

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO SPECIAL POLICY AND FINANCE COMMITTEE

Agenda Item No 7

meeting date: 6 FEBRUARY 2018  
 title: OVERALL REVENUE BUDGET 2018/19  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: JANE PEARSON

### 1 PURPOSE

- 1.1 To approve the revised revenue budget for 2017/18.
- 1.2 To consider and recommend a revenue budget and council tax requirement for 2018/19 to Full Council on 6 March 2018.

### 2 CURRENT YEAR'S REVISED BUDGET 2017/18

#### Background

- 2.1 The revised budget for 2017/18 has now been prepared. Committees, during this cycle, have reviewed their estimates and the reasons for any significant changes.
- 2.2 The Original Estimate included provision for pay at 1.1% and price increases of 1.5%.
- 2.3 The revised budget is now looking as if there will be an increase of £33k in how much we need to take from general fund balances to balance our budget. This is shown in the summary below.

Committee	Original 2017/18 £	Revised 2017/18 £	Difference £
Planning and Development	566,660	585,830	19,170
Community Services	3,335,970	3,429,440	93,470
Economic Development	214,610	233,960	19,350
Health and Housing	924,540	838,940	-85,600
Policy and Finance	1,953,820	1,872,850	-80,970
<b>Total of Committees</b>	<b>6,995,600</b>	<b>6,961,020</b>	<b>-34,580</b>
<b>Capital Adjustments:</b>			
Depreciation	-876,200	-910,290	-34,090
Minimum Revenue Provision	131,820	131,820	0
<b>Total Expenditure</b>	<b>6,251,220</b>	<b>6,182,550</b>	<b>-68,670</b>
<b>Other Items</b>	<b>-2,755,142</b>	<b>-2,871,286</b>	<b>-116,144</b>
<b>Less Added to/(taken from) Earmarked Reserves</b>	<b>1,657,879</b>	<b>1,875,583</b>	<b>217,704</b>
General Balances	<b>-250,000</b>	<b>-282,890</b>	<b>-32,890</b>
<b>Net Expenditure</b>	<b>4,903,957</b>	<b>4,903,957</b>	<b>0</b>
Parishes	405,278	405,278	0
Budget Requirement	<b>5,309,235</b>	<b>5,309,235</b>	<b>0</b>

## Changes in Expenditure

- 2.4 Committee expenditure has fallen by £34k. However this is before appropriations to and from earmarked reserves of which there are many.
- 2.5 Service Committees have considered their detailed reports which give more information on the forecast variations between the original estimate and the revised estimate, however the **main reasons** are shown in Annex 1.

## Movement in Business Rate Income

- 2.6 A significant element of our income is Business Rate Growth. Our latest estimate of Ribble Valley's General Fund share of Business Rate income for the current year predicts our levy will be as follows;

	2017/18 January 2017 Original Estimate as per NNDR1 £	2017/18 January 2018 Revised Estimate £\
<b>Levy calculation</b>		
Billing Authority NNDR Income	14,275,299	14,238,544
LA share of NNDR income	5,710,120	5,695,418
LA share of SBRR	542,417	586,593
LA share of discretionary reliefs	11,368	95,263
Pre levy income	6,263,905	6,377,274
Less Tariff	3,997,472	4,026,300
Retained Rates Income	2,266,433	2,350,974
Baseline Funding Level	1,264,824	1,264,824
Retained Rates Income above Baseline	1,001,609	1,086,150
<b>Levy at 50%</b>	<b>500,805</b>	<b>543,075</b>
<b>Retained levy therefore</b>	<b>450,724</b>	<b>488,767</b>

- 2.7 It should be noted however that there may be some changes to the above figures due to changes as a result of the 2017 revaluation. When we feed this into our calculation of expected retained income this results as follows:

	2017/18 Original Estimate £	2017/18 Revised Estimate £
<b>Calculation of Business Rate Retained Income</b>		
Billing Authority NNDR Income	14,275,299	14,275,299
LA share of NNDR income	5,710,120	5,710,120
Less Tariff	3,997,472	4,026,300
	1,712,648	1,683,820
Baseline Funding Level	1,264,824	1,264,824
<b>Retained Rates Income before levy</b>	<b>447,824</b>	<b>418,996</b>
Less Retained Levy	-450,724	-488,767

	2017/18 Original Estimate £	2017/18 Revised Estimate £
Less Levy (10% now paid to LCC)	-50,080	-54,308
Add Section 31 Grant	579,658	681,856
Add Renewable Energy	29,091	87,605
<b>Total Business Rate Income to General Fund excluding retained levy</b>	<b>555,769</b>	<b>645,382</b>
Surplus/(Deficit) brought forward	45,368	45,368
<b>Total Business Rate Income to General Fund excluding retained levy</b>	<b>601,137</b>	<b>690,750</b>
<b>Retained Levy</b>	<b>450,724</b>	<b>488,767</b>
<b>Total Business Rate Income</b>	<b>1,051,861</b>	<b>1,179,518</b>
Used to fund revenue budget	-275,514	-275,514
<b>Remaining to add/take to business rate growth earmarked reserve</b>	<b>776,347</b>	<b>904,004</b>

- 2.8 When setting the original budget we agreed to use £275,514 of our business rate income to fund the revenue budget. Based on the current position we expect to receive £1.180m (including our retained levy), therefore the difference of £904k will be added to the business rate growth reserve.
- 2.9 This is after allowing for the surplus carried forward from 2016/17 of £45,368. Some elements of the rate retention scheme are calculated on an accruals basis ie the levy and section 31 grant where as others (such as income) are 'fixed' at the start of the year based upon our NNDR1 return.
- 2.10 As a member of the Lancashire Business Rate Pool we benefit from retaining a levy which would otherwise be payable to the Government. In 17/18, as shown in the table above, we estimate this will be £488,767.

#### **Movement in Earmarked Reserves**

- 2.11 Annex 2 shows the forecasted transfers to and from earmarked reserves compared with the restated original estimate. In summary the net position is that we anticipate adding £218k more to earmarked reserves in the current year than originally forecasted.

#### **Overall Changes**

- 2.12 A summary of the changes between the original and revised estimate is shown below:

	Difference £000
Committees	-35
Depreciation	-34
Other Items	-116
Use of Earmarked Reserves	218
<b>Net change</b>	<b>33</b>

- 2.13 This shows that the Council is slightly worse off by **£33k** compared with the original estimate. Therefore instead of taking **£250k** from general fund balances at the end of the year, based on these revised estimates we would be taking **£283k** from balances.

### 3 THE LOCAL GOVERNMENT FINANCE SETTLEMENT 2018/19

#### Provisional Grant Settlement

- 3.1 The details of our grant settlement are set out in the separate report elsewhere on your agenda. The table below summarises our provisional position.

<b>2018/19</b>	
<b>£m</b>	
Settlement Funding Assessment	1.411972
of which:	
Revenue Support Grant	0.109149
Baseline Funding Level	1.302823
New Homes Bonus	1.573388

#### Rural Services Delivery Grant

- 3.2 The Government previously announced a considerable increase in support for the most sparsely populated rural areas by way of a Rural Services Delivery Grant.
- 3.3 For Ribble Valley we received £86,603 in 2017/18 and were expecting this amount to reduce to £66,618 for 2018/19. The Government announced that they would reinstate the level of the grant to the same as the current year. Our expected allocations for the next 3 years are;

<b>Rural Services Delivery Grant</b>	
<b>£</b>	
2017/18	86,603
2018/19	86,603
2019/20	86,603

- 3.4 From 2017/18 onwards it was agreed this funding will be used to support our net revenue expenditure.
- 3.5 We expect to receive notification of the final settlement figures in early February. We will report our final figures to you at your meeting if possible.

#### Future Years Government Funding

- 3.6 The announcement is the third year of a four-year settlement. As mentioned in the previous report we have signed up to the Government's multi year settlement offer and they have accepted our efficiency plan.
- 3.7 The only change from our provisional figures announced last year is an adjustment to our business rates baseline & tariff due to the impact of the 2017 Business Rate Revaluation. This may also impact on future years.

- 3.8 Our provisional four year figures are shown below. You will note not only does our Revenue Support Grant (RSG) become zero by 2019/20 but we will also be charged a tariff adjustment of £109k effectively making our RSG negative. The Government have announced that, following representations from district councils, they will be looking at fair and affordable options for dealing with Negative RSG.

	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
Settlement Funding Assessment	1.862606	1.569143	1.411972	1.331719
of which:				
Revenue Support Grant	0.623087	0.304319	0.109149	0.000000
Baseline Funding Level	1.239518	1.264824	1.302823	1.331719
Tariff/Top-Up <sup>3</sup>	-4.361493	-3.997472	-4.177800	-4.240132
Tariff/Top-Up adjustment				-0.108866
Safety Net Threshold	1.146554	1.169962	1.205111	1.231840
Levy Rate (p in £)	0.50	0.50	0.50	0.50

### Council Tax Referendum Criteria

- 3.9 A referendum must be held where an authority's council tax increase is higher than the principles proposed annually by the Secretary of State and approved by the House of Commons.
- 3.10 For 2018/19 the Government have announced the core referendum threshold
- District councils 3% or £5 (on band d charge) whichever is higher.
  - County councils 6% of which 3% must be spent on adult social care
  - Police & Crime Commissioner £12 (on band d charge)
  - Fire & Rescue 3%
- 3.11 It is important when deciding on our council tax level for next year to consider the amount of income any change will generate. For indicative purposes the table below shows the increased income available to the Council for next year for a both a council tax freeze and a £5 increase. A £5 increase in our share of the Council Tax would result in a Band D amount of £150.69 (an increase of 3.4%). This would generate £114,510 each year in extra revenue. In addition the increase in our taxbase generates a further £61,335.

