

## COMMUNITY AND SOCIAL AFFAIRS COMMITTEE

18 NOVEMBER 2015

### REPORT OF HEAD OF CENTRAL SERVICES

#### REVENUE BUDGET 2016-17 COMMITTEE ESTIMATES

#### 1.0 PURPOSE OF REPORT

1.1 To inform members on the latest position of this committee's revenue budget estimates

#### 2.0 RECOMMENDATIONS

2.1 **Members to note the latest position on this committee's revenue budget estimates and make comments which can be taken forward through the remainder of the budget setting process.**

#### 3.0 KEY ISSUES

3.1 In early September 2015 budget holders were provided with budget working papers with the request that they forecast the estimated 2015/16 year end position and put together draft proposals for the 2016/17 budgets. Budget workshops were held for budget holders to provide guidance for the completion of the working papers in line with the budget framework. The working papers were completed by budget holders, in conjunction with the relevant Service Accountant and Head of Service.

3.2 In line with the Budget Framework, approved on 30 September 2015 at the Policy, Finance and Administration (PFA) Committee, the following table summarises the key stages in the budget setting process:

Star Chamber Scrutiny of Budget Working Papers	14 October 2015
Budget and Strategic Planning Working Group meet to consider draft MTFS and budget submissions	11 November 2015
Spending Review published by Government	25 November 2015
PFA Committee consider first draft of revenue estimates	1 December 2015
Settlement Announcement for Local Government	Mid December 2015
Strategic Planning Away Day (All Councillors)	13 January 2016
PFA to review draft budget to Council following the Strategic Planning Away Day	3 February 2016
Full Council determines the budget	10 February 2016
Full Council sets Council Tax and approves the budget book and the MTFS	24 February 2016

3.3 The two appendices attached to this report provide a detailed summary of the overall Committee estimates. Appendix A provides a one line per service summary. Appendix B provides a more detailed analysis in the form of budget book pages. It should be noted that internal recharges have not yet been finalised and so are still included at current year

values. Budgets are still being refined and checked and therefore are subject to change between now and full council approval.

3.4 The following table provides a summary of the appendices as detailed above, further detail on the significant variations are shown below:

<b>Fund</b>	<b>2015/16 Original Budget</b>	<b>2015/16 Approved Budget at Period 4</b>	<b>2015/16 Estimated Year End Position</b>	<b>2016/17 Proposed Budget</b>
	£	£	£	£
General Expenses	2,054,350	2,108,900	1,963,590	1,853,600
Special Expenses (Frisby)	5,480	5,480	5,480	5,480
Special Expenses (Sproxtton)	4,790	4,790	4,790	4,790
<b>Total</b>	<b>2,064,620</b>	<b>2,119,170</b>	<b>1,973,860</b>	<b>1,863,870</b>

**Variations +/- £10,000 in 2015/16 Estimated Year End Position against Approved Budget**

<b>Service</b>	<b>Variance</b>	<b>Detail</b>
Rent Allowances	(£151,400)	Prior Year subsidy adjustment -£106k, increase in anticipated overpayment recovery -£20k, increase in admin grants and new burdens grants £-13k, change in subsidy due to improved accuracy in processing benefit claims -£11k
Rent Rebates HRA Tenants	£28,490	Prior Year subsidy Adjustment £50k, reduction in transfer to non-HRA Tenants following reclassification of properties £35k, Increase in anticipated overpayment recovery -£20k, Change in subsidy due to improved accuracy in processing benefit claims -£40k
Homelessness	£20,020	Overspend due to employee related costs with officers looking into the staffing needs for service delivery
Welland Wheels to Work	(£22,400)	Reduction in motor insurance costs following procurement

**Variations +/- £10,000 in 2016/17 proposed budget against 2015/16 Estimated Year end Position**

<b>Service</b>	<b>Variance</b>	<b>Detail</b>
Leisure Vision	(24,920)	One-off costs dropping out in second year of budget
Rent Allowances	£146,510	No prior year subsidy adjustment and reduced admin subsidy & new burdens grants, assumed increase in rents of 2%.
Rent Rebates HRA Tenants	(£22,100)	Assumes no increase in HRA rents, no prior year subsidy adjustment and continuing reclassification of properties

Homelessness	(£22,870)	Employee related costs to be brought back into line with base budget
Supporting People	(£15,500)	One-off staffing costs not relevant in new year
Customer Service Centre	(£120,920)	Change Team staff expenditure moved to Communications budget under PFA, partially offset by reductions in funding
Community Safety	(£41,680)	Additional funding expected for early intervention office post and reduced salary costs
Welland Wheels to Work	(£23,770)	Carry-forward from 2014/15 not required to be added into 16/17 budget partially off-set by staffing costs
Commissioning Children's Centres	£17,470	Contribution from LCC removed

3.5 No growth items have been submitted:

3.6 The following saving proposal has also been submitted:

- £47,980 for reduction in 2FTE staff from the establishment following removal of LCC funding

### **Next steps**

As stated in the timetable in 3.2 the BSPWG was held on 11 November. At this time the Members working group begin their scrutiny of the budgets and the MTFs.

