

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 5

meeting date: 12 SEPTEMBER 2017  
title: BUDGET FORECAST 2018/19 TO 2020/21  
submitted by: DIRECTOR OF RESOURCES  
principal author: JANE PEARSON

## 1 PURPOSE

- 1.1 To consider the Council's latest budget forecast and decide what action needs to be taken to meet the financial challenges that lie ahead.

## 2 BACKGROUND

- 2.1 The budget forecast is an important tool which gives an early indication of any potential budgetary problems and also informs our Medium Term Financial Strategy accordingly.
- 2.2 We need to closely scrutinise our financial position in the coming months in order to best place us to face the continuing challenges that lie ahead. Therefore we will continue holding frequent Budget Working Group meetings and also produce overall budget monitoring reports for members on a regular basis.
- 2.3 The introduction in 2013 of a new Business Rate Retention scheme significantly affected how local authorities are now funded. Put simply local authorities are able to retain a share of business rates collected above a baseline target level after paying a levy to central government. However local authorities who joined together to form Business Rate Pools are allowed to retain this levy. The system is extremely complex and it is therefore difficult to predict business rates income with certainty. We joined the Lancashire Business Rate Pool with effect from 1 April 2016 and therefore will not be required to pay any levy due over to central government (as long as the pool continues).
- 2.4 In October 2015 the Chancellor of the Exchequer announced plans for Councils to retain all locally raised business rates by 2020 under radical local government finance reforms. The changes will also end the distribution of revenue support grant. The Treasury press release accompanying the Chancellor's announcement said that local government would have to take on new responsibilities to "ensure that the reforms are fiscally neutral". A series of consultations were launched prior to the General Election in June. However since the election the government's plans for 100% business rates retention are in doubt after the Local Government Finance Bill, which was passing through parliament before the election, was not reintroduced in the Queen's Speech.
- 2.5 We successfully submitted an efficiency plan to the Government last year in order to take up their offer of a four year period local government grant settlement.
- 2.6 The latest budget forecast is based on many assumptions. As in the past these are very difficult to predict going forward. Whilst every year it is extremely difficult to predict funding, nearly all of our major income streams are currently very difficult to forecast in the present climate. These are:

- Business Rate Retention
- New Homes Bonus
- Government Grants (Fair Funding Review)

### 3 PUBLIC SECTOR PAY AND PRICE INFLATION.

#### **Pay**

- 3.1 Local government pay increases are agreed by the Local Government Employers Association. Whilst a 2 year pay deal was agreed for 2016/17 and 2017/18 no deal has been agreed to date for 2018/19 onwards. The union pay claim is for a 5% increase on all spinal column points along with the deletion of pay points 6-9 (they state this is to ensure that no NJC pay points fall below the Foundation Living Wage rate of £8.45 per hour). The employers' side have been holding a series of regional meetings with local authorities to gauge views on what offer to make to the unions.
- 3.2 I have assumed for the forecast period annual pay increases of 2.0%. We should be aware however, that there is mounting pressure to see increases in public sector remuneration after many years of pay restrictions.

#### **Inflation & Interest Rates**

- 3.3 I have assumed general inflation will be in line with the bank of England target of 2% over the forecast period.
- 3.4 For investment interest I have assumed a gradual increase from the current 0.25% base rate.

### 4 LOCAL GOVERNMENT FUNDING

#### **Outcome**

- 4.1 For 2018/19 and 2019/20 I have assumed that the Government will honour their pledge regarding local government grant settlements. For 2020/21 the position is far from clear and much will depend on the Fair Funding Review and what the Government decide regarding business rate retention. My estimates therefore need treating with caution and the eventual position could be significantly better or worse than indicated.
- 4.2 At this stage I have assumed we will use the same levels of New Homes Bonus and Business Rates Growth as we do currently:
- New Homes Bonus (£793k)
  - Business Rate Growth above our baseline (£276k)

- 4.3 Clearly as we move forward with the budget setting process we need to consider the amounts we can safely use of both of these income streams to fund our revenue budget.

### 5 COUNCIL TAX

- 5.1 Our Band D council tax is currently £145.69 and we have assumed in our forecast a £5 annual increase (which may or may not be permissible). **Obviously this is a decision for members.**

## 6 BASE BUDGET ADDITIONS

### **Waste Management**

- 6.1 Our previous forecast assumed that the end of cost sharing would result in lost income of £430k. However at that time we also assumed that half of this amount would be mitigated from either savings on expenditure or extra income.
- 6.2 Whilst Community Committee continues to explore various options, at this stage none have been agreed and therefore I have amended the forecast to allow for the full loss of income of £430k.

### **Planning Fee Income**

- 6.3 Despite assurances from the Government regarding the promised 20% increase in fees nothing has been forthcoming. We are led to believe this will be delayed until at least September when Parliament reconvenes after the summer recess.
- 6.4 We have assumed that the increase will go ahead and have built in the extra income from a 20% increase in planning fees (£109k) into our forecast. However we have also included corresponding expenditure of £109k, following the Government's requirement that this extra income must be used to fund improvements to the planning service.

### **New Director of Planning & Economic Development**

- 6.5 Following the decision of Policy and Finance Committee to create the above post, I have added £110k to the base budget forecast.
- 6.6 At this stage we have not allowed for any other staffing changes that may arise from moving to 4 departments.

### **Other Growth Items**

- 6.7 The budget forecast assumes that, other than the above, we will continue with the policy we have had for many years that any growth items are met from corresponding savings.

## 7 THE LATEST FORECAST

- 7.1 We have updated the forecast to reflect our latest assumptions based on the information available. The resultant forecast summary is shown at Annex 1.
- 7.2 Other assumptions made in the latest forecast are as follows
  - i) We will use balances of £250,000 each year which will take our General Fund Balances to £1.7m by 31 March 2021.
  - ii) Interest Receipts will be £20k next year, £25k in 2019/20 and £30k in 2020/21.
  - iii) At this stage a 1.5% increase in the council taxbase next year followed by 1% increases over the forecast period. This reflects the increase in properties in our area.
  - iv) Council Tax Surplus/Deficit – I have assumed our share of the collection fund will be a surplus each year of £25k.

## 8 CONCLUSION

8.1 Based on all the assumptions stated above the budget shortfall is as shown below.

Reductions in expenditure required in order to achieve a balanced budget	
£000	
2018/19	774
2019/20	956
2020/21	1,139

8.2 This latest budget forecast provides the **starting point** for the budget setting process and even at this early stage shows the significant savings that are required for the Council to set a balanced budget. It is important to note that this is after allowing for a £5 increase in our band d council tax each year.

8.3 Obviously if reductions are made which are of a recurring nature (ie reductions to the base budget) then this will reduce the savings needed to be made in the following years.

## 9 BUDGET WORKING GROUP 17 AUGUST 2017

9.1 The Budget Working Group have a key role to play in the budget process in order that we are in a position next February to agree a balanced budget.

9.2 They considered this budget forecast at their August meeting and recognised that determining the amount of New Homes Bonus and Business Rate Growth that can safely be used to fund the revenue budget would be a critical element of next year's budget setting process.

9.3 I advised the Budget Working Group that detailed reports on both our estimated Business Rate Income and latest New Homes Bonus calculations will be prepared for consideration at their meetings in September/October. A key determination will be the future of business rate pooling, the Lancashire Business Rate Pool and the New Homes Bonus baseline which should all become clear over the next few months.

9.4 The Budget Working Group considered the Council's approach to setting of fees and charges for 2018/19 and rather than simply suggest they should be increased by inflation recommended that there should be a fundamental review. They also suggested that any revenue growth items should be funded from identified savings.

## 11 NEXT STEPS

11.1 Our accountants and budget holders will commence their preparation of the detailed estimates shortly.

11.2 The Budget Working Group will be considering;

- How much Business Rate Growth can be relied upon
- How much New Homes Bonus can be relied upon
- Suggested council tax level for 2018/19

## 12 RECOMMENDED THAT COMMITTEE

12.1 Consider the Budget Forecast.

12.2 Agree with the Budget Working Group's advice to service committees regarding fees and charges

DIRECTOR OF RESOURCES

PF43-17/JP/AC

31 August 2017

**Latest Budget Forecast -  
August 2017**

	2017/18		2018/19		2019/20		2020/21		
	£		£		£		£		
Net Expenditure		6,381,670		7,093,925		7,279,164		7,468,887	
Interest Receipts		-15,660		-20,000		-25,000		-30,000	
Use of Superannuation reserve		-36,512		-36,512		-36,512		-36,512	
Rural Services Grant		-86,603		-66,618		-86,603		-86,603	
Use of Business Rate Growth		-275,514		-275,514		-275,514		-275,514	
Use of New Homes Bonus		-793,079		-793,079		-793,079		-793,079	
Use of Balances		-250,000		-250,000		-250,000		-250,000	
<b>Reductions in Expenditure Required</b>		<b>0</b>		<b>-774,059</b>		<b>-956,274</b>		<b>-1,139,049</b>	
<b>Budget Requirement</b>		<b>4,924,302</b>		<b>4,878,143</b>		<b>4,856,182</b>		<b>4,858,130</b>	
Core Government Funding									
Revenue Support Grant		304,319		109,149		-108,866		-250,000	
Transition Grant		20,345		0		0		0	
Business Rates Baseline		1,264,824		1,305,517		1,351,954		1,342,771	
Coll Fund Surplus/(Deficit)		59,557		25,000		25,000		25,000	
<b>Precept</b>		<b>3,275,257</b>		<b>3,438,477</b>		<b>3,588,094</b>		<b>3,740,359</b>	
Tax Base		22,481		22,818	1.5%	23,046	1%	23,277	1%
Band D Council Tax		145.69	0%	150.69	£5 max	155.69	£5 max	160.69	£5 max

## Effect of above on General Fund Balances

General Fund Balances	2017/18	2018/19	2019/20	2020/21
	£	£	£	£
Brought Forward	2,716,569	2,466,569	2,216,569	1,966,569
Used	-250,000	-250,000	-250,000	-250,000
Carried Forward	2,466,569	2,216,569	1,966,569	1,716,569

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No. 6

meeting date: 12<sup>th</sup> SEPTEMBER 2017  
 title: ANNUAL REVIEW OF 2015-2019 CORPORATE STRATEGY  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: MICHELLE HAWORTH – PRINCIPAL POLICY AND PERFORMANCE OFFICER

### 1 PURPOSE

1.1 To seek approval of the Council's reviewed Corporate Strategy 2017-2019.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives –
  - Corporate Priorities –
  - Other Considerations -
- The Council's Corporate Strategy's purpose is to set out the Council's vision and priorities, to outline how we propose to deliver them and how progress will be measured.

### 2 BACKGROUND

2.1 Our Corporate Strategy, attached at Appendix A, sets out the strategic direction of the Council for the period 2017-2019, providing a focus to ensure that the services we deliver meets the needs of our communities. The 2015-2019 Strategy has a four-year scope, but is reviewed annually to ensure that it continues to reflect the changes to our priorities that occur over time. Following the local elections taking place in May 2019 we will develop a new Strategy, which will have a four year life span covering 2019-2023.

2.2 The Strategy contains:

- Five corporate priorities to address issues that matter most to the borough. Our priorities are deliberately limited to focus our attention over the lifespan of the strategy.
- Each priority has a number of objectives – things that will help us achieve our priorities.
- Objectives are supported by key actions – the things we will do to achieve our objectives.
- Key measures of success are also outlined, which should allow progress towards the achievement of the priority and objective to be monitored.

2.3 Actions and measures of success should be developed in detail in service plans, which we will ensure are robust and SMART (Specific, Measurable, Achievable, Realistic and Time-based). Service plans should detail how each service will plan to deliver the key actions.

2.4 Performance against our priorities will be regularly published, in accordance with good practice, on our web site. Performance is also reported to our citizens in Ribble Valley News.

2.5 The priorities and objectives have been reviewed and revised based on the following:

- The Ribble Valley Sustainable Community Strategy
- The Leader's objectives and new priorities
- Consultation with our Communities through our Citizens' Panel

### 3 GENERAL COMMENTS

- 3.1 There are a number of unknowns and changes in the external environment which may impact on the Council and how it carries out its business. What is known for certain is that there will be ever decreasing resources available for the Council to deliver its priorities. The Strategy has been written to clearly identify priorities, whilst allowing for flexibility as national policy evolves.
- 3.2 The review concluded that some changes to the Council's objectives and actions were required to reflect the change in Council leadership and these have been made.

### 4 RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications
- Resources - Paper copies of the Corporate Strategy are printed in-house and therefore from within existing budgets. Financial implications of delivering the strategy will be met from within existing budgets.
  - Technical, Environmental and Legal – None identified.
  - Political – None identified.
  - Reputation – It is important that the priorities reflect the concerns and needs of our communities. The Council has undertaken consultation throughout the year which has informed our priority setting.
  - Equality & Diversity - In line with the Council's approach to equalities, individual equality impact assessments will be carried out as appropriate for actions/projects within the Strategy.

### 5 IT IS RECOMMENDED THAT COMMITTEE

- 5.1 Considers and approves the reviewed Corporate Strategy 2017-2019.

**Michelle Haworth**  
PRINCIPAL POLICY AND  
PERFORMANCE OFFICER

**Jane Pearson**  
DIRECTOR OF RESOURCES

BACKGROUND PAPERS:

REF:

For further information please ask for Michelle Haworth, extension 4421

Ribble Valley Borough Council  
**CORPORATE STRATEGY**  
**2017- 2019**



Ribble Valley  
Borough Council  
[www.ribblevalley.gov.uk](http://www.ribblevalley.gov.uk)

*Our Vision*

*An area with an exceptional environment and quality of life for all; sustained by vital and vibrant market towns and villages acting as thriving service centres meeting the needs of residents, businesses and visitors.*

## Foreword

Welcome to Ribble Valley Borough Council's Corporate Strategy for 2017 - 2019.

This document sets out the strategic direction of the Council over the period 2017 - 2019, providing a focus to ensure that the services we deliver meet the needs of our communities. The Strategy has a two-year scope, and is reviewed annually to ensure that it continues to reflect changes to our priorities that occur over time. Following the next local elections taking place in 2019, we will develop a new Strategy.

Cllr Ken Hind  
Leader of the Council

Marshal Scott  
Chief Executive

*M. H. Scott*

## What communities are telling us

Through participation in the Ribble Valley Citizens' Panel and the 2015 Perception Survey, we know that residents see the following issues as the most important in making somewhere a good place to live:

- Health services
- Crime levels
- Access to Nature
- Clean streets
- Road and pavement repairs
- Education provision
- Affordable, decent housing

The following issues were scored highly by residents as both 'make the area a good place to live' and 'most need improving':

- Clean Streets
- Road and pavement repairs
- Affordable, decent housing
- Public Transport
- The amount of dog fouling
- The level of traffic
- Job prospects

## Our partners' priorities and what they mean for Ribble Valley Borough Council

We have also had regard to the priorities of our partners, particularly where we have a role in delivering them.

## The Ribble Valley Sustainable Community Strategy 2014 - 2017

The Ribble Valley Community Strategy is working towards eight agreed core areas:

- Education and Economy
- Community Safety
- Local Democracy
- Environment
- Housing
- Vulnerable People and Families
- Health and Older People
- Facilities

## Our Priorities

This strategy contains five corporate priorities to address issues that matter most to the borough. Our priorities are deliberately limited to focus our attention over the lifespan of the strategy. Each priority has a number of objectives, underlying actions, and key measures of success, which should allow progress towards the achievement of the priority to be monitored.



## Core Values

In pursuing our priority actions, the Council will continue to deliver the services people want, in a fair and consistent manner. It is important that we explain exactly what our values are. These values guide and influence our actions as we continuously improve the services we deliver. We will:

- Lead the Community
- Strive to achieve excellence
- Ensure that access to services is available to all
- Treat everyone equally
- Respect all individuals and their views, and
- Appreciate and invest in our staff.

## Our approach to Equality and Diversity

Ribble Valley Borough is made up of socially diverse communities. The Council is committed to providing equality of opportunity and to valuing diversity.

We aim to treat all customers fairly, with respect and professionalism regardless of their gender, race, nationality or ethnicity, age, religion or belief, disability or sexual orientation.

To enable all residents to have access to information and equal access to our services, Ribble Valley Borough Council uses plain English in the information it publishes. Where a customer is experiencing any difficulties assistance suited to the person's needs is available. Information, on request and where appropriate, will be provided in different languages and formats and through a range of media. Feedback is also accepted through a variety of different routes taking account of individual customer's preferences or needs.

To demonstrate that our approach to equality is being realised, we collect equalities information. This helps to help establish whether all members of the community are accessing our services. This feeds into our monitoring and review process.

Full details of our approach are set out in our Equality and Diversity Policy.



## **Priority 1 - To ensure a well-managed council providing efficient services based on identified customer needs**

People living in, working in and visiting Ribble Valley expect to receive efficient and excellent Council services. The majority of our services are high quality, well regarded and perform well above the average. We aim to provide services that are amongst the best in the country. We will continue to do this by targeting improvement to services to ensure all our services are performing, and are rated by our customers, as above average.

### **Our objectives:**

- To maintain critical financial management and controls, and ensure the authority provides council tax payers with value for money, within the current financial constraints
- To treat everyone equally and ensure that access to services is available to all, including our most vulnerable citizens
- To engage with all our communities to ensure we deliver services to meet customer needs and expectations

### **Our key actions:**

- To explore all viable options for income generation and financial savings in order to deliver the Council's efficiency agenda whilst protecting front line services
- To meet the Equality Duty
- To seek to continually improve, ensuring that council services are fit for purpose and customer focused

### **Our key measures of success**

- Percentage of residents that think the Council provides value for money
- Equality Duty met
- Percentage of residents satisfied with the Council



## Priority 2 - To sustain a strong and prosperous Ribble Valley

The prosperity of the economy in the Ribble Valley is demonstrated through the continuing high levels of economic growth in the area. However, there is a need to ensure that opportunities are available for businesses to continue to develop in the area. There is a need to continue to market and regenerate our market towns and villages as places to do business and to ensure that there is employment land available for development.

The issues of public transport, particularly accessibility to isolated villages, are part of a perceived need for a more flexible approach and a more accessible service.

Without economic prosperity, many other problems e.g. health, housing, crime, access to services are all much harder to address.

### **Our objectives:**

- To encourage economic development throughout the borough with specific focus on tourism, the delivery of sufficient land for business development, and supporting high growth business opportunities
- To seek to improve the transport network, especially to our rural areas
- To work with our partners to ensure that the infrastructure in the Ribble Valley is improved, in order to be fit for purpose
- To promote stronger, more confident and more active communities throughout the borough

### **Our key actions:**

- To identify options and support the delivery of employment land
- To press forward with the redevelopment of the Clitheroe market area
- To develop, with relevant partners, additional measures to support the visitor economy
- To work with the County Council and other providers to improve the local infrastructure
- To encourage parish councils and local communities to take more responsibility, wherever possible, for the local delivery of services

### **Our key measures of success**

- Business start-ups and survival rates
- An increase in visitor numbers
- Percentage of residents satisfied overall with the local area as a good place to live



### Priority 3 - To help make people's lives safer and healthier

Ribble Valley is a low crime area and a safe place to live. It is the safest place in the north-west and second safest place in the country. This success is in part due to the excellent work of our Community Safety Partnership.

Baseline data, which has been collated in terms of health, presents a generally healthy picture, but health issues surrounding an aging population and access to services in isolated communities represent potential issues.

#### **Our objectives:**

- To improve the health and wellbeing of people living and working in our area
- To improve the opportunity for young people to participate in recreational and sporting activity
- To ensure that Ribble Valley remains a safe place to live
- To take a leading role in working with partners on the evolving public health agenda
- To combat rural isolation

#### **Our key actions:**

- To seek to improve Ribble Valley food businesses, to achieve a food hygiene rating of 3 star and above
- To tackle fuel poverty across the borough
- To continue to work with our Community Safety Partnership, ensuring that low crime levels are maintained, by tackling crime, anti-social behaviour and fear of crime
- To emphasise, and re-establish if necessary, the alcohol free zones in Clitheroe and other parts of the Ribble Valley
- To work with the NHS, Ribble Valley GP's and other partners on local health and wellbeing needs
- To ensure access to services in isolated communities
- To become a dementia-friendly borough

#### **Our key measures of success**

- Number of Ribble Valley food businesses achieving 3 star and above in the National Food Hygiene rating system
- Percentage of residents satisfied with sports and leisure facilities
- Percentage of people participating in sport on 3 or more occasions per week
- Percentage of residents who feel safe in their local area during the day and after dark



#### Priority 4 - To protect and enhance the existing environmental quality of our area

Our ambition is to protect the local environment, parts of which rank amongst the finest in England. The Council provides a high quality environment, including safe, clean parks and open spaces.

The Council is very proud of its weekly collection service.

##### **Our objectives:**

- To conserve our countryside, the natural beauty of the area and enhance our built environment
- To retain weekly collections of residual waste
- To provide a high quality environment, keeping land clear of litter and refuse, and reducing the incidents of dog fouling

##### **Our key actions:**

- To deliver a co-ordinated approach to Planning through the Local Development Framework by progressing the Housing and Economic Development Development Plan
- To increase the use of renewable energy sources
- To provide an economic, efficient and effective waste collection service
- To continue with our approach of zero tolerance of dog fouling, litter and fly tipping
- To deliver a waste and responsible dog ownership education and awareness programme
- To support the work of the Forest of Bowland AONB

##### **Our key measures of success**

- Percentage of residents satisfied with parks and open spaces
- Percentage of residents satisfied with the cleanliness of the borough
- Percentage of residents satisfied with the waste and recycling collection services
- Percentage of waste sent for reuse, recycling and composting



## Priority 5 - To match the supply of homes in our area with the identified housing needs

Like the rest of the country, Ribble Valley has seen a rise in house prices in recent years. A clear priority for local people has been identified as providing accommodation which is affordable for local people.

### Our objectives:

- To meet the housing needs of all sections of the Community
- To provide additional affordable homes throughout the Ribble Valley

### Our key actions:

- To bring empty properties back into use
- To work with partners to agree priorities and secure investment in housing
- To implement measures to address the specific housing needs of older people

### Our key measures of success

- Number of properties brought back in to use
- Number of affordable homes delivered
- Number of households, and length of time spent, in temporary accommodation
- Provision of older people accommodation on all sites over 30 units
- Development of 280 properties per year
- Maintaining a 5 year supply

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### How to contact us

If you would like to know more, tell us what you think of this Corporate Strategy, or receive information about our current performance, please contact the Policy and Performance section at:

Post: Ribble Valley BC, Council Offices, Church Walk, Clitheroe, Lancashire, BB7 2RA

Tel: 01200 425111

Email: [michelle.haworth@ribblevalley.gov.uk](mailto:michelle.haworth@ribblevalley.gov.uk)

Web: [www.ribblevalley.gov.uk](http://www.ribblevalley.gov.uk)

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No. 7

meeting date: 12<sup>TH</sup> SEPTEMBER 2017  
 title: CORPORATE PEER CHALLENGE UPDATE  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: MICHELLE HAWORTH – PRINCIPAL POLICY AND PERFORMANCE OFFICER

### 1 PURPOSE

- 1.1 The purpose of this report is to update Committee on the LGA Corporate Peer Challenge.
- 1.2 Relevance to the Council's ambitions and priorities:
- Community Objectives – The scope of the Peer Challenge can be tailored to reflect local needs. We may, like many other
  - Corporate Priorities – authorities, wish the Peer Challenge to look at how
  - Other Considerations - well we perform in achieving Corporate Priorities.

### 2 BACKGROUND

- 2.1 As part of their 'sector led improvement' support to local government, the Local Government Association (LGA) offers the delivery of a Corporate Peer Challenge. The Peer Challenge is designed to help Councils improve their performance.
- 2.2 The scope of a Peer Challenge is agreed with each Council and, if required, tailored to reflect local needs and specific requirements. There is a core component that looks at issues of leadership, governance, corporate capacity and financial resilience.
- 2.3 The Peer Challenge is conducted by senior/experienced officers (likely to led by a Chief Executive from another Council) and Councillors (who are likely to reflect the political make-up of the Council) supported by an LGA Peer Challenge Manager.
- 2.4 For district councils the Peer Challenge is generally conducted over a 3-day period and involves the Peer Challenge team reviewing the Council's policies, strategies, performance as well as having discussions with a range of focus groups, eg representatives of the private sector, voluntary sector etc.

### 3 UPDATE

- 3.1 The Chief Executive and the Principal Policy and Performance Officer met with Neil Shaw, LGA Principal Advisor, on 12<sup>th</sup> July. The meeting was set up to begin the scoping process, discuss timing of the challenge and other issues such as next steps.
- 3.2 Notes of the meeting are provided below:

#### **Draft scope and focus**

The council has been making good progress on delivering its priorities for local communities, coping with the national local government financial pressures and maintaining good core service performance. It's good to see such progress. The council appointed a new Leader in May – Cllr Ken Hind. The council is seeking to use the peer challenge as a general 'healthcheck' on its plans going forward but would also like to explore issues related to the interconnected theme of local growth, housing and planning. As a result, in outline, the council has decided to focus on the following

indicative themes:

1. Promoting local growth – this will likely explore how the council might better promote Ribble Valley as a place for businesses to start up and grow. This recognises the local challenges in many people commuting out of borough to work and will seek to examine how the council might better develop the borough as a place to work, not just reside.

2. Balancing growth and housing – this will likely explore how the council can progress sustainable local development, including increasing the number of new homes (including affordable homes) being built in the context of the desire of many local people to limit the number of housing development in the borough.

We recognise that the council may seek to refine these two areas of focus over the coming weeks. Alongside these two areas of focus, as with all corporate peer challenges, the challenge will explore the following ‘core questions’ to ensure the council is prepared to tackle its future priorities:

3. Understanding of local context and priority setting: Does the council understand its local context and has it established a clear set of priorities? This will also examine the nature of the council's future challenges.

4. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully to address future challenges?

5. Political and managerial leadership: Does the council have effective political and managerial leadership and is it a constructive partnership?

6. Governance and decision-making: Are effective governance and decision-making arrangements in place to respond to key challenges and manage change and transformation?

7. Organisational capacity: Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

### **Timing of the peer challenge**

You have identified the council has some flexibility in the timing of the challenge. We are proposing to undertake the challenge over three days in either the third or fourth week of November or the first week of December 2017. The exact dates for the peer challenge will be narrowed based on the availability of senior peers for the team.

### **Peer team**

We discussed the make-up of the peer team required to deliver the peer challenge (based on current thinking about the scope and focus). We are able to confirm the team will be made up as follows:

- Chief Executive, from a borough/district council (as the lead peer) – they will need to be from an authority which understands the Ribble Valley economic and housing context
- A Conservative Leader (as the member peer) \*
- Two senior officers – these are likely to be officers who have senior roles with a growth or housing background
- LGA Review Manager

We have started the process to secure the Chief Executive peer and will come back to you once we have heard from them. \* As we discussed, we will progress the sourcing of the member peer through our Conservative Political Group Office but will mention Cllr Hind is interested in the Leader of Fenland being considered for the team.

**Follow up**

Around 9-12 months after the peer challenge we will look to undertake a one-day follow up visit. The aim of the follow up visit is to explore the progress the council has made in implementing the recommendations from the peer challenge. The exact timing of this and the nature of the follow up visit will be determined in discussion with the council. It is likely to involve some (but not necessarily all) the members of the peer team and would aim to meet a number of stakeholders to explore the progress the council has made and report back through a short presentation.

**Next steps**

In terms of next steps:

1. Please can you reflect on the proposed areas of focus and let me know of any changes to this proposed focus
2. We will progress the sourcing of the Chief Executive peer and come back to you
3. Over the coming months the council will start the process of drafting a position statement, a timetable of on-site activity and supporting documentation for the team and we will liaise with Michelle (Haworth) on the preparation and our LGA Review Manager – Cindy Lowthian – will make contact with her direct.

3.3 Further to the above note it has now been confirmed that arrangements have begun to be made to have the Peer Challenge during the last two weeks of November or the first week of December.

**4 RISK ASSESSMENT**

4.1 The approval of this report may have the following implications

- Resources - The Council is currently a subscriber to the LGA. The Corporate Peer Challenge is provided by the LGA at no additional cost to the Council. Some officer time would be required to help organise and support the Peer Challenge.
- Technical, Environmental and Legal – None identified.
- Political – None identified.
- Reputation – None identified.
- Equality & Diversity - None identified.

**5 DECISION**

5.1 Approve the scope and timing for the Peer Challenge as outlined in the note of the meeting above.

**Michelle Haworth**  
PRINCIPAL POLICY AND  
PERFORMANCE OFFICER

**Jane Pearson**  
DIRECTOR OF RESOURCES

BACKGROUND PAPERS:

REF:

For further information please ask for Michelle Haworth, extension 4421

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 8

meeting date: 12 SEPTEMBER 2017  
title: LOCAL TAXATION AND COUNCIL TAX WRITE OFFS  
submitted by: DIRECTOR OF RESOURCES  
principal author: MARK EDMONDSON

## 1 PURPOSE

1.1 To obtain Committee's approval to write off certain Council Tax and National Non-Domestic Rate debts.

1.2 Relevance to the Council's ambitions and priorities:

❖ ***Council Ambitions/Community Objectives/Corporate Priorities***

Without the revenue collected from rates, council tax and sundry debtors we would be unable to meet the Council's ambitions, objectives and priorities.