	Current Council Tax £	Council Tax increased by £5.00
Band D Council Tax	145.69	150.69
Taxbase for 2018/19	22,902	22,902
= Council Tax Income 2018/19	3,336,592	3,451,102
Council Tax income 2017/18	3,275,257	3,275,257
Extra income from Council Tax	61,335	175,845
Of which due to increase in tax base	61,335	61,335
Of which due to increase in ctax charge	0	114,510

**4 MAJOR INCOME SOURCES**

**Council Tax**

- 4.1 I have calculated the council taxbase in accordance with proper practices. Our council taxbase for 2018/19 is 22,902. This compares with the current taxbase of 22,481 in 2017/18.
- 4.2 A breakdown of the calculation showing the taxbase by parish is included in Annex 5.
- 4.3 Our current Band D tax is £145.69 and has only been increased once since 2010/11. We are in the bottom quartile of all councils and 38th out of 201 district councils. Across Lancashire the position in 2017/18 is as follows.

<b>Average council tax for 2017/18 Band D £</b>	
<b>LANCASHIRE</b>	
Ribble Valley	145.69
Chorley	180.96
Wyre	188.31
West Lancashire	191.76
Fylde	195.76
South Ribble	208.38
Lancaster	213.97
Hyndburn	235.52
Pendle	250.16
Rosendale	258.44
Burnley	283.04
Preston	296.51

- 4.4 As shown in paragraph 3.11 above the maximum income from council tax we can rely on for 2018/19 is £3,451,102 based upon a £5 increase in band d. As you can see from the above table our council tax would still be the lowest in Lancashire by a considerable margin.

**New Homes Bonus Scheme (NHB)**

- 4.5 The local government grant settlement confirmed no further changes to the New Home Bonus Scheme for 2018/19.
  - the number of years for which legacy payments are made will be 4 years from 2018/19; and
  - the baseline for housing growth set initially at 0.4% of the council tax base for 2017/18 will remain at this level
- 4.6 They announced that whilst they will not be withholding payments for homes that are built following an appeal, they will keep this under review.

- 4.7 New Homes Bonus grant will continue to be shared 80:20 between district and county councils in two tier areas. It is paid as an unringfenced grant, which means local authorities are free to decide how to spend it. The NHB can be spent on either revenue or capital, or placed in a local authority's reserves.
- 4.8 Our total allocation for next year will be £1,573,388 compared with £1,576,990 for the current year.
- 4.9 We currently commit £793k of new homes bonus each year to fund the revenue budget. As you are aware we also use some of our allocation to support our capital programme. The capital programme report also on this agenda sets out how much we intend to use over the next 5 years. The table below shows our allocation compared with total usage agreed to date.

		Received in year										
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Relates to:	2011/12	62,046	62,046	62,046	62,046	62,046	62,046					
	2012/13		117,599	117,599	117,599	117,599	117,599					
	2013/14			188,053	188,053	188,053	188,053	188,053				
	2014/15				227,108	227,108	227,108	227,108				
	2015/16					373,810	373,810	373,810	373,810			
	2016/17						398,268	398,268	398,268	398,268		
	2017/18							389,751	389,751	389,751	389,751	
	2018/19								411,559	411,559	411,559	411,559
	2019/20									?	?	?
	2020/21										?	?
	2021/22											?
	2022/23											
		<b>62,046</b>	<b>179,645</b>	<b>367,698</b>	<b>594,806</b>	<b>968,616</b>	<b>1,366,884</b>	<b>1,576,990</b>	<b>1,573,388</b>	<b>1,199,578</b>	<b>801,310</b>	<b>411,559</b>
Allocated to date:												
Revenue	base	60,000	60,000	60,000	333,780	676,065	786,961	793,079	793,079	793,079	793,079	793,079
Revenue	in year						6,000					
Capital		0	0	100,000	85,000	35,662	57,748	189,060	209,000	313,600	272,000	272,000
		60,000	60,000	160,000	418,780	711,727	850,709	982,139	1,002,079	1,106,679	1,065,079	1,065,079
Adjustment				-10,029	10,029							
Spare ie unallocated		2,046	119,645	217,727	165,997	256,889	516,175	594,851	571,309	92,899	-263,769	-653,520
	Bal C/fwd	2,046	121,691	339,418	505,415	762,304	1,278,479	1,873,330	2,444,639	2,537,538	2,273,769	1,620,249

## Business Rates

- 4.10 We have now completed our NNDR1 return which we will submit to the Government by 31 January 2018. We anticipate our share of business rates for next year will be as follows:

	<b>2018/19 January 2018 as per NNDR1</b>
<b>Levy calculation</b>	
Billing Authority NNDR Income	14,622,354
LA share of NNDR income	5,848,942
LA share of SBRR	828,740
LA share of discretionary reliefs	55,336
Pre levy income	6,733,018
Less Tariff	4,147,262
Retained Rates Income	2,585,757
Baseline Funding Level	1,302,823
Retained Rates Income above Baseline	1,282,934
<b>Levy at 50%</b>	<b>641,467</b>
<b>Retained levy therefore</b>	<b>577,320</b>
	<b>2018/19 as per NNDR1</b>
<b>Calculation of Business Rate Retained Income</b>	
Billing Authority NNDR Income	14,622,354
LA share of NNDR income	5,848,942
Less Tariff	4,147,262
	1,701,680
Baseline Funding Level	1,302,823
Retained Rates Income before levy	398,857
Less Retained Levy	-577,320
Less Levy (10% now paid to LCC)	-64,147
Add Section 31 Grant	925,119
Add Renewable Energy	81,921
<b>Total Business Rate Income to General Fund excluding retained levy</b>	<b>764,430</b>
<b>Surplus/(Deficit) brought forward</b>	<b>-25,165</b>
<b>Total Business Rate Income to General Fund excluding retained levy</b>	<b>739,265</b>
<b>Retained Levy</b>	<b>577,320</b>
<b>Total Business Rate Income</b>	<b>1,316,585</b>
<b>Used to fund revenue budget</b>	<b>-275,514</b>
<b>Remaining</b>	<b>1,041,071</b>

- 4.11 We have obviously had to make assumptions about the potential of successful appeals, bad debts and also growth in our business rates base.



4.12 As a member of the Lancashire Business Rate Pool you can see from the table above we will benefit from retaining the levy of £450,724

4.13 Although we await the announcement of the Final Local Government Grant Settlement when our final tariff and baseline figures will be announced we estimate at this stage that the total income for next year will be £1,316,585. We can therefore safely rely on using more than the amount currently used to support the revenue budget of £275,514.

<b>Summary of Business Rate Growth received and used each year</b>						
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>Average</b>
	<b>actual</b>	<b>actual</b>	<b>actual</b>	<b>actual</b>	<b>revised estimate</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
Business Rate Growth	263,276	364,973	612,969	37,224	690,750	393,838
Retained Levy	0	0	0	338,517	488,767	413,642
	263,276	364,973	612,969	375,741	1,179,517	807,480
Amount used to support Revenue Budget	-47,165	-262,926	-262,926	-262,926	-275,514	
Transferred to general fund balances	-139,311	0	0	0	0	
Surplus/deficit for year	76,800	102,047	350,043	112,815	904,003	
Business Rate Volatility Reserve						
Opening Balance b/fwd	135,904	212,704	314,751	664,794	777,609	
Closing Balance c/fwd	212,704	314,751	664,794	777,609	1,681,612	

4.14 Due to the volatility and also the complexity of how the Business Rates Retention scheme works and further uncertainties surrounding issues such as appeals and growth estimates the figures shown above should be treated with caution.

4.15 You will see from the above table that the predicted balance on the volatility reserve at the end of this financial year will be £1.682m. This has now reached a level that is more than sufficient to provide our own safety net protection which we have had to forgo as a pool member at 92.5% of our business rates baseline. Therefore we are now in a position to use our business rate income in year to contribute more to fund both the revenue budget and capital programme.

## **5 COLLECTION FUND**

5.1 The council tax is a combination of various factors, namely:

- ❖ The net spending requirements of -
  - ❖ Lancashire County Council
  - ❖ Lancashire Police and Crime Commissioner
  - ❖ Lancashire Combined Fire Authority
  - ❖ Ribble Valley Borough Council
  - ❖ The Parish Councils in our area
- ❖ Surplus/deficit on the council tax share of the collection fund

- ❖ Council tax base at band D equivalent
- 5.2 The Business Rates Retention Scheme is also operated via our Collection Fund and therefore we also now have a surplus or deficit in respect of Business Rates at the end of each financial year.
- 5.3 I have already assessed the potential surplus/deficit on the collection fund. I estimate the Collection Fund will produce an overall surplus of £631,677 this year. This consists of a surplus for council tax of £694,588 and a deficit in respect of Business Rates of £62,911.
- 5.4 The Council Tax surplus will be shared amongst all the major precepting authorities. Our share of the surplus is £70,351.
- 5.5 The Business Rates deficit will be recovered from the Government, Lancashire County Council, Lancashire Combined Fire Authority and ourselves in 2018/19. Our share of the deficit is £25,165.
- 5.6 A statement showing the Collection Fund is attached at Annex 3.

## **6 REVENUE BUDGET 2018/19**

### **Background**

- 6.1 The confirmation of the third year of our four year settlement provides us with some certainty regarding our core government funding however the Government are clear in the future local government spending will be funded by local resources not central grant. Our settlement funding assessment next year will fall by £157k.

### **Base Budget Position**

#### **Introduction**

- 6.2 Committee budgets include provision for pay and price increases of 2.0%. Some savings have been identified across committee budgets and these have been presented within the budget reports. The Budget Working Group recommended that any growth items would have to be funded from identified savings. Fees and charges have also been reviewed by committees and have been increased by at least the rate of inflation where feasible. All committees have now considered their draft budgets for next year

#### **Provisional Base Position**

- 6.3 The provisional base position for next year as submitted to service committees is shown below, compared with the original budget for 2017/18.

