???	£???	£???	£???	0	Not Applicable
g Finalisation of New Homes Bonus - possible supplementary payment - new replacement scheme	£???	£???	£???	£???	£???	0	Not Applicable
h Implications of Fair Funding Review - possible new grant funding - removal of Negative RSG - Potential exposure to Business Rates rebasing	(180,000)	200,000	100,000	£???	£???	120,000	Not Applicable
i1 3 Rivers Returns - increased Interest above that already built in	(140,000)	150,000	(50,000)	10,000	160,000	130,000	Homes
i2 3 Rivers Returns - Dividend Payments	0	0	(250,000)	£???	£???	(250,000)	Homes
j GP Surgery Loan - Phase 2	0	0	(80,000)	0	0	(80,000)	Economy
	<b>(720,000)</b>	<b>450,000</b>	<b>(380,000)</b>	<b>(90,000)</b>	<b>60,000</b>	<b>(680,000)</b>	

Ref Description	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	TOTAL £	PDG Committee
<b>2 Transformation</b>							
a Decarbonisation Savings	(40,000)	£???	£???	£???	£???	(40,000)	Environment
b Property Rationalisation - savings on overheads - Play Parks ?? - Amenity Car Parks??	£???	£???	£???	£???	£???	0	Environment
c Digital Transformation - Costs and Savings	(30,000)	(60,000)	(30,000)	0	0	(120,000)	Community
d HIF Projects - Base position reflects £18m Grants - Additional pressures i.e. interest etc (hopefully offset by Levelling Up Bid)	£???	£???	£???	£???	£???	0	Community
e Harlequin Valet - receipt from sale of asset (possible £100k one-off - use in-year or next year?)	£???	0	0	0	0	0	Not Applicable
f NET Reduced costs as outcome of "hybrid working" - Reduced travel costs - Greater Productivity - Additional IT Costs	£???	£???	£???	£???	£???	0	ALL
	<b>(70,000)</b>	<b>(60,000)</b>	<b>(30,000)</b>	<b>0</b>	<b>0</b>	<b>(160,000)</b>	

Ref Description	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	TOTAL £	PDG Committee
<b>3 Other Savings?</b>							
a Review Fees and Charges - Green / Trade Waste - Discretionary elements of Licensing / Planning - Car Park Fees	(50,000)	£???	£???	£???	£???	(50,000)	ALL
b Additional implications of CRF and Levelling up Bids	£???	£???	£???	£???	£???	0	Community
c Review HRA Recharges - refine further	(5,000)	£???	£???	£???	£???	(5,000)	Homes
d Reduce Corporate Subscriptions / Fees	£???	£???	£???	£???	£???	0	ALL
e Commercialise Services	£???	£???	£???	£???	£???	0	ALL
f Increase subscriptions to Piper Alarms	£???	£???	£???	£???	£???	0	Homes
g Outsource Homelessness provision - reduced admin costs	£???	£???	£???	£???	£???	0	Homes
h Refine Inflation Assumptions - Services to "consume their own smoke"	£???	£???	£???	£???	£???	0	ALL
	<b>(55,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(55,000)</b>	

Ref Description	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	TOTAL £	PDG Committee
<b>4 Possible Costs</b>							
a Climate Change Commitment Implications (over and above associated grant funding)	50,000	50,000	50,000	50,000	50,000	250,000	Environment
b Cyber Security - Insurance premium - Costs arising from Audit recommendations	20,000	£???	£???	£???	£???	20,000	Not Applicable
c CCTV - additional spend?	£???	£???	£???	£???	£???	0	Economy
d1 SFS Leasing Contract - Maintenance costs	30,000	30,000	30,000	30,000	30,000	150,000	Environment
d2 SFS Leasing Contract - Lease costs	65,000	15,000	15,000	15,000	15,000	125,000	Environment
e Additional implications of CRF and Levelling up Bids	£???	£???	£???	£???	£???	0	Community
f Stop sharing Transport Manager post with Exeter City Council	20,000	0	0	0	0	20,000	Environment
g Contributions for bedding from Town Councils - ceased	13,000	0	0	0	0	13,000	Community
h Increase in asset maintenance programme	50,000	£???	£???	£???	£???	50,000	Environment
i Increased Audit Fees under new procurement framework	20,000	20,000	£???	£???	£???	40,000	Not Applicable
j Increased Pension Deficit - Higher Back Funding requirement - Higher contribution rates	0	100,000	0	0	100,000	200,000	Not Applicable
k Carlu Close - possible increase in Rental payment - possible reduced utilities	30,000	0	0	0	0	30,000	Environment
l1 Updated Capital Programme - GF revenue implications - Interest	54,000	174,000	(3,000)	(101,000)	(98,000)	26,000	ALL
l2 Updated Capital Programme - GF revenue implications - Minimum Revenue Provision (MRP)	0	45,000	383,000	107,000	63,000	598,000	ALL
m Additional cost implications of Recruitment and Retention pressure	100,000	0	0	0	0	100,000	ALL
n Loss of NHB (capital contribution) - Adequate property maintenance	100,000	100,000	100,000	100,000	100,000	500,000	Not Applicable
	<b>552,000</b>	<b>534,000</b>	<b>575,000</b>	<b>201,000</b>	<b>260,000</b>	<b>2,122,000</b>	

Ref Description	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	TOTAL £	PDG Committee
<b>5 Longer Term Decisions / Tough Choices</b>							
a Reduce Service Provision - Reduce standard - Cease provision	£???	(150,000)	(200,000)	£???	£???	(350,000)	ALL
d Further Commercial Activity	£???	£???	£???	£???	£???	0	Economy
	0	(150,000)	(200,000)	0	0	(350,000)	
<b>Potential MTFP Position</b>	<b>578,295</b>	<b>1,089,197</b>	<b>(196,762)</b>	<b>(128,368)</b>	<b>410,276</b>	<b>1,752,638</b>	
<b>Notes:</b>							
<b>6 Reserves</b>							
a General Fund - 10% above minimum							
b Reallocate NHB - £3m earmarked to support Capital - could be used for Revenue instead							
c Reallocate Other Earmarked Reserves - £15m+ excluding NNDR S31 Grant							
<b>7 Other Issues</b>							
a National changes to waste collection services							
b Ability for planning to be break even							
c No inclusion of National Insurance increase contributions as assumed fully funded							
<b>8 Other Considerations</b>							
a DC Elections May 2023							
b Financial implications from recent petition for referendum on democratic system (c.£300k)							