

**Cumulative Budget Deficit & Budget Strategy 2018/19 to 2020/21**

|   | 2018/19<br>ESTIMATE<br>£'000 | 2019/20<br>ESTIMATE<br>£'000 | 2020/21<br>ESTIMATE<br>£'000 |
|---|------------------------------|------------------------------|------------------------------|
| <b>CASH BASE BUDGET REQUIREMENT</b>                           | <b>13,423</b>                | <b>14,372</b>                | <b>14,996</b>                |
| <b>Cash Movements:</b>  |                              |                              |                              |
| Inflation   |                              |                              |                              |
| Pay   | 232                          | 258                          | 209                          |
| Pensions  | 15                           | 14                           | 13                           |
| Pensions Rate Adj.  | 50                           | 126                          | 50                           |
| Non-Pay   | (68)                         | 21                           | 11                           |
| Contractual   | 234                          | 76                           | 79                           |
| Income  | (24)                         | 13                           | (181)                        |
| Increments  | 42                           | 25                           | 13                           |
| Volume Expenditure  | 192                          | (118)                        | (12)                         |
| Volume Income   | (75)                         | 102                          | 1                            |
| Loss of Income - LCC waste/recycling agreement                | 933                          | 0                            | 0                            |
| Retirement Village  | 63                           | 114                          | (151)                        |
| Digital Office Park   | 3                            | (7)                          | (196)                        |
| Parking Strategy  | (20)                         | 0                            | 0                            |
| New Homes Bonus set aside to fund European Employment Project | (295)                        | 0                            | 0                            |
| Chorley Youth Zone - Additional Contribution                  | 50                           | 0                            | 0                            |
| Savings from Senior Management Structure Review               | (52)                         | 0                            | 0                            |
| Waste Collection Service including Garden Waste Subscription  | (415)                        | 0                            | 0                            |
| Recurrent Revenue Investment - Increased to £558k             | 70                           | 0                            | 0                            |
| LCC Transition Fund - Increased from £100k to £115k           | 15                           | 0                            | 0                            |
| <b>DIRECTORATE CASH BUDGETS</b>                               | <b>14,372</b>                | <b>14,996</b>                | <b>14,833</b>                |
| Contingency:  |                              |                              |                              |
| - Management of the Establishment                             | (200)                        | (150)                        | (150)                        |
| <b>Directorate &amp; Corporate Budgets</b>                    | <b>14,172</b>                | <b>14,846</b>                | <b>14,683</b>                |
| <b>Net Financing</b>  | <b>1,386</b>                 | <b>1,386</b>                 | <b>1,386</b>                 |
| <b>TOTAL EXPENDITURE</b>                                      | <b>15,557</b>                | <b>16,231</b>                | <b>16,069</b>                |
| <b>Financed By:</b>   |                              |                              |                              |
| Council Tax - Borough   | (6,626)                      | (6,725)                      | (6,826)                      |
| Parish Precepts   | 671                          | 671                          | 671                          |
| Council Tax Parishes  | (671)                        | (671)                        | (671)                        |
| Revenue Support Grant   | (299)                        | 0                            | 0                            |
| Retained Business Rates                                       | (2,819)                      | (2,663)                      | (2,263)                      |
| Business Rates Pooling  | (676)                        | (676)                        | (676)                        |
| Government Section 31 Grants                                  | (1,090)                      | (1,090)                      | (1,090)                      |
| Business Rates Retention Reserve                              | (371)                        | 237                          | 261                          |
| Collection Fund (Surplus)/Deficit - Business Rates            | 566                          | 0                            | 0                            |
| Use of NHB for Capital Investment (Future Years)              | (400)                        | (400)                        | (400)                        |
| Use of uncommitted NHB  | (2,589)                      | (2,353)                      | (1,757)                      |
| New Burdens Grants  | (40)                         | (40)                         | (20)                         |
| Collection Fund (Surplus)/Deficit - Council Tax               | (58)                         | 0                            | 0                            |
| Transfers to/(from) Earmarked Reserves                        | (285)                        | (20)                         | (21)                         |
| <b>TOTAL FINANCING</b>  | <b>(14,688)</b>              | <b>(13,730)</b>              | <b>(12,792)</b>              |
| <b>CUMULATIVE GROSS BUDGET DEFICIT POSITION</b>               | <b>870</b>                   | <b>2,502</b>                 | <b>3,277</b>                 |
| Review of Fees and Charges                                    | (50)                         | (60)                         | (60)                         |
| Base Budget Review  | (75)                         | (100)                        | (125)                        |
| Review and Use of Unutilised Reserves                         | (400)                        | 0                            | 0                            |
| Review of Net Financing                                       | (150)                        | (100)                        | (100)                        |
| Productivity Savings to be Achieved for 2018/19               | (220)                        | (220)                        | (220)                        |
| 2.99% Increase Council Tax 2018/19 & 2019/20 & 2% in 2020/21  | (198)                        | (408)                        | (559)                        |
| <b>Adjusted Forecast Cumulative Budget Deficit Position</b>   | <b>(224)</b>                 | <b>1,614</b>                 | <b>2,213</b>                 |
| <b>Utilising Resources Available in 2018/19</b>               |                              |                              |                              |
| Creation of an Investment Project Fund for 2018/19            | 224                          | 0                            | 0                            |
| <b>Adjusted Cumulative Budget Deficit Position 2018/19</b>    | <b>0</b>                     | <b>1,614</b>                 | <b>2,213</b>                 |
| <b>Future Savings</b>   |                              |                              |                              |
| Renegotiate Contracts   | 0                            | (574)                        | (673)                        |
| Transformation – Productivity Gains                           | 0                            | (790)                        | (1,040)                      |
| Transformation - Income Generation                            | 0                            | (250)                        | (500)                        |
| <b>Forecast Adjusted Medium Term Budget Gap</b>               | <b>0</b>                     | <b>0</b>                     | <b>0</b>                     |