<b>Committee</b>	<b>Original 2017/18 £</b>	<b>Original 2018/19 £</b>
Planning and Development	566,660	461,540
Community Services	3,335,970	3,764,020
Economic Development	214,610	270,240
Health and Housing	924,540	976,510
Policy and Finance	1,953,820	1,930,790
<b>Total of Committees</b>	<b>6,995,600</b>	<b>7,403,100</b>
<b>Capital Adjustments:</b>		
Depreciation	-876,200	-892,620
Minimum Revenue Provision	131,820	130,560
<b>Total Expenditure</b>	<b>6,251,220</b>	<b>6,641,040</b>
<b>Other Items</b>	<b>-2,755,142</b>	<b>-2,736,361</b>
<b>Added to/(taken from) Earmarked Reserves</b>	<b>1,657,879</b>	<b>1,657,723</b>
Use of General Balances	-250,000	?
<b>Net Expenditure</b>	<b>4,903,957</b>	<b>5,562,402</b>
<b>Less Funding</b>		
Business Rates Baseline		-1,302,823
Revenue Support Grant		-109,149
Council Tax Surplus		-70,351
Council Tax income based on current band d		-3,336,592
<b>Total Funding</b>		<b>-4,818,915</b>
Budget Gap		743,487

### Committee Expenditure

- 6.4 As shown Committee expenditure is set to increase by £408k. The reasons for this, again, are varied and have been reported to service committees in the budget reports. In summary the main reasons for this are shown in Annex 6.

### Major Changes included in Committee Budgets for 2018/19

- 6.5 There are some significant changes in 2018/19 which will affect our budget. The above committee estimates include the following;
- A 20% increase in planning fees with the income raised being used to fund the cost of the new Director of Planning & Economic Development
  - The cessation of the cost sharing arrangement with LCC. This has resulted in a loss of income of £431,900 partially offset by the proceeds from the sale of paper estimated at £47,600 which we have assumed will be retained by the Council. Net loss of income therefore is £384,300

## Major Changes not included in Committee Budgets for 2018/19

- 6.6 The recent pay offer made by the National Employers for Local Government Services to the staff side is significantly higher than the 2% allowed for in the committee estimates: Overall the first year (of the two year offer) would increase the national paybill by 2.707%. The second year would increase by 2.802%.
- 6.7 I have therefore added a contingency to the budget of £75,000.

### New Budget Gap

- 6.8 After adding the contingency to our budget the new budget gap is £818,486 (£743,487 + £75,000).

### Council Tax Requirement

- 6.9 As a result of the Government's capping announcement, we are already in a position where we can calculate our maximum possible Net Revenue Budget for 2017/18. For illustration this is set out below.

	Based on £5 increase		Based on 0% increase	
Taxbase	22,902		22,902	
Band D (Assuming a £5.00 increase)	150.69		145.69	
Precept (ie amount raised from council tax)	3,451,102	3,451,102	3,336,592	3,336,592
Council Tax Surplus		70,351		70,351
Settlement Funding Assessment		1,411,972		1,411,972
<b>Our Maximum Net Expenditure 2018/19</b>		<b>4,933,425</b>		<b>4,818,915</b>

## 7 BUDGET WORKING GROUP

### Background

- 7.1 The Budget Working Group has again met frequently throughout the year to consider the Council's financial position.
- 7.2 Meetings have inevitably focussed on our business rate income, new homes bonus and council tax income as these are now our key income streams and will be in the future. In addition the Budget Working Group has considered the impact of the loss of our cost sharing income and how this might be met.
- 7.3 The Budget Working Group considered a number of key considerations as a recommended approach to addressing the budget shortfall of £818,486.

### Budget Recommendations

1. How much of general fund balances should be used to finance the revenue budget shortfall?

The BWG considered this and recommend that a maximum of £250k should be budgeted to be used, recognising that we have an excellent record of achieving budgetary savings throughout the year.

2. Examination of how much business rates growth we can realistically expect to rely on.

As set out above, we have now completed our draft NNDR1 return for 2018/19 and although there may be some changes to our estimated share we expect to receive around £1.3m next year. To date we have only relied on £275k to support our revenue budget each year with the balance being added to a volatility reserve. **In light of this and the budget gap we are faced with in future years, the BWG recommend using around £400k pa extra of our business rate growth income to support the revenue budget. It was agreed that the volatility reserve now provides sufficient level of safety net protection and therefore going forward we are in a position to use more of our growth to fund both revenue and capital expenditure. It was recognised that over the next 3 year this amount may need to be profiled ie less used next year with more used in year 3. The Budget Working Group therefore recommend using an extra £200k of our growth taking the total to £475,514.**

3. How much New Homes Bonus we can use to support the revenue budget – To date we use our New Homes Bonus allocation to support the revenue budget (currently £793k) and also provide much needed funding for the capital programme. Due to concerns over the future of the scheme we have taken a cautious approach since the start of the scheme and not relied on the full amount of our allocation. The Government have announced our allocation of £1.573m and that there will be no changes to the scheme next year

**The BWG recommend using an extra £311,921 taking our total NHB used to fund the revenue budget to £1.105m.**

4. Whether our council tax should be increased for 2018/19. – After careful consideration of the level of our council tax and the budget pressures facing the Council the Budget Working Group considered that the extra income generated from a £5 increase in our band d tax would be necessary to assist in funding the budget gap.

**The BWG recommend therefore we increase our Band D council tax for 2018/19 to £150.69.**

7.5 **The above changes result in a balanced budget as shown below:**

<b>Committee</b>	<b>Original 2018/19 £</b>
Total of Committees after capital adjustments	6,641,040
Add Contingency for pay	75,000
<b>Total Expenditure</b>	<b>6,716,040</b>
Other Items	-2,736,361
Added to/(taken from) Earmarked Reserves	1,657,723
Further use of New Homes Bonus	-311,921
Further use of Business Rate Growth	-200,000
Use of General Balances (balancing figure)	-192,056
<b>Net Expenditure</b>	<b>4,933,425</b>
<b>Less Funding</b>	
Business Rates Baseline	-1,302,823
Revenue Support Grant	-109,149
Council Tax Surplus	-70,351
Council Tax income based on current band d	-3,336,592
Increase in council tax (22,902*£5)	-114,510
<b>Total Funding</b>	<b>-4,933,425</b>
Budget Gap	0

## 8 ROBUSTNESS OF THE ESTIMATES AND BALANCES AND RESERVES

### Introduction

- 8.1 There is a legal requirement under Section 25 of the Local Government Act 2003 for the Council's Section 151 officer to report on the robustness of the budget and the adequacy of the Council's balances and reserves.

### Robustness of the Budget

- 8.2 In order to ensure the Council sets a robust budget we follow the processes below;
- ❖ Accountancy staff carry out monthly budget monitoring in conjunction with budget holders and regularly report the outcomes to Corporate Management Team
  - ❖ Service Committees also receive regular budget monitoring reports
  - ❖ Heads of Service are given responsibility for managing their budgets
  - ❖ We prepare our financial plans using a base budget concept whereby any increases/reductions in the level of services are considered over and above the base budget and approval must be sought/virements requested
  - ❖ We have a Budget Working Group consisting of members and the Council's Corporate Management Team which meets on a regular basis to make recommendations to officers and service committees in order to maintain a high

level of control over our financial position and ensure we manage our finances strategically and effectively.

- ❖ We prepare three year budget forecasts and also a Medium Term Financial Strategy which considers our budget pressures in the medium to longer term

Budget Area	Measures Taken
Future/Current pressures	<p><b>Ongoing cost of Planning Appeals:</b></p> <ul style="list-style-type: none"> <li>• This includes the cost of defending appeals by our own staff and also the engagement of consultants and barristers to act on our behalf There are a number of appeals which are current.</li> <li>• This also includes costs awarded against the Council by the Planning Inspector at appeal stage, both settled and outstanding. There may be future cost decisions against the Council when defending planning appeals.</li> </ul> <p><b>Refuse Collection/Recycling</b>            Recycling credit payments from LCC ceased on 31 March 2015 and the Cost Sharing Agreement will cease from in March this year. The budget absorbs the lost income of £431k but assumes the Council will still receive income of £48k from the sale of paper and card</p> <p><b>Business Rates</b>            Due to the volatility and also the complexity of how the Business Rates Retention scheme works and further uncertainties surrounding issues such as appeals, growth estimates and the 2017 Rating Revaluation I recommend not relying on the full amount of anticipated income for next year. I would recommend we add the balance of the total estimated income in 2017/18 to the business rates volatility earmarked reserve and any funds remaining in 2018/19 after allowing for the recommendations in the report and the capital programme report on the agenda to a new Business Rate Growth Reserve.</p> <p><b>New Homes Bonus</b>            Our allocation for next year will be £1.573m. As set out earlier in the report we have committed using £793k each year to support revenue. In addition the 5 year capital programme, if approved, relies on using some of our NHB. Considerable changes were announced in 2016 with regard to the introduction of a baseline level of growth and a reduction in the number of years of legacy payments. Indeed further changes may be made in future years, particularly around whether payments should be allowed for homes built following a planning appeal. The NHB will also need to be kept under review as it forms a major element of our funding for both our revenue and capital budgets.</p>

	<p><b>Income Streams</b></p> <p>The income share from the VAT shelter continues to decline. This funding has been used to date to support the capital programme and not been relied upon to fund the revenue budget.</p>
Consideration of Inflation and Interest Rates	<p>Inflation has been added to appropriate budgets at 2.0% for both pay and price increases.</p> <p>However I have also allowed a contingency of £75,000 based on the latest national pay offer. The offer is a two year deal and therefore will also add an estimated 3% to the 2019/20 budget forecast.</p> <p>The prospects for interest rates are regularly reviewed. Currently base rates are forecasted to remain at 0.5% for 2018/19.</p> <p>Obviously the prospects for inflation and interest rates will need to be closely monitored as national and international events unfold.</p>
Savings Considerations	<p>The budget reports presented to each service committee included identified savings for 2018/19. These will be monitored closely throughout the year to ensure they are achieved.</p>
Use of reserves and balances	<p>Careful consideration is given to the use of reserves and balances when setting the budget to ensure that future budgets are sustainable.</p>

- 8.3 I am confident with all these measures in place that the Council continues to manage its finances to a high standard and prepares robust budget plans.

