

**Cumulative Budget Deficit & Budget Strategy 2017-18 to 2019/20**

	2017/18 ESTIMATE £'000	2018/19 ESTIMATE £'000	2019/20 ESTIMATE £'000
<b>CASH BASE BUDGET REQUIREMENT</b>	<b>14,059</b>	<b>14,423</b>	<b>15,422</b>
<b>Cash Movements:</b>			
Inflation			
Pay	133	99	96
Pensions	276	13	13
Pensions Rate Adj.	(165)	50	126
Non-Pay	33	6	20
Contractual	190	161	78
Income	202	16	(104)
Increments	47	22	10
Volume Expenditure	40	39	(45)
Volume Income	(4)	137	25
Loss of Income - LCC waste/recycling agreement	18	933	0
Market Walk Extension	0	(150)	(235)
Retirement Village	30	45	243
Digital Office Park	65	(7)	(76)
Chorley Employment Inclusion Programme	295	(295)	0
Chorley Youth Zone - Additional Contribution	0	50	0
Transformation Strategy Savings 2016/17	24	0	0
New Revenue Investment 2016/17	(1,408)	0	0
Recurrent Revenue Investment	468	0	0
LCC Transition Fund	100	(100)	0
<b>DIRECTORATE CASH BUDGETS</b>	<b>14,423</b>	<b>15,422</b>	<b>15,573</b>
Contingency:			
- Management of the Establishment	(150)	(150)	(150)
<b>Directorate &amp; Corporate Budgets</b>	<b>14,273</b>	<b>15,272</b>	<b>15,423</b>
<b>Net Financing Transactions:</b>			
- Net Interest/Premiums/Discounts	3	(4)	(22)
- Minimum Revenue Provision (MRP - capital financing)	543	549	549
- MRP £23m & Borrowing £13m for Market Walk	366	345	327
- Additional interest on Borrowing not initially taken	350	495	531
<i>sub total</i>	<b>1,263</b>	<b>1,386</b>	<b>1,386</b>
<b>TOTAL EXPENDITURE</b>	<b>15,536</b>	<b>16,658</b>	<b>16,808</b>
<b>Financed By:</b>			
Council Tax - Borough	(6,376)	(6,439)	(6,503)
Revenue Support Grant	(734)	(299)	156
Retained Business Rates	(2,930)	(2,930)	(2,930)
Business Rates Pooling	(717)	(717)	(717)
Government Section 31 Grants	(678)	(678)	(678)
Business Rates Retention Reserve	(539)	(53)	(23)
Collection Fund (Surplus)/Deficit - Business Rates	485	0	0
Use of NHB for Capital Investment (Future Years)	(400)	(400)	(400)
Use of NHB for contribution to General Balances	(500)	(259)	0
Use of uncommitted NHB	(3,107)	(2,323)	(2,398)
Council Tax Discount Family Annexes Grant	(5)	0	0
Collection Fund (Surplus)/Deficit - Council Tax	(80)	0	0
Transfers to/(from) Earmarked Reserves	73	(18)	17
Transition Fund - Transfer to Reserve	100	0	0
Transfer to/(from) General Balances	500	259	0
<b>TOTAL FINANCING</b>	<b>(14,906)</b>	<b>(13,857)</b>	<b>(13,475)</b>

<b>Cumulative Gross Budget Deficit Position</b>	<b>629</b>	<b>2,801</b>	<b>3,333</b>
Savings Achieved	(276)	(327)	(327)
Productivity Savings to be achieved in 2017/18	(140)	(163)	(163)
Use of LCC Transition Fund	(285)	0	0
Increase Council Tax by 2%	(127)	(260)	(398)
Reshaping the Waste Collection Service	(585)	(780)	(780)
<b>Adjusted Forecast Cumulative Budget Deficit Position</b>	<b>(784)</b>	<b>1,270</b>	<b>1,665</b>

**Utilising Resources Available in 2017/18**

Creation of an Investment Project Fund	184		
Increase in Change Management Reserve	200		
Increase in Income Generating Investment Fund	300		
Increase in Maintenance Reserve	100		
<b>Adjusted Cumulative Budget Deficit Position 2017/18</b>	<b>0</b>	<b>1,270</b>	<b>1,665</b>

**Future Savings**

Renegotiate Major Contracts	-	(70)	(315)
Transformation – Productivity Gains	-	(300)	(400)
Transformation – Shared Service	-	(600)	(650)
Transformation - Income Generation	-	(300)	(300)
<b>Forecast Adjusted Medium Term Budget Gap</b>	<b>-</b>	<b>0</b>	<b>0</b>