

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO SPECIAL POLICY AND FINANCE COMMITTEE

meeting date: 22 FEBRUARY 2022
 title: OVERALL REVENUE BUDGET 2022/23
 submitted by: DIRECTOR OF RESOURCES
 principal author: JANE PEARSON

1 PURPOSE

- 1.1 To approve the revised revenue budget for 2021/22.
- 1.2 To consider and recommend a revenue budget and council tax requirement for 2022/23 to Full Council on 8 March 2022.

2 CURRENT YEAR'S REVISED BUDGET 2021/22

Background

- 2.1 The revised budget for 2021/22 has now been prepared. Committees, during this cycle, have reviewed their estimates and the reasons for any significant changes.
- 2.2 The Original Estimate initially allowed 2% for price increases and 2% for pay increases.
- 2.3 The revised budget now forecasts that instead of having to take £400k from general fund balances to balance the budget we will instead be adding £198k at the end of the year. This is shown in the summary below.

Committee	Original 2021/22 £	Revised 2021/22 £	Difference £
Planning and Development	586,760	532,010	-54,750
Community Services	4,167,170	4,305,920	138,750
Economic Development	314,050	293,720	-20,330
Health and Housing	1,053,130	710,600	-342,530
Policy and Finance	2,257,180	2,175,890	-81,290
Total of Committees	8,378,290	8,018,140	-360,150
Capital Adjustments:			
Depreciation	-889,470	-884,260	5,210
Minimum Revenue Provision	107,240	107,240	0
Total Expenditure	7,596,060	7,241,120	-354,940
Other Items	-448,343	-2,457,215	-2,008,872
Less Added to/(taken from) Earmarked Reserves	-1,630,679	135,380	1,766,059
General Balances	-400,000	197,753	597,753
Net Expenditure	5,117,038	5,117,038	0
Parishes	503,609	503,609	0
Budget Requirement	5,620,647	5,620,647	0

Changes in Expenditure

- 2.4 Committee expenditure has fallen by £360k. However this is before the removal of depreciation and 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 variations** are shown in Annex 1. They are largely due to:
- Savings from a significant level of staff vacancies throughout the year
 - Offset by costs arising from the implementation of a new pay-line (agreed by this committee in November following recommendations by Personnel Committee in order to improve the recruitment and retention challenges faced by the Council). It was agreed the implementation would be backdated to 1 October 2021.
 - Use of Covid monies to cover existing staff working on the pandemic
 - Reduction in income

Movement in Business Rate Income

- 2.6 A significant element of our income is Business Rate Growth. Our latest estimate of Ribble Valley's share of Business Rate income for the current year predicts the following;

	Original Estimate 2021/22 £	Revised Estimate 2021/22 £
Total Business Rate income to be collected as per NNDR1	15,114,383	15,114,383
RVBC Share (40%)	6,045,753	6,045,753
Top-up/(Tariff)	-4,311,424	-4,311,424
Share after Tariff	1,734,329	1,734,329
Baseline Funding Level	-1,354,393	-1,354,393
Business Rates Income Above Baseline	379,936	379,936
Less 10% of retained levy payable to LCC	-69,296	-90,199
Add Renewable Energy	95,687	100,000
Add/Less Business Rates Surplus/(Deficit)	-2,725,770	-2,725,770
Add share of S31 Grant (after adj re multiplier cap)	1,196,502	2,867,784
Add transfer from S31 Grant Adjustment Reserve	2,578,153	2,578,153
Add transfer to S31 Grant Adjustment Reserve	0	-1,640,761
Total BR Income above baseline for RVBC	1,455,212	1,469,143

- 2.7 When setting the original budget we agreed in year use of £795,549 to fund the revenue budget and £85,200 to fund the capital programme. Based on the latest position we expect in year to receive £1.469m, use £85,200 to fund the capital programme, use £795,549 to fund the base revenue budget and use £6,675 of further revenue in year expenditure approved previously by the emergency committee. The revised difference of £581,719 will be added to the business rate growth reserve.

- 2.8 This is after allowing for the deficit carried forward from 2020/21 of £2.726k. Some elements of the rate retention scheme are calculated on an accruals basis eg levies and section 31 grant whereas others (such as income) are ‘fixed’ at the start of the year based upon our NNDR1 return.
- 2.9 There have, again, been further in year complications due to the late announcement by the Government at the Budget in March 2021 of 100% retail discount for the 3 months to 30 June 2021 followed by a 66% discount for the remaining 9 months. Like last year this means we predicted on our NNDR1 return we would receive more business rate income from businesses than we actually will do in year. We therefore have to move the section 31 grant for the expanded retail discount into next year by setting this aside in an earmarked reserve. This totals £1.641m. This will offset the deficit we will carry forward into next year due to this timing difference.
- 2.10 It continues to be difficult to estimate the impact of appeals. Appeals against the 2017 list are now dealt with via the Valuation Office (VOA) Check and Challenge process. After stating that Covid would not constitute a MCC (Material Change in Circumstances) the Government have finally launched the CARF (Covid Additional Relief Fund) for billing authorities to agree a scheme to support businesses impacted. We have recently invited applications from businesses who may be eligible for this relief.

Movement in Earmarked Reserves

- 2.11 Annex 2 shows the forecasted transfers to and from earmarked reserves compared with the original estimate. In summary the net position is that we anticipate adding £1.766m more to earmarked reserves in the current year than originally forecasted. This is largely explained in by the £1.641m business rate section 31 grant explained above.

Overall Changes

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

	Difference £000
Committees	-360
Depreciation	5
Other Items	-2,009
Use of Earmarked Reserves	1,766
Net change	-598

- 2.13 This shows that the Council is **£598k** better off compared with the original estimate. Therefore instead of taking **£400k** from general fund balances at the end of the year, based on these revised estimates we would be adding **£198k** to balances.

3 THE LOCAL GOVERNMENT FINANCE SETTLEMENT 2022/23

Final 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 final position.

Final Settlement	2022/23 £m
Settlement Funding Assessment	1.354609
of which:	
Revenue Support Grant	0.000215
Baseline Funding Level	1.354393
New Homes Bonus	1.205836
Rural Services Delivery Grant	0.113250
Lower Tier Services Grant	0.061960
2022/23 Services Grant	0.093368
Total Government Funding	2.829022

Rural Services Delivery Grant

- 3.2 The Government have announced that they will continue with the Rural Services Delivery Grant next year at the same level as the current year. This is a grant paid to the top quartile of local authorities on the basis of the super-sparsity indicator, in recognition of possible additional costs for rural councils.
- 3.3 For Ribble Valley we will receive £113,250. This will be paid as a separate grant.
- 3.4 From 2017/18 onwards it was agreed this funding will be used to support our net revenue expenditure.

Lower Tier Services Grant

- 3.5 This is a new one off grant announced last year. However it will continue for 2022/23. This will be paid to district councils and unitary authorities.
- 3.6 Ribble Valley will receive £61,960.

2022/23 Services Grant

- 3.7 The Government have introduced a one-off Services Grant worth £822 million in 2022/23. The new grant will provide funding to all tiers of local government in recognition of vital services, including social care, delivered at every level of local government. It includes funding for local government costs for the increase in employer National Insurance Contributions.
- 3.8 Ribble Valley will receive £93,368.

Future Years Government Funding

- 3.9 2022/23 is yet again a one year settlement.
- 3.10 The Government have further delayed key reforms to local government funding.

- Review of local authorities' relative needs and resources (Fair Funding Review)
- Business Rates Retention Reform
- New Homes Bonus

3.11 The Government has stated its commitment to ensuring that funding allocations for councils are based on an up-to-date assessment **of their needs and resources**. It has announced that it will work closely with the sector and other stakeholders to update this and to look at the challenges and opportunities facing the sector before consulting on any potential changes. This includes options to support local authorities through transitional protection. They have also announced the New Homes Bonus Scheme will be reformed from 2023/24.

Council Tax Referendum Criteria

3.12 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.

3.13 For 2022/23 the Government have announced the core referendum thresholds:

- Councils with responsibility for adult social care can increase their council tax by an additional 1% Adult Social Care Precept, plus up to a further 3% where they opted to defer the Precept flexibility that was available to them in 2021/22. This means that a referendum will be required if the authority sets an increase of 3-6% (comprising 1%-4% for the Adult Social Care Precept, and 2% for other expenditure). Councils are strongly encouraged to review the remaining ASC Precept flexibility available to them when preparing their council tax increase for 2022-23. For the avoidance of doubt, the referendum principle applies to the combined Adult Social Care Precept and core referendum principle, not to each element separately.
- Shire District Councils – a referendum will be required if the authority sets an increase of 2% (or more than 2%), or more than £5, whichever is greater.
- Police and Crime Commissioners (including the police precept component of the Greater Manchester and West Yorkshire Combined Authorities) – a referendum will be required if the authority sets an increase of more than £10.
- Fire and Rescue authorities – for the 8 authorities with the lowest band D precept levels a referendum will be required if they set an increase of more than £5. For other fire and rescue authorities a referendum will be required if they set an increase of 2%, or more than 2%.
- Having considered the recent use of precepting powers by parish councils and by mayoral combined authorities, the Secretary of State has not set referendum principles for either class of authority for 2022/23, but intends to keep this under review in respect of future years.

3.14 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 on our Band D charge.

3.15 A £5 increase in our share of the Council Tax would result in a Band D tax amount of £160.69 (an increase of 3.2%). This would generate £122,765 each year in extra revenue. In addition the increase in our taxbase generates a further £85,007.

	Current Council Tax £	Council Tax increased by £5.00 £
Band D Council Tax	155.69	160.69
Taxbase for 2022/23	24,553	24,553
= Council Tax Income 2022/23	3,822,657	3,945,422
Council Tax income 2021/22	3,737,650	3,737,650
Extra income from Council Tax	85,007	207,772
Of which due to increase in taxbase	85,007	85,007
Of which due to increase in council tax charge	0	122,765

4 MAJOR INCOME SOURCES

Council Tax

- 4.1 I have calculated the council taxbase in accordance with proper practices. Our council taxbase for 2022/23 is 24,553. This compares with the current taxbase of 24,007 in 2021/22.
- 4.2 A breakdown of the calculation showing the taxbase by parish is included in Annex 3.
- 4.3 Our current Band D tax is £155.69. We are in the bottom quartile of all district councils at 28th out of 181. Across Lancashire the position in 2021/22 is as follows.

Position out of 181 districts	Local authority	Average council tax for the authority 2021/22 excluding parish precepts (Band D)		
		£	% change from 2020/21	£ change from 2020/21
	LANCASHIRE			
28	Ribble Valley	155.69	0.00	0.00
97	Chorley	194.74	2.00	3.82
115	Wyre	209.74	2.44	5.00
120	West Lancashire	213.39	2.40	5.00
127	Fylde	214.91	1.99	4.20
138	South Ribble	223.24	0.00	0.00
150	Lancaster	236.95	2.16	5.00
163	Hyndburn	255.53	2.00	5.01
170	Pendle	276.01	1.99	5.39
174	Rossendale	285.13	1.99	5.56
178	Burnley	312.28	1.99	6.09
180	Preston	327.13	1.99	6.38

- 4.4 As shown above the maximum income from council tax we can rely on for 2022/23 is £3,945,422 based upon a £5 increase in Band D. If you were to decide to increase our Band D council tax, you can see from the above table, we would still have the lowest in Lancashire by a considerable margin.

New Homes Bonus Scheme (NHB)

- 4.5 Our NHB allocation for next year of £1,205,836. The bonus consists of the legacy payment for 2019/20 and the new money for 2022/23, as well as the Affordable Homes Premium. There will be no legacy payment in respect of 2020/21, and also in respect of 2021/22 in forthcoming years. The threshold over which the bonus is paid remains at 0.4 per cent.
- 4.6 We were expecting reforms to the scheme in 2022/23. However the Government has not yet responded to its consultation on new homes bonus reform.
- 4.7 The New Homes Bonus makes up a considerable part of our funding and is not based on need but on the number of new properties built. We are currently relying on £1.105m each year to fund our revenue budget. We have assumed 2022/23 is the last year of the scheme and therefore cannot be relied upon to fund the revenue budget going forward.

4.8 Annex 4 shows the allocation of our NHB since the start of the scheme and how funding has been used to support both revenue and the capital programme.

Business Rates

4.9 We have now completed our NNDR1 return which were required to submit to the Government before 31 January 2022. This forms the basis of the payments we will make to central government and the major precepting authorities and ourselves next year. We obviously have to make assumptions about the potential of successful appeals, bad debts and also growth in our business rates base. In any year this is a difficult task however this continues to be made even more so due to the pandemic. The Government have confirmed the designation of the Lancashire Business Rate Pool next year. As a member of the Pool we anticipate our business rate income next year will be as follows.

	2021/22 Original Estimate	2021/22 Revised Estimate	2022/23 Original Estimate
Calculation of Business Rate Retained Income			
Billing Authority NNDR Income	15,114,383	15,114,383	12,906,856
LA share of NNDR income	6,045,753	6,045,753	5,162,742
Less Tariff	4,311,424	4,311,424	4,311,424
	1,734,329	1,734,329	851,318
Baseline Funding Level	1,354,393	1,354,393	1,354,393
Retained Rates Income before levy	379,936	379,936	-503,075
Less Levy under pooling (10% paid to LCC)	-69,296	-90,199	-82,429
Add Section 31 Grants	1,196,502	2,867,784	2,478,285
Add Renewable Energy	95,687	100,000	95,687
Transfer (to)/from Earmarked Reserve re retail discount in 21/22		-1,640,761	1,640,761
Add Transfer from Earmarked Reserve re retail discount in 20/21	2,578,153	2,578,153	
Total Business Rate Income to General Fund	4,180,982	4,194,913	3,629,229
Surplus/(Deficit) brought forward	-2,725,770	-2,725,770	-1,749,431
Total Business Rate Income	1,455,212	1,469,143	1,879,798

4.10 As a member of the Lancashire Business Rate Pool our share of business rate income is 40% and we will make a payment of 10% of our levy to Lancashire County Council.

