

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No. 5

meeting date: 24th SEPTEMBER 2019
 title: CORPORATE STRATEGY 2019-2023
 submitted by: DIRECTOR OF RESOURCES
 principal author: MICHELLE HAWORTH – PRINCIPAL POLICY AND PERFORMANCE OFFICER

1 PURPOSE

1.1 To approve the Council's Corporate Strategy 2019-2023.

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, ambitions, objectives 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 2019-2023, providing a focus to ensure that the services we deliver meets the needs of our communities. The 2019-2023 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 2023 we will develop a new Strategy, which will again have a four year life span covering 2023-2027.

2.2 Following the LGA Peer Challenge in 2017 we developed an Action Plan which included a mini review of the Corporate Strategy in 2018 as well as the development of a new Strategy following the May 2019 elections.

2.3 A report was brought to this committee in June this year and committee agreed a member working group to help develop a new strategy, supported by Corporate Management Team and the Principal Policy and Performance Officer.

2.4 The working group has met twice and developed the attached strategy based on local and national priorities, the Sustainable Community Strategy, our customer Perception Survey, and feedback from staff.

2.5 The Strategy contains:

- Five corporate ambitions to address issues that matter most to the borough.
- Each ambition has a number of objectives – things that we wish to achieve for the borough.
- Objectives are supported by a number of short and medium term priority actions – the things we will do to achieve our objectives.
- Key measures of success are also outlined, which will allow progress towards the achievement of the priority and objective to be monitored.

2.6 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 priority actions.

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

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 ambitions. The Strategy has been written to clearly identify priorities, whilst allowing for flexibility as national policy evolves.

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 ambitions reflect the concerns and needs of our communities. The Council undertakes consultation throughout the year to inform 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 Consider any further amendments that might be required to the Strategy and approves the Corporate Strategy 2019-2023 subject to these amendments being made.

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
2019 - 2023



Ribble Valley
Borough Council
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 2019 - 2023.

This document sets out the strategic direction of the Council over the period 2019 - 2023, providing a focus to ensure that the services we deliver meet the needs of our communities.

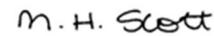
Overall, people who live in Ribble Valley are more likely to enjoy a good quality of life than in most of the other parts of the UK. We want to ensure that we continue to be an independent, responsive authority in a 2-tier system, delivering efficient, high quality services based on the strong sense of place.

The Strategy 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 2023, we will develop a new Strategy.

Cllr Stephen Atkinson
Leader of the Council



Marshal Scott
Chief Executive



What communities are telling us

Through participation in the Ribble Valley Citizens' Panel and the 2018 Perception Survey, we know that residents see the following issues as the most important in making somewhere a good place to live (in order of priority):

- Health services
- Road and pavement repairs
- Crime levels
- Clean streets
- Access to nature
- Education provision
- The level of traffic

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

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

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

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

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

Our Ambitions

This strategy contains five corporate ambitions to address issues that matter most to the borough. Our ambitions are deliberately limited to focus our attention over the lifespan of the strategy. Each ambition has a number of objectives, underlying priority 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 age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race (including national origin and ethnicity), religion or belief, sex 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 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.



Ambition 1 - To be 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 well, 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 short-term priority actions:

- To set a sustainable balanced budget
- 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 General Equality Duty and the Specific Duties

Our medium-term priority actions:

- To assess the implications of the Fair Funding review and the business rates review
- To seek to continually improve, ensuring that council services are fit for purpose and customer focused
- To continue to be a responsive Council meeting the needs of the people who live, work and visit the borough
- To move to level 2 of the Equality Standard for Local Government

Our key measures of success:

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



Ambition 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 promote and regenerate our market towns and villages as places to do business and to ensure that there is employment land available for development. The public transport issues, 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
- To promote stronger, more confident and more active communities throughout the borough

Our short-term priority actions:

- To agree an Economic Plan for the borough
- To explore options for making improvements to the key service centres
- To identify options and support the delivery of employment land and business accommodation (in particular serviced offices and community business hubs)
- To identify options for increasing the frequency of train services to Clitheroe
- To devise a course of action to tackle identified poverty and deprivation issues across the borough
- To complete a borough-wide Housing and Economic Needs Assessment

Our medium-term priority actions:

- 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
- To support the delivery of digital connectivity to households and businesses
- To promote a direct rail link to the West Coast main line

Our key measures of success:

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



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

Ribble Valley is a low crime area and a safe place to live. 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 people to participate in cultural, recreational and sporting activity
- To ensure that Ribble Valley remains a safe place to live
- To combat rural isolation

Our short-term priority actions:

- 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 deliver a 3G pitch at Edisford and to develop its use to contribute towards healthy, active lifestyles
- To increase the activity levels of target groups using 'Together an Active Future' pathfinder funding
- To review and improve the measures in place to control drinking and associated anti-social behaviour
- To work with the NHS, Ribble Valley GP's and other partners on local health and wellbeing needs
- To use the planning system to add to the healthy lifestyle infrastructure

Our medium-term priority actions:

- To ensure there is adequate policing across the borough
- To work with the NHS, Ribble Valley GP's and other partners on local health and wellbeing needs
- To use our Dementia Friendly status to assess how we can improve the delivery of services to residents whilst enhancing mental health and wellbeing
- To ensure access to services in isolated communities
- To promote wellbeing and support those in need of help ie mental health

Our key measures of success:

- Percentage of residents satisfied with sports and leisure facilities
- Life expectancy of males and females
- Percentage of people who are living well
- Physically active children and adults
- 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
- Percentage of residents with access to services



Ambition 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 refuse 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
- To be an environmentally sustainable area, prepared for the future
- To aspire to be a carbon neutral borough by 2030

Our short-term priority actions:

- 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 develop an action plan to work towards being a carbon neutral borough by 2030 which is based on a better understanding of our current carbon emissions
- To install electric charging points on Council owned car parks
- To eliminate wherever possible single use plastics within the Council
- To reduce the use of paper wherever possible
- To undertake Landscape Character Assessments to support the Local Plan update and incorporate suitable planning policies in respect of Green Infrastructure
- To support the work of the Forest of Bowland AONB

