



Please ask for Emily Taylor
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The Chair and Members of Council

Dear Councillor,

AGENDA SUPPLEMENT

Please see attached the documents for the agenda item(s) listed below for the meeting of the COUNCIL to be held on WEDNESDAY, 22 FEBRUARY 2023, the agenda for which has already been published.

13. Budget and Medium Term Financial Plan 2023/24 (Pages 3 - 10)
14. Council Tax 2023/24 (Pages 11 - 16)

Yours sincerely,

A handwritten signature in black ink, appearing to read "Emily Taylor".

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
Portfolios Total	15,926,274	18,790,219
Crematorium surplus	(275,000)	(330,000)
ICT Digital Innovation Savings Target	(825,023)	(1,022,997)
ICT Digital Innovation Savings Achieved	380,820	711,839
Balanced Budget - Savings Plans	(693,253)	(1,300,003)
Staff vacancy / attendance allowance	(250,000)	(250,000)
Total Service Expenditure	14,263,818	16,599,058
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)
Surplus/(deficit) - savings target	(0)	0
NET EXPENDITURE	8,447,439	12,488,775
Total Savings Target	(1,137,456)	(1,611,161)
Financed By:		
RSG	457,937	504,937
Business Rates Baseline	3,373,521	3,499,000
Settlement Funding	3,831,458	4,003,937
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
TOTAL FINANCING	8,447,439	12,488,775

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KEY BUDGET RISKS & 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 unrecoverable 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

	2023/24 £
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
Gross Expenditure 31A (2)	109,938,157
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)
Gross Income Including Use of Reserves 31A (3)	(103,864,660)
Collection Fund (Surplus)/Deficit: Council Tax	7,066
Non-Domestic Rates	73,798
Council Tax Requirement 31A (4)	6,154,361
Tax base (29,858.12 in 2022/23)	30,222.43
Average Band 'D' Tax (incl. Parishes)	£203.64
Percentage Increase - (2022/23 £196.62, +2.89%)	+3.57%
C.B.C.'s Council Tax	£185.27
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
	£	£	£	£	£	£	£	£
CHESTERFIELD BOROUGH:								
Staveley Town	198.30	231.36	264.40	297.46	363.56	429.66	495.76	594.92
Brimington Parish	138.79	161.93	185.05	208.19	254.45	300.72	346.98	416.38
All Other Areas	123.51	144.10	164.68	185.27	226.44	267.61	308.78	370.54
MAJOR PRECEPTING AUTHORITIES:								
Derbyshire CC	985.32	1,149.54	1,313.76	1,477.98	1,806.42	2,134.86	2,463.30	2,955.96
Derbyshire Fire & Rescue	57.23	66.76	76.30	85.84	104.92	123.99	143.07	171.68
Derbyshire Police	177.73	207.36	236.98	266.60	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	2,127.88	2,600.74	3,073.60	3,546.46	4,255.76
Brimington Parish	1,359.07	1,585.59	1,812.09	2,038.61	2,491.63	2,944.66	3,397.68	4,077.22
All Other Areas	1,343.79	1,567.76	1,791.72	2,015.69	2,463.62	2,911.55	3,359.48	4,031.38

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For publication

Council Tax 2023/24

Meeting:	Council
Date:	22nd February 2023
Cabinet portfolio:	Leader
Directorate:	Finance
For Publication	

1.0 Purpose of report

- 1.1 To set the Council's own Council Tax for 2023/24.
- 1.2 To set the aggregate amounts of Council Tax for 2023/24, including all of the precepting authorities, for each area/category of dwelling within the Borough in accordance with requirements of the Local Government Finance Act 1992.

2.0 Recommendations

- 2.1 That it be noted that at its meeting on 30th January 2023 the Employment and General Committee calculated the following tax base amounts for the year 2023/24 in accordance with regulation made under Section 31B of the Local Government Finance Act 1992 as:
 - (a) 30,222.43 being the tax base calculated for the whole Council area.
 - (b) For those areas to which a parish precept applies:

Staveley Town Council	4,434.99
Brimington Parish Council	2,508.11
- 2.2 That the Council approves the calculation of the Council Tax requirement for the Council's own purposes for 2023/24 (excluding parish precepts) as **£5,599,310.**
- 2.3 That the following amounts be calculated for the year 2023/24 in accordance with Sections 31 to 36 of the Act:

- (a) **£109,938,157** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act (gross expenditure) taking into account all precepts issued to it by Parish Councils;
- (b) **£103,864,660** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act (gross income including grants and the use of reserves);
- (c) **£7,066** being the deficit on the Council tax elements of the Collection Fund and **£73,798** being the deficit on the Business Rate elements;
- (d) **£6,154,361** being the amount by which the aggregate at 2.3(a) above exceeds the aggregate at 2.3(b) above plus 2.3(c), calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year. Please note that this is the total of the Borough's requirement of **£5,599,310** plus the total parish precepts of **£555,051**.
- (e) **£203.64** being the amount at 2.3(d) above divided by 2.1(a) above, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (f) **£555,051** being the aggregate amount of all special items (parish precepts) referred to in Section 34(1) of the Act.
- (g) **£185.27** (Band 'D' Council Tax) being the amount at 2.3(e) above less the result given by dividing the amount at 2.3(f) above by the amount at 2.1(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates. The tax does not exceed the principles set by the Secretary of State for determining excessive tax increases and triggering a referendum.

Parts of the Council's area:

- (h) The following being the amounts calculated by adding the amount at 2.3(g) to the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned in 2.3(f) divided in each case by the amount at 2.1(b), calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more items relate.