4.11 The Final Local Government Grant Settlement announced that our final tariff and baseline figures will remain the same therefore we estimate that the total business rate growth income for next year will be £1,879,798. As per our budget forecast we plan to use £795k next year to fund the revenue budget and a further £296k to fund the cost of the new pay-line.

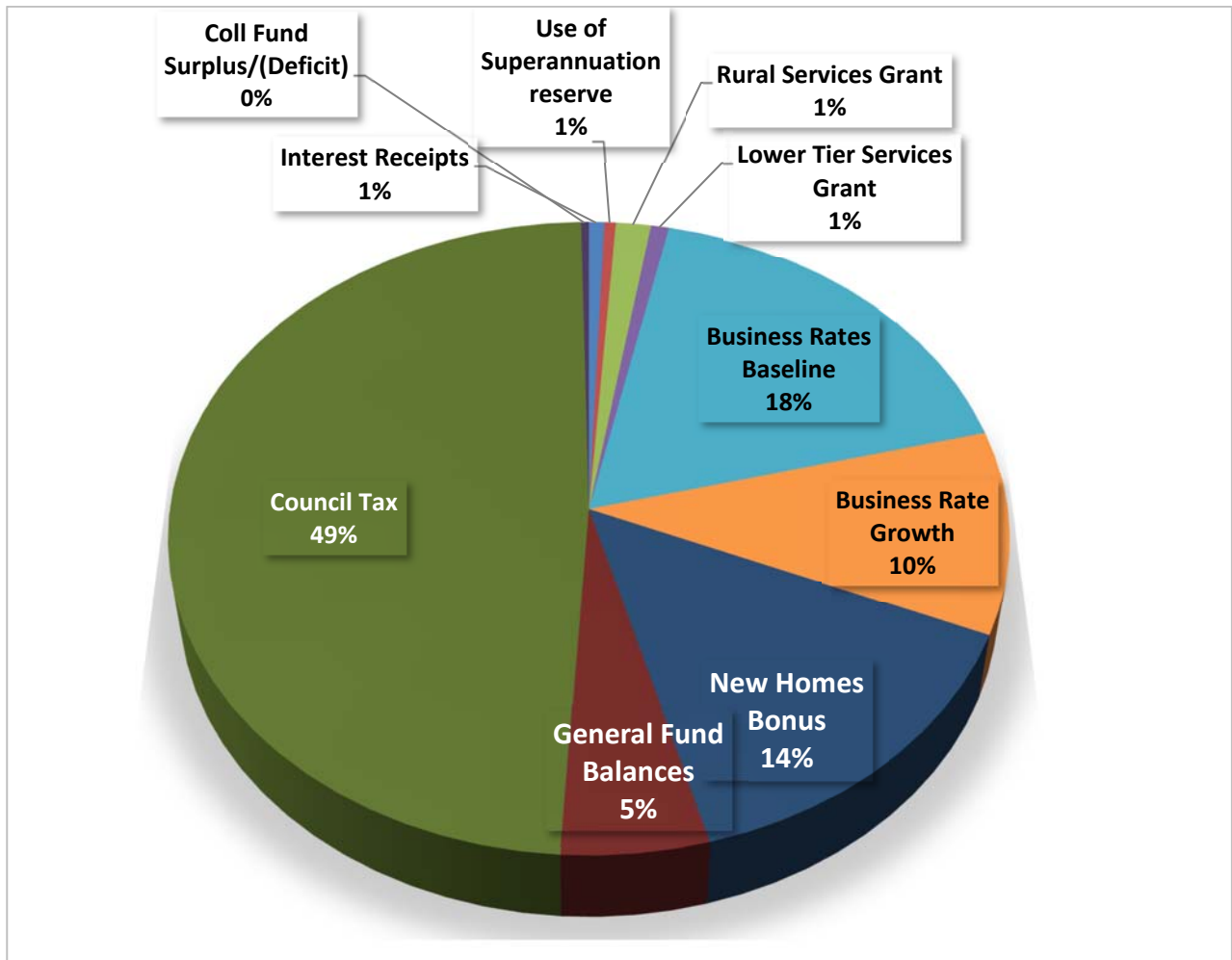
4.12 We are also planning to use £512k next year to fund the capital programme, along with £291k if agreed elsewhere on your agenda due to changes on schemes.

	2018/19	2019/20	2020/21	2021/22	2021/22	2022/23	2023/24	2024/25
	Actual	Actual	Actual	Original	Revised	Original	Original	Original
	£	£	£	Estimate	Estimate	Estimate	Estimate	Estimate
Business Rate Income	1,348,534	2,595,953	2,088,997	1,455,212	1,469,143	1,879,798	?	?
Used to support Revenue Budget	-475,514	-675,514	-875,514	-795,549	-795,549	-795,549	-795,549	-795,549
Additional to support Revenue Budget			-42,040		-6,680			
To fund increase in Pay-line						-296,100	-369,800	-412,100
Used to support Capital Programme	-94,508	-1,345,397	-79,572	-85,200	-85,200	-512,297	0	-480,680
Potential further to support Capital						-291,440	-4,500	-8,000
Surplus/deficit for year	778,512	575,042	1,091,871	574,463	581,714	-15,588	-1,169,849	-1,696,329
Added to volatility reserve	0	0	0	0	0	0	0	0
Taken from volatility reserve				-97,031	0			
Added to growth reserve	778,512	575,042	1,091,871	574,463	581,714	-15,588	-1,169,849	-1,696,329
	778,512	575,042	1,091,871	477,432	581,714	-15,588	-1,169,849	-1,696,329
Business Rate Volatility Reserve								
Opening Balance b/fwd	1,682,000	1,682,000	1,682,000	1,682,000	1,682,000	1,682,000	1,682,000	1,682,000
Closing Balance c/fwd	1,682,000	1,682,000	1,682,000	1,584,969	1,682,000	1,682,000	1,682,000	1,682,000
Business Rate Growth Reserve								
Opening Balance b/fwd	221,060	999,572	1,574,614	2,666,485	2,666,485	3,248,199	3,232,611	2,062,762
Closing Balance c/fwd	999,572	1,574,614	2,666,485	3,240,948	3,248,199	3,232,611	2,062,762	366,433

4.13 The volatility reserve stands at £1.682m. This provides a safety net protection which we have had to forgo as a pool member at 92.5% of our business rates. Since reaching this level we have created a Business Rate Growth Reserve to support both the revenue budget and capital programme.

How are budget is financed

4.14 For illustration purposes I have shown below how the 2021/22 Original Budget was financed.



4.15 The pie chart shows Almost a half of our funding is dependant upon the outcome of key reforms to local government finances.

5 CORE SPENDING POWER

- 5.1 As part of the Local Government Finance Settlement the Government calculate in cash terms what each Council is to receive and compare it with the previous year. They assume Council Tax income on the basis that each Council increases Council Tax by the maximum permitted amount.
- 5.2 For 2022/23 the average increase in spending power is 7.4%. For Ribble Valley it is 0.6%. One of the reasons for our modest increase is that the new one-off services grant has been distributed using each local authority's share of the 2013/14 Settlement Funding Assessment which clearly favours the more deprived areas.
- 5.3 The Government have also said this one-off services grant will not be included in any transition arrangements. This may suggest the other elements of core spending power will be, including New Homes Bonus.

Our Core Spending Power

	2021/22 £	2022/23 £	Difference £
Settlement Funding Assessment	1,354,393	1,354,609	216
Business Rate Multiplier Compensation	70,570	138,425	67,855
Council Tax Requirement (excl Parishes)	3,737,650	3,921,546	183,896
New Homes Bonus	1,515,848	1,205,836	-310,012
Rural Services Delivery Grant	113,250	113,250	0
Lower Tier Services Grant	57,696	61,960	4,264
One-off Services Grant	-	93,368	93,368
	6,849,407	6,888,994	39,587

Possible Transitional Arrangements following outcome of Key Financial Reforms

- 5.4 We won't know until the Government issues the various consultation papers later this year how we will be impacted by reforms the Local Government Finance system.
- 5.5 Assuming we fare badly as funding is directed to support the levelling up agenda and we may have to rely on transitional protection, it is possible to take a view on what we could expect. The transition arrangements will depend on how quickly funds are transferred to the 'gainers' from the 'losers'. It is likely that there will be no new money.
- 5.6 This is set out below:

	<u>2023/24</u>			
	Current £m	Floor set at 0% £m	Floor set at -5% £m	Floor set at -10% £m
Core spending power	6.889	6.796	6.456	6.116
Less Council Tax requirement	3.922	4.040	4.040	4.040
Gives Government Funding of	2.967	2.756	2.416	2.076
	<u>2024/25</u>			
Core spending power		6.796	6.456	6.116
Less Council Tax requirement		4.161	4.161	4.161
Gives Government Funding of		2.635	2.295	1.955

NB excludes one off Services Grant.

6 COLLECTION FUND

6.1 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

6.2 The Business Rates Retention Scheme is also operated via the Collection Fund and therefore we also have a surplus or deficit in respect of Business Rates at the end of each financial year.

6.3 I have already assessed the potential surplus/deficit on the collection fund.

6.4 I estimate the Collection Fund will produce an overall deficit of £3,112,640 this year. This consists of a surplus for council tax of £1,260,939 and a deficit in respect of Business Rates of £4,373,579. The deficit in respect of Business rates is mostly as a result of the reduction in income to the collection fund due to the awarding in year of £3.988m of retail discount. The position on Council Tax is much better than expected and represents the higher than expected growth in our tax base last year of 2.3%, together with the impact of covid on our council tax recovery being much better than previously feared

6.5 The Government issued regulations in December 2020 to allow local authorities to spread business rate deficits at the end of 2020/21 over a three year period. This spreading only relates to the in-year deficit and does not cover deficit funded by Section 31 grant. Our deficit to be spread was calculated at £357k. This reduces the deficit recovered in 2021/22 by £179k.

6.6 The Council Tax surplus will be shared amongst all the major precepting authorities. Our share of the surplus is £115,329.

6.7 The Business Rates deficit will be borne by the Government, Lancashire County Council, Lancashire Combined Fire Authority and ourselves in 2022/23. Our share of the deficit is £1,749,431.

6.8 A statement showing the Collection Fund is attached at Annex 5.

Local Council Tax Support Scheme

6.9 After carrying out a consultation exercise between October and December last year, this committee considered the outcome at your January meeting. It was agreed to recommend to Full Council that the 12% reduction in support to working age claimants be removed. Based on 2021/22 this would cost approx £148k for all precepting authorities. Ribble Valley's share would be £12k. However we have continued to see significant increases in our taxbase which will more than offset the impact of this. This taxbase increase has benefitted all preceptors in our area.

7 REVENUE BUDGET 2022/23

Base Budget Position

Introduction

- 7.1 Committee budgets include provision for pay increases of 2% and price increases of 3%. Fees and charges were reviewed by committees in October and have been increased by at least 3% where feasible. All committees have now considered their draft budgets for next year.

Provisional Base Position

- 7.2 The provisional base position for next year as agreed by service committees is shown below, compared with the original budget for 2021/22.

Committee	Original 2021/22 £	Original 2022/23 £
Planning and Development	586,760	595,240
Community Services	4,167,170	4,561,820
Economic Development	314,050	357,890
Health and Housing	1,053,130	1,146,180
Policy and Finance	2,257,180	2,416,030
Total of Committees	8,378,290	9,077,160
Capital Adjustments:		
Depreciation	-889,470	-951,320
Minimum Revenue Provision	107,240	104,890
Total Expenditure	7,596,060	8,230,730
Other Items	-448,343	-1,748,441
Added to/(taken from) Earmarked Reserves	269,870	1,352,141
Net Expenditure to be financed	7,417,587	7,834,430
Use of General Balances	-400,000	?
Less Business Rates Baseline	-1,354,393	?
Collection Fund Surplus	-24,995	?
Less Use of NHB	-1,105,000	?
Less Use of Business Rate Growth	-795,549	?
Council Tax Precept (24,007x£155.69)	-3,737,650	?
Net Expenditure to be financed	0	7,834,430

- 7.3 This shows that, as per the budgets agreed by service committees at their January meetings, we would need to consider how to fund net expenditure of £7.834k. The table indicates the major funding streams available to fund the revenue budget.

Committee Expenditure

- 7.4 As shown overall Committee expenditure is set to increase by £699k. Service Committees have received detailed budget reports setting out changes to the base budget for their Committee. Annex 6 gives the main reasons for each committee. In summary the key differences are due to:

- Cost of the new pay-line

- Changes to refuse drivers pay
- Inflation
- Depreciation

Capital Adjustments

- 7.5 The total depreciation we are taking out of our committee estimates is increasing slightly from £889k to £951k.

Movement of Other items

- 7.6 When we prepared our original estimate for 2021/22 we anticipated 'other items' would reduce our net budget by £448k however our draft budget for next year anticipates these will reduce our budget by £1.748m. This is a difference of £1.3m and can be explained below.

Movement on Other Items	£000
Less New Homes Bonus to be received	310
More net interest to be received	-1
Less Business Rate Income to be realised in year	883
More Lower Tier Services Grant	-4
New Services Grant received for 2022/23	-93
Removal of contingency for lower income due to pandemic	-150
More Section 31 Grant – mainly due to retail discount	-1,282
Lower Business Rate Deficit	-976
Higher Levy Due to LCC	13
	-1,300

- 7.7 By far the most significant movement is the higher section 31 grant we will receive compared with the original estimate for 2021/22. This is largely due to the late announcement after the NNDR1 return had been submitted of the expanded retail discount in 2021/22.

Major Changes not included in Committee Budgets for 2022/23

Inflation

- 7.8 As set out in some detail in the previous report on your agenda we need to carefully consider whether we have included enough provision for inflation in our committee budgets next year and also in our future budget forecast.
- 7.9 We have allowed 2% for pay inflation and 3% for general price inflation and some further additional inflation we are aware we are already facing. We need to consider how much to allow for further inflation. The Governor of the Bank of England has said inflation will reach 7%, though he has asked workers not to ask for large pay rises in an attempt to get inflation back under control, how successful this will be is unknown. Every additional 1% rise in inflation will cost the council £140k.

Growth Items

- 7.10 A significant number of growth items have been submitted for consideration as part of the budget process. Annex 7 sets out the full list of revenue growth bids.
- 7.11 You can see the recurring bids total £525,210 and the non recurring bids total £67,750.