## 2 BACKGROUND

2.1 No specific statute exists to give guidance on the circumstances under which debts, in general, can be written off other than the statute of limitations. Any debt for which recovery action has not been taken within six years still remains but legal action cannot be taken.

### NNDR

2.2 As a matter of law, we are under obligation to take reasonable steps to collect Business Rates debts.

2.3 We do this by various means, including summonses, enforcement agents, bankruptcy, winding up and committal warrants. However, there are some cases where debtors simply leave their property with arrears and where we have no forwarding address, or are declared bankrupt, insolvent or cease trading.

2.4 The onset of the recession has seen more companies get into financial difficulties. Companies that get into the most financial difficulties have to take the administration/receivership options if they are unable to agree terms with their creditors.

### Council Tax

2.5 As a matter of law, we are under an obligation to take reasonable steps to collect council tax debts.

2.6 We do this by various means, including summonses, Attachment of Earnings, Attachment of Benefits, Attachment of Allowances, distraint of goods, bankruptcy, Charging orders and committal warrants. However, there are some cases where debtors simply leave their property with arrears and where we have no forwarding address, or are declared bankrupt or are deceased with insufficient funds in the estate.

2.7 The onset of the recession has seen more individuals get into financial difficulties.

### 3 CURRENT POSITION

- 3.1 There are now five cases where the company has been dissolved and therefore we need to write off Council Tax and NNDR debts. Annex 1 shows details of the debts we are seeking approval to write off – this totals £35,475.55 NNDR debts and £300 costs and £1,445.37 Council Tax and £240.00 costs.

### 4 FINANCIAL IMPLICATIONS

- 4.1 Until 31 March 2013 when NNDR debts were written off the costs were met from the non-domestic rate pool.
- 4.2 The new rates retention scheme came into effect on 1 April 2013 and as a result the cost of NNDR write offs are now met in part by central government and in part by local government.
- 4.3 Where Council Tax debts are written off the costs are borne by the Council Tax Collection Fund and therefore fall on local Council Tax payers.

### 5 RECOMMENDED THAT COMMITTEE

- 5.1 Approve writing off £35,475.55 NNDR debts and £300 costs and £1,445.37 Council Tax and £240.00 costs where it has not been possible to collect the amounts due.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF47-17/ME/AC  
31 August 2017

## ANNEX 1

## Write offs – NNDR

Year	Name		Amount £
<b>DISSOLVED</b>			
Dissolution is the last stage of liquidation, the process by which a company (or part of a company) is brought to an end, and the assets and property of the company redistributed.			
2015/16	Greenchilli (Clitheroe) Ltd	4 York Street, Clitheroe	9,142.81
2016/17			6,689.57
2015/16	Express Inns Limited	White Bull Hotel, Church Street, Ribchester	*2,786.32
2016/17		Brown Cow Inn, 19 Bridge Road, Chatburn	*1,249.45
2015/16	Super Inns Limited	White Bull Hotel, Church Street, Ribchester	*3,097.83
2016/17	Bonny Inns (Salesbury) Ltd	Bonny Inn, Ribchester Road, Clayton le Dale	*2,082.04
2016/17	Chepstow (UK) Ltd	Duke of York Hotel, Brow Top, Grindleton	*8,957.51
2017/18			1,770.02
<b>Total</b>			<b>35,775.55</b>

## Write offs – Council Tax

Year	Name	Property	Amount £
<b>DISSOLVED</b>			
Dissolution is the last stage of liquidation, the process by which a company (or part of a company) is brought to an end, and the assets and property of the company redistributed.			
2015/16	Express Inns Ltd	White Bull Hotel, Church Street, Ribchester	*301.41
2016/17		Brown Cow Inn, 19 Bridge Road, Chatburn	*391.60
2015/16	Super Inns Ltd	White Bull Hotel, Church Street, Ribchester	*336.37
2016/17	Chepstow (UK) Ltd	Duke of York Hotel, Brow Top, Grindleton	*510.00
2017/18			145.99
<b>TOTAL</b>			<b>1,685.37</b>

\*includes £60 costs

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

Agenda Item No 9a

meeting date: 12 SEPTEMBER 2017  
title: REFERENCE FROM COMMUNITY COMMITTEE – CAPITAL  
MONITORING 2017/18  
submitted by: DIRECTOR OF RESOURCES  
principal author: LAWSON ODDIE

### 1 PURPOSE

- 1.1 To consider a reference from Community Services Committee with regard to a request for additional capital scheme budget for two schemes, with both increases to be fully financed from revenue.

### 2 BACKGROUND

- 2.1 Service committees manage their services within the budgets agreed at the beginning of the financial year. The budget was approved by Special Policy and Finance Committee on 7 February 2017 and by Full Council on 28 February 2017.
- 2.2 Any revenue or capital expenditure over and above what has already been approved must be agreed by this Committee.

### 3 INCREASED CAPITAL SCHEME COSTS

- 3.1 There have been two schemes under Community Services Committee capital programme where the budget has been identified as insufficient following receipt of firm quotes.
- 3.2 The increased £1,790 budget required for the Off-Street Car Parks – Upgrade of Payment Systems scheme can be funded by a contribution to capital resources from 2017/18 excess car parks income above budget or from an alternative revenue budget if this does not materialise at year-end. This Committee is requested to recommend approval of the additional capital scheme budget of £1,790 to Policy and Finance Committee on this basis.
- 3.3 The increased £1,450 budget required for the Replacement Mower (Kubota) PN09 SWO scheme can be funded by a contribution to capital resources from the 2017/18 Grounds Maintenance Purchase of Equipment and Materials revenue budget. This Committee is requested to recommend approval of the additional capital scheme budget of £1,450 to Policy and Finance Committee on this basis.

### 4 COMMUNITY SERVICES COMMITTEE 29 AUGUST 2017

- 4.1 Community Services Committee considered a report on the capital programme and a copy of the report is attached at Annex 1.
- 4.2 At its meeting, Community Services Committee resolved that committee:
- *recommend approval of the following additional capital budgets to Policy and Finance Committee:*
    - *£1,790 for the off-street car parks – upgrade to payment system scheme as funded by a contribution to capital resources from 2017/18 excess car parks income above budget or from an alternative revenue budget if this does not materialise at year-end;*

- *£1,450 for the replacement mowers (Kubota (PN09SW0) scheme) as funded by a contribution to capital resources from the 2017/18 grounds maintenance purchase of equipment and materials revenue budget.*

5 RECOMMENDED THAT COMMITTEE

- 5.1 Consider the request for the increased capital programme schemes totalling £3,240, with both increases to be fully financed from existing resources under the revenue budget.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF45-17/LO/AC

BACKGROUND PAPERS:

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

Agenda Item No 10

meeting date: 29 AUGUST 2017  
 title: CAPITAL MONITORING 2017/18  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: ANDREW COOK

## 1 PURPOSE

1.1 To provide members with information on the progress of the approved Community Committee 2017/18 capital programme for the period to the end of July 2017.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – none identified.
- Corporate Priorities – to continue to be a well-managed council, providing efficient services based on identified customer need.
- Other considerations – none identified.

## 2 BACKGROUND

2.1 In total nine new capital schemes for Community Committee, totalling £447,610 were approved by the Policy and Finance Committee and Full Council at their meetings in February 2017.

2.2 In addition, there were two 2016/17 capital schemes that were not completed by the 31 March 2017 and had unspent budget available at that date. The total unspent balance on these schemes, £23,600, is known as slippage. This slippage was transferred into the 2017/18 capital programme budget, after approval by Community Committee in May 2017.

2.3 The full capital programme for Community Committee, made up of eleven schemes with a total budget of £471,210, is shown at Annex 1.

## 3 CAPITAL MONITORING 2017/18

3.1 The table below summarises the Community Committee capital programme budget, expenditure to date and variance, as at the end of July 2017. Annex 1 shows the full capital programme by scheme. Annex 2 shows scheme details, financial information and budget holder comments to date for each scheme.

BUDGET			EXPENDITURE	
Original Estimate 2017/18 £	Slippage from 2016/17 £	Total Approved Budget 2016/17 £	Actual Expenditure including commitments as at end of July 2017 £	Variance as at end of July 2017 £
447,610	23,600	471,210	292,792	-178,418

3.2 At the end of July 2017 £292,792 had been spent or committed. This is 62.1% of the annual capital programme for this Committee.

3.3 Two vehicle replacement schemes have already been completed. At this stage, it is expected that the other nine schemes will be completed in-year.

3.4 The main reasons for the underspend on the full year budget to date are:

- **Play Area Improvements 2017/18 (-£39,031):** Main improvement works will be planned for September 2017 onwards, based on playground assessments after the school summer holidays. Further improvement works may also be required in-year if regular playground assessment checks or insurance condition surveys identify any improvement work. Some budget will be kept unallocated until March 2018 to ensure any currently unforeseen work can be funded.
- **Off-Street Car Parks – Update of Payments Systems (-£14,550):** The chip and pin upgrade will be undertaken in-year at three car parks, subject to approval by this Committee of the proposed scheme included in the General Parking Report elsewhere on this agenda. If given the go ahead, the costs of the scheme will be £16,341, which is £1,791 higher than the current scheme budget of £14,550 (see report elsewhere on the agenda). The additional budget requirement can be funded from the 2017/18 revenue budget.
- **Castle Museum – Refurbishment of Windows (-£56,366):** This work is being carried out by the works administration team. The work has begun and will be completed in-year.
- **Renewal of Sections of Floor to Residual Waste Transfer Station (-£19,500):** Quotes have been requested for the work required. The timing of the work will be confirmed when the work has been agreed with the contractor selected. At this stage, it is expected that the work will be completed within this financial year.
- **Replacement of Mower (Kubota) PN09 SWO (-£15,500):** Procurement is in progress. It is estimated the mower will be ordered and delivered before Christmas 2017. The best quote received for a new mower on this scheme is £16,949, which is £1,449 higher than the scheme budget of £15,500. The additional budget requirement can be funded from the 2017/18 revenue budget.
- **Replacement of Scag Mower 4x4 (rvbc016) and Scag Mower (rvbc014) (-£13,000):** These mowers will be replaced in late Autumn, at the end of the current cutting season.
- **Ribblesdale Pool Improvement Work (-£11,877):** The main contract value was finalised in May 2017. The 2017/18 spend to date is made up of two elements:
  - £6,452 – commitment for the contract retention payment, which is due to be paid in March 2018, twelve months after practical completion of the contract work.
  - -£1,509 - the final contract value agreed with the contractor in May 2017 was £1,509 less than the final contract valuation creditor estimated in the 2016/17 year-end accounts.

There is unlikely to be any further spend required on this scheme in 2017/18.

#### 4 ADDITIONAL APPROVALS 2017/18

- 4.1 The increased £1,790 budget required for the Off-Street Car Parks – Upgrade of Payment Systems scheme can be funded by a contribution to capital resources from 2017/18 excess car parks income above budget or from an alternative revenue budget if this does not materialise at year-end. This Committee is requested to recommend approval of the additional capital scheme budget of £1,790 to Policy and Finance Committee on this basis.
- 4.2 The increased £1,450 budget required for the Replacement Mower (Kubota) PN09 SWO scheme can be funded by a contribution to capital resources from the 2017/18 Grounds Maintenance Purchase of Equipment and Materials revenue budget. This Committee is requested to recommend approval of the additional capital scheme budget of £1,450 to Policy and Finance Committee on this basis.

#### 5 CONCLUSION

- 5.1 At the end of July 2017 £292,792 had been spent or committed. This is 62.1% of the annual capital programme for this Committee.
- 5.2 At this stage, it is expected that all eleven schemes will be completed in-year.
- 5.3 There are additional budget requirements on two of the capital schemes, totalling £3,240. These can be financed from the current year's revenue budget.

#### 6 RECOMMENDED THAT COMMITTEE

- 6.1 Recommend approval of the following additional capital budgets to Policy and Finance Committee:
- £1,790 for the Off-Street Car Parks – Upgrade of Payment Systems scheme, as funded by a contribution to capital resources from 2017/18 excess car parks income above budget or from an alternative revenue budget if this does not materialise at year-end.
  - £1,450 for the Replacement Mower (Kubota) PN09 SWO scheme, as funded by a contribution to capital resources from the 2017/18 Grounds Maintenance Purchase of Equipment and Materials revenue budget.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

CM9-17/AC/AC  
21 August 2017

For further background information please ask for Andrew Cook.

#### BACKGROUND PAPERS:

Policy and Finance Committee, Five Year Capital Programme 2017-2018 to 2021-2022 report, 7 February 2017.

Community Committee, Capital Outturn 2016-17 report, 16 May 2017

Cost Centre	Scheme	Original Estimate 2017/18 £	Slippage from 2016/17 £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of July 2017 £	Variance as at end of July 2017 £
PLAYR	Play Area Improvements 2017/18	40,000	0	40,000	969	-39,031
CPPAY	Off-Street Car Parks – Update of Payment Systems	14,550	0	14,550	0	-14,550
CMWIN	Castle Museum – Refurbishment of Windows	62,560	0	62,560	6,194	-56,366
TSFLR	Renewal of Sections of Floor to Residual Waste Transfer Station	19,500	0	19,500	0	-19,500
RVJJK	Replacement of Twin-bodied Refuse Collection Vehicle (VU59 JJK)	218,000	0	218,000	216,626	-1,374
WCOJV	Replacement of Works Vehicle (PO54 COJ)	23,500	0	23,500	20,953	-2,547
GVSWO	Replacement of Mower (Kubota) PN09 SWO	15,500	0	15,500	0	-15,500
SCGMW	Replacement of Scag Mower 4x4 (rvbc016) and Scag Mower (rvbc014)	13,000	0	13,000	0	-13,000
GVLSY + GVTZG	Replacement Pick-up Vehicles (Ford Ranger S/C 4WD x 2) - PK07 LSY and PK07 TZG	41,000	0	41,000	40,421	-579
RPIMP	Ribblesdale Pool Improvement Work	0	16,820	16,820	4,943	-11,877
PLAYQ	Play Area Improvements 2016/17	0	6,780	6,780	2,686	-4,094
	<b>Total Community Committee</b>	<b>447,610</b>	<b>23,600</b>	<b>471,210</b>	<b>292,792</b>	<b>-178,418</b>

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## Play Area Improvements 2017/18

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Service Area: Play Areas

Submitted by: Mark Beveridge

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### Brief Description of the Scheme:

Provide a fund for maintaining and improving the Council's eighteen play areas.

### Revenue Implications:

None.

### Timescale for Completion:

April of each financial year and lasting throughout the year.

### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	40,000	969	39,031
ANTICIPATED TOTAL SCHEME COST	40,000		

### Progress – Budget Holder Comments:

*July 2017: Spend to date has been for grounds maintenance team work plus Salthill Play Area log refurbishment work. Main improvement works will be planned for September 2017 onwards, based on playground assessments after the school summer holidays. Further improvement works may also be required in-year if regular playground assessment checks or insurance condition surveys identify any improvement work. Some budget will be kept unallocated until March 2018 to ensure any currently unforeseen work can be funded.*

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## Ribble Valley off-street car parks – upgrade of payment systems

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Service Area: Engineering

Submitted by: Adrian Harper

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### Brief Description of the Scheme:

The Council takes payment of off street car parking charges from the motorist either through an annual contract (payable in advance) or through a cash payment to the on-site pay and display parking machines. These machines (23 in total on the Council's 19 chargeable sites) accept payment by cash only. It is becoming more common for parking machines to accept cashless payments e.g. by debit / credit card and by transfer of funds initiated from the motorist's "smart-phone" and there is some expectation by customers that non-cash payment systems should be available. This scheme will upgrade the payment systems for car park payment machines to be able to accept the new £1 coin and to accept chip and pin payments.

**NOTE – The part of the scheme which would upgrade machines to be able to accept the new £1 coin was brought forward to be implemented in the 2016/17 financial year as revenue expenditure funded from earmarked reserves. The estimated value of that part of the original 2017/18 capital scheme, £6,000, was removed from the scheme. This left a 2017/18 capital scheme value of £14,550 to fund the upgrade of machines to be able to accept chip and pin payments.**

**In addition, the chip and pin upgrade has been deferred until at least September 2017 to assess whether the recently introduced pay by phone system will negate the need for this scheme.**

### Revenue Implications:

None.

### Timescale for Completion:

September 2017 onwards, if going ahead.

### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	14,550	0	-14,550
ANTICIPATED TOTAL SCHEME COST	16,341		

### Progress – Budget Holder Comments:

*July 2017: The chip and pin upgrade will be undertaken in-year at three car parks, subject to approval by this Committee of the proposed scheme included in the General Parking Report elsewhere on this agenda. If given*

*the go ahead, the costs of the scheme will be £16,341, which is £1,791 higher than the current scheme budget of £14,550. The additional budget requirement can be funded from the 2017/18 revenue budget.*

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## Castle Museum – Refurbishment of Windows

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Service Area: Surveyors

Submitted by: Adrian Harper

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### Brief Description of the Scheme:

As the appearance of the Castle Museum forms the first impression to all visitors or residents of the borough when visiting the Castle grounds, it is an aim that they are adequately maintained to support the Council's efforts to attracting tourism to the Borough.

Due to the prominent location of the building the timber windows are exposed to all weather conditions. Following the survey of the Castle Museum windows it has been noted that the majority of the windows are suffering from wet rot in the window frames / cills with some being severe, missing sealant around window edges and delamination of paint finishes. It is recommended that the windows be refurbished using an epoxy resin solution carried out in-situ with the possibility that some may require removing and refurbishing in the factory depending on the exact condition.

The works would include scaffolding around the building to provide adequate and safe access to all windows and will involve cutting back of all defective timber, mixing and applying the epoxy resin and moulding to the existing window profile. The fixtures will be prepared and redecorated with all sealant around the windows being replaced, all as agreed with the Council's listed buildings officer.

### Revenue Implications:

None.

### Timescale for Completion:

April 2017: Tender and undertake programme of works.

June 2017: Commencement of works.

July 2017: Completion.

### Capital Cost:

		Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	62,560	6,194	-56,366
ANTICIPATED TOTAL SCHEME COST	62,560		

### Progress – Budget Holder Comments:

*July 2017: This work is being carried out by the works administration team. The main cost elements will be works administration labour, materials and scaffolding. The work has begun and will be completed in-year.*

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## Renewal of sections of floor to residual waste transfer station (Phase 1)

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Service Area: Engineering

Submitted by: Adrian Harper

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### Brief Description of the Scheme:

The Salthill waste transfer station has been in operation since 2007. The more heavily used sections of the reinforced concrete floor within the residual waste building are showing limited signs of inevitable wear. It is considered likely that the reinforced concrete floor will require replacement in the 2017/18 financial year at an estimated cost of £19,500 (Phase 1). The remaining concrete floor to the recycle waste building is likely to need replacing the following year at a cost of £23,500 (Phase 2).

It has been planned that the works will be carried out in 2 halves and that normal operations would be able to continue, albeit changed to suit the reduced working area.

This 2017/18 scheme is Phase 1.

### Revenue Implications:

None.

### Timescale for Completion:

Work to be undertaken over summer of 2017, completed for Autumn.

### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	19,500	0	-19,500
ANTICIPATED TOTAL SCHEME COST	19,500		

### Progress – Budget Holder Comments:

*July 2017: Quotes have been requested for the work required. The timing of the work will be confirmed when the work has been agreed with the contractor selected. At this stage, it is expected that the work will be completed within this financial year.*

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## Replacement of Twin-bodied Refuse Collection Vehicle (VU59 JJK)

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Service Area: Refuse Collection

Submitted by: Adrian Harper

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### Brief Description of the Scheme:

The Council has a fleet of eight 23 or 26 tonne, split bodied refuse collection vehicles (RCVs) for the weekly emptying and collection of the contents of up to 47,800 wheeled bins and a further 865 refuse sacks. It operates 7 main collection rounds with an 8<sup>th</sup> vehicle, which will always be the oldest of the main fleet, being used as the cover vehicle for breakdowns, the essential periodic servicing, the required legal safety inspections, Loler inspections, and of course the MOTs of the other 7 front-line vehicles (commercial vehicles need MOTs after one year). Operating the complex 7 years old vehicles as front line units is considered to be at the limit of their economic life.

This bid is for the replacement of the "8<sup>th</sup> vehicle which in three years' time will be the 8 year old VU59 JJK. This proposal follows the vehicle and plant replacement programme that supports the 7 front-line RCVs and the 1 cover RCV that are necessary for the current collection regime.

### Revenue Implications:

The new vehicle will be more fuel efficient (euro stage 6 engines) and have lower carbon emissions than the existing vehicle that it replaces. Fuel savings estimated to be approximately £1,000 per annum.

### Timescale for Completion:

Early ordering to allow delivery early on in 2017/18.

### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	218,000	216,626	-1,374
ANTICIPATED TOTAL SCHEME COST	218,000		

### Progress – Budget Holder Comments:

*July 2017: Scheme complete - Refuse Collection Vehicle delivered and paid for.*

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## Replacement of Works Vehicle (PO54 COJ)

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Service Area: Works

Submitted by: Adrian Harper

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### Brief Description of the Scheme:

The direct services works team utilise 3 vehicles for maintenance works. A 4 x 4 pickup truck with the capability of towing the jetter and the mini digger trailer, a 7.5 tonne Iveco open back truck c/w tail lift truck and a 7.5 tonne Iveco tipper truck. The tipper facility of the Iveco tipper truck is now infrequently used as the work has moved away from civils type works in favour of lighter maintenance jobs.

It would be particularly beneficial if the section had the use of a long wheel base high top Iveco type vehicle, similar to those commonly used by general maintenance and building contractors, in which materials and equipment could be transported in a secure and weather proof environment.

### Revenue Implications:

The replacement vehicle will have a more efficient engine leading to reduced fuel consumption of approximately £500 per annum.

### Timescale for Completion:

April 2017: Tender new vehicle.

May 2017: Purchase new vehicle.

### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	23,500	20,953	-2,547
ANTICIPATED TOTAL SCHEME COST	23,500		

### Progress – Budget Holder Comments:

*July 2017: Scheme complete – The new works vehicle has been delivered and paid for*

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## Replacement Mower (Kubota) PN09 SWO

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Service Area: Grounds Maintenance

Submitted by: Mark Beveridge

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### Brief Description of the Scheme:

Ride on mower for amenity areas and external contracts, purchased in 2009, by the time of renewal it will be 8 years old. As with all machinery it is used intensively for the growing season which now extends from late March until early November. The industry norm for replacement of this type of machinery is 5 years.

### Revenue Implications:

None.

### Timescale for Completion:

2017/18.

### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	15,500	0	-15,500
ANTICIPATED TOTAL SCHEME COST	16,949		

### Progress – Budget Holder Comments:

*July 2017: Procurement is in progress. It is estimated the mower will be ordered and delivered before Christmas 2017. The best quote received for a new mower on this scheme is £16,949, which is £1,449 higher than the scheme budget of £15,500. The budget estimate was based on the value of a previous similar mower purchase, updated by inflation. The Grounds Maintenance team still require the replacement machine and the additional budget requirement can be funded from the 2017/18 revenue budget.*

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## Replacement Mowers - Scag 4x4 Mower (rvbc016) and Scag Mower (rvbc014)

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Service Area: Grounds Maintenance

Submitted by: Mark Beveridge

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### Brief Description of the Scheme:

This scheme follows the vehicle and plant replacement programme and covers the planned replacement of two Scag Mowers, as follows:

- Scag 4x4 Mower (rvbc016) has a 10 year life span, longer than the industry norm. It is used for the banked areas of the Castle and other difficult terrains where a ride on machine would be unsafe to operate due to the incline. It is 4 wheel drive because it has been assessed as the best equipment for the work required.
- Scag Mower (rvbc014) is utilised both on RVBC amenity and contracted grass cutting. Reliable and controllable machines that give minimal operator fatigue are necessary in order to consistently provide the quality of cut that is required. The existing mower, purchased in 2008 will be 9 years old at the programmed replacement date and its reliability will be failing. The machine should be replaced if the demand for cutting remains at current levels.

### Revenue Implications:

Existing Service – no change.

### Timescale for Completion:

2017/18

### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	13,000	0	-13,000
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>13,000</b>		

### Progress – Budget Holder Comments:

*July 2017: These mowers will be replaced in late Autumn, at the end of the current cutting season. This will allow maximum use to be gained from the current machines and allow time for the new mowers to be purchased before financial year-end.*

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## Replacement Pick Up Vehicles (Ford Ranger S/C 4WD) x 2 – PK07 LSY and PK07 TZG

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Service Area: Grounds Maintenance

Submitted by: Mark Beveridge

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### Brief Description of the Scheme:

The two vehicles due for replacement were purchased in 2007, they are on a 10 year replacement cycle. They are used to transport materials and towing equipment for grounds maintenance to use on site.

### Revenue Implications:

None.

### Timescale for Completion:

2017/18

### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	41,000	40,421	-579
ANTICIPATED TOTAL SCHEME COST	41,000		

### Progress – Budget Holder Comments:

*July 2017: Vehicles have been ordered and delivery is expected by late Autumn 2017.*

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## RPIMP – Ribblesdale Pool Improvement Work (slippage)

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Service Area: Ribblesdale Pool  
Head of Service: Mark Beveridge

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### Brief Description of the Scheme:

An improvement scheme which comprises modernisation work to the reception and changing areas and pool viewing balcony, and the creation of separate disability changing area provision with access from reception and straight to the pool hall.

### Revenue Implications:

None expected.

### Timescale for Completion:

Works - December 2016

### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Original Estimate 2017/18	0		
Slippage from 2016/17	16,820		
Total Approved Budget 2017/18	16,820	4,943	-11,877
Actual Expenditure 2016/17	260,604		
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>277,424</b>		

### Progress - Budget Holder Comments

*July 2017: The main contract value was finalised in May 2017. The 2017/18 spend to date is made up of two elements:*

- £6,452 – commitment for the contract retention payment, which is due to be paid in March 2018, twelve months after practical completion of the contract work.*
- -£1,509 - the final contract value agreed with the contractor in May 2017 was £1,509 less than the final contract valuation creditor estimated in the 2016/17 year-end accounts.*

*There is unlikely to be any further spend required on this scheme.*

*March 2017: The work on the main contract was completed in 2016/17 and Ribblesdale Pool re-opened in March 2017. The main contract value is still to be finalised, as officers are negotiating some final contract variation items. There may be further costs identified from this process. In addition, the main contract retention payment cannot be paid until twelve months after practical completion of the main contract. Slippage of the remaining scheme budget of £16,820 into 2017/18 is requested to fund the expenditure required.*

**August/September 2016:** *The current timetable is for the work to be put out to tender and a contractor appointed by early November 2016 and for the improvement work to be carried out between December 2016 and February 2017. Work is on-going to finalise and agree the Lottery Funding Agreement with Sport England.*

**July 2016:** *External funding of £150,000 from Sport England was confirmed in June 2016, subject to the signing of the Lottery Funding Agreement between the council and Sport England. The detailed specification for the improvement work is being worked up at present. The current timetable is for the scheme contractor to be chosen via tender and for the work to be carried out between December 2016 and February 2017.*

**May 2016:** *Initial bid submitted to Sport England in March 2016 for £150,000 grant funding and further bid information submitted in May 2016. Awaiting the formal funding announcement in June 2016.*

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## PLAYQ - Play Area Improvements 2016/17 (slippage)

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Service Area: Play Areas  
Head of Service: Mark Beveridge

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### Brief Description of the Scheme:

Provide a fund for improving and maintaining the Council's eighteen play areas.

### Revenue Implications:

None expected.

### Timescale for Completion:

Start Date – April 2016

Anticipated Completion Date – March 2017

### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Original Estimate 2017/18	0		
Slippage from 2016/17	6,780		
Total Approved Budget 2017/18	6,780	2,686	-4,094
Actual Expenditure 2016/17	33,216		
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>39,996</b>		

### Progress - Budget Holder Comments

*July 2017: This slippage was for Whalley Woodland bark mulch work and painting of equipment across several play areas. The bark mulch was ordered by the end of July 2017 and the work has subsequently been completed in August 2017, approximate cost likely to be £3,500. Painting of equipment work has not been started yet, due to availability of works administration staff in summer and the poor weather conditions for painting. It is now planned to undertake this work after the school holidays at the Castle, Highfield Road, Kestor Lane, Mardale, John Smiths and Edisford.*

*March 2017: Two planned elements of this scheme, Whalley Woodland bark mulch laying and painting of equipment across various play areas, were not completed in 2016/17. The work had been planned in early 2017 but unavailability of staff and unsuitable weather conditions meant that neither job could take place. Slippage of £6,780 into 2017/18 is requested to fund the expenditure required on these two jobs.*

*August/September 2016: Gates and fencing work now completed at Kestor Lane. Main improvement works will be undertaken from Autumn 2016 onwards, following completion of the post summer holiday playground assessments. Further improvement works may also be required in-year if regular playground assessment checks or insurance condition surveys identify any improvement work. Some budget will be kept unallocated until March 2017 to ensure any currently unforeseen work can be funded.*

*July 2016: No change to May 2016 comments.*

*May 2016: Spend to date relates to improvement work across several play areas, including gates and fencing work ordered for Kestor Lane. Main improvements will be planned for September 2016 onwards, based on playground assessments after the summer school holidays. Further improvement works may also be required in-year if regular playground assessment checks or insurance condition surveys identify any improvement work. Some budget will be kept unallocated until March 2017 to ensure any currently unforeseen work can be funded.*

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

Agenda Item No 10

meeting date: 12 SEPTEMBER 2017  
title: CAPITAL MONITORING 2017/18  
submitted by: DIRECTOR OF RESOURCES  
principal author: ANDREW COOK

## 1 PURPOSE

1.1 To provide this Committee with information relating to the progress of the approved capital programme for the period to the end of July 2017.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – none identified.
- Corporate Priorities – to continue to be a well-managed council, providing efficient services based on identified customer need.
- Other considerations – none identified.