Our medium-term priority actions:

- To take available opportunities to recycle
- To use energy from renewable sources more efficiently
- To respond positively to the Government consultation paper on recycling

Our key measures of success:

- Energy consumption of local authority property/ CO2 reduction from local authority operations
- Percentage of residents satisfied with parks and open spaces
- Percentage of residents satisfied with green space
- 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
- Cost savings of a reduction in paper usage and printing



Ambition 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 an adequate mix of additional affordable homes throughout the Ribble Valley
- To develop the right housing in the right places

Our short-term priority actions:

- To complete a borough-wide Housing and Economic Needs Assessment
- To bring empty properties back into use
- To update the Housing Allocations Policy
- To work with partners to agree priorities and secure investment in housing
- To implement measures to address the specific housing needs of younger people
- To adopt the Housing and Economic Development – Development Plan Document
- To complete the 5 year review of the Core Strategy by December 2019

Our medium-term priority actions:

- To review housing spacing standards
- To identify other mechanisms for delivering affordable housing in our villages
- To consider the provision of Extra Care Accommodation
- To deliver a co-ordinated approach to Planning through the Local Development Framework (update the Local Plan by 2021)

Our key measures of success:

- Maintaining a 5 year housing land supply
- Number of empty properties brought back in to use
- Number of homes delivered for which there is an identified need (eg affordable housing/older persons accommodation)
- Number of homeless households, and length of time spent, in temporary accommodation
- Provision of older people accommodation within new residential developments
- Housing delivery in line with the agreed Local Plan requirement
- Number of households able to live independently through the provision of disabled adaptations in the home

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

Web: www.ribblevalley.gov.uk

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 6

meeting date: 24 SEPTEMBER 2019
title: BUDGET FORECAST 2020/21 TO 2022/23
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 2019/20 is the last year of the Government's 4 year multi settlement. From 2020/21 we were expecting substantial local government finance reforms via the Fair Funding Review and also Business Rate Retention reforms.
- 2.4 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

3 PUBLIC SECTOR PAY AND PRICE INFLATION.

Pay

- 3.1 The budget for 2019/20 allowed for the second year of a two year pay award which nationally averaged 2.802%. The previous budget forecast assumed 2% for the remainder of the forecast period.
- 3.2 The pay claim for 2020 has been lodged by the LGS NJC Trade Unions with the National Employers. The claim is for:
- a 10% pay increase
 - a one-day increase in annual leave

- a two-hour reduction in the working week
 - a review of workplace stress and mental health
- 3.3 The cost to this Council of a 10% pay increase would be in the region of £685k which would obviously have serious financial implications. Each 1% increase would cost £68k. We have currently allowed for a 3% pay award in 2020/21 and a 2% increase each year thereafter.

Inflation & Interest Rates

- 3.4 The Bank of England's Monetary Policy Committee (MPC) sets monetary policy to meet the 2% inflation target, and in a way that helps to sustain growth and employment. At its meeting ending on 31 July 2019, the MPC voted unanimously to maintain Bank Rate at 0.75%.
- 3.5 Increased uncertainty about the nature of EU withdrawal means that the economy could follow a wide range of paths over coming years. The appropriate path of monetary policy will depend on the balance of the effects of Brexit on demand, supply and the exchange rate. The monetary policy response to Brexit, whatever form it takes, will not be automatic and could be in either direction. In all circumstances, the Committee will set monetary policy appropriately to achieve the 2% inflation target.
- 3.6 I have assumed general inflation will be in line with the bank of England target of 2% over the forecast period.
- 3.7 For investment interest I have assumed similar levels to those we are currently receiving of around £75,000 per annum.

4 LOCAL GOVERNMENT FUNDING

2019 Spending Round

- 4.1 The 2019 spending round announcement is set out in some detail in a separate report on your agenda. In summary they key elements are as follows:
- The Fair Funding Review, Business Rates Review and business rates reset has been deferred by 12 months to 2021/22.
 - There is a £2.9bn increase in Core Spending power overall. Most of the additional funding is for adults and children's services, but there is £54m for Homelessness.
 - The Council Tax referendum limit is proposed at 2% but this will be subject to consultation in the Provisional Settlement.
 - Baseline funding will be uprated by CPI (which includes RSG).
 - Funding to remove negative RSG has been continued for 2020/21
 - New Homes Bonus – legacy payments will be honoured but the scheme for 2020/21 is still for discussion with ministers.
 - 75% business rates pilots will come to an end and there are no new pilots planned for 2020/21.
 - A technical consultation will be issued on the settlement ASAP with the provisional settlement being announced in early December. This could, of course, be subject to change depending on decisions made by Parliament.

New Homes Bonus

- 4.2 Our New Homes Bonus allocation in 2019/20 is £1.666m. The amount we are relying on to fund our revenue budget each year is £1.105m. This is safely within our **current** annual allocation however we also use our NHB allocation to fund our capital programme. Also there continues to be considerable uncertainty over the future of the scheme, including whether allocations will be reduced or even ceased altogether.

Business Rates

- 4.3 Though we have not yet been formally notified the indication from the spending round announcement is that our 75% Lancashire Pilot will cease at the end of 2019/20. We are not aware what if any pooling arrangements will be available for 2020/21. Given that business rates is now such a major income stream we eagerly await a formal announcement in order that we can ascertain with some certainty the level of business rate income available to us next year. We do know however that we will receive a business rates baseline of £1,469k in 2020/21.
- 4.4 In the current financial year, based on NNDR1 estimates and the current pilot arrangements, we expect to receive business rate income above our baseline of £2.359m. Of this we are relying on £675k to fund the revenue budget and £1.522m to fund the capital programme, with the balance of £161k added to the business rates growth reserve.
- 4.5 Based on our budget forecast we continue to assume that £875k will be required from our business rate growth to fund our revenue budget in 2020/21, and £675k each year thereafter. Whilst we have currently not allocated any business rate growth to fund the capital programme in 2020/21 we are relying on £474k in 2022/23.
- 4.6 In addition to the uncertainty surrounding 2020/21 pooling arrangements we also are unclear as to the impact of the scheduled business rates baseline resets in 2021/22 and the impact of the business rate retention reforms. I would therefore urge caution on relying on any amount higher than £675k to fund the revenue budget each year. Indeed it may be that even this amount may prove optimistic.