7.12 At this stage none have been included in the budget figures.

Pay Award

7.13 The pay award for chief executives and chief officers have now been agreed for 2021/22 at 1.5%. The final offer for all other staff of 1.75% is currently subject to strike ballots by the unions. Once the 2021/22 pay awards are settled discussions will begin on 2022/23 pay awards. We have initially allowed for a 2% increase in pay next year. Every 1% in pay increases adds approximately £70,000 to our revenue budget.

Difficulties in Recruitment and Retention

7.14 We have continued to face difficulties in retaining and recruiting to posts particularly those requiring professionally qualified staff. This has been exacerbated due to the Covid pandemic. The increased pay-line seems to have been partially successful in recruiting to vacant posts but the shortages of experienced professional staff is still evident in some disciplines.

8 FUTURE BUDGETS 2023/24 to 2026/27

8.1 Given the future uncertainties it is important to have regard to the Council's forward budget forecast before setting a budget and commitments for next year. We have updated our Budget Forecast based upon our latest budget projections. Whilst we have only received a one year only settlement for next year the Government have indicated that any transitional arrangements will be based on our spending power excluding the one-off services grant. We have therefore estimated how much transitional protection we may receive. It must be stressed these are very much estimates in the absence of any firm information from the Government.

8.2 In setting these budgets if we assume the following:

- a £5 increase in our council tax going forward each year until 2025/26
- a 1% increase in our taxbase
- we will receive transitional protection when finance reforms are introduced to leave us no worse off in cash terms
- £3.964m will need to be taken from reserves to fund the revenue budget
- £1m will be taken from general fund balances.
- inflation returns to 2% per annum from 2023/24
- no growth items are included in these figures at this stage

then this results in the following budget forecast:

Budget Forecast 2022/23 to 2026/27

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Net Budgeted Expenditure	7,588,533	8,293,008	8,625,335	8,936,740	9,115,975	9,298,794
Net Budget	7,588,533	8,293,008	8,625,335	8,936,740	9,115,975	9,298,794
Less Funding						
Core Government Funding						
Business Rates baseline	1,354,393	1,354,393	1,354,393	1,354,393	1,354,393	1,354,393
Revenue Support Grant	0	215	0	0	0	0
Rural Services Delivery Grant	113,250	113,250	113,250	113,250	113,250	113,250
Lower Tier Services Grant	57,696	61,960	61,960	61,960	61,960	61,960
Services Grant	0	93,368	0	0	0	0
Other Funding						
Use of New Homes Bonus	1,105,000	1,105,000	0	0	0	0
Use of Business Rate Growth	795,549	795,549	795,549	795,549	795,549	795,549
Use of Business Rate Growth - Payline	0	296,100	369,800	412,100	0	0
Possible Transition Grant (Floor)	0	0	1,226,397	1,105,397	1,000,000	1,000,000
Use of General Fund Balances	400,000	250,000	250,000	250,000	250,000	250,000
Collection Fund Surplus	24,995	115,329	25,000	25,000	25,000	25,000
Still to be funded	3,737,650	4,107,844	4,428,986	4,819,091	5,515,823	5,698,642
Council Tax Income:						
pa)	155.69	160.69	165.69	170.69	170.69	170.69
Assumed Taxbase (increasing by 1% pa)	24,007	24,553	24,799	25,047	25,297	25,550
Precept (amount raised from council tax)	3,737,650	3,945,422	4,108,868	4,275,190	4,317,942	4,361,121
Budget Gap	0	162,422	320,117	543,901	1,197,881	1,337,521

8.3 In summary the annual budget shortfall is as follows:

Budget Shortfall	
£	
2022/23	162,422
2023/24	320,117
2024/25	543,901
2025/26	1,197,881
2026/27	1,337,521

8.4 This is after taking £250k from general fund balances each year.

8.5 This forecast therefore assumes the following between 2023/24 and 2026/27:

	£m
Taken from Business Rate Growth/Other Reserve	3.182
Taken from Business Rate Growth/Other Reserve – Pay-line	0.782
Taken from General Fund Balances	1.000
	4.964
Unfunded reductions in expenditure	3.399
Potential call on reserves	8.363

Impact on Reserves

8.6 Annex 8 shows the impact on our reserves each year of our budget forecast to 2026/27 if these assumptions were correct.

8.7 In summary this is shown in the table below:

Balance at	Closing balances based on budget forecast	
	Earmarked Reserves	General Fund Balances
	£m	£m
31/03/2021	14.920	2.534
31/03/2022	14.515	2.732
31/03/2023	12.318	2.319
31/03/2024	9.723	2.069
31/03/2025	7.422	1.819
31/03/2026	5.459	1.569
31/03/2027	3.360	1.319

9 BUDGET WORKING GROUP

Background

- 9.1 The Budget Working Group has considered the Council's financial position and overall budget position for next year.
- 9.2 They focussed on the uncertainties surrounding our further Government Funding, our level of council tax, the inflationary pressures we are facing and carefully considered how we could set a budget for next year. The Budget Working Group have made the following recommendations.

Budget Recommendations

1. Inflation

The BWG considered the draft budget provision for inflation given the current position and predictions.

That a contingency of £140k be added to the revenue budget and the BWG closely monitor the impact of inflation on the Council's budget throughout the year.

2. Income Losses

We have budgeted for income within service committees on the basis of no impacts from the covid pandemic. However we do expect the pandemic to continue to impact on our income into the next financial year. We therefore need to include a contingency for potential lost income.

The BWG recommend that a contingency be added to next year's budget of £50k for potential further income losses due to the covid pandemic

3. Growth Bids

The Budget Working Group considered the position regarding the growth bids which have been put forward for inclusion in our revenue budget

They recommend that no growth bids are included at this stage in next year's budget but asked for due diligence work to be undertaken on all revenue bids for further consideration over the summer when we may know the impact of the pending key financial reforms

4. Business Rate Growth

The Budget Group also recommend we use the same amount of Business Rate Growth £795k to fund our revenue budget as set out in our budget forecast plus £296k to fund the 2022/23 cost of the new pay-line as previously agreed

5. New Homes Bonus

The Budget Working Group recommend we use the same amount of New Homes Bonus £1.105m as set out in our budget forecast to fund our revenue budget

6. Council Tax

The Budget Working Group considered the extra income which would be brought in with a £5 increase in the band d tax which would be £123k.

The BWG considered the level of our council tax at £155.69 for a Band D property and given the budget pressures recommend a £5 increase in our Band D tax to £160.69 for 2022/23.

7. Use of Balances

The BWG recommend using £250,000 from general fund balances as per the budget forecast. They also further recommend funding the budget gap for next year of £162k from general fund balances. This takes the total amount to be used to £412k.

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

	Original 2022/23 £
Net Expenditure to be funded	7,834,430
Add Income Loss Contingency	50,000
Add Inflation Contingency	140,000
To be Funded	8,024,430
Less Business Rates Baseline	-1,354,393
Revenue Support Grant	-215
Collection Fund Surplus	-115,329
	6,554,493
Use of New Homes Bonus	-1,105,000
Use of Business Rate Growth	-795,549
Use of Business Rate Growth Pay-line	-296,100
Council Tax Precept (£5 increase)	-3,945,422
Use of General Balances	-412,422
Balance still to fund	0

10 ROBUSTNESS OF THE ESTIMATES AND BALANCES AND RESERVES

Introduction

10.1 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

10.2 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 a minimum three year budget forecast and also a Medium Term Financial Strategy which considers our budget pressures in the medium to longer term

10.3 In preparing our budget we have considered the following:

Budget Area	Measures Taken
Future/Current pressures	<p>Covid Pandemic The Covid pandemic has had a major impact on individuals, businesses, public services and the economy. It is impossible to assess when the pandemic will finally be over. It is likely we will continue to face both direct and indirect impacts of the Covid Pandemic for the foreseeable future.</p> <p>Business Rates We will remain a member of the Lancashire Business Rate Pool Pilot next year. We will retain a levy which would otherwise be payable on any growth we receive above our baseline. We estimate this to be £XXXk, before payment of 10% is made to LCC.</p> <p>As we do each year we have to make assumptions on the level of write-off's, appeals, growth, reliefs etc. This continues to be difficult and made much worse due to the Covid pandemic.</p> <p>Beyond next year we await the outcome of the delayed reforms to Business Rate Retention which could have a</p>

Budget Area	Measures Taken
	<p>significant impact on how much income we could expect to retain in future to support our budget.</p> <p>New Homes Bonus This almost certainly the final year of the NHB scheme. The Council uses £1.105m to fund the revenue budget each year. It is also used to fund the capital programme. Its removal will have a significant impact on the Council's budget in future years.</p> <p>Fair Funding Review We await the outcome of the Fair Funding Review which has been pushed back a further year. The impact of the review will no doubt be significant and we will keep the Budget Working Group updated with any developments.</p> <p>Difficulties in Recruitment and Retention We have continued to face difficulties in retaining and recruiting to posts, particularly those requiring professionally qualified staff. This has been exacerbated due to the Covid pandemic. We have increased the pay-line and the situation appears to be improving but there are still a number of vacancies across the Council.</p> <p>Waste Collection The Government are consulting on changes to waste collection (Consistency in Household and Business Recycling) which could have significant financial implications to the Council in future years.</p> <p>Revenue Impact of Capital Programme The revenue implications of the capital programme for 2022/23 have been built into the revenue budget.</p> <p>Income Streams We continue to see the impact of the pandemic on our various income streams.</p>
<p>Consideration of Inflation and Interest Rates</p>	<p>Inflation has been added to appropriate draft Committee budgets at 3.0% for price increases and 2% for pay increases. However it is recommended that a contingency is added to the revenue budget to reflect further anticipated increases in pay and prices.</p> <p>Discussions concerning the 2022/23 pay award are yet to commence.</p> <p>Every 1% increase in inflation adds approximately £140,000 to our revenue budget.</p> <p>The prospects for interest rates are regularly reviewed.</p> <p>Obviously the prospects for inflation and interest rates will need to be closely monitored and kept under review during 2022/23.</p>

Budget Area	Measures Taken
Savings Considerations	The budget reports presented to each service committee included any identified savings for 2022/23. These will be monitored closely throughout the year to ensure they are achieved.
Growth Items	A significant number of growth items have been put forward by service committees. The BWG recommend these are deferred pending receipt of further information on the Council's future government funding.
Use of reserves and balances	The Council is facing considerable uncertainty regarding future government funding and inflation. Whilst the Council holds significant levels of earmarked reserves these are very likely to be required over the medium term to protect the Council from the uncertainty it faces.

10.4 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

10.5 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.

10.6 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.

10.7 *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.

10.8 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

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

	£000
Opening Balance 1 April 2021	2,534
Estimated Amount to be added to Balances in 2021/22	198
Estimated Balances in Hand 31 March 2022	2,732

- 10.10 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.
- 10.11 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.
- 10.12 If our assumptions regarding our budget forecast prove correct we estimate General Fund Balances will stand at £1.319m at the end of 2026/27. This is shown at the end of Annex 8.

Earmarked Reserves

- 10.13 Annex 8 shows the Council's earmarked reserves together with any forecast movements for the current year 2021/22 through to 2026/27.
- 10.14 The earmarked reserves are used for mainly supporting the revenue budget but are also used to fund the capital programme.
- 10.15 As stated earlier in the report we have estimated the impact on our reserves based on assumptions of the impact of key financial reforms on this Council and possible levels of transitional protection. If these were to be realised then we would need to use £8.363m of our earmarked reserves between 2023/24 and 2026/27 to fund our revenue budget. This would leave earmarked reserves of £3.360m at the end of 2026/27.

11 BUDGET WORKING GROUP RECOMMENDED REVENUE BUDGET 2022/23

- 11.1 If you agree to the Budget Working Group's recommendations, the resultant budget for 2022/23 is set out below. This would still leave £2.319m in general fund balances at the end of March 2023.

Committee	Original 2021/22 £	Original 2022/23 £
Planning and Development	586,760	595,240
Community Services	4,167,170	4,561,820
Economic Development	314,050	357,890
Health and Housing	1,053,130	1,146,180
Policy and Finance	2,257,180	2,416,030
Total of Committees	8,378,290	9,077,160
Capital Adjustments		
Less Depreciation (included in above)	-889,470	-951,320
Add Minimum Revenue Provision (MRP)	107,240	104,890
Total Expenditure	7,596,060	8,230,730
Other Items		
External Interest - Payable	5,510	5,010
Interest - Earned	-50,000	-50,000
Rural Services Delivery Grant	-113,250	-113,250
Lower Tier Services Grant	-57,696	-61,960
2022/23 Services Grant	0	-93,368
Contingency for Feasibility Study – Edisford Car Park	10,000	10,000
Contingency for inflationary increases	0	140,000
Contingency for potential lost income due to Covid-19	150,000	50,000
New Homes Bonus		
New Homes Bonus Allocation Received	-1,515,848	-1,205,836
Business Rates		
Retained Rates Income	-379,936	503,075
Renewable Energy	-95,687	-95,687
Section 31 Grant for Business Rates	-1,196,502	-2,478,285
Pool Payments - Levy payable to LCC	69,296	82,429
Share of Business Rates Deficit/(Surplus)	2,725,770	1,749,431
Transfer From/To Various Earmarked Reserves (Annex 8)	-1,630,679	-844,508
Net Expenditure	5,517,038	5,827,781
Less taken from General Fund Balances	-400,000	-412,422
Agreed budget for 2021/22		
Recommended budget for 2022/23	5,117,038	5,415,359

12 BUDGET AND COUNCIL TAX REQUIREMENT

- 12.1 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.

BUDGET AND COUNCIL TAX REQUIREMENT	
	£
RVBC Net Budget	5,415,359
Plus Parish Precepts (Annex 3)	517,347
	5,932,706
Less - Settlement Funding Assessment	-1,354,608
Net Requirement Before Adjustments	4,578,098
Council Tax Surplus	-115,329
Council Tax Requirement (Including Parishes)	4,462,769

13 CONCLUSION

- 13.1 We have updated our Budget Forecast for the 5 year period to 2026/27. This is set out in section 8 of the report. In summary we are faced with the following budget shortfalls each year.