### **Adequacy of Reserves**

- 8.4 The requirement for financial reserves is acknowledged in statute. Sections 31A, 32, 42A and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.
- 8.5 The Chartered Institute of Public Finance and Accountancy (CIPFA) issued Local Authority Accounting Panel (LAAP) bulletin 99 in July 2014 regarding Local Authority Reserves and Balances. This replaced bulletin 77 and gives important guidance to local authorities.
- 8.6 *CIPFA guidance states that:* when reviewing their medium term financial plans and preparing their annual budgets local authorities should consider the establishment and maintenance of reserves. These can be held for three main purposes:
- ❖ a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves;
  - ❖ a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves;
  - ❖ a means of building up funds, often referred to as earmarked reserves to meet known or predicted requirements; earmarked reserves are accounted for separately but remain legally part of the General Fund.



8.7 In order to assess the adequacy of unallocated general reserves when setting the budget, it is crucial to take account of the strategic, operational and financial risks facing the authority. The assessment of risks should include external risks, such as flooding, as well as internal risks, for example, the ability to deliver planned efficiency savings.

**General Fund Balances**

8.8 At this stage general fund balances are estimated as follows:

	<b>£000</b>
Opening Balance 1 April 2017	2,679
Estimated Amount to be taken from Balances in 2017/18	-283
<b>Estimated Balances in Hand 31 March 2018</b>	<b>2,396</b>

8.9 The level of balances to retain is a matter of professional judgement but should be set in the context of the authority’s medium term financial strategy and the risks facing the authority.

8.10 My view, especially bearing in mind our record of strong budgetary control, is that the minimum level of balances we should hold is £700,000. This more importantly is the figure that you have previously agreed in the Medium Term Financial Strategy and is recommended in the latest version elsewhere on the agenda.

8.11 Bearing this in mind and our previous good record in achieving savings in the revenue budget as the year progresses my judgement is that in 2018/19 the maximum amount to be used to fund recurring expenditure should be no more than £250,000. This is based upon our sound system of financial control and our recent track record of underspendings during the year.

**Earmarked Reserves**

8.12 Annex 4 shows the Council’s earmarked reserves together with any movements forecast for 2017/18 and the 2018/19 financial year.

8.13 The earmarked reserves are used for mainly supporting the revenue budget but are also used to fund the capital programme. They are judged to be more than adequate to meet the commitments and forecast expenditure facing the Council.

## 9 BUDGET WORKING GROUP RECOMMENDED REVENUE BUDGET 2018/19

9.1 If you agree to the Budget Working Group's recommendations, the resultant budget for 2018/19 is set out below. This would still leave £2.204m in general fund balances at the end of March 2019.

<b>Committee</b>	<b>Original 2017/18 £</b>	<b>Original 2018/19 £</b>
Planning and Development	566,660	461,540
Community Services	3,335,970	3,764,020
Economic Development	214,610	270,240
Health and Housing	924,540	976,510
Policy and Finance	1,953,820	1,930,790
<b>Total of Committees</b>	<b>6,995,600</b>	<b>7,403,100</b>
<b>Capital Adjustments</b>		
Less Depreciation (included in above)	-876,200	-892,620
Add Minimum Revenue Provision (MRP)	131,820	130,560
<b>Total Expenditure</b>	<b>6,251,220</b>	<b>6,641,040</b>
<b>Other Items</b>		
External Interest - Payable	7,830	7,030
Interest - Earned	-15,660	-20,000
Rural Services Delivery Grant	-86,603	-86,603
Contingency for pay award	0	75,000
Transition Grant	-20,345	0
<b>New Homes Bonus</b>		
New Homes Bonus Allocation Received	-1,576,964	-1,573,388
<b>Business Rates</b>		
Retained Rates Income	-447,824	-398,857
Renewable Energy	-29,091	-81,921
Section 31 Grant for Business Rates	-591,197	-925,119
Levy payable to LCC	50,080	64,147
Share of Business Rates Deficit/(Surplus)	-45,368	25,165
Transfer From/To Various Earmarked Reserves (Annex 4)	1,657,879	1,398,987
<b>Net Expenditure</b>	<b>5,153,957</b>	<b>5,125,481</b>
Adjustment to Balances to Get to Agreed Budget	-250,000	-192,056
<b>Agreed budget for 2017/18</b>	<b>4,903,957</b>	
<b>Recommended budget for 2018/19</b>		<b>4,933,425</b>

## 10 BUDGET AND COUNCIL TAX REQUIREMENT

- 10.1 We are required as a billing authority, to make certain calculations regarding the budget and council tax requirement. Obviously the calculation is based upon the information set out above.

<b>BUDGET AND COUNCIL TAX REQUIREMENT</b>	
	<b>£</b>
RVBC Net Budget	4,933,425
Plus Parish Precepts (Annex 5)	435,183
	<b>5,368,608</b>
Less - Settlement Funding Assessment	-1,411,972
<b>Net Requirement Before Adjustments</b>	<b>3,956,636</b>
Council Tax Surplus	-70,351
<b>Council Tax Requirement (Including Parishes)</b>	<b>3,886,285</b>

## 11 UPDATED THREE YEAR BUDGET FORECAST

- 11.1 I have updated the three year forecast assuming the above budget for 2018/19 is agreed.
- 11.2 The forward projections included are based upon our core base budget and capital programme. As you will appreciate these will change as we progress through 2018/19 to reflect the very latest income and expenditure projections.
- 11.3 A key impact on our future budget will be the outcome of the Fair Funding Review and the changes arising from the move to the 75% Business Rate Retention system in 2020/21.
- 11.4 With regards to New Homes Bonus, the BWG recommended using an extra £312k for each of the three years 18/19, 19/20 and 20/21, taking the total amount used to fund the revenue budget to £1.105m. For the new third year of the forecast ie 21/22 I have, at this stage, assumed we will rely on the same level.
- 11.5 With regards to Business Rates, the BWG recommended using an extra £400k for each of the three years 18/19, 19/20 and 20/21. However it was recognised that this amount needed to be profiled over the period as follows; 18/19 an extra £200k, 19/20 an extra £400k and 20/21 an extra £600k, taking the average amount used to fund the revenue budget to £676k. For the new third year of the forecast ie 21/22 I have, at this stage, assumed we will rely on the same level, ie £676k.
- 11.6 In terms of council tax levels I have included for illustration purposes the maximum allowed increase each year. Clearly the decision on our council tax level for will be taken as part of each year's budget setting round. It is worth noting that the Government have indicated, in our Spending Power figures, we will be able to increase our council tax by £5 each year (if we remain in the bottom quartile) for the next four years.
- 11.7 I have assumed the council taxbase will increase by 1.5% in 2019/20 then 1% thereafter. This results in a forecast for the next three years of:

11.8 Our MTFS is the Council's key financial planning document. It aims to provide the Council with an assurance that our spending plans are affordable over the Medium Term (3 year period). The MTFS will now be updated and reported to the Budget Working Group to consider in detail our future budget pressures

### Three Year Budget Forecast

#### Latest Budget Forecast - 29 January 2018

	2019/20		2020/21		2021/22	
	£		£		£	
Net Expenditure	7,090,392		7,369,581		7,552,172	
Interest Receipts	-25,000		-30,000		-30,000	
Use of Superannuation reserve	-36,512		-36,512		-36,512	
Rural Services Grant	-86,603		-86,603		-86,603	
Use of Business Rate Growth	-675,514		-875,514		-675,514	
Use of New Homes Bonus	-1,105,000		-1,105,000		-1,105,000	
Use of Balances	-250,000		-250,000		-250,000	
<b>Reductions in Expenditure Required</b>	<b>-62,642</b>		<b>-98,506</b>		<b>-298,409</b>	
<b>Budget Requirement</b>	<b>4,849,122</b>		<b>4,887,446</b>		<b>5,070,134</b>	
Core Government Funding						
Revenue Support Grant	-108,866		-250,000		-250,000	
Transition Grant	0		0		0	
Business Rates Baseline	1,331,719		1,358,353		1,385,520	
Coll Fund Surplus/(Deficit)	25,000		25,000		25,000	
<b>Precept</b>	<b>3,601,269</b>		<b>3,754,093</b>		<b>3,909,614</b>	
Tax Base	23,131	1%	23,362	1%	23,596	1%
Band D Council Tax	155.69	£5 max	160.69	£5 max	165.69	£5 max

#### Effect of above on General Fund Balances

General Fund Balances	2019/20		2020/21		2021/22	
	£		£		£	
Brought Forward	2,203,887		1,953,887		1,703,887	
Used	-250,000		-250,000		-250,000	
Carried Forward	1,953,887		1,703,887		1,453,887	

11.9 The above forecast shows that if our estimates are correct the budget gap would be £63k in 2019/20, £99k in 2020/21 and £298k in 2021/22. **However I must stress that the outcome of the Fair Funding Review and the implications of the move to 75% Business Rate Retention will be crucial in terms of our future budget forecast.**

11.10 The Budget Working Group will continue to review the Budget Forecast as we enter the next financial year.

## 12 ILLUSTRATIVE TOTAL COUNCIL TAX AT BAND D

12.1 Finally I have shown below our anticipated total Band D council tax based on the latest information. I must stress these are indicative figures at this stage.