## 2 BACKGROUND

2.1 Five schemes, totalling £127,250, were approved by the Policy and Finance Committee and Full Council at their respective meetings in February 2017.

2.2 There have been several amendments to the 2017/18 original estimate capital programme:

- The budgets on four schemes in the 2016/17 capital programme, totalling £167,450, were confirmed as still required by this Committee but unlikely to be spent in the 2016/17 financial year, as at 2016/17 revised estimate stage. These budgets were moved into the 2017/18 capital programme budget, following approval by this Committee in January 2017.
- One scheme in the 2016/17 capital programme was not completed by 31 March 2017 and had unspent budget available at that date. The total unspent balance on this scheme, £6,650, is known as slippage. This slippage has been transferred into the 2017/18 capital programme budget.
- One scheme, Economic Development Initiatives totalling £100,000, has been transferred to the newly created Economic Development Committee, because the nature of the scheme is in line with the new Committee's objectives.

2.3 As a result of the above, the total approved budget for this Committee's capital programme of nine schemes is £201,350. This is shown at Annex 1.

## 3 CAPITAL MONITORING 2017/18

3.1 The table overleaf summarises this Committee's capital programme budget, expenditure to date and variances, as at the end of July 2017. Annex 1 shows the full capital programme by scheme. Annex 2 shows scheme details, financial information and budget holder comments to date for each scheme.

BUDGET					EXPENDITURE	
Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Scheme Transferred to Economic Development Committee £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of July 2017 £	Variance as at end of July 2017 £
127,250	167,450	6,650	-100,000	201,350	8,000	-193,350

3.2 At the end of July 2017 £8,000 had been spent or committed. This is only 4% of the annual capital programme budget for this Committee.

3.3 The ICT Infrastructure Refresh scheme is complete.

3.4 The main reasons for the underspend on the full year budget to date are:

- **Civic suite upgrade (-£45,000) and Council chamber tables and seating renewal scheme (-£11,250):** The Civic suite upgrade scheme (which relates to audio, lighting, CCTV, projector and screen equipment) and the Council chamber tables and seating renewal scheme are being implemented in tandem, as the technology elements of the upgrade scheme do have an impact on the type and layout of tables and seating in the Council chamber. Different layouts for the seating and tables are being considered. Officers are meeting with a potential supplier of audio equipment in September. Following this, the detailed procurement can begin for both schemes. At this stage, the aim is to complete both schemes by the end of the financial year.
- **Replacement server for Revenues and Benefits (-£13,500):** The scheme implementation and procurement plan has not started yet. It will be worked up between Revenues section and ICT. At this stage, the aim is to complete the scheme by the end of the financial year.
- **Council Offices Re-roofing (-£7,910) and Council Offices Replacement Windows and Rooflights (-£4,540):** Awaiting the combined contract retention invoice from the contractor before payment is made. The invoice has been requested.
- **New Council telephone system (-£45,000):** Officers are meeting with a potential supplier in September to discuss the options available for a new telephone system. It is hoped that this will provide the information to work up the detailed specification for the scheme. The detailed specification will provide the basis for what we will ask suppliers to quote for and may possibly also lead to some new ways of working. Given this, completion within the current financial year cannot be estimated with any certainty at this stage. The implementation timescale will be clearer at detailed specification stage.
- **Printing section equipment upgrade (-£12,500):** Quotes have been received from suppliers in late August for the printing equipment element of the scheme. The best quote will be selected and purchase can be completed in-year. There is no detailed progress to date on the design system upgrade element of the scheme. There have been initial discussions with ICT but this element of the scheme may take longer to implement as requirements are established.

- **Clitheroe Townscape Scheme (-£55,000):** The scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme. A report will be brought to a future meeting of this Committee when plans are drawn up.

#### 4 ADDITIONAL APPROVAL 2017/18

- 4.1 The ICT Infrastructure Refresh scheme has overspent by £1,350, which is just over 1% of the total scheme budget. The additional budget required can be financed from the ICT repairs and renewals earmarked reserve. This Committee is requested to approve the additional capital scheme budget of £1,350 on this basis.

#### 5 CONCLUSION

- 5.1 At the end of July 2017 £8,000 had been spent or committed. This is only 4% of the annual capital programme for this Committee.
- 5.2 The ICT Infrastructure Refresh scheme is complete. There is additional budget requested of £1,350 for the ICT Infrastructure Refresh scheme and this can be financed from the ICT repairs and renewals earmarked reserve.
- 5.3 The Clitheroe Townscape scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.
- 5.4 Of the other seven schemes, it is estimated, at this stage, that five schemes may be completed in-year and there is uncertainty over whether two of the schemes will be completed in-year.

#### 6 RECOMMENDED THAT COMMITTEE

- 6.1 Approve £1,350 additional capital budget for the ICT Infrastructure Refresh scheme, as funded by a contribution to capital resources from the ICT repairs and renewals earmarked reserve.

SENIOR ACCOUNTANT  
PF46-17/AC/AC  
31 August 2017

DIRECTOR OF RESOURCES

For further background information please ask for Andrew Cook.

BACKGROUND PAPERS – None

## Policy and Finance Committee – Capital Programme 2017/18

Cost Centre	Scheme	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Scheme Transferred to Economic Development Committee £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of July 2017 £	Variance as at end of July 2017 £
OROOF	Council Offices – Re-roofing (retention)	0	7,910	0	0	7,910	0	-7,910
WINDW	Council Offices – Replacement Windows and Rooflights (retention)	0	4,540	0	0	4,540	0	-4,540
TNSCP	Clitheroe Townscape Scheme	0	55,000	0	0	55,000	0	-55,000
ECDVI	Economic Development Initiatives	0	100,000	0	-100,000	0	0	0
RBSVR	Replacement server for Revenues and Benefits	13,500	0	0	0	13,500	0	-13,500
PSEQP	Printing section equipment upgrade	12,500	0	0	0	12,500	0	-12,500
CSEAT	Council chamber – Tables and Seating renewal scheme	11,250	0	0	0	11,250	0	-11,250
PHONE	New Council telephone system	45,000	0	0	0	45,000	0	-45,000
CSUPG	Civic suite upgrade	45,000	0	0	0	45,000	0	-45,000
ITSAN	ICT Infrastructure Refresh (Storage Area Network (SAN) and Network and Server Replacement)	0	0	6,650	0	6,650	8,000	1,350
	<b>Total Policy and Finance Committee</b>	<b>127,250</b>	<b>167,450</b>	<b>6,650</b>	<b>-100,000</b>	<b>201,350</b>	<b>8,000</b>	<b>-193,350</b>

## Policy and Finance Committee Individual Scheme Details

### OROOF - Council Offices Re-roofing (retention)

Service Area: Council Offices  
Head of Service: Adrian Harper

**Brief Description of the Scheme:**

The aim of this scheme was to re-slate the Church Walk Council Offices roof. Work was completed within budget in 2016/17 and only the contract retention payment remains outstanding on this scheme, £7,910. The payment is due in May 2017, twelve months after the main contract work was completed, so £7,910 of the scheme budget had to be moved to 2017/18.

**Revenue Implications:**

Existing service – no change.

**Timescale for Completion:**

April 2015: Tender and undertake programme of works.

June 2015: Commencement of works.

August 2015: Completion.

**Capital Cost:**

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Original Estimate 2017/18	0		
Budget Moved from 2016/17	7,910		
<b>Total Approved Budget 2017/18</b>	<b>7,910</b>	<b>0</b>	<b>-7,910</b>
Actual Expenditure 2016/17	3,169		
Actual Expenditure 2015/16	152,739		
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>163,818</b>		

**Progress - Budget Holder Comments**

*July 2017: Awaiting the combined contract retention invoice from the contractor, before payment is made. The invoice has been requested.*

*December 2016: Work has now been completed within budget on the combined Council Offices Re-roofing and Council Offices Windows and Rooflights schemes. Only the 5% contract retention payments remain outstanding. These payments, totalling £12,450, are due in May 2017, twelve months after the main contract work was completed. Thus, financial completion of the schemes can only take place in 2017/18 and it is recommended that £12,450 of the combined schemes budget is moved to 2017/18.*

**Policy and Finance Committee  
Individual Scheme Details**

**September 2016:** No change from July 2016 comments – All work is complete, so awaiting final 5% retention payment in May 2017, twelve months after the main contract work completion.

**July 2016:** All work is now completed on the combined Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes. The remaining budgets on each scheme are for the 5% contract retention payment, due in May 2017, twelve months after the main contract work was completed. Thus, financial completion of the scheme can only take place in 2017/18, so the remaining budget will be moved into 2017/18 at Revised Estimate stage. The combined scheme will be completed within budget.

**May 2016:** The work on the combined contract for the Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes is complete. There is minor outstanding work to be completed internally on the link corridor frames/cladding. In addition, there is 5% contract retention for 12 months.

**March 2016:** The majority of the work on the combined contract for the Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes was complete by year-end. Minor work outstanding at year-end related to link corridor roofing and windows. In addition, there is 5% contract retention for 12 months. Slippage of the 2015/16 underspend on these schemes is requested to fund the minor work outstanding and the retention payment.

**January 2016:** Work is currently in progress on the combined contract for the Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes. It is expected to be completed by the year-end, weather permitting.

**September/October 2015:** The preferred contractor has been chosen for the combined Re-roofing and Replacement Windows and Roof Lights contract. The contract will be signed in October 2015. Provisional contract sums are within the combined budget of £256,400. Work will begin in autumn 2015 and is currently planned for completion in March 2016. Expenditure to date relates to professional staff time input, building regulations fees and building surveys.

**July/August 2015:** The Council Offices - Re-roofing scheme and Council Offices - Replacement Windows and Rooflights scheme have been combined together in one contract. The contract has been put out to tender. The preferred contractor will be chosen, following tender evaluation, by September 2015. The timing of the works is to be confirmed with the preferred contractor when the contract is awarded. At this point in time, scheme completion is expected within 2015/16. Expenditure to date relates to professional staff time input, building regulations fees and building surveys.

## Policy and Finance Committee Individual Scheme Details

### WINDW – Council Offices Replacement Windows and Rooflights (retention)

Service Area: Council Offices  
Head of Service: Adrian Harper

**Brief Description of the Scheme:**

The aim of this scheme was to replace the remaining original timber framed windows and roof lights in the Church Walk Council Offices. Work was completed within budget in 2016/17 and only the contract retention payment remains outstanding on this scheme, £4,540. The payment is due in May 2017, twelve months after the main contract work was completed, so £4,540 of the scheme budget had to be moved to 2017/18.

**Revenue Implications:**

£500 savings per year.

**Timescale for Completion:**

April 2015: Specify and Tender.

June 2015: Commencement of works.

August 2015: Completion.

**Capital Cost:**

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Original Estimate 2017/18	0		
Budget Moved from 2016/17	4,540		
<b>Total Approved Budget 2017/18</b>	<b>4,540</b>	<b>0</b>	<b>-4,540</b>
Actual Expenditure 2016/17	1,357		
Actual Expenditure 2015/16	86,157		
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>92,054</b>		

**Progress - Budget Holder Comments**

*July 2017: Awaiting the combined contract retention invoice from the contractor, before payment is made. The invoice has been requested.*

*December 2016: Work has now been completed within budget on the combined Council Offices Re-roofing and Council Offices Windows and Rooflights schemes. Only the 5% contract retention payments remain outstanding. These payments, totalling £12,450, are due in May 2017, twelve months after the*

**Policy and Finance Committee  
Individual Scheme Details**

*main contract work was completed. Thus, financial completion of the schemes can only take place in 2017/18 and it is recommended that £12,450 of the combined schemes budget is moved to 2017/18.*

***September 2016:** No change from July 2016 comments – All work is complete, so awaiting final 5% retention payment in May 2017, twelve months after the main contract work completion.*

***July 2016:** All work is now completed on the combined Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes. The remaining budgets on each scheme are for the 5% contract retention payment, due in May 2017, twelve months after the main contract work was completed. Thus, financial completion of the scheme can only take place in 2017/18, so the remaining budget will be moved into 2017/18 at Revised Estimate stage. The combined scheme will be completed within budget.*

***May 2016:** The work on the combined contract for the Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes is complete. There is minor outstanding work to be completed internally on the link corridor frames/cladding. In addition, there is 5% contract retention for 12 months.*

***March 2016:** The majority of the work on the combined contract for the Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes was complete by year-end. Minor work outstanding at year-end related to link corridor roofing and windows. In addition, there is 5% contract retention for 12 months. Slippage of the 2015/16 underspend on these schemes is requested to fund the minor work outstanding and the retention payment.*

***January 2016:** Work is currently in progress on the combined contract for the Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes. It is expected to be completed by the year-end, weather permitting.*

***September/October 2015:** The preferred contractor has been chosen for the combined Re-roofing and Replacement Windows and Roof Lights contract. The contract will be signed in October 2015. Provisional contract sums are within the combined budget of £256,400. Work will begin in autumn 2015 and is currently planned for completion in March 2016. Expenditure to date relates to professional staff time input, building regulations fees and building surveys.*

***July/August 2015:** The Council Offices - Re-roofing scheme and Council Offices - Replacement Windows and Rooflights scheme have been combined together in one contract. The contract has been put out to tender. The preferred contractor will be chosen, following tender evaluation, by September 2015. The timing of the works is to be confirmed with the preferred contractor when the contract is awarded. At this point in time, scheme completion is expected within 2015/16. Expenditure to date relates to professional staff time input, building regulations fees and building surveys.*

## Policy and Finance Committee Individual Scheme Details

### TNSCP - Clitheroe Townscape Scheme

Service Area: Regeneration

Head of Service: Colin Hirst and Adrian Harper

**Brief Description of the Scheme:**

The Clitheroe Townscape Scheme was initially approved to combine £55,000 from Ribble Valley Borough Council and £60,000 from Lancashire County Council (LCC) to undertake enhanced town centre improvements to include elements of the frontage of buildings, the highway and features of the public realm. Following discussions with LCC it was confirmed that LCC would only commit their £60,000 funding effectively to core maintenance work, with an expectation that Ribble Valley's capital spend would be additional funding also to be spent on core maintenance. Enhanced town centre improvements were the main focus of this scheme for Ribble Valley and as such it was not seen as appropriate for Ribble Valley's funding to be used in this way. Consequently, the £60,000 LCC funding was no longer available for this scheme.

On 7 June 2016 this Committee resolved that a report should be brought to a future meeting of this Committee setting out how the remaining budget of £55,000 could be utilised for this scheme. In the meantime, plans have been developed and consultation undertaken on the Clitheroe Market re-development, which will have an impact on the Clitheroe townscape. Consequently, the Clitheroe Townscape Scheme is in abeyance, awaiting further consideration in relation to the wider Clitheroe Market re-development, and the £55,000 scheme budget has been moved from 2016/17 to 2017/18. Updated plans for the scheme budget will be reported to members at a future Policy and Finance Committee meeting.

**Revenue Implications:**

None.

**Timescale for Completion:**

Anticipated design work: April 2015.

Anticipated start on site: May 2015.

**Capital Cost:**

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Original Estimate 2017/18	0		
Budget Moved from 2016/17	55,000		
<b>Total Approved Budget 2017/18</b>	<b>55,000</b>	<b>0</b>	<b>-55,000</b>
Actual Expenditure 2016/17	0		
Actual Expenditure 2015/16	0		
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>55,000</b>		

**Policy and Finance Committee  
Individual Scheme Details****Progress - Budget Holder Comments**

*July 2017: No change from December 2016 - The scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme. A report will be brought to a future meeting of this Committee when plans are drawn up.*

*December 2016: The scheme is in abeyance awaiting further consideration in relation to the wider Clitheroe Market Development scheme, so there is no further progress on plans to spend the budget at this stage and there is expected to be no expenditure on the scheme in 2016/17. A report will be brought to a future meeting of this Committee when plans are drawn up. It is recommended that the revised estimate is reduced to nil and the £55,000 budget is moved to 2017/18.*

*September/October 2016: No change from July 2016 comments - The scheme is in abeyance awaiting further consideration in relation to the wider Clitheroe Market Development scheme. A report will be brought to a future meeting of this Committee when plans are drawn up.*

*July 2016: There is no further progress on plans to spend the £55k budget at this stage. The scheme is in abeyance awaiting further consideration in relation to the wider Clitheroe Market Development scheme. A report will be brought to a future meeting of this Committee when plans are drawn up.*

*May/June 2016: £55k slippage has been approved by Policy and Finance Committee, which is the non-LCC funded budget for this scheme. Policy and Finance Committee resolved that officers should take a report to a future meeting to suggest plans for use of the remaining £55k budget.*

*March 2016: Following in-year discussions with LCC it was confirmed that LCC would only commit the £60k funding effectively to core maintenance work, with an expectation that Ribble Valley's capital spend would be additional funding also to be spent on core maintenance. Enhanced town centre improvements were the main focus of this scheme for Ribble Valley and as such it was not seen as appropriate for Ribble Valley's funding to be used in this way. Consequently, it is proposed that this scheme is reduced, following confirmation by LCC that the £60k funding is no longer available, and that officers consider what enhancement works could be achieved by the remaining budget in 2016/17.*

*January 2016: The scheme is on hold whilst we seek to establish whether Lancashire County Council's funding contribution will support expenditure on enhanced town centre improvements, which is the aim of the scheme, rather than core maintenance work. If a way forward is not agreed with the County Council before year-end, the scheme budget will be moved into 2016/17 as slippage. There will be a need to re-assess the scheme if agreement is not reached on enhanced improvements.*

*September 2015: The series of options worked up for this scheme, in conjunction with Lancashire County Council, are being considered and further discussions are taking place with the County Council on the way forward. At this stage, it is expected that work will be completed in the 2015/16 financial year.*

*July 2015: A series of options have been worked up for this scheme, in conjunction with Lancashire County Council. These options will be considered and a way forward then agreed. At this stage, it is expected that work will be completed in the 2015/16 financial year.*

## Policy and Finance Committee Individual Scheme Details

### RBSVR - Replacement server for Revenues and Benefits

Service Area: Revenues and Benefits

Submitted by: Mark Edmondson

**Brief Description of the Scheme:**

This scheme allows for the future replacement of the current SUN M3000 server which hosts the Council's Revenues and Benefits system. In 2017, the current server would be over 5 years old.

**Revenue Implications:**

Reduced yearly support and maintenance costs of approximately £1,000 per annum.

**Timescale for Completion:**

During 2017/18.

**Capital Cost:**

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	13,500	0	-13,500
ANTICIPATED TOTAL SCHEME COST	13,500		

**Progress – Budget Holder Comments:**

*July 2017: The scheme implementation and procurement plan has not started yet. It will be worked up between Revenues section and ICT. At this stage, the aim is to complete the scheme by the end of the financial year.*

## Policy and Finance Committee Individual Scheme Details

### PSEQU - Printing section equipment upgrade

Service Area: Organisation and Member Development

Submitted by: Michelle Smith

#### Brief Description of the Scheme:

To replace three items of printing equipment which are over 10 years old, namely: a Booklet Maker, Collator and Guillotine. These items are used collectively to produce a wide range of printed materials both internally and externally, eg. publicity and information notices, brochures and booklets relating to council services, forms and documents, Agenda papers, event tickets etc. Recently we have experienced problems with the reliability of the Booklet Maker and the Collator and the Guillotine was unsafe to use and is now broken.

In addition, upgrade the design system to an Apple platform using an I-Mac with associated software upgrade to Adobe Creative Cloud software suite, and appropriate back-up storage hardware. The Apple platform is a more versatile and comprehensive product for design and graphic work and would offer the opportunity for enhanced integration with the recently launched I-Pad scheme.

#### Revenue Implications:

Apple platform upgrade will increase revenue costs by approximately £500 per annum.

#### Timescale for Completion:

During 2017/18.

#### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	12,500	0	-12,500
ANTICIPATED TOTAL SCHEME COST	12,500		

#### Progress – Budget Holder Comments:

*July/August 2017: Quotes have been received from suppliers in late August for the printing equipment element of the scheme. The best quote will be selected and purchase can be completed in-year. There is no detailed progress to date on the design system upgrade element of the scheme. There have been initial discussions with ICT but this element of the scheme may take longer to implement.*

## Policy and Finance Committee Individual Scheme Details

### CSEAT - Council chamber – Tables and Seating renewal scheme

Service Area: Civic Suite

Submitted by: Adrian Harper

#### Brief Description of the Scheme:

The chairs are over 25 years old and have been repaired on a number of occasions. However the quality of these repairs is being increasingly compromised or made more difficult by the condition of the timber around the repairs. In order to prevent the use of the furniture becoming hazardous to the user it is proposed that the chairs are replaced. The particular model of chair is obsolete and therefore individual chairs cannot be replaced. There are 45 chairs in total, 3 of which have become hazardous to use, cannot be further repaired and therefore been removed, including the chairman's seat. This scheme also includes the purchase of tables.

#### Revenue Implications:

Reduced repairs costs of approximately £150 per annum.

#### Timescale for Completion:

May 2017: Contact potential suppliers and request samples.

July 2017: Consultation with CMT regarding design / material options.

September 2017: Obtain firm quotations and place order.

November 2017: Receive delivery of new furniture, recycle redundant chairs.

#### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	11,250	0	-11,250
ANTICIPATED TOTAL SCHEME COST	11,250		

#### Progress – Budget Holder Comments:

*July 2017: The Civic suite upgrade scheme (which relates to audio, lighting, CCTV, projector and screen equipment) and the Council chamber seating renewal scheme (which relates to new seating and tables) are being implemented in tandem, as the technology elements of the upgrade scheme do have an impact on the type and layout of tables and seating in the Council chamber. Different layouts for the seating and tables have been considered and a preferred layout has been confirmed. Officers are meeting with a potential supplier of audio equipment in September. Following this, the detailed procurement can begin for both schemes. At this stage, the aim is to complete both schemes by the end of the financial year.*

## Policy and Finance Committee Individual Scheme Details

### PHONE - New Council telephone system

Service Area: Organisation and Member Development

Submitted by: Michelle Smith

#### Brief Description of the Scheme:

A new telephone system is required for the Council, as follows:

- The current Phillips system is now 10 years old and the manufacturers have indicated that it will be unsupported from 2016 onwards, which will create issues in respect of ongoing repair and maintenance.
- There have been several system failures recently. In addition, it has been difficult to get repairs done promptly and adequately when these failures have occurred. This has had a negative impact on the smooth running of Council departments.

The capital scheme may involve:

- A new system (including main switchboard).
- Servers and updated handsets hardware to run the system on.
- Technical/consultant input to help spec the detail of the system and assist with the procurement process.

#### Revenue Implications:

To be confirmed.

#### Timescale for Completion:

Start technical assessment and procurement with aim of implementing the new system as soon as possible in 2017/18.

#### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	45,000	0	-45,000
ANTICIPATED TOTAL SCHEME COST	45,000		

#### Progress – Budget Holder Comments:

*July/August 2017: Officers are meeting with a potential supplier in September to discuss the options available for a new telephone system. It is hoped that this will provide the information to work up the detailed specification for the scheme. The detailed specification will provide the basis for what we will ask suppliers to quote for and may possibly also lead to some new ways of working. Given this, completion within the current financial year cannot be estimated with any certainty at this stage. The implementation timescale will be clearer at detailed specification stage.*

## Policy and Finance Committee Individual Scheme Details

### CSUPG - Civic suite upgrade

Service Area: Civic Suite

Submitted by: Adrian Harper

#### Brief Description of the Scheme:

1. Audio, lighting and CCTV:

The audio system is dated and ineffective for members not sat at the top table or for those in the public gallery. The lighting is original and ineffective. The proposal is to install a wireless delegate PA system. This to include individual wireless microphones for all members. The proposal for the lighting is to replace all lighting within the suite, the meeting rooms and the gallery with LED units and upgrade the existing CCTV system for the public gallery.

2. Projector and screen:

The projector is only approximately 7 years old but is outdated and there have been issues recently with reliability and quality. The proposal is to replace the projector with a HD projector together with a new wider 16:10 wall screen.

#### Revenue Implications:

None – existing service continues.

#### Timescale for Completion:

May 2017: Contact potential suppliers and request samples and specifications.

July 2017: Consultation with CMT regarding options.

September 2017: Obtain firm quotations and place orders.

November 2017: Commence upgrading works.

#### Capital Cost:

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Total Approved Budget 2017/18	45,000	0	-45,000
ANTICIPATED TOTAL SCHEME COST	45,000		

#### Progress – Budget Holder Comments:

*July 2017: The Civic suite upgrade scheme (which relates to audio, lighting, CCTV, projector and screen equipment) and the Council chamber seating renewal scheme (which relates to new seating and tables) are being implemented in tandem, as the technology elements of the upgrade scheme do have an impact on the type and layout of tables and seating in the Council chamber. Different layouts for the seating and tables have been considered and a preferred layout has been confirmed. Officers are meeting with a potential supplier of audio equipment in September. Following this, the detailed procurement can begin for both schemes. At this stage, the aim is to complete both schemes by the end of the financial year.*

## Policy and Finance Committee Individual Scheme Details

### ITSAN – ICT Infrastructure Refresh (Storage Area Network (SAN) and Network and Server Replacement)

Service Area: ICT  
Head of Service: Lawson Oddie

**Brief Description of the Scheme:**

The scheme allows for the future corporately coordinated update of ICT equipment, including desktop and network with better business continuity resilience and improved data storage to meet increased use of ICT software functionality and to also potentially allow for more flexible working practices. The solutions are the implementation of:

1. Central storage area network that will allow for the consolidation of data storage, more resilient server infrastructure and a move towards high availability of server resources.
2. Investigate the use of G-Cloud or other cloud based services to enhance the Authority's disaster/business continuity procedures.
3. Replace ageing network infrastructure (network switches etc).

**Revenue Implications:**

This would be very difficult to quantify, as future technology available over time would likely offer different efficiencies than the technology available today.

**Timescale for Completion:**

It would be envisaged that the scheme would be completed within the year, however there is always the option for the scheme to be phased over a couple of years, as there are discrete elements of the scheme that are not reliant on each other to be operational.

**Capital Cost:**

	£	Actual Expenditure and Commitments as at end of July 2017 £	Variance as at end of July 2017 £
Original Estimate 2017/18	0		
Slippage from 2016/17	6,650		
<b>Total Approved Budget 2017/18</b>	<b>6,650</b>	8,000	1,350
Actual Expenditure 2016/17	93,354		
<b>ANTICIPATED TOTAL SCHEME COST</b>	<b>101,354</b>		

**Progress - Budget Holder Comments**

*July 2017: Scheme complete - The IT consultant input was provided in early 2017/18 and the final £8,000 was paid in May 2017. Given the slippage request of £6,650, this scheme has overspent by*

**Policy and Finance Committee  
Individual Scheme Details**

*£1,350, which is just over 1% of the total scheme budget of £100,000 and is due to a small number of unforeseen peripheral items required as part of the scheme. The additional budget required can be financed from the ICT repairs and renewals earmarked reserve.*

***March 2017:** The IT consultant input required to complete the infrastructure refresh could not be scheduled in until early 2017/18. Slippage of £6,650 into 2017/18 is requested to help fund the IT consultant expenditure required. The IT consultant input cost in 2017/18 is £8,000. Given the slippage request of £6,650, then this scheme will overspend by £1,350 in 2017/18. This is just over 1% of the total scheme budget and is due to a small number of unforeseen peripheral items required as part of the scheme.*

***December 2016:** No expenditure to date on the ICT Infrastructure Refresh scheme. The aim is to complete the scheme by the end of the financial year, dependent on the detailed project plan timings agreed with the preferred supplier.*

***September/October 2016:** Tender documents have been advertised in October 2016 and the preferred contractor will be selected before the end of November 2016. At this stage, the aim is to complete the scheme by the end of the financial year because the refresh work is expected to take up to three months to complete. However, the actual timeline for scheme implementation is dependent on the project plan timings agreed with the preferred contractor at tender award stage.*

***July 2016:** No spend to date in-year. The estimated timeline is for the work to be put out to tender, bids received and the preferred contractor selected by late Autumn 2016. This would allow the scheme to be completed by March 2017, as the refresh work is expected to take up to three months to complete. Tender documentation is currently being finalised.*

***May 2016:** The work will be put out to tender, as the budget is greater than £50k.*

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No. 11

meeting date: TUESDAY, 12 SEPTEMBER 2017  
 title: OMBUDSMAN ANNUAL REVIEW LETTER 2017  
 submitted by: CHIEF EXECUTIVE  
 principal author: HEAD OF LEGAL AND DEMOCRATIC SERVICE

### 1 PURPOSE

1.1 To inform Committee about referrals to the Local Government Ombudsman (LGO) for the period 1.4.16 to 31.3.17.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives - } The Council aims to be a well-managed Council.
- Corporate Priorities - } Complaints to the Ombudsman and the process of resolving complaints and responding to the Ombudsman's investigation, helps to improve the way the Council delivers services.
- Other Considerations - }

### 2 BACKGROUND

2.1 The Local Government Ombudsman Service publishes an annual review letter for each Council. A copy of this Council's annual review letter is attached as Appendix 1.