Summary of Business Rate Growth received and used each year							
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	actual	actual	actual	actual	actual	actual	estimate
	£	£	£	£	£	£	£
Business Rate Growth	263,276	364,973	612,969	375,742	1,400,964	1,348,534	2,358,732
Used to support Revenue Budget	-47,165	-262,926	-262,926	-262,926	-275,514	-475,514	-675,514
Used to support Capital Programme						-94,508	-1,522,540
Transferred to general fund balances	-139,311	0	0	0	0	0	0
Surplus/deficit for year	76,800	102,047	350,043	112,816	1,125,450	778,512	160,678
Of which:							
Added to volatility reserve	76,800	102,047	350,043	112,816	904,390	0	0
Added to growth reserve	0	0	0	0	221,060	778,512	160,678
	76,800	102,047	350,043	112,816	1,125,450	778,512	160,678
Business Rate Volatility Reserve							
Opening Balance b/fwd	135,904	212,704	314,751	664,794	777,610	1,682,000	1,682,000
Closing Balance c/fwd	212,704	314,751	664,794	777,610	1,682,000	1,682,000	1,682,000
Business Rate Growth Reserve							
Opening Balance b/fwd					0	221,060	999,572
Closing Balance c/fwd					221,060	999,572	1,160,250

5 COUNCIL TAX

- 5.1 Our Band D council tax is currently £150.69 and we have assumed in our forecast a £5 annual increase which may or may not be permissible. The indication from the Spending Round is that the proposed Council Tax referendum limit will be 2%, however in recent years the limit has been either an increase of 2% or £5 whichever is the higher. **Obviously this is a decision for members.**

6 BASE BUDGET ADDITIONS

Refuse Collection

- 6.1 As reported to you previously we have experienced significant overspends in both 2017/18 and 2018/19 on refuse vehicle maintenance. Work has been ongoing in investigating this variance and has been reported to CMT and yourselves. Whilst monitoring is continuing there is a worrying trend in these costs and therefore I have allowed in the budget forecast an extra £50k each year.

Superannuation Triennial Review

- 6.2 The Local Government Pension Scheme (LGPS) is currently valued every 3 years with the most recent one being as at 31 March 2019. We will shortly receive notification of the impact of the valuation on the employer's superannuation contributions from the actuary. For the purposes of this budget forecast I have allowed for an increase in contributions of £100k pa. The budget for next year however will be prepared on the basis of the exact contributions due.
- 6.3 Recently a consultation was carried out by the Government proposing to change the valuation cycle to a 4 year one.

Other Growth Items

- 6.4 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 £1.683m by 31 March 2023 with the exception of next year when we only need to take £194k to balance the budget (if all other assumptions are proved correct).
- ii) Interest Receipts will be £75k each year.
- iii) At this stage a 1% increase in the council taxbase each year. However we will soon be calculating our tax base for next year which will indicate if this assumption is realistic. From 2013/14 we have benefitted from increases in our tax base averaging between 1.5% - 2% each year.
- 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	
2020/21	0
2021/22	182
2022/23	221

8.2 This latest budget forecast shows that, based on all the assumptions made, we should be in a position to set a balanced budget for 2020/21. It is very difficult however, in the current economic and political climate to forecast the Council's future finances with any certainty. Whilst this forecast provides a useful starting point for the budget setting process, the next few months could result in considerable changes to our financial position and as such will need to be monitored closely.

9 NEXT STEPS

9.1 Our accountants and budget holders will commence their preparation of the detailed estimates shortly. We have also prepared a detailed budget timetable which sets out the key dates and the role of all involved, which is a separate report on your agenda.

9.2 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. They will be reviewing this Budget Forecast at their meeting on 19 September 2019 and also considering advice to give to service committee regarding increases in fees and charges and growth items.

9.3 They will also keep under review the amounts we can safely use of New Homes Bonus and Business Rates to fund our revenue budget in line with any announcements regarding future allocations/schemes and of course the level of council tax for next year. In January/February they will consider the overall draft budget position and make recommendations to your meeting on 4 February 2020 in order that we are in a position to recommend a balanced budget to Full Council in March.

10 RECOMMENDATION

10.1 Keep under review economic and political developments and their impact on the Council's budget forecast.



DIRECTOR OF RESOURCES

JP/AC

51-19PF

**Latest Budget Forecast -
September 2019**

	2019/20		2020/21		2021/22		2022/23	
	£		£		£		£	
Net Expenditure	7,010,306		7,430,876		7,623,046		7,819,907	
Interest Receipts	-100,000		-75,000		-75,000		-75,000	
Use of Superannuation reserve	-36,512		-36,512		-36,512		-36,512	
Rural Services Grant	0		0		0		0	
Use of Business Rate Growth	-675,514		-875,514		-675,514		-675,514	
Use of New Homes Bonus	-1,105,000		1,105,000		1,105,000		1,105,000	
Use of Balances	-93,896		-194,894		-250,000		-250,000	
Reductions in Expenditure Required	0		0		-182,191		-221,447	
Budget Requirement	4,999,384		5,143,956		5,298,829		5,456,435	
Core Government Funding								
Business Rates Baseline	1,440,601		1,469,413	2% CPI	1,469,413		1,469,413	
Coll Fund Surplus/(Deficit)	61,419		25,000		25,000		25,000	
Precept	3,497,364		3,649,543		3,804,416		3,962,022	
Tax Base	23,209		23,441	1%	23,676	1%	23,912	1%
Band D Council Tax	150.69	0 %	155.69	£5 max	160.69	£5 max	165.69	£5 max
Effect of above on General Fund Balances								
General Fund Balances	2019/20		2020/21		2021/22		2022/23	
	£		£		£		£	
Brought Forward	2,472,111		2,378,215		2,183,321		1,933,321	
Used	-93,896		-194,894		-250,000		-250,000	
Carried Forward	2,378,215		2,183,321		1,933,321		1,683,321	

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No. 7

meeting date: 24 SEPTEMBER 2019
title: SUPPORTING THE GREATER LANCASHIRE PLAN
submitted by: CHIEF EXECUTIVE
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1 PURPOSE

- 1.1 To consider our support for the Commissioning of a Greater Lancashire Plan.

