

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 17

meeting date: 27 JUNE 2017
 title: OVERALL REVENUE OUTTURN 2016/17
 submitted by: DIRECTOR OF RESOURCES
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1 PURPOSE

1.1 To report the overall revenue outturn for the year ending 31 March 2017.

2 BACKGROUND

2.1 Our full Statement of Accounts were signed off for audit by the Director of Resources on 31 May 2017 and are now consequently subject to audit. Following conclusion of the audit and subject to any changes required, the Statement of Accounts will be submitted for approval to Accounts and Audit Committee on 26 July 2017. The Statement of Accounts as submitted to our external auditors Grant Thornton, have been published on our website (www.ribblevalley.gov.uk/soa).

2.2 The 2017/18 financial year will be the first where we are required to meet the new deadlines for release of our Statement of Accounts for external audit by the 31 May and approval following audit by 31 July.

2.3 We have undertaken to meet this deadline a year earlier and successfully published our Statement of Accounts subject to audit on our website on 1 June.

2.4 The outturn position for each of our committees will be reported in the next cycle of meetings and will include details of the variances against the budget estimate. This will help in the budget setting process for the 2018/19 financial year, and also in revising the estimate for the current financial year.

3 GENERAL FUND OUTTURN POSITION 2016/17

3.1 Shown below is the final position for the 2016/17 financial year.

Committee	Original Estimate £'000	Revised Estimate £'000	Actual £'000	Original Estimate Compared to Actual £'000	Revised Estimate Compared to Actual £'000
Community Services	3,524	3,413	3,513	-11	100
Health & Housing	935	860	663	-272	-197
Planning & Development	552	493	365	-187	-128
Policy & Finance	2,157	2,094	1,922	-235	-172
Committee Expenditure	7,168	6,860	6,463	-705	-397
Interest Payable	9	9	9	0	0
Parish Precepts	377	377	377	0	0
Interest Received	-29	-21	-22	7	-1
Net Operating Expenditure	7,525	7,225	6,827	-698	-398

Committee	Original Estimate £'000	Revised Estimate £'000	Actual £'000	Original Estimate Compared to Actual £'000	Revised Estimate Compared to Actual £'000
Precept from Collection Fund (including parish precepts)	-3,585	-3,585	-3,585	0	0
Collection Fund Surplus - Council Tax	-48	-48	-48	0	0
Localisation of Council Tax Support - Parish Payment	6	6	6	0	0
Transition Grant	-20	-20	-20	0	0
New Homes Bonus	-1,367	-1,367	-1,367	0	0
New Homes Bonus - Returned Funding	0	0	-3	-3	-3
Rural Areas Delivery Grant	-107	-107	-107	0	0
Revenue Support Grant	-623	-623	-623	0	0
Business Rates Baseline Funding	-1,240	-1,240	-1,240	0	0
Retained Rates Income	-339	-339	-339	0	0
10% Retained Business Rates Levy - Paid to LCC	39	38	38	-1	0
S31 Grant	-528	-458	-462	66	-4
Retained Rates - Renewable Energy	0	-36	-33	-33	3
Collection Fund Deficit - Business Rates	420	420	420	0	0
Deficit/(Surplus) for year	133	-134	-536	-669	-402
Depreciation	-838	-856	-856	-18	0
Minimum Revenue Provision	135	134	134	-1	0
Net Transfer to/from earmarked reserves	770	864	1,220	450	356
Deficit/(Surplus) for year	200	8	-38	-238	-46

3.2 You will see we have made a surplus of £38,000 during the year, compared with the Revised Estimate which showed a deficit of £8,000, and the Original Estimate which showed a deficit of £200,000. When the Revised Estimates were considered in January we explained the main differences between the Original and Revised Estimates.

