

FOR PUBLICATION

HEALTH and WELLBEING PORTFOLIO REVENUE BUDGETS 2015/16 to 2020/21

MEETING: (1) CABINET
(2) CABINET MEMBER -
HEALTH AND WELLBEING

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

REPORT BY: CHIEF FINANCE OFFICER

WARD: ALL

COMM ASSEMBLIES: ALL

**KEY DECISION
NUMBER:** 571

FOR PUBLICATION

BACKGROUND PAPERS: Budget Working Papers, Accountancy Section.

1.0 PURPOSE OF REPORT

1.1 To consider the Probable Outturn for the current financial year and the first 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 BACKGROUND

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 (A),
'Controllable & Non-Controllable' Analysis (B);
- Annexe 2** Detailed Estimates by Programme Area & Cost Centre;
- Annexe 3** Subjective Analysis;
- Annexe 4** Variances: Original Estimate to Probable 2015/16;
- Annexe 5** Variances: Estimate 2015/16 to Estimate 2016/17.

4.0 PROBABLE 2015/16

4.1 The Probable Outturn for the current financial year is £8,911,640: an increase of £689,940 on the Original Estimate.

4.2 The most significant budget changes are summarised below:

Table 1: Variances, Original to Probable 2015/16

Description	Increase/ (Decrease) £'000s
Community Safety/Licensing Employees	(53)
Parks Employees	(26)
Leisure Centres Employees / Coaches	79
Street Scene Employees	(43)
Energy/Water/NNDR (across the portfolio)	(39)
Leisure Centres Supplies & Services	39
Street Cln'g /Waste Coll'n Contracted Serv	127
Health & Wellbeing Strategy grants	(16)
Leisure Centres Income	(140)
Street Cln'g /Waste Coll'n Income	(198)
Net of other variations	(4)
Changes to Controllable Budgets	(274)
Changes to Asset Charges (mainly QPSC)	1,021
Changes in Support Service Recharges	(57)
Overall Increase	690

5.0 DRAFT ESTIMATES 2016/17

- 5.1 The draft estimates for 2016/17 total £7,979,820: a decrease of £241,880 or 2.9% on the original estimates for 2015/16.
- 5.2 The most significant budget changes are summarised as follows:

Table 2: Variances, Original 15/16 to Original 16/17

Description	Increase / (Decrease) £'000s
Leisure Centres Employees/Coaches	152
Energy/Water/NNDR (across the portfolio)	(66)
QPSC Premises Renewals contribution	(60)
Waste Collection Supplies & Services	86
Street Cln'g /Waste Coll'n Contracted Serv	87
Health & Wellbeing Strategy grants	(24)
Leisure Centres Income	(352)
Street Cln'g /Waste Coll'n Income	(120)
Net of other variations	(21)
Changes to Controllable Budgets	(318)
Changes to Asset Charges	40
Changes in Support Service Recharges	36
Overall Decrease	(242)

For more detailed analyses for both years, see **Annexes 3, 4 and 5**.

- 5.3 The following inflationary assumptions have been used:
- Pay awards: provision for 1% each year;
 - Electricity/Gas: 10% per annum, Water/Sewerage: 5% p.a.;
 - NNDR: 1% for 2016/17, then 2% for subsequent years;
 - In-house Contract Indexation: 1% (as pay award);
 - Retail Price Index 2% and Consumer Price Index 1%;
 - Fees & Charges: the proposals for Cemeteries, Outdoor Recreation and Leisure Centres have yet to be considered.
- 5.4 These draft estimates will need to be refined and updated (such as the Fees & Charges increases, as approved) before the final version is presented to Cabinet in February. Any Growth Requests will be considered at the budget-setting meeting in February.

6.0 MEDIUM TERM BUDGET ISSUES

6.1 Forecast budgets for 2017/18 to 2020/21 have been included in Annexes 1 to 3. Other than provisions for known/assumed inflation, the only change to highlight for this portfolio is an increased provision for Refuse Collection from October 2018 when the contract is relet.

7.0 RISK MANAGEMENT

7.1 There are a number of significant risks inherent in budget forecasting and the risks increase as the period covered increases. The key budget risks/opportunities for the portfolio are:

- Leisure Centres income, new Queen's Park Sports Centre

8.0 EQUALITIES IMPACT ASSESSMENT/RESOURCE IMPLICATIONS

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.

8.2 In writing this report, the standard corporate issue of revenue financial implications has been considered in sections 4, 5 and 6.

9.0 RECOMMENDATIONS

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


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

10.0 REASON FOR RECOMMENDATIONS

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

BARRY DAWSON
CHIEF FINANCE OFFICER

Officer recommendation supported.

Signed: 

Cabinet Member

Date: 7 December, 2015

7th December 2015

Contact: John Hassall ext. 2011.