

For publication

General Fund Revenue Budget Summary

Meeting:	Cabinet
Date:	14 th December 2021
Cabinet portfolio:	Deputy Leader
Directorate:	Finance

1.0 Purpose of report

- 1.1 To provide Cabinet with an update on the development of the General Fund Revenue Budget for 2022/23 and future years.

2.0 Recommendations

- 2.1 To note the updated budget projections for 2021/22 which present a balanced forecast.
- 2.2 To note the progress in the development of the budget for 2022/23 and the Medium-Term Financial Plan (MTFP) for years 2022/23 to 2025/26.
- 2.3 To note the progress to date in the development of the Organisation Development Programme incorporating budget savings into an overall change programme.
- 2.4 To note that work continues to refine the draft estimates for 2022/23 and future years and to identify ways in which a balanced budget can be achieved and that this will form part of the MTFP Council report in February 2022.

3.0 Reasons for recommendations

- 3.1 This report presents an updated assessment of the Council's forecast outturn for 2021/22 and progress in addressing the deficit in year.

- 3.2 This report also sets out the context of the financial environment for the medium-term and represents the Council's first phase of its draft budget and MTFP setting proposals for 2022/23 to 2025/26. It is acknowledged that further work is required to produce a balanced position for 2022/23 and for the subsequent years of the plan.

4.0 Report details

Background

- 4.1 Like all local authorities, Chesterfield Borough Council continues to face financial challenges. The sustained period of austerity, the ongoing risks and uncertainties over future funding as well as the budgetary impacts from Covid-19 have impacted on the financial position of the Council. In response to these challenges, the Council has already made significant savings in previous years and taken steps to manage demand and deliver services in the most efficient way. It is within this context that the Council must develop its approach to balancing the 2022/23 budget, and the MTFP.
- 4.2 The financial impact of Covid-19 on the demand for Council services has been significant, resulting in new cost pressures and reductions across all the Council's income streams. Whilst many Government restrictions have been lifted there remains the ongoing risk that further restrictions may be put in place. The Council continues to provide pandemic support to its communities, but this activity is reducing, and expenditure patterns are becoming more reflective of 'business as usual'. Some of the medium and longer-term effects of Covid-19 relate to the Council's income streams, particularly in areas such as sports centres, car parking and venues. Income remains significantly below pre-pandemic levels and may never fully recover. Difficult choices will need to be made in relation to service delivery in these areas.
- 4.3 It should also be noted that details of the Council's funding for the next financial year from Government are yet unknown and any changes to the assumptions currently made will be reflected in the final MTFP report to Council in February, following the Provisional and Final settlements.
- 4.4 The MTFP covers a 4-year period and supports the Council's Budget Strategy, which is to set a sustainable and affordable budget over the medium term that is policy led and aligned with the Council Plan. The report sets out the assumptions which underpin the General Fund revenue element of the MTFP and the proposals to reduce net costs that will contribute towards the delivery of a balanced budget. At this stage there are still budget gaps remaining, in all years, and further work is underway within the Council to identify options for addressing these gaps.

Council Plan

- 4.5 Our Council Plan 2019 – 2023 draws upon our extensive ‘State of the Borough’ evidence base and communications, consultation and engagement activities. We have also utilised horizon scanning tools to take us through to 2023 and beyond. The Plan identifies the key commitments which require a collective corporate effort and places increased focus on achieving real outcomes to deliver our vision of ‘putting our communities first’. To ensure we stay on track we also develop annual delivery plans which identify the key milestones, inputs, outputs and measures we need to achieve in a particular financial year.
- 4.6 To monitor our progress against our annual delivery plans we have developed a robust performance management framework. This helps us to identify any delivery issues at an early stage and ensure that the right information reaches the right people at the right time so that effective decisions are made, and corrective actions taken. Through our employee ‘Annual Performance Reviews’, we also ensure that everyone understands their role and recognises their personal accountability to maximise the outputs and outcomes for our communities.

