



Please ask for Graham Ibberson  
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The Chair and Members of Cabinet

Dear Councillor,

AGENDA SUPPLEMENT

Please see attached the documents for the agenda item(s) listed below for the meeting of the CABINET to be held on TUESDAY, 21 FEBRUARY 2023, the agenda for which has already been published.

9. Budget and Medium Term Financial Plan 2023/24 (Pages 79 - 102)

Yours sincerely,

A handwritten signature in black ink, appearing to be "Graham Ibberson".

Head of Regulatory Law and Monitoring Officer

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## GENERAL FUND REVENUE ESTIMATES SUMMARY

	2022/23	2023/24
	Budget	Budget
	£	£
Leader of the Council	34,050	39,720
Deputy Leader of the Council	1,220,680	1,273,035
Cabinet Member for Business Transformation	2,705,664	2,690,625
Cabinet Member for Economic Growth	(392,540)	(242,235)
Cabinet Member for Governance	2,635,680	2,971,610
Cabinet Member for Health and Wellbeing	8,818,890	9,959,294
Cabinet Member for Housing (GF)	882,630	1,028,280
Cabinet Member for Town Centre and Visitor Economy	21,220	1,069,890
<b>Portfolios Total</b>	<b>15,926,274</b>	<b>18,790,219</b>
Crematorium surplus	(275,000)	(330,000)
<b>ICT Digital Innovation Savings Target</b>	<b>(825,023)</b>	<b>(1,022,997)</b>
<b>ICT Digital Innovation Savings Achieved</b>	<b>380,820</b>	<b>711,839</b>
<b>Balanced Budget - Savings Plans</b>	<b>(693,253)</b>	<b>(1,300,003)</b>
Staff vacancy / attendance allowance	(250,000)	(250,000)
<b>Total Service Expenditure</b>	<b>14,263,818</b>	<b>16,599,058</b>
Interest & capital charges:		
Reversal of Depreciation	(3,755,110)	(3,707,403)
MRP charges	1,173,375	1,398,192
GF Interest Payable	330,950	827,424
GF Interest Receivable	(68,443)	(370,320)
Debt Management Expenses	20,063	22,792
Contrib to/(from) Service Improve't Reserve	(124,280)	(59,070)
Contrib to/(from) Revenue Risk Reserve	(97,020)	0
Contrib to/(from) Earmarked Reserves	(711,997)	(1,678,791)
Contrib to/(from) Business Rate Reserve	(1,889,465)	0
Council tax support grants to parishes	6,611	0
Contribution to Vehicle & Plant Fund	106,000	106,000
Lower Tier Services grant	(154,329)	0
Services Grant/Funding Gurantee	(232,562)	(266,058)
New Homes Bonus	(439,671)	(397,549)
Bad debt provision	50,000	25,000
Other Income	(30,500)	(10,500)
<b>Surplus/(deficit) - savings target</b>	<b>(0)</b>	<b>0</b>
<b>NET EXPENDITURE</b>	<b>8,447,439</b>	<b>12,488,775</b>
<b>Total Savings Target</b>	<b>(1,137,456)</b>	<b>(1,611,161)</b>
<b>Financed By:</b>		
RSG	457,937	504,937
Business Rates Baseline	3,373,521	3,499,000
<b>Settlement Funding</b>	<b>3,831,458</b>	<b>4,003,937</b>
Retained Business Rates	1,561,523	2,576,392
Retained Business Rates Growth	166,959	0
Business Rates pooling	300,000	390,000
NNDR Fund Surplus/(Deficit)	(2,821,785)	(73,798)
Council Tax Fund Surplus/(Deficit)	38,107	(7,066)
Council Tax (taxbase x tax below)	5,371,177	5,599,310
<b>TOTAL FINANCING</b>	<b>8,447,439</b>	<b>12,488,775</b>

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## KEY BUDGET RISKS &amp; SENSITIVITY ANALYSIS 2023/24