3.3 During the preparation of the revised estimate a number of changes were made to the budget:

Item	£'000
Net Decrease in Service Committee Costs	-315
Decrease in Interest Received	8
Decrease in Forecast 10% Retained Levy Payable to Lancashire County Council	-1
Decrease in S31 Grants Receivable	70
Increase in retained Rates from Renewable Energy	-36

Item	£'000
Increase in amount removed for Depreciation	-18
Reduction in Minimum Revenue Provision	-1
Increase in amount set aside in Earmarked Reserves	101
Net decrease in amount to take from balances for the year compare to the Original Estimate	-192

Final Position Compared to the Revised Estimate

- 3.4 During the 2016/17 financial year there are many variances that occur which are highlighted in our budget monitoring reports to committee. The main variations affecting our final position compared with the **revised estimate** can be summarised below. Favourable variances are denoted by values with a minus sign:

Variation	Committee Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000
<u>Expenditure Variations</u>			
Direct Employee Costs	85		85
Tuition Fees and Training	-14		-14
Electricity	15		15
Gas	-11		-11
Vehicle Repairs and Maintenance	91		91
Rural Areas Delivery Grant Expenditure	-107	107	0
Purchase of Equipment and Materials	-14	9	-5
Purchase of wheeled bins for onward sale	20		20
Cost Sharing Paper Penalty Charge	31		31
Printing and Stationery	-12		-12
Postages	-18	10	-8
Software Maintenance	-11	2	-9
Subscriptions	-10		-10
Inspection Fees	-11	10	-1
Tipping Charges	13		13
Promotional Activities and Ribble Valley News	-18	10	-8
Council Tax Flood Discount	70		70
Contribution Towards General Fund Rent Rebates	-13		-13
Rent Allowance Payments	-32		-32
Grants	-14		-14
Grants to Individuals	-80	1	-79

Variation	Committee Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000
Total Expenditure Variances	-40	149	109
<u>Income Variations</u>			
HRA Rent Rebate Grant	11		11
Storm Eva Flood S31 Grant	-70		-70
DCLG Community Housing Grant	-158	158	0
DCLG Custom and Self Build Grant	-15	15	0
DCLG Brownfield Register and PIP Grant	-15	15	0
Contributions and Donations Received	-17	14	-3
VAT Shelter Reimbursements	-43	43	0
Flood Resilience Funding S31 Grant (via LCC)	78		78
Sale of Vehicles	-10	10	0
Sale of Paper (see associated penalty charge above, under expenditure)	-31		-31
Sale of wheeled bins	-31		-31
Planning Fees	-35		-35
Commercial Trade Waste Collection	-23		-23
DCLG Property Searches New Burdens Grant	-5	5	0
Land Rents	14		14
Business Rates Volatility Reserve (no longer to be set aside)	0	-44	-44
Transition Grant (no longer to be set aside)	0	-20	-20
Total Income Variances	-348	196	-154
Other Variations	-7	11	4
Net Variation on Committee Expenditure	-397	356	-41
Increased Interest Received			-1
Variation on Net Operating Expenditure			-42
Increased New Homes Bonus Returned Funding			-3
Increased S31 Grants			-4
Retained Rates - Renewable Energy			3
Increase in amount to add to balances compared to Revised Estimate			-46

- 3.5 The reasons for the large variations listed above are given at Annex 1. As can be seen, a substantial proportion of these variations result in more transfers to our earmarked reserves. This is largely due to a high number of variances relating to grant income that has yet to be expended, and the required accounting treatment of the same through set aside in earmarked reserves for future use.

Committee Variances after Earmarked Reserves

- 3.6 The table below summarises the net position by committee and shows the overall variance on committees is -0.5% when compared to the revised estimate:

Committee	Revised Estimate	Revised Earmarked Reserves	Net at Revised Estimate	Actual	Actual Earmarked Reserves	Net Outturn	Net Variance	% Variance to Revised Estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
Community Services	3,413	28	3,441	3,513	52	3,565	124	3.6%
Health & Housing	860	-29	831	663	130	793	-38	-4.6%
Planning & Development	493	7	500	365	80	445	-55	-11.0%
Policy & Finance	2,094	182	2,276	1,922	302	2,224	-52	-2.3%
Other Corporate Items		676	676		656	656	-20	-3.0%
Committee Expenditure	6,860	864	7,724	6,463	1,220	7,683	-41	-0.5%

General Fund Balances

- 3.7 As mentioned earlier in the report, we had originally planned to take £200,000 from general fund balances to help finance the 2016/17 spending plans. However, this was revised later in the year to taking £8,070 from general fund balances. The final position shows that the council has added £37,737 to general fund balances.

