



Hinckley & Bosworth
Borough Council

A Borough to be proud of

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

HINCKLEY AREA COMMITTEE

16 JANUARY 2018

WARDS AFFECTED: ALL HINCKLEY AREA WARDS

HINCKLEY AREA COMMITTEE BUDGET 2018/19

Report of Section 151 Officer

1. PURPOSE OF REPORT

- 1.1 To present the proposed draft revenue budget and council tax for 2018/19 for the Special Expenses Area of Hinckley.

2. RECOMMENDATION

- 2.1 That the Committee endorse the revenue and capital budgets and council tax for 2018/19.
- 2.2 That the Committee endorse the Fees and Charges for 2018/19.

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 2018/19 General Fund revenue budget (including the Special Expenses) will be presented to Council for approval in February 2018.
- 3.2 The budget for 2018/19 together with the latest estimate for 2017/18 is shown in **Appendix 1**. The proposed budget has been drawn up in accordance with the principles set out in the 2018/19 Budget Strategy. The key assumptions approved in this Strategy include:

- Reversal of one off growths from previous years
- 2% for the 2018/19 pay award has been included
- Application of no growth on non contract supplies and services
- Application of 3.9% inflation on contracted spend unless otherwise stipulated.
- A increase in £0.71 increase in Council Tax – Based on the local government settlement

Revised budget 2017/18

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

Proposed budget 2018/19

3.4 The proposed expenditure budget for 2018/19 has been detailed in **Appendix 1** and has been prepared using the assumptions identified in 3.2. Compared to the latest estimate for 2017/18, service expenditure for the Special Expense Area has increased by £7,170 in 2018/19. This is a net movement created by a decrease in the budget for cemeteries of £2,140 and an increase in the budget for parks of £9,310. The main reasons for the decrease in the cemeteries service is that after allowing for inflation increases there is an estimated increase in burial income of £3,000 and a reduction in water charges of 4,000. The increase in the Parks budget is due to inflation increases.

3.5 At this stage no allowance has been made for the committee to fund Hollycroft Park.

Council Tax

3.6 The Tax Base (number of chargeable properties) in the Special Expenses Area has increased by 2.02% in 2018/19 when compared to 2017/18. This is comparable to the forecast of 2.0% which was assumed in the Medium Term Financial Strategy.

3.7 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 2018/19 to £18.26 for an average Band D property.**

Fees and Charges

3.8 Fees and 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

3.9 Based on the proposed budget, balances in the Special Expense Area at 31st March 2018 and 2019 are estimated as follows:

	£
Balance at 1 st April 2017	86,444
Transfer to/(from) Balances 2017/2018	62,693
Estimated Balance at 31 st March 2018	149,137

Transfer to/(from) Balances 2018/2019	
Estimated Balance at 31 March 2019	248,832

- 3.10 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 2019 is projected to be £158,069 based on the following movements:-

	£
Balance at 1 st April 2017	141,804
Transfer to Reserves	20,000
Transfer from Reserves (revenue)	(0)
Transfer from Reserves (capital)	(13,735)
Estimated Balance at 31 st March 2018	148,069
Transfer to Reserves	20,000
Transfer from Reserves (revenue)	(0)
Transfer from Reserves (capital)	(10,000)
Estimated Balance at 31 st March 2019	158,069

Capital Programme

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

Hinckley Community Initiatives Fund	2017/18	2018/19	2019/20	2020-21
Total Annual Expenditure	13,735	10,000	10,000	10,000
Special Expenses Areas Reserves	(13,735)	(10,000)	(10,000)	(10,000)
HBBC Element	0	0	0	0

Memorial Safety Programme	2017/18	2018/19	2019/20	2020-21
HBBC Element	5,160	5,360	5,570	5,790

Green Spaces Delivery Plan	2017/18	2018/19	2019/20	2020-21
Total Cost	68,561	431,110	0	0
Less: Section 106 contributions	(68,651)	(353,630)	0	0
Less other private contributions	0	(77,480)	0	0
Less Special Expenses Area Reserve	0	0	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 at 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

- 3.12 Any further potential schemes will be bought back to the committee before they are approved.
- 3.13 Members are requested to endorse the programme contained in Appendix 3.

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
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Background papers: Budget working papers and Civica files

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