Spending Review

- 4.7 The Comprehensive Spending Review (CSR) was announced on 27 October 2021 and was much more positive for local government funding than had been expected, although the specific funding allocated to the Council will not be known until the Provisional Settlement is announced mid-December.
- 4.8 The Government announced that the referendum trigger for council tax increases is likely to remain at **1.99%**, plus an additional **1%** Adult Social Care precept. It is not yet clear whether there will be increases in the Adult Social Care precept in future financial years.
- 4.9 Increases include an additional **£4.8bn** of grant funding nationally across the next three financial years (**£1.6bn** per annum). Some is likely to be distributed through additional social care grants and the remainder via the Settlement Funding Assessment (SFA) which applies to all types of authority, not just those with social care services. The additional funding includes £200m for the cross-government Supporting Families programme. It should be noted that the distribution of this **£1.6bn** amongst the local government sector is going to be critical in determining the outcome of the Council’s individual Provisional Settlement.

- 4.10 Nationally, Core Spending Power (CSP) for councils is expected to rise by around **3%** in real terms in each year of the spending review period. CSP includes the Government's assessment of Council Tax and Business Rates as well as government grants. No figures have been included within the MTFP as it is not clear whether all councils will receive the same level of increase. This will also form part of the Provisional Funding Settlement mid-December.
- 4.11 No information was provided in the CSR in relation to New Homes Bonus (NHB) although it is speculated that some form of incentivisation for housing development may continue. Historically, this has been low for Chesterfield but could be significant for 2022/23 based on net new homes growth in 2021/22.
- 4.12 There were several other announcements made as part of the Spending Review and these will be included within the February report when further details are released.

2021/22 Revised Budget

- 4.13 The Council approved the General Fund Revenue Budget for 2021/22 on 24 February 2021 with a forecast deficit of **£188k**. During the financial year the budget position has been reported to Cabinet on a quarterly basis. At the end of Quarter 2 the forecast deficit for 2021/22 had risen to **£1,055k** which, after management actions and mitigation, was reduced to **£355k**.
- 4.14 As reported in the Month 2 and Quarter 2 budget monitoring reports, the impact of the Covid-19 pandemic and the Council's response to it continues to have a significant adverse effect on the Council's financial position.
- 4.15 The Council is committed to delivering services within its approved budget and has been working collectively to agree clear, robust, and immediate management actions to reduce the remaining adverse forecast.
- 4.16 During the last month the Council has received additional Cultural Recovery Fund grant of **£153k** to offset the costs of operating venues and museums and new burdens grant of **£62k**. These, together with a further review of fees and charges have produced a **forecast balanced position in year**.
- 4.17 The Council will continue to monitor the financial position carefully over the next 3 months to ensure that the forecast remains positive, and identify areas where spending can be contained and income maximised to ensure projected departmental expenditures are managed within approved budgets.

Medium Term Forecasts – Base Assumptions

- 4.18 The draft estimates assume the current local government funding regime will remain unchanged.
- 4.19 Authorities currently continue to receive Revenue Support Grant (RSG) from the Government in addition to their retained business rates. The Council received **£444k** in 2021/22. The current MTFP assumes no RSG from 2022/23 onwards. This assumption was based on the best information available at the time; however, the level of any future RSG funding will not be known until the Provisional Settlement is announced. An estimate of the level of RSG that the Council could receive is between **£444k** and **£635k** in each of the next 3 financial years.
- 4.20 The localisation of Business Rates requires the Council to estimate the amount of Business Rates to be collected. The locally retained element of Business Rates is 50%, of which the Council retains 40%, 9% goes to Derbyshire County Council and 1% to Derbyshire Fire and Rescue Authority. The monitoring and estimating of Business Rates is a local responsibility and the financial risk due to Business Rates volatility (particularly in this post Covid-19 recovery period and as a consequence of outstanding appeals) one that could impact on the Council's overall funding position. The draft MTFP is based upon an assumed CPI percentage uplift on retained Business Rates.
- 4.21 Under the retained Business Rates system any authority whose Business Rates income is more than their initial 'baseline' funding level, as is the case for Chesterfield, will pay the balance in the form of a tariff to Government which is used to fund other authorities where their respective Business Rates income is lower than expected.
- 4.22 Chesterfield is a member of the Derbyshire Business Rates Pool which consists of all eight Derbyshire District and Borough Councils, Derbyshire County Council and Derbyshire Fire and Rescue Authority. Instead of each District and Borough Council paying 50% of their growth above the baseline over to Government, it is kept within the Pool and distributed amongst all the members on an agreed basis. In 2020/21 Chesterfield achieved Business Rates growth of **£1,437k** above the baseline and received **£734k** from the Pool. This latter sum has been added to the Council's Business Rates Reserve to help smooth the potential impact of Business Rates volatility in future financial years. The MTFP assumes a return of **£300k** from the Pool in all years of the MTFP.

- 4.23 The NHB rewards local authorities for increasing the number of new and affordable homes. The Government has previously stated that 2021/22 represents the final year of this funding stream. The MTFP assumes no NHB from 2022/23 onwards.
- 4.24 In 2021/22 a new Lower Tier Services Grant (LTSG) was allocated to ensure no authority had a reduction in Core Spending Power. In 2021/22 Chesterfield received **£144k** in LTSG. No assumption has been made in the MTFP of any further allocations of LTSG.
- 4.25 The current MTFP includes council tax increases of **1.99%** per annum in 2022/23 and across all years of the MTFP. The Council Tax Base for 2021/22 is **29,269** Band D equivalents and the MTFP assumes property growth of **0.5%** each financial year against the 2021/22 baseline and an assumed collection rate of **98.25%**. A 1% increase in Council Tax provides the Council with an additional **£51k** in income.
- 4.26 Table 1 shows the resources that were included in the MTFP in February 2021 which will be updated following receipt of the Provisional Settlement mid-December.

Table 1: Assumptions within the Medium-Term Financial Plan					
	2021/22 £	2022/23 £	2023/24 £	2024/25 £	2025/26 £
Revenue Support Grant	443,971	-	-	-	-
Business Rates S31 Grants	1,518,417	1,556,377	1,595,287	1,635,169	1,676,048
Local Council Tax Compensation Grant	130,641	-	-	-	-
New Homes Bonus	15,400	5,320	-	-	-
Lower Tier Services Grant	143,709	-	-	-	-
Government Grants	2,252,138	1,561,697	1,595,287	1,635,169	1,676,048
Council Tax	5,118,848	5,246,807	5,377,988	5,512,429	5,650,169
Business Rates	3,373,521	3,457,859	3,544,306	3,632,913	3,723,736
Business Rates Growth	1,370,977	1,370,977	1,370,977	1,370,977	1,370,977
Local Taxation	9,863,346	10,075,643	10,293,271	10,516,319	10,744,882
Total	12,115,484	11,637,340	11,888,558	12,151,488	12,420,930

- 4.27 Fees and Charges – increases were built into the MTFP in accordance with our approved budget strategy.
- 4.28 Inflation - inflationary allowances have already been included in the current MTFP. These will be further reviewed when setting the final budget in February 2022 with indications that inflation for certain goods and services is likely to increase within the construction industry, with consequential impacts on other goods and services.
- 4.29 Delivery of existing savings - The MTFP assumes the delivery of existing savings plans. It is proposed to exclude the planned voluntary redundancy saving, which has already been removed for 2021/22. This is due to new proposals being developed for future financial years as part of the Council's emerging Organisational Development programme (see paragraphs 4.45 to 4.49 below).

Table 2: Existing Savings (cumulative)				
Existing Savings Plans	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Strategic Review of HRA assumptions	(100)	(100)	(100)	(100)
Vat cultural exemption from venues	(100)	(103)	(106)	(109)
Procurement	(116)	(118)	(120)	(122)
Income from capital investments	(152)	(121)	(102)	(102)
ICT Savings (balance)	(444)	(631)	(815)	(830)
Total	(912)	(1,073)	(1,243)	(1,263)

Medium Term Forecasts - Updated Assumptions

New Cost Pressures

- 4.30 The budget assumptions have been reviewed and updated to take account of known changes, increased pressures, and inflationary increases. Key assumptions are set out in Table 3 and below:

Table 3: New Cost Pressures				
Cost Pressures	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Recycling Contract	886	904	922	941
Vicar Lane Shopping Centre	142	142	142	142
Reduced Fees and Charges (Sports)	240	0	0	0
Additional Pay inflation	132	129	142	142
Unachieved Redundancy savings	200	300	400	500
Total Cost Pressures	1,600	1,475	1,606	1,725