2.2 The annual review letter provides a summary of the following information:

- The number of complaints/enquiries made about this authority.
- The service area to which the complaint/enquiry relates.
- The Local Government Ombudsman's decision.
- When a complaint has been upheld, the extent of compliance with the recommendation.

2.3 As can be seen from the attached report, the Ombudsman was contacted about this council on four occasions during the year.

2.4 Two of the contacts resulted in the Ombudsman making an initial assessment of the complaint, one was closed following these initial enquiries, the other was referred back to the Council for local resolution.

2.5 Two complaints were referred for investigation; one of which was upheld.

### 3 RISK ASSESSMENT

3.1 The approval of this report may have the following implications

- Resources – N/A.
- Technical, Environmental and Legal – N/A.

- Political – N/A.
- Reputation – N/A.
- Equality & Diversity – N/A.

#### 4 **CONCLUSION**

4.1 That Committee note the information as set out above.

DIANE RICE  
HEAD OF LEGAL AND DEMOCRATIC SERVICES

MARSHAL SCOTT  
CHIEF EXECUTIVE

#### BACKGROUND PAPERS

Annual Review Letter 2017:  
[www.lgo.ork.uk/information/centre/reports/annual-review-reports/interpreting-local-authority-statistics](http://www.lgo.ork.uk/information/centre/reports/annual-review-reports/interpreting-local-authority-statistics)

For further information please ask for Diane Rice, extension 4418.

REF: DER/EL/P&F/12 SEPT 17

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No. 12

meeting date: 12<sup>th</sup> SEPTEMBER 2017  
title: LOCAL GOVERNMENT BOUNDARY COMMISSION FOR ENGLAND REVIEW  
– FINAL RECOMMENDATIONS  
submitted by: DIRECTOR OF RESOURCES  
principal author: MICHELLE HAWORTH – PRINCIPAL POLICY AND PERFORMANCE  
OFFICER

### 1 PURPOSE

- 1.1 To provide committee with updated information on the ward boundary review being carried out by the Local Government Boundary Commission for England's (LGBCE).
- 1.2 Relevance to the Council's ambitions and priorities:
  - Community Objectives – A main consideration for Council size is our Governance and decision making arrangements. The distribution of the 40
  - Corporate Priorities – Councillors ensures electoral equality and community
  - Other Considerations - representation.

### 2 BACKGROUND

- 2.1 The LGBCE is carrying out an electoral review of Ribble Valley Borough Council.
- 2.2 The aim of the electoral review is to recommend ward boundaries that mean each councillor represents approximately the same number of voters.
- 2.3 The LGBCE launched a consultation process on 22<sup>nd</sup> November which ran until 30<sup>th</sup> January to which we submitted a response with our warding proposals.
- 2.4 Based on the proposals received the LGBCE put forward their recommendations on 11<sup>th</sup> April and launched a consultation on these.
- 2.5 The LGBCE's recommendations, summary report and link to full report, have previously been circulated to all members.
- 2.6 The summary report, maps and packs were also made available to Parish Councils and members of the public both online and as hard copies.
- 2.7 The Council submitted a response to the draft recommendations by the closing date of 19<sup>th</sup> June.
- 2.8 The LGBCE published their final recommendations on 29<sup>th</sup> August, which have been based on our views and all the other responses received. The final recommendations can be found at - <https://www.lgbce.org.uk/current-reviews/north-west/lancashire/ribble-valley> . Paper copies of the summary of the final recommendations will be circulated.

### 3 NEXT STEPS

- 3.1 A draft order will be laid in Parliament – date tbc.
- 3.2 The draft order, if made, would give effect to the final recommendations of the Local Government Boundary Commission for England's review of electoral arrangements in Ribble Valley.
- 3.3 The draft order will be laid in Parliament for a period of 40 sitting days. Parliament can either accept or reject the LGBCE's recommendations.

#### 4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications

- Resources - None
- Technical, Environmental and Legal – None
- Political - None
- Reputation – None
- Equality & Diversity - None

#### 5 CONCLUSION

5.1 If accepted, the draft Order will provide for new electoral arrangements for Ribble Valley BC to be implemented at the local elections in 2018.

**Michelle Haworth**  
PRINCIPAL POLICY AND  
PERFORMANCE OFFICER

**Jane Pearson**  
DIRECTOR OF RESOURCES

BACKGROUND PAPERS:

REF: MH/P&F/

For further information please ask for Michelle Haworth, extension 4421

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

Agenda Item No 13

meeting date: 12 SEPTEMBER 2017  
title: OVERALL CAPITAL MONITORING 2017/18  
submitted by: DIRECTOR OF RESOURCES  
principal author: ANDREW COOK

## 1 PURPOSE

1.1 To provide members with information relating to the progress of the Council's approved capital programme for the period to the end of July 2017.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives - none identified.
- Corporate Priorities - to continue to be a well-managed council, providing efficient services based on identified customer need.
- Other considerations - none identified.

## 2 BACKGROUND

2.1 In total, sixteen new schemes, totalling £921,970, were approved for inclusion in the overall capital programme original estimate budget by the Policy and Finance Committee and Full Council at their respective meetings in February 2017.

2.2 In addition, the following amendments have been made to the capital programme in-year:

- The 2016/17 capital programme budgets for five schemes, totalling £342,450, were moved from 2016/17 to the 2017/18 capital programme, following assessment of the progress on those schemes when the 2016/17 revised capital programme budget was set in January 2017.
- There were seven 2016/17 capital schemes that were not completed by 31 March 2017 and had unspent budget available at that date. The total unspent balance on these schemes, £270,640, is known as slippage. This slippage has been transferred into the 2017/18 capital programme budget.
- One scheme, totalling £100,000, has been transferred from the Policy and Finance Committee to the new Economic Development Committee, because the nature of the scheme is in line with the Economic Development Committee's objectives.
- One new scheme with a budget of £26,670 was approved to be added to the 2017/18 capital programme in June 2017.

2.3 Consequently, the total approved budget for the 2017/18 overall capital programme of twenty seven schemes is £1,561,730.

## 3 CAPITAL MONITORING 2017/18

3.1 The table overleaf summarises the overall capital programme by committee, showing the total approved budget, actual expenditure and variances to the end of July 2017. Annex 1 shows the full programme by scheme, including budget, expenditure and variances to the end of July 2017.

BUDGET							EXPENDITURE	
Committee	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Budget Transferred between Committees in 2017/18 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of July 2017 £	Variance as at end of July 2017 £
Community Services	447,610	0	23,600	0	0	471,210	292,792	-178,418
Planning and Development	0	0	30,200	0	0	30,200	0	-30,200
Policy and Finance	127,250	167,450	6,650	-100,000	0	201,350	8,000	-193,350
Health and Housing	347,110	175,000	210,190	0	26,670	758,970	120,216	-638,754
Economic Development	0	0	0	100,000	0	100,000	0	-100,000
<b>OVERALL TOTAL</b>	<b>921,970</b>	<b>342,450</b>	<b>270,640</b>	<b>0</b>	<b>26,670</b>	<b>1,561,730</b>	<b>421,008</b>	<b>-1,140,722</b>

3.2 At the end of July 2017 £421,008 had been spent or committed. This is 27% of the overall capital programme for 2017/18.

3.3 Four schemes have been completed already. Based on estimates of progress on each scheme at this stage, fourteen of the remaining twenty three schemes are aiming to be completed in-year.

3.4 The main reasons for the underspend on the full year budget to date are:

- **Play Area Improvements 2017/18 (-£39,031):** Main improvement works will be planned for September 2017 onwards, based on playground assessments after the school summer holidays. Further improvement works may also be required in-year if regular playground assessment checks or insurance condition surveys identify any improvement work. Some budget will be kept unallocated until March 2018 to ensure any currently unforeseen work can be funded.
- **Off-Street Car Parks – Update of Payments Systems (-£14,550):** The chip and pin upgrade will be undertaken in-year at three car parks. The costs of the scheme will be £16,341, which is £1,791 higher than the current scheme budget of £14,550. The additional budget requirement can be funded from the 2017/18 revenue budget.
- **Castle Museum – Refurbishment of Windows (-£56,366):** This work is being carried out by the works administration team. The work has begun and will be completed in-year.
- **Renewal of Sections of Floor to Residual Waste Transfer Station (-£19,500):** Quotes have been requested for the work required. The timing of the work will be confirmed when the work has been agreed with the contractor selected. At this stage, it is expected that the work will be completed within this financial year.

- **Replacement of Mower (Kubota) PN09 SWO (-£15,500):** Procurement is in progress. It is estimated the mower will be ordered and delivered before Christmas 2017. The best quote received for a new mower on this scheme is £16,949, which is £1,449 higher than the scheme budget of £15,500. The additional budget requirement can be funded from the 2017/18 revenue budget.
- **Replacement of Scag Mower 4x4 (rvbc016) and Scag Mower (rvbc014) (-£13,000):** These mowers will be replaced in late Autumn, at the end of the current cutting season.
- **Ribblesdale Pool Improvement Work (-£11,877):** The main contract value was finalised in May 2017. The 2017/18 spend to date is made up of two elements:
  - £6,452 – commitment for the contract retention payment, which is due to be paid in March 2018, twelve months after practical completion of the contract work.
  - -£1,509 - the final contract value agreed with the contractor in May 2017 was £1,509 less than the final contract valuation creditor estimated in the 2016/17 year-end accounts.

There is unlikely to be any further spend required on this scheme in 2017/18.

- **Introduction of Planning Portal Link to the Planning Application System and Planning System Update scheme (-£30,200):** Some progress has been made on the scheme because a quote has been received for the planning portal integration software installation element of the scheme and this installation will be planned in shortly. In addition, the corporate ICT infrastructure refresh scheme is now complete, so ICT can consider whether the additional server space element of the scheme is still required. However, the external planning system software provider has not yet completed writing the scripts for the planning system update from the Engage system to the Assure system. This means that no progress can be made at this stage on the M3 to Engage migration, fast scanner, EDRM document management upgrade and Public Access module elements of the scheme.
- **Council Offices Re-roofing (-£7,910) and Council Offices Replacement Windows and Rooflights (-£4,540):** Awaiting the combined contract retention invoice from the contractor before payment is made. The invoice has been requested.
- **Clitheroe Townscape Scheme (-£55,000):** The scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme. A report will be brought to a future meeting of this Committee when plans are drawn up.
- **Replacement server for Revenues and Benefits (-£13,500):** The scheme implementation and procurement plan has not started yet. It will be worked up between Revenues section and ICT. At this stage, the aim is to complete the scheme by the end of the financial year.
- **Printing section equipment upgrade (-£12,500):** Quotes have been received from suppliers in late August for the printing equipment element of the scheme. The best quote will be selected and purchase can be completed in-year. There is no detailed progress to date on the design system upgrade element of the scheme. There have been initial discussions with ICT but this element of the scheme may take longer to implement.
- **New Council telephone system (-£45,000):** Officers are meeting with a potential supplier in September to discuss the options available for a new telephone system. It is hoped that this will provide the information to work up the detailed specification for the scheme. The detailed specification will provide the basis for what we will ask

suppliers to quote for and may possibly also lead to some new ways of working. Given this, completion within the current financial year cannot be estimated with any certainty at this stage. The implementation timescale will be clearer at detailed specification stage.

- **Civic suite upgrade (-£45,000) and Council chamber tables and seating renewal scheme (-£11,250):** The Civic suite upgrade scheme (which relates to audio, lighting, CCTV, projector and screen equipment) and the Council chamber seating renewal scheme (which relates to new seating and tables) are being implemented in tandem, as the technology elements of the upgrade scheme do have an impact on the type and layout of tables and seating in the Council chamber. Different layouts for the seating and tables have been considered. Officers are meeting with a potential supplier of audio equipment in September. Following this, the detailed procurement can begin for both schemes. At this stage, the aim is to complete both schemes by the end of the financial year.
- **Clitheroe Market Improvements (-£175,000):** The scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.
- **Disabled Facilities Grants (-£401,576):** Committed expenditure at the end of July 2017 was £65,664, based on six schemes approved prior to this financial year and eight schemes approved so far in 2017/18. There are a further eleven applications awaiting approval and three applications working towards approval following recommendation referrals received from Occupational Therapists. All these schemes can be funded from the remaining 2017/18 budget. Further applications are expected in-year but the budget is unlikely to be fully committed in-year, based on the level of applications received to date against the level of funding received from DCLG this year and the high level of slippage carried forward from 2016/17. Lancashire County Council have now appointed additional Occupational Therapists. This may drive an increase in applications. In addition, if we get confirmation that the Council's proposed new schemes meet the regulations for use of DFG monies, then more eligible applications will be received.
- **Landlord/Tenant Grants (-£59,620):** One scheme for £15,900 was approved at the end of July 2017 and there was one other potential application in the pipeline. However, the low level of commitments against budget is due to a combined three property application for £47,700 failing to gain planning approval, so this scheme is unlikely to go ahead in 2017/18. Housing officers will now encourage applications for smaller schemes in-year.
- **Economic Development Initiatives (-£100,000):** At this stage, development opportunities to bring forward land for employment are being reviewed and will be reported to this Committee. It is anticipated that this capital scheme be considered to help support any emerging initiatives that arise as a result of that report.

#### 4 2017/18 ADDITIONAL APPROVALS

4.1 Policy and Finance Committee is being asked to approve additional capital budgets on four schemes, totalling £14,840. These are explained below and the approval recommendations are included in other reports on this agenda.

4.2 Community Committee have referred recommendations for two additional budget approvals to this Committee:

- £1,790 additional budget required for the Off-Street Car Parks – Upgrade of Payment Systems scheme, to be funded by a contribution to capital resources from 2017/18 excess car parks income above budget or from an alternative revenue budget if this does not materialise at year-end.

- £1,450 additional budget required for the Replacement Mower (Kubota) PN09 SWO scheme, to be funded by a contribution to capital resources from the 2017/18 Grounds Maintenance Purchase of Equipment and Materials revenue budget.

4.3 The following approval recommendation will be referred to this Committee from Health and Housing Committee, subject to Health and Housing Committee recommending this request at their meeting on 7 September 2017 - £10,250 additional budget for the Affordable Warmth – Capital Grants scheme, to be funded by additional affordable warmth grant received from Lancashire County Council in 2017/18.

4.4 This Committee has been asked to approve £1,350 additional budget for the ICT Infrastructure Refresh scheme, to be funded by a contribution to capital resources from the ICT repairs and renewals earmarked reserve.

## 5 CONCLUSION

5.1 At the end of July 2017 £421,008 had been spent or committed. This is 27% of the overall capital programme for 2017/18.

5.2 Four schemes have been completed already. Based on estimates of progress on each scheme at this stage, fourteen of the remaining twenty three schemes are aiming to be completed in-year.

5.3 Policy and Finance Committee is being asked to approve additional capital budgets on four schemes, totalling £14,840.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF51-18/AC/AC  
31 August 2017

For further background information please ask for Andrew Cook.

BACKGROUND PAPERS - None

## Overall Capital Programme 2017/18

Cost Centre	Scheme	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Budget Transferred between Committees in 2017/18 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of July 2017 £	Variance as at end of July 2017 £
<b>Community Committee</b>									
PLAYR	Play Area Improvements 2017/18	40,000	0	0	0	0	40,000	969	-39,031
CPPAY	Off-Street Car Parks – Update of Payment Systems	14,550	0	0	0	0	14,550	0	-14,550
CMWIN	Castle Museum – Refurbishment of Windows	62,560	0	0	0	0	62,560	6,194	-56,366
TSFLR	Renewal of Sections of Floor to Residual Waste Transfer Station	19,500	0	0	0	0	19,500	0	-19,500
RVJJK	Replacement of Twin-bodied Refuse Collection Vehicle (VU59 JJK)	218,000	0	0	0	0	218,000	216,626	-1,374
WCOJV	Replacement of Works Vehicle (PO54 COJ)	23,500	0	0	0	0	23,500	20,953	-2,547
GVSWO	Replacement of Mower (Kubota) PN09 SWO	15,500	0	0	0	0	15,500	0	-15,500
SCGMW	Replacement of Scag Mower 4x4 (rvbc016) and Scag Mower (rvbc014)	13,000	0	0	0	0	13,000	0	-13,000
GVLSY + GVTZG	Replacement Pick-up Vehicles (Ford Ranger S/C 4WD x 2) - PK07 LSY and PK07 TZG	41,000	0	0	0	0	41,000	40,421	-579
RPIMP	Ribblesdale Pool Improvement Work	0	0	16,820	0	0	16,820	4,943	-11,877
PLAYQ	Play Area Improvements 2016/17	0	0	6,780	0	0	6,780	2,686	-4,094
	<b>Total Community Committee</b>	<b>447,610</b>	<b>0</b>	<b>23,600</b>	<b>0</b>	<b>0</b>	<b>471,210</b>	<b>292,792</b>	<b>-178,418</b>

## Overall Capital Programme 2017/18

Cost Centre	Scheme	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Budget Transferred between Committees in 2017/18 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of July 2017 £	Variance as at end of July 2017 £
<b>Planning and Development Committee</b>									
PLANN	Introduction of Planning Portal Link to the Planning Application System and Planning System Update	0	0	30,200	0	0	30,200	0	-30,200
	<b>Total Planning and Development Committee</b>	<b>0</b>	<b>0</b>	<b>30,200</b>	<b>0</b>	<b>0</b>	<b>30,200</b>	<b>0</b>	<b>-30,200</b>
<b>Policy and Finance Committee</b>									
OROOF	Council Offices – Re-roofing (retention)	0	7,910	0	0	0	7,910	0	-7,910
WINDW	Council Offices – Replacement Windows and Rooflights (retention)	0	4,540	0	0	0	4,540	0	-4,540
TNSCP	Clitheroe Townscape Scheme	0	55,000	0	0	0	55,000	0	-55,000
ECDVI	Economic Development Initiatives	0	100,000	0	-100,000	0	0	0	0
RBSVR	Replacement server for Revenues and Benefits	13,500	0	0	0	0	13,500	0	-13,500
PSEQP	Printing section equipment upgrade	12,500	0	0	0	0	12,500	0	-12,500
CSEAT	Council chamber – Seating renewal scheme	11,250	0	0	0	0	11,250	0	-11,250
PHONE	New Council telephone system	45,000	0	0	0	0	45,000	0	-45,000
CSUPG	Civic suite upgrade	45,000	0	0	0	0	45,000	0	-45,000
ITSAN	ICT Infrastructure Refresh (Storage Area Network (SAN) and Network and Server Replacement)	0	0	6,650	0	0	6,650	8,000	1,350
	<b>Total Policy and Finance Committee</b>	<b>127,250</b>	<b>167,450</b>	<b>6,650</b>	<b>-100,000</b>	<b>0</b>	<b>201,350</b>	<b>8,000</b>	<b>-193,350</b>

## Overall Capital Programme 2017/18

Cost Centre	Scheme	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Budget Transferred between Committees in 2017/18 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of July 2017 £	Variance as at end of July 2017 £
<b>Health and Housing Committee</b>									
CMIMP	Clitheroe Market Improvements	0	175,000	0	0	0	175,000	0	-175,000
DISCP	Disabled Facilities Grants	297,110	0	170,130	0	0	467,240	65,664	-401,576
LANGR	Landlord/Tenant Grants	50,000	0	25,520	0	0	75,520	15,900	-59,620
CWARM	Affordable Warmth – Capital Grants	0	0	14,540	0	0	14,540	11,985	-2,555
PURAP	Remaining Share of Alma Place Property	0	0	0	0	26,670	26,670	26,667	-3
	<b>Total Health and Housing Committee</b>	<b>347,110</b>	<b>175,000</b>	<b>210,190</b>	<b>0</b>	<b>26,670</b>	<b>758,970</b>	<b>120,216</b>	<b>-638,754</b>
<b>Economic Development Committee</b>									
ECDVI	Economic Development Initiatives	0	0	0	100,000	0	100,000	0	-100,000
	<b>Total Economic Development Committee</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>-100,000</b>
<b>OVERALL CAPITAL PROGRAMME 2017/18 TOTAL</b>		<b>921,970</b>	<b>342,450</b>	<b>270,640</b>	<b>0</b>	<b>26,670</b>	<b>1,561,730</b>	<b>421,008</b>	<b>-1,140,722</b>

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 14

meeting date: 12 SEPTEMBER 2017  
 title: REVENUE OUTTURN 2016/17  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: TRUDY HOLDERNESS

### 1 PURPOSE

1.1 To report on the outturn for the financial year 2016/17 in respect of the Revenue Budget for this Committee.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – None identified
- Corporate Priorities – to continue to be 'a well-managed Council providing efficient services based on identified customer needs' and within this priority meets the objective 'to maintain critical financial management controls, ensuring the authority provides council tax payers with value for money'.
- Other Considerations – none identified.

### 2 BACKGROUND

2.1 Our full Statement of Accounts was signed off for audit by the Director of Resources on 31 May 2017 and that audit has now been completed.

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. We undertook to meet this deadline a year earlier and successfully published our Statement of Accounts (subject to audit) for 2016/17 on our website on 1 June.

2.3 Our final audited Statement of Accounts was approved by Accounts and Audit Committee at their meeting on 26 July 2017.

### 3 FINANCIAL INFORMATION

3.1 Shown below, by cost centre, is a comparison with the revised estimate. You will see an overall underspend of £177,809 on the net costs of services. After transfers to and from earmarked reserves, the overall underspend is £57,757. This has been added to General Fund Balances.

Cost Centre	Cost Centre Name	Revised Estimate	Actual	Variation	Associated Earmarked Reserves	Net Variance
		2016/17	2016/17		Variance	
		£	£	£	£	£
OMDEV	Organisation & Member Development **	0	0	0	-2,000	-2,000

Cost Centre	Cost Centre Name	Revised Estimate	Actual	Variation	Associated Earmarked Reserves	Net
		2016/17	2016/17		Variance	Variance
		£	£	£	£	£
<b>COMPR</b>	Computers **	6,800	0	-6,800	0	-6,800
<b>FSERV</b>	Financial Services**	0	0	0	0	0
<b>LSERV</b>	Legal Services **	0	0	0	-1,100	-1,100
<b>REVUE</b>	Revenues and Benefits **	0	0	0	0	0
<b>CONTC</b>	Contact Centre**	0	0	0	0	0
<b>CIVST</b>	Civic Suite **	0	0	0	0	0
<b>CLOFF</b>	Council Offices **	0	0	0	0	0
<b>CORPM</b>	Corporate Management	327,190	330,885	3,695	0	3,695
<b>CEXEC</b>	Chief Executives Department **	0	0	0	0	0
<b>CSERV</b>	Corporate Services	179,860	169,692	-10,168	0	-10,168
<b>CLTAX</b>	Council Tax	349,490	344,752	-4,738	12,320	7,582
<b>NNDRC</b>	National Non Domestic Rates	37,980	42,254	4,274	0	4,274
<b>CIVCF</b>	Civic Functions	57,920	60,886	2,966	0	2,966
<b>COSDM</b>	Cost of Democracy	426,560	424,554	-2,006	0	-2,006
<b>ELADM</b>	Election Administration	50,710	51,259	549	0	549
<b>DISTC</b>	District Elections	-780	-238	542	-542	0
<b>BYELE</b>	District By Election	1,030	1,032	2	-2	0
<b>PARIS</b>	Parish Elections	4,160	4,164	4	-4	0
<b>ELECT</b>	Register of Electors	82,110	76,270	-5,840	6,902	1,062
<b>LUNCH</b>	Luncheon Clubs	14,120	4,433	-9,687	0	-9,687
<b>LANDC</b>	Land Charges	27,960	27,944	-16	4,955	4,939
<b>LICSE</b>	Licensing	15,890	16,151	261	0	261
<b>FLDRB</b>	Flood Grants – Businesses	0	0	0	0	0
<b>FLDRH</b>	Flood Grants – Households	0	0	0	0	0
<b>EMERG</b>	Community Safety	59,040	57,041	-1,999	0	-1,999
<b>FMISC</b>	Policy & Finance Miscellaneous	-78,120	-120,929	-42,809	-1,486	-44,295

Cost Centre	Cost Centre Name	Revised Estimate	Actual	Variation	Associated Earmarked Reserves	Net Variance
		2016/17	2016/17		Variance	
		£	£	£	£	£
<b>PERFM</b>	Performance Reward Grant	22,240	27,638	5,398	-5,390	8
<b>SUPDF</b>	Superannuation Deficiency Payment	96,760	95,403	-1,357	0	-1,357
<b>ESTAT</b>	Estates	62,100	62,870	770	855	1,625
<b>RURAL</b>	Rural Areas Delivery	107,254	1,710	-105,544	105,544	0
<b>FGSUB</b>	Grants and Subscriptions	137,690	133,295	-4,395	0	-4,395
<b>ALBNM</b>	Albion Mill	5,160	11,489	6,329	0	6,329
<b>ROYAL</b>	Royal Visit	0	1,846	1,846	0	1,846
<b>INDDV</b>	Economic Development	107,180	98,094	-9,086	0	-9,086
<b>NET COST OF SERVICES</b>		<b>2,100,304</b>	<b>1,922,495</b>	<b>-177,809</b>	<b>120,052</b>	<b>-57,757</b>

#### 4 EARMARKED RESERVES

4.1 Reserves are important to local authorities as, unlike central government, we cannot borrow money over the medium term, other than for investment in assets, and we are required to balance our budgets on an annual basis.

4.2 Reserves can be held for three main purposes:

- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- A contingency to cushion the impact of unexpected events or emergencies. This also forms part of general reserves;
- A means of building up funds or accounting for funds we are committed to spend (re grants) received, this is done through our earmarked reserves to meet known or predicted requirements; our earmarked reserves are accounted for separately but remain legally part of the General Fund.

4.3 The table below provides details of the revised estimate, our actual outturn and the impact in both cases of the movement in earmarked reserves. Full details are provided of the earmarked reserves that have been impacted and the reason for the movement

	<b>Revised Estimate 2016/17 £</b>	<b>Outturn £</b>	<b>Variance £</b>	<b>Reason for movement on Earmarked Reserve</b>
<b>Committee Net Cost of Services</b>	<b>2,100,304</b>	<b>1,922,495</b>	<b>-177,809</b>	
<b>FNBAL/ H326 Performance Reward Grants</b>  The reserve was established from money payable by Central Government for the achievement of targets contained within Local Area Agreements.	-20,720	-26,111	-5,391	More schemes completed in the financial than anticipated when estimates prepared, resulting in an increase in the funding from reserves
<b>FNBAL/H362 Individual Electoral Registration Reserve</b>  The reserve was established from grants received for the implementation of Individual Electoral Registration.	-16,600	-9,698	6,902	The variance represents the reduction in expenditure on postages resulting in less funding from the reserve
<b>FNBAL/H230 Election Reserve</b>  The reserve was established from monies set aside on an annual basis to smooth out the cost of local elections	17,800	17,253	-547	Reduced income from recovery of costs has resulted in a reduction in the contribution to the reserve
<b>FNBAL/H269 Revaluation Reserve</b>  Reserve established from monies set aside on an annual basis to smooth out the costs of the full revaluation of councils assets which must be carried out every five years	2,030	2,030	0	No variance
<b>FNBAL/H282 Land Charges Restitution Reserve</b>  Reserve established by grant funding to cover litigation costs	-6,720	-1,765	4,955	The variance is mostly due to additional grant funding received in the year offset by additional costs

	<b>Revised Estimate 2016/17 £</b>	<b>Outturn £</b>	<b>Variance £</b>	<b>Reason for movement on Earmarked Reserve</b>
<p><b>FNBAL/H337 Equipment Reserve</b></p> <p>This reserve was established by setting aside unspent budget provisions and miscellaneous grants received to fund equipment and new burdens imposed on the council</p>	-6,850	3,473	10,323	The variance is a combination of only part of the cost of Icon upgrade falling due in the year rather than the total costs resulting a lower contribution from the reserve offset by an additional contribution taken from the reserve to fund replacement mobile phones.
<p><b>FNBAL/H326 Vat Shelter Reserve</b></p> <p>As part of the housing stock transfer to a social housing landlord an Vat shelter agreement was established. The council receives an annual payment from the landlord which is set aside reserve.</p>	158,000	200,561	42,561	Additional income received from Ribble Valley Homes added to reserves
<p><b>FNBAL/H361 Business Rates Volatility Reserve</b></p> <p>The reserve was established to protect the council against business rates volatility</p>	44,050	0	-44,050	Decision made at the end of the financial year not to contribute to this reserve in respect of Discretionary Rate Relief, and the net admin fee for received for the Business Rates Pool
<p><b>FNBAL/H262 IT Equipment reserve</b></p> <p>The reserve was established to fund the purchase of computer equipment, both capital and revenue</p>	9,110	9,110	0	No variance
<p><b>FNBAL/H267 Rural Area Reserve</b></p> <p>Reserve established from grant funding to assist in the delivery of services in a rural area</p>	0	105,544	105,544	No plans were made to use the funding during the year. Funds placed in a reserve to allow for plans to be established in 2017/18

	<b>Revised Estimate 2016/17 £</b>	<b>Outturn £</b>	<b>Variance £</b>	<b>Reason for movement on Earmarked Reserve</b>
<b>FNBAL/H354 Right to Challenge / Bid</b>  Reserve established from grant funding to assist in cost incurred in challenging decisions or bidding for community assets	0	-1,100	-1,100	Contribution from reserve to cover the cost of legal expenses incurred in respect of Barrow allotments
<b>CPBAL/H330 Capital Reserve Fund</b>  This reserve is used to fund capital programme.	2,060	2,915	855	Additional income received from freehold sales added to reserve
<b>Committee Net Cost of Services after Movements on Earmarked Reserves</b>	<b>2,282,464</b>	<b>2,224,707</b>	<b>-57,757</b>	

## 5 KEY MOVEMENTS FROM REVISED ESTIMATE TO OUTTURN

5.1 The main variations have been extracted, and are shown with the Budget Holder's comments at Annex 1. However, a summary of the major variations is set out in the table below.