	Budget Shortfall £
2023/24	320,117
2024/25	543,901
2025/26	1,197,881
2026/27	1,337,521

- 13.2 This is based on many assumptions, not least our speculations as to the level of transitional protection following the impending key financial reforms. If these prove correct we will be using £8.363m of our earmarked reserves/general fund balances for the period 2024/25 to 2026/27.
- 13.3 It is a crucial as ever that the BWG keep continue to review the council finances carefully as we enter into 2022/23.

14 ILLUSTRATIVE TOTAL COUNCIL TAX AT BAND D

- 14.1 Finally I have shown below our estimated 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 2021/22 £	Estimated Band D Council Tax 2022/23 £	change
Ribble Valley		155.69	160.69	3.2% (£5)
Parishes (average)		20.98	21.07	0.4%
Lancashire County Council	17 Feb 22	1,456.19	1,514.29	3.99%*
Police and Crime Commissioner		226.45	236.45	4.4% (£10)
Lancashire Combined Fire Authority	21 Feb 22	72.27	77.27	6.9% (£5)
		1,931.58	2,009.77	4.05%

*Includes social care precept

15 RECOMMENDED THAT COMMITTEE

- 15.1 Approve the revised budget for 2021/22.
- 15.2 Approve the Budget Working Group's recommendations and set a budget and council tax requirement for 2022/23 as set out in Section 11.
- 15.3 Recommend the budget and council tax requirement to the Full Council meeting on 8 March 2022.

DIRECTOR OF RESOURCES
PF2-22/JP/AC

15 February 2022

**SPECIAL POLICY & FINANCE COMMITTEE
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2021/22**

COMMUNITY COMMITTEE

Description	Variance - Original Estimate 2021/22 to DRAFT Revised Estimate 2021/22
<p>VARIOUS: Capital Increase in depreciation levels due to asset revaluations carried out at the end of the 2020/21 financial year.</p>	15,910
<p>VARIOUS: Business Rates The Non-Domestic Rating (Public Toilets) Act received Royal Assent in 2021/22. This Act provides a 100% business rates relief for separately-assessed public toilets, including those being operated by local authorities. As a result there has been a fall in the business rates liability for the council in respect of its public conveniences, and this largely represents the change in this budget area.</p>	-20,390
<p>VARIOUS: Direct Employee Costs Increase in direct employee costs, largely due to changes in the pay-line and the increase in the grading of refuse collection drivers.</p> <p>There is also a corresponding increase in these costs due to the removal of consultant costs for the provision of swimming lessons at Ribblesdale Pool (£36,850)</p>	112,450
<p>Ribblesdale Pool: Consultants Removal of consultant costs for the provision of swimming lessons at Ribblesdale Pool. Direct Employee Costs have instead been included in the budget</p>	-36,850
<p>VARIOUS: Insurance Costs The council's insurance costs have increased, largely in respect of vehicle insurance costs.</p>	16,610
<p>VARIOUS: Reduced Income from Fees and Charges The reduction in the levels of fees and charges income is largely in respect of Covid and the impact of facility closures in some service areas. The largest impact has been on Ribblesdale Pool, where the situation has been exacerbated by recruitment issues in respect of swimming teachers and the consequential lost income.</p> <p>This lost income has been partly compensated by the Government for the period April – June, but no income compensation has been received in respect of later periods (see next variance)</p> <p>The council budgeted £150k in the current financial year as a contingency against potential income losses across all services due to the continuing impact of the coronavirus pandemic on the economy. The level of</p>	111,570

**SPECIAL POLICY & FINANCE COMMITTEE
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2021/22**

Description	Variance - Original Estimate 2021/22 to DRAFT Revised Estimate 2021/22
contingency needed will be reviewed as part of the overall budget process, if needed.	
<p>VARIOUS: Income Loss Compensation Grant from the Government Income received from the Government in the form of Sales, Fees and Charges Grant. This was to partly compensate Council's for lost income over the period April – June 2021.</p>	-36,360
<p>Trade Waste: Tipping Charges As a result of Covid a number of organisations were closed in the earlier part of the financial year. This resulted in cancelled trade waste collection – reflected in the fall income referred to above.</p> <p>As less waste was collected, our tipping charges have also reduced.</p>	-29,880
<p>VARIOUS: Grants There is an increase in the budget for the distribution of grants, notably the Recreation and Culture Grants.</p> <p>This is reflective of delays experienced on schemes during the 2020/21 financial year, which have now been able to be (or are planned to be) completed in the 2021/22 financial year.</p> <p>Funds to support this expenditure was set aside in earmarked reserves at the end of the 2021/22 financial year and is budgeted to be released in 2021/22 to fund the increased expenditure shown here.</p>	19,820

**SPECIAL POLICY & FINANCE COMMITTEE
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2021/22**

ECONOMIC DEVELOPMENT COMMITTEE

Description	Variance - Original Estimate 2021/22 to DRAFT Revised Estimate 2021/22
<u>INDDV – Economic Development</u>	
Reduction in support service costs mainly due to the recharge of Economic Development and Planning officer time to the Contain Outbreak Management Fund in respect of managing the response to the pandemic.	-18,500
Expenditure incurred in the production of the final report by consultants engaged to deliver the strategic business case for the reopening of the Clitheroe to Hellifield railway to passengers. This expenditure is being funded from unspent grant funding received in 2020/21 set aside in an earmarked reserve for this purpose.	7,490
Contribution to the Clitheroe Food Festival not required as the event was cancelled in 2021 due to the pandemic.	-5,000
<u>TURSM – Tourism and Events</u>	
Decrease in support service costs mainly due to a lower allocation of officer time of the Economic Development and Planning Department.	-11,050
Increase in expenditure on publicity due to expenditure on publication of a guide, production of which was delayed in 2020/21 due to changing restrictions in order to manage the pandemic: £5,330 was set aside in an earmarked reserve in 2020/21 to fund this. An additional £2,750 is being spent on joint promotional activities which is being funded by contributions.	8,080

**SPECIAL POLICY & FINANCE COMMITTEE
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2021/22**

HEALTH AND HOUSING COMMITTEE

Description	Variance - Original Estimate 2021/22 to DRAFT Revised Estimate 2021/22
<p>VARIOUS – Support Services</p> <p>Estimated net reduction in support services recharges across most Health and Housing Committee cost centres, due to reductions in estimated net expenditure in several support service areas, the biggest reductions being as follows:</p> <ul style="list-style-type: none"> • Chief Executive's recharge to Environmental Health Services, -£293,460. Of this, £174,350 is due to Environmental Health staff time being diverted to Covid-19 pandemic response work in-year and £119,110 is due to lower net expenditure in the Chief Executive's department, including less employee costs as a result of staff vacancies within Environmental Health Services. • Economic Development and Planning department recharge to Community Groups - Health & Housing, -£13,110. Due to less time input to community groups development by the re-organised posts in the Economic Development team. • Resources department recharge to Local Council Tax Support Admin, 	-321,630
<p>SUPPE – Supporting People</p> <p>Domestic Abuse Support new burdens funding was received from DLUHC in 2021/22 in relation to the Council's responsibility to provide strategy, assessment, administration and reporting support to Lancashire County Council relating to their duty under the Domestic Abuse Bill to provide support to victims of domestic abuse and their children residing within safe accommodation. The Council was informed of the funding after the original estimate budget was set.</p> <p>At this stage it is planned to set aside this funding in an earmarked reserve at year-end awaiting consideration of whether the Council will incur any</p>	-33,350
<p>CLMKT – Clitheroe Market</p> <p>Increased stalls and pitches income due to higher demand from traders than budgeted for. The budget at the Original Estimate was set on a prudent basis for stalls and pitches income.</p>	-14,630
<p>HGBEN – Housing Benefits</p> <p>Increased housing benefits administration grant and other new burdens grant income and funding received in-year from the DWP and DLUHC. The Council was informed of the funding after the original estimate budget was set.</p>	-8,690
<p>HOMES – Homelessness Strategy</p> <p>The Council has received additional homelessness funding from DLUHC in-year to target homelessness prevention support on rough sleepers, ex-offenders and those facing eviction due to Covid-19 related rent arrears. Most of this grant funding must be matched by additional extra expenditure, but £8,000 is likely to fund previously budgeted for emergency accommodation costs for rough sleepers and those at risk of rough sleeping.</p>	-8,000

**SPECIAL POLICY & FINANCE COMMITTEE
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2021/22**

Description	Variance - Original Estimate 2021/22 to DRAFT Revised Estimate 2021/22
<p>CLCEM – Clitheroe Cemetery Estimated cemetery fees and charges income is increased because income for the year to date is higher than budgeted for in this demand-led service area. The main areas of increased income were interments, monuments fees and exclusive burial rights.</p>	-7,110
<p>CTBEN – Local Council Tax Support Admin Actual Local Council Tax Support administration grant received from DLUHC for 2021/22 was higher than originally budgeted for. The Council was informed of the yearly allocation after the original estimate budget was set.</p>	-5,440
<p>JARMS – Joiners Arms No rent and service charge income is expected from flats 1 and 2 in-year because they are expected to be out of service all year whilst waiting for the Joiners Arms Roof Renewal and Flats 1 and 2 Renovation capital schemes to be completed. Set against this the Council is temporarily using another of its properties on Peel Street as a homeless unit whilst flats 1 and 2 are out of service, before it is leased out as an Affordable Rent property, and some rent income will be received for this property.</p>	5,650
<p>DOGWD – Dog Warden & Pest Control Estimated reduced rodent pest treatments income for the year, because less treatments were undertaken in summer 2021 due to Covid-19 restrictions and the service has not been offered since August 2021 because of sick leave and the Pest Control Officer post being vacant from December 2021.</p>	7,010
<p>ENVHT – Environmental Health Services Estimated net under-recovery of income from private water supplies sampling and risk assessments work in-year. This is because priority sample work only will be undertaken in-year, due to the reduced Environmental Health team staff resources, caused by vacancies, being focused on other priority areas of work.</p>	7,570
<p>HGBEN – Housing Benefits From 2021/22 revised estimate onwards an increase in net costs for rent allowances is being budgeted for. This is because there are a reducing number of housing benefits cases which include overpayments due to increased electronic data matching at initial housing benefit claim stage. The Council have previously received more income for overpayments cases paid, from a combination of partial subsidy grant received and any overpayments then invoiced for recovery by the Council. Thus, budgeting for less overpayments cases means higher net costs in-year going forwards.</p>	25,920

**SPECIAL POLICY & FINANCE COMMITTEE
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2021/22**

PLANNING AND DEVELOPMENT COMMITTEE

Description	Variance - Original Estimate 2021/22 to DRAFT Revised Estimate 2021/22
<p>BCFEE: Building Control Higher than average building control income has been generated by the building control section for the period to November. The budget for the remainder of the year has been revised upwards to include last year's income within the rolling average that forms the basis for the estimate.</p>	-14,030
Recovery of tuition fees.	-7,520
<p>COUNT: Countryside Management A budget has been established for estimated expenditure this year of S106 funds that were received for biodiversity works at the two local nature reserves of Salthill and Crosshill.</p>	10,000
Release of S106 funds in respect of the above works.	-10,000
<p>ECPLA: Economic Development and Planning Department Council staffing budgets at original estimate assume average vacancy underspends of 4% across the authority on estimated costs. Actual underspends within the Economic Development and Planning Department have exceeded those built into the budget, bringing about an underspend for the year. Following a full analysis at revised estimate of year to date expenditure and estimated recruitment timescales the budget estimates have been reduced. Budgets incorporate backdated changes to the council's pay line from October 2021 as approved by Policy and Finance Committee in November 2021.</p>	-56,490
<p>PLANG: Planning Control and Enforcement Reduction to the estimated planning fee income budget for the year. Actual income achieved for the financial year to November was 6% lower than the original estimate. The revised estimate assumes that planning fee income will continue to be below the base estimate at this level for the remainder of the financial year. The council budgeted £150k in the current financial year as a contingency against potential income losses across all services due to the continuing impact of the coronavirus pandemic on the economy. The level of contingency needed will be reviewed as part of the overall budget process, if needed.</p>	41,210
<p>PLANG: Planning Control and Enforcement Due to vacancies and a redeployment within the planning section the pre-application advice service has been offered in respect of major planning applications only since August 2021. While subject to ongoing review, it is estimated that full service delivery will resume early in 2022.</p>	21,560

**SPECIAL POLICY & FINANCE COMMITTEE
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2021/22**

Description	Variance - Original Estimate 2021/22 to DRAFT Revised Estimate 2021/22
Estimated income to be generated for officer time spent on the Haweswater project under a Planning Performance Agreement with United Utilities	-12,000
<p>CINTR: Clitheroe Interchange The budget set aside for maintenance and running costs of the Clitheroe Interchange has been transferred to Policy and Finance Committee to form part of the council's estate management budget.</p>	-7,160

**SPECIAL POLICY & FINANCE COMMITTEE
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2021/22**

POLICY AND FINANCE COMMITTEE

Description	Variance - Original Estimate 2021/22 to DRAFT Revised Estimate 2021/22
Substantial movements within service specific cost centres	
<p><u>Elections</u> The estimated cost of local by-elections for the 2021/22 financial year.</p>	38,780
<p><u>CEXEC: Chief Executive's Department</u> Council staffing budgets at original estimate assume average vacancy underspends of 4% across the authority on estimated costs. Actual vacancies within the Chief Executives Department have exceeded the estimate built into the budget, bringing about an underspend for the year. Following a full analysis at revised estimate of year to date expenditure and estimated recruitment timescales the budget estimates have been reduced. Budgets incorporate backdated changes to the council's pay line from October 2021 as approved by this Committee in November 2021.</p> <p>The underspends above have been partially offset by the engagement of consultants within the environmental health section to ensure continuation of the service during a period of recruitment issues.</p>	-96,290 25,950
<p><u>CLTAX: Council Tax</u> Increase in the estimated income generated for recovery of costs associated with issuing summonses.</p>	-20,260
<p><u>COMPR: Computer Services</u> Reduction to estimated expenditures within the computer services section. There is a -£10k reduction for the computer services share of Microsoft 365 licences costs, which following review have been charged direct to other service areas.</p> <p>A full review of costs has been undertaken across computer services budgets, reducing estimates by a further -£14.5k. Whilst some budget movements offset, the main reductions to costs are in the areas of communications (-£7k) and software maintenance (-£7.5k).</p>	-24,460
<p><u>ELECT: Register of Electors</u> The Cabinet Office have introduced changes to the annual canvass that reduces the number of Household Enquiry Form reminders that are required to be issued. The estimated cost of postages for the year has therefore been reduced by -£9.5k.</p> <p>As a result of the reforms the number of in person household visits has also reduced, bringing about a reduction to the cost of this year's annual canvass by -£8k.</p>	-17,370

