

Review of Minimum Revenue Provisions Policy

Wellbeing Impact Assessment Report

This report summarises the likely impact of a proposal on the social, economic, environmental and cultural well-being of Denbighshire, Wales and the world.

Assessment Number:	290
Brief description:	Proposal to Cabinet to review the present MRP policy and proposing a new method that will deliver a significant saving opportunity.
Date Completed:	Version: 0
Completed by:	
Responsible Service:	Finance
Localities affected by the proposal:	Not Applicable,

IMPACT ASSESSMENT SUMMARY AND CONCLUSION

Before we look in detail at the contribution and impact of the proposal, it is important to consider how the proposal is applying the sustainable development principle. This means that we must act "in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs."

Score for the sustainability of the approach

Could some small changes in your thinking produce a better result?

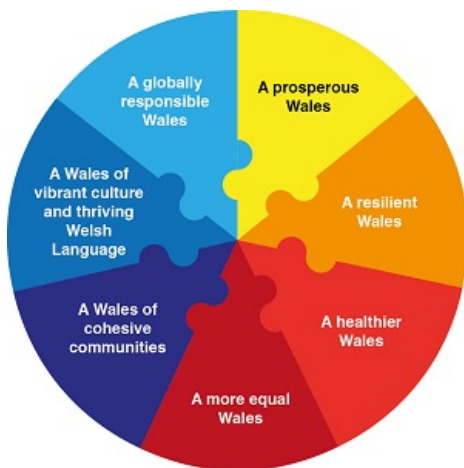


(3 out of 4 stars)

Actual score : 20 / 24.

Summary of impact

Wellbeing Goals



A prosperous Denbighshire	Positive
A resilient Denbighshire	Positive
A healthier Denbighshire	Neutral
A more equal Denbighshire	Neutral
A Denbighshire of cohesive communities	Neutral
A Denbighshire of vibrant culture and thriving Welsh language	Neutral
A globally responsible Denbighshire	Positive

Main conclusions

THE LIKELY IMPACT ON DENBIGHSHIRE, WALES AND THE WORLD

A prosperous Denbighshire

Overall Impact	Positive
Justification for impact	An effective Minimum Revenue Provision (MRP) Policy will contribute towards the Council's goal of maximising income and minimising costs which supports efficient service delivery.

Positive consequences identified:

The Council is required by regulations to make an annual charge to the revenue account for repaying debt and this is known as the Minimum revenue provision (MRP). The Council sets its policy prior to each financial year and the policy is approved by Council. The Welsh Government has issued guidance and DCC complies with the guidance which aims for a prudent provision and to ensure that the debt is repaid over a period. In line with Other Local Authorities, the Council has reviewed its policy with an objective to keep a prudent provision but to make savings. It is important that the Council maximise opportunities to save money in ways that do not negatively affect Council staff, service provision or charges to the public. Savings that do not effect staffing levels help ensure and protect quality council jobs over the coming years.

Unintended negative consequences identified:

Mitigating actions:

A resilient Denbighshire

Overall Impact	Positive
Justification for impact	The new policy is still prudent and affordable but produces cash and budget savings.

Positive consequences identified:

The recommendation to change the MRP policy for supported capital expenditure from reducing balance to straight line ensures that the costs are spread more evenly amongst the taxpayers benefiting from the capital expenditure. This is not considered as compromising the ability of future generations to meet their own needs merely that future generations pay for assets from which they benefit.

Unintended negative consequences identified:

Mitigating actions:

A healthier Denbighshire

Overall Impact	Neutral
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Justification for impact	The Policy contributes to the overall financial health of Denbighshire and therefore supports the delivery of the annual budget which support the provision of front line services.
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Positive consequences identified:

The proposals have little or no direct impact on the vast majority of residents as the proposal involves changing the method of calculating the MRP.

Unintended negative consequences identified:

Mitigating actions:

A more equal Denbighshire

Overall Impact	Neutral
Justification for impact	A prudent MRP policy contributes to the overall financial resilience of the Council and supports the on-going work of the Authority without impacting on residents.

Positive consequences identified:

An efficient MRP Policy contributes to the financial resilience of the Council and supports service delivery.

Unintended negative consequences identified:

Mitigating actions:

A Denbighshire of cohesive communities

Overall Impact	Neutral
Justification for impact	A prudent MRP policy contributes to the overall financial resilience of the Council and supports the on-going work of the Authority without impacting on residents.

Positive consequences identified:

Unintended negative consequences identified:

Mitigating actions:

A Denbighshire of vibrant culture and thriving Welsh language

Overall Impact	Neutral
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Justification for impact	A prudent MRP policy contributes to the overall financial resilience of the Council and supports the on-going work of the Authority without impacting on residents. It has no direct impact on the language and culture because MRP decisions are based on regulations and technical advice.
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Positive consequences identified:

Unintended negative consequences identified:

Mitigating actions:

A globally responsible Denbighshire

Overall Impact	Positive
Justification for impact	A prudent MRP policy contributes to the overall financial resilience of the Council and supports the on-going work of the Authority.

Positive consequences identified:

As a consequence of the savings which result from the change in policy services have been protected from cuts which would effect the service received by the public.

Unintended negative consequences identified:

Mitigating actions: