

## **RISKS AND ASSUMPTIONS FOR BUDGET 2021/22**

**Committee - Finance and Investment Advisory Committee - 21 October 2020**

**Report of:** Deputy Chief Executive and Chief Officer - Finance and Trading

**Status:** For Consideration

**Key Decision:** No

**Executive Summary:** This report sets out the financial assumptions included in the 10-year budget.

**This report supports the Key Aim of:** effective management of the Council's resources.

**Portfolio Holder:** Cllr. Matthew Dickins

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**Recommendation to Finance and Investment Advisory Committee:**

That the report be noted and comments in the attached appendices be forwarded to Cabinet as part of the Budget Setting 2021/22 report.

### **Introduction and Background**

- 1 The reports presented as part of the 2021/22 Budget Setting Process have provided information on the key assumptions and risks included within the draft budget proposals. This risk assessment report provides more detail on these assumptions and risks.
- 2 The risk assessment is included at Appendix A. The 10-year budget is also attached for information. (Appendix B).

### **Key Financial Assumptions**

- 3 The financial assumptions included in the 10-year budget are as follows:
  - (a) Government Support: no Revenue Support Grant or New Homes Bonus in all years.
  - (b) Council Tax: 2% in 21/22 and future years.
  - (c) Business Rates Retention safety-net in 20/21 plus 2% in later years.

- (d) Interest Receipts: £188,000 from 21/22.
- (e) Pay Costs: 2.0% in all years.
- (f) Non-pay costs: 2.25% in all years.
- (g) Income: 2.5% in all years except for off-street car parks which are an average of 3.5% from 2019/20 -23/24. Note that this is expected to be revised for 2021/22 due to the ongoing impacts on Car Parking usage due to the COVID-19 pandemic.

## **Key Implications**

### Financial

All financial implications are covered elsewhere in this report.

### Legal Implications and Risk Assessment Statement.

There are no legal or human rights issues. The Council must agree a Capital Programme as part of its financial plan and ensure that resources are available to fund it.

### Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

It is a statutory duty to provide Disabled Facility Grants to the older and or disabled residents in the district.

## **Conclusions**

The financial assumptions are based on the latest available information but Members should be aware that these may change. Any changes will be included in the budget report to Cabinet on 5 December 2020.

### **Appendices**

Appendix A - Risk Factors 2021/22

Appendix B - 10-year Budget

### **Background Papers**

None

**Adrian Rowbotham**

**Deputy Chief Executive and Chief Officer - Finance and Trading**