General Fund Balance	£'000
General Fund Balances: Brought forward at 1 April 2016	2,678,832
Surplus in 2016/17 added to General Fund Balances	37,737
General Fund Balances: Carried forward at 31 March 2017	2,716,569

Earmarked Reserves

- 3.8 With regard to earmarked reserves, in support of the revenue account and excluding capital transactions, we had originally planned to add £769,954. However, this was revised later in the year to adding £863,493 (after virements) to earmarked reserves. The final position shows that the council has added £1,220,067 to earmarked reserves for revenue purposes.
- 3.9 For capital purposes we took £440,364 from earmarked reserves to fund the capital programme. The overall net movement was £779,703 added to earmarked reserves. Full details of the movement on our earmarked reserves is shown at Annex 2

Earmarked Reserves		£
Earmarked Reserves: Brought forward at 1 April 2016		6,005,502
Net added to Earmarked Reserves for revenue purposes		1,220,067
Net taken from Earmarked Reserves for capital purposes		-440,364
Earmarked Reserves: Carried forward at 31 March 2017		6,785,205

- 3.10 Two of the larger in-year additions to earmarked reserves have been from the VAT Shelter arrangements (£200,561) and unused New Homes Bonus (£579,923). There have been other movements both in and out of our earmarked reserves.

Business Rates

To support our budget we use the business rates that we collect from within the borough. This consists of many elements and also the amount we received from one year to the next can be heavily influenced by external factors that are wholly out of our control. As a consequence of these uncertainties we operate a Business Rates Volatility Earmarked Reserve to cushion any impacts.

We use retained business rates at a baseline level set by the government, plus growth on business rates that has been realised. The council also receives a number of grants, known as Section 31 Grants, to compensate the council for business rates income lost as a result of measures introduced by the Government.

This Council is part of the Lancashire Business Rates Pool which began on 1 April 2016. In a Business Rate Pool, tariffs, top-ups, levies and safety nets can be combined. This can result in a significantly lower levy rate or even a zero levy rate meaning that more or all of the business rate growth can be retained within the pool area instead of being payable to the Government.

For this council, by being part of the Lancashire Business Rates Pool we were able to retain levy that would have otherwise been payable to central government of £376,130. Of this 10% (£37,613) was paid to Lancashire County Council under the governance arrangements of the pool, resulting in net retained levy of £338,517 for this council.

Finally, there was a deficit on the Collection fund for business rates, which the council is required to contribute to.

	£'000
Total Business Rates Income Forecast for 2016/17	-14,850
Less Payable to Central Government	7,425
Less Payable to Lancashire County Council	1,337
Less Payable to Lancashire Combined Fire Authority	148
Balance Retained by Ribble Valley Borough Council	-5,940
Less Tariff Payable to Central Government	4,361
Baseline Business Rates Income of £1,240,000 plus Growth of £339,000	-1,579
Business Rates retained on Renewable Energy Schemes	-33
Section 31 Grants <i>(To compensate the council for business rates income lost as a result of measures introduced by the Government)</i>	-462
Less 10% Retained Business Rates Levy Payable to Lancashire County Council	38
Less Business Rates Collection Fund Deficit	420
Overall Net Retained Business Rates Related Income	-1,616
Business Rates Income Used In-Year	
Baseline Business Rates Income	1,240
Use of Business Rates Growth	263
Total Business Rates Income Used In-Year	1,503
Balance set aside in the Business Rates Volatility Earmarked Reserve	113

Collection Fund

- 3.11 As billing authority, the council maintain a separate collection fund for the collection of and distribution of council tax and business rates.
- 3.12 With regard to council tax, each precepting body declares the precept that they require from the collection fund to support their services in February each year. This forms the basis for what we, as billing authority, then charge residents as council tax. Due to the change of circumstances for residents and changes to occupied property numbers, the actual amount of council tax collected from residents can be higher or lower than the total amount required to be paid to precepting bodies. This results in either a forecast surplus or deficit, which is declared in the following January each year and is either paid to or collected from precepting bodies in the following financial year.

3.13 For business rates, similar principles apply. Total forecast collectable rates are paid from the Collection Fund at fixed shares to Central Government, Ribble Valley Borough Council, Lancashire County Council and Lancashire Fire and Rescue. Due to the change of circumstances for businesses, the actual amount of business rates collected can be higher or lower than the total amount required to be paid out in fixed shares. This results in either a forecast surplus or deficit, which is declared in the following January each year and is either paid to or collected from Central Government, Ribble Valley Borough Council, Lancashire County Council and Lancashire Fire and Rescue in the following financial year.

