

## For Publication

### Cabinet Member for Health & Well-being Revenue Budgets 2016/17 to 2021/22

---

Meeting:	Cabinet
Date:	13 <sup>th</sup> December 2016
Cabinet Portfolio:	Health & Well-being
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 overall Probable Outturn for the current financial year for Health & Well-being is net expenditure of £7,003,290. This is a decrease of £730,900 or 9.5% on the Original Estimate of £7,734,190.

3.2 The Controllable Budgets (excluding Asset Charges and Internal Recharges) show a Probable Outturn of £5,232,380. This is a decrease of £642,750 on the Original Estimate of £5,875,130.

3.3 The most significant budget changes are summarised below:

**Table 1: Variances, Original to Probable 2016/17**

<b>Description</b>	<b>Increase/ (Decrease) £'000s</b>
Changes to Controllable Budgets:	
Community Safety Employees	(26)
Environmental Health Employees	(104)
Health and Well-being Manager	57
Parks Employees	(20)
Leisure Centre Employees	(28)
Street Scene & Waste Collection Employees	(91)
Redundancy costs	31
General Grounds Maintenance	(15)
Energy/Water charges	(21)
Professional Services/Fees	68
Grants/Contributions awarded	(31)
Licensing Income	(19)
Leisure Centres Income	(379)
Waste Collection Income	(62)
Net of other variations	(3)
Changes to Controllable Budgets	(643)
Changes to Asset Charges	30
Changes to Internal Recharges	(156)
Changes in Internal Rechargeable Income	38
<b>Overall Decrease</b>	<b>(731)</b>

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 Health & Well-being is a net total of £7,020,630. This is a decrease of £713,560 or 9.2% on the 2016/17 Original Estimate of £7,734,190.

4.2 The Controllable Budgets (excluding Asset Charges and Internal Recharges) show a Draft Estimate of £5,279,420. This is a decrease of £595,710 on the Original Estimate of £5,875,130.

4.3 The most significant budget changes are summarised as follows:

**Table 2: Variances, Original 2016/17  
to Original 2017/18**

<b>Description</b>	<b>Increase / (Decrease) £'000s</b>
Changes to Controllable Budgets:	
Community Safety Employees	(16)
Environmental Health Employees	(124)
Health and Well-being Employees	60
Parks Employees	(15)
Street Scene & Waste Collection Employees	(72)
General Grounds Maintenance	(15)
Energy/Water charges	(14)
Grants/Contributions awarded	(27)
Renewals Fund Contributions	61
Contracted Services indexation	84
Licensing Income	(19)
Section 106 monies	16
Leisure Centres Income	(453)
Waste Collection Income	(89)
Net of other variations	27
Changes to Controllable Budgets	(596)
Changes to Asset Charges	32
Changes to Internal Recharges	(180)
Changes in Internal Rechargeable Income	30
<b>Overall Decrease</b>	<b>(714)</b>

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

4.4 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; then 3% for 2018/19 onwards
  - General RPI 2% in 2017/18; then 3% in future years

- General CPI 1.5% in 2017/18; then 2% in future years
- Business Rates (based on RPI): 2% in 2017/18, then 3%
- Fees & Charges: minimum uplift of 3%

4.5 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 2017.

## **5.0 Growth Requests**

5.1 Any growth requests (new costs that are not in the Original Budget) 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 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 2017/18 and future years be considered.

## 10.0 Reason for Recommendations

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

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

### Decision information

<b>Key decision number</b>	<b>683</b>
<b>Wards affected</b>	<b>All</b>
<b>Links to Council Plan priorities</b>	<b>To increase the quality of public space for which the council has responsibility through targeted improvement programmes. To improve the health and well-being of people in Chesterfield Borough.</b>

### Document information

<b>Report authors</b>	<b>Contact / email</b>
<b>Paula Clayton</b>	<b><u><a href="mailto:paula.clayton@chesterfield.gov.uk">paula.clayton@chesterfield.gov.uk</a></u> <b>Ext. 2009</b></b>
<b>John Hassall</b>	<b><u><a href="mailto:john.hassall@chesterfield.gov.uk">john.hassall@chesterfield.gov.uk</a></u> <b>Ext. 2011</b></b>
<b>Background documents</b>	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
None	
<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 the Probable Outturn

Annexe 5	Variances: this year's Original Estimate to next year's Original Estimate
----------	---