	Meeting Date to agree council tax	Actual Band D Council Tax 2017/18 £	Estimated Band D Council Tax 2018/19 £	% change
Ribble Valley		145.69	150.69	3.43 (£5)
Parishes (average)		18.03	19.00	5.38
Lancashire County Council	8 Feb 18	1,221.74	1,294.92	5.99*
Police and Crime Commissioner for Lancashire	21 Feb 18	165.45	177.45	7.25 (£12)
Lancashire Combined Fire Authority	19 Feb 18	65.50	67.46	2.99
		<b>1,616.41</b>	<b>1,709.52</b>	<b>5.76</b>

\*Includes 3% social care precept

## 13 RECOMMENDED THAT COMMITTEE

13.1 Approve the revised budget for 2017/18.

13.2 Approve the Budget Working Group's recommendations and set a budget and council tax requirement for 2018/19 as set out in Section 10.1.

13.3 Recommend the budget and council tax requirement to the Full Council meeting on 6 March 2018.

DIRECTOR OF RESOURCES

PF14-18/JP/AC  
29 January 2018

**SPECIAL POLICY & FINANCE COMMITTEE  
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2017/18**

Description	Variances from Original Estimate 2017/18 to Revised Estimate 2017/18 £
<b>HEALTH AND HOUSING COMMITTEE</b>	
<p><b>ALL cost centres - Support Services</b> Net decrease in Support Services recharges for the Health and Housing Committee overall, following a reassessment of costs to date and time allocations in all support services areas. <i>Note - this is the net decrease in support services recharges after separately identifying the recharge of £39,570 for the new Community Groups cost centre (see CMGHH below).</i></p>	-17,040
<p><b>HGBEN - Housing Benefits</b> Rent Allowance subsidy receivable from the DWP is estimated to be £50,700 higher than Rent Allowance payments, after adjusting for recovery of housing benefits overpayments and non-cash transactions. This difference is £14,840 higher than budgeted for at original estimate stage in 2017/18.</p>	-14,840
<p><b>CTBEN - Localised Council Tax Support Administration</b> Following the introduction of Local Council Tax Support and the move from Council Tax Benefit, any previous years' overpayments of Council Tax Benefits recovered by the Council are now retained by the Council, whilst any back payments of Council Tax Benefit to claimants falls on the Council. These amounts are not budgeted for at original estimate because they cannot be estimated. The likely net position for 2017/18 is net retained overpayments of £14,160.</p>	-14,160
<p><b>HGBEN - Housing Benefits</b> Additional income received in-year from the DWP, which was not known about at original estimate stage, for various benefit changes and reforms the Council is required to implement in-year. This covers areas such as real time data matching, implementing the benefit cap changes, increased discretionary housing payments administration, fraud investigation and removal of the spare room subsidy.</p>	-12,770
<p><b>HGBEN - Housing Benefits</b> Estimated receipt of Flexible Homelessness Support Grant, to help cover Rent Rebate subsidy not received from the DWP for rent paid on behalf of temporary accommodation benefit claimants that is above the Local Housing Allowance level. This grant income was not known about at original estimate stage.</p>	-9,750
<p><b>JARMS - Joiners Arms</b> The Joiners Arms scheme warden post duties and scale point were finalised after the original estimate budget was set. The actual costs of the role are less than the amount included in the original estimate plus the warden post will be vacant for an estimated period of two months from mid-December 2017.</p>	-6,950

**SPECIAL POLICY & FINANCE COMMITTEE  
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2017/18**

Description	Variances from Original Estimate 2017/18 to Revised Estimate 2017/18 £
<p><b>CMGHH - Community Groups - Health &amp; Housing</b> A new budget for this committee introduced at revised estimate stage, reflecting the cost of the time that partnership officers and regeneration staff spend working with community groups. The budget has been transferred from Planning, because this work on behalf of the community is more aligned with this Committee's supporting people agenda.</p>	39,570
<b>COMMUNITY SERVICES COMMITTEE</b>	
<p><b>COMMD: Community Services</b> Increased salary, national insurance and superannuation costs as the allowance for staff turnover budgeted for in the original estimate has not fully materialised.</p>	22,640
<p><b>MUSEM: Museum</b> Reduced estimated income from general admissions (£8,240), sale of goods (£3,790) and event hire (£1,610), which follows a trend over the past few years.</p>	13,640
<p><b>RECUL: Recreation and Culture Grants</b> Grants awarded in excess of current year budget. To be funded by monies set aside in an earmarked reserve.</p>	19,250
<p><b>RPBIN: Replacement Bins</b> Income received from the sale of householder bins (£24,880) offset by expenditure incurred in the purchase of the bins (£6,250). The balance to be transferred to an earmarked reserve to fund the future replacement of household bins.</p>	-18,630
<p><b>TRREF: Trade Refuse</b> Increased estimated tipping charges based upon the increased tonnages collected from trade waste customers. This is due to a growth in the customer base.</p>	60,300
<p><b>TRREF: Trade Refuse</b> Additional income generated from trade customers due to a growth in the customer base.</p>	-64,640
<p><b>CRIME: Crime and Disorder</b> Grant to be received from the Police and Crime Commissioner which was not confirmed when the original estimate was prepared.</p>	-10,000
<p><b>VARIOUS: Car Parks</b> Increased estimated income due to an increase in usage seen in year.</p>	-10,910
<p><b>RPOOL: Ribblesdale Pool</b> Increased expenditure on temporary staff to cover for vacancies in pool attendants and swimming instructors.</p>	15,760
<b>RPOOL: Ribblesdale Pool</b>	40,390

**SPECIAL POLICY & FINANCE COMMITTEE  
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2017/18**

Description	Variances from Original Estimate 2017/18 to Revised Estimate 2017/18 £
The full programme of swimming lessons has not been offered for the period April - December 2017 due to vacancies in the position of a swimming teacher and staff sickness. The full programme will be offered from January 2018.	
<b>RPOOL: Ribblesdale Pool</b> Reduction in estimated income for the year from adult (£6,250) and junior (£6,060) admissions.	12,310
<b>PLANNING AND DEVELOPMENT COMMITTEE</b>	
<b><u>BCFEE: Building Control Fee earning account</u></b> Due to staff vacancies, consultants were employed to carry out some of the functions of a building surveyor.	5,590
Increase in income mainly from review of outstanding completions	-4,990
<b><u>PLANG: Planning Control &amp; Enforcement</u></b> Additional cost of upgrading dataset required for a fully integrated planning system.	3,000
Reduction in Income from decision notices, planning fees and pre application advice.	36,020
<b><u>LDEVE: Local Development scheme</u></b> Increase in postage costs as a result of planning consultations under regulations 19 and 22	4,060
Decrease in provision for printing and stationery as commitment for interactive website is removed and partly replaced by a provision for printing.	-3,370
Provision for updating information on infrastructure delivery plan and hearing and notification costs less than anticipated.	-3,830
<b><u>PLANP: Planning Policy</u></b> Budget provision established to cover the cost of the independent examination stage of the Bolton By Bowland & Gisburn Parish Council neighbourhood plan. The plan has since been withdrawn so no further costs will be incurred.	4,930
<b>POLICY &amp; FINANCE COMMITTEE</b>	
<b>CEXEC: Chief Executives Department</b>	
Employee costs reduced due to the level of staff turnover experienced in Environmental Health, Building Control, Community Development, Regeneration and Forward Planning sections in year to date.	-30,890
<b>CLOFF: Council Offices</b>	
The budget for electricity usage has been increased as the meter	10,270



**SPECIAL POLICY & FINANCE COMMITTEE  
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2017/18**

Description	Variances from Original Estimate 2017/18 to Revised Estimate 2017/18 £
readings for usage have increased.	
<b>CLTAX: Council Tax</b>	
The cost of an upgrade to the ICON system has been allowed for in the budget. This is fully funded from an earmarked reserve established for this purpose.	12,320
<b>COSDM: Cost of Democracy</b>	
This adjustment reflects the change that was made to the timing of the annual uprating of allowances. This was not adjusted for in the 2017/18 original estimate.	-9,110
<b>ELECT: Register of Electors</b>	
Reduction in the budget for postages to better reflect current costs.	-10,110
Increase in budget provisions for employee and supplies & service costs to cover the additional costs of Individual Electoral Registration (IER)	10,690
Additional grant applied for and received in year to continue to support the additional costs involved in introducing electoral registration	-10,970
<b>FLDRB/FLDRH: Flood grants - Business / Households</b>	
Approved grants payable to Businesses and Households in respect of flood resilience measures. This is fully funded by the Government via Lancashire County Council - as shown below.	269,680
Reimbursement of flood resilience grants from the Government via Lancashire County Council	-269,680
<b>FMISC: Policy &amp; Finance Miscellaneous</b>	
Reduction in external audit fees budget to reflect the current level of audit fees now being charged.	-21,110
Forecast increase in income from the VAT Shelter arrangement with Ribble Valley Homes. This is based on latest estimates provided by them and reflects the arrangements put in place under the housing transfer agreement.	-47,650
<b>FSERV: Financial Services</b>	
Forecast increase in staffing costs due to the low level of staff turnover that has been experienced to date.	15,320
<b>LSERV: Legal Services</b>	
Forecast increase in staffing costs due to the low level of staff turnover that has been experienced to date. There is also an increase in	15,600

**SPECIAL POLICY & FINANCE COMMITTEE  
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2017/18**

Description	Variances from Original Estimate 2017/18 to Revised Estimate 2017/18 £
superannuation costs as there has been an increase in the number of staff that are members of the pension scheme.	
<b>NNDRC: National Non Domestic Rates</b>	
Additional budget included for professional legal fees incurred acting on Ribble Valley's behalf in a dispute regarding business rates. Compensation has been made in respect of these and past year costs (see below).	11,640
Additional income to reflect the compensation payment received for current year and past years in respect of professional fees incurred in a dispute over business rates. (see above)	-27,610
<b>OMDEV: Organisation &amp; Member Development</b>	
New budget for payments made in respect of the apprenticeship levy. These payments are set aside and topped up by the government for us to draw-down to pay for apprenticeship level training.	11,700
<b>PERFM: Performance Reward Grants</b>	
The Parish Grant scheme which fell under this cost centre is now coming to a close and this is reflected in the budget that has been set. After allowing for all commitments there remains just over £60K unallocated in the Performance Reward Grant earmarked reserve.	-37,780
<b>Support Service Costs</b>	
Overall net increase in support service costs.	32,740
ECONOMIC DEVELOPMENT COMMITTEE	
<b>ALBNM: Albion Mill</b> Reduction in rental income due to a new tenant being offered a 50% reduction in rent payable within the first year of tenancy.	5,760
<b>INDDV: Economic Development</b> Increased support service costs due to 50% of the expenditure incurred within the Economic Development Department being recharged to Economic Development.	17,900
<b>TURSM: Tourism and Events</b> Printing costs relating to the production of the 2018 Visitors Guide. Fully offset by income to be received (see below).	17,400