2 BACKGROUND

- 2.1 Presentations have been made to the Lancashire Leaders Group by Lancashire County Council staff setting out the need to produce a Greater Lancashire Plan.
- 2.2 There is a belief that Lancashire is in danger of falling further behind other parts of the country. It has places in long-term decline and many without planned reinvention strategies.
- 2.3 A Greater Lancashire Plan will provide the foundations for a transformational step-change in the future of Lancashire.

3 BRIEFING NOTE ON THE GREATER LANCASHIRE PLAN

- 3.1 Attached at Appendix 1 is a briefing note produced for Chief Executives and Leaders setting out the case for producing a Greater Lancashire Plan. Also attached at Appendix 2 are copies of the slides presented to Lancashire Leaders setting out the case for a Greater Lancashire Plan.
- 3.2 The briefing note sets out the:-
- Background;
 - Financial Summary;
 - Outline Business Case;
 - Outcomes expected;
 - Evidence of impact;
 - Economic Case;
 - Benefits

4 FINANCIAL REQUIREMENTS

- 4.1 Funding the production of the Plan will cost £400k. To finance this Lancashire Leaders have been asked to support the early release of £400k from the Strategic Economic Growth and Financial Sustainability Fund that will be created at the end of the financial year from a share of the extra growth in Business Rates generated by the Lancashire Business Rates Pilot Pool.
- 4.2 A breakdown of how the £400k will be used is set out in the attached briefing note.
- 4.3 The briefing note also sets out costs for further phases of work. These costs are significant and ongoing but have not been agreed by Lancashire Leaders. It is not clear how any ongoing costs will be funded [but see 4.5 below].
- 4.4 Clarification was sought on the status of this further work and the following information was provided by the Lancashire Local Enterprise Partnership and Lancashire Local Government Strategy Consultant.

4.5 The initial scope of work [the £400k] is comprehensive in its own right and can stand alone as a holistic Greater Lancashire Plan. Any further work will depend on providing a business case that will have to be agreed by Lancashire Leaders. There may be other opportunities for funding that emerge as well as scope to draw in contributions from other partners, such as LEP, Universities and other sectors.

5 FINANCING THE £400K

5.1 The proposal is to fund the work on the Greater Lancashire Plan from the Lancashire Business Rates Pilot Pool. As you will recall Ribble Valley is the lead authority for the Pool.

5.2 The Director of Resources produced a briefing note for Lancashire Leaders setting out how an early release of Business Rates could be achieved. This is set out in Appendix 3.

5.3 Whilst this will have to be formally agreed by the Lancashire Business Rate Pilot Pool Governing Body on 26 September, indications are that Pool members will support Option 2. The Governance arrangements are such that all 15 Pool members need to be present and vote unanimously in favour for any decision to be valid.

5.4 Our share would amount to £21,776 out of the £147,776 we estimate we will pay into the fund when the 2019/20 accounts are closed.

6 CONCLUSION

6.1 The 15 authorities in Lancashire appear to be supportive of a Greater Lancashire Plan. There are concerns however, particularly over:-

- (i) the sign off by individual authorities of the Plan;
- (ii) the Plan deviating from the existing local government structure in Lancashire; and
- (iii) the cost and in particular any future costs that agreeing to the Greater Lancashire Plan may entail

7 RISK ASSESSMENT

7.1 The approval of this report may have the following implications.

Resources: the initial cost of producing the Greater Lancashire Plan is estimated at £400k. If it is agreed that this is funded from early release of funding from the Business Rate Pilot Economic Growth and Financial Stability Fund our share would be £21,776. There is a small risk that the Business Rate Pool may not achieve its forecast growth either individually or collectively.

7.2 Committee needs to be aware that the cost of future phases of work is both significant and ongoing and clearly does not form part of this funding request.

Technical, Environmental & Legal: none identified

Political: none identified

Reputation: the production of a Greater Lancashire Plan enhances the reputation of Lancashire.

Equality & Diversity: none identified

8 RECOMMENDED THAT COMMITTEE

8.1 Support the production of the Greater Lancashire Plan subject to:-

- the Plan being signed off by each authority;
- the Plan being based upon the current local government structure in Lancashire;
- that this Council only agrees to contribute to a share of the £400k initial work.

8.2 Agree to this Council contributing £21,776 to the cost of producing the Plan from the early release of Business Rate Growth subject to this unanimously being agreed by the Lancashire Business Rate Pilot Pool governing body.

CHIEF EXECUTIVE

Briefing Note for Lancashire Chief Executives

Re-positioning Lancashire: The Greater Lancashire Plan

BACKGROUND

At Lancashire Leader's meeting on 5th June a case for a Greater Lancashire Plan (GLP) was presented. The slides that make up that presentation have been circulated to all fifteen local authorities and the Lancashire Enterprise Partnership, and are re-attached. At that meeting, the Leaders were minded to support a financial allocation capped at £400k to develop the GLP, subject to an understanding of the costings, and to consider that this be funded from business rate pilot monies given through the early release of £400k from the Economic Growth and Financial Sustainability Fund. The GLP will provide a basis for identifying core future priorities, which may involve further business cases for further investment which could be one-off or recurrent and would come forward as future funding bids. A breakdown of how the £400k will be utilised is set out in the table below, along with an early indication of potential business cases and costs relating to further phases of work and capacity which may be required.

