

**FOR PUBLICATION**

**CABINET MEMBER FOR TOWN CENTRE & VISITOR ECONOMY**  
**REVENUE BUDGET 2015/16 – 2020/21**

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**MEETING:** (1) CABINET  
(2) CABINET MEMBER FOR TOWN CENTRE & VISITOR ECONOMY

**DATE:** (1) 15 DECEMBER 2015  
(2) 7 DECEMBER 2015

**REPORT BY:** CHIEF FINANCE OFFICER

**WARD:** All

**COMMUNITY FORUM:** All

**NON KEY DECISION NUMBER** 573

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**BACKGROUND PAPERS:** Budget Working Papers, Accountancy Section.

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**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 2016/17 and future years.

**2.0 RECOMMENDATIONS**

- 2.1 That the probable outturn for the current financial year be considered.
- 2.2 That the draft estimates for 2016/17 and future years be considered.

### 3.0 INFORMATION INCLUDED

3.1 This is the first draft budget for this portfolio.

3.2 The following information is attached:

Annexe 1 Budget Summary by Programme Area.

Annexe 2 Detailed Estimates by Programme Area & Cost Centre.

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.

### 4.0 PROBABLE 2015/16

4.1 The Probable Outturn for the current financial year is a surplus of £261,830 this is a decrease in surplus of £85,120 or 24.5% on the Original Estimate.

4.2 The main reasons for the decreases are summarised below:

**Table 1 – Significant Variances Original to Probable 2015/16**

<b>Description</b>	<b>Increase / (Decrease) £'000</b>
<u>Changes to controllable budgets:</u>	
General Employee Savings	(42)
Agency & Consultants Fees	9
Energy, Water & NNDR – excl. Pavements	(102)
Insurances	5
Markets configuration plan – from reserves	23
Pavements & Pavements Service Charge	51
Supplies & Services	28
Vicar Lane & Town Centre Maintenance	34
Market & Market Hall – Rents & Serv Chg	88
Town Centre Properties–Rents & Serv Chg	25
Arts Development Income	(9)
Grants & Contributions	(12)
Rechargeable Services	(6)
Car Parking Fees & CPE Income	32
Other Minor Variations	2
Changes to controllable budgets	126
Changes to Asset Charges	(44)
Change in support service recharges	3
Overall decrease in surplus	85

A more detailed analysis of these changes is provided in **Annexe 4**.

## 5.0 DRAFT ESTIMATES 2016/17

5.1 The draft estimates for 2016/17 is a surplus of £95,140 this is a decrease in surplus of £251,810 or 72.6% on the original estimates for 2015/16.

5.2 The most significant variances include:

**Table 2 – Significant Variances Original 15/16 to Original 16/17**

<b>Description</b>	<b>Increase / (Decrease) £'000</b>
<u>Changes to controllable budgets:</u>	
General Employee incl Pay Inflation & NI Insurances	40
Energy NNDR & Water – excl Pavements	6
Pavements & Pavements Service Charge	(46)
Supplies & Services	35
Centralisation of Software Licences	21
Vicar Lane & Town Centre Maintenance	(13)
Markets & Market Hall – Rents & Serv Chg	81
Town Centre Properties – Rents & Charges	75
Renewals Fund Contributions	68
Cultural Venues – Sales, Income & Lettings	(7)
Car Parking Fees & CPE Income	(6)
	41
Changes to controllable budgets	295
Changes in Asset Charges	(62)
Change in support service recharges	19
Overall decrease in surplus	252

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

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

- Pay award of 1% for all years.
- Inflation rates –
  - General CPI 1.0% in 2016/17 & 2.0% for all other years
  - General RPI 2.0% in 2016/17 & 3.0% for all other years

5.4 In addition, the controllable draft estimate for 2016/17 is surplus of £2,849,670 a decrease in the surplus of £295,370 or 9.4% on the original controllable budget estimate 2015/16.

5.5 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.

## **6.0 GROWTH REQUESTS**

6.1 Any growth requests will be considered at the budget setting meeting in February 2016.

## **7.0 MEDIUM TERM BUDGET ISSUES**

7.1 Forecast budgets for 2017/18, 2018/19, 2019/20 & 2020/21 have been included in annexes 1 to 3. Other than a provision for known inflationary pressures no other changes have been built into the budgets.

## **8.0 RISK MANAGEMENT**

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

## **9.0 EQUALITIES IMPACT ASSESSMENT (EIA)**

9.1 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.

## **10.0 RESOURCE IMPLICATIONS**

10.1 In writing this report the following standard corporate issues have been considered. The financial implications are covered in sections 4 to 7 above.

## **11.0 RECOMMENDATIONS**

11.1 That the probable outturn for the current financial year be considered.

11.2 That the draft estimates for 2016/17 and future years be considered.

## 12.0 REASONS FOR RECOMMENDATION

12.1 To enable the Council to set a balanced budget for 2016/17.

**B DAWSON  
CHIEF FINANCE OFFICER**

Officer recommendation supported.



Signed:

Cabinet Member

Date: 7 December, 2015

Further information on this report can be obtained from  
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