**SPECIAL POLICY & FINANCE COMMITTEE
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2021/22**

Description	Variance - Original Estimate 2021/22 to DRAFT Revised Estimate 2021/22
<p><u>ESTAT: Estates</u> Unplanned and unavoidable expenditures within the estates repairs and maintenance budget has caused an overspend on this year's original estimate. £7k of funds have been diverted from other repair and maintenance areas, with the remainder being an unavoidable increase to repairs and maintenance budgets at revised estimate overall.</p>	13,160
<p><u>FMISC: Finance Miscellaneous</u> Increase to the external audit services estimated expenditure following approval of revision to fees at Accounts and Audit Committee in July 2021. Net of Public Sector Audit Appointment fees rebate of -£6k.</p>	15,270
<p>The value of VAT shelter income to be received in the current financial year from Onward Homes has been forecast and a budget established. The actual amount received will be transferred to the VAT shelter earmarked reserve at the end of the financial year.</p>	-23,150
<p><u>LICSE: Licensing</u> Taxi licensing income for the year is estimated to be lower than the original estimate by £11k as a result of the ongoing impact of covid-19 on the night time economy.</p>	11,450
<p><u>QPJUB: Queens' Platinum Jubilee</u> A budget of £20k has been established for the maximum cost of grants to be paid to parish council's that provide a letter of intent to use it to commemorate the Queen's Platinum Jubilee (Policy and Finance Committee November 2021). The cost of the grants is to be met from the Parish Grants Reserve.</p>	20,000
<p><u>RESOR: Resources Department</u> Departmental employee cost estimates have been increased at revised estimate following a review of salaries and associated national insurance and superannuation costs. The budget estimates incorporate changes to the pay line approved by this committee from October 2021, and ensure budget provision is available to meet the cost of engaging external consultants to undertake the council's internal audits following a prolonged period of recruitment issues within the internal audit section.</p>	19,850
<p>The estimated budget for software maintenance costs has been increased. This is mainly due to a requirement from one of the council's suppliers to upgrade the Civica Icon Payments System in order to ensure continuing compliance with the Payment Card Industry Data Security Standards (£18k). Without the upgrade the chip and pin machines would cease to work from March 2022 and the council would be unable to accept card payments.</p>	20,450

**SPECIAL POLICY & FINANCE COMMITTEE
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2021/22**

Description	Variance - Original Estimate 2021/22 to DRAFT Revised Estimate 2021/22
<p><u>Support Service Costs</u> There is a net increase to inter-departmental recharges to this committee following changes to various departmental cost allocations. This is mainly due to a reduction in the net expenditure of the Chief Executives and Computer Services cost centres, which in turn has reduced the accountancy recharges out to other service areas.</p>	126,550
Substantial movements within coronavirus specific cost centres	
<p><u>Coronavirus - Contain Outbreak Management Fund (COMF)</u> The Contain Outbreak Management Fund provides funding to local authorities for activities that help to reduce the spread of coronavirus and support local public health. The council received £670k of COMF grant funding during the 2020/21 financial year, of which £373k was unallocated and carried forward into the current financial year. A further £63k of funding has been received during 2021/22, which brings the total amount available for the current year to £436k. It is anticipated that the grant funds will be fully expended/ allocated to associated activities by March 2022. A budget to recognise the income has therefore been established at revised estimate.</p>	-435,980
<p>Expenditure budgets have been established to allocate grant funds to activities associated with containing the outbreak, for example test and trace, compliance and communications.</p>	435,980
<p><u>Coronavirus General Response – Direct Costs</u> Estimated expenditures on direct, additional costs to be incurred during the 2021/22 financial year on the general coronavirus response. These are estimated additional costs to be met from un-ringfenced, general, coronavirus funding that is held in earmarked reserves. After movements in reserve the net cost is nil.</p>	54,200
<p><u>Coronavirus Grants - received for distribution to residents and businesses (Principal)</u> Under accounting regulations, the council is required to recognise grant income and associated expenditures where the council has discretion over the grant award criteria. -£1.6m of discretionary grant income has now been brought into the council's budgets at revised estimate. The majority of the income (-£1.48m) shown here is for Additional Restrictions Support Grant funding (ARG) that is to be fully expended by March 2022. Also accounted for is -£67k of Self-Isolation Discretionary grant funding and -£85k of income from the Household Support Fund.</p>	-1,639,390
<p>Estimated expenditures in respect of the above. The majority of the expenditure at £1.48m is the allocation of ARG funding. The council's budgets assume that the Household Support Fund will be fully expended by the end of the financial year through the distribution of food vouchers. It is estimated that £62k of the self-isolation discretionary grant fund will be unallocated by the end</p>	1,577,230

**SPECIAL POLICY & FINANCE COMMITTEE
VARIATIONS BETWEEN ORIGINAL AND REVISED ESTIMATE 2021/22**

Description	Variance - Original Estimate 2021/22 to DRAFT Revised Estimate 2021/22
<p>of the financial year, with the balance to be set aside in earmarked reserves to meet the cost of future associated expenditures.</p> <p>Any grant funding to be received or distributed in respect of the omicron variant was unconfirmed at the time of preparation of the revised estimates and so is not included within budget estimates.</p>	
<p><u>Coronavirus Grants - New burdens funding</u></p> <p>The council has received various grants to help with the cost of undertaking specific new functions during the coronavirus response. -£125k of the income is financial support for the processing of various grant scheme payments and -£54k has been received for resources expended on outbreak management and support.</p>	-179,610
<p>Accounting adjustment to allocate outbreak management and support funding to associated activities.</p> <p>The balance of the income and expenditure of £125k is to be set aside in the covid-19 earmarked reserve, to be available to help meet the future cost of the council's ongoing response to the coronavirus pandemic.</p>	54,100

SPECIAL POLICY & FINANCE COMMITTEE
REVENUE APPROPRIATIONS TO AND FROM EARMARKED RESERVES 2021/22

	Original Estimate 2021/22 £	Revised Estimate 2021/22 £
Reserves for Shorter Term Service Commitments		
Refuse Collection	-9,210	11,170
Community Services Committee Grants Fund		-24,740
Clitheroe Food Festival;	-8,600	
Promotional Activities Reserve		-5,330
Two-Way Radio Reserve		-20
Total Reserves for Shorter Term Service Commitments	-17,810	-18,920
Reserves to Smooth the Revenue Impact of Longer Term Cyclical Costs		
Elections Fund	30,000	31,270
Revaluation of Assets Reserve	2,190	2,420
Total Reserves to Smooth the Revenue Impact of Longer Term Cyclical Costs	32,190	33,690
Reserves for Trading or Business Units		
Building Control Fund	-23,500	6,120
Total Reserves for Trading or Business Units	-23,500	6,120
Reserves for Sums Set Aside for Major Schemes such as Capital Projects		
Capital		12,600
Total Reserves for Sums Set Aside for Major Schemes such as Capital Projects	0	12,600
Reserves for Longer Term Strategic or Corporate Items		
VAT Shelter Reserve		23,150
Repairs and Maintenance		-9,760
Post LSVT	-36,512	-36,512
Equipment Reserve	-500	-13,920
Invest to Save Fund	5,510	5,430
Planning Reserve		-3,000
Arts Development Reserve		-3,190
Grounds Maintenance Reserve		-1,780
Business Rates Volatility Reserve	-97,015	

SPECIAL POLICY & FINANCE COMMITTEE
REVENUE APPROPRIATIONS TO AND FROM EARMARKED RESERVES 2021/22

	Original Estimate 2021/22 £	Revised Estimate 2021/22 £
Business Rates Growth Reserve	659,663	666,914
New Homes Bonus Reserve	410,848	410,848
Total Reserves for Longer Term Strategic or Corporate Items	941,994	1,038,180
Reserves for External Funding where Expenditure has yet to be Incurred		
Crime Reduction Partnership Reserve	-14,620	-7,280
Exercise Referral Up and Active Reserve		-1,950
Housing Related Grants Reserve	42,820	32,860
Whalley Moor Reserve		-4,520
Parish Grant Reserve		-20,000
Parks Improvement Funding Reserve		-4,100
Cyber Resilience Grant Reserve	-13,600	
Restoring Your Railways Reserve		-7,490
Covid-19 Response		70,220
Self-Isolation Grants Reserve		62,750
Tax Income Guarantee Reserve		-119,388
Business Rates S31 Grant Adjustment Reserve	-2,578,153	-937,392
Total Reserves for External Funding where Expenditure has yet to be Incurred	-2,563,553	-936,290
Total of all Earmarked Reserves	-1,630,679	135,380

**SPECIAL POLICY & FINANCE COMMITTEE
PARISH PRECEPTS**

Band D Equivalent Tax Base	Parish Council	Parish Precept 2022/23	Parish Precept 2021/22	Increase/ (Decrease) in Precept	Band D Equivalent Tax 2022/23	Band D Equivalent Tax 2021/22	Increase/ (Decrease in Band D Tax) £	Increase/ (Decrease in Band D Tax) %
493	Aighton, Bailey & Chaigley	6,500	6,000	500	13.18	12.77	0.41	3.21%
196	Balderstone	4,000	4,000	0	20.41	20.10	0.31	1.54%
733	Barrow	21,000	14,430	6,570	28.65	23.35	5.30	22.70%
206	Bashall Eaves, Great Mitton & Little Mitton	1,624	1,624	0	7.88	7.73	0.15	1.94%
2,189	Billington & Langho	24,333	21,960	2,373	11.12	10.22	0.90	8.81%
485	Bolton by Bowland, Gisburn Forest & Sawley	0	17,000	-17,000	0.00	34.91	-34.91	-100.00%
77	Bowland Forest (High)	2,167	2,167	0	28.14	30.10	-1.96	-6.51%
82	Bowland Forest (Low)	1,200	1,200	0	14.63	15.00	-0.37	-2.47%
83	Bowland with Leagram	1,000	900	100	12.05	10.71	1.34	12.51%
395	Chatburn	11,372	11,372	0	28.79	29.08	-0.29	-1.00%
537	Chipping	11,178	8,678	2,500	20.82	16.72	4.10	24.52%
515	Clayton le Dale	3,000	3,000	0	5.83	5.83	0.00	0.00%
5,869	Clitheroe	120,826	117,079	3,747	20.59	20.52	0.07	0.34%
46	Dinckley	0	0	0	0.00	0.00	0.00	-
51	Downham	0	0	0	0.00	0.00	0.00	-
105	Dutton	500	500	0	4.76	4.76	0.00	0.00%
237	Gisburn	6,000	5,500	500	25.32	24.23	1.09	4.50%
358	Grindleton	8,000	8,000	0	22.35	22.28	0.07	0.31%
49	Horton	0	0	0	0.00	0.00	0.00	-

**SPECIAL POLICY & FINANCE COMMITTEE
PARISH PRECEPTS**

Band D Equivalent Tax Base	Parish Council	Parish Precept 2022/23	Parish Precept 2021/22	Increase/ (Decrease) in Precept	Band D Equivalent Tax 2022/23	Band D Equivalent Tax 2021/22	Increase/ (Decrease in Band D Tax) £	Increase/ (Decrease in Band D Tax) %
77	Hothersall	1,000	1,000	0	12.99	13.16	-0.17	-1.29%
3,052	Longridge	83,616	79,093	4,523	27.40	26.87	0.53	1.97%
8	Mearley	0	0	0	0.00	0.00	0.00	-
992	Mellor	25,000	25,000	0	25.20	25.38	-0.18	-0.71%
20	Newsholme	0	0	0	0.00	0.00	0.00	-
141	Newton	1,500	2,000	-500	10.64	13.89	-3.25	-23.40%
102	Osbaldeston	1,000	1,000	0	9.80	9.52	0.28	2.94%
46	Paythorne	0	0	0	0.00	0.00	0.00	-
111	Pendleton	1,850	1,600	250	16.67	14.02	2.65	18.90%
282	Ramsgreave	3,148	3,298	-150	11.16	10.56	0.60	5.68%
585	Read	11,981	10,836	1,145	20.48	18.30	2.18	11.91%
671	Ribchester	11,826	9,826	2,000	17.62	14.93	2.69	18.02%
235	Rimington & Middop	6,500	6,500	0	27.66	27.66	0.00	0.00%
562	Sabden	15,880	15,880	0	28.26	29.48	-1.22	-4.14%
193	Salesbury	4,800	4,800	0	24.87	25.26	-0.39	-1.54%
500	Simonstone	8,400	8,400	0	16.80	16.90	-0.10	-0.59%
156	Slaidburn & Easington	2,050	2,050	0	13.14	13.40	-0.26	-1.94%
173	Thornley with Wheatley	1,500	1,500	0	8.67	8.82	-0.15	-1.70%
37	Twiston	0	0	0	0.00	0.00	0.00	-

**SPECIAL POLICY & FINANCE COMMITTEE
PARISH PRECEPTS**

Band D Equivalent Tax Base	Parish Council	Parish Precept 2022/23	Parish Precept 2021/22	Increase/ (Decrease) in Precept	Band D Equivalent Tax 2022/23	Band D Equivalent Tax 2021/22	Increase/ (Decrease in Band D Tax) £	Increase/ (Decrease in Band D Tax) %
452	Waddington	18,512	13,500	5,012	40.96	29.74	11.22	37.73%
376	West Bradford	7,677	7,490	187	20.42	20.07	0.35	1.74%
1,772	Whalley	61,728	60,823	905	34.84	33.42	1.42	4.25%
1,078	Wilpshire	19,655	18,717	938	18.23	16.98	1.25	7.36%
181	Wiswell	7,024	6,886	138	38.81	37.30	1.51	4.05%
45	Worston	0	0	0	0.00	0.00	0.00	-
24,553	Total	517,347	503,609	13,738				