3.14 Full details of the Collection Fund position can be seen at Annex 3

4 CONCLUSION

4.1 The final outturn of a **surplus of £38,000** means that we have added £46,000 **more** to general fund balances than was estimated when we prepared the Revised Estimates. There has also been £356,000 more (revenue only) added to earmarked reserves than forecast at revised estimate, which was largely due the accounting treatment required for grants received but yet to be spent.

4.2 In previous years we have experienced significant savings/extra income between the setting of the revised estimate and our outturn position which meant we have added large amounts to general fund balances/earmarked reserves.

4.3 However, for 2016/17 our net outturn is a variance of £46k which is very close to our predicted position when we set the revised estimate in January 2017.



HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF33-17/LO/AC
15 June 2017

KEY VARIANCES

Variation	Committee Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000	Variance Description
<u>Expenditure Variations</u>				
Direct Employee Costs	85		85	<p>The variance shown has arisen largely due to the allowance for staff turnover that is built in to the revised estimate. In past years we have experienced underspends on some of our staffing budgets due to staff turnover at the latter end of the financial year.</p> <p>Unlike previous years, this year we allowed a 4% turnover allowance for the final three months of the year in order to help eliminate such variances, yet such staff turnover did not materialise this year, resulting in the overspend shown and reflecting the unpredictability of such items.</p>
Tuition Fees and Training	-14		-14	<p>The variance reflects a low spend on staff training in the year, particularly on departmental budgets.</p> <p>This also reflects an ebb in the number of staff currently undertaking professional qualification training, following the completion of such training by other staff in more recent years.</p>
Electricity	15		15	<p>This overspend is largely in relation to the council offices electricity supply. Following the recent replacement of the electricity meter our electricity supply charges have substantially increased. Following much investigative work (independently and by the supplier) our supplier has deemed that the previous meter must have been faulty.</p> <p>Our onward supply, including that in the current financial year (2017/18) will consequently exceed that which we currently have in the base budget.</p>
Gas	-11		-11	<p>Following a suspected metering issue with the gas supply at Ribblesdale Pool, the budget was left in the base budget at the same level as that which had been charged in past years.</p> <p>However, after inspection our supplier is confident that the meter is reading correctly.</p>

KEY VARIANCES

Variation	Committee Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000	Variance Description
Vehicle Repairs and Maintenance	91		91	<p>This overspend is largely relating to our fleet of refuse vehicles and the higher than anticipated repair demands.</p> <p>There have been a number of sizeable repairs which have included some on a number of relatively young vehicles. Unfortunately, due to the nature of some of the repairs the vehicles have needed to be sent to the repaired externally.</p>
Rural Areas Delivery Grant Expenditure	-107	107	0	The Rural Areas Delivery Grant was set as an offsetting income and expenditure item in the budget. As the grant was not utilised in year, this has now been set aside in earmarked reserves for use in the current financial year (2017/18).
Purchase of Equipment and Materials	-14	9	-5	This is largely due to a low level of spend in year under planning of the Homes and Communities Agency grant and also a low level of spend on the Local Development scheme, which was to be funded from earmarked reserves – hence the associated variance
Purchase of wheeled bins for onward sale	20		20	This is expenditure incurred in year on the purchase of new and replacement wheeled bins. A large proportion of this costs is in relation to new housing and the procurement of bins for the onward purchase by householders. There is an associated income below under the income variances.
Cost Sharing Paper Penalty Charge	31		31	<p>This is a penalty charge which is payable to Lancashire County Council under the penalty charges under Cost Sharing.</p> <p>This relates to the increased income that has been experienced from the sale of waste paper (this income variance is shown below under income variances)</p>
Printing and Stationery	-12		-12	A large proportion of the savings here relate to a contribution received from LCC for the insertion of the council tax leaflet with council tax bills. Also a credit has been received from the previous supplier of our printing services for annual council tax billing.