**SPECIAL POLICY & FINANCE COMMITTEE  
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2017/18**

Description	Variances from Original Estimate 2017/18 to Revised Estimate 2017/18 £
<b>TURSM: Tourism and Events</b> Income to be generated from the sale of advertising in the 2018 Visitors Guide.	-22,300
<b>Total of Major Variances for all Committees</b>	<b>£29,390</b>

**SPECIAL POLICY & FINANCE COMMITTEE  
ANALYSIS OF TRANSFERS TO AND FROM EARMARKED RESERVES**

	Original Estimate 2017/18 £	Revised Estimate 2017/18 £
Building Control Fee Earning	5,490	11,510
Neighbourhood Planning Reserve		-4,930
Pendle Hill User Reserve		440
Restructuring Reserve		-35,820
Planning Reserve - Local Development Scheme	-42,900	-40,140
Community Safety Partnership	-13,520	1,500
Vehicle and Plant Repairs and Renewals Fund	46,000	46,000
Recreation Grants Reserve		-20,090
Exercise Referral Reserve		-250
Refuse Collection - Bin Hire/Sales		20,480
Food Festival Reserve		-8,180
Equipment Reserve		-2,770
Government Housing Grants	-130	34,890
Capital Reserve		18,560
Elections	22,540	18,070
Performance Reward Grant	-53,500	-15,720
IER Reserve	-1,420	-8,480
IT Reserve		-6,520
Add to VAT Shelter	158,000	205,650
Pensions Triennial Revaluation Reserve		7,920
Revaluation Reserve	2,060	2,060
Added to New Homes Bonus Reserve	783,885	783,911
Business Rates Volatility Reserve - Balance (Taken)/Added	337,162	415,237
Business Rates Volatility Reserve - Retained Levy added to reserve	450,724	488,767
Post LSVT Reserve (Pensions)	-36,512	-36,512
<b>Net Movement</b>	<b>1,657,879</b>	<b>1,875,583</b>

**SPECIAL POLICY & FINANCE COMMITTEE  
COLLECTION FUND STATEMENT**

		<b>Original 2017/18 £</b>	<b>Revised 2017/18 £</b>
<b>Expenditure</b>			
	Council Tax Precepts:		
	Lancashire County Council	27,465,937	27,465,937
	Police & Crime Commissioner for Lancashire	3,719,481	3,719,481
	Lancashire Combined Fire Authority	1,472,506	1,472,506
	Ribble Valley incl Parishes	3,680,535	3,680,535
	Allocation of Council Tax Surplus for Year:		
	Ribble Valley	59,558	59,558
	Lancashire County Council	429,807	429,807
	Lancashire Combined Fire Authority	23,962	23,962
	Police & Crime Commissioner for Lancashire	59,346	59,346
	Allocation of Business Rates Surplus:		
	Central Government	56,711	56,711
	Ribble Valley	45,369	45,369
	Lancashire County Council	10,208	10,208
	Lancashire Combined Fire Authority	1,134	1,134
	Cost of Collecting NNDR	88,997	88,997
	Distribution of Business Rates:		
	Central Government	7,137,649	7,137,649
	Ribble Valley	5,710,120	5,710,120
	Lancashire County Council	1,284,777	1,284,777
	Lancashire Fire Authority	142,753	142,753
	Enterprise Zone	21,152	150,328
	Renewable Energy Schemes	29,091	87,605
	Transitional Protection Payments	23,552	21,180
	Overpayments of council tax benefit		15,727
	NNDR - Bad Debts Provision	131,566	150,000
	NNDR - Appeals Provision	400,000	460,613
	Council Tax - Bad Debts Provision	274,598	100,000
		<b>52,268,809</b>	<b>52,374,303</b>
<b>Income</b>			
	Surplus Brought Forward:		
	Council Tax	572,673	705,580
	Business Rates	113,422	87,266
	Council Tax Income	36,613,057	37,015,344
	Council Tax Benefits		523
	Business Rates	14,969,657	15,197,267
		<b>52,268,809</b>	<b>53,005,980</b>
<b>Surplus/(Deficit)</b>			
<b>CTAX - Surplus/Deficit) Carried Forward</b>		<b>0</b>	<b>694,588</b>
<b>NNDR - Surplus/Deficit) Carried Forward</b>		<b>0</b>	<b>-62,911</b>
<b>Total Surplus/(Deficit)</b>		<b>0</b>	<b>631,677</b>

**SPECIAL POLICY & FINANCE COMMITTEE  
EARMARKED RESERVES**

<b>General Fund</b>	<b>Balance at 31 March 2017 £</b>	<b>To be added/take n in 2017/18 on Revenue</b>	<b>To be added/take n in 2017/18 on Capital</b>	<b>Balance at 31 March 2018 £</b>	<b>To be added/take n in 2018/19 on Revenue</b>	<b>To be added/take n in 2018/19 on Capital</b>	<b>Balance at 31 March 2019 £</b>
<b>Shorter term service commitments</b>							
<b><u>Local Recreation Grants Fund</u></b> <i>Used to fund recreation grants</i>	37,869	-20,090		17,779			17,779
<b><u>Audit Reserve Fund</u></b> <i>Used for computer audit</i>	12,335			12,335			12,335
<b><u>Christmas Lights/RV in Bloom</u></b> <i>Available to fund contributions towards Christmas Lights and Ribble Valley in Bloom</i>	0			0			0
<b><u>Refuse Collection</u></b> <i>To fund refuse collection costs of bin replacements and other cost pressures</i>	59,728	20,480		80,208	2,040	-10,000	72,248
<b><u>Core Strategy Reserve</u></b> <i>To fund the production of the Core Strategy</i>	0			0			0
<b><u>Clitheroe Food Festival</u></b> <i>Resources set aside to help support the costs associated with the Clitheroe Food Festival</i>	25,913	-8,180		17,733			17,733
<b>Sub total</b>	<b>135,845</b>	<b>-7,790</b>	<b>0</b>	<b>128,055</b>	<b>2,040</b>	<b>-10,000</b>	<b>120,095</b>

**SPECIAL POLICY & FINANCE COMMITTEE  
EARMARKED RESERVES**

<b>General Fund</b>	<b>Balance at 31 March 2017 £</b>	<b>To be added/take n in 2017/18 on Revenue</b>	<b>To be added/take n in 2017/18 on Capital</b>	<b>Balance at 31 March 2018 £</b>	<b>To be added/take n in 2018/19 on Revenue</b>	<b>To be added/take n in 2018/19 on Capital</b>	<b>Balance at 31 March 2019 £</b>
<b>Reserves to smooth the revenue impact of longer term cyclical costs</b>							
<b><u>Elections Fund</u></b> <i>Used to fund borough elections held once every four years</i>	36,329	18,070		54,399	22,990		77,389
<b><u>Pensions Triennial Revaluation Reserve</u></b> <i>This reserve sets aside the difference between the lump sum superannuation payments made and the current rate at 16.5%, with the intention to pay the balance to the pension fund prior to each triennial review.</i>	0	7,920		7,920	33,320		41,240
<b><u>Revaluation of Assets Reserve</u></b> <i>To contribute towards the revaluation of the Council's assets every five years.</i>	5,230	2,060		7,290	2,110		9,400
<b>Sub total</b>	<b>41,559</b>	<b>28,050</b>	<b>0</b>	<b>69,609</b>	<b>58,420</b>	<b>0</b>	<b>128,029</b>
<b>Trading or business unit reserves</b>							
<b><u>Building Control Fund</u></b> <i>Available to equalise net expenditure over a three year period</i>	-43,832	11,510		-32,322	15,020		-17,302
<b>Sub total</b>	<b>-43,832</b>	<b>11,510</b>	<b>0</b>	<b>-32,322</b>	<b>15,020</b>	<b>0</b>	<b>-17,302</b>

**SPECIAL POLICY & FINANCE COMMITTEE  
EARMARKED RESERVES**

<b>General Fund</b>	<b>Balance at 31 March 2017 £</b>	<b>To be added/take n in 2017/18 on Revenue</b>	<b>To be added/take n in 2017/18 on Capital</b>	<b>Balance at 31 March 2018 £</b>	<b>To be added/take n in 2018/19 on Revenue</b>	<b>To be added/take n in 2018/19 on Capital</b>	<b>Balance at 31 March 2019 £</b>
<b>Sums set aside for major schemes such as capital projects</b>							
<b><u>Capital</u></b> <i>Used to fund the capital programme</i>	821,421	18,560	-203,450	636,531		-100,000	536,531
<b><u>ICT Repairs and Renewals</u></b> <i>To fund future software and hardware upgrades</i>	171,399	-6,520	-1,350	163,529	-3,970	-13,908	145,651
<b><u>Vehicle &amp; Plant Repairs and Renewals Reserve</u></b> <i>Resources set aside to fund a repairs and renewals fund for the replacement of Vehicles and Plant</i>	392,000	46,000		438,000		-400,500	37,500
<b>Sub total</b>	<b>1,384,820</b>	<b>58,040</b>	<b>-204,800</b>	<b>1,238,060</b>	<b>-3,970</b>	<b>-514,408</b>	<b>719,682</b>
<b>Longer term strategic or corporate reserves</b>							
<b><u>Insurance</u></b> <i>Available to meet any costs following demise of Municipal Mutual Insurance Company</i>	14,581			14,581			14,581
<b><u>Fleming VAT Claim</u></b> <i>VAT recovered from 'Fleming' claim challenge to HMRC</i>	72,212		-4,940	67,272			67,272
<b><u>Repairs and Maintenance</u></b>	29,299			29,299			29,299