<b>SERVICE AREA</b>	<b>DESCRIPTION OF VARIANCE</b>	<b>AMOUNT £</b>
<b>CLOFF</b> Council Offices	After the installation of a new electricity meter there was a big increase in usage readings. Initially it was thought that the readings were incorrect but after some investigation the new meter was found to be registering the correct usage, this has resulted in a substantial increase in the cost of electricity	20,029
<b>CLTAX</b> Council Offices	Initially total cost of upgrading Icon System to version 16 was required on placing an order, but after some negotiation a part payment was agreed on order with balance of payment following later. The estimate was based on full payment on order which has resulted in an underspend	-12,320
<b>RURAL</b> Rural Areas Delivery	Grant received to contribute towards cost of rural services. Little expenditure during financial year, reserve fund established to fund future schemes	-105,544

## 6 CONCLUSION

- 6.1 There have been a number of variations in both income and expenditure during the year, and this has given rise to an overall underspending of £177,809 on the net cost of services. After transfers to and from earmarked reserves the overall underspend is £57,757.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF49-17/TH/AC  
31 August 2017

BACKGROUND PAPERS;  
Policy & Finance closedown working papers 2016/17

For further information please ask for Trudy Holderness.

## POLICY &amp; FINANCE COMMITTEE – VARIANCES 2016/17

	Variance in Expenditure	Variance in Income	Variance in Support	Variance in Capital	Total Variance	Associated Earmarked reserve	Net VARIANCE
<b>ALBNM: Albion Mill</b>							
Units 4 & 5 were due a rent review on 5 April 2016, no increase proposed and no fee charged.	-1,720						
Units 2 & 3 became vacant at the end of August 2016, it was assumed that the units would be let by November but remained vacant resulting in reduced income from rent of units		8,003					
<b>Total Albion Mill</b>					<b>6,283</b>	<b>0</b>	<b>6,283</b>
<b>CEXEC: Chief Executives</b>							
There has been a lower level of staff turnover experienced in November to March than that budgeted for.	4,979						
When the estimates were prepared a provision was left for possible training on the environmental health system, this was placed on hold whilst other training courses are undertaken.	-2,212						
Below average mileage within Environmental Health Service, mainly due to no claims in last few months of financial year	-1,251						
Increase in support service costs mainly from council offices and IT services due to increases in net expenditure in these services			5,392				
The increase in net expenditure is reflected in higher recharges to other services			-6,898				
<b>Total Chief Executives</b>					<b>10</b>	<b>0</b>	<b>10</b>

	Variance in Expenditure	Variance in Income	Variance in Support	Variance in Capital	Total Variance	Associated Earmarked reserve	Net VARIANCE
<b>CIVCF: Civic Functions</b>							
Increase in civic regalia & plaque cost due to an adjustment made to release stock value held on the balance sheet to revenue account, no longer to be treated as stock. This additional cost is offset by a reduction in mayoral car expenses, mostly fuel and other civic function expenses such as refreshments etc.	-3,060						
Increase in support costs mainly from legal and financial services due to increases in net expenditure in these services.			-180				
<b>Total Civic Functions</b>					<b>-3,240</b>	<b>0</b>	<b>-3,240</b>
<b>CLOFF: Council Offices</b>							
Additional temporary cover for long term sickness and holiday pay owing paid to a member of staff on ill-health retirement,	1,169						
After the installation of a new electricity meter there was a big increase in usage readings. Initially it was thought that the readings were incorrect but after some investigation the new meter was found to be registering the correct usage, this has resulted in a substantial increase in the cost of electricity.	20,029						
The estimated cost of replacing heating controls and the above average use metered water has caused an overspend on non-recurring maintenance and metered water budgets.	1,129						
The increase in net expenditure is reflected in higher recharges to other services			-22,262				
<b>Total Council Offices</b>					<b>65</b>	<b>0</b>	<b>65</b>

	Variance in Expenditure	Variance in Income	Variance in Support	Variance in Capital	Total Variance	Associated Earmarked reserve	Net VARIANCE
<b>CLTAX: Council Tax</b>							
Initially total cost of upgrading Icon system to version 16 was required on placing an order, but after some negotiation a part payment was agreed on order with balance of payment following later. The estimate was based on full payment on order (this was to be funded from a reserve fund) which has resulted in an under spend.	-12,320					12,320	
Below average cost of printing & stationery due to a contribution from LCC to include their leaflet with the council tax bills invoices and below average number of court referrals.	-4,685						
The discount on Council Tax bills is to be met from a section 31 Grant relating to Storm EVA.	70,265	-70,265					
An increase in support service costs mainly from revenue services is due to an increase in net expenditure in this service			3,977				
Below average income from summonses		8,240					
<b>Total Council Tax</b>					<b>-4,788</b>	<b>12,320</b>	<b>7,532</b>
<b>COMPR: Computer Services</b>							
There has been a lower level of staff turnover experienced in November to March than that budgeted for.	2,300						
Increase in support costs mainly from an increase in the accommodation charge and support from Financial services due to increases in net expenditure from these services.			1,016				
The increase in net expenditure is reflected in higher recharges to other services			-9,506				

	Variance in Expenditure	Variance in Income	Variance in Support	Variance in Capital	Total Variance	Associated Earmarked reserve	Net VARIANCE
<b>Total Computer Services</b>					-6,190	0	-6,190
<b>CONTC: Contact Centre</b>							
There has been a lower level of staff turnover experienced in November to March than that budgeted for.	1,984						
Increase in support costs mainly from the accommodation charge and support from Computer services due to increases in net expenditure in these services.			1,812				
The increase in net expenditure is reflected in higher recharges to other services			-3,612				
<b>Total Contact Centre</b>					184	0	184
<b>COSDM: Cost of Democracy</b>							
Reduced expenditure on the purchase of equipment, subsistence, car allowances, traveling expenses, council meeting expense and statutory notices. Due to members moving to the use of IPADs resulting in less consumables being issued , few members claiming subsistence , only a few mileage claims being made in March and reduction in refreshments supplied at meetings.	-3,984						
Increase in support cost mainly from Financial and Legal services offset reduction in support costs from Chief Executives due to increase changes in net expenditure in these services.			2,041				
<b>Total Cost of Democracy</b>					-1,943	0	-1,943

	Variance in Expenditure	Variance in Income	Variance in Support	Variance in Capital	Total Variance	Associated Earmarked reserve	Net VARIANCE
<b>CSERV: Corporate Services</b>							
Delay in the production of the spring edition of the Ribble Valley News, due to reduced number of staff preparing items to be included.	-9,330						
<b>Total Cost of Democracy</b>					<b>-9,330</b>	<b>0</b>	<b>-9,330</b>
<b>ELADM: Elections Administration</b>							
Increase in support costs mainly from Financial and Legal services due to increase in net expenditure in these services.			549				
<b>Total Election Administration</b>					<b>549</b>	<b>0</b>	<b>549</b>
<b>EMERG: Community Safety</b>							
Underspend caused by delays in delivering Business Continuity plan and other emergency planning schemes.	-1,590						
Provision for repairs to emergency line not required	-451						
<b>Total Community Safety</b>					<b>-2,041</b>	<b>0</b>	<b>-2,041</b>
<b>ELECT: Register of electors</b>							
The provision for postages included an element of Printing & stationery cost which had already been included in the provision for printing & stationery. The saving reduces the amount required from earmarked reserves	-8,376					<b>6,902</b>	
					<b>-8,376</b>	<b>6,902</b>	<b>-1,474</b>

	Variance in Expenditure	Variance in Income	Variance in Support	Variance in Capital	Total Variance	Associated Earmarked reserve	Net VARIANCE
<b>ESTAT: Estates</b>							
The variance in expenditure on repairs has been caused by repairs to lighting, water heater and some renovation work at the Over 60's club.	2,599						
No legal expenses have been incurred during the year	-1,400						
Additional income from freehold sales added to capital reserve		-826				855	
Increase in support costs mainly from Financial and Legal services due to increase in net expenditure in these services.			411				
<b>Total Estates</b>					<b>784</b>	<b>855</b>	<b>1,639</b>
<b>FGSUB: Grants &amp; Subscriptions - Policy &amp; Finance Committee</b>							
No contribution has been made towards the Young Achievers awards	-942						
Provision left for late concurrent grants to Parish Councils not required	-3,492						
<b>Total Grants &amp; Subscriptions - P&amp;F Committee</b>					<b>-4,434</b>	<b>0</b>	<b>-4,434</b>
<b>FMISC: Finance Miscellaneous</b>							
Additional work required out on Housing Benefit Subsidy Claim	-1,480						
Increase in debt management expenses mainly due to District Valuers charge for reviewing valuation of assets				1,639			
Decision taken not to contribute to business volatility reserve.						-44,050	
Additional income from Ribble Valley homes from VAT shelter money added to earmarked reserves		-42,561				42,561	

	Variance in Expenditure	Variance in Income	Variance in Support	Variance in Capital	Total Variance	Associated Earmarked reserve	Net VARIANCE
<b>Total Finance Miscellaneous</b>					<b>-42,402</b>	<b>-1,489</b>	<b>-43,891</b>
<b>FSERV: Financial Services</b>							
There has been a lower level of staff turnover experienced in November to March than that budgeted for.	9,595						
Only one member of staff currently undertaking Accounting technician training	-1,642						
Increase in support costs mainly from accommodation costs and computer services due to increase in net expenditure in these services.			3,717				
The increase in net expenditure is reflected in higher recharges to other services			-11,322				
<b>Total Financial Services</b>					<b>348</b>	<b>0</b>	<b>348</b>
<b>INDDV: Economic Development</b>							
Provision for subscriptions currently used to value development sites and advice for purchasing sites, no subscription currently being paid	-8,695						
Provision for promotional activities mostly used as a contribution to Clitheroe food festival to promote Ribble Valley and other business events	-570						
Increase in support cost mainly from Chief Executives' due to increases in net expenditure in this service			494				
<b>Total Economic Development</b>					<b>-8,771</b>	<b>0</b>	<b>-8,771</b>
<b>LANDC: Land Charges</b>							
Increase in support costs mainly from legal services due to increase in net expenditure in this service			714				

	Variance in Expenditure	Variance in Income	Variance in Support	Variance in Capital	Total Variance	Associated Earmarked reserve	Net VARIANCE
Additional grant received for new burden property searches after estimates prepared added to earmarked reserves		-5,172				4,955	
Below a 3 year average number of part 1 & part 2 enquiries received		4,489					
<b>Total Land Charges</b>					<b>31</b>	<b>4,955</b>	<b>4,986</b>
<b>LICSE: Licensing</b>							
Increase in number of renewed and new licenses compared to anticipated numbers.		-3,272					
Reduced number of driver renewal licences and 6month vehicle licenses		2,018					
Increase in support costs mainly from legal services due to increase in net expenditure in this service			1,144				
<b>Total Licensing</b>					<b>-110</b>	<b>0</b>	<b>-110</b>
<b>LSERV: Legal Services</b>							
There has been a lower level of staff turnover experienced in November to March than that budgeted for.	6,477						
Honorary payments made to staff for additional duties not anticipated / known about when estimate prepared	1,180						
Less A4 paper and other printing & stationery items purchased compared to the estimate based on the previous 3 years actuals	-1,018						
The online subscription for reference books from Lexis Nexis not renewed and no releases of election law purchased in the financial year.	-2,602						
Increase in support costs mainly from an increase in accommodation charge and computer support due to increases in net expenditure in these services.			3,037				

	Variance in Expenditure	Variance in Income	Variance in Support	Variance in Capital	Total Variance	Associated Earmarked reserve	Net VARIANCE
Contribution made from right to challenge reserve in respect of legal expenses incurred relating to Barrow allotments						-1,100	
The increase in net expenditure is reflected in higher recharges to other services			-4,702				
<b>Total Legal Services</b>					<b>2,372</b>	<b>-1,100</b>	<b>1,272</b>
<b>LUNCH: Luncheon Club</b>							
The provision for grants towards the cost of establishing new luncheon clubs was underspent as only a few clubs have been established.	-9,690						
<b>Total Luncheon Clubs</b>					<b>-9,690</b>	<b>0</b>	<b>-9,690</b>
<b>NNDRC: National Non Domestic Rates</b>							
Invoice for professional fees incurred for acting on-behalf of the Council at Burnley Magistrates Court received after estimates prepared.	3,608						
Increase in support costs mainly from Revenue Service due to increases in net expenditure in this service			1,407				
<b>Total National Non Domestic Rates</b>					<b>5,015</b>	<b>0</b>	<b>5,015</b>
<b>OMDEV: Organisation &amp; Member Development</b>							
There has been a lower level of staff turnover experienced in November to March than that budgeted for.	2,911						
Due to availability of tutors some corporate training courses could not take place in this financial year. Also no staff currently undertaking professional training has resulted in an underspend on the provision for departmental training.	-4,134						

	Variance in Expenditure	Variance in Income	Variance in Support	Variance in Capital	Total Variance	Associated Earmarked reserve	Net VARIANCE
A prudent approach was taken when reducing the estimate for printing & stationery to allow for procurement savings. The underspend reflects the over cautious approach taken.	-1,764						
Contribution made from earmarked reserves to fund the purchase of replacement mobile phones						-2,000	
As the main switchboard is coming to the end of its lifespan an allowance was allowed for adhoc maintenance work. This was not needed resulting in an underspend.	-1,158						
Increase in support costs mainly from the accommodation charge and support from computer services due to increases in net expenditure from these services			2,568				
The decrease in net expenditure is reflected in lower recharges to other services			3,164				
<b>Total Organisation &amp; Member Development</b>					<b>1,587</b>	<b>-2,000</b>	<b>-413</b>
<b>PERFM: Performance Reward Grants</b>							
More schemes completed than anticipated when estimates prepared funded from earmarked reserve	5,391					-5,391	
<b>Total Performance Reward Grants</b>					<b>5,391</b>	<b>-5,391</b>	<b>0</b>
<b>REVUE: Revenues</b>							
There has been a lower level of staff turnover experienced in November to March than that budgeted for.	6,894						
No staff currently undertaking professional training	-1,860						
The variance is mostly due to the visiting officer mileage being below a 3 year average.	-1,016						

	Variance in Expenditure	Variance in Income	Variance in Support	Variance in Capital	Total Variance	Associated Earmarked reserve	Net VARIANCE
Increase in support costs is mainly due to the accommodation charge due to increases in net expenditure from this service.			3,488				
The increase in net expenditure is reflected in higher recharges to other services			-6,714				
<b>Total Revenues</b>					<b>792</b>	<b>0</b>	<b>792</b>
<b>RURAL: Rural Areas Delivery</b>							
Grant received to contribute towards cost of rural services. Little expenditure in the financial year, reserve fund established to fund future schemes	-105,544					105,544	
<b>Total Rural Areas Delivery</b>					<b>-105,544</b>	<b>105,544</b>	<b>0</b>
<b>SUPDF: Superannuation Deficiency Payments</b>							
A decrease in the number of beneficiaries during the year has resulted in an underspend	-1,359						
<b>Total Superannuation Deficiency Payments</b>					<b>-1,359</b>	<b>0</b>	<b>-1,359</b>
<b>Other</b>	-515	8,530	-1,019	2	<b>6,998</b>	-544	<b>6,454</b>
<b>Total variances for Policy &amp; Finance Committee</b>	<b>-57,350</b>	<b>-99,056</b>	<b>-23,044</b>	<b>1,641</b>	<b>-177,809</b>	<b>120,052</b>	<b>-57,757</b>

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 15

meeting date: 12 SEPTEMBER 2017  
 title: REVENUE MONITORING 2017/18  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: TRUDY HOLDERNESS

### 1 PURPOSE

1.1 To let you know the position for the first four months of this year's revenue budget as far as this committee is concerned.

1.2 Relevance to the Council's ambitions and priorities:

- ❖ Community Objectives – none identified.
- ❖ Corporate Priorities – to continue to be a well-managed Council providing efficient services based on identified customer need and meets the objective within this priority, of maintain critical financial management controls, ensuring the authority provides council tax payers with value for money.
- ❖ Other Considerations – none identified.

### 2 FINANCIAL INFORMATION

2.1 Shown below, by cost centre, is a comparison between actual expenditure and the original estimate for the period. You will see an overall overspend of £189,964 on the net cost of services. After allowing for estimated transfers to and from balances and reserves this overspend is reduced to £186,706.

2.2 This overspend position is due to the payment of Flood Resilience Grants to households affected by Storms Desmond and Eva. We will be making a claim for the reimbursement of these grants from DCLG, via Lancashire County Council. With full reimbursement of these grants, the position would be a overspend of £21,143 before earmarked reserves.

Cost Centre	Cost Centre Name	Net Budget for the full year	Net Budget to the end of the period	Actual including Commitments to the end of the period	Variance	
		£	£	£	£	
COMPR	Computer Services	0	87,015	87,801	786	G
LICSE	Licensing	24,980	-10,720	-11,025	-305	G
LANDC	Land Charges	17,260	-17,202	-18,781	-1,579	G
FGSUB	Grants & Subscriptions – P & F	160,560	118,342	118,352	10	G
PARGR	Parish Council Grants	0	13,648	13,648	0	G
CEEXEC	Chief Executives Department	0	300,631	298,541	-2,090	A
CLTAX	Council Tax	340,780	29,650	98,473	68,823	R
NNDRC	National Non Domestic Rates	36,200	6,648	-24,637	-31,285	R
CORPM	Corporate Management	326,260	0	0	0	G
EMERG	Community Safety	59,570	3,082	1,891	-1,191	G
FLDRB	Flood Grants – Businesses	0	0	37,541	37,541	R

Cost Centre	Cost Centre Name	Net Budget for the full year	Net Budget to the end of the period	Actual including Commitments to the end of the period	Variance	
		£	£	£	£	
FLDRH	Flood Grants - Householders	0	0	131,280	131,280	R
DISTC	District Elections	0	0	3,725	3,725	A
ELADM	Election Administration	43,320	0	0	0	G
ELECT	Register of Electors	91,530	12,267	20,256	7,989	R
ESTAT	Estates	54,960	-13,278	-11,713	1,565	G
CIVCF	Civic Functions	58,870	26,906	23,392	-3,514	A
COSDM	Cost of Democracy	445,800	81,195	74,748	-6,447	R
FSERV	Financial Services	0	209,294	211,304	2,010	A
LUNCH	Luncheon Clubs	15,070	0	1,530	1,530	G
CIVST	Civic Suite	0	17,292	14,545	-2,747	A
CLOFF	Council Offices	0	86,733	85,957	-776	G
FMISC	Policy & Finance Miscellaneous	-54,740	10,547	9,541	-1,006	G
PERFM	Performance Reward Grants	55,010	0	0	0	G
SUPDF	Superannuation Deficiency Paym'ts	97,920	21,653	14,592	-7,061	R
LSERV	Legal Services	0	106,695	107,124	429	G
OMDEV	Organisation & Member Development	0	110,009	113,407	3,398	A
CSERV	Corporate Services	180,470	18,751	18,018	-733	G
CONTC	Contact Centre	0	54,384	48,284	-6,100	R
REVUE	Revenues & Benefits	0	157,968	153,680	-4,288	A
<b>Total net cost of services</b>		<b>1,953,820</b>	<b>1,431,510</b>	<b>1,621,474</b>	<b>189,964</b>	

Items added to / (taken from) balances and reserves					
FNBAL H230	Election Reserve Fund	22,540	0	-3,725	-3,725
FNBAL H269	Asset Revaluation Reserve	2,030	0	0	0
FNBAL H326	Performance Reward Grant	-53,500	-13,648	-13,648	0
FNBAL H337	Equipment Reserve	-120	0	0	0
FNBAL H362	Individual Electoral Registration Reserve	-1,300	-476	-9	467
FNBAL F719	Vat Shelter Reserve	158,000	0	0	0
<b>Net Balances and reserves</b>		<b>127,650</b>	<b>-14,124</b>	<b>-17,382</b>	<b>-3,258</b>

<b>Net Expenditure</b>	<b>2,081,500</b>	<b>1,417,386</b>	<b>1,604,092</b>	<b>186,706</b>
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2.2 The variations between budget and actuals have been split into groups of red, amber and green variance. The red variances highlight specific areas of high concern, for which budget holders are required to have an action plan. Amber variances are potential areas of high concern and green variances are areas that currently do not present any significant concern.

Key to Variance shading	
Variance of more than £5,000 (Red)	R
Variance between £2,000 and £4,999 (Amber)	A
Variance less than £2,000 (Green)	G

2.3 We have then extracted the main variations for the items included in the red shaded cost centres and shown them with the budget holder’s comments and agreed action plans, in Annex 1.

2.4 The main variations for items included in the amber shaded cost centres are shown with budget holders’ comments at Annex 2.

3 CONCLUSION

3.1 The comparison between actual and budgeted expenditure shows an underspend of £186,705 on the first four months of the financial year 2017/18 after transfers to / from earmarked reserves. However there are some large fluctuations that make up this net figure, some of which will be offset by future income / expenditure.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

BACKGROUND WORKING PAPERS  
Policy & Finance budget monitoring working papers

PF50-17/TH/AC  
31 August 2017

## POLICY &amp; FINANCE COMMITTEE

## RED VARIANCES

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance		Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
FLDRB/4672	Flood Resilience Grants - Businesses	0	0	37,541	37,541	R	Grant funded remedial work still ongoing on properties affected by the 2015 floods.	Claim to be prepared for reimbursements of expenditure from section 31 grant for Community Recovery Schemes paid via Lancashire County Council
FLDRH/4676	Flood Resilience Grants - Households	0	0	131,280	131,280	R		
SUPER/1026	Superannuation Deficiency Payments	91,550	19,529	12,467	-7,062	R	Delay in instalment being taken.	No action proposed.
ELECT/2981	Register of Electors / Postages	34,210	4,157	10,146	5,989	R	Charge for postage of HEFS received earlier in 2017/18 compared to 2016/17.	No action proposed.

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance		Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
CLTAX/8649z	Council Tax / Storm Eva S31 Grant	0	0	70,269	70,269	R	Provision for a section 31 grant from Department of Communities and Local Government made in 2016/17 accounts brought forward to 2017/18. The purpose of the grant is to cover the cost of council tax discounts given to households as a result of Storm Eva.	No action proposed.
NNDRC/3090	National Non Domestic Rate / Legal	0	0	10,741	10,741	R	Professional fee incurred acting on Ribble Valley's behalf	Budget to be reviewed when revised estimates are produced.
NNDRC/3165	National Non Domestic Rate / Rateable Value Finder	0	0	5,750	5,750	R	A rateable value finding service has been employed on a commission basis to identify missing rateable values which may have the potential of additional revenue income.	Budget to be reviewed when revised estimates are produced.

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance		Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
NNDRC/8569z	National Non Domestic Rate/Compensation	0	0	-26,782	-26,782	R	Payment received June	Budget to be reviewed when revised estimates are produced.
NNDRC/8720z	National Non Domestic Rate / Enterprise Zone	0	0	-19,530	-19,530	R	The income relates to retained business rates for 2016/17 that fall within the Enterprise Zone. It is payable to Lancashire County Council (LCC).	No action at present, waiting for invoice from LCC.

## POLICY &amp; FINANCE COMMITTEE

## AMBER VARIANCES

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance		Reason for Variance
DISTC/2972	District Elections / Polling station - Equipment & Materials	0	0	3,725	3,725	A	Purchase of new polling booths, funded from an earmarked reserve.
LSERV/3301	Legal Services / Salaries	253,670	84,624	88,083	3,459	A	There has been a lower level of staff turnover experienced to date than that budgeted for.
COSDM/3033	Cost of Democracy / Basic Allowance	151,950	50,688	47,613	-3,075	A	The budget includes an annual increase in the basic members allowance based on the increase in national minimum wage from the previous October, this was a larger increase than the national salary increase of Local Government staff to be used from April 2016 as recommended by an independent remuneration panel, who had reviewed the allowance scheme.
CLOFF/2402	Council Offices / Repair & Maintenance - Buildings	30,950	10,324	12,812	2,488	A	The variance is due to a commitment order of £3.5k placed for repairing flues.
CEXEC/0100	Chief Executives Department / Salaries	781,410	260,676	256,722	-3,954	A	The variance is as a result of vacant part-time Pest control officer and Building surveyor posts.

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance		Reason for Variance
CEEXEC/3301	Chief Executives / Security Phones	1,400	468	3,039	2,571	A	The variance is due to the purchase of replacement security phones for eligible staff.
OMDEV/1024	Organisation & Member Development / Apprenticeship Levy	0	0	4,164	4,164	A	The Government has introduced an apprenticeship levy, where employers with a pay bill in excess of £3 million are required to pay an apprenticeship levy at 0.5% of their yearly pay bill payable to HM Revenue and Customs via the PAYE process. The variance represents the amount paid to date
FSERV/0100	Financial Services / Salaries	449,380	149,912	154,220	4,308	A	There has been a lower level of staff turnover experienced to date than that budgeted for.

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 16

meeting date: 12 SEPTEMBER 2017  
 title: OVERALL REVENUE MONITORING 2017/18  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: LAWSON ODDIE

### 1 PURPOSE

1.1 To consider the position on the revenue budget for the current financial year up to the end of July.

### 2 ORIGINAL BUDGET 2017/18

2.1 The original budget agreed for the current year is set out below.

	<b>Original Estimate 2017/18 £</b>
Committee Net Requirements	6,995,600
Capital Charges Adjustment	-744,380
<b>Committee Expenditure After Adjustments</b>	<b>6,251,220</b>
Other Items - Interest Payable	7,830
- Interest on balances	-15,660
- New Homes Bonus	-1,576,964
- Transition Grant	-20,345
- Rural Areas Delivery Grants – Additional Funding	-86,603
- Retained Business Rates Income	-447,824
- Renewable Energy Business Rates	-29,091
- Section 31 Grant for Business Rates	-591,197
- 10% of Retained Levy – Payable to LCC under Pooling	50,080
- Share of Business Rates Deficit on Collection Fund	-45,368
<b>Expenditure After Other Items</b>	<b>3,496,078</b>
<b>Less Added to/(taken from) Earmarked Reserves</b>	
Elections	22,540
Building Control Fee Earning	5,490
Performance Reward Grant	-53,500
IER Reserve	-1,300
Community Safety	-13,520
Equipment Reserve	-120

	<b>Original Estimate 2017/18 £</b>
Revaluation Reserve	2,060
Government Housing Grants Reserve	-130
Planning Reserve	-42,900
Post LSVT Pensions Reserve	-36,512
VAT Shelter	158,000
New Homes Bonus Reserve	783,885
Vehicle Renewals Reserve	46,000
Business Rates Volatility Reserve	787,886
Taken From Revenue Balances	-250,000
<b>Net Expenditure</b>	<b>4,903,957</b>

### 3 COMMENTS

3.1 Accountants are soon to start preparing the revised estimates for the current financial year. Regular budget monitoring is undertaken on a monthly basis. In addition committees are currently receiving monitoring reports in the current cycle.

3.2 Looking at three of the largest elements within our budget - employee costs, fees and charges and interest. The position at the end of July on these was as follows:

#### 3.3 *Employees*

Position at end of July:

	<b>£</b>
Budget to the end of July	1,814,473
Actual to the end of July	1,806,238
<b>Difference as at the end of July</b>	<b>-8,235</b>

Annex 1 shows the main variances by individual cost centre. However, the reasons for the larger variances are summarised below:

- COMMD: Community Services Department (£9,668) – The staffing budget allows for staff turnover within the full financial year of 4%. To date there has been a low level of turnover within the department and to date this turnover has not materialised. This variance may correct itself as the year progresses.
- RCOLL: Refuse Collection (£7,752) – There has been an increased usage of agency staff on the service due to staff sickness. Furthermore, the staffing budget allows for staff turnover within the full financial year of 4%. To date there has been a low level of turnover.

