

Report to Finance and Performance Management Cabinet Committee



**Epping Forest
District Council**

Report reference: FPM-025-2015/16

Date of meeting: 21 January 2016

Portfolio: Finance

Subject: Detailed Directorate Budgets 2016/17

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Recommendations/Decisions Required:

That the Committee consider the attached General Fund and Housing Revenue Account budgets for 2016/17 and make recommendations as appropriate.

Executive Summary

The report provides the draft General Fund and Housing Revenue Account (HRA) Budgets for the financial year 2016/17. The budgets are presented on a directorate by directorate basis. There are accompanying notes highlighting areas where significant changes have occurred. They are presented to the Committee to give an opportunity to comment and make recommendations prior to the budget being formally set during February 2016.

Reasons for Proposed Decision

To give Members an opportunity to review and provide recommendations on the detailed budget prior to adoption by Council.

Other options for action

Other than deciding not to review the budget there are no other options.

Report:

The budget setting process commenced with the presentation of the Financial Issues Paper incorporating the Medium Term Financial Strategy (MTFS) to the meeting of 20 July 2015. At that time it was identified that a savings target for 2016/17 of £0.15million should be set.

The draft settlement figures have also now been received and were worse than anticipated in the MTFS however it became evident prior to the release of the figures that they would indeed be worse and that Revenue Support Grant would be removed from the figures over the next few years. There has also been a commitment made to move to 100% retention of Business Rates locally however the current retention proportions (40% District, 9% County and 1% fire) are likely to change.

The Medium Term Financial Strategy is in the process of being updated and is expected to show that savings of £0.4million are required in years beyond 2016/17.

The budgets are presented on a directorate by directorate basis and are shown at Appendix 1 to 5 (General Fund) and Appendix 6 (HRA, to follow). Within each pack there is a commentary on the budgets highlighting areas where either Continuing Services Budget(CSB) or District Development Fund (DDF) savings or growth have occurred and also where allocation changes have affected budgets.

There are as always a number of changes in the allocation of staffing costs as the amount of time spent on particular activities can vary significantly from year to year. To use an analogy allocation changes are merely dividing the cake up differently not changing the size of the cake.

Each budget is to be presented by the relevant Director with Portfolio Holders providing comments as appropriate. There will also be Resources staff at the meeting to assist with any questions that members might have.

Resource Implications

Proposed spending levels for the General Fund and HRA for the financial year 2016/17.

Legal and Governance Implications

Agreeing budgets in advance of the financial year represents good financial management practice. The budget is a key element of income and expenditure management and forms the benchmark against which financial performance can be measured.

Safer, Cleaner, Greener Implications

The Council's budgets contain spending in relation to this initiative.

Background Papers

Working papers held in Accountancy.

Impact Assessments

Risk Management

Failure to set an acceptable budget in advance of the financial year would expose the Council to unacceptable financial management risks.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

This report does not affect a particular group of people more than any other. It deals with the setting of the budget as a whole.

Where there are changes to the budget that do affect a particular group of people more than others the report on those changes will consider the equalities impact on that group rather than this report.