**SPECIAL POLICY & FINANCE COMMITTEE  
EARMARKED RESERVES**

<b>General Fund</b>	<b>Balance at 31 March 2017 £</b>	<b>To be added/take n in 2017/18 on Revenue</b>	<b>To be added/take n in 2017/18 on Capital</b>	<b>Balance at 31 March 2018 £</b>	<b>To be added/take n in 2018/19 on Revenue</b>	<b>To be added/take n in 2018/19 on Capital</b>	<b>Balance at 31 March 2019 £</b>
<i>To fund emergency repairs and maintenance items, including legionella and asbestos abatement</i>							
<b><u>Post LSVT</u></b> <i>To fund any costs post LSVT which may arise, such as pension fund liabilities</i>	255,588	-36,512		219,076	-36,512		182,564
<b><u>Restructuring Reserve</u></b> <i>To fund costs resulting from restructuring reviews</i>	227,541	-35,820		191,721			191,721
<b><u>VAT Shelter Reserve</u></b> <i>Funds received from the post LSVT VAT Shelter arrangements, partly used to contribute towards the future financing of the capital programme</i>	1,300,315	205,650	-234,000	1,271,965	108,080	-69,500	1,310,545
<b><u>Equipment Reserve</u></b> <i>To fund essential and urgent equipment requirements</i>	115,133	-3,050		112,083		-32,512	79,571
<b><u>Invest to Save Fund</u></b> <i>To fund future invest to save projects</i>	250,000			250,000		-23,000	227,000
<b><u>Planning Reserve</u></b> <i>To fund any future potential planning issues</i>	148,545	-40,140		108,405	-19,160		89,245
<b><u>Housing Benefit Reserve</u></b>	100,000			100,000			100,000

**SPECIAL POLICY & FINANCE COMMITTEE  
EARMARKED RESERVES**

<b>General Fund</b>	<b>Balance at 31 March 2017 £</b>	<b>To be added/take n in 2017/18 on Revenue</b>	<b>To be added/take n in 2017/18 on Capital</b>	<b>Balance at 31 March 2018 £</b>	<b>To be added/take n in 2018/19 on Revenue</b>	<b>To be added/take n in 2018/19 on Capital</b>	<b>Balance at 31 March 2019 £</b>
<i>To help meet the challenges facing the service in the coming years</i>							
<b><u>New Homes Bonus Reserve</u></b>							
<i>To help finance future economic development capital schemes</i>	<b>1,278,478</b>	<b>783,911</b>	<b>-189,060</b>	<b>1,873,329</b>	<b>468,388</b>	<b>-209,000</b>	<b>2,132,717</b>
<b><u>Business Rates Growth</u></b>							
<i>Any business rates growth above that used to support the revenue budget in year is set aside in this earmarked reserve for future use on funding the capital programme</i>	<b>0</b>			<b>0</b>	<b>841,071</b>	<b>-54,656</b>	<b>786,415</b>
<b><u>Business Rates Volatility Reserve</u></b>							
<i>To provide some protection against business rates volatilities</i>	<b>777,610</b>	<b>904,004</b>		<b>1,681,614</b>			<b>1,681,614</b>
<b>Sub total</b>	<b>4,569,302</b>	<b>1,778,043</b>	<b>-428,000</b>	<b>5,919,345</b>	<b>1,361,867</b>	<b>-388,668</b>	<b>6,892,544</b>
<b>External grant funding where expenditure has yet to be incurred</b>							
<b><u>Performance Reward Grant</u></b>							
<i>Performance Reward Grant received and yet to be distributed to successful schemes</i>	<b>67,577</b>			<b>67,577</b>			<b>67,577</b>

**SPECIAL POLICY & FINANCE COMMITTEE  
EARMARKED RESERVES**

<b>General Fund</b>	<b>Balance at 31 March 2017 £</b>	<b>To be added/take n in 2017/18 on Revenue</b>	<b>To be added/take n in 2017/18 on Capital</b>	<b>Balance at 31 March 2018 £</b>	<b>To be added/take n in 2018/19 on Revenue</b>	<b>To be added/take n in 2018/19 on Capital</b>	<b>Balance at 31 March 2019 £</b>
<b><u>Land Charges Reserve</u></b> <i>To fund any potential restitution claims for personal search fees</i>	46,794			46,794			46,794
<b><u>Pendle Hill User Reserve</u></b> <i>To fund improvement schemes on Pendle Hill</i>	44,069	440		44,509			44,509
<b><u>Crime Reduction Partnership Reserve</u></b> <i>To fund cost of crime reduction initiatives</i>	29,877	1,500		31,377	-13,780		17,597
<b><u>Exercise Referral Reserve</u></b> <i>To fund potential residual staffing costs</i>	14,361	-250		14,111			14,111
<b><u>Housing Related Grants Reserve</u></b> <i>Residual grant received, to be committed to future grant schemes</i>	187,404	34,890	-26,670	195,624	-17,960		177,664
<b><u>Community Right to Bid/Challenge</u></b> <i>To fund any future costs under the Community Right to Bid and Community Right to Challenge Regulations</i>	45,124			45,124			45,124
<b><u>Grant Funded Sports Development</u></b> <i>To finance future Sports Development grant funded expenditure</i>	600			600			600

**SPECIAL POLICY & FINANCE COMMITTEE  
EARMARKED RESERVES**

<b>General Fund</b>	<b>Balance at 31 March 2017 £</b>	<b>To be added/take n in 2017/18 on Revenue</b>	<b>To be added/take n in 2017/18 on Capital</b>	<b>Balance at 31 March 2018 £</b>	<b>To be added/take n in 2018/19 on Revenue</b>	<b>To be added/take n in 2018/19 on Capital</b>	<b>Balance at 31 March 2019 £</b>
<b><u>Whalley Moor Reserve</u></b> <i>Grant received towards work at Whalley Moor Woodland</i>	4,520			4,520			4,520
<b><u>Individual Electoral Registration Reserve</u></b> <i>Grant received for the implementation of Individual Electoral Registration which will be used to fund this work</i>	8,203	-8,200		3			3
<b><u>Repossession Prevention Fund Reserve</u></b> <i>Ring-fenced DCLG funded reserve to help prevent repossessions and homelessness.</i>	28,491			28,491			28,491
<b><u>Neighbourhood Planning Reserve</u></b> <i>DCLG Neighbourhood Planning Grant received to fund future related expenditure</i>	15,000	-4,930		10,070			10,070
<b><u>Parish Grant Reserve</u></b> <i>PRG Resources set aside to fund the Parish Grant Scheme</i>	64,452	-15,720		48,732	-2,650		46,082
<b><u>Planning Related Grants Reserve</u></b> <i>Residual grant received, to be committed to future schemes</i>	35,495			35,495			35,495
<b><u>Rural Service Reserve</u></b>	105,544			105,544		-105,544	0

**SPECIAL POLICY & FINANCE COMMITTEE  
EARMARKED RESERVES**

<b>General Fund</b>	<b>Balance at 31 March 2017 £</b>	<b>To be added/take n in 2017/18 on Revenue</b>	<b>To be added/take n in 2017/18 on Capital</b>	<b>Balance at 31 March 2018 £</b>	<b>To be added/take n in 2018/19 on Revenue</b>	<b>To be added/take n in 2018/19 on Capital</b>	<b>Balance at 31 March 2019 £</b>
<i>Residual grant received, to be committed to future schemes</i>							
<b>Sub total</b>	<b>697,511</b>	<b>7,730</b>	<b>-26,670</b>	<b>678,571</b>	<b>-34,390</b>	<b>-105,544</b>	<b>538,637</b>
<b>TOTAL</b>	<b>6,785,205</b>	<b>1,875,583</b>	<b>-659,470</b>	<b>8,001,318</b>	<b>1,398,987</b>	<b>-1,018,620</b>	<b>8,381,685</b>

**SPECIAL POLICY AND FINANCE COMMITTEE  
PARISH PRECPTS 2018/19**

Band D Equivalent Tax Base	Parish	Parish Precept 2018/19 £	Parish Precept 2017/18 £	Increase / (Decrease) £	Band D Equivalent Tax 2018/19 £	Band D Equivalent Tax 2017/18 £	Increase/ Decrease in Band D Tax £	Increase/ Decrease in Band D Tax %
446	Aighton, Bailey & Chaigley	5,150	5,000	150	11.55	11.42	0.13	1.1%
197	Balderstone	1,700	1,300	400	8.63	6.60	2.03	30.8%
449	Barrow	9,572	8,570	1,002	21.32	21.32	0.00	0.0%
205	Bashall Eaves, Great Mitton & Little Mitton	1,232	1,232	0	6.01	6.10	-0.09	-1.5%
2,124	Billington & Langho	21,050	20,202	848	9.91	9.75	0.16	1.6%
488	Bolton by Bowland, Gisburn Forest & Sawley	20,421	2,505	17,916	41.85	5.12	36.73	717.4%
70	Bowland Forest (High)	2,167	2,167	0	30.96	28.89	2.07	7.2%
79	Bowland Forest (Low)	1,200	1,200	0	15.19	14.81	0.38	2.6%
86	Bowland with Leagram	200	200	0	2.33	2.38	-0.05	-2.1%
380	Chatburn	11,372	11,372	0	29.93	30.08	-0.15	-0.5%
488	Chipping	7,750	7,750	0	15.88	15.88	0.00	0.0%
510	Clayton le Dale	3,000	3,000	0	5.88	5.89	-0.01	-0.2%
5,225	Clitheroe	110,999	106,833	4,166	21.24	20.96	0.28	1.3%
44	Dinckley	0	0	0	0.00	0.00	0.00	-
48	Downham	0	0	0	0.00	0.00	0.00	-
105	Dutton	500	500	0	4.76	4.67	0.09	1.9%
211	Gisburn	5,275	4,000	1,275	25.00	20.30	4.70	23.2%