**SPECIAL POLICY & FINANCE COMMITTEE
USE OF NEW HOMES BONUS**

Relates to:	Received in year												2023/24
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
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	398,267				
2017/18							389,751	389,751	389,751	389,751			
2018/19								414,079	414,079	414,079	414,079		
2019/20									464,389	464,389	464,389	464,389	
2020/21										502,733			
2021/22											637,380		
2022/23												741,447	
2023/24													?
	62,046	179,645	367,698	594,806	968,616	1,366,884	1,576,990	1,575,908	1,666,486	1,770,952	1,515,848	1,205,836	0
Allocated to date:													
Revenue base	60,000	60,000	60,000	333,780	676,065	786,961	793,079	1,105,000	1,105,000	1,105,000	1,105,000	1,105,000	0
Revenue in year						6,000							
Capital	0	0	100,000	85,000	35,662	57,749	175,618	139,469	361,547	229,150	241,040	70,960	306,637
Adjustment	60,000	60,000	160,000	418,780	711,727	850,710	968,697	1,244,469	1,466,547	1,334,150	1,346,040	1,175,960	306,637
Unallocated	2,046	119,645	217,727	165,997	256,889	516,174	608,293	331,439	199,939	436,802	169,808	29,876	-306,637
Bal C/fwd	2,046	121,691	339,418	505,415	762,304	1,278,478	1,886,771	2,218,210	2,418,149	2,854,951	3,024,759	3,054,635	2,747,998

**SPECIAL POLICY & FINANCE COMMITTEE
COLLECTION FUND**

	Original 2021/22 £	Revised 2021/22 £
Expenditure		
Deficit Brought Forward:		
Business Rates	7,117,517	8,235,132
Adjustment for 3 year spread	0	-178,733
Council Tax Precepts:		
Lancashire County Council	34,958,753	34,958,753
Police & Crime Commissioner for Lancashire	5,436,385	5,436,385
Lancashire Combined Fire Authority	1,734,986	1,734,986
Ribble Valley incl Parishes	4,241,259	4,241,259
Allocation of Council Tax Surplus for Year:		
Ribble Valley	24,995	24,995
Lancashire County Council	197,548	197,548
Lancashire Combined Fire Authority	9,996	9,996
Police & Crime Commissioner for Lancashire	29,830	29,830
Cost of Collecting NNDR	92,240	92,240
Distribution of Business Rates:		
Central Government	7,557,192	7,557,192
Ribble Valley	6,045,753	6,045,753
Lancashire County Council	1,360,294	1,360,294
Lancashire Fire Authority	151,144	151,144
Enterprise Zone	123,112	122,673
Renewable Energy Schemes	95,687	100,000
Transitional Protection Payments	0	2,776
Overpayments of council tax benefit	0	176
NNDR - Bad Debts Provision	435,420	200,000
NNDR - Appeals Provision	488,729	107,405
Council Tax - Bad Debts Provision	350,414	200,000
Covid Hardship Payment Adjustments	0	2,337
	70,451,254	70,632,141
Income		
Surplus Brought Forward:		
Council Tax	262,369	546,194
Business Rates	0	0
Allocation of Business Rates Deficit:		
Central Government	3,346,042	3,346,042
Lancashire County Council	619,959	619,959
Lancashire Combined Fire Authority	68,280	68,280
Ribble Valley	2,725,770	2,725,770
Council Tax Income	46,721,797	47,538,315
Council Tax Benefits	0	3,531
Family Annexes Discount Grant	0	9,164

**SPECIAL POLICY & FINANCE COMMITTEE
COLLECTION FUND**

	Original 2021/22 £	Revised 2021/22 £
Transitional Protection Payments due to the authority	58,571	0
Business Rates	16,291,000	12,662,246
	70,093,788	67,519,501
CTAX - Surplus/Deficit) Carried Forward	0	1,260,939
NNDR - Surplus/Deficit) Carried Forward	-357,466	-4,373,579
Total Surplus/(Deficit)	-357,466	-3,112,640

**SPECIAL POLICY & FINANCE COMMITTEE
MAIN BUDGET VARIANCES 2021/22 OE TO 2022/23 OE**

COMMUNITY SERVICES COMMITTEE

Description	Variance Original Estimate 2021/22 to DRAFT Original Estimate 2022/23
<p>VARIOUS: Capital Increase in depreciation costs, largely on the Ribble Valley Parks service. This is in respect of play area improvement works that are included in the capital programme for completion in the 2021/22. As a result there will be a consequential impact through depreciation in 2022/23.</p>	59,150
<p>VARIOUS: Support Services Overall decrease in the net support services for this committee</p>	-19,300
<p>VARIOUS: Business Rates The Non-Domestic Rating (Public Toilets) Act received Royal Assent in 2021/22. This Act provides a 100% business rates relief for separately-assessed public toilets, including those being operated by local authorities. As a result there has been a fall in the business rates liability for the council in respect of its public conveniences, and this largely represents the change in this budget area.</p>	-25,650
<p>VARIOUS: Direct Employee Costs Increase in direct employee costs, largely due to changes in the pay-line and the increase in the grading of refuse collection drivers. There is also a corresponding increase in these costs due to the removal of consultant costs for the provision of swimming lessons at Ribblesdale Pool (£42,080)</p>	205,020
<p>Ribblesdale Pool: Consultants Removal of consultant costs for the provision of swimming lessons at Ribblesdale Pool. Direct Employee Costs have instead been included in the budget</p>	-42,080
<p>Street Cleansing: Hire of Plant Increased contract costs largely due to increased vehicle fuel costs in respect of road sweepers</p>	19,370
<p>VARIOUS: Gas and Electricity Increase in Gas and Electricity costs due to the current unit costs and also taking into account forecast increases.</p>	45,400
<p>VARIOUS: Diesel Increase in vehicle fuel costs due to the current unit costs and also taking into account forecast increases.</p>	63,120
<p>VARIOUS: Insurance Costs The council's insurance costs have increased, largely in respect of vehicle insurance costs.</p>	19,100
<p>VARIOUS: Inflationary Increase When the 2% pay and 3% other items inflationary increase is applied, it accounts collectively to a substantial increase for this committee.</p>	138,160

**SPECIAL POLICY & FINANCE COMMITTEE
MAIN BUDGET VARIANCES 2021/22 OE TO 2022/23 OE**

ECONOMIC DEVELOPMENT COMMITTEE

Description	Variance Original Estimate 2021/22 to DRAFT Original Estimate 2022/23
<p><u>INDDV – Economic Development</u> Increase in support service costs mainly due to staffing changes within the Economic Development and Planning Department resulting in an increase in the allocation of officer time to this area that will give the department the ability to respond to current challenges facing Economic Development.</p>	47,710
<p><u>TURSM – Tourism and Events</u> Decrease in support service costs -£8,900 mainly due to a lower allocation of officer time of the Economic Development and Planning Department but partly offsetting this are additional costs charged to Community Services, Resources and Chief Executive's Departments £5,110 being mainly a result of the pay review.</p>	-3,790

**SPECIAL POLICY & FINANCE COMMITTEE
MAIN BUDGET VARIANCES 2021/22 OE TO 2022/23 OE**

HEALTH AND HOUSING COMMITTEE

Description	Variance Original Estimate 2021/22 to DRAFT Original Estimate 2022/23
<p>VARIOUS – Support Services A net increase in support service recharges across all cost centres, following a re-assessment of budgeted costs in all support services areas. The increased net recharges reflect the impact of 2% pay inflation for those support services and also the full-year effect of the pay line pay increases for Council employees approved in October 2021.</p> <p>Within the overall net increase set out above the budgeted Economic Development and Planning department recharge to Community Groups - Health & Housing has reduced by £12,950, due to less time input to community groups development by the re-organised posts in the Economic Development team.</p>	68,960
<p>HGBEN – Housing Benefits A recurring increase in net costs for rent allowances is being budgeted for. This is because there are a reducing number of housing benefits cases which include overpayments due to increased electronic data matching at initial housing benefit claim stage. The Council have previously received more income for overpayments cases paid, from a combination of partial subsidy grant received and any overpayments then invoiced for recovery by the Council. Thus, budgeting for less overpayments cases means higher net costs each year going forwards.</p>	24,950
<p>VARIOUS - Electricity Estimated increase of 38% in electricity costs at Clitheroe Cemetery, Clitheroe Market and the Joiners Arms homelessness unit.</p>	5,220
<p>CLMKT – Clitheroe Market The stalls and pitches income estimate has been increased for 2022/23 to reflect the higher demand for and increased income in 2021/22 to date from stalls and pitches.</p>	-7,080
<p>VARIOUS – Funding for Homelessness Services £67,910 of Homelessness Prevention Grant 2022/23 funding from DLUHC will be used to partly fund the Council's homelessness net expenditure in 2022/23 and will not be set aside in an earmarked reserve at year-end. This is an increased use of direct grant funding in-year of £42,890 when compared to the 2021/22 original estimate plan to use £25,020 of grants previously set aside in earmarked reserves to partly fund homelessness net expenditure in 2021/22.</p>	-42,890

**SPECIAL POLICY & FINANCE COMMITTEE
MAIN BUDGET VARIANCES 2021/22 OE TO 2022/23 OE**

PLANNING AND DEVELOPMENT COMMITTEE

Description	Variance Original Estimate 2021/22 to DRAFT Original Estimate 2022/23
<p><u>ECPLA: Economic Development and Planning Department</u> The departmental salary, national insurance and superannuation costs are estimated to be £49k above the standard 2% inflation added to the original estimate for the 2022/23 financial year. The budget estimates incorporate changes to the pay line approved by Policy and Finance Committee in November 2021 and the cost of the new Health and Social care levy. The additional costs of the pay review for the financial years 2022/23 to 2024/25 are to be funded from the Business Rates Growth earmarked reserve at a corporate level.</p>	49,320
<p><u>LPLAN: Local Plan</u> In January 2020 this Committee approved proposals to establish a budget for progression of the Local Plan, with budget estimates to total £300k plus recharges over a 3-year period. In April 2021 Committee authorised the publication of an updated Local Development Scheme (LDS) that set out the anticipated timeframe for the Local Plan Review. The estimated timing of expenditures has now been reviewed and this budget movement represents an adjustment to the base for estimated costs as they are now expected to fall in the 2022/23 financial year.</p>	-63,210
<p><u>PLANG: Planning Control and Enforcement</u> Net inflation of £5k for this committee includes -£20k in respect of planning fee income. Planning fees are set nationally and no inflationary increase is expected for the 2022/23 financial year. This budget movement therefore removes the standard 3% inflationary increase to the planning income estimates, reverting the estimated income back to the original base budget of £679k per the 2021/22 financial year.</p>	20,370

**SPECIAL POLICY & FINANCE COMMITTEE
MAIN BUDGET VARIANCES 2021/22 OE TO 2022/23 OE**

POLICY AND FINANCE COMMITTEE

Description	Variance Original Estimate 2021/22 to DRAFT Original Estimate 2022/23
<p><u>Inflation</u> The budget forecast allows for inflation on pay at 2% and prices at 3%. The net standard inflationary increase for this committee brought into the estimates is £94k.</p>	94,230
<p><u>Departmental direct employee costs</u> Salary, national insurance and superannuation expenditure estimates have been increased by £66k within the Chief Executives Department and £102k within the Resources Department. The budget estimates incorporate changes to the pay line approved by Policy and Finance Committee in November 2021 and the cost of the new Health and Social care levy. The additional costs of the pay review for the financial years 2022/23 to 2024/25 are to be funded from the Business Rates Growth earmarked reserve at a corporate level.</p>	168,490
<p><u>Gas and Electricity</u> Increase to gas and electricity estimates for 2022/23 following a review of usage and incorporating above inflationary increases.</p>	10,930
<p><u>ELECT: Register of electors</u> Reduction to the estimated cost of the annual canvass following changes introduced by the cabinet office that reduce both the number of reminders that are required to be issued and the number of household visits.</p>	-13,210
<p><u>FMISC: Finance Miscellaneous</u> Increase to the annual budget provision for the estimated cost of external audit services following an increase to the 2022/23 fees (Accounts and Audit Committee July 2021).</p>	22,020
<p><u>Movement in capital (depreciation charges)</u> There is a net increase in the estimated capital charge for the 2022/23 financial year, mainly due to the completion of committee capital schemes.</p>	28,700
<p><u>Support Service Costs</u> There is a net decrease in support service costs following changes to various departmental cost allocations.</p>	-140,390

**SPECIAL POLICY & FINANCE COMMITTEE
REVENUE GROWTH BIDS**

Reference	Request	Recurring/ Non Recurring/Both	Amount Requested RECURRING	Amount Requested NON- RECURRING	Additional Notes
REVCOM01	Atrium Café Repairs and Maintenance: Insufficient to carry our basic maintenance and safety checks	RECURRING	4,000		
REVCOM02	Ribblesdale Pool Equipment Maintenance Budget: Insufficient due to the age of the facility	RECURRING	2,000		
REVCOM03	Edisford 3G Facility: Annual top up of rubber crumb to the playing surface	RECURRING	8,000		This request is for a 'double dose' top up. Future years would be at a cost of £3,000
REVCOM04	Atrium Café: New Ramp with a Steel Frame and Composite Decking Surface and painting existing side and rear timber cladding sheets and painting internal walls and columns	NON RECURRING		9,820	
REVCOM05	Platform Gallery: Replacement internal CCTV system	BOTH	130	3,840	Recurring is maintenance and monitoring
REVCOM06	Additional budget in respect of LOLER regulation inspections	RECURRING	3,560		
REVCOM07	Vehicle Wash: Annual Maintenance of and Emptying of Drainage Interceptor (£1,200). Also Annual Maintenance Contract for the Machine (£1,400)	RECURRING	2,600		
REVCOM08	Various Car Parks: Sign Replacement and Refreshing of Line Markings	NON RECURRING		14,520	
REVCOM09	Vehicle VE18 JXP: Increased cost of consumables, including parts, oil and tyres	RECURRING	7,830		