KEY VARIANCES

Variation	Committee Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000	Variance Description
Postages	-18	10	-8	<p>A refund has been received in year towards the tourism services postages following a challenge on past charges from a distributor.</p> <p>There has also been an overall lower level of charges for postal services in year. Particularly, electoral registration costs were lower than allowed for.</p>
Software Maintenance	-11	2	-9	<p>Provision for support of the Northgate MVM system was no longer required, resulting in a proportion of the underspend shown. This in turn impacted on the set aside to the ringfenced building control earmarked reserve.</p>
Subscriptions	-10		-10	<p>There are currently no subscription charges through the economic development service, but a budget was allowed for at revised estimate time.</p> <p>It was proposed to use this budget in year to fund any valuations on potential industrial development sites and advice on purchasing sites – but there have been no such costs incurred.</p>
Inspection Fees	-11	10	-1	<p>The largest proportion of this variance relates to a budget that was established in the revised estimate for the Local Development scheme for legal advice. This expenditure was to be funded from an earmarked reserve set aside for this purpose.</p> <p>This spend did not occur in year which has resulted in the variance shown and the associated impact on the earmarked reserve.</p>
Tipping Charges	13		13	<p>This variance is associated with a further increase in income due to a growth in our customer base for trade waste collection. This variance relates to the consequential increase in our costs for tipping away such trade waste, and is more than offset by the additional income received.</p>

KEY VARIANCES

Variation	Committee Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000	Variance Description
Promotional Activities and Ribble Valley News	-18	10	-8	<p>This underspend relates to both the budget for the production of the Ribble Valley News publication and also for activities under Crime and Disorder services.</p> <p>The spring publication of the Ribble Valley News was delayed until 2017/18 resulting in part of the underspend.</p> <p>The balance largely relates to the funded Crime and Disorder Service and the unspent funding has been set aside in an earmarked reserve,</p>
Council Tax Flood Discount	70		70	This item of expenditure is fully offset by the associated funding that is also shown below under the income variations
Contribution Towards General Fund Rent Rebates	-13		-13	There was less rent rebate Housing Benefits related occupancy at the Council's homeless hostel than budgeted for.
Rent Allowance Payments	-32		-32	<p>A prudent rent allowance Housing Benefits payments budget was set at revised estimate.</p> <p>Actual payments made in-year were less than budgeted for, after adjusting for non-cash transactions and recovery of overpayments (actual was 0.46% less than the £6.9m budgeted for).</p>
Grants	-14		-14	<p>No change was made to the budget for grants that were available for establishing new luncheon clubs.</p> <p>As only few clubs have been established the provision has remained unspent.</p>
Grants to Individuals	-80	1	-79	<p>This variance largely relates to Flood Resilience Grants that were paid in year.</p> <p>This expenditure variance is offset by the associated funding that is also shown below under the income variations</p>
Total Expenditure Variances	-40	149	109	

KEY VARIANCES

Variation	Committee Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000	Variance Description
<u>Income Variations</u>				
HRA Rent Rebate Grant	11		11	Less Housing Benefit subsidy grant has been received than budgeted for – which reflects that less rent rebates have been paid out in relation to the Council's homeless hostel, reflected in the expenditure variance above (Contribution Towards General Fund Rent Rebates).
Storm Eva Flood S31 Grant	-70		-70	This item of income is fully offset by the associated spend that is also shown above under the expenditure variations
DCLG Community Housing Grant	-158	158	0	Community Housing Fund grant received from DCLG in late 2016/17. This was not budgeted for. There was no spend in 2016/17, as community-led housing plans have to be developed in conjunction with local communities/parishes before spending is undertaken over the next five years. This has been set aside in earmarked reserves for future use.
DCLG Custom and Self Build Grant	-15	15	0	<p>This grant was received by the council in March 2017 and was unknown about at the time of setting the budget. This has been set aside in earmarked reserves for future use.</p> <p>The grant is to provide support to the council towards expenditure in relation to the requirement for authorities to give suitable development permission to enough suitable serviced plots of land to meet the demand for self-build and custom housebuilding in their area under the Self-build and Custom Housebuilding Act 2015.</p>
DCLG Brownfield Register and PIP Grant	-15	15	0	<p>This grant was received by the council in March 2017 and was unknown about at the time of setting the budget. This has been set aside in earmarked reserves for future use.</p> <p>Under the regulations each local planning authority is obligated to prepare, maintain, and publish a register of previously developed land that is suitable for residential use.</p>