Parish	Band 'D' Special Item (Parish Precept)* £	Band 'D' Tax £
Staveley	112.19	297.46
Brimington	22.92	208.19

*Included within the Band 'D' Tax amount

- (i) The amounts given by multiplying the amounts at 2.3(g) and 2.3(h) by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation band

Part of the Council's area	Valuation Band							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Staveley Town Council	198.30	231.36	264.40	297.46	363.56	429.66	495.76	594.92
Brimington Parish Council	138.79	161.93	185.05	208.19	254.45	300.72	346.98	416.38
All other parts of the Borough	123.51	144.10	164.68	185.27	226.44	267.61	308.78	370.54

- 2.4 That it be noted that for the year 2023/24 the Derbyshire County Council, the Derbyshire Fire and Rescue Service and the Derbyshire Police & Crime Commissioner have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Precepting Authority	Valuation Band							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Derbyshire County Council	985.32	1,149.54	1,313.76	1,477.98*	1,806.42	2,134.86	2,463.30	2,955.96
Derbyshire Fire & Rescue Service	57.23	66.76	76.30	85.84	104.92	123.99	143.07	171.68
Derbyshire Police & Crime	177.73	207.36	236.98	266.60	325.84	385.09	444.33	533.20

Commissioner								
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*The Derbyshire County Council Tax increase of 3.75% includes 1.25% to support the delivery of adult social care duties and responsibilities in 2023/24, equivalent to an additional £13.83 for dwellings in Council Tax Valuation Band 'D', which is included in the £1,477.98 in the table above.

2.5 That, having calculated the aggregate in each case of the amounts at 2.3(i) and 2.4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2023/24 for each of the categories of dwellings shown below:

Part of the Council's area	Valuation Band							
	A 6/9	B 7/9	C 8/9	D 9/9	E 11/9	F 13/9	G 15/9	H 18/9
	£	£	£	£	£	£	£	£
Staveley Town Council	1,418.58	1,655.02	1,891.44	2,127.88	2,600.74	3,073.60	3,546.46	4,255.76
Brimington Parish Council	1,359.07	1,585.59	1,812.09	2,038.61	2,491.63	2,944.66	3,397.68	4,077.22
All other parts of the Borough	1,343.79	1,567.76	1,791.72	2,015.69	2,463.62	2,911.55	3,359.48	4,031.38

3.0 Reasons for recommendations

3.1 There is a statutory requirement for the Council to set a balanced budget and a Council Tax for each financial year. The format of the Council Tax resolution is based on the model recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA).

4.0 Report Details

4.1 Background

The Councils budget is set out in the 2023/24 Budget & Medium-Term Financial Plan, General Fund and Housing Capital Programmes and Treasury Management Strategy reports. The budget reports form the basis of the Council Tax recommendation in this report.

The Borough Council, as the Tax Collecting Authority, is required by the Local Government Finance Act, 1992 to set the Council Tax for its area by adding its own tax to those of the Major Precepting Authorities (in this case Derbyshire County Council, Derbyshire Fire & Rescue Service and Derbyshire Police and Crime Commissioner) and the local Precepting Authorities (in this case Staveley Town Council and Brimington Parish Council).

Under the Local Government Act 1992 the Council is required to determine whether it's relevant basic amount of council tax for a financial year is excessive. Where the increase exceeds the principles determined by the Secretary of State the authority is required to hold a council tax referendum. For 2023/24 an increase is deemed to be excessive for a shire district council if it is 3% or more above the 2022/23 level.

5.0 Alternative options

5.1 It is within the gift of the Council to put forward alternative council tax levels for the Chesterfield Borough element of the council tax calculation.

6.0 Implications for consideration – Financial and value for money

6.1 The Medium-Term Financial Plan in its entirety deals with financial and value for money implications.

7.0 Implications for consideration – Legal

7.1 The Borough Council, as the Tax Collecting Authority, is required by the Local Government Finance Act, 1992 to set the Council Tax for its area by adding its own tax to those of the Major Precepting Authorities (in this case Derbyshire County Council, Derbyshire Fire & Rescue Service and Derbyshire Police and Crime Commissioner) and the local Precepting Authorities (in this case Staveley Town Council and Brimington Parish Council).

7.2 Under the Local Government Act 1992 the Council is required to determine whether it's relevant basic amount of council tax for a financial year is excessive. Where the increase exceeds the principles determined by the Secretary of State the authority is required to hold a council tax referendum.

8.0 Implications for consideration – Human resources

8.1 There are no human resource implications to consider in this report.

9.0 Implications for consideration – Council Plan

9.1 In preparing the budget estimates for the coming financial year and updating the medium-term financial plan, detailed consideration has been given to the need for the Council's finances to be at levels appropriate to enable the Council to deliver in full on the priorities and objectives that it has

set itself for the remaining term of the Council Plan. Consideration and approval of the council tax increase forms part of that process.

- 9.2 The preparation of sustainable and balanced budgets over the medium terms is a key activity in contributing to delivery of the third Council Plan priority 'delivering value for money services.

10.0 Implications for consideration – Climate Change

- 10.1 Climate Change has been a key consideration during the development of the Medium-Term Financial Plan. Climate Change Impact Assessments are undertaken for specific spending options and activities and form a key part of informed decision making.

11.0 Implications for consideration – Equality and diversity

- 11.1 Equality and diversity have been a key consideration during the development of the Medium-Term Financial Plan. Equality analysis is undertaken for specific spending options and activities and form a key part of informed decision making.

12.0 Implications for consideration – Risk management

- 12.1 Risks associated with the proposed council tax increase are considered in the medium-term financial plan to which this council tax increase relates.

Decision information

Key decision number	
Wards affected	

Document information

Report author	Contact number/email
Theresa Channell	Theresa.channell@chesterfield.gov.uk
Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.	
<i>This must be made available to the public for up to 4 years.</i>	
Appendices to the report	