**SPECIAL POLICY AND FINANCE COMMITTEE  
PARISH PRECPTS 2018/19**

Band D Equivalent Tax Base	Parish	Parish Precept 2018/19 £	Parish Precept 2017/18 £	Increase / (Decrease) £	Band D Equivalent Tax 2018/19 £	Band D Equivalent Tax 2017/18 £	Increase/ Decrease in Band D Tax £	Increase/ Decrease in Band D Tax %
360	Grindleton	7,500	7,500	0	20.83	21.25	-0.42	-2.0%
47	Horton	0	0	0	0.00	0.00	0.00	-
73	Hothersall	1,000	750	250	13.70	10.00	3.70	37.0%
2,772	Longridge	70,492	67,132	3,360	25.43	24.69	0.74	3.0%
8	Mearley	0	0	0	0.00	0.00	0.00	-
1,000	Mellor	14,656	22,076	-7,420	14.66	22.08	-7.42	-33.6%
20	Newsholme	0	0	0	0.00	0.00	0.00	-
146	Newton	2,500	2,500	0	17.12	17.36	-0.24	-1.4%
111	Osbaldeston	750	700	50	6.76	6.36	0.40	6.3%
43	Paythorne	0	0	0	0.00	0.00	0.00	-
106	Pendleton	1,300	1,300	0	12.26	11.82	0.44	3.7%
280	Ramsgreave	2,000	2,000	0	7.14	7.12	0.02	0.3%
564	Read	9,722	9,237	485	17.24	16.64	0.60	3.6%
661	Ribchester	7,826	7,756	70	11.84	11.84	0.00	0.0%
239	Rimington & Middop	5,500	4,000	1,500	23.01	16.95	6.06	35.8%
524	Sabden	14,969	14,676	293	28.57	28.22	0.35	1.2%
193	Salesbury	4,800	4,800	0	24.87	24.87	0.00	0.0%
497	Simonstone	8,400	8,400	0	16.90	16.90	0.00	0.0%
150	Slaidburn & Easington	2,050	2,050	0	13.67	13.49	0.18	1.3%

**SPECIAL POLICY AND FINANCE COMMITTEE  
PARISH PRECPTS 2018/19**

<b>Band D Equivalent Tax Base</b>	<b>Parish</b>	<b>Parish Precept 2018/19 £</b>	<b>Parish Precept 2017/18 £</b>	<b>Increase / (Decrease) £</b>	<b>Band D Equivalent Tax 2018/19 £</b>	<b>Band D Equivalent Tax 2017/18 £</b>	<b>Increase/ Decrease in Band D Tax £</b>	<b>Increase/ Decrease in Band D Tax %</b>
167	Thornley with Wheatley	1,500	1,500	0	8.98	9.04	-0.06	-0.7%
35	Twiston	0	0	0	0.00	0.00	0.00	-
456	Waddington	13,500	13,500	0	29.61	29.67	-0.06	-0.2%
362	West Bradford	6,955	6,624	331	19.21	18.45	0.76	4.1%
1,627	Whalley	35,845	32,870	2,975	22.03	21.30	0.73	3.4%
1,078	Wilpshire	17,476	16,547	929	16.21	15.44	0.77	5.0%
183	Wiswell	4,854	3,529	1,325	26.52	19.94	6.58	33.0%
45	Worston	0	0	0	0.00	0.00	0.00	-
<b>22,902</b>		<b>435,183</b>	<b>405,278</b>	<b>29,905</b>				



**SPECIAL POLICY AND FINANCE COMMITTEE  
MAIN BUDGET VARIANCES 2017/18 OE TO 2018/19 OE**

Description	Variance Original Estimate 2017/18 to DRAFT Original Estimate 2018/19 £
<b>HEALTH AND HOUSING COMMITTEE</b>	
<p><b>CMGHH - Community Groups - Health &amp; Housing</b> A new budget for this committee in 2018/19, reflecting the cost of the time that partnership officers and regeneration staff spend working with community groups. The budget has been transferred from Planning, because this work on behalf of the community is better aligned with this Committee's supporting people agenda.</p>	46,300
<p><b>HGBEN - Housing Benefits and CTBEN - Localised Council Tax Support Admin</b> Estimated reduction of £15,920 in Housing Benefits and Local Council Tax Support administration grant funding for 2018/19, based on the trend for funding reductions in recent years. Note - The actual allocations from the DWP and the DCLG will be confirmed in due course.</p>	15,920
<p><b>IMPGR - Improvement Grants</b> Net increase in support services recharges from the Chief Executive's department and Community Services, mainly reflecting additional time spent on Disabled Facilities Grants by Housing officers and the Surveyors team.</p>	11,170
<p><b>JARMS - Joiners Arms</b> Net increase in support services recharges from Financial Services and Community Services, mainly reflecting additional input on areas such as managing rental income, repairs and call outs, arising from the Council taking back management of Joiners Arms.</p>	10,460
<p><b>HGBEN - Housing Benefits</b> Estimated receipt of Flexible Homelessness Support Grant, to help cover Rent Rebate subsidy not received from the DWP for rent paid on behalf of temporary accommodation benefit claimants that is above the Local Housing Allowance level.</p>	-9,750
<p><b>HGBEN - Housing Benefits</b> Rent Allowance subsidy receivable from the DWP is estimated to be £47,460 higher than Rent Allowance payments, after adjusting for recovery of housing benefits overpayments and non-cash transactions. This difference is £11,600 higher than budgeted for at original estimate stage in 2017/18.</p>	-11,600
<b>COMMUNITY SERVICES COMMITTEE</b>	
<p><b>RCOLL/PAPER: Refuse/Paper Collection</b> The end of the Cost Sharing Agreement with LCC has resulted in a decrease in income of £431,900.</p>	431,900
<p><b>PAPER: Paper Collection</b> Income received from the sale of paper is no longer to be paid to LCC, and instead retained by this council resulting in a reduction in expenditure of £108,760. This is offset in part by reduced income to be received from the sale of paper due to fluctuating market prices (£61,160).</p>	-47,600

**SPECIAL POLICY AND FINANCE COMMITTEE  
MAIN BUDGET VARIANCES 2017/18 OE TO 2018/19 OE**

Description	Variance Original Estimate 2017/18 to DRAFT Original Estimate 2018/19 £
<b>PLANNING AND DEVELOPMENT COMMITTEE</b>	
<b><u>PLANG: Planning Control and Enforcement</u></b> The government have indicated that we can increase our planning fees by 20%.	-102,780
Income from pre application advice, decision notices and planning application fees have all been based on a three year average plus a provision for inflation This is less than the original estimate for 2017/18 plus inflation, resulting in a fall in income.	30,600
<b><u>LDEVE: Local Development Scheme</u></b> Expenditure on the scheme, other than support service costs are met from earmarked reserves. With the exclusion of support services, the costs associated with this service are anticipated to fall in the estimates provided.	-23,740
<b><u>BCFEE: Building Control Fee Earning</u></b> The estimated Income from building regulation fees is based on a three year average plus a provision for inflation. This is higher than the original estimate for 2017/18 plus inflation	-7,380
<b><u>Support Service Costs</u></b> The total decrease in support costs from other services due to changes in cost allocations from those services.	-6,110
<b>POLICY AND FINANCE COMMITTEE</b>	
<b><u>CEXEC: Chief Executives Department</u></b> There is a reduction in expenditure due to the anticipated impact of staff turnover. There is also a lower superannuation past service charge due to a discounted charge being incurred as payments are now made in full at the start of the year rather than paying monthly.	-19,100
<b><u>CLOFF: Council Offices</u></b> The budget for electricity usage has been increased as the meter readings for usage have increased.	13,110
<b><u>FMISC: Finance Miscellaneous</u></b> Reduction in external audit fees budget to reflect the current level of audit fees now being charged.	-28,480
<b><u>FMISC: Finance Miscellaneous</u></b> Reduction in income from VAT shelter money paid by Symphony Homes. This is due to the reimbursement rate under the VAT shelter arrangements reducing from 75% to 40%.	49,920
<b><u>FMISC: Finance Miscellaneous</u></b> Superannuation adjustment to bring total superannuation provision to agree with advance payment made. Surplus or deficit to be met from earmarked reserve.	-33,320

**SPECIAL POLICY AND FINANCE COMMITTEE  
MAIN BUDGET VARIANCES 2017/18 OE TO 2018/19 OE**

Description	Variance Original Estimate 2017/18 to DRAFT Original Estimate 2018/19 £
<b>OMDEV: Organisation &amp; Member Development</b> New budget for payments made in respect of the apprenticeship levy. These payments are set aside and topped up by the government for us to draw-down to pay for apprenticeship level training.	11,930
<b>PERFM: Performance Reward Grants</b> The Parish Grant scheme which fell under this cost centre is now coming to a close and this is reflected in the budget that has been set. After allowing for all commitments there remains just over £60K unallocated in the Performance Reward Grant earmarked reserve.	-50,850
<b>Inflation</b> Provision for inflationary increases	85,950
<b>Support Service Costs</b> Reduction in support costs	-42,620
<b>ECONOMIC DEVELOPMENT COMMITTEE</b>	
<b>INDDV: Economic Development</b> Expenditure incurred in Economic Development Department is recharge out to other departments. 50% of the recharge falls on Economic Development.	52,310
<b>Total of Major Variances for all Committees</b>	<b>376,240</b>