- 4.31 Recycling Contract - the contractor providing kerbside recycling services to the Council went into administration during 2020/21. This has resulted in additional cost pressures associated with commissioning an alternative provider of this service.
- 4.32 Vicar Lane Shopping Centre – The rental income from the Centre has declined in recent financial years and the anticipated income for future financial years has been adjusted accordingly.
- 4.33 Additional Pay Inflation - the original budget assumed a pay award of 1% for 2021/22 and **2%** in future years of the MTFP. At the time of writing the report the national pay offer for 2021/22 has yet to be agreed. The additional sums reflect the impact of a potential additional pay offer of up to **1.75%** in 2021/22.
- 4.34 Reduced Fees and Charges - the MTFP assumes that levels of expenditure and income will return to normal from 2022/23 except for sports centre income which we anticipate will take one year longer to recover to pre-pandemic levels.
- 4.35 Unachieved Savings from Voluntary Redundancy – the original budget included a voluntary redundancy target saving of **£200k** rising to **£500k** in 2025/26. This saving has been removed as it is unlikely to be achieved in addition to the voluntary redundancy/voluntary early retirement savings that are already being delivered through the ICT improvement programme and which are forecast to be delivered through the emerging Organisation Development programme.

Other Adjustments

- 4.36 There are several other adjustments that have been made to the base estimates and these are set out in Table 4 and below:

Table 4: Other Adjustments

Other Adjustments	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Pavements Shopping Centre (net)	(592)	(584)	(577)	(569)
Spireprise trading surplus	(110)	(57)	(57)	(57)
Other Non-Material Movements	225	180	38	31
Total	(477)	(461)	(596)	(595)

- 4.37 Pavements Shopping Centre – the buy out of the superior landlord's interest in the Pavements Shopping Centre was legally completed on 7 July 2021. This will achieve a budget saving of **£723k** in 2021/22. The position will change in future financial years as the saving to the Council of not

having to meet the contractual annual minimum rent payment of **£963k** will be offset by the annual cost of borrowing to fund the acquisition of **c£380k**.

- 4.38 Spire Pride Trading surplus – additional cost reductions achieved through an in-year service review has resulted in an improved trading position over the period of the MTFP.
- 4.39 Other - these include the impact of changes in budget assumptions, for example on CPI/RPI rates, which inevitably change from one budget cycle to the next.

Updated Gaps

- 4.40 The MTFP agreed at Council in February 2021 included forecast gaps, after savings plans, of **£12k** in 2022/23 rising to **£181k** in 2025/26. Table 5 sets out revised gaps, prior to savings, for the medium term of **£1,135k** in 2022/23 rising to **£1,311k** in 25/26.

Table 5: Gap prior to savings				
Gaps	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Existing MTFP gaps	12	292	77	181
New Cost Pressures	1,600	1,475	1,606	1,725
Other adjustments	(477)	(461)	(596)	(595)
Gap prior to savings	1,135	1,306	1,087	1,311

Options for addressing the gaps - proposals

- 4.41 To close the current **£1,135k** budget gap for 2022/23, **£551k** of new savings proposals have been included within the draft MTFP. Some of these proposals are one off and, as such, will fall out in future financial years. The ongoing impact of these savings proposals is **£319k** in 2025/26.

Table 6: Savings proposals

Proposals	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Crematorium Surplus	(55)	(55)	(55)	(55)
Crematorium Non-Recurring Distribution from Reserve	(55)	0	0	0
Local Government Boundary Commission changes	0	(49)	(49)	(49)
Economic development posts charged to externally funded activities	(40)	(40)	(40)	(5)
Flexible use of capital receipts to fund business transformation	(117)	(119)	(121)	0
Economic development costs funded from Markham Vale Business Rates Retention Reserve	(55)	(55)	(55)	0
Review of Funding for Events and Festivals	(100)	(100)	(100)	(100)
Recharging Depot costs to HRA	(40)	(40)	(40)	(40)
Revenue and Benefits ICT saving – fast-track	(74)	0	0	0
Review of sports centre customer service offer	0	(30)	(30)	(30)
Review of the provision of the Visitor Information Service	(15)	(40)	(40)	(40)
Total savings	(551)	(528)	(530)	(319)

4.42 Details relating to the new proposals are set out below:

- **Crematorium Surplus** - additional income from crematorium based on current performance and one-off use of crematorium reserve following a review of repair and maintenance requirements.
- **Local Government Boundary Review** - The Local Government Boundary Commission are currently undertaking a review of electoral arrangements within Chesterfield Borough. The review considers the number of councillors elected to the local authority, the number and boundaries of wards and the number of councillors for each ward. The review has already concluded that there will be a reduction in councillor numbers from 48 to 40 from May 2023.
- **Effective and appropriate charging of General Fund revenue activities** - This includes the use of Enterprise Zone funds to fund economic development activity, flexible use of capital receipts to fund transformation activity and ensuring that the HRA is appropriately charged for asset use i.e., of the Depot.