KEY VARIANCES

Variation	Committee Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000	Variance Description
Contributions and Donations Received	-17	14	-3	<p>This variance largely relates to income received in regard Pendle Hill from Pendle Hill Landscape Partnership.</p> <p>This grant funding has been set aside for use to support future expenditure on landscape restoration projects.</p>
VAT Shelter Reimbursements	-43	43	0	<p>Income in excess of that indicated by Ribble Valley Homes at the time of setting the revised estimate has been received at year end under the VAT shelter arrangements.</p> <p>As with all VAT shelter receipts this has been set aside in the VAT Shelter earmarked reserve (largely used to support the capital programme)</p>
Flood Resilience Funding S31 Grant (via LCC)	78		78	<p>This variance relates to the funding that was received in year for Flood Resilience Grants that were paid in year.</p> <p>This income variance is offset by the associated spend that is also shown above under the expenditure variations</p>
Sale of Vehicles	-10	10	0	<p>A number of vehicles have been sold in year which individually fell below the de minimis level for treatment as a capital receipt.</p> <p>However, in line with past practice and due to the low levels of capital resources, the sale proceeds were credited to the revenue account and have been set aside in the capital earmarked reserve to support the capital programme in future years.</p>
Sale of Paper (see associated penalty charge above, under expenditure)	-31		-31	<p>Increased Income from the sale of waste paper.</p> <p>This is offset in full by a penalty charge which is payable to Lancashire County Council under the penalty charges under Cost Sharing (this expenditure variance is shown above under expenditure variances).</p>
Sale of wheeled bins	-31		-31	<p>This is income received in year from the sale of new and replacement wheeled bins.</p> <p>A large proportion of this income relates to new housing and the onward sale of wheeled bins. There is an associated expense above under the expenditure variances.</p>

KEY VARIANCES

Variation	Committee Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000	Variance Description
Planning Fees	-35		-35	Above average income was received from planning fees over the period December 2016 to March 2017, resulting in the variance shown.
Commercial Trade Waste Collection	-23		-23	This variance relates to a further increase in income due to a growth in our customer base. Part of this additional income is offset by additional tipping charges expenditure that we incur as a consequence of the additional weight of waste collected. This is shown as the £13k variance under expenditure variances.
DCLG Property Searches New Burdens Grant	-5	5	0	This was an unexpected grant received after estimates were prepared and relates to property searches. This has been set aside in earmarked reserves for future use when associated expenditure is incurred.
Land Rents	14		14	This relates to lower levels of income received from the use of football pitches. Also there has been a fall in income from the Albion Mill industrial unit site in Clitheroe due to unit vacancies.
Business Rates Volatility Reserve (no longer to be set aside)	0	-44	-44	At revised estimate it was planned to set aside funds in to the Business Rates Volatility Reserve due to the removal of associated items from the base budget. It has since been decided that such items will be better left to support the general fund balance.
Transition Grant (no longer to be set aside)	0	-20	-20	At revised estimate it was planned to set aside the Transition Grant in to an earmarked reserve. It has since been decided that it will be better left to support the general fund balance.
Total Income Variances	-348	196	-154	
Other Variations	-7	11	4	
Net Variation on Committee Expenditure	-397	356	-41	

EARMARKED RESERVES

General Fund	Balance at 31 March 2016 £	Transfers In 2016/17 £	Transfers Out 2016/17 £	Balance at 31 March 2017 £
Reserves for Shorter Term Service Commitments				
<u>Local Recreation Grants Fund</u> <i>Used to fund various Community Services Committee grants</i>	28,926	8,943		37,869
<u>Audit Reserve Fund</u> <i>Used for computer audit</i>	12,335			12,335
<u>Christmas Lights/RV in Bloom</u> <i>Available to fund contributions towards Christmas Lights and Ribble Valley in Bloom</i>	836		-836	0
<u>Refuse Collection</u> <i>To fund refuse collection costs of bin replacements and other cost pressures</i>	50,319	17,955	-8,546	59,728
<u>Core Strategy Reserve</u> <i>To fund the production of the Core Strategy</i>	20,533		-20,533	0
<u>Clitheroe Food Festival</u> <i>Resources set aside to help support the costs associated with the Clitheroe Food Festival</i>	19,857	6,056		25,913
Total Reserves for Shorter Term Service Commitments	132,806	32,954	-29,915	135,845
Reserves to Smooth the Revenue Impact of Longer Term Cyclical Costs				
<u>Elections Fund</u> <i>Used to fund borough elections held once every four years</i>	19,076	22,448	-5,195	36,329
<u>Revaluation of Assets Reserve</u> <i>To contribute towards the revaluation of the Council's assets every five years.</i>	3,200	2,030		5,230
Total Reserves to Smooth the Revenue Impact of Longer Term Cyclical Costs	22,276	24,478	-5,195	41,559
Reserves for Trading or Business Units				
<u>Building Control Fund</u> <i>Available to equalise net expenditure over a three year period</i>	-105,007	61,175		-43,832
Total Reserves for Trading or Business Units	-105,007	61,175	0	-43,832

