

Report by the Chief Financial Officer on the 2017/18 estimates	2 February 2017
To Council	

Linkage to Council Strategy (2015-19)	
Strategic Theme	All themes
Outcome	Striking the Rate
Lead Officer	David Jackson
Cost: (If applicable)	Rates Estimates

Report by the Chief Financial Officer on 2017/18 Estimates

Under Section 4 of the Local Government Finance Act (NI) 2011 the Chief Financial Officer of a council shall submit to the council a report on the robustness of the estimates and the Council shall have regard to that report when considering the estimates.

During the Rates setting process Council's general consensus indicated a 0% increase in the District Rates for 2017/18 could be considered acceptable. The final estimates submitted to Council shows a 0% increase in the District Rates for 2017/18.

Approximately 45% of the gross expenditure is salaries and wages budgets. These budgets include adequate provision for employers pension and national insurance costs, including the additional 0.5% apprentice levy being introduced for all employers from 1st April 2017, plus a pay award for all employees based on the latest employers offer to unions. No provision however has been made for replacement cover for sickness absence.

Another significant percentage of expenditure is for utility costs and plant and vehicle maintenance. Budgetary provision has been made based on current usage, planned maintenance and contract prices where available.

Budgetary provision has been made for the Council's insurance portfolio based on current premiums, some of which are long term agreements but with an increase built in to take account of the recent increase in insurance premium tax.

Budgetary provision has been included for the ongoing maintenance of our built assets, this has resulted in £500,000 being provided within revenue budgets in order to finance the routine maintenance that does not necessarily occur every year but is necessary none the less.

A general inflationary increase has not been applied across budgets nor have contingencies

been included for unforeseen events/incidents.

On the income side the Estimated Penny Product calculated by Land & Property Services has been used to calculate the District Rates.

The Transferred Functions Grant and De-rating Grant penny products together with the Rates Support Grant allocation (maintained at the previous year's level since no update has been supplied by the Department for Communities (DfC)) have been included in the estimates. Assumptions have been made about the level of grants from other governments departments where final offers or indications have not yet been received.

I am broadly satisfied that the estimates put before Council this evening are sufficiently robust to enable the Council to deliver its services to a satisfactory level, in normal circumstances in 2017/18.