- **Revenues & Benefits ICT savings** - This proposal will bring forward plans to make ICT savings originally programmed for 2024/25 into 2023/24 and will particularly focus on advancing technology enhancements in the future delivery of Revenues and Benefits services.
 - **Review of the provision of the Visitor Information Service** – this proposal aligns with our existing digital transformation strategy and will seek to match service provision with customer needs and expectations. Savings of between **£40k** to **£120k** are expected to be delivered depending on the scale and nature of service change. This proposal will be subject to further work and appropriate consultation.
 - **Review of Sports Centre customer service offer** – this proposal also aligns with our existing digital transformation strategy and seeks to build on planned customer relationship management changes arising from the council's introduction of a new leisure management system (Gladstone) which will offer an enhanced end to end customer experience. Savings of between **£40k** and **£70k** are expected from this review, however, **£40k** is already factored into the existing ICT savings programme. This proposal will be subject to further work and appropriate consultation.
- 4.43 Table 7 sets out the revised gaps, after factoring in the above savings proposals of **£584k** in 2022/23 rising to **£992k** in 2025/26. There are, however, several key factors that will influence and shape the next phase of the General Fund Revenue budget preparation process. The Provisional Local Government Settlement expected mid-December 2021 will provide greater certainty around funding and it is expected that there will be additional funding available in respect of RSG and (possibly) NHB that could potentially fully address the remaining gap in 2022/23.

Table 7: Updated Gaps				
Gaps	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Gap prior to savings New Savings	1,135 (551)	1,306 (528)	1,087 (530)	1,311 (319)
Budget gaps to be addressed	584	778	556	992

- 4.44 It is also recognised that savings delivered through the Council's emerging Organisational Development programme will play a key role in delivering further savings particularly in the later financial years of the MTFP. Further details of these savings will emerge as part of the next phase of work on the MTFP.

Organisational Development Programme

- 4.45 An Organisational Development (OD) Strategy has been adopted with the aim of achieving “a joined-up approach to aligning resources, working practices and performance with the strategic ambition of the Council; shaping capability and culture to enable resilient delivery of our priorities”. This approach will support the development of our Medium-Term Financial Plan.
- 4.46 A programme of OD projects has been identified and is currently being worked through; initial business cases will be completed over the next few months. The programme will be structured around 3 strategic themes and change programmes. The 3 themes and change programmes are:
- **Customer Access** - this programme looks at the full range of Council interactions with customers with a view to simplifying and digitising contact. It will consist of the creation of one customer service centre for all council services with accountability for delivery resting with a single Service Director, also enabling the further rationalisation of existing operational assets.
 - **Corporate Resources** – overarching review of corporate support services provision (finance, human resources, health and safety, communications and marketing etc.) with a focus on delivering value for money and creating agile, modern, efficient, effective, and responsive services. Each corporate service will tailor their approach to supporting frontline Council services in the most appropriate way e.g., hub and spoke, business partner model. Efficiencies will be delivered through the elimination of duplication, reduced use of consultants, from streamlining processes, and adopting standard and consistent approaches.
 - **New Ways of Working** – this programme will focus on ways that promote productivity and outcome improvements in service delivery, building on the new ways of working that have evolved through the pandemic and extending agile working across the council, supported by both the existing digital transformation programme and emerging asset management strategy. Future service redesigns will also adopt and embed an OD approach in terms of re-imagining and modernising service delivery.
- 4.47 All proposals will be assessed against a clear set of design principles that describe the way the council will operate in the future, ensure they produce required savings, continue to modernise the operation of the Council, and provide a clear set of criteria for decisions on investment and resourcing.

- 4.48 Preliminary estimates suggest that further savings will be achievable, more significantly over the latter years of the MTFP. Outline estimates suggest additional savings of **£200k** in 2023/24, **rising to £800k** in 2025/26. It is however, only when detailed business cases have been completed that savings from these areas will be included within the MTFP. It is envisaged that additional investment may be required to support delivery of the OD programme. Further work is therefore ongoing to identify the resources required and how that will be funded.
- 4.49 Further detailed public, staff and trade union consultations will also take place on specific proposals, as appropriate, where there are likely to be impacts on service delivery and staffing resources.

