



Hinckley & Bosworth
Borough Council

A Borough to be proud of

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

HINCKLEY AREA COMMITTEE – 23 JANUARY 2017

WARDS AFFECTED: ALL HINCKLEY AREA WARDS

HINCKLEY AREA COMMITTEE BUDGET 2017/18

Report of the Head of Finance

1. PURPOSE OF REPORT

- 1.1 To present the proposed revenue budget and council tax for 2017/18 for the Special Expenses area of Hinckley.

2. RECOMMENDATION

- 2.1 That the Committee endorse the revenue and capital budgets and council tax for 2017/18.

3. BACKGROUND TO THE REPORT

- 3.1 This report presents the budget relating to the Special Expenses Area of Hinckley for the Committee to consider and make recommendations to Council for approval. The 2017/18 General Fund revenue budget (including the Special Expenses) will be presented to Council for approval on 23 February 2017. A first draft budget was presented to HAC on 23 December 2016.
- 3.2 The draft budget for 2017/18 together with the latest figures for 2016/17 are shown in **Appendix 1**. The proposed budget has been drawn up in accordance with the principles set out in the 2016/17 Budget Strategy. The key assumptions approved in this Strategy include:
- Reversal of one off growths from previous years
 - Application of no growth on non contract supplies and services
 - Application of 2.1% inflation on contracted spend unless otherwise stipulated.
 - A increase in £0.71 increase in Council Tax – Based on the local government settlement

Revised budget 2016/17

3.3 The net budget has been revised and is expected to be on budget.

Proposed budget 2017/18

- 3.4 The proposed expenditure budget for 2017/18 has been detailed in **Appendix 1** and has been prepared using the assumptions identified in 3.2. Compared to the latest estimate for 2016/17, service expenditure for the Special Expense Area has decreased by £10,407 in 2017/18. This is a net movement created by an increase in the budget for cemeteries of £3,304 and a decrease in the budget for parks of £13,711. The main reasons for this change are due to salary decreases of £18,570, additional burial income of £1,550, and an increase in parks grounds maintenance recharges of £9,650 due to contractual inflation and additional maintenance funded from Developer Contributions.
- 3.5 As per the request of the committee the contribution of £25,000 from the Special Expense Area for car parks in Hinckley has been removed.
- 3.6 At this stage provision has been made for the committee to fund Hollycroft park

Council Tax

- 3.7 The Tax Base (number of chargeable properties) in the Special Expenses Area has increased by 2.68% in 2017/18 when compared to 2016/17. This is comparable to the forecast of 2.0% which was assumed in the Medium Term Financial Strategy.
- 3.8 The December 2015 financial settlement increased the Council Tax Capping Limit for “lower tier authorities” by £5.00 annually for the next four years as long as Council Tax stays within the lower quartile for all districts. The £0.71 increase in Council Tax reflects HAC element of the £5. **It is therefore recommended that the Council Tax for the Special Expenses Area is increased by £0.71 for 2017/18 to £17.55 for an average Band D property.**

Fees and Charges

- 3.11 Fees and Charges for 2017/18 will be presented to the joint meeting of Finance & Performance Scrutiny and the Scrutiny Commission on 30 January. Charges that relate to this committee are attached in Appendix 2. Members are requested to review the charges and endorse the officer recommendations in the Appendix.

Balances and Reserves

- 3.8.1 Based on the proposed budget, balances in the Special Expense Area at 31 March 2017 and 2018 are estimated as follows:

	£
Balance at 1 st April 2016	70,444
Transfer to/(from) Balances 2016/2017	0
Estimated Balance at 31 st March 2017	70,444
Transfer to/(from) Balances 2017/2018	60,063
Estimated Balance at 31 March 2018	130,507

- 3.9 Earmarked reserves have been set aside for the Special Expense Area to meet the cost of Green Space projects within Hinckley. This reserve at 31 March 2018 is projected to be £100,626 based on the following movements:-

	£
Balance at 1 st April 2016	166,516
Transfer to Reserves	0
Transfer from Reserves (revenue)	(3,590)
Transfer from Reserves (capital)	(5,485)
Estimated Balance at 31 st March 2017	157,441
Transfer to Reserves	20,000
Transfer from Reserves (revenue)	(0)
Transfer from Reserves (capital)	(15,000)
Estimated Balance at 31 st March 2018	162,441

Capital Programme

- 3.10 The capital programme for the HAC is summarised below.

Hinckley Community Initiatives Fund	2016/17	2017/18	2018/19	2019/20
Total Annual Expenditure	5,485	10,000	10,000	10,000
Special Expenses Area Reserves	(5,485)	(10,000)	(10,000)	(10,000)
HBBC Element	0	0	0	0

Memorial Safety Programme	2016/17	2017/18	2018/19	2019/20
HBBC Element	5,160	5,160	5,160	5,160

Green Spaces Delivery Plan	2016/17	2017/18	2018/19	2019/20
Total Cost	165,100	520,430	14,970	0
Less Section 106 contributions	(155,100)	(438,780)	(14,970)	0
Less other private contributions	(10,000)	(76,650)	0	0
Less Special Expenses Area reserves		(5,000)	0	0
HBBC ELEMENT	0	0	0	0

The programme is primarily based on the current Green Spaces Delivery Plan. A detail of the plan is included in Appendix 3. These schemes are primarily funded through external contributions. Where income has not been received officers have based the contribution on the latest information available. If the actual funding is materially different to those anticipated a further report will be presented to the committee to discuss the financial implications.

- 3.11 Any further potential schemes will be brought back to the committee before they are approved.

4. FINANCIAL IMPLICATIONS [IB]

- 4.1 Balances and reserves in this report have not been adjusted for other reports that will be presented to the Committee on the day.

Other implications are contained within the body of the report.

5. LEGAL IMPLICATIONS (AR)

- 5.1 None

6. CORPORATE PLAN IMPLICATIONS

- 6.1 Expenditure incurred to achieve an attractive 'green' borough that minimises its impact on the environment

7. CONSULTATION

- 7.1 None.

8. RISK IMPLICATIONS

- 8.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
None	None	None

9. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

- 9.1 All expenditure and income relates to the urban area of Hinckley.

10. CORPORATE IMPLICATIONS

- 10.1 By submitting this report, the report author has taken the following into account:
- Community Safety implications
 - Environmental implications
 - ICT implications
 - Asset Management implications
 - Human Resources implications

Background papers: Budget working papers and Civica files
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