

For Publication

Cabinet Member for Health & Well-being **Revenue Budgets 2017/18 to 2022/23**

Meeting:	Cabinet
Date:	19 th December 2017
Cabinet Portfolio:	Health & Well-being
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 overall Probable Outturn for the current financial year is net expenditure of £7,267,670. This is an increase of £128,970 (including an approved carry forward of £2,000) or 1.8% on the Original Estimate of £7,138,700.

3.2 The most significant budget changes are summarised below:

Table 1: Variances, Original to Probable 2017/18

Description	Increase/ (Decrease) £'000s
Changes to Controllable Budgets:	
Private Sector Housing Employees	112
Parks Employees	(121)
Health & Well-being/Leisure Employees	(56)
Street Scene Employees	(29)
Premises Repairs & Maintenance	(20)
General Grounds Maintenance	(33)
Business Rates	43
Professional Services/Fees	99
Supplies Renewals Fund Contributions	38
Contracted Services	123
Improvement Grants Income	(571)
Leisure Centres Income	(97)
Waste Collection Income	25
Net of other variations	(16)
Changes to Controllable Budgets	(503)
Changes to Internal Recharges	(43)
Changes to Asset Charges	622
Changes in Internal Rechargeable Income	53
Overall Increase	129

Some more detailed analyses of these variances are shown at **Annexe 3** and **Annexe 4**.

4.0 Draft Estimates 2018/19

4.1 The overall Draft Estimate for the next financial year is net expenditure of £7,664,310. This is an increase of £525,610 or 7.4% on the 2017/18 Original Estimate of £7,138,700.

4.2 The most significant budget changes are summarised below:

**Table 2: Variances, Original 2017/18
to Original 2018/19**

Description	Increase /
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	(Decrease) £'000s
Changes to Controllable Budgets:	
Private Sector Housing Employees	119
Parks Employees	(118)
Health & Well-being/Leisure Employees	47
Premises Repairs & Maintenance	(48)
Business Rates	58
Supplies Renewals Fund Contributions	52
Contracted Services	475
Leisure Centres Income	(180)
Waste Collection Income	(23)
Net of other variations	(12)
Changes to Controllable Budgets	370
Changes to Internal Recharges	77
Changes to Asset Charges	55
Changes in Internal Rechargeable Income	24
Overall Increase	526

Some more detailed analyses of these variances are shown at **Annexe 3** and **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; then 3% for 2019/20 onwards
 - General RPI 3.5% in 2018/19; then 3% in future years
 - General CPI 2.3% in 2018/19; then 2% in future years
 - Business Rates: 3.7% in 2018/19, then 3.5%, then 3%.
- Fees & Charges: only the draft Waste Collection increases have been built in.

4.4 The budgets in this report are the first draft estimates which will need to be amended and refined before the final budget report is presented to Cabinet in February 2018.

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 provisions for known inflationary pressures (paragraph 4.4), the only change to highlight for this portfolio is an increased provision for Waste Collection from October 2018 when the contract is relet.

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 EIAs 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 Reason for Recommendations

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

Glossary of Terms	
RPI/CPI	Retail Price Index/Consumer Price Index

Decision information

Key decision number	762
Wards affected	All
Links to Council Plan priorities	To provide value for money services.

Document information

Report authors	Contact /email
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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>	
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 the Probable Outturn
Annexe 5	Variances: this year's Original Estimate to next year's Original Estimate