

For publication

Deputy Leader & Cabinet Member for Planning Revenue Budgets 2016/17 to 2021/22

Meeting:	Cabinet
Date:	13 th December 2016
Cabinet portfolio:	Deputy Leader & Planning
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 for Deputy Leader & Cabinet Member for Planning is £657,320, an increase in the expenditure of £27,480 or 4.36% on the original estimate of £629,840.
- 3.2 The main reasons for the increases are summarised below:

Table 1 – Significant Variances Original to Probable 2016/17

Description	Increase / (Decrease) £'000
<u>Changes to controllable budgets:</u>	
General Employee Savings	(69)
Redundancy Costs	35
Agency Costs	24
Pension shortfalls – voluntary redundancy	222
Energy, Water & NNDR	(18)
Approved c/fwd – professional services	16
Employee Advertising	7
Supplies & Services	(5)
Contracted Services	5
Community Infrastructure Levy	25
Bank Charges	(10)
Drain Clearing Services	(8)
Government Grants	(10)
Industrial Units & Workshops Rents & SC	(78)
Industrial Units & Workshops Profit Share	8
Industrial Units Workshops Lease Renewal	(105)
Innovation Centre – Recharges & Rentals	(35)
Changes to controllable budgets	4
Changes to Asset Charges	17
Change in support service recharges	6
Overall increase in expenditure	27

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

4.0 Draft Estimates 2017/18

4.1 The 2017/18 budget estimate for Deputy Leader & Cabinet Member for Planning is £404,240 a decrease in expenditure of £225,600 or 35.82% on the original estimate for 2016/17 of £629,840.

4.2 The most significant variances include:

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

Description	Increase / (Decrease) £'000
<u>Changes to controllable budgets:</u>	
General Employee incl Pay Inflation	33
Superannuation Costs	(8)
Energy NNDR & Water	(23)
Contracted Services	6
Bank Charges	(10)
Drain Clearing Services	(8)
Contribution to Building Control Services	(49)
Industrial Units & Workshops	(96)
Rent/Recharge	9
Industrial Units & Workshops Profit Share	(35)
Innovation Centre – Recharges & Rentals	16
Payments to Arvato/Kier	
Changes to controllable budgets	(165)
Changes in Asset Charges	(225)
Grant towards capital charges	195
Change in support service recharges	(31)
Overall decrease in expenditure	(226)

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

4.3 The following budget assumptions have been used to produce the draft Deputy Leader & Cabinet Member for Planning budgets.

- Pay award of 1% for all years.
- Inflation rates –
 - General CPI 1.5% in 2017/18 & 2.0% for all future years
 - Utilities 2% in 2017/18 & 3% for all future years
 - Rates 2% for all years
 - Fees & Charges – minimum of 3%

- 4.4 In addition, the controllable draft estimate for 2017/18 is £1,464,200, an increase in expenditure of £30,280 or 2.1% on the original controllable budget estimate of £1,433,920 in 2016/17.
- 4.5 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 2017.

5.0 Growth Requests

- 5.1 Any growth requests will be considered at the budget setting meeting in February 2017.

6.0 Medium Term Budget Issues

- 6.1 Forecast budgets for 2018/19 to 2021/22 have been included in annexes 1 to 3. Other than a provision for known inflationary pressures, 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.

Glossary of Terms	
CPI	Consumer Price Index

Decision information

Key decision number	680
Wards affected	All
Links to Council Plan priorities	To continue delivering regeneration projects that will make Chesterfield Borough a better place

Document information

Report author	Contact number/email
Linda Coupe	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.	
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