Financial Summary

Initial Scope of Work	Cost
Whole Place Independent Reviews – Economic, Social and Environmental	£250k (£100k for each of the economic and public reform reviews and £50K for environment)
Futures Work	£40k
Business Case for Strategic Intelligence Unit	£10k to develop,
Intelligent Client Function	Up to £100k
Total one-off costs to be funded from Economic Growth and Financial Sustainability Fund	£400k
Further Phases of Work	
Independent Policy Commissions (if any)	£20k per Commission (optional and not to be decided until after the GLP is produced).
Strategic Intelligence Unit	Dependent on outcome of business case but estimated at £300-£400k per annum and therefore potential gross revenue implications from March 2020 to 2023 of £900k to £1.2m. Business case will explore opportunities to negotiate contributions from the universities and other partners and to seek match funding opportunities. Subject to good progress and the views of central government there could be scope to draw in as part of the solution the support of the Lancashire Enterprise Partnership secretariat.
On-going revenue implications - secretariat	Lead Officer, analytical, co-ordination and administrative support for months to GLP production.

Rather than repeat the content of the slides, set out below is more detail about the work, particularly drawing on the trailblazers work that remains best practice (the trailblazers are identified by central government as Greater Manchester and the West Midlands), the Local Economic Growth What Works Centre and other best available evidence. Also set out below, are the costs that are associated with taking the work forward, that are based primarily on the comparative work enclosed. Before doing that, an Outline Business Case is presented.

OUTLINE BUSINESS CASE

Strategic case – what is the case for change, including the rationale for intervention?

What is the current situation?

The crisis narrative is very real for Lancashire. Lancashire is in danger of falling further behind. It has places in long term decline and many without planned reinvention strategies. It is being overshadowed by the neighbouring city regions of Liverpool and Manchester. It sits outside of the 'fast track' in a two-speed local government system, where Combined Authorities are mopping up disproportionately twice as much Government funding and kudos than before. The Northern Powerhouse proposition is currently driven by a strategy based on the connectivity between core cities. The big issue is not so much that Lancashire isn't making its case or pitching for resources. In fact, it has done remarkably well in getting resources through city and growth deals, despite a lack of coherent vision and overall direction. This has essentially led to funding a fairly random set of projects. And whilst Lancashire is in the throes of making Housing and Infrastructure Fund and Transforming Cities Fund bids, it is currently working backwards to fill the narrative gap. What Lancashire lacks is a compelling and differentiated narrative and granular evidence base as foundations for its future. It persistently fails to speak with a single voice and suffers as a result from disjointed and fragmented approaches. It does not capitalise enough on meaningful Lancashire-place based relationships to further its cause, including within its own communities and MPs, and as a result is struggling to secure the confidence of central government.

One of the consequences of the current situation is that central government relies on the Lancashire Enterprise Partnership as its vehicle for doing business on the subnational growth agenda. In practice this means the dialogue is essentially business led, with primarily a private sector focus, and a democratic deficit, with only a limited and indirect link back to local government. This misses integration with the wider, overall place agenda.

Equally, following unprecedented reductions in local government budgets and reform of the local government finance system, there is an increasing pressure on places to strengthen their local economies to fund their future, reform the way the public sector works together, reduce social demand on public services and protect and improve the quality of the environment. The lack of a wider and a credible sub-national proposition for Lancashire undermines this agenda and will limit our ability to secure a sustainable future for Lancashire.

What is to be done?

As set out in the presentation, the Greater Lancashire Plan represents a sub-national whole system approach to addressing this deficit in Lancashire, and ultimately work towards bridging not just the output and productivity gaps, but all aspects of health, wellbeing, quality of life and opportunity.

The approach is based on a safe assumption that whatever happens in national government terms and with Brexit, the sub-national growth agenda is not going away. If anything, the pressure for differentiated strength-based growth and better joined up collaboration opportunities across place, is going to deepen over time.

The case presented is designed to take advantage of the continuing policy impasse that arises from Brexit. Without suffering from some of the 'old rules' of the devolution game, there is scope to prepare the ground for a distinctive Lancashire approach that can get Lancashire into the 'fast track', by demonstrating a pro-active and co-ordinated response to the continuing asks of the growth agenda.

Key is to establish a single and coherent narrative and foundation for continuous engagement with Government and communities. The GLP offers such a strategic and integrated approach, driven by independent analysis and challenge. It seeks to re-brand Lancashire in an inclusive way, bringing together all fifteen local authorities, the Lancashire LEP and wider partners.

In doing this the GLP will also bridge the democratic deficit. It will provide an overarching strategy set by the democratically elected representatives of Lancashire into which the Lancashire Enterprise Partnership and the Local Industrial Strategy will sit. It will drive not only economic growth but seek to maximise social value. It will do this by capturing the coming together of a variety of aspects that inform the quality of life for all of Lancashire's communities, across health and well-being, housing, economic growth, clean air and the environment, transport, spatial planning, crime and community safety.

What outcomes are expected?

A number of key outputs are expected arising from the Greater Lancashire Plan.

The outputs are as follows:

- An independent whole place review of Lancashire, providing state of Lancashire analysis
- A bold and ambitious vision for Greater Lancashire 2050, arising from futures work and long-range strategic planning, based on scenarios that draw resilience
- A strategic framework for Greater Lancashire Plan, capturing the Local Transport Plan refresh, the Local Industrial Strategy, and all the local plans
- Building on the existing work of the six Theme Groups, run by Lancashire Leaders
- An independent panel of national experts and leading thinkers, to oversee the work and make recommendations
- A set of recommendations and rationale for time-limited independent policy commissions
- A business case for a Greater Lancashire Strategic Intelligence Unit and secretariat, hosting, maintaining and managing a single, comprehensive evidence base that can be used by all stakeholders.

These outputs will provide the foundations for a transformational step-change in the fortunes of Lancashire.

The main outcomes that will flow from this are as follows:

- A basis for a new deal for Lancashire with national government
- A stronger and more inclusive economy
- A more transformative and integrated approach of the local state as a system, rather than just a disparate set of fragmented interventions to address market failure
- Better insight into the opportunities for improved VFM from public services, for shared and more integrated services, public reform and asset rationalisation
- A higher quality environment and a clean and green Lancashire.
- Better informed, more inclusive and stronger democratic decision-making across Lancashire.
- Enhanced ability to influence HM Government policy agenda

How do these fit with Government and wider objectives?

