

## **For publication**

### **Leader & Cabinet Member for Regeneration Revenue Budgets 2016/17 to 2021/22**

---

Meeting:	Cabinet
Date:	13 <sup>th</sup> December 2016
Cabinet portfolio:	Leader & Cabinet Member for Regeneration
Report by:	Director of Finance & Resources

---

#### **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 2017/18.

#### **2.0 Recommendations**

- 2.1 That the probable outturn for the current financial year be considered.
- 2.2 That the draft estimates for 2017/18 and future years be considered.

#### **3.0 Probable Outturn 2016/17**

- 3.1 The Probable Outturn for the current financial year is £591,830 a decrease of £10,910 or 1.8% on the original estimates for 2016/17.
- 3.2 The main reasons for the budget decrease is summarised below:

**Table 1 – Significant Variances Original to Probable 2016/17**

<b>Description</b>	<b>Increase / (Decrease) £'000</b>
<u>Changes to controllable budgets:</u>	
New Post – Project Manager Northern Gateway	14
Additional Hours – Economic Development Manager	4
Reduction in Publicity Budget	(5)
Recharge Project Manager Northern Gateway	(14)
SCR Grant – Waterside Project	(1,620)
Changes to controllable budgets	(1,621)
Change in support service recharges	(10)
Change in asset charges (REFCUS)	1,620
Overall Decrease	(11)

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

#### **4.0 Draft Estimates 2017/18**

4.1 The draft estimates for 2017/18 total £611,920 an increase of £9,180 or 1.5% on the original estimates for 2016/17.

4.2 The most significant variances include:

**Table 2 – Significant Variances Original 2016/17 to Original 2017/18**

<b>Description</b>	<b>Increase / (Decrease) £'000</b>
<u>Changes to controllable budgets:</u>	
New Post – Project Manager Northern Gateway	53
Employee Costs – Pay Award etc.	4
Recharge Project Manager Northern Gateway	(53)
SCR Grant – Waterside Project	(1,080)
Changes to controllable budgets	(1,076)

Change in support service recharges	5
Change in asset charges (REFCUS)	1,080
Overall Increase	9

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 1% for each of the years 2017/18 to 2021/22
- Inflation rates –
  - Utilities 2% in 2017/18 and then 3% 2018/19 onwards
  - General CPI 1.5% in 2017/18 and then 2% 2018/19 onwards
  - Rates 2% 2017/18 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 Any growth requests (new costs that are not in the original budget – e.g. new posts) will be considered at the budget setting meeting in February 2017.

## **6.0 Medium Term Budget Issues**

6.1 The forecast budgets for 2018/19 to 2021/22 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 2017/18 and future years be considered.

## 10.0 Reasons for recommendations

10.1 To enable the Council to set a balanced budget for 2017/18.

<b>Glossary of Terms</b>	
CPI	Consumer Price Index

### Decision information

<b>Key decision number</b>	<b>679</b>
<b>Wards affected</b>	<b>All</b>
<b>Links to Council Plan priorities</b>	<b>To continue delivering regeneration projects that will make Chesterfield Borough a better place</b>

### Document information

<b>Report author</b>	<b>Contact number/email</b>
<b>Richard Staniforth</b>	<b>Tel: 01246 345456 richard.staniforth@chesterfield.gov.uk</b>
<b>Background documents</b>	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
<i>None.</i>	
<b>Annexes to the report</b>	
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