

## **FOR PUBLICATION**

### **EXECUTIVE MEMBER FOR CUSTOMERS & COMMUNITIES** **REVENUE BUDGET 2014/15 – 2019/20 (\$000)**

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<b>MEETING:</b>	(1)	CABINET
	(2)	EXECUTIVE MEMBER FOR CUSTOMER & COMMUNITIES
<b>DATE:</b>	(1)	16 DECEMBER 2014
	(2)	8 DECEMBER 2014
<b>REPORT BY:</b>		CHIEF FINANCE OFFICER
<b>WARD:</b>		All
<b>COMMUNITY FORUM:</b>		All
<b>KEY DECISION NUMBER</b>		<b>460</b>

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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 2015/16 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 2015/16 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.
- Annexe 6 Growth Request.

#### 4.0 PROBABLE 2014/15

- 4.1 The Probable Outturn for the current financial year is £1,643,030 an increase of £26,480 or 1.64% on the Original Estimate.
- 4.2 The main reasons for the increase are summarised below:

**Table 1 – Significant Variances Original to Probable  
2014/15**

<b>Description</b>	<b>Increase / (Decrease) £'000</b>
<u>Changes to controllable budgets:</u>	
Employee costs	6
Redundancy costs	2
Reduced Training	(3)
Minor Variations	(2)
Community Assemblies	(11)
Reduced income	10
Reduced Utility & NNDR charges	(3)
Benefits Admin reduction	(9)
Additional newspaper costs	8
Additional Publicity costs	2
External CCTV income	18
Grant to Voluntary Organisations	(39)
Changes to controllable budgets	(21)
Changes to Asset Charges	0
Change in support service recharges	47
Overall increase	26

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

## 5.0 DRAFT ESTIMATES 2015/16

5.1 The draft estimates for 2015/16 total £1,801,300 an increase of £184,750 or 11.43% on the original estimates for 2014/15.

5.2 The most significant variances include:

**Table 2 – Significant Variances Original 14/15 to  
Original 15/16**

<b>Description</b>	<b>Increase / (Decrease) £'000</b>
<u>Changes to controllable budgets:</u>	
Employee costs – inflation & increments	15
Reduced Income	8
Arvato Payments	10
Council newspaper	9
Software licences	2
Grant to Voluntary Organisations	(39)
Housing Benefits subsidy	130
Reduction in CCTV income	16
Changes to controllable budgets	151
Changes in Asset Charges	0
Change in support service recharges	34
Overall increase	185

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 –
  - 7.5% on Gas and Electricity for all years
  - 2.0% on Water Charges for all years
  - General CPI 2.0% & RPI 3% for all years
  - Rates 3.0% for all years

5.4 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.

## **6.0 GROWTH REQUESTS**

- 6.1 A Growth request is included at Annexe 6 of £2,000 for training for the Publicity section in 2015/16 and future years.

## **7.0 MEDIUM TERM BUDGET ISSUES**

- 7.1 Forecast budgets for 2016/17 to 2019/20 have been included in Annexes 1 to 3.

## **8.0 RISK MANAGEMENT**

There are no Risk Management issues

## **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 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 2015/16 and future years be considered.

## **12.0 REASONS FOR RECOMMENDATION**

- 12.1 To enable the Council to set a balanced budget for 2015/16 and future years.

**B DAWSON**  
**CHIEF FINANCE OFFICER**

Officer recommendation supported.

*S.L. Blank.*

Signed  
Executive Member

Date 8.12.14

Consultee Executive Member/Support Member comments (if applicable)/declaration of interests:

Further information on this report can be obtained from  
Paula Clayton, Accountancy Services (ext. 2010)