## **4.0 POLICY AND CORPORATE IMPLICATIONS**

4.1 Each relevant service plan shows the links and aims between service delivery and corporate priorities. The estimates have been prepared on this basis.

## **5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 All financial and resource implications have been addressed in section 3 above.

## **6.0 LEGAL IMPLICATIONS/POWERS**

6.1 The legal implications of service growth, if applicable, will need to be assessed when and if such growth items are being considered.

## **7.0 COMMUNITY SAFETY**

7.1 Community Safety is a key priority of the Council and the budget proposals need to take account of the requirements to support that strategy.

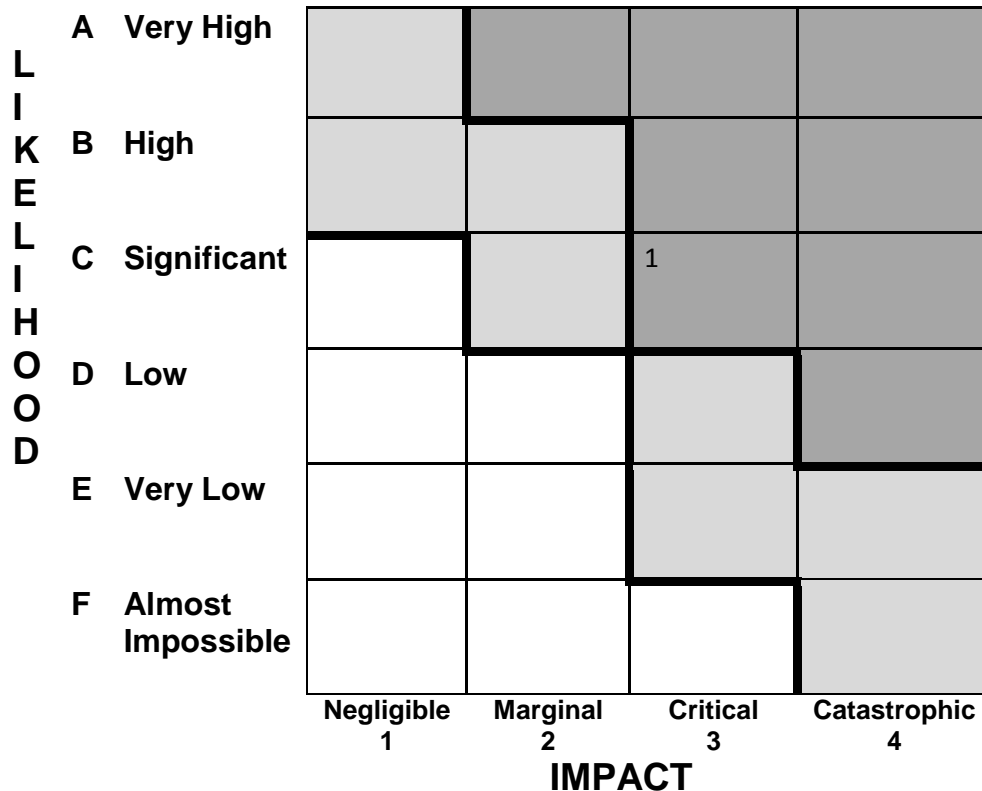
## **8.0 EQUALITIES**

8.1 There are no direct links to Equalities, though some elements of the budget proposals will relate to Equalities issues. Any savings proposals will need to have equality impact assessments completed as appropriate by the service lead.

9.0 **RISKS**

9.1 There is always the risk that an item of income or expenditure is not adequately reflected in the budget for any financial year; this will be higher in some areas for the 2014/15 financial year due to the economy as well as any initiatives/policy changes arising from the government.

9.2 Further risks identified for this committee's services are as follows:



Risk No	Risk Description
1	Confirmation of continued external funding

10.0 **CLIMATE CHANGE**

10.1 Climate change and our response to this could impact on a number of budgets and this should be considered as part of the service planning process.

11.0 **CONSULTATION**

11.1 The Service and Financial Planning timetable sets out the Council's approach to consultation and its links to the budget setting process. In addition, all Heads of Service and Members are involved in the process at various stages.

11.2 To this stage, Budget Holders have carried out the budget setting process with the assistance of the Service Accountant as required with reference to current budget protocols

11.3 Extensive consultation was undertaken with the public over the Corporate Plan and this was reported to the Policy finance and Administration Committee. Budget Proposals are prepared in line with the priorities contained within the Corporate Plan.

12.0 **WARDS AFFECTED**

12.1 All wards affected

Contact Officer	Carol King	
Date:	14 October 2015	
Appendices :	Appendix A – Committee Summary of Estimates Appendix B – Committee Budget Book Pages	
Background Papers:	Budget Working Papers Oracle Financials	
Reference :	X: C'ttee, Council & Sub-C'ttees /CSA/2015-16/18-11-15/DG – Revenue 2016-17 Estimates	Budget