The Northern Powerhouse Minister has expressed disappointment at the failure of Lancashire to secure a Combined Authority and expressed concern that Lancashire will continue to lose out compared to those areas that got deals over the line. The push for greater independence of the Lancashire Enterprise Partnership partly arises from this frustration that local politicians could not put local differences aside for the overall benefit of all the Lancashire communities.

There is still no doubt, regardless of the current national policy impasse arising from Brexit that the sub-national growth agenda will remain a significant interest of existing and future governments. Scale and connectivity remain critical issues for securing economic growth and support from national

government. The policy drivers of Combined Authorities and LEPs and the notion of deals and bids at scale, remain central.

The Greater Lancashire Plan will enable Lancashire to make a major contribution to the UK Government's big challenges:

- The need for a strong economy. We need to make the most of our existing strengths, invest in infrastructure and people, and ensure that the whole of our economy across the whole of our country can grow. Without a strong economy, we cannot guarantee our security, our personal prosperity, our public services, or contented and sustainable communities.
- Enduring social divisions. For too many people, where you end up in life is still determined by where you were born and to whom. We need to make sure that everyone has the opportunity to make the most of their talents and hard work, whoever you are and wherever you are from.
- An ageing society. We need to respond to the reality of an ageing society, giving people security in old age and caring for those with long-term health conditions, whilst making sure we are fair to younger generations.
- Fast-changing technology. For the sake of our economy and our society, we need to harness the power of fast-changing technology, while ensuring that our security and personal privacy – and the welfare of children and younger people – are protected.

It will also provide for both inclusive and democratic decision-making across the fifteen authorities to lead the vision, direction and ambition for Lancashire.

Evidence of Impact

The impact of devolution as part of economic outcomes has no proven cause and effect relationship.

Nevertheless, there is a lot of evidence to show that the impact of Combined Authorities is proving very positive on those places that have them. For example, see the national report 'Combined Authorities: Signs of Success':

<https://www.grantthornton.co.uk/globalassets/1.-member-firms/united-kingdom/pdf/publication/combined-authorities-signs-of-success.pdf>

There is also a lot of evidence that devolution in Greater Manchester is proving successful both in terms of gaining funding and kudos from Government (including since 2014, £2bn in flexible investment funds), but also in terms of impact on economic, social and environmental reforms and decision-making for better outcomes:

https://www.greatermanchester-ca.gov.uk/media/1131/gm_prosperity_review_baseline_devolution_review_november_2018_.pdf

And, for example on health outcomes;

<http://www.gmhsc.org.uk>

including formal devolution of a £6bn budget for health and social care commissioning to the Greater Manchester Health and Social Care Partnership.

Greater Manchester is currently putting together a Key Achievements report on the direct impact of devolution that shows changes in outcomes on: skills and apprenticeships; employment support; health; planning and infrastructure; homes; ageing; homelessness; environment; public service reform; transport; and digital.

Even in areas where devolution has been relatively new, the signs are positive. The impact of subnational working and then the development of a Combined Authority is correlated in the West Midlands with an approach built around a £92bn economy that has grown 23.5% in the last five years. Just over the last year productivity growth was twice the UK's rate.

The local government press and think tanks have reported extensively on the degree to which Combined Authority Areas are doubling their take out of the local government system. Counties, Districts and Unitary authorities, outside of these areas, are losing out significantly.

Equally, there is evidence to demonstrate that centralisation and over-concentration can lead to damaging consequences. The impact of a national economic model based so strongly on agglomeration is always going to self-reinforce concentration, where success is already strongest. Whilst this has known benefits, the diseconomies can begin to outweigh them. This essentially reflects the other side of the coin, which is the impact and consequences of no devolution. This case was most recently set out in the UK 2070 Commission.

<http://uk2070.org.uk>

Other European countries are much better at providing more balanced models, where in many cases other smaller cities and regions outside their capitals, outperform them and contribute in a distinctive and more planned way.

Economic case

What is the net value to society (the social value) of the intervention compared to continuing with Business as Usual?

At this stage in the process it is not possible to quantify the Economic Case. Nevertheless, there is little doubt the investment in the GLP is highly likely to be a positive contribution for Lancashire and its economy, better more efficient public services and the reduction of demand on public services.

What are the risks and their costs, and how are they best managed?

The overall cost of producing the Greater Lancashire Plan is circa £400K, with some hidden running costs, see below. The biggest risk associated with the production of the plan is based on a new national Government not continuing with the policies of devolution, Combined Authorities, and Local Enterprise Partnerships. However, there is much less risk that a subnational economic growth agenda will not continue. Given the proposed work is based on laying evidence-based foundations for a future strategy and vision for Lancashire, it is a fairly robust assumption that the work will be critical to the future of all parts of Lancashire and will play in to the agenda of any new national Government. Even if there is no continuation of a national strategy, there is still proven value in pulling together evidence about Lancashire, its population and economy, facilitating on-going and better decision-making to improve growth and quality of life.

Subject to the business case to be prepared as part of this work, there is also the revenue cost implications of the secretariat and the Strategic Intelligence Unit. The New Economy Team at the time of the first Manchester Independent Economic Review provided a small team that cost circa £400K per annum. This has grown into a team now of 30 plus staff, incorporated into the Combined Authority. A similar small core team could be provided to drive the development of this work forward. The secretariat at the moment does not exist. Currently the Interim Director of Growth, Planning and Environment is taking this work forward as part of that role within Lancashire County Council and drawing on coordination and administrative support.

What option reflects optimal net value to society?

At this stage, there are no options, other than to 'do nothing' and rely solely on the LEP to provide the contribution to the subnational growth agenda. Without a wider framework, strong evidence base and leadership from the democratic sector that will be a much smaller contribution. Interestingly, Combined Authorities are showing that just providing a business-led economic or industrial strategy at subnational level, leaves a huge contextual place-based deficit and it would be beneficial for the political leadership in Lancashire to ensure that such a deficit doesn't happen here.

