

For publication

**Leader of the Council Revenue
Budgets 2017/18 to 2022/23**

Meeting:	Cabinet
Date:	19 th December 2017
Cabinet portfolio:	Leader of the Council
Report by:	Director of Finance & Resources

For publication

1.0 Purpose of report

- 1.1 To consider the probable outturn for the current financial year;
and
- 1.2 To consider the draft budget for 2018/19.

2.0 Recommendations

- 2.1 That the probable outturn for the current financial year be
considered.
- 2.2 That the draft estimates for 2018/19 and future years be
considered.

3.0 Probable 2017/18

3.1 The Probable Outturn for the current financial year is £47,020 a decrease of £10,110 or 17.7% on the original estimates of £57,130.

3.2 The main reasons for the budget decrease is summarised below:

Table 1 – Significant Variances Original to Probable 2017/18

Description	Increase / (Decrease) £'000
<u>Changes to controllable budgets:</u>	
General Salaries	2
Printing & Stationery reduced expenditure	(3)
Changes to controllable budgets	(1)
Change in support service recharges	(9)
Overall Decrease	(10)

A detailed list of variances is shown at **Annexe 4**.

4.0 Draft Estimates 2018/19

4.1 The draft estimates for 2018/19 total £55,850 a decrease of £1,280 or 2.2% on the original estimates £57,130.

4.2 The most significant variances include:

**Table 2 – Significant Variances Original 2017/18 to
Original 2018/19**

Description	Increase / (Decrease) £'000
<u>Changes to controllable budgets:</u>	
Employee Costs – Pay Award etc.	6
Changes to controllable budgets	6
Change in support service recharges	(7)
Overall Decrease	(1)

A detailed list of variances is shown at **Annexe 5**.

4.3 The following budget assumptions have been used to produce the draft budgets.

- Pay award of 2% for each of the years 2018/19 to 2022/23
- Inflation rates –
 - Utilities 3.5% in 2018/19 and then 3% 2019/20 onwards
 - General RPI 3.5% in 2018/19 and then 3.0% 2019/20 onwards.
 - General CPI 2.3% in 2018/19 and then 2.0% 2019/20 onwards
 - Rates 3.7% 2018/19, 3.5% 2019/20 and 3.0% onwards
 - Fees & Charges – minimum uplift of 3%

4.4 The budgets in this report are the first draft estimates which may need to be amended and refined before the final budget report is presented to Cabinet in February.

5.0 Growth Requests

5.1 No growth requests have been received at this time.

6.0 Medium Term Budget Issues

6.1 The forecast budgets for 2019/20 to 2022/23 have been included in annexes 1 to 3. Other than a provision for known inflationary pressures (paragraph 4.4), there are no other issues to report.

7.0 Risk management

7.1 There are a number of significant risks inherent in any budget forecasting exercise and the risks increase as the period covered increases.

8.0 Equalities Impact Assessment (EIA)

- 8.1 The budget process and forecasts produced do not require an EIA but any decisions to vary budgets and service provision may require EIA's specific to those options.

9.0 Recommendations

- 9.1 That the probable outturn for the current financial year be considered.
- 9.2 That the draft estimates for 2018/19 and future years be considered.

10.0 Reasons for recommendations

- 10.1 To enable the Council to set a balanced budget for 2018/19.

Glossary of Terms	
RPI	Retail Price Index
CPI	Consumer Price Index

Decision information

Key decision number	757
Wards affected	All
Links to Council Plan priorities	To provide value for money services

Document information

Report author	Contact number/email
Linda Coupe	Ext. 2008 Linda.coupe@chesterfield.gov.uk
Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.	
<i>None.</i>	
Annexes to the report	
Annexe 1	Budget summary by programme area
Annexe 2	Detailed estimates by programme area

Annexe 3	Subjective analysis
Annexe 4	Variances – this year's original estimate to revised
Annexe 5	Variances – this year's original estimate to next year's