**SPECIAL POLICY & FINANCE COMMITTEE
REVENUE GROWTH BIDS**

Reference	Request	Recurring/ Non Recurring/Both	Amount Requested RECURRING	Amount Requested NON- RECURRING	Additional Notes
REVCOM10	Vehicle VO13 UVV: Increased cost of consumables, including parts, oil and tyres	RECURRING	1,970		
REVCOM11	Vehicle VN12 KYK: Increased cost of consumables, including parts, oil and tyres	RECURRING	7,500		
REVCOM12	Replace and Upgrade Commercial Radio Network for Depot Vehicles	NON RECURRING		9,600	Includes 1 year of potential Recurring Saving of £3,000p.a on Revenue - handset tracking (£15,600 - £3,000= £9,600)
REVCOM13	Ribblesdale Pool Staffing: fifth permanent lifeguard post, rather than using casual staff	RECURRING	16,990		
REVCOM14	Depot Workshop Staffing: introduction of an apprentice mechanic at the depot workshop	RECURRING	10,870		Based on apprentice rate
REVHOU01	Alternative System for Dog Waste /Litter Bins	RECURRING	258,190		See also capital bid needed to allow this revenue spend - Capital Bid Value is £356,040
REVHOU02	Joiners Arms: Provide Standard Fittings for all Hostel Flats (Each flat would be fitted with a built in cupboard and draw set with a hanging rail, standard easy chair/s, table and dining chair Equipment £11,800; Works Admin Staff to Assemble/fit £2,500; Lost income from Voids whilst work completed	NON RECURRING		15,000	
REVPLA01	Ash Die Back Management Plan - Felling works and replacement planting	RECURRING	7,000		

**SPECIAL POLICY & FINANCE COMMITTEE
REVENUE GROWTH BIDS**

Reference	Request	Recurring/ Non Recurring/Both	Amount Requested RECURRING	Amount Requested NON- RECURRING	Additional Notes
REVPLA02	Planning Applications: Biodiversity Net Gain Assessments	RECURRING	4,100		
REVPOL01	Increase to the Estates (ESTAT) Repairs and Maintenance Revenue Budget (OE 2021/22 is £6,020)	RECURRING	15,000		
REVPOL02	Reinstatement Valuations of the Council's Assets for Insurance Purposes	RECURRING	7,000		Recurring, but every 3 years
REVPOL03	Employee and Manager Self service Module of Payroll and HR System (Frontier Software - CHRIS21)	BOTH	1,800	14,970	
REVPOL04	Employee Assistance Programme - an independent and confidential service that gives staff telephone/online access to qualified advisors who can provide support and advice on a wide range of topics to support mental health and wellbeing. This will also be an additional tool for helping to manage staff absence	RECURRING	2,000		
REVPOL05	New Climate Change post	RECURRING	47,820		Amount calculated at top of scale on new pay scales
REVPOL06	New Post of Payroll Officer	RECURRING	38,090		Amount calculated at top of scale on new pay scales
REVPOL07	Increase in Hours to Full Time for Principal Communications Officer Post (29.6 hrs to 37 hrs)	RECURRING	10,420		Amount calculated at top of scale on new pay scales
REVPOL08	Increase in Hours to Full Time for HR Administrator Post (18.5 hrs to 37 hrs)	RECURRING	13,280		Amount calculated at top of scale on new pay scales

**SPECIAL POLICY & FINANCE COMMITTEE
REVENUE GROWTH BIDS**

Reference	Request	Recurring/ Non Recurring/Both	Amount Requested RECURRING	Amount Requested NON- RECURRING	Additional Notes
REVPOL09	Deletion of Legal Officer, Addition of Lawyer (Property and Commercial) and increase in hours of Legal Assistant to full time (currently 18.5hrs)	RECURRING	25,280		Amounts calculated at top of scale on new pay scales
REVPOL10	Additional Revenues Assistant	RECURRING	29,780		Amount calculated at top of scale on new pay scales
			525,210	67,750	

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

Expected movements in Earmarked Reserves in 2021/22

Earmarked Reserves	Balance at 31 March 2021 £	Revenue Transfers In - 2021/22 RE £	Revenue Transfers Out - 2021/22 RE £	Capital Transfers Out - 2021/22 RE £	Anticipated Balance 31 March 2022 £
Reserves for Shorter Term Service Commitments					
Community Services Committee Grants Fund	28,863		-24,740		4,123
Audit Reserve Fund	53,745				53,745
Refuse Collection	43,576	11,170		-13,000	41,746
Amenity Cleansing Reserve	31,030				31,030
Clitheroe Food Festival	8,533				8,533
Two-Way Radio Reserve	18		-20		-2
Promotional Activities Reserve	5,333		-5,330		3
Reserves to Smooth the Revenue Impact of Longer Term Cyclical Costs					
Elections Fund	55,118	70,050	-38,780		86,388
Revaluation of Assets Reserve	4,840	2,420			7,260
Pensions Triennial Revaluation Reserve	68,592				68,592
Reserves for Trading or Business Units					
Building Control Fund	-57,759	6,120			-51,639
Reserves for Sums Set Aside for Major Schemes such as Capital Projects					
Capital <i>Minimum Balance Recommended at £350,000</i>	946,498	12,600		-116,020	843,078
ICT Renewals	104,740			-12,000	92,740
Vehicle & Plant Renewals Reserve	51,035				51,035
Reserves for Longer Term Strategic or Corporate Items					
VAT Shelter Reserve <i>No further income after 31 March 2023 - none expected in 2022/23</i>	1,077,039	23,150		-62,030	1,038,159
Fleming VAT Claim	44,497			-770	43,727
Insurance	14,581				14,581
Repairs and Maintenance	22,975		-9,760		13,215
Post LSVT	109,538		-36,512		73,026
Restructuring Reserve	187,903				187,903
Equipment Reserve	78,457		-13,920		64,537
Invest to Save Fund	242,573	5,430			248,003
Planning Reserve	29,453		-3,000		26,453
Housing Benefit Reserve	100,000				100,000
Business Rates Volatility Reserve	1,682,000				1,682,000
Business Rates Growth Reserve	2,666,485	1,469,143	-802,229	-85,200	3,248,199
New Homes Bonus Reserve	2,854,951	1,515,848	-1,105,000	-241,040	3,024,759
Arts Development Reserve	3,185		-3,190		-5
Grounds Maintenance Tuition Reserve	1,775		-1,780		-5
Reserves for External Funding where Expenditure has yet to be Incurred					
Performance Reward Grant	67,577				67,577

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

Expected movements in Earmarked Reserves in 2021/22

Earmarked Reserves	Balance at 31 March 2021 £	Revenue Transfers In - 2021/22 RE £	Revenue Transfers Out - 2021/22 RE £	Capital Transfers Out - 2021/22 RE £	Anticipated Balance 31 March 2022 £
Crime Reduction Partnership Reserve	36,880		-7,280		29,600
Exercise Referral and Up and Active Reserve	30,337		-1,950		28,387
Housing Related Grants Reserve	483	32,860			33,343
Planning Policy Related Grants Reserve	5,850				5,850
Community Right to Bid/Challenge	45,124				45,124
Grant Funded Sports Development	10,687				10,687
Whalley Moor Reserve	4,520		-4,520		0
Rural Services Reserve	370			-360	10
Neighbourhood Planning Reserve	16,133				16,133
Repossession Prevention Fund Reserve	28,491				28,491
Parish Grant Reserve	33,830		-20,000		13,830
Custom and Self Build Register Grant Reserve	15,000				15,000
Brownfield Register Grant Reserve	26,263				26,263
Flood Resilience, Response and Recovery Grant Reserve	16,408				16,408
Cyber Resilience Grant Reserve	13,600				13,600
Housing Benefits New Burden Grants Reserve	4,669				4,669
LCTS New Burdens Grant Reserve	18,370			-10,000	8,370
Parks Improvement Funding Reserve	4,102		-4,100		2
Covid-19 Response	1,322,012	125,010	-54,790		1,392,232
Ribble Valley Strategic Partnership	24,326				24,326
Self-isolation Grants Reserve	30,750	67,750	-5,000		93,500
Restoring Your Railways Reserve	7,485		-7,490		-5
Business Rates S31 Grant Adjustment Reserve	2,578,153	1,640,761	-2,578,153		1,640,761
Tax Income Guarantee Reserve	119,388		-119,388		0
Total of all Earmarked Reserves	14,920,382	4,982,312	-4,846,932	-540,420	14,515,342

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

Expected movements in Earmarked Reserves in 2022/23

Earmarked Reserves	Anticipated Balance 31 March 2022 £	Revenue Transfers In - 2022/23 OE £	Revenue Transfers Out - 2022/23 OE £	Potential Out - Unfunded reductions in exp £	Capital Transfers Out - 2022/23 OE £	Anticipated Balance 31 March 2023 £
Reserves for Shorter Term Service Commitments						
Community Services Committee Grants Fund	4,123					4,123
Audit Reserve Fund	53,745					53,745
Refuse Collection	41,746	2,220	-8,040		-13,000	22,926
Amenity Cleansing Reserve	31,030		-19,370			11,660
Clitheroe Food Festival	8,533		-8,530			3
Two-Way Radio Reserve	-2					-2
Promotional Activities Reserve	3					3
Reserves to Smooth the Revenue Impact of Longer Term Cyclical Costs						
Elections Fund	86,388	30,000				116,388
Revaluation of Assets Reserve	7,260	2,420				9,680
Pensions Triennial Revaluation Reserve	68,592					68,592
Reserves for Trading or Business Units						
Building Control Fund	-51,639		-23,610			-75,249
Reserves for Sums Set Aside for Major Schemes such as Capital Projects						
Capital <i>Minimum Balance Recommended at £350,000</i>	843,078				-120,370	722,708
ICT Renewals	92,740				-24,241	68,499
Vehicle & Plant Renewals Reserve	51,035				-37,500	13,535
Reserves for Longer Term Strategic or Corporate Items						
VAT Shelter Reserve <i>No further income after 31 March 2023 - none expected in 2022/23</i>	1,038,159				-236,430	801,729
Fleming VAT Claim	43,727				-38,272	5,455
Insurance	14,581					14,581
Repairs and Maintenance	13,215					13,215
Post LSVT	73,026		-36,512			36,514
Restructuring Reserve	187,903					187,903
Equipment Reserve	64,537		-500		-8,430	55,607
Invest to Save Fund	248,003	2,000				250,003
Planning Reserve	26,453					26,453
Housing Benefit Reserve	100,000					100,000
Business Rates Volatility Reserve	1,682,000					1,682,000
Business Rates Growth Reserve	3,248,199	1,879,798	-1,091,649		-803,737	3,232,611
New Homes Bonus Reserve	3,024,759	1,205,836	-1,105,000		-70,960	3,054,635
Arts Development Reserve	-5					-5
Grounds Maintenance Tuition Reserve	-5					-5

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

Expected movements in Earmarked Reserves in 2022/23

Earmarked Reserves	Anticipated Balance 31 March 2022 £	Revenue Transfers In - 2022/23 OE £	Revenue Transfers Out - 2022/23 OE £	Potential Out - Unfunded reductions in exp £	Capital Transfers Out - 2022/23 OE £	Anticipated Balance 31 March 2023 £
Reserves for External Funding where Expenditure has yet to be Incurred						
Performance Reward Grant	67,577		-10,000			57,577
Crime Reduction Partnership Reserve	29,600		-15,060			14,540
Exercise Referral and Up and Active Reserve	28,387		-6,550			21,837
Housing Related Grants Reserve	33,343					33,343
Planning Policy Related Grants Reserve	5,850					5,850
Community Right to Bid/Challenge	45,124					45,124
Grant Funded Sports Development	10,687					10,687
Rural Services Reserve	10					10
Neighbourhood Planning Reserve	16,133					16,133
Repossession Prevention Fund Reserve	28,491					28,491
Parish Grant Reserve	13,830					13,830
Custom and Self Build Register Grant Reserve	15,000					15,000
Brownfield Register Grant Reserve	26,263					26,263
Flood Resilience, Response and Recovery Grant Reserve	16,408					16,408
Cyber Resilience Grant Reserve	13,600		-13,600			0
Housing Benefits New Burden Grants Reserve	4,669					4,669
LCTS New Burdens Grant Reserve	8,370					8,370
Parks Improvement Funding Reserve	2					2
Covid-19 Response	1,392,232	12,400				1,404,632
Ribble Valley Strategic Partnership	24,326					24,326
Self-isolation Grants Reserve	93,500					93,500
Restoring Your Railways Reserve	-5					-5
Business Rates S31 Grant Adjustment Reserve	1,640,761		-1,640,761			0
Total of all Earmarked Reserves	14,515,342	3,134,674	-3,979,182	0	-1,352,940	12,317,894

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

Expected movements in Earmarked Reserves in 2023/24

Earmarked Reserves	Anticipated Balance 31 March 2023 £	Revenue Transfers In - 2023/24 Forecast £	Revenue Transfers Out - 2023/24 Forecast £	Potential Out - Unfunded reductions in exp £	Capital Transfers Out - 2023/24 Forecast £	Anticipated Balance 31 March 2024 £
<i>Reserves for Shorter Term Service Commitments</i>						
Community Services Committee Grants Fund	4,123					4,123
Audit Reserve Fund	53,745		-41,410			12,335
Refuse Collection	22,926	3,037			-14,000	11,963
Amenity Cleansing Reserve	11,660		-3,800			7,860
Clitheroe Food Festival	3					3
Two-Way Radio Reserve	-2					-2
Promotional Activities Reserve	3					3
<i>Reserves to Smooth the Revenue Impact of Longer-Term Cyclical Costs</i>						
Elections Fund	116,388	33,612	-120,000			30,000
Revaluation of Assets Reserve	9,680	2,420				12,100
Pensions Triennial Revaluation Reserve	68,592					68,592
<i>Reserves for Trading or Business Units</i>						
Building Control Fund	-75,249					-75,249
<i>Reserves for Sums Set Aside for Major Schemes such as Capital Projects</i>						
Capital Minimum Balance Recommended at £350,000	722,708				-310,082	412,626
ICT Renewals	68,499					68,499
Vehicle & Plant Renewals Reserve	13,535				-13,530	5
<i>Reserves for Longer Term Strategic or Corporate Items</i>						
VAT Shelter Reserve No further income after 31 March 2023 - none expected in 2022/23	801,729				-50,000	751,729
Fleming VAT Claim	5,455				-5,451	4
Insurance	14,581					14,581
Repairs and Maintenance	13,215					13,215
Post LSVT	36,514		-36,514			0
Restructuring Reserve	187,903					187,903
Equipment Reserve	55,607		-26,460			29,147
Invest to Save Fund	250,003					250,003
Planning Reserve	26,453					26,453
Housing Benefit Reserve	100,000					100,000
Business Rates Volatility Reserve	1,682,000					1,682,000
Business Rates Growth Reserve	3,232,611		-1,165,349		-4,500	2,062,762
New Homes Bonus Reserve	3,054,635			-320,117	-306,637	2,427,881
Arts Development Reserve	-5					-5
Grounds Maintenance Tuition Reserve	-5					-5