Commercial case

Can a realistic and credible commercial deal be struck?

The Greater Lancashire Plan will provide the basis for a potential new deal to be struck with national government and a deal across local partners and sectors for delivery. Once the GLP starts to emerge as a credible proposition, there could be opportunities to secure match funding for the revenue costs of the secretariat and Strategic Intelligence Unit, as well as scope for private, other public and third sector contributions, such as secondments into the team.

Who will manage which risks?

The Greater Lancashire Plan will be underwritten proportionately and in agreement with all fifteen local authorities.

Financial case

What is the impact of the proposal on the public sector budget in terms of the total cost of both capital and revenue?

The Greater Lancashire Plan proposes primarily 'one off' pieces of work that will improve the understanding and future propositions for Lancashire moving forward. Part of the work includes exploration of a business case for a dedicated secretariat and Strategy Intelligence Unit, that would carry future revenue implications. These will be determined as part of the work and recommendations made to Lancashire Leaders.

Management case

Are there realistic and robust delivery plans?

Robust delivery plans will emerge through the strategic framework generated by the Greater Lancashire Plan. This will not require additional resources, but will draw on existing delivery capacities and capabilities and plans, and seek to integrate them in a way that generates a greater whole than the sum of the parts. This will arise as a result of greater investor confidence arising from clear frameworks and scale up return.

How can the proposal be delivered?

The proposal delivery is set out in the attached presentation. The secretariat will be supported through a call off contract with intelligent client support, as explained below. The Greater Lancashire Plan will mobilise partners across Lancashire.

MORE DETAILED COSTINGS

Appointment of Intelligent Client Function support

The first step to taking this work forward is to appoint support for the intelligent client function. This is essential given the current lack of capacity in-house. Experience of early development of Devolution Deals and Mayoral Combined Authorities suggests that having necessary capacity and capability on side and at short notice, has proven essential to securing the confidence of Government and dealing at pace with challenges back from Whitehall in the early stages.

A specification will be produced for this work. Essentially, it is based on producing the specifications for the commissioned reviews, helping pull together contributors to the Independent Panel and providing the client group, Lancashire Leaders, with advice throughout on developments, including sense-checking, aligning and simplifying inputs.

Whilst we are not currently in negotiation with Government having this support in place for preparing the ground at pace and with future negotiation in mind, will start developments on the right foot and as progress is made we will look to start promoting and sharing these developments, that could for example feature as part of the co-development of the Local Industrial Strategy with national government. Interestingly, referencing the GLP in the Lancashire LEP required Improvement Plan for

Strategy was very well received by the North West Director for The Cities and Local Growth Unit, BEIS.

The contract will also provide clear strategic advice for Leaders and Chief Executives, in dealing with all the issues that the work will necessarily raise, some of which will be difficult and contentious, and have independent backing, albeit capable of lifting Lancashire into the fast track.

A GLP Working Group has been formed to ensure full participation and ownership of the direction and development of the work. This has a mix of Chief Executives, Executive Directors and Directors across all fifteen local authorities. Whilst the Group has only met once there was strong support for taking the work forward. In terms of sense-checking, steering and shaping the work, the GLP Working Group will bring considerable local insight, ownership and value. However, it is clear following discussion with the GLP Working Group that it will not have the capacity to actually produce the work.

In response, Lancashire County Council has so far provided in-house support in taking the work to this point.

It is proposed therefore that a call off contract is established immediately to enable the work to proceed and accelerate at pace. By appointing one of the big four management consultancies provides the opportunity to cover a broad range of potential asks over the whole process. This will also bring access to a highly professional set of expertise across multiple fields and networks that reach deep into the areas within Government that we are seeking to persuade. It also doesn't interfere with the likely providers who will actually deliver the work.

Initial conversations have already taken place with Deloitte, PWC, and KPMG. The consultancy firms have been asked to set out:

- Clarity about the available capabilities and skills, as well the people and their costs/day rates;
- Seeking specific costs for clearly identified pieces of work, eg producing the specification for the whole place independent review;
- Seeking specific advice on the development of the Independent Panel, and who might sit on it.

The management of this contract will require robust challenge back to the consultants, to keep costs down. Based on previous management of such contracts, the estimate of the cost of this support contract up to the final launch of the GLP is up to £100K.

An independent whole place review of Lancashire

This is the main piece of work. It has three elements to it: the economy; public reform; and, the environment.

The Economy

Independent economic reviews have really been key to setting out the foundations for devolution deals.

Manchester Independent Economic Review, Shared Prosperity Independent Review and the Greater Manchester Strategy

The Manchester Independent Economic Review (MIER) is believed to be the first independent economic review of a city-region. The Review was launched in June 2008 by Secretary of State and Chancellor of the Exchequer and published its findings on 6 April 2009.

The Review had stated aims to provide strategic understanding of the Manchester city region's economy to enable its policymakers to act in a strong and distinctive way to bring long-term economic growth. Its findings are based on eight separate studies, which focus on agglomeration, inward investment, the Daresbury Science and Innovation Campus, innovation trade and connectivity, labour and skills, economic connectivity and trade, sustainable communities, and a final overarching Reviewers report. These reports have been researched and written by independent economists and

academics from the London School of Economics, Volterra and the Burns-Owen partnership, Aston University Business School, University of Manchester and Regeneris Consulting, Amion Consulting and PricewaterhouseCoopers.

The Review panel was an independent panel of economists and business leaders, led by Sir Tom McKillop, Chairman of the Review panel, Jim O'Neill - Head of Global Economic Research for Goldman Sachs, Professor Edward Glaeser - Fred and Eleanor Glimp Professor of Economics at the University of Harvard, Diane Coyle - Managing Director of Enlightenment Economics and Jonathan Kestenbaum - Chief Executive of NESTA, The National Endowment for Science, Technology and the Arts. The Reviewers were supported by a Policy Advisory Group and Secretariat, responsible for commissioning the research, providing economic baseline evidence and supporting the researchers and Reviewers.

