

Analysis of Alternative Budget Variations 2015/16 - 2018/19

APPENDIX A

	2015/16 ESTIMATE £'000	2016/17 ESTIMATE £'000	2017/18 ESTIMATE £'000	2018/19 ESTIMATE £'000
CASH BASE BUDGET REQUIREMENT	14,252	13,841	13,439	12,150
Cash Movements:				
Other Virements (Transfer below the line)	(652)			
Inflation				
Pay	110	231	99	100
Pensions	21	23	11	9
Pensions Rate Adj.	116	117	124	125
Non-Pay	(119)	(13)	56	56
Contractual	155	152	201	198
Income	35	61	21	15
Increments	44	33	13	4
Volume Expenditure	(67)	223	(161)	125
Volume Income	60	(82)	35	53
Loss of Income - LCC waste/recycling agreement	0	18	18	933
Growth Items 2013/14 to 2015/16	0	(235)	0	0
New Revenue Investment 2014/15	(485)	(145)	0	0
New Capital Investment 2014/15	(206)	(218)	0	0
Market Walk - Net Income/Equalisation Account	(500)	500	0	0
Market Walk Account 16/17 Permanent Budget Adjustment	0	(358)	0	0
Net Income from Extra Care Scheme	0	0	(50)	0
New Revenue Investment 2015/16	807	(807)	0	0
New Capital Investment 2015/16	240	(240)	0	0
New Capital Investment (Future Years)	0	400	0	0
Reserve Balance for Unitary Work - Referendum	100	(100)	0	0
Transformation Strategy Savings 2016/17	0	(214)	20	0
Senior Management Review 2016/17	0	(229)	(45)	(90)
New Revenue Investment 2016/17	0	580	(580)	0
VFM Reviews 2016/17	0	(100)	0	0
Productivity Savings 2017/18	0	0	(1,000)	0
Productivity Savings 2018/19	0	0	0	(500)
Income Generation	0	0	(50)	0
DIRECTORATE CASH BUDGETS	13,841	13,439	12,150	13,179
Contingency:				
- Management of the Establishment	(150)	(150)	(150)	(150)
Directorate & Corporate Budgets	13,691	13,289	12,000	13,029
Net Financing Transactions:				
- Net Interest/Premiums/Discounts	107	127	127	127
- Minimum Revenue Provision (MRP - capital financing)	358	387	432	511
- MRP £23m & Borrowing £13m for Market Walk	652	536	520	506
- Additional interest on £11m Borrowing not initially taken	0	364	361	358
- Temporary Savings on Borrowing	0	(246)	0	0
sub total	1,117	1,168	1,440	1,501
TOTAL EXPENDITURE	14,808	14,457	13,440	14,529
Financed By:				
Council Tax - Borough	(6,121)	(6,242)	(6,273)	(6,304)
Grant for freezing Council Tax in 2015/16	(65)	0	0	0
Parish Precepts	533	533	533	533
Council Tax Parishes	(533)	(533)	(533)	(533)
Revenue Support Grant	(2,132)	(1,397)	(734)	(299)
Retained Business Rates	(2,759)	(2,977)	(2,977)	(2,977)
Business Rates Pooling	0	(726)	(726)	(726)
Government Section 31 Grants	(770)	(583)	(583)	(583)
Business Rates Retention Reserve	(92)	(92)	(92)	(92)
New Homes Bonus 2011/12 & 2012/13	(1,044)	(1,044)	(1,044)	(1,044)
Use of New Homes Bonus for PCSO's	(297)	(297)	(297)	(297)
Use of NHB for Capital Investment (Future Years)	0	(400)	(400)	(400)
Use of NHB for New Investment - Revenue 2016/17	0	(519)	0	0
New Burdens Grant	0	0	0	0
Collection Fund (Surplus)/Deficit - Council Tax 16/17	(135)	(83)	0	0
Collection Fund (Surplus)/Deficit - Council Tax 17/18 onwards	0	0	0	0
Collection Fund (Surplus)/Deficit - Business Rates 16/17	358	(49)	0	0
Collection Fund (Surplus)/Deficit - Business Rates 17/18 onwards	0	0	0	0
Transfers to/(from) Earmarked Reserves	(62)	(49)	136	18
Transfer to/(from) General Balances	350	0	0	0
TOTAL FINANCING	(14,808)	(14,457)	(12,990)	(12,704)
Net Expenditure	0	0	450	1,825
Analysis of Net Expenditure (Budget Gap)				
Net Expenditure in Year	0	0	450	1,375

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Key Assumptions	2015/16	2016/17	2017/18	2018/19
Increase in Council Tax	0%	0%	0%	0%
Growth in Council Tax Base	3.8%	2.0%	0.5%	0.5%
Grant for freezing Council Tax in 2014/15 and 2015/16	£131k	£0k	£0k	£0k
Reduction in Government Grant Settlement (AEF)	£883k	£735k	£663k	£435k
Profiled Reduction in Grant Settlement	-15.50%	-34.48%	-31.08%	-20.40%
New Homes Bonus receipts built into revenue base budget	£1,044k	£1,044k	£1,044k	£1,044k
New Homes Bonus estimated receipts not in revenue base budget	£2,335k	£3,411k	£2,967k	£1,589k
Net Financing of Market Walk	£652k	£654k	£881k	£863k
Future Service Pension Rate	11.1%	11.1%	11.1%	11.1%
Additional Business Rates - Lancashire Pooling Arrangement	0	£725k	£725k	£725k
Lancashire Waste Partnership Income	£933k	£933k	£933k	0
Pension Fund deficit recovery	£832k	£956k	£1,081k	£1,206k
Supporting People Income from LCC	£147k	£138k	£130k	£122k
Pay Award	2.2%	1%	1%	1%

New Homes Bonus	2015/16	2016/17	2017/18	2018/19
New Homes Bonus 2011/12	(302)	(302)	-	-
New Homes Bonus 2012/13	(742)	(742)	-	-
New Homes Bonus 2013/14	(739)	(739)	(739)	-
New Homes Bonus 2014/15	(847)	(847)	(847)	-
New Homes Bonus 2015/16	(749)	(749)	(749)	(652)
New Homes Bonus 2016/17	-	(1,076)	(1,076)	(937)
New Homes Bonus 2017/18	-	-	(600)	(522)
New Homes Bonus 2018/19	-	-	-	(522)
Total New Homes Bonus	(3,379)	(4,455)	(4,011)	(2,633)
Use of New Homes Bonus in Base Budget	1,044	1,044	1,044	1,044
New Homes Bonus Receivable	(2,335)	(3,411)	(2,967)	(1,589)
Use of NHB for Growth Items 2013/14 to 2015/16	235	-	-	-
Use of New Homes Bonus for PCSO's	297	297	297	297
Use of NHB for 2014/15 Growth Items in Year 2	363	-	-	-
New Homes Bonus Available Balance	(1,440)	(3,114)	(2,670)	(1,292)
Use of NHB for 2015/16 Investment - Revenue	1,200	-	-	-
Use of NHB for 2015/16 Investment - Capital	240	400	400	400
New Homes Bonus Available Balance	-	(2,714)	(2,270)	(892)
Use of NHB for 2016/17 Revenue Investment	-	519	-	-
New Homes Bonus Available for General Balances	-	(2,195)	(2,270)	(892)