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

Expected movements in Earmarked Reserves in 2023/24

Earmarked Reserves	Anticipated Balance 31 March 2023 £	Revenue Transfers In - 2023/24 Forecast £	Revenue Transfers Out - 2023/24 Forecast £	Potential Out - Unfunded reductions in exp £	Capital Transfers Out - 2023/24 Forecast £	Anticipated Balance 31 March 2024 £
<i>Reserves for External Funding where Expenditure has yet to be Incurred</i>						
Performance Reward Grant	57,577					57,577
Crime Reduction Partnership Reserve	14,540		-14,540			0
Exercise Referral and Up and Active Reserve	21,837		-18,985			2,852
Housing Related Grants Reserve	33,343		-33,343			0
Planning Policy Related Grants Reserve	5,850		-5,850			0
Community Right to Bid/Challenge	45,124					45,124
Grant Funded Sports Development	10,687		-8,207			2,480
Rural Services Reserve	10					10
Neighbourhood Planning Reserve	16,133					16,133
Repossession Prevention Fund Reserve	28,491					28,491
Parish Grant Reserve	13,830					13,830
Custom and Self Build Register Grant Reserve	15,000		-15,000			0
Brownfield Register Grant Reserve	26,263		-26,263			0
Flood Resilience, Response and Recovery Grant Reserve	16,408					16,408
Housing Benefits New Burden Grants Reserve	4,669					4,669
LCTS New Burdens Grant Reserve	8,370					8,370
Parks Improvement Funding Reserve	2					2
Covid-19 Response	1,404,632					1,404,632
Ribble Valley Strategic Partnership	24,326					24,326
Self-isolation Grants Reserve	93,500		-93,500			0
Restoring Your Railways Reserve	-5					-5
Total of all Earmarked Reserves	12,317,894	39,069	-1,609,221	-320,117	-704,200	9,723,425

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

Expected movements in Earmarked Reserves in 2024/25

Earmarked Reserves	Anticipated Balance 31 March 2024 £	Revenue Transfers In - 2024/25 Forecast £	Revenue Transfers Out - 2024/25 Forecast £	Potential Out - Unfunded reductions in exp £	Capital Transfers Out - 2024/25 Forecast £	Anticipated Balance 31 March 2025 £
<i>Reserves for Shorter Term Service Commitments</i>						
Community Services Committee Grants Fund	4,123					4,123
Audit Reserve Fund	12,335					12,335
Refuse Collection	11,963	3,037			-15,000	0
Amenity Cleansing Reserve	7,860		-3,880			3,980
Clitheroe Food Festival	3					3
Two-Way Radio Reserve	-2					-2
Promotional Activities Reserve	3					3
<i>Reserves to Smooth the Revenue Impact of Longer-Term Cyclical Costs</i>						
Elections Fund	30,000	30,000				60,000
Revaluation of Assets Reserve	12,100	2,420	-12,100			2,420
Pensions Triennial Revaluation Reserve	68,592					68,592
<i>Reserves for Trading or Business Units</i>						
Building Control Fund	-75,249					-75,249
<i>Reserves for Sums Set Aside for Major Schemes such as Capital Projects</i>						
Capital Minimum Balance Recommended at £350,000	412,626					412,626
ICT Renewals	68,499				-63,400	5,099
Vehicle & Plant Renewals Reserve	5					5
<i>Reserves for Longer Term Strategic or Corporate Items</i>						
VAT Shelter Reserve No further income after 31 March 2023 - none expected in 2022/23	751,729					751,729
Fleming VAT Claim	4					4
Insurance	14,581					14,581
Repairs and Maintenance	13,215					13,215
Restructuring Reserve	187,903					187,903
Equipment Reserve	29,147		-500			28,647
Invest to Save Fund	250,003					250,003
Planning Reserve	26,453					26,453
Housing Benefit Reserve	100,000					100,000
Business Rates Volatility Reserve	1,682,000					1,682,000
Business Rates Growth Reserve	2,062,762		-1,207,649		-488,680	366,433
New Homes Bonus Reserve	2,427,881			-543,901		1,883,980
Arts Development Reserve	-5					-5
Grounds Maintenance Tuition Reserve	-5					-5
<i>Reserves for External Funding where Expenditure has yet to be Incurred</i>						
Performance Reward Grant	57,577					57,577
Exercise Referral and Up and Active Reserve	2,852		-1,360			1,492
Community Right to Bid/Challenge	45,124					45,124
Grant Funded Sports Development	2,480					2,480

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

Expected movements in Earmarked Reserves in 2024/25

Earmarked Reserves	Anticipated Balance 31 March 2024 £	Revenue Transfers In - 2024/25 Forecast £	Revenue Transfers Out - 2024/25 Forecast £	Potential Out - Unfunded reductions in exp £	Capital Transfers Out - 2024/25 Forecast £	Anticipated Balance 31 March 2025 £
Rural Services Reserve	10					10
Neighbourhood Planning Reserve	16,133					16,133
Repossession Prevention Fund Reserve	28,491					28,491
Parish Grant Reserve	13,830					13,830
Flood Resilience, Response and Recovery Grant Reserve	16,408					16,408
Housing Benefits New Burden Grants Reserve	4,669					4,669
LCTS New Burdens Grant Reserve	8,370					8,370
Parks Improvement Funding Reserve	2					2
Covid-19 Response	1,404,632					1,404,632
Ribble Valley Strategic Partnership	24,326					24,326
Restoring Your Railways Reserve	-5					-5
Total of all Earmarked Reserves	9,723,425	35,457	-1,225,489	-543,901	-567,080	7,422,412

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

Expected movements in Earmarked Reserves in 2025/26

Earmarked Reserves	Anticipated Balance 31 March 2025 £	Revenue Transfers In - 2025/26 Forecast £	Revenue Transfers Out - 2025/26 Forecast £	Potential Out - Unfunded reductions in exp £	Capital Transfers Out - 2025/26 Forecast £	Anticipated Balance 31 March 2026 £
<u>Reserves for Shorter Term Service Commitments</u>						
Community Services Committee Grants Fund	4,123					4,123
Audit Reserve Fund	12,335					12,335
Refuse Collection	0	3,037				3,037
Amenity Cleansing Reserve	3,980		-3,980			0
Clitheroe Food Festival	3					3
Two-Way Radio Reserve	-2					-2
Promotional Activities Reserve	3					3
<u>Reserves to Smooth the Revenue Impact of Longer-Term Cyclical Costs</u>						
Elections Fund	60,000	30,000				90,000
Revaluation of Assets Reserve	2,420	2,420				4,840
Pensions Triennial Revaluation Reserve	68,592					68,592
<u>Reserves for Trading or Business Units</u>						
Building Control Fund	-75,249					-75,249
<u>Reserves for Sums Set Aside for Major Schemes such as Capital Projects</u>						
Capital Minimum Balance Recommended at £350,000	412,626					412,626
ICT Renewals	5,099					5,099
Vehicle & Plant Renewals Reserve	5					5
<u>Reserves for Longer Term Strategic or Corporate Items</u>						
VAT Shelter Reserve No further income after 31 March 2023 - none expected in 2022/23	751,729					751,729
Fleming VAT Claim	4					4
Insurance	14,581					14,581
Repairs and Maintenance	13,215					13,215
Restructuring Reserve	187,903					187,903
Equipment Reserve	28,647		-500			28,147
Invest to Save Fund	250,003					250,003
Planning Reserve	26,453					26,453
Housing Benefit Reserve	100,000					100,000
Business Rates Volatility Reserve	1,682,000					1,682,000
Business Rates Growth Reserve	366,433		-795,549			-429,116
New Homes Bonus Reserve	1,883,980			-1,197,881		686,099
Arts Development Reserve	-5					-5
Grounds Maintenance Tuition Reserve	-5					-5

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

Expected movements in Earmarked Reserves in 2025/26

Earmarked Reserves	Anticipated Balance 31 March 2025 £	Revenue Transfers In - 2025/26 Forecast £	Revenue Transfers Out - 2025/26 Forecast £	Potential Out - Unfunded reductions in exp £	Capital Transfers Out - 2025/26 Forecast £	Anticipate d Balance 31 March 2026 £
<i>Reserves for External Funding where Expenditure has yet to be Incurred</i>						
Performance Reward Grant	57,577					57,577
Exercise Referral and Up and Active Reserve	1,492		-1,394			98
Community Right to Bid/Challenge	45,124					45,124
Grant Funded Sports Development	2,480					2,480
Rural Services Reserve	10					10
Neighbourhood Planning Reserve	16,133					16,133
Repossession Prevention Fund Reserve	28,491					28,491
Parish Grant Reserve	13,830					13,830
Flood Resilience, Response and Recovery Grant Reserve	16,408					16,408
Housing Benefits New Burden Grants Reserve	4,669					4,669
LCTS New Burdens Grant Reserve	8,370					8,370
Parks Improvement Funding Reserve	2					2
Covid-19 Response	1,404,632					1,404,632
Ribble Valley Strategic Partnership	24,326					24,326
Restoring Your Railways Reserve	-5					-5
Total of all Earmarked Reserves	7,422,412	35,457	-801,423	-1,197,881	0	5,458,565

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

Expected movements in Earmarked Reserves in 2026/27

Earmarked Reserves	Anticipated Balance 31 March 2026 £	Revenue Transfers In - 2026/27 Forecast £	Revenue Transfers Out - 2026/27 Forecast £	Potential Out - Unfunded reductions in exp £	Capital Transfers Out - 2026/27 Forecast £	Anticipated Balance 31 March 2027 £
<i>Reserves for Shorter Term Service Commitments</i>						
Community Services Committee Grants Fund	4,123					4,123
Audit Reserve Fund	12,335					12,335
Refuse Collection	3,037	3,037				6,074
Clitheroe Food Festival	3					3
Two-Way Radio Reserve	-2					-2
Promotional Activities Reserve	3					3
<i>Reserves to Smooth the Revenue Impact of Longer-Term Cyclical Costs</i>						
Elections Fund	90,000	30,000				120,000
Revaluation of Assets Reserve	4,840	2,420				7,260
Pensions Triennial Revaluation Reserve	68,592					68,592
<i>Reserves for Trading or Business Units</i>						
Building Control Fund	-75,249					-75,249
<i>Reserves for Sums Set Aside for Major Schemes such as Capital Projects</i>						
Capital Minimum Balance Recommended at £350,000	412,626					412,626
ICT Renewals	5,099					5,099
Vehicle & Plant Renewals Reserve	5					5
<i>Reserves for Longer Term Strategic or Corporate Items</i>						
VAT Shelter Reserve No further income after 31 March 2023 - none expected in 2022/23	751,729					751,729
Fleming VAT Claim	4					4
Insurance	14,581					14,581
Repairs and Maintenance	13,215					13,215
Restructuring Reserve	187,903					187,903
Equipment Reserve	28,147		-500			27,647
Invest to Save Fund	250,003					250,003
Planning Reserve	26,453					26,453
Housing Benefit Reserve	100,000					100,000
Business Rates Volatility Reserve	1,682,000			-813,844		868,156
Business Rates Growth Reserve	-429,116		-795,549			-1,224,665
New Homes Bonus Reserve	686,099			-523,677		162,422
Arts Development Reserve	-5					-5
Grounds Maintenance Tuition Reserve	-5					-5
<i>Reserves for External Funding where Expenditure has yet to be Incurred</i>						
Performance Reward Grant	57,577					57,577

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

Expected movements in Earmarked Reserves in 2026/27

Earmarked Reserves	Anticipated Balance 31 March 2026 £	Revenue Transfers In - 2026/27 Forecast £	Revenue Transfers Out - 2026/27 Forecast £	Potential Out - Unfunded reductions in exp £	Capital Transfers Out - 2026/27 Forecast £	Anticipated Balance 31 March 2027 £
Exercise Referral and Up and Active Reserve	98		-95			3
Community Right to Bid/Challenge	45,124					45,124
Grant Funded Sports Development	2,480					2,480
Rural Services Reserve	10					10
Neighbourhood Planning Reserve	16,133					16,133
Repossession Prevention Fund Reserve	28,491					28,491
Parish Grant Reserve	13,830					13,830
Flood Resilience, Response and Recovery Grant Reserve	16,408					16,408
Housing Benefits New Burden Grants Reserve	4,669					4,669
LCTS New Burdens Grant Reserve	8,370					8,370
Parks Improvement Funding Reserve	2					2
Covid-19 Response	1,404,632					1,404,632
Ribble Valley Strategic Partnership	24,326					24,326
Restoring Your Railways Reserve	-5					-5
Total of all Earmarked Reserves	5,458,565	35,457	-796,144	-1,337,521	0	3,360,357

**SPECIAL POLICY & FINANCE COMMITTEE
EARMARKED RESERVES & GENERAL FUND BALANCES**

General Fund Balances	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	£	£	£	£	£	£
Brought Forward	2,534,143	2,731,896	2,319,474	2,069,474	1,819,474	1,569,474
Added to/(Taken) in year	197,753	-412,422	-250,000	-250,000	-250,000	-250,000
Carried Forward	2,731,896	2,319,474	2,069,474	1,819,474	1,569,474	1,319,474