- RPOOL: Ribblesdale Pool (£-11,819) – As reflected in the variances on Fees and Charges, there are vacancies in swimming teachers (1 full time and 1 part time post) resulting in the underspend shown. There is also a vacant apprentice lifeguard post. Some of the variance from these items has been partly offset by increased overtime cover.

### 3.4 Fees and Charges

Position at end of July:

	£
Budget to the end of July	-1,048,197
Actual to the end of July	-1,104,142
<b>Difference as at the end of July</b>	<b>-55,945</b>

Again, Annex 2 shows the main differences and the reasons for the larger variances are summarised below:

- CLMKT: Clitheroe Market (-£5,756) – Cabins income is higher than budgeted for because occupancy levels to date are higher than estimated. The actual to date includes all cabins invoiced for the full year in April 2017, so if any cabin holder leaves in-year, then the cabins income will drop if there is a vacant period for that cabin.
- PLANG: Planning Control and Enforcement (£-10,765) – There have been two large application fees received in June and July (Shay Lane, Longridge £11,550 and Low Moor, Clitheroe £13,860)
- RCOLL: Refuse Collection (-£5,784) – There has been an increase in the level of take up of the bin hire scheme. Income from the scheme is already double that allowed for in the budget. There has also been increased income from household special collections due to increased demand.
- RPOOL: Ribblesdale Pool (£27,422) – There has been a fall in income from swimming lessons due to vacancies in swimming teachers (1 full time and 1 part time post). Income on lessons commencing in September has been invoiced in July and shows a variance of £21,490. Admissions income for adults and juniors is also down.
- TRREF: Trade Refuse (-£51,458) – Trade Waste contracts have been invoiced for the full year. There is a chance that some of these contracts may be cancelled as the year progresses, which will bring down the variance shown. The budget has been increased over recent years as we have seen an influx of customers since another operator in the area went out of business. At the moment it is anticipated that there may be net income of between £20k-£30k above the original estimate by the end of the year. This will be reflected at the revised estimate.
- VARIOUS: Car Parks (-£8,964) – This is largely due to increased usage at the Market, Dunsop Bridge and Edisford car parks.

### 3.5 **Interest**

Position at end of July:

	<b>£</b>
Budget to the end of July	-5,240
Actual to the end of July	-3,734
<b>Difference as at the end of July</b>	<b>1,506</b>

At this stage it is difficult to predict how our final interest figure will be in comparison to our budget for the year.

## 4 SUMMARY

4.1 In summary, the position is as follows:

	<b>£ 000</b>
Employees	-8,235
Income	-55,945
Interest	1,506
<b>Total Net Savings/Underspend/Extra Income</b>	<b>-62,674</b>

## 5 CONCLUSION

5.1 Overall, the variances to the end of July are favourable, with a net saving/additional income of £62,674, based on the areas included within this report.

5.2 The main reasons for the variance is the increased income on Trade Refuse and Planning Fees, partly offset by lower income levels (Swimming Lessons/Teachers) at Ribblesdale Pool.

5.3 The variances on Employees are largely compensating. However, the variance on Swimming Teachers has impacted on the Income levels as highlighted above.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF39-17/LO/AC  
21 August 2017

BACKGROUND PAPERS: None

For further information please ask for Lawson Oddie.

# ANNEX 1

## Employees – April to July 2017

Cost Centre	Cost Centre Name	Original Estimate to end July 2017	Actual to end July 2017	Variance
ARTDV	Art Development	4,586	3,969	-617
BCSAP	Building Control SAP Fees	48	38	-10
CEXEC	Chief Executives Department	283,529	279,781	-3,748
CIVCF	Civic Functions	4,074	2,609	-1,465
CIVST	Civic Suite	3,074	2,966	-108
CLMKT	Clitheroe Market	508	372	-136
CLOFF	Council Offices	16,828	14,250	-2,578
COMMD	Community Services Department	324,889	334,557	9,668
COMPR	Computer Services	49,484	51,541	2,057
CONTC	Contact Centre	46,978	45,677	-1,301
COSDM	Cost of Democracy	1,120	1,213	93
CPADM	Car Park Administration - Off Street	14,404	13,863	-541
DNHAM	Downham Toilets	88	80	-8
ELECT	Register of Electors	112	1,834	1,722
EXREF	Exercise Referral Scheme	14,408	12,612	-1,796
FMISC	Policy & Finance Miscellaneous	0	42	42
FSERV	Financial Services	164,300	169,203	4,903
HSASS	Housing Associations	0	830	830
JARMS	Joiners Arms	5,312	2,969	-2,343
LSERV	Legal Services	93,186	96,805	3,619
OMDEV	Organisation & Member Development	90,396	90,380	-16
PAPER	Waste Paper and Card Collection	27,710	26,029	-1,681
PCADM	Public Conveniences Administration	2,118	851	-1,267
PKADM	Grounds Maintenance	71,551	69,815	-1,736
PLATG	Platform Gallery and Visitor Information	22,802	21,606	-1,196
RCOLL	Refuse Collection	199,396	207,148	7,752
REVUE	Revenues & Benefits	135,452	133,693	-1,759

**ANNEX 1****Employees – April to July 2017**

<b>Cost Centre</b>	<b>Cost Centre Name</b>	<b>Original Estimate to end July 2017</b>	<b>Actual to end July 2017</b>	<b>Variance</b>
RPOOL	Ribblesdale Pool	105,375	93,556	-11,819
SDEPO	Salthill Depot	7,376	6,460	-916
STCLE	Street Cleansing	43,218	44,370	1,152
SUPDF	Superannuation Deficiency Payments	2,124	2,125	1
TFRST	Waste Transfer Station	8,165	6,521	-1,644
UPACT	Up and Active Service	17,824	16,915	-909
VEHCL	Vehicle Workshop	18,194	17,522	-672
WKSAD	Works Administration	35,844	34,034	-1,810
		<b>1,814,473</b>	<b>1,806,238</b>	<b>-8,235</b>

## ANNEX 2

### Fees and Charges – April to July 2017

<b>Cost Centre</b>	<b>Cost Centre Name</b>	<b>Original Estimate to end July 2017</b>	<b>Actual to end July 2017</b>	<b>Variance</b>
BCFEE	Building Control Fee Earning	-65,345	-68,586	-3,241
BCNON	Building Control Non Fee Earning	-440	-528	-88
BCSAP	Building Control SAP Fees	-1,748	-1,120	628
CIVST	Civic Suite	-1,444	-3,098	-1,654
CLCEM	Clitheroe Cemetery	-14,552	-13,283	1,269
CLMKT	Clitheroe Market	-104,338	-110,094	-5,756
COMMD	Community Services Department	-212	-278	-66
COMPR	Computer Services	0	-208	-208
DOGWD	Dog Warden & Pest Control	-6,497	-5,292	1,205
DRAIN	Private Drains	-502	-415	87
EALLW	Edisford All Weather Pitch	-5,756	-6,709	-953
EDPIC	Edisford Picnic Area	-436	-500	-64
ENVHT	Environmental Health Services	-8,582	-6,177	2,405
EXREF	Exercise Referral Scheme	-1,632	-1,593	39
FSERV	Financial Services	-380	-384	-4
IMPGR	Improvement Grants	-2,156	0	2,156
LANDC	Land Charges	-26,952	-25,716	1,236
LICSE	Licensing	-25,973	-24,906	1,067
LSERV	Legal Services	-340	-835	-495
MCAFE	Museum Cafe	-2,286	-2,841	-555
MUSEM	Castle Museum	0	-1,318	-1,318
PLANG	Planning Control & Enforcement	-196,250	-207,015	-10,765
RCOLL	Refuse Collection	-9,816	-15,600	-5,784
RPOOL	Ribblesdale Pool	-135,764	-108,342	27,422
RVPRK	Ribble Valley Parks	-1,449	-3,252	-1,803
SDEPO	Salthill Depot	-260	-244	16

**ANNEX 2****Fees and Charges – April to July 2017**

<b>Cost Centre</b>	<b>Cost Centre Name</b>	<b>Original Estimate to end July 2017</b>	<b>Actual to end July 2017</b>	<b>Variance</b>
SIGNS	Street Nameplates & Signs	-176	-546	-370
SPODV	Sports Development	-72	0	72
TRREF	Trade Refuse	-303,080	-354,538	-51,458
VARIOUS	Car Parks	-131,759	-140,723	-8,964
		<b>-1,048,197</b>	<b>-1,104,142</b>	<b>-55,945</b>

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO POLICY & FINANCE COMMITTEE

INFORMATION

Agenda Item No 17

meeting date: 12 SEPTEMBER 2017  
title: TREASURY MANAGEMENT MONITORING  
submitted by: DIRECTOR OF RESOURCES  
principal author: TRUDY HOLDERNESS

### 1 PURPOSE

- 1.1 To provide you with a monitoring report on our treasury management activities for period 1 April 2017 to 31 July 2017.
- 1.2 Relevance to the Council's ambitions and priorities:
  - In accordance with the corporate strategy priority -"to ensure a well-managed Council, by maintaining critical financial management and controls." This report provides members with information regarding the treasury management activities for the period.
- 1.3 You have previously approved a treasury management policy in accordance with CIPFA's code of practice on treasury management for Local Authorities.
- 1.4 In accordance with this policy committee should receive a quarterly monitoring report on the Council's treasury management operations.

### 2 BACKGROUND

- 2.1 Events in recent years have raised the profile of the treasury management function and highlighted the potential serious risks involved.
- 2.2 The Council borrows any money it requires to fund its capital spending plans from the Public Works Loan Board. They make funds available for long loan periods at interest rates just below market rates and lend to Government and Public bodies. The Council rarely borrows to fund its revenue activities and is much more likely at any point in time to have surplus funds to invest.
- 2.3 On a daily basis we assess our cash flow position. To do this we estimate the funds we expect to receive e.g. council tax payments, grants and fees, and deduct any known payments we expect to make e.g. precepts, creditors and salaries.
- 2.4 On most days the Council is in a position where it has surplus funds available to invest.
- 2.5 How we invest these surplus funds is governed by the Council's Treasury Management policies and practices agreed and reported to Policy and Finance Committee and ultimately Full Council.
- 2.6 The main points being:
  - (i) The Council maintains a list of organisations it will lend its surplus funds to, which is regularly reviewed. The current list is shown in section 7 of this report.
  - (ii) The Council has maximum limits for each bank or building society of £1.75m. The limit for the Debt Management Office (DMO), where the Government guarantees investments, is currently £5m and the limit for other Local Authorities, Police and Crime Commissioners, Fire and Rescue Services and Transport Authorities is £2.5m per institution

- (iii) The safety of our investments is paramount and not the requirement to maximise returns.
- (i) Our policy has been to only lend to major British Banks and Building Societies relying on the assumption that the Government would be unlikely to allow a major bank/building society to fail.

### 3 PUBLIC WORKS LOAN BOARD

- 3.1 Nationally, bank base interest rates recently changed from 0.5% to 0.25%, after remaining at the same level since March 2009.
- 3.2 This low interest rate has had no immediate effect on the interest payable on the Council's long-term loan debt from Public Works Loan Board (PWLB), which is all at fixed interest rates. However, it has resulted in a continued low level of income from our temporary investments.
- 3.3 From 1 November 2012, the Government reduced by 20 basis points (0.20%) the interest rates on loans from PWLB. The reduction was to be applicable for those councils that provide 'improved information and transparency' on 'borrowing and associated capital spending plans'. The current PWLB interest rates are as follows:

<b>PWLB - Interest rates</b>						
	<b>Standard New Loan Rates</b>			<b>Certainty Rates</b>		
<b>Period (Years)</b>	<b>EIP</b>	<b>Annuity</b>	<b>Maturity</b>	<b>EIP</b>	<b>Annuity</b>	<b>Maturity</b>
Over 9.5 not over 10	1.46	1.46	2.07	1.26	1.26	1.87
Over 24.5 not over 25	2.34	2.40	2.78	2.14	2.2	2.58

- 3.4 The discount is being provided largely in return for the government's request for local authorities to voluntarily provide information on their three year plans for borrowing, capital spend, debt financing and also a commentary on the main capital priorities to be financed over the period. By receiving this information the government will be better able to build more robust forecasts of public expenditure.
- 3.5 The returns are requested on an annual basis and must be completed in order to qualify for the certainty discount rate. A return has been submitted for Ribble Valley Borough Council and we are now listed as an eligible council on the PWLB website.

### 4 BORROWING REQUIREMENTS

- 4.1 The movement on the Council's external borrowing can be summarised as follows.

	<b>PWLB £000</b>	<b>Other £000</b>	<b>Total £000</b>
External Debt at 1 April 2017	170	7	177
Transactions - New Loans	0	0	0
- Repayments	0	0	0
<b>External debt at 31 July 2017</b>	<b>170</b>	<b>7</b>	<b>177</b>

- 4.2 No temporary loans were taken out during in the period April to July 2017 or in the same period in 2016.
- 4.3 No interest has been paid on the Council's external debt during the periods April to July 2016 and 2017, as it does not become due until the half year instalment date on 30 September 2017.
- 4.4 TEMPORARY INVESTMENTS
- 4.5 In accordance with the treasury management policy, surplus funds are temporarily invested via the money market at the best rate of interest available with the minimisation of risk to the capital sum.
- 4.6 The average interest we received on all external investments for the period 1 April 2017 to 31 July 2017 was 0.15%
- 4.7 The movement in the Council's external investments are shown in Annex 1 and can be summarised as follows:

	<b>Banks/Building Societies £000</b>	<b>Other Local Authorities £000</b>	<b>Total £000</b>
Monies Invested at 1 April 2017	4,370	4,000	8,370
Transactions - New Investments	24,930	9,280	34,210
- Repayment of Investments	-21,525	-8,500	-30,025
<b>Monies Invested as at 31 July 2017</b>	<b>7,775</b>	<b>4,780</b>	<b>12,555</b>

- 4.8 The following investments were held as at 31 July 2017.

<b>Date Invested</b>	<b>Nos.</b>	<b>Borrower</b>	<b>Notice</b>	<b>Rate %</b>	<b>£'000</b>	<b>£'000</b>
12 Jun'17	20	Bank of Scotland	Fixed 8 Aug'17	0.15	500	
10 Jul'17	43	Bank of Scotland	Fixed 4 Sept'17	0.17	600	
						1,100
12 Jun'17	34	Lloyds Bank Plc	Fixed 7 Aug'17	0.14	700	
19 Jul'17	73	Lloyds Bank Plc	Fixed 19 Sept'17	0.18	1,000	
						1,700
19 Jun'17	54	Coventry BS	Fixed 8 Aug'17	0.19	475	
28 Jun'17	58	Coventry BS	Fixed 8 Aug'17	0.18	500	
25 Jul'17	78	Coventry BS	Fixed 13 Sept'17	0.09	450	
						1,425
21 Jul'17	76	HSBC Bank Plc	Fixed 14 Aug'17	0.10	70	
24 Jul'17	77	HSBC Bank Plc	Fixed 14 Aug'17	0.10	100	
26 Jul'17	79	HSBC Bank Plc	Fixed 14 Aug'17	0.10	80	
31 Jul'17	83	HSBC Bank Plc	Fixed 7 Aug'17	0.10	100	
31 Jul'17	84	HSBC Bank Plc	Fixed 22 Aug'17	0.10	100	
31 Jul'17	85	HSBC Bank Plc	Fixed 4 Sept'17	0.10	100	
						550

Date Invested	Nos.	Borrower	Notice	Rate %	£'000	£'000
30 Jun'17	61	Eastleigh BC	Fixed 8 Aug'17	0.14	2,000	
						2,000
30 Jun'17	62	Barnsley MBC	Fixed 21 Aug'17	0.14	1,280	
						1,280
28Jul'17	81	Merthyr Tydfil CBC	Fixed 27 Oct'17	0.15	1,500	
						1,500
31 Jul'17	86	Debt Management Office	Fixed 8 Aug'17	0.10	3,000	
						3,000
<b>Total Investments as at 31 July 2017</b>						<b>12,555</b>

4.9 The total interest received on the Council's external investments during the period was £4,569 compared with £8,572 in the previous year. There shows the impact on interest following the fall in base rate to 0.25%.

## 5 PRUDENTIAL INDICATORS

5.1 The Prudential Code for Capital Finance in Local Authorities (the Code) initially came into effect from 1 April 2004. It regulates the Council's ability to undertake new capital investment.

5.2 It revised to take account of the implications of the implementation of the International Financial Reporting Standard (IFRS).

5.3 In accordance with this Code the Council agreed to monitor four prudential indicators as follows. This committee approved these in March 2017.

- Upper limits on variable rate exposure. This indicator identifies a maximum limit for variable interest rates based upon the debt provision net of investments.
- Upper limits on fixed rate exposure. Similar to the previous indicators, this covers a maximum limit on fixed interest rates
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing.
- Total principal funds invested for a period longer than 364 days. These limits are set to reduce the need for early sale of an investment and are based on the availability of investments after each year-end

5.4 The limits set on interest rate exposures for 2017/18 were as follows:

	Upper Limit £000	Current Actual £000
Maximum Principal Sums Borrowed >364 days	6,976	177
Limits on Fixed Interest Rates	6,976	177
Limits on Variable Interest Rates	1,395	0

5.5 The upper and lower limits for the maturity structure of its borrowings for 2017/18 were as follows:

	Upper Limit	Lower Limit	Current Actual
	%	%	%
Under 12 months	20	0	12.922
12 Months and Within 24 Months	20	0	5.867
24 Months and Within 5 Years	40	0	17.600
5 Years and Within 10 Years	30	0	28.334
10 Years and Above	90	0	35.278

5.6 The total principal funds invested for a period longer than 364 days was set at nil. This indicator is in place to ensure that the council is aware of the cash-flow implications of investing for periods of longer than 364 days. In lending surplus funds, the council must ensure that it can't be put in a position where it would be forced to realise any of its investments before their maturity. If this were to be the case, the council could find itself with a financial loss.

5.7 No investments (excluding our shareholding in the Local Government Bonds Agency (Local Capital Finance Company Ltd) have been made in the period for longer than 364 days.

## 6 LOCAL GOVERNMENT BONDS AGENCY

6.1 The Local Government Bonds Agency is a freestanding independent body owned by the local government sector that will raise money efficiently on the capital markets at regular intervals to on-lend to participating local authorities.

6.2 Participating authorities are those local authorities that have invested in the setting up of the Agency or have invested risk capital to capitalise the Agency and fund it through its early years of operations. The agency has been incorporated with the name Local Capital Finance Ltd.

6.3 The Agency will offer a viable alternative source of capital funding to councils, other than the Public Works Loans Board (PWLB). Historically we have used the PWLB for our long term borrowing. The Local Government Bonds Agency will be able to offer loans at better or at least equivalent rates to the PWLB and tailor packages to meet the particular needs of participating authorities.

6.4 Ribble Valley Borough Council has invested £10,000 in the agency. The Agency is owned by those local authorities that invested in its establishment and those that invest in its capitalisation during its first ten years of operations. Such authorities will become shareholders in the Agency and therefore we, as other authorities, will have our say in the way it is run.

6.5 The contribution that we have invested will be returned to us after 10 years of successful operations of the agency, together with interest which will be earned at commercial rates.

## 7 APPROVED ORGANISATIONS

7.1 Principally, Fitch credit ratings are used as an indication of the probability of organisations defaulting on our investments and are defined in Annex 2. They only show an indication of the current credit position. They are being monitored on a regular basis and any significant changes will be reported to this committee. In addition, we monitor and consider the ratings given by rating agents S&P Global Ratings (previously Standard and Poor), and Moody's together with the Fitch ratings prior to investing any monies on a day-

to-day basis. The full list of ratings for our approved institutions is shown at Annex 3, and is a snapshot as at 31 August 2017.

- (iv) It has previously been approved that investments with Building Societies be limited to the top 8 building societies based on their total assets. However West Bromwich and Newcastle Building Societies have had their Fitch Rating withdrawn so have been removed from the approved list leaving the top 6 building societies based on their total assets.

Name	Current Ranking Aug 2017	Full Transaction Review Date	Fitch Rating	
			Long Term	Short Term
Nationwide	1	07/02/17	A+	F1
Yorkshire	2	08/05/17	A-	F1
Coventry	3	08/05/17	A	F1
Skipton	4	08/05/17	A-	F2
Leeds	5	08/05/17	A-	F1
Principality*	6	30/08/17	BBB	F2

\* Changed since last reported

- 7.2 The banks we use are reviewed annually as part of the Treasury Management Practices to take into account their Fitch IBCA long-term and short-term credit rating. The current ratings are as follows:

Name	Fitch's Full Transaction Review Date	Long Term	Short Term
Santander UK Plc	07.02.17	A	F1
Barclays Bank Plc	13.12.16	A	F1
Bank of Scotland Plc	07.05.17	A+	F1
Co-operative Bank (The)*	30.08.17	BBB	F2
HSBC Bank Plc	13.12.17	AA-	F1+
Lloyds Bank Plc	07.05.17	A+	F1
National Westminster Bank Plc	07.02.17	BBB+	F2
Royal Bank of Scotland Plc (The)	07.02.17	BBB+	F2

\* Changed since last reported

- 7.3 In addition to the building societies and banks we use for investments, also approved for use is other Local Authorities and the United Kingdom Debt Management Office, where the Government guarantees investments.

## 8 RECENT EVENTS

- 8.1 Public Sector Net Borrowing (PSNB) recorded a surplus of £0.2 billion in July, a £0.5 billion improvement on last year. The surplus was £1.2 billion better than market expectations. The improvement was driven by a £2.5 billion increase in central

government receipts only partly offset by a £2.2 billion rise in central government spending.

- 8.2 Borrowing by local authorities was £0.7 billion higher and borrowing by public corporations was £0.6 billion lower than last year, reflecting lower central government grants to local authorities and lower Asset purchase facility transfers respectively.
- 8.3 Central government receipts were up 4.2% in July and up 4.3% for the year to date. This compares with the Office for budget responsibility's (OBR) forecast from March 2017 for a 2.7% rise. This primarily reflects rises in PAYE income tax, national insurance contributions, self-assessment receipts and VAT.
- 8.4 Central Government spending (excluding grants to local authorities) was up by 6.1%, compared to the full-year forecast of 5.2% growth. The main driver being higher departmental spending, debt interest, reflecting higher RPI inflation which raises the accrued interest cost of index-linked gilts. In addition, net social benefits and transfers to EU institutions both increases by £0.1 billion on last July.
- 8.5 However, this early in the financial year, a sizeable proportion of departmental spending data are largely based on departments' own forecast. The PSNB can be revised significantly over subsequent months as more robust data become available.
- 8.6 Medium and longer term projection have always had an element of uncertainty around them, there are many risks that surround them. Government policy can reduce the likelihood of these risks but underlying risks cannot be eliminated
- 8.7 Recently a lot of attention has focused on the risks posed by Brexit and the possible 'divorce bill', but although numbers mooted are very large, a one off hit would not pose a big threat to fiscal sustainability. More important are the implications of whatever agreements are reached with the EU and other trading partners for the long-term growth of the UK economy.

## 9 EXPOSURE TO RISK

- 9.1 It is imperative that we continue to protect the council's principal sums invested in order to minimise its exposure to risks.
- 9.2 To ensure our exposure is limited as far as possible, we have continued with the following measures:
  - (i) Daily early morning meetings to discuss the latest position
    - Lending arrangements
    - A review of the Markets
    - A review of our current investments and whether we consider they are still safe.
    - Institution Ratings
  - (ii) Authorisation prior to investments with either the Director of Resources or the Head of Financial Services
  - (iii) Keep Leader/Chief Executive informed
  - (iv) Look to arrange new secure options for investments

## 10 CONCLUSION

- 10.1 It is essential to minimise the risk to the principal sums that are invested. Through the careful investment of sums in line with the council's strategy the level of risk in our investments has been kept to a minimum.
- 10.2 With interest rates remaining at low levels, the amount of income received from investing surplus cash balances continues to be low and less than those attained for the same period in the 2016/17 financial year. This position is likely to continue after last year's cut in bank base interest rate to 0.25%.
- 10.3 Due to the continued uncertainty in the global economy, a prudent approach continues to be followed in the investment of any surplus cash balances on a day to day basis.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF52-17/TH/AC  
31 August 2017

For further information please ask for Trudy Holderness.

Background papers:

Office of Budget Responsibilities:

- Commentary on the Public Sector Finances release: July 2017
- Overview of the Fiscal risks report: July 2017

**POLICY AND FINANCE COMMITTEE  
TEMPORARY INVESTMENT ACTIVITY – 2017/18**

**ANNEX 1**

DATE INVESTED	TEMPORARY INVESTMENT NUMBER	BORROWER	AMOUNT INVESTED £	INTEREST RATE %	DATE REPAID	PRINCIPAL REPAID £	INTEREST RECEIVED / DUE £	FITCH RATING	
								LONG-TERM	SHORT-TERM
<b>INVESTMENTS BROUGHT FORWARD @ 1 APRIL 2017</b>									
17-Mar-17	98	Lloyds Bank Plc	750,000	0.2000%	21-Apr-17	-750,000	-143.84	A+	F1
					Debtor		61.64	-	-
17-Mar-17	192	Lloyds Bank Plc	1,000,000	0.2000%	21-Apr-17	-1,000,000	-191.78	A+	F1
					Debtor		82.19	-	-
31-Jan-17	202	Dumfries & Galloway Council	1,000,000	0.3000%	28-Apr-17		-715.07	-	-
				0.2000%	30-May-17	-1,000,000	-175.34	-	-
					Debtor		493.15	-	-
31-Jan-17	203	Stockport MBC	1,500,000	0.2300%	10-Apr-17	-1,500,000	-652.19	-	-
					Debtor		567.12	-	-
30-Jan-17	204	Dumfries & Galloway Council	1,500,000	0.2600%	19-Apr-17		-844.11	-	-
					22-May-17	-1,500,000	-271.23	-	-
					Debtor		651.78	-	-
01-Mar-17	221	Coventry BS	350,000	0.2100%	21-Apr-17		-102.70	A	F1
				0.1800%	15-May-17	-350,000	-41.42	-	-
					Debtor		62.42	-	-
13-Mar-17	225	Coventry BS	1,000,000	0.2100%	22-Apr-17	-1,000,000	-224.38	A	F1
					Debtor		109.32	-	-
27-Mar-17	234	Coventry BS	400,000	0.1900%	13-Apr-17		-35.40	A	F1
				0.1800%	27-Apr-17	-400,000	-27.62	-	-
					Debtor		10.41	-	-
29-Mar-17	236	HSBC	170,000	0.1000%	13-Apr-17	-170,000	-6.99	AA-	F1+
					Debtor		1.40	-	-
31-Mar-17	237	Bank of Scotland	700,000	0.1100%	21-Apr-17	-700,000	-44.30	A	F1
					Debtor		2.11	-	-
<b>MONIES INVESTED @ 1 APRIL 2017</b>			<b>8,370,000</b>			<b>-8,370,000</b>	<b>-1,434.83</b>		

DATE INVESTED	TEMPORARY INVESTMENT NUMBER	BORROWER	AMOUNT INVESTED £	INTEREST RATE %	DATE REPAID	PRINCIPAL REPAID £	INTEREST RECEIVED / DUE £	FITCH RATING	
								LONG-TERM	SHORT-TERM
<b>INVESTMENTS MADE APRIL 2017 to JULY 2017</b>									
<b>April'17</b>									
03-Apr-17	1	HSBC	240,000	0.1000%	10-Apr-17	-240,000	-4.60	AA-	F1+
06-Apr-17	2	HSBC	110,000	0.1000%	13-Apr-17	-110,000	-2.11	AA-	F1+
10-Apr-17	3	HSBC	110,000	0.1000%	12-Apr-17	-110,000	-0.60	AA-	F1+
10-Apr-17	4	HSBC	400,000	0.1000%	13-Apr-17	-400,000	-3.29	AA-	F1+
10-Apr-17	5	HSBC	210,000	0.1000%	18-Apr-17	-210,000	-4.60	AA-	F1+
10-Apr-17	6	HSBC	110,000	0.1000%	19-Apr-17	-110,000	-2.71	AA-	F1+
10-Apr-17	7	Bank Of Scotland	360,000	0.1100%	27-Apr-17	-360,000	-18.44	A+	F1
11-Apr-17	8	HSBC	60,000	0.1000%	18-Apr-17	-60,000	-1.15	AA-	F1+
12-Apr-17	9	HSBC	175,000	0.1000%	18-Apr-17	-175,000	-2.88	AA-	F1+
13-Apr-17	10	HSBC	170,000	0.1000%	24-Apr-17	-170,000	-5.12	AA-	F1+
18-Apr-17	11	HSBC	200,000	0.1000%	19-Apr-17	-200,000	-0.55	AA-	F1+
18-Apr-17	12	HSBC	175,000	0.1000%	27-Apr-17	-175,000	-4.32	AA-	F1+
18-Apr-17	13	Bank Of Scotland	Rolled over	0.1200%	19-May-17	-	-54.53	A+	F1
19-May-17	13	Bank Of Scotland	535,000	0.1200%	19-Jun-17	-535,000	-54.53	A+	F1
19-Apr-17	14	HSBC	340,000	0.1000%	20-Apr-17	-340,000	-0.93	AA-	F1+
20-Apr-17	15	HSBC	385,000	0.1000%	21-Apr-17	-385,000	-1.05	AA-	F1+
21-Apr-17	16	HSBC	100,000	0.1000%	24-Apr-17	-100,000	-0.82	AA-	F1+
21-Apr-17	17	HSBC	280,000	0.1000%	08-May-17	-280,000	-13.04	AA-	F1+
24-Apr-17	18	HSBC	160,000	0.1000%	25-Apr-17	-160,000	-0.44	AA-	F1+
25-Apr-17	19	HSBC	130,000	0.1000%	26-Apr-17	-130,000	-0.36	AA-	F1+
25-Apr-17	20	Bank Of Scotland	Rolled over	0.1200%	30-May-17	-	-57.53	A+	F1
30-May-17	20	Bank Of Scotland	Rolled over	0.1000%	05-Jun-17	-	-8.22	A+	F1
05-Jun-17	20	Bank Of Scotland	Rolled over	0.1000%	12-Jun-17	-	-9.59	A+	F1
12-Jun-17	20	Bank Of Scotland	500,000	0.1500%	Investment Still Held	-	-102.74	A+	F1