EARMARKED RESERVES

General Fund	Balance at 31 March 2016 £	Transfers In 2016/17 £	Transfers Out 2016/17 £	Balance at 31 March 2017 £
Reserves for Sums Set Aside for Major Schemes such as Capital Projects				
Capital <i>Used to fund the capital programme</i>	764,822	499,444	-442,845	821,421
ICT Repairs and Renewals <i>To fund future software and hardware upgrades</i>	162,289	15,910	-6,800	171,399
Vehicle & Plant Repairs and Renewals Reserve <i>Resources set aside to fund a repairs and renewals fund for the replacement of Vehicles and Plant</i>	346,000	46,000		392,000
Total Reserves for Sums Set Aside for Major Schemes such as Capital Projects	1,273,111	561,354	-449,645	1,384,820
Reserves for Longer Term Strategic or Corporate Items				
VAT Shelter Reserve <i>Funds received from the post LSVT VAT Shelter arrangements, partly used to contribute towards the future financing of the capital programme</i>	1,376,280	200,561	-276,526	1,300,315
Fleming VAT Claim <i>VAT recovered from 'Fleming' claim challenge to HMRC</i>	195,797		-123,585	72,212
Insurance <i>Available to meet any costs following demise of Municipal Mutual Insurance Company</i>	14,581			14,581
Repairs and Maintenance <i>To fund emergency repairs and maintenance items, including legionella and asbestos abatement</i>	37,869		-8,570	29,299
Post LSVT <i>To fund any costs post LSVT which may arise, such as pension fund liabilities</i>	292,100		-36,512	255,588
Restructuring Reserve <i>To fund costs resulting from restructuring reviews</i>	227,541			227,541
Equipment Reserve <i>To fund essential and urgent equipment requirements</i>	122,750	26,916	-34,533	115,133

EARMARKED RESERVES

General Fund	Balance at 31 March 2016 £	Transfers In 2016/17 £	Transfers Out 2016/17 £	Balance at 31 March 2017 £
<u>Invest to Save Fund</u> <i>To fund future invest to save projects</i>	250,000			250,000
<u>Planning Reserve</u> <i>To fund any future potential planning issues</i>	156,738		-8,193	148,545
<u>Housing Benefit Reserve</u> <i>To help meet the challenges facing the service in the coming years</i>	100,000			100,000
<u>Business Rates Volatility Reserve</u> <i>To provide some protection against business rates volatilities</i>	664,794	338,518	-225,702	777,610
<u>New Homes Bonus Reserve</u> <i>To help finance future economic development capital schemes</i>	762,304	579,923	-63,749	1,278,478
Total Reserves for Longer Term Strategic or Corporate Items	4,200,754	1,145,918	-777,370	4,569,302
Reserves for External Funding where Expenditure has yet to be Incurred				
<u>Performance Reward Grant</u> <i>Performance Reward Grant received and to be used to finance Partnership posts</i>	75,117		-7,540	67,577
<u>Land Charges Reserve</u> <i>To fund any potential restitution claims for personal search fees</i>	48,559	5,172	-6,937	46,794
<u>Pendle Hill User Reserve</u> <i>To fund improvement schemes on Pendle Hill</i>	32,519	14,000	-2,450	44,069
<u>Crime Reduction Partnership Reserve</u> <i>To fund cost of crime reduction initiatives</i>	24,175	5,702		29,877
<u>Exercise Referral Reserve</u> <i>To fund potential residual staffing costs</i>	16,401		-2,040	14,361
<u>Housing Related Grants Reserve</u> <i>Residual grant received, to be committed to future grant schemes</i>	58,010	157,532	-28,138	187,404
<u>Planning Related Grants Reserve</u> <i>Residual grant received, to be committed to future grant schemes</i>	0	35,495		35,495