Reserves

- 4.50 The General Working Balance was **£1.5m** on 31 March 2021. The on-going financial risks associated with the impact of Covid19 on the council's financial position, and the potential future changes to the Business Rates retention scheme and other local government funding sources suggest that it would be imprudent to consider reducing this amount. However, a review of reserves will be undertaken, as part of the S151 officer's assessment of the robustness of the council's budget and adequacy of reserves statement, based on a full risk assessment to be undertaken as part of the February 2022 report to Council.
- 4.51 In addition to the General Working Balance the Council maintains several other reserves. Earmarked reserves, by their very nature, are set aside and committed for specific purposes, such as property repairs and vehicle & plant replacements.
- 4.52 Table 8 below shows a summary of the General Fund Reserves and Provisions. The summary of useable reserves in the table below (i.e., Budget Risk Reserve, Service Improvement Reserve) excludes the General Working Balance of **£1.5m**.

Table 8: Reserves and Provisions		
Type	Opening Balance £000	Revised Forecast £000
Budget Risk Reserve	1,809	1,428
Service Improvement Reserve	300	168
Other Earmarked Reserves	9,065	9,422
Provisions	2,540	2,525
Total Reserves & Provisions	13,714	13,543

Conclusion & Next Steps

- 4.53 This report presents the first draft of the budget for 2022/23 and MTFP but there are some elements of the budget that are still to be confirmed and other budget variances could be identified during the coming weeks.
- 4.54 The Full Council will consider the final budget and the Council Tax for 2022/23 at its meeting on 23 February 2022. The Cabinet will have to decide its final budget proposals ahead of the Council meeting. In the meantime, the budget forecasts will continue to be updated as the Provisional Local Government Finance Settlement and other budget savings/variances are confirmed.
- 4.55 The outcome of the Government's review of local authority funding and consequential changes to Business Rates funding from 2023/24 remains unclear. The impact of any changes could be significant for our finances. We have not included any figures in our budgets at this stage though we continue to work with advisors to understand the impact of possible changes.

5.0 Alternative options

- 5.1 Throughout the budget preparation process a range of different options, scenarios and assumptions have been considered.

6.0 Implications for consideration – Council Plan

- 6.1 The first value for money milestone in the Council Plan is to deliver the Council's MTFP and actions for 2022/23. This report updates progress against that milestone.

6.2 The ability for the Council to appropriately manage its day-to-day finances and to be able to achieve a balanced budget position is critical to the continued delivery of the full range of council services that are targeted at supporting the priorities set out in the Council Plan.

7.0 Implications for consideration – Financial and value for money

7.1 Financial and value for money implications are detailed in section 4.

8.0 Implications for consideration – Legal

8.1 It is a statutory requirement under Section 33 of the Local Government Finance Act 1992 for the Council to produce a balanced budget. Further work is required over the coming months to balance the in-year budget for 2021/22 and to be able to set a balanced budget for 2022/23 in February 2022.

9.0 Implications for consideration – Human resources

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

10.0 Implications for consideration – Climate Change

10.1 Individual climate change impact assessments are not required for the budget process. These are included as part of the decision-making processes for specific savings / spending options.

11.0 Implications for consideration – Equality and diversity

11.1 Individual equality and diversity impact assessments are not required for the budget process. These are included as part of the decision-making processes for specific savings / spending options.

12.0 Implications for consideration – Risk management

12.1 There are several significant risks inherent in any budget forecasting exercise and the risks increase as the period covered increases. The most significant budget risks include:

- The impact of Covid19 on the council's financial position and the wider economy.
- Business Rate pooling opportunities and threats.
- Business Rate appeals, valuation changes, etc.
- Non delivery of savings.

- Delivering the required budget savings on time and to the value required.
- Funding of asset management property repairs review.
- Achieving income targets for rents, fees, charges and interest.
- Changes to local government funding.

12.2 These and other financial risks will be fully evaluated in the Budget Risk & Sensitivity Analysis, which will be included in the final budget report in February 2022.

Decision information

Key decision number	1067
Wards affected	All

Document information

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