DATE INVESTED	TEMPORARY INVESTMENT NUMBER	BORROWER	AMOUNT INVESTED £	INTEREST RATE %	DATE REPAID	PRINCIPAL REPAID £	INTEREST RECEIVED / DUE £	FITCH RATING	
								LONG-TERM	SHORT-TERM
26-Apr-17	21	HSBC	100,000	0.1000%	27-Apr-17	-100,000	-0.27	AA-	F1+
26-Apr-17	22	HSBC	130,000	0.1000%	15-May-17	-130,000	-6.77	AA-	F1+
27-Apr-17	23	HSBC	240,000	0.1000%	28-Apr-17	-240,000	-0.66	AA-	F1+
28-Apr-17	24	Coventry BS	1,000,000	0.2000%	30-May-17	-1,000,000	-175.34	A	F1
28-Apr-17	25	HSBC	170,000	0.1000%	02-May-17	-170,000	-1.86	AA-	F1+
			<b>6,390,000</b>			<b>-5,890,000</b>	<b>-539.05</b>		
<b>May'17</b>									
02-May-17	26	HSBC	360,000	0.1000%	15-May-17	-360,000	-12.82	AA-	F1+
02-May-17	27	Thurrock Council	2,000,000	0.2000%	04-Jul-17	-2,000,000	-690.41	-	-
04-May-17	28	HSBC	170,000	0.1000%	15-May-17	-170,000	-5.12	AA-	F1+
05-May-17	29	HSBC	100,000	0.1000%	08-May-17	-100,000	-0.82	AA-	F1+
08-May-17	30	Coventry BS	Rolled over	0.1400%	30-May-17	-	-32.91	A	F1
30-May-17	30	Coventry BS	390,000	0.1500%	04-Jul-17	-390,000	-56.10	A	F1
10-May-17	31	HSBC	120,000	0.1000%	19-May-17	-120,000	-2.96	AA-	F1+
12-May-17	32	HSBC	100,000	0.1000%	15-May-17	-100,000	-0.82	AA-	F1+
15-May-17	33	HSBC	830,000	0.1000%	16-May-17	-830,000	-2.27	AA-	F1+
16-May-17	34	Lloyds Bank Plc	Rolled over	0.1100%	12-Jun-17	-	-56.96	A+	F1
12-Jun-17	34	Lloyds Bank Plc	700,000	0.1400%	Investment Still Held	-	-134.25	A+	F1
16-May-17	35	HSBC	200,000	0.1000%	22-May-17	-200,000	-3.29	AA-	F1+
17-May-17	36	HSBC	100,000	0.1000%	19-May-17	-100,000	-0.55	AA-	F1+
18-May-17	37	HSBC	380,000	0.1000%	19-May-17	-380,000	-1.04	AA-	F1+
19-May-17	38	Lloyds Bank Plc	625,000	0.1200%	19-Jun-17	-625,000	-63.70	A+	F1
22-May-17	39	HSBC	500,000	0.1000%	30-May-17	-500,000	-10.96	AA-	F1+
24-May-17	40	HSBC	140,000	0.1000%	30-May-17	-140,000	-2.30	AA-	F1+
26-May-17	41	HSBC	80,000	0.1000%	30-May-17	-80,000	-0.88	AA-	F1+
30-May-17	42	HSBC	120,000	0.1000%	22-Jun-17	-120,000	-7.56	AA-	F1+
31-May-17	43	Bank Of Scotland	Rolled over	0.1500%	10-Jul-17	-	-98.63	A+	F1

DATE INVESTED	TEMPORARY INVESTMENT NUMBER	BORROWER	AMOUNT INVESTED £	INTEREST RATE %	DATE REPAID	PRINCIPAL REPAID £	INTEREST RECEIVED / DUE £	FITCH RATING	
								LONG-TERM	SHORT-TERM
10-Jul-17	43	Bank Of Scotland	600,000	0.1700%	Investment Still Held	-	-61.48	A+	F1
31-May-17	44	PCCC - West Yorkshire	1,000,000	0.1600%	04-Jul-17	-1,000,000	-149.04	-	-
31-May-17	45	Dumfries & Galloway Council	1,500,000	0.1800%	19-Jul-17	-1,500,000	-362.47	-	-
			<b>10,015,000</b>			<b>-8,715,000</b>	<b>-1,757.34</b>		
<b>June'17</b>									
01-Jun-17	46	HSBC	120,000	0.1000%	26-Jun-17	-120,000	-8.22	AA-	F1+
02-Jun-17	47	HSBC	240,000	0.1000%	05-Jun-17	-240,000	-1.97	AA-	F1+
05-Jun-17	48	HSBC	240,000	0.1000%	12-Jun-17	-240,000	-4.60	AA-	F1+
07-Jun-17	49	HSBC	200,000	0.1000%	12-Jun-17	-200,000	-2.74	AA-	F1+
09-Jun-17	50	HSBC	630,000	0.1000%	12-Jun-17	-630,000	-5.18	AA-	F1+
12-Jun-17	51	HSBC	240,000	0.1000%	03-Jul-17	-240,000	-13.81	AA-	F1+
14-Jun-17	52	HSBC	70,000	0.1000%	19-Jun-17	-70,000	-0.96	AA-	F1+
15-Jun-17	53	HSBC	270,000	0.1000%	19-Jun-17	-270,000	-2.96	AA-	F1+
19-Jun-17	54	Coventry BS	475,000	0.1900%	Investment Still Held	-	-106.32	A	F1
20-Jun-17	55	HSBC	110,000	0.1000%	26-Jun-17	-110,000	-1.81	AA-	F1+
22-Jun-17	56	HSBC	90,000	0.1000%	04-Jul-17	-90,000	-2.96	AA-	F1+
26-Jun-17	57	HSBC	200,000	0.1000%	10-Jul-17	-200,000	-7.67	AA-	F1+
28-Jun-17	58	Coventry BS	500,000	0.1800%	Investment Still Held	-	-83.84	A	F1
28-Jun-17	59	HSBC	400,000	0.1000%	14-Jul-17	-400,000	-17.53	AA-	F1+
29-Jun-17	60	HSBC	100,000	0.1000%	30-Jun-17	-100,000	-0.27	AA-	F1+
30-Jun-17	61	Eastleigh BC	2,000,000	0.1400%	Investment Still Held	-	-245.48	-	-
30-Jun-17	62	Barnsley MBC	1,280,000	0.1400%	Investment Still Held	-	-157.11	-	-
			<b>7,165,000</b>			<b>-2,910,000</b>	<b>-663.43</b>		
<b>July'17</b>									
03-Jul-17	63	HSBC	600,000	0.1000%	10-Jul-17	-600,000	-11.51	AA-	F1+
05-Jul-17	64	HSBC	100,000	0.1000%	10-Jul-17	-100,000	-1.37	AA-	F1+
07-Jul-17	65	HSBC	80,000	0.1000%	21-Jul-17	-80,000	-3.07	AA-	F1+
10-Jul-17	66	HSBC	340,000	0.1000%	17-Jul-17	-340,000	-6.52	AA-	F1+
11-Jul-17	67	HSBC	80,000	0.1000%	17-Jul-17	-80,000	-1.32	AA-	F1+
13-Jul-17	68	HSBC	125,000	0.1000%	14-Jul-17	-125,000	-0.34	AA-	F1+

DATE INVESTED	TEMPORARY INVESTMENT NUMBER	BORROWER	AMOUNT INVESTED £	INTEREST RATE %	DATE REPAID	PRINCIPAL REPAID £	INTEREST RECEIVED / DUE £	FITCH RATING	
								LONG-TERM	SHORT-TERM
14-Jul-17	69	HSBC	330,000	0.1000%	19-Jul-17	-330,000	-4.52	AA-	F1+
14-Jul-17	70	HSBC	150,000	0.1000%	24-Jul-17	-150,000	-4.11	AA-	F1+
17-Jul-17	71	HSBC	940,000	0.1000%	19-Jul-17	-940,000	-5.15	AA-	F1+
18-Jul-17	72	HSBC	80,000	0.1000%	21-Jul-17	-80,000	-0.66	AA-	F1+
19-Jul-17	73	Lloyds Bank Plc	1,000,000	0.1800%	Investment Still Held	-	-64.11	A+	F1
19-Jul-17	74	HSBC	800,000	0.1000%	28-Jul-17	-800,000	-19.73	AA-	F1+
20-Jul-17	75	HSBC	60,000	0.1000%	28-Jul-17	-60,000	-1.32	AA-	F1+
21-Jul-17	76	HSBC	70,000	0.1000%	Investment Still Held	-	-2.11	AA-	F1+
24-Jul-17	77	HSBC	100,000	0.1000%	Investment Still Held	-	-2.19	AA-	F1+
25-Jul-17	78	Coventry BS	450,000	0.0900%	Investment Still Held	-	-7.77	A	F1
26-Jul-17	79	HSBC	80,000	0.1000%	Investment Still Held	-	-1.32	AA-	F1+
27-Jul-17	80	HSBC	115,000	0.1000%	28-Jul-17	-115,000	-0.32	AA-	F1+
28-Jul-17	81	Merthyr Tydfil CBC	1,500,000	0.1500%	Investment Still Held	-	-24.66	-	-
28-Jul-17	82	HSBC	340,000	0.1000%	31-Jul-17	-340,000	-2.79	AA-	F1+
31-Jul-17	83	HSBC	100,000	0.1000%	Investment Still Held	-	-0.27	AA-	F1+
31-Jul-17	84	HSBC	100,000	0.1000%	Investment Still Held	-	-0.27	AA-	F1+
31-Jul-17	85	HSBC	100,000	0.1000%	Investment Still Held	-	-0.27	AA-	F1+
31-Jul-17	86	DMO	3,000,000	0.1000%	Investment Still Held	-	-8.22	AAA	-
			<b>10,640,000</b>			<b>-4,140,000</b>	<b>-173.92</b>		
<b>2017/18 INVESTMENTS APRIL 2017 - JULY 2017</b>			<b>34,210,000</b>			<b>-21,655,000</b>	<b>-3,133.74</b>		
<b>TOTAL INVESTMENTS 2017/18 (INCLUDING BROUGHT FORWARD FROM 2016/17)</b>			<b>42,580,000</b>			<b>-30,025,000</b>	<b>-4,568.57</b>		

## POLICY AND FINANCE COMMITTEE

<b>Fitch Rating Definitions</b>	
<b>International Long-Term Credit Ratings</b>	
Long-term credit rating can be used as a benchmark measure of probability of default.	
AAA	Highest credit quality. 'AAA' denotes the lowest expectation of credit risk. They are assigned only in case of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
AA	Very high credit quality. 'AA' ratings denote expectation of low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
A	High credit quality. 'A' ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than in the case for higher ratings.
BBB	Moderate default risk. 'BBB' National Ratings denote a moderate default risk relative to other issuers or obligations in the same country. However, changes in circumstances or economic conditions are more likely to affect the capacity for timely repayment than is the case for financial commitments denoted by a higher rated category
<b>International Short-Term Credit ratings</b>	
Short-term rating has a time horizon of less than 13 months for most obligations and thus places greater emphasis on the liquidity necessary to meet financial commitments	
F1	Highest credit quality. Indicates the strongest capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.
F2	Good credit quality. A satisfactory capacity for timely payment of financial commitments, but the margin of safety is not as great as in the case of the higher ratings.
F3	Fair credit quality. The capacity for timely payment of financial commitments is adequate; however, near term adverse changes could result in a reduction to non-investment grade.
B	Indicates an uncertain capacity for timely payment of financial commitments relative to other issuers or obligations in the same country. Such capacity is highly susceptible to near-term adverse changes in financial and economic conditions.

**POLICY AND FINANCE COMMITTEE  
FULL RATING LIST OF APPROVED INSTITUTIONS AS AT 31 AUGUST 2017**

	S&P Global Ratings			Moody's			Fitch				Notes
	Long Term	Short Term	Outlook	Long Term	Short Term	Outlook	Full Review Date	Long Term	Short Term	Outlook	
<b>Building Societies</b>											
Nationwide	A	A-1	Negative	Aa3	P-1	Stable	07/02/17	A+	F1	Stable	£1m Min
Yorkshire	-	-	-	A3	P-1	Stable	08/05/17	A-	F1	Stable	
Coventry	-	-	-	A2	P-1	Stable	08/05/17	A	F1	Stable	Sterling Brokers
Skipton	-	-	-	Baa1	P-2	Stable	08/05/17	A-	F1	Stable	
Leeds	-	-	-	A3	P-2	Stable	08/05/17	A-	F1	Stable	
Principality	-	-	-	Baa2	P-2	Stable	08/02/17	BBB+	F2	Stable	No Contact
<b>Banks</b>											
Santander UK Plc.	A	A-1	Negative	Aa3	P-1	Stable	07/02/17	A	F1	Stable	
Barclays Bank Plc.	A-	A-2	Negative	A1	P-1	Negative	13/12/16	A	F1	Stable	
Bank of Scotland Plc.	A	A-1	Negative	A1	P-1	Rating Under Review	07/05/17	A+	F1	Stable	
Co-operative Bank (The)	-	-	-	Caa2	NP	Rating Under Review	30/08/17	BBB	F2	Stable	£1m min
HSBC Bank Plc.	AA-	A-1+	Negative	Aa2	P-1	Negative	13/12/16	AA-	F1+	Stable	
Lloyds Bank Plc.	A	A-1	Negative	A1	P-1	Rating Under Review	07/05/17	A+	F1	Stable	£250k min
National Westminster Bank Plc.	BBB+	A-2	Stable	A2	P-1	Stable	07/02/17	BBB+	F2	Stable	Current a/c required
Royal Bank of Scotland Plc.	BBB-	A-2	Stable	A2	P-2	Stable	07/02/17	BBB+	F2	Stable	Current a/c required

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 18

meeting date: 12 SEPTEMBER 2017  
title: TIMETABLE FOR BUDGET SETTING  
submitted by: DIRECTOR OF RESOURCES  
principal author: LAWSON ODDIE

### 1 PURPOSE

1.1 To inform you of the timetable for setting the 2018/19 budget.

### 2 BACKGROUND

2.1 Part of our Corporate Governance arrangements is to set out clearly to both officers and members the Council's budget timetable.

### 3 BUDGET TIMETABLE

3.1 Attached at Annex 1 is a comprehensive timetable covering the main elements of the Council's budget setting progress together with key dates and responsibilities.

3.2 The timetable includes what are foreseen as being the most important tasks ahead. As the budget setting process proceeds the timetable will be reviewed and updated for any items which may have an impact on progress.

3.3 The timetable will be circulated to Heads of Service and the Corporate Management Team.

### 4 CONCLUSION

4.1 The timetable has been set for the forthcoming budget setting period

4.2 You will see this timetable is considerably detailed and clearly indicates who is responsible for which actions. We have used our experience from previous year's budget setting process to inform this year's deadlines. Again we intend to monitor when we actually achieve each individual task in order to inform future timetables.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF41-17/LO/AC  
24 August 2017

## Annex 1

Budget Timetable 2018/19 Task		Who?	When?
1	Budget Working Group to consider draft Budget Forecast for 2018/19 to 2020/21	Director of Resources/Budget Working Group	Thursday 17 August 2017
2	Contact all Heads of Service with regard to Fees and Charges budget guidance provided from Budget Working Group	Head of Financial Services	Wednesday 23 August 2017
3	Invite all Heads of Service to submit new Capital Bids for the financial year 2022/2023 (Deadline for return Friday 29 September 2017)	Head of Financial Services	Wednesday 23 August 2017
4	Housing Benefit Mid-Year Estimate return to be submitted	Senior Accountant (AC)/Director Of Resources	Thursday 31 August 2017
5	Meetings arranged between Accountants, Heads of Service and Budget Holders to undertake in-depth review of Fees and Charges in order to maximise income	Accountants / Accounting Technician / Heads of Service	August to September 2017
6	Distribution of recharge time allocation sheets to service managers for purpose of calculating departmental recharges	Senior Accountants	Monday 4 September 2017
7	Consideration of Budget Forecast up to 2020/21 by Policy and Finance Committee	Policy and Finance Committee	Tuesday 12 September 2017
8	Finalise Revised Capital Programme for 2017/18	Head of Financial/Senior Accountant (AC) All Heads of Service	Thursday 21 September 2017
9	Calculate Capital Charges and distribute	Senior Accountant (TH)	Friday 22 September 2017
10	Request mid-year Business Rates forecast from Lancashire Business Rates Pool Members	Head of Financial Services/Lancs Business Rates Pool members	Friday 22 September 2017

## Annex 1

Budget Timetable 2018/19 Task		Who?	When?
11	<b>Budget Working Group meeting:</b> - Business Rates and New Homes Bonus	Budget Working Group	Wednesday 27 September 2017
12	Deadline for submission of Capital Bids for 2022/23 by Heads of Service	Senior Accountant (AC)/ All Heads of Service	Friday 29 September 2017
13	Deadline for completion of recharge time allocation sheets by all staff – All sheets to be in the Accounts Office by this date at the latest	Heads of Service/individual members of staff	Friday 29 September 2017
14	Calculation of Taxbase for council tax setting purposes for 2018/19	Director of Resources/Head of Financial Services/ Head of Revenues and Benefits	Friday 6 October 2017
15	<b>Proposed Budget Working Group meeting:</b> - Capital bids	Budget Working Group	Proposed Date of Wednesday 11 October 2017
16	Request VAT Shelter forecast for 2017/18 and 2018/19 from Ribble Valley Homes	Senior Accountant (AC)/Ribble Valley Homes	Friday 13 October 2017
17	Consideration of <b>Fees and Charges and Capital Reports</b> by Committees: <b>Community Services Committee</b> <b><u>(Date to Printing: Friday 6 October 2017. Distribution Monday 9 October 2017)</u></b>	Service Committees/Senior Accountants/Heads of Service	Meeting Date: Tuesday 17 October 2017
18	Consideration of <b>Fees and Charges and Capital Reports</b> by Committees: <b>Health and Housing Committee</b> <b><u>(Date to Printing: Friday 6 October 2017. Distribution Monday 9 October 2017)</u></b>	Service Committees/Senior Accountants/Heads of Service	Meeting Date: Thursday 19 October 2017
19	Return of mid-year Business Rates forecast from Lancashire Business Rates Pool Members		Friday 20 October 2017
20	Consideration of <b>Fees and Charges and Capital Reports</b> by Committees: <b>Planning and Development Committee</b> <b><u>(Date to Printing: Friday 13 October 2017. Distribution Monday 16 October 2017)</u></b>	Service Committees/Senior Accountants/Heads of Service	Meeting Date: Thursday 26 October 2017

## Annex 1

Budget Timetable 2018/19 Task		Who?	When?
21	Send out Precept Letters to Parish Councils (For return Friday 22 December 2017)	Head of Financial Services/Accounting Technician	Friday 27 October 2017
22	Final Calculations of ALL Recharges – This is the final deadline for the last recharge to be calculated	Accountants	Friday 3 November 2017
23	Consideration of <b>Fees and Charges and Capital Reports</b> by Committees: <b>Policy and Finance Committee</b> <b><u>(Date to Printing: Friday 27 October 2017. Distribution Monday 30 October 2017)</u></b>	Service Committees/Senior Accountants/Heads of Service	Meeting Date: Tuesday 7 November 2017
24	Consideration of <b>Fees and Charges and Capital Reports</b> by Committees: <b>Licensing Committee</b> <b><u>(Date to Printing: Friday 3 November 2017. Distribution Monday 6 November 2017)</u></b>	Service Committees/Senior Accountants/Heads of Service	Meeting Date: Tuesday 14 November 2017
25	Consideration of <b>Fees and Charges and Capital Reports</b> by Committees: <b>Economic Development Committee</b> <b><u>(Date to Printing: Friday 3 November 2017. Distribution Monday 6 November 2017)</u></b>	Service Committees/Senior Accountants/Heads of Service	Meeting Date: Thursday 16 November 2017
26	Finalise VAT Shelter budget for inclusion under Policy and Finance Committee and any associated movement in earmarked reserves	Senior Accountant (AC & TH) /Head of Financial Services/Ribble Valley Homes	Friday 17 November 2017
27	<b>Proposed Budget Working Group meeting:</b> - Taxbase and Capital Bids	Budget Working Group	Proposed Date of Wednesday 29 November 2017
28	Anticipated announcement of Provisional Settlement information from DCLG (including New Homes Bonus)	DCLG	December 2017
29	Assess implications of Settlement for RVBC	Director of Resources/Head of Financial Services	December 2017

## Annex 1

Budget Timetable 2018/19 Task		Who?	When?
30	Director of Resources to finalise council tax base	Director of Resources	December 2017
31	CMT to consider the budget position that will be reported to service committees – prior to Budget Working Group	CMT	Wednesday 6 December 2017
32	Budget Reports for <b>ALL</b> Committees completed and passed to Director of Resources and Head of Financial Services for review	All Accountants/Head of Financial services/Director of Resources	Friday 8 December 2017
33	<b>Proposed Budget Working Group meeting:</b> - Consider Local Government Finance Settlement and latest budget position	Budget Working Group	Wednesday 13 December 2017
34	Calculate Collection Fund (Council Tax) Surplus/Deficit and apportion between Precepting Authorities	Director of Resources/Head of Financial Services	Mid December 2017
35	Anticipated publication of NNDR1 Return by Central Government	Director of Resources/Head of Revenues and Benefits	Mid December 2017
36	Deadline for return of parish precept letters	Parish Clerks/Accounting Technician	Friday 22 December 2017
37	Consideration of <b>Revenue and Capital Budget Reports</b> by Committees: <b>Community Services Committee</b> <b><u>(Date to Printing: Friday 15 December 2017. Distribution Monday 18 December 2017)</u></b>	Service Committees	Meeting Date: Tuesday 9 January 2018
38	<b>Proposed Budget Working Group</b> - Consider Overall Revenue and Capital Budget Position	Budget Working Group	Wednesday 10 January 2018
39	Consideration of <b>Revenue and Capital Budget Reports</b> by Committees: <b>Planning &amp; Development Committee</b> <b><u>(Date to Printing: Friday 15 December 2017. Distribution Monday 18 December 2017)</u></b>	Service Committees	Meeting Date: Thursday 11 January 2018

## Annex 1

Budget Timetable 2018/19 Task		Who?	When?
40	Proposed Special CMT to review Revenue and Capital budgets	CMT	Monday 15 January 2018
41	Notify Lancashire County Council, Police and Crime Commissioner Lancashire and Lancashire Combined Fire Authority of the Collection Fund (Council Tax) Surplus/Deficit and Taxbase	Head of Financial Services	Mid-January 2018
42	Final review of salaries budgets/vacancies, key income sources such as planning fees and any grant budgets in order to inform the budget report to Special Policy and Finance Committee on any budget changes required since service committees reports produced.	All Senior Accountants/Head of Financial Services/Director of Resources	Monday 15 January 2018
43	<b>Proposed Budget Working Group</b> - Consider Overall Revenue and Capital Budget Position	Budget Working Group	Wednesday 17 January 2018
44	Consideration of <b>Revenue and Capital Budget Reports</b> by Committees: <b>Health &amp; Housing Committee</b> <b><u>(Date to Printing: Friday 5 January 2018. Distribution Monday 8 January 2018)</u></b>	Service Committees	Meeting Date: Thursday 18 January 2018
45	Consideration of <b>Revenue and Capital Budget Reports</b> by Committees: <b>Policy &amp; Finance Committee</b> <b><u>(Date to Printing: Friday 12 January 2018. Distribution Monday 15 January 2018)</u></b>	Service Committees	Meeting Date: Tuesday 23 January 2018
46	Anticipated return date for NNDR1 (To Central Government and local preceptors)	Director of Resources/Head of Revenues and Benefits/Head of Financial Services	Wednesday 31 January 2018
47	Lancashire County Council to be notified of their anticipated 10% share of retained business rates levy from the Pool	Director of Resources/Head of Revenues and Benefits/Head of Financial Services	Wednesday 31 January 2018
48	Consideration of <b>Revenue and Capital Budget Reports</b> by Committees: <b>Economic Development Committee</b> <b><u>(Date to Printing: Friday 19 January 2018. Distribution Monday 22 January 2018)</u></b>	Service Committees	Meeting Date: Thursday 1 February 2018

## Annex 1

Budget Timetable 2018/19 Task		Who?	When?
49	Settlement Debate in Parliament	Central Government	Early February 2018
50	Meeting of <b>Special Policy and Finance Committee</b> to approve budget and recommend Council Tax to Full Council <b><u>(Date to Printing: Friday 26 January 2018. Distribution Monday 29 January 2018)</u></b>	Director of Resources/Head of Financial Services/Members	Meeting Date: Tuesday 6 February 2018
51	Receipt of Precept Letters from Major Precepting Authorities – Current proposed date for Lancashire County Council Meeting	Head of Financial Services	Thursday 8 February 2018
52	Provision of Financial Information for Council Tax Leaflet and website	Head of Financial Services/ Head of Revenues and Benefits	Mid-February 2018
53	Arrange formal budget consultation meeting with Representatives of Business Rates Payers	PA to Director of Resources	Mid-February 2018
54	Entering of Proposed/Approved Budget onto Financials system	All Accountants	Mid-February 2018
55	Receipt of Precept Letters from Major Precepting Authorities – Date yet to be confirmed for Police and Crime Commissioner Meeting	Head of Financial Services	Mid-February 2018
56	Receipt of Precept Letters from Major Precepting Authorities – Current proposed date for Lancashire Combined Fire Authority Meeting	Head of Financial Services	Monday 19 February 2018
57	Production of Summary Budget Books for Full Council	Head of Financial Services	Mid-February 2018
58	<b>Full Council</b> to agree Budget and set Council Tax <b><u>(Date to Printing: Friday 23 February 2018. Distribution Monday 26 February 2018)</u></b>	Director of Resources/Head of Financial Services/Members	Meeting Date: Tuesday 6 March 2018

Budget Timetable 2018/19 Task		Who?	When?
59	Inform Heads of Service of approved Budget	Director of Resources, Head of Financial Services & CMT	Mid-March 2018
60	Publish Fees and Charges on website	Accounting Technician (SM)	Mid-March 2018
61	Production of Final Budget Book	Head of Financial Services	Mid-March 2018

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION
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Agenda Item No 19

meeting date: 12 SEPTEMBER 2017  
 title: INSURANCE RENEWALS 2017/18  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: MICK AINSCOW

### 1 PURPOSE

1.1 To inform Committee of the insurance renewals for the period 20 June 2017 to 19 June 2018.

1.2 Relevance to the Council's ambitions and priorities:

- Council Ambitions/Community Objectives

None directly. However, in accordance with the Council's risk management policy it is essential that all our functions and services be adequately insured.

- Other considerations

The Council are legally bound to ensure adequate insurance arrangements are maintained in certain areas e.g. employers liability.

### 2 RENEWALS

2.1 A tendering exercise for the Council's insurances was carried out in 2013, resulting in Zurich Municipal being appointed as our insurers on a five year long-term agreement effective from 20 June 2013.

2.2 The Council's insurances were renewed on 20 June 2017 under the terms of the long-term agreement.

2.3 Renewal terms for 2017/18 are as follows:

Policy	Premium		Increase/ Decrease £	%	Notes
	2016/2017 £	2017/18 £			
Material Damage (Fire)	14,729	15,364	635	4.3	
Terrorism	2,513	2,609	96	3.8	
Business Interruption	1,870	1,911	41	2.2	
Theft	1,872	1,915	43	2.3	
Money	645	653	8	1.2	
All Risks	4,834	4,919	85	1.8	
Public Liability	38,555	39,064	509	1.3	
Professional Negligence	548	560	12	2.2	
Officials Indemnity	1,799	1,823	24	1.3	
Employers Liability	20,365	20,634	269	1.3	
Libel and Slander	515	527	12	2.3	
Motor	39,822	42,982	3,160	7.9	<sup>1</sup>
Engineering	7,334	6,600	-734	10	<sup>2</sup>
Fidelity Guarantee	2,020	2,047	27	1.3	
Land Charges	1,805	1,872	67	3.7	
Personal Accident	1,019	1,034	15	1.5	
Public Health Act	359	363	4	1.1	

Policy	Premium		Increase/ Decrease £	%	Notes
	2016/2017 £	2017/18 £			
Computers	1,582	1,628	46	2.9	
	<b>142,186</b>	<b>146,505</b>	<b>4,319</b>	<b>3</b>	

#### Notes

- <sup>1</sup> Increase was held off from last year due to increases on other premiums. Reflects significant increase in number of motor claims over the last 24 months.
- <sup>2</sup> Fees reduced by insurers for inspections carried out on all council owned children's play areas

### 3 COMMENTS ON RENEWAL TERMS

- 3.1 Total cost of premiums for 2017/18 has risen by £4,319 (3%) on the previous year's figure. The motor premium has risen due to a significant increase in the number of claims submitted in the last two years. Across all premiums insurance premium tax has also risen from 9.5% in 2016/17 to 12% in 2017/18.
- 3.2 Our claims experience has been better this year compared to last but still well up on claims from the four years previous to 2015/16:

	Liability	Motor	Property	Total
2012/13	3	8	1	12
2013/14	6	5	3	14
2014/15	3	13	0	16
2015/16	7	23	0	30
2016/17	4	18	3	25

We continue to ensure that we act on any cause around insurance claims, and take action to mitigate the possibility of future claims.