Description	Budget Risk	Risk Assessment			Containment Actions		
		Probability	Impact	Value £000'S	What	Who	When
2022/23 overspend	Expenditure not contained within approved budgets	Medium	Medium	200	Robust in year monitoring. Mitigations already in place / forensic review of budgets undertaken / review vacancies/ review non essential spending	Accountability with Budget Holders and Service Directors	Monthly
Budget assumption do not cover inflationary impact	Contract inflation not captured within budgets	Medium	Low	400	Inflation contingency established within MTFP £550k in 2023 and £650k pa for all years	Accountability with Budget Holders and Service Directors	Monthly
Additional cost pressures as a result of cost of living crisis	Further demand for services e.g. homelessness	Medium	High	250	Maintain adequate working balance/ insurance fund/ effective risk management and monitoring	SLT, CLT, budget holders, finance	On-going
Non achievement of saving	Failure to achieve savings built into the MTFP	Medium	Low	100	Implementation plans for savings. Monitor progress against targets early in 2023/24	Accountability with Budget Holders and Service Directors	On-going
Achieving income targets - leisure, car parks, etc	Cost of living crisis impact on income generating areas	Medium	Medium	200	Base budgets adjusted to reflect activity Monthly budget monitoring + marketing & promotional activities.	Service Managers	Monthly
Industrial and commercial Comm. Property portfolio - reduced rent income during economic downturn and due to disposals to generate capital receipts.	Industrial & commercial/ Vicar Lane/ Pavements	Medium	High	500	Assumptions adjusted within the MTFP. Monitor voids/ business cases. Planned Disposal Programme. Robust monitoring.	Estates Officer	Monthly
Benefits - high spend £23.3m with complicated grant scheme.	Increase in expenditure with less than 100% subsidy. Failure to Comply with Regulations/ recovery of overpayments	Low	High	200	Bad debt provision increased and provision within budget Regular monitoring of claims processed. Staff Training	Benefits Manager	Quarterly
Property Maintenance - 10 year maintenance programme	Condition Survey. Asset Management Strategy in progress. undertaken. Potential additional requirements	High	Medium	1,000	Asset Management Strategy and Plan will inform outcome and actions need to address	Executive Director	On-going
Reduced recovery rates/ Provision for Bad Debts	Recovery of all debts including Council Tax and Business Rates	Medium	High	250	Regular monitoring level of debtors and collection rates.	Finance	On-going
VAT - 5% exempt limit exceeded	Limit exceeded £250k un-recoverable plus excess amount.	Low	High	400	Monitoring	Head of Finance	Monthly
MMI – risk of insolvent run-off following recent ruling on EL claims.	'Clawback' beyond the £345k provision (£1.4m claims settled).	Low	High	100	Clawback rate currently 25%. Provision of £348k established and in line with Insurance Fund review completed in 2019/20.	Service Director Finance	On-going
Changes in government funding / fair funding review	Reduced funding from Government	Low	High	tba	Funding confirmed for 2023/24 and framework for 2024/25 shared. Will impact on future years but mitigated somewhat as budget does not assume funding from government going forward.	Service Director Finance	On-going
Potential Business Rates Reset	Impact on Growth above baseline	Low	High	tba	Government confirmation that will not take place in 2023/24 but will remain a risk for future years Business Rates Reserve established to mitigate impact in future years	Service Director Finance	Awaiting consultation from Government
Business Rates Pool	Potential changes in pooling arrangement / Declining business rates growth £300k exposure 50%	Medium	low	200	Business Rates Risk reserve set up to mitigate risk / Transitional arrangements likely	Service Director Finance	Quarterly

Gen Fund Rev Budget	Total exposure			3,800
	Allowance %	Prob	Total £000	Allow £000
Risk allowance	70%	High	1,000	700
	40%	Med	2,100	840
	25%	Low	700	175
Risk allowance			3,800	1,715

Risk allowance can be covered by the General Fund Balance £1.5m / the Budget Risk Reserve/ Business Rates Reserve/ Contingency

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**CALCULATION OF EXPENDITURE – SECTION 32 LGFA '92**

	<b>2023/24 £</b>
Gross Expenditure – Chesterfield Borough Council	109,383,106
<u>Special Items</u>	
- Staveley Town Council Precept - (£444,502 in 22/23)	497,565
- Brimington Parish Council Precept - (£55,123 in 22/23)	<u>57,486</u>
Total Special Items	555,051
<b>Gross Expenditure 31A (2)</b>	<b>109,938,157</b>
Gross Income – Chesterfield Borough Council	(96,894,331)
Revenue Support Grant	(504,937)
Business Rates Baseline Need	(3,499,000)
Retained Non-Domestic Rates Growth	(2,966,392)
<b>Gross Income Including Use of Reserves 31A (3)</b>	<b>(103,864,660)</b>
Collection Fund (Surplus)/Deficit: Council Tax	<b>7,066</b>
Non-Domestic Rates	<b>73,798</b>
<b>Council Tax Requirement 31A (4)</b>	<b>6,154,361</b>
<b>Tax base</b> (29,858.12 in 2022/23)	<b>30,222.43</b>
<b>Average Band 'D' Tax (incl. Parishes)</b>	£203.64
Percentage Increase - (2022/23 £196.62, +2.89%)	+3.57%
<b>C.B.C.'s Council Tax</b>	<b>£185.27</b>
Percentage Increase - (2022/23 £179.89, +2.86%)	+2.99%

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## COUNCIL TAXES 2023/24

COUNCIL TAXES								
COUNCIL AREA	VALUATION BAND/PROPORTION OF BAND 'D' TAX							
	A	B	C	D	E	F	G	H
	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9
	£	£	£	£	£	£	£	£
<b>CHESTERFIELD BOROUGH:</b>								
Staveley Town	198.30	231.36	264.40	<b>297.46</b>	363.56	429.66	495.76	594.92
Brimington Parish	138.79	161.93	185.05	<b>208.19</b>	254.45	300.72	346.98	416.38
All Other Areas	123.51	144.10	164.68	<b>185.27</b>	226.44	267.61	308.78	370.54
<b>MAJOR PRECEPTING AUTHORITIES:</b>								
Derbyshire CC	985.32	1,149.54	1,313.76	<b>1,477.98</b>	1,806.42	2,134.86	2,463.30	2,955.96
Derbyshire Fire & Rescue	57.23	66.76	76.30	<b>85.84</b>	104.92	123.99	143.07	171.68
Derbyshire Police	177.73	207.36	236.98	<b>266.60</b>	325.84	385.09	444.33	533.20

TOTAL COUNCIL TAX PAYABLE IN EACH AREA								
COUNCIL AREA	VALUATION BAND/PROPORTION OF BAND 'D' TAX							
	A	B	C	D	E	F	G	H
	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9
	£	£	£	£	£	£	£	£
Staveley Town	1,418.58	1,655.02	1,891.44	<b>2,127.88</b>	2,600.74	3,073.60	3,546.46	4,255.76
Brimington Parish	1,359.07	1,585.59	1,812.09	<b>2,038.61</b>	2,491.63	2,944.66	3,397.68	4,077.22
All Other Areas	1,343.79	1,567.76	1,791.72	<b>2,015.69</b>	2,463.62	2,911.55	3,359.48	4,031.38

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