EARMARKED RESERVES

General Fund	Balance at 31 March 2016 £	Transfers In 2016/17 £	Transfers Out 2016/17 £	Balance at 31 March 2017 £
<u>Community Right to Bid/Challenge</u> <i>To fund any future costs under the Community Right to Bid and Community Right to Challenge Regulations</i>	46,224		-1,100	45,124
<u>Grant Funded Sports Development</u> <i>To finance future Sports Development grant funded expenditure</i>	5,510		-4,910	600
<u>Whalley Moor Reserve</u> <i>Grant received towards work at Whalley Moor Woodland</i>	4,520			4,520
<u>Individual Electoral Registration Reserve</u> <i>Grant received for the implementation of Individual Electoral Registration which will be used to fund this work</i>	17,902	12,977	-22,676	8,203
<u>Rural Services Reserve</u> <i>Grant received with the purpose of supporting rural services</i>	0	105,544		105,544
<u>Neighbourhood Planning Reserve</u> <i>DCLG Neighbourhood Planning Grant received to fund future related expenditure</i>	15,000			15,000
<u>Repossession Prevention Fund Reserve</u> <i>Ring-fenced DCLG funded reserve to help prevent repossessions and homelessness.</i>	28,491			28,491
<u>Parish Grant Reserve</u> <i>PRG resources set aside to fund the Parish Grant Scheme</i>	109,134		-44,682	64,452
Total Reserves for External Funding where Expenditure has yet to be Incurred	481,562	336,422	-120,473	697,511
Total of all Earmarked Reserves	6,005,502	2,162,302	-1,382,598	6,785,206

COLLECTION FUND

2015/16 Total £'000		2016/17 Council Tax £'000	2016/17 Business Rates £'000	2016/17 Total £'000
	Income			
33,345	Income from Council Tax Payers	35,025		35,025
11	Transfers From General Fund - Council Tax Benefits	1		1
90	Transfers From General Fund - Flood Relief	98		98
2	Family Annexes Discount Grant (DCLG)	4		4
14,677	Income from Business Ratepayers		15,228	15,228
	Share of Estimated Deficit:			
58	- Central Government		526	
10	- Lancashire County Council		95	95
46	- Ribble Valley Borough Council		420	420
1	- Lancashire Combined Fire Authority		10	10
48,240		35,128	16,279	50,881
	Expenditure			
	Precepts and Demands:			
24,519	- Lancashire County Council	25,875		25,875
3,417	- Ribble Valley Borough Council (including parishes)	3,585		3,585
3,452	- Police and Crime Commissioner (PCC) for Lancashire	3,573		3,573
1,408	- Lancashire Combined Fire Authority	1,443		1,443
	Business Rates			
7,255	- Central Government		7,425	7,425
1,306	- Lancashire County Council		1,336	1,336
5,804	- Ribble Valley Borough Council		5,940	5,940
145	- Lancashire Combined Fire Authority		149	149
	Share of Estimated Surplus:			
155	- Lancashire County Council	343		343
22	- Ribble Valley Borough Council	48		48
9	- Lancashire Combined Fire Authority	20		20
22	- Police and Crime Commissioner (PCC) for Lancashire	48		48
54	Transfers to General Fund - Council Tax Benefits	64		64
90	Costs of Collection		90	90
11	Renewable Energy Schemes		33	33
256	Provision for Bad/Doubtful Debts	21	86	107
18	Enterprise Zone		20	20
13	Transitional Protection Payments		96	96
704	Provision for Appeals		97	97
48,660		35,020	15,272	50,292
-420	(Deficit)/Surplus for the Year	108	1,007	589
98	(Deficit)/Surplus Brought Forward	598	-920	-322
-322	Deficit Carried Forward	706	87	267
	Allocated to			
-460	- Central Government		43	43
364	- Lancashire County Council	530	8	538
-306	- Ribble Valley Borough Council	73	35	108
63	- Police and Crime Commissioner (PCC) for Lancashire	73		73
17	- Lancashire Combined Fire Authority	30	1	31
-322		706	87	793