	Liability	Motor	Property	Total
Claims outstanding 20.06.16	7	8	0	15
Claims during year	4	18	3	25
Settled during year	8	16	2	26
Claims outstanding 19.06.17	3	10	1	14

### 4 RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications.

- Resources – cost to the Council in defending any legal action as a result of a lack of insurance cover and cost of any premium increases as a result of poor claims history. The insurance cost for 2017/18 can be met from within existing resources.
- The increased cost of premiums and insurance premium tax is marginally above that allowed for in the budget.
- Technical, Environmental and Legal – the Council are legally bound to ensure adequate insurance arrangements are maintained in certain areas, e.g. employers' liability.
- Political – no implications identified.
- Reputation – if the Council failed to comply with legislation or failed to adequately insure it would reflect badly on our reputation.
- Equality and Diversity – no implications identified.

5 RECOMMENDED THAT COMMITTEE

5.1 Note the renewal of the Council's insurances for 2017/18.

PRINCIPAL AUDITOR

DIRECTOR OF RESOURCES

PF40-17/MA/AC  
23 August 2017

BACKGROUND PAPERS: *None*

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION
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Agenda Item No 20

meeting date: 12 SEPTEMBER 2017  
 title: REVENUES AND BENEFITS GENERAL REPORT  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: MARK EDMONDSON

## 1 PURPOSE

1.1 To inform committee of debts outstanding for business rates, council tax and sundry debtors. Also to update committee on benefits performance, including benefits fraud investigations, prosecutions and sanctions.

1.2 Relevance to the Council's ambitions and priorities:

- Council Ambitions/Community Objectives/Corporate Priorities

Without the revenue collected from rates, council tax and sundry debtors we would be unable to meet the Council's ambitions, objectives and priorities.

## 2 NATIONAL NON-DOMESTIC RATES (NNDR)

2.1 The following is a collection statement to 31 August 2017:

	£000	£000	2017/18 %	2016/17 %
Balance Outstanding 1 April 2017		486		
NNDR amounts due	19,352			
Plus costs	2			
Transitional surcharge	680			
Write ons	1			
	<b>20,035</b>			
Less				
- Transitional relief	-675			
- Exemptions	-251			
- Charity, Rural, Community Amateur Sports Clubs Relief	-1,111			
- Small Business Rate Relief	-2,892			
- Retail, Reoccupation, New Build, Discretionary Transitional Relief, and Flood Relief	-16			
- Interest Due	0			
- Write Offs	-8			
	<b>-4,953</b>	15,082		
<b>Total amount to recover</b>		<b>15,568</b>		
Less cash received to 31 August 2017		-7,319	47.0	48.5
<b>Amount Outstanding</b>		<b>8,249</b>	<b>53</b>	<b>51.5</b>

NB The figures included in the table include not only those charges for 2017/18 but also those relating to previous years, but we are required to report to the Department of Communities and Local Government (DCLG) our in year collection rate. This figure is published and is used to compare our performance with other local authorities. On this measure our current in year collection rate at 31 August 2017 is 49.07% compared with 49.56% at 31 August 2016.

### 3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 31 August 2017:

	£000	£000	2017/18 %	2016/17 %
Balance Outstanding 1 April 2017		812		
Council Tax amounts due	43,146			
Plus costs	50			
Transitional relief	1			
Write ons	1			
	<b>43,198</b>			
Less - Exemptions	-495			
- Discounts	-3,697			
- Disabled banding reduction	-45			
- Council Tax Benefit	13			
- Local Council Tax Support	-1,803			
- Write offs	-2			
	<b>-6,029</b>	37,169		
<b>Total amount to recover</b>		<b>37,981</b>		
Less cash received to 13 August 2017		-18,389	48.4	48.5
<b>Amount Outstanding</b>		<b>19,592</b>	<b>51.6</b>	<b>51.5</b>

NB The figures included in the table include not only those charges for 2017/18 but also those relating to previous years, but we are required to report our in year collection rate to the DCLG. This figure is published by them and is used to compare our performance against other local authorities. On this measure our current in year collection rate at 31 August 2017 is 49.17% compared to 49.21% at 31 August 2016.

### 4 SUNDRY DEBTORS

4.1 A summary of the sundry debtors account at 30 August 2017 is:

	£000	£000
Amount Outstanding 1 April 2017		825
Invoices Raised	1,429	
Plus costs	0	
		<b>1,429</b>
Less write offs		0
<b>Total amount to recover</b>		<b>2,254</b>
Less cash received to 30 August 2017		1,656
<b>Amount outstanding</b>		<b>598</b>

<b>Aged Debtors</b>	<b>000s</b>	<b>%</b>
< 30 days	75	13
30 - 59 days	20	3
60 - 89 days	13	2
90 - 119 days	22	4
120 - 149 days	38	6
150+ days	430	72
	<b>598</b>	<b>100</b>

## 5 HOUSING BENEFIT AND COUNCIL TAX SUPPORT PERFORMANCE

- 5.1 The main indicator for Housing Benefit and Council Tax Support performance is known as Right Time. The benefit section also report on Local Performance Indicators that have been set within the department for benefit fraud and overpayments.
- 5.2 The Department for Work and Pensions does not require Local Authorities (LA's) to report on any other Performance Measures but encourages them to monitor their own performance locally.
- 5.3 We obviously consider it very important to monitor overpayment data.

### *Housing Benefit Right Time Indicator 2017/2018*

The right time indicator measures the time taken to process HB/CTS new claims and change events; this includes changes in circumstances, interventions, fraud referrals and prints generated by the benefit department.

<b>Target for year</b>	<b>Actual Performance 1 April 2017 – 30 June 2017</b>	<b>Average Performance</b>
10 days	8.60 days	20 days per IRRV

### *New claims performance*

<b>Target for year</b>	<b>Actual Performance 1 April 2017 – 30 June 2017</b>	<b>Top grade 4 for all LA's 2007/08</b>
23 days	22.60 days	Under 30 days

## 6 HOUSING BENEFIT OVERPAYMENTS

- 6.1 Overpayment means any amount paid as Housing Benefit when there was no entitlement under the regulations. Performance for the period 1 April 2017 - 30 June 2017:

<b>Performance Measure</b>	<b>%</b>
The amount of Housing Benefit (HB) overpayments recovered during the period being reported on as a percentage of HB overpayments deemed recoverable during that period.	106.00
The amount of Housing Benefit (HB) overpayments recovered during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the financial year plus amount of HB overpayments identified during the period.	16.06
The amount of Housing Benefit (HB) overpayments written off during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the financial year, plus amount of HB overpayments identified during the period.	0.10

7 CONCLUSION

7.1 Note the continuing progress that we make in collecting these debts, and the performance of our Housing Benefit Section remains satisfactory.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF42-17/ME/AC  
30 August 2017

For further information please ask for Mark Edmondson.

## RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No. 21

meeting date: 12<sup>th</sup> SEPTEMBER 2017  
title: 2016/2017 YEAR-END PERFORMANCE INFORMATION  
submitted by: DIRECTOR OF RESOURCES  
principal author: MICHELLE HAWORTH – PRINCIPAL POLICY AND PERFORMANCE OFFICER

### 1 PURPOSE

- 1.1 This is the year-end report of 2016/2017 that details performance against our local performance indicators.
- 1.2 Regular performance monitoring is essential to ensure that the Council is delivering effectively against its agreed priorities, both in terms of the national agenda and local needs.
- 1.3 Relevance to the Council's ambitions and priorities:
  - Community Objectives –
  - Corporate Priorities –
  - Other Considerations -Monitoring our performance ensures that we are both providing excellent services for our community as well as meeting corporate priorities.

### 2 BACKGROUND

- 2.1 Performance Indicators are an important driver of improvement and allow authorities, their auditors, inspectors, elected members and service users to judge how well services are performing.
- 2.2 A rationale has been sought for maintaining each indicator – with it either being used to monitor service performance or to monitor the delivery of a local priority.
- 2.3 The report attached at Appendix 1 comprises the following information:
  - The outturn figures for all local performance indicators relevant to this committee for 2016/2017. Some notes have been provided to explain significant variances either between the outturn and the target or between 2016/2017 data and 2015/2016 data. A significant variance is greater than 15% (or 10% for cost PIs).
  - Performance information is also provided for previous years for comparison purposes (where available) and the trend in performance is shown.
  - Targets for service performance for the year 2016/2017 are provided and a 'traffic light' system is used to show variances of actual performance against the target as follows: Red: service performance significantly below target (i.e. less than 75% of target performance), Amber: performance slightly below target (i.e. between 75% and 99% of target), Green: target met/exceeded.
  - Targets have been provided for members to scrutinise for the following three years. A target setting rationale was sought from each Head of Service.
- 2.4 These tables are provided to allow members to ascertain how well services are being delivered against our local priorities and objectives, as listed in the Corporate Strategy.

- 2.5 Analysis shows that of the 11 indicators that can be compared to target:
- 63.64% (7) of PIs met target (green)
  - 36.36% (4) of PIs close to target (amber)
  - 0% (0) of PIs missed target (red)
- 2.6 Analysis shows that of the 14 indicators where performance trend can be compared over the years:
- 71.43% (10) of PIs improved
  - 7.14% (1) of PIs stayed the same
  - 21.43% (3) of PIs worsened
- 2.7 Where possible audited and checked data has been included in the report. However, some data may be corrected following work of Internal Audit and before the final publication of the indicators on the Council's website. In addition, some of the outturn performance information has not been collected/not yet available before this report was produced.
- 2.8 Indicators can be categorised as 'data only' if they are not suitable for monitoring against targets – these are marked as so in the report.
- 3 GENERAL COMMENTS ON PERFORMANCE AND TARGETS
- 3.1 In respect of PIs for Financial Services, Lawson Oddie, Head of Financial Services, has provided the following information regarding performance and targets:
- **PI FS6 - Accrued investment interest earned** - Reduced level of interest earned due to the fall in bank base rate (August 2016) 0.5% to 0.25%
  - **PI FS7 - % of invoices paid on time** - Whilst showing as an amber variance, the variance from target is actually only 0.08% below, and this is an improvement on last year.
- 3.2 In respect of PIs for Revenues and Benefits, Mark Edmondson, Head of Revenues and Benefits services, has provided the following information regarding performance and targets:
- **PI RB3 - NNDR Direct Debit take-up as a percentage of chargeable properties** - Q4 actual is based on annual billing figures for 2017/18. The revaluation of business rates and substantial increase in the number of businesses getting 100% relief has resulted in a realignment of the target.
  - **PI RB5 - % of Council Tax collected** - Target only missed by 0.01%
- 4 CONCLUSION
- 4.1 Consider the 2016/2017 performance information provided relating to this committee.

**Michelle Haworth**  
PRINCIPAL POLICY AND  
PERFORMANCE OFFICER

**Jane Pearson**  
DIRECTOR OF RESOURCES

BACKGROUND PAPERS:

REF: MH/P&F/

For further information please ask for Michelle Haworth, extension 4421

# APPENDIX 1

PI Status		Long Term Trends	
	Alert		Improving
	Warning		No Change
	OK		Getting Worse
	Unknown		
	Data Only		

## Legal Services Performance Information 2016/2017

PI Code	Short Name	2015/16		2016/17		2017/18	2018/19	2019/20	Current Performance	Trend year on year	Target setting rationale
		Value	Target	Value	Target	Target	Target	Target			
<b>PI LD1 (BV179)</b>	Standard searches carried out in 10 working days	96.73%	70.00%	97.10%	75.00%	85.00%	85.00%	85.00%			To improve performance.
<b>PI LD3</b>	Number of corporate complaints received	12		12							Targets not required.

## Financial Services Performance Information 2016/2017

PI Code	Short Name	2015/16		2016/17		2017/18	2018/19	2019/20	Current Performance	Trend year on year	Target setting rationale
		Value	Target	Value	Target	Target	Target	Target			
<b>PI FS6</b>	Accrued investment interest earned	£34184	£25260	£22308	£28730	£15660	£30000	£50000			Surplus funds shall be invested via the money market at the best rate of interest available, with the minimisation of risk to the capital sum. Target based on budget and MTFS
<b>PI FS7 (BV8)</b>	% of invoices paid on time	98.58%	99.00%	98.89%	99.00%	99.00%	99.00%	99.00%			99% deemed to be an achievable target
<b>PI IT1</b>	Number of unique website visitors (excluding authorities own staff)	241,528		243,681							

## Revenues and Benefits Services Performance Information 2016/2017

PI Code	Short Name	2015/16		2016/17		2017/18	2018/19	2019/20	Current Performance	Trend year on year	Target setting rationale
		Value	Target	Value	Target	Target	Target	Target			
<b>PI RB1</b>	CTAX direct debit take-up as a percentage of chargeable accounts	74.17%	73.6%	74.88%	74.2%	74.9%	75%	75.1%			To continue to increase DD take up
<b>PI RB3</b>	NNDR Direct Debit take-up as a percentage of chargeable properties	56.98%	56.2%	52.96%	57.1%	53%	53.1%	53.2%			To continue to increase DD take up
<b>PI RB5 (BV9)</b>	% of Council Tax collected	98.75%	98.90%	98.79%	98.80%	98.80%	98.81%	98.82%			Continuous improvement
<b>PI RB6 (BV10)</b>	Percentage of Non-domestic Rates Collected	98.38%	98.25%	98.52%	98.50%	98.53%	98.54%	98.55%			Continuous improvement
<b>PI RB10 (BV79b1)</b>	Percentage of Recoverable Overpayments Recovered (HB) that are recovered during period	77.66%	75.00%	95.67%	75.00%	75.00%	75.00%	75.00%			Targets set at 75% due to implementation of R7i and FERIS
<b>PI RB11 (BV79b2)</b>	HB overpayments recovered as % of the total amount of HB overpayment debt outstanding	42.94%	40.00%	46.98%	40.00%	40.00%	40.00%	40.00%			Target set at 40% due to implementation of FERIS and R7i
<b>PI RB12 (BV79b3)</b>	Percentage of Over Payments Written Off in period (HB)	1.72%		1.98%							Targets not required
<b>PI RB13 (BV78a)</b>	Speed of processing - new HB/CTB claims	22.5	23.0	17.8	23.0	23.0	23.0	23.0			Target set due to implementation of FERIS
<b>PI RB14 (NI 181)</b>	Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	7.1	11.0	6.3	11.0	11.0	10.0				Target set at 10.0 - backlogs will increase due to FERIS generating more work

# MINUTES OF BUDGET WORKING GROUP MEETING

## HELD 20 APRIL 2017

Present: Cllrs: T Hill (Chair), Knox, Rogerson and Thompson, Chief Executive, Director of Resources, Director of Community Services, Head of Financial Services.

### 1 Apologies

Cllrs: Bibby, Elms, Hirst

### 2 Minutes of meeting held on 25 January 2017

2.1 Members approved the minutes of the last meeting of the Budget Working Group.

### 3 Local Government Pension Scheme 2016 Triennial Review – Employer Contributions Update

3.1 The Director of Resources took members through an information report on the actuary's triennial review of the Lancashire Pension Fund.

3.2 The results of the review were provided to members as part of the report. In summary the employer's contribution rate was to change from 14% to 16.5% and deficit recovery sums (£260,000 in 2016/17) had been set at:

- £177,200 (2017/18)
- £183,800 (2018/19)
- £190,600 (2019/20)

3.3 As a larger employer we had been given a number of options regarding the pre-payment of pension contributions (Future Service and Deficit Recovery) being:

- Monthly Payments (as current)
- Annual Prepayments
- 3 Year Prepayment

3.4 It was explained that the Pension Fund had been informed that we wished to exercise the option to pre-pay the new future service rate (actuarially assessed at 16.5%) annually each April within the valuation period and also to pre-pay our deficit recovery payments annually each April.

3.5 For 2016/17 there would be a payment of £933,700 made (£760,200 future service and £173,500 deficit recovery). Over the full three year period this prepayment method would generate a saving of £61,900.

### 4 Consultation Outcome – Transitional Arrangements for the 2017 Business Rates Revaluation

4.1 Members were taken through a report on the outcome of the consultation regarding the transitional arrangements for the 2017 business rates revaluation.

4.2 The draft 2017 list (following revaluation) was published by the Valuation Office Agency in September 2016. Overall for Ribble Valley there was an increase of 3%, which was above the North West overall increase of 0.2%

4.3 The report outlined the transitional arrangements following the consultation. The outcome had been that the government had decided to provide the greatest support to the small and medium businesses that were seeing increases.

- 5 Consultation on Proposals on the Design and Implementation of the Locally Administered Business Rates Relief Scheme**
- 5.1 The Director of Resources took members through a report which detailed the council's response to the recent consultation paper regarding the new locally administered business rates relief scheme.
- 5.2 Policy and Finance committee had delegated to the director of Resources to devise and implement the new schemes to prevent any delay in its introduction.
- 5.3 The Government's response to the consultation paper was now awaited before this could be progressed further.
- 6 Consultation Outcome – Self-Sufficient Local Government – 100% Business Rates Retention**
- 6.1 Members were taken through a report on the outcome of the consultation regarding 100% business rates retention.
- 6.2 The background to the consultation was explained and members were told that there had been 454 responses submitted and a summary of the responses was provided as an annex to the report.
- 6.3 The key concern was the additional responsibilities that would be devolved to local authorities and to be funded from the additional business rates income.
- 6.4 A number of grants were to be rolled in and there may be further consideration of whether to introduce any transitional arrangements around the rolling in of the grants (amounts projected for 2019/20 for this council would be: Revenue Support Grant negative -£108,866; Rural Services Delivery Grant £86,603; and Public Health Grant not received by this council)
- 6.5 Pleasingly, it had been confirmed that the devolution of Attendance Allowance funding was no longer being considered as part of the business rates reforms.
- 7 Further Consultation on the Design of the Reformed System - 100% Business Rate Retention**
- 7.1 Details of a further consultation on the design of the reformed system of business rate retention were provided. The consultation was for 12 weeks and was to close on 3 May 2017.
- 7.2 Budget Working Group agreed that the Director of Resources should form a response on behalf of the council.
- 8 Planning Application Fees – The Government's Offer**
- 8.1 The Chief Executive took members through a report informing Budget Working Group of the council's acceptance of the Government's offer regarding planning fees.
- 8.2 The offer regarded the ability to increase planning fees by up to 20% with the proviso that the increased income raised should be invested in their planning departments.
- 8.3 Due to the timescales to respond the matter had been considered by CMT, the Leader and Deputy. Implementation of an increase from July 2017 would raise an estimated additional £72,600 (part year 2017/18).
- 8.4 Options were being discussed and would be presented to members in due course.

## **9 Recently Received Planning and Housing Grants**

9.1 Members were taken through a report informing them of a number of grants that had been received late in the year, after the setting of the revised estimate. The three grants were:

- Custom and Self Build Grant (£15,000)
- Brownfield and Permission in Principle Register Grant (£14,645)
- Community Housing Fund (£157,532)

9.2 In some instances there was specific guidance on the use of the funding, whilst in others there was no ring-fencing, but an acknowledgement that there may be additional costs incurred.

9.3 The impact on staff resources of the additional work was being considered and any proposals would be reported to members in the future.

## **10 Any Other Business**

10.1 There were no other items of business

## **11 Date and Time of Next Meeting**

11.1 No date or time was set for the next meeting.

# MINUTES OF BUDGET WORKING GROUP MEETING

HELD 12 JULY 2017

Present: Cllrs: K Hind (Chair), A Brown, T Hill, Hirst and A Knox, Chief Executive, Director of Resources, Director of Community Services, Head of Financial Services, Head of Revenues and Benefits.

## 1 Apologies

Cllrs: Ems, Rogerson

## 2 Minutes of meeting held on 20 April 2017

2.1 Members approved the minutes of the last meeting of the Budget Working Group.

2.2 Reference was made to the item on Planning Application Fees and it was mentioned that we had not heard anything as yet on our ability to increase the charges following our acceptance of the offer from the government – but that hopefully something would be known soon.

2.3 The additional income from the Planning and Housing Grants was also referred to.

## 3 Budget 2017: Business Rate Relief Schemes

3.1 Members were taken through a report on progress made on our Business Rate Relief Schemes as announced by the Chancellor in his budget in March 2017. The report also sought guidance from members on a scheme of discretionary rate relief in respect of the additional help for businesses that was promised by the Government in March.

3.2 The additional reliefs were available in three instances:

- Small Businesses – A scheme to reduce the impact on those businesses losing some or all of their Small Business Rates Relief or Rural Rates Relief to an increase of no more than £600 per year, or the matching cap on increases for small properties in the transitional relief scheme, whichever is greater. Approximately 14 ratepayers had been identified as potentially able to benefit
- Pubs – For pubs with a rateable value of £100,000 or below to receive a £1,000 discount on their bill. Approximately 50 premises may meet the criteria for pub relief
- Discretionary Relief Scheme – To support those businesses facing the steepest increases as a result of the revaluation. Our allocations from the Government had been £104,000 (2017/18), £51,000 (2018/19), £21,000 (2019/20) and £3,000 (2020/21).

3.3 Policy and Finance committee had recommended at their meeting on 28 March 2017 to delegate to the Director of Resources to devise and implement the new relief schemes.

3.4 The granting of the Small Businesses Relief and the Pub Relief were both covered in our existing Discretionary Rate Relief Policy and so a specific scheme was not required.

3.5 With regard to the Discretionary Relief Scheme there were 2 potential options presented to members which both carried approximately the same cost. It was agreed that Scheme 1 would be implemented as the agreed scheme:

- Similar to the pub relief, we would grant up to £3,500 to any eligible ratepayers. For those that had seen an increase of between £600 and £4,100 they would be awarded relief at a level to reduce the increase to £600.

- Relief would continue in 2018/19 and 2019/20 at 50% and 25% respectively of the value of the relief awarded in 2017/18.
- 3.6 It was agreed that the scheme would be publicised on the website and also through a press release. Those businesses that were indicated as being eligible for the reliefs would also be written to.

#### **4 Business Rate Pooling 2016/17 Outturn**

- 4.1 The Director of Resources presented a report to members on the outturn position of the Lancashire Business Rates Pool for 2016/17.
- 4.2 Members were also given copies of the NNDR3 return and taken through the complexities of the annual return that is required to be completed each year.
- 4.3 For Ribble Valley Borough Council our business rates growth outturn for 2016/17 (above our baseline of £1.240m) was £375k, of which £263k was used to support the revenue budget. The balance of £112k had been added to the business rate volatility reserve.
- 4.4 The 2016/17 Lancashire Business Rates Pool Outturn position was £5.127m of business rates income being retained in Lancashire which would otherwise have been paid over to the Government. This Council's share of this had been £339k.
- 4.5 The Director of Resources highlighted that under the Business Rates Pool governance arrangements there would need to be a meeting of the Lancashire Leaders (Business Rates Pool members) to report the outturn position. Officers suggested calling a special meeting at the Ribble Valley offices.

#### **5 Revenue Outturn**

- 5.1 Members were taken through a report on the overall revenue outturn position. It was explained that full details of the outturn position would also be taken to each service committee over the next cycle of meetings.
- 5.2 The final outturn was a surplus of £38,000 which had been added to general fund balances. This compared to the forecast position at the Revised Estimate of taking £8,000.
- 5.3 The larger variance at committee level was largely down to additional grants that had been received, which had then been added to earmarked reserves in line with the accounting treatment required for grants received but yet to be spent.
- 5.4 It was highlighted that in previous years the council had experienced significant savings/extra income between the setting of the revised estimate and the outturn position which had meant we had added large amounts to general fund balances/earmarked reserves.
- 5.5 However, for 2016/17 the council's net outturn was a variance of only £46k which was very close to the predicted position when the revised estimate was set in January 2017.

#### **6 Capital Outturn**

- 6.1 A report was presented on the overall capital outturn for 2016/17.
- 6.2 During the year the council had spent £716k on thirteen capital schemes and performance reward grants, which was 74.4% of the revised estimate.
- 6.3 Of the thirteen schemes, four were completed in year, five were substantially completed and would be finalised in 2017/18, one had not started in year but was due to be started in 2017/18 and the three housing capital grant schemes had all seen underspends, which would be slipped in to 2017/18.
- 6.4 Slippage had been requested on seven of the schemes totalling £270,640.

**7 Any Other Business**

- 7.1 Reference was made to the loss of cost sharing income and discussions at an earlier meeting of the Waste Management Working Group.

**8 Date and Time of Next Meeting**

- 8.1 The next meeting was agreed as Thursday 17 August 2017 at 4pm in Committee Room 1.

## RIBBLE VALLEY BOROUGH COUNCIL OUTSIDE BODY REPORT TO POLICY AND FINANCE COMMITTEE

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Agenda Item No. 23

meeting date: 12 SEPT 2017  
 title: ARMED FORCES COMMUNITY COVENANT REPORT 2017  
 submitted by: COUNCILLOR JIM WHITE

### 1 PURPOSE

1.1 The purpose of this annual report is to inform and update Committee of any changes to Section 4 of the Ribble Valley Borough Council Armed Forces Community Covenant as at 12 SEPTEMBER 2017, and to update the Committee on any other changes in relation to the Armed Forces Community Covenant

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – to treat everyone equally and ensure that access to services is available to all. To engage with all our communities to ensure we deliver services to meet customer needs and expectations.
- Corporate Priorities – to seek to continually improve, ensuring that council services are fit for purpose and customer focused.
- Other Considerations – to meet our ongoing Commitment to the Armed Forces Community in the Ribble Valley.

### 2 BACKGROUND

2.1 On the 24<sup>th</sup> July 2013 The Borough Council with partners from the Military, Private and Charitable Sectors signed an Armed Forces Community Covenant.

### 3 COMMUNITY COVENANT SECTION 4

3.1 Section 4 of the Community Covenant requests that the Armed Forces Champion – Cllr White co-ordinates and keeps the Council informed of ongoing issues and Initiatives relating to the Covenant.

3.2 Section 4 of the Community Covenant remains as a workable document, and all members, partners and officers are requested to have input into it to make it meaningful, and fully representative for the Armed Forces Community in the Ribble Valley. Additions since the last report in OCT 2016 are:

- A. On 06 May 2017 the Mayor Cllr Holgate MBE unveiled a plaque and dedicated a tree at the National Memorial Arboretum in Staffordshire, on behalf of the residents of the Ribble Valley to all those who have given service and sacrifice in the Armed Forces. The event was attended by Cllrs, members of the RBL and residents of the Ribble Valley. Cllr Holgate also laid Wreaths at the Household Division Memorial to a family member and a former resident of Whalley, in addition Cllr Holgate and Cllrs also paid

respects to the Duke of Lancaster's memorial. It is believed that the Ribble Valley Borough Council are the first Borough Council to unveil a plaque at the NMA.

- B. On the 30<sup>th</sup> March 2017 the Veterans in the Community Charity gave a brief at the Parish Councils Liaison Committee. The Charity outlined what they do and how they are helping Veterans. As a result of the briefing all Parish Councils now receive a Bi monthly copy and update of the Charities newsletter.
- C. The "Veterans Gateway" went live in June 2017. This is a new Government initiative to assist all former servicemen and women. It can be accessed by phone, email and social media. It is also open to Councils and other organisations to access to assist former service personnel in settling in Civilian Life.  
<https://www.veteransgateway.org.uk/>
- D. In June 17 an approach was made to the Armed Forces Champion to support and assist Mr Simon Wallis Headteacher of Barnacre Road School Longridge for an event he is putting on at Preston Guild Hall on 11/11/18. Members may recall a similar event in 2014 in which Mr Wallis and the Longridge Cluster of schools put a show on at the Guild Hall and raised over £14,000 for the RBL. Details of this event will be advertised at a later date, however it is not envisaged that RVBC will be required to have any input or action. The Theme will be WW1 and the event will follow other events planned for this date in Lancashire and around the Country.

#### 4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications:

- Resources – the suggestions made in this report may impact on an element of officer time.
- Technical, Environmental and Legal – none identified.
- Political – none identified.
- Reputation – the Council has a reputation for supporting the Armed Forces.
- Equality & Diversity – the Council should be consistent in its considerations of all groups.

#### 5 **RECOMMENDED THAT COMMITTEE**

5.1 Note the Contents of this report.

Cllr J White