Although there are numerous specific findings and policy recommendations from each of the MIER reports, the headline findings and recommendations are collated in the final Review report, written by the Reviewers using the evidence from the six other reports.

The Review was commissioned by Manchester's Commission for the New Economy, the economic development agency for Greater Manchester. Funding was secured from the Manchester Innovation Investment Fund, which was supported by both the North West Development Agency (NWDA) and the National Endowment for Science Technology and Arts (NESTA), separately by the North West Development Agency, by the Learning and Skills Council (LSC) and by the North West Improvement Network. The Review is also funded, supported and underwritten by the Association of Greater Manchester Authorities (AGMA).

You can still see all the MIER reports here: <http://manchester-review.co.uk/>.

It cost £1.2m all in, most of that went on paying consultants to undertake the actual research (8 big studies all costing c£100k each).

Greater Manchester Independent Prosperity Review

A similar process was undertaken to inform the development of the GMCA's Local Industrial Strategy. Beatrice Andrews the lead official within Local Growth and Cities Unit on Local Industrial Strategies described this last week as the gold standard. The independent Panel, reports and topics are here: -

<https://www.greatermanchester-ca.gov.uk/what-we-do/economy/greater-manchester-independent-prosperity-review/>

It was interesting to see a different emphasis in the focus. Two baseline reports were produced. Firstly, progress with devolution, an update of progress on the implementation of GM's devolution deals, highlighting key achievements and barriers. Secondly, an evidence review, a baseline report covering progress since the MIER and summarising GM's existing evidence base across the five foundations of productivity identified in the national Industrial Strategy White Paper (Place, People, Ideas, Business Environment and Infrastructure).

Technical reports on productivity included: low pay; retail; adult social care; and, an audit of productivity. Technical reports on innovation and global competitiveness included: ecosystem approach to supply chains; understanding innovation and innovation ecosystems; economic complexity analysis; a mission-orientated approach to GM's clean growth challenge; industry relatedness analysis; science and innovation audit report; global competitiveness and innovation. Technical reports on skills and employment included: transitions in education and skills; a new approach to education, training and skills; future of work and skills. Technical reports on infrastructure included: critical assessment of appraisal methodology; and, GM infrastructure framework.

Northern Powerhouse Independent Economic Review

Northern Powerhouse Independent Economic Review is another example, and is here <https://www.transportfornorth.com/wp-content/uploads/Northern-Powerhouse-Independent-Economic-Review-Executive-Summary.pdf>

This work was overseen by Simon Pringle who is leading the work on Lancashire's Local Industrial Strategy.

Midlands Engine Independent Economic Review

The Midlands Engine is also undertaking an economic review.

<https://blog.bham.ac.uk/cityredi/midlands-engine-independent-economic-review-call-for-evidence/>

Lancashire Local Industrial Strategy

The other main issue for this work is to ensure that the on-going preparations for the Lancashire Industrial Strategy is enhanced and supported by the Greater Lancashire Plan. It would make sense for the Lancashire LEP to be fully involved in the economic strand of the GLP.

Public Reform

The other major area of development is public reform. This means getting the public sector to collaborate better together across Lancashire. It means seeking a more transformative approach, rather than fragmented individual interventions to address market failure and/or its consequences. It is not about forming a Combined Authority, but realising the opportunities for service integration, shared services, co-location and asset rationalisation, where it makes sense and where there is a willingness to cooperate at scale.

The increasing focus of the Greater Manchester Combined Authority is public reform.

Interesting developments include a Greater Manchester Model of Unified Public Services for the People of Greater Manchester, please see below.

https://www.gmcvo.org.uk/system/files/13a_gm_model_white_paper_draft_v1.8.6_clean.pdf

The West Midlands has adopted a strategy for public service reform based on: radical prevention; inclusive growth; and, system collaboration.

<https://www.wmca.org.uk/what-we-do/public-service-reform/>

The overall policy agenda has been established for some time:

<https://www.instituteforgovernment.org.uk/sites/default/files/publications/local-public-service-reform-final.pdf>

The Environment

Similarly, work is in place on the Environment in Greater Manchester.

https://www.greatermanchester-ca.gov.uk/media/1986/5-year-plan-branded_3.pdf

This concludes the independent review work. The estimated costs of these three themed reviews is £250K, based on the examples of the studies highlighted. This is based on a review of the study work and it is felt the environment work could be secured at £50K. The shape and development of the work will be Lancashire based and play to our own strengths and opportunities.

The scope of work and the underpinning detail of the spend will be determined with the appointed Intelligent Client consultancy. The Specification will be the first call on the contract.

Futures Work: Lancashire 2050

Running alongside the review will be a dedicated piece of work to set a bold and ambitious vision for Lancashire, looking long term. This will build on existing models of futures work:

<https://www.gov.uk/government/publications/future-of-cities-foresight-for-cities>

<https://www.gov.uk/government/publications/future-of-cities-visualising-the-future-of-newcastle>

And take account of long-range reports such as the Kerslake 2070 Commission, shared earlier, above.

Not only will this work look at the long-range issues and scenarios, such as the continuation of current trends, such as on climate change and working age population for example, but also look long term at the industrial grand challenge areas around AI and data, an ageing society, clean growth and future of mobility. The scenario planning will build greater resilience to unforeseen 'shocks' that emerge in the system. Considerable work will be undertaken to involve all stakeholders in the development of the vision, including working with communities of place and interest, schools and the public more generally.

This work is estimated to cost circa £40K.

Strategic Framework

The long-term vision will be supported by a rolling strategic framework. This will capture the development of all subnational Lancashire strategies and plans, such as the Local Industrial Strategy, the refresh of the Local Transport Plan 4, other local plans, such as spatial plans.

In the GMCA there is a strategic framework in the form of the GM Strategy. This was very bland when put together in 2005, and it didn't get any real traction. The first significant one was produced in 2009 in response to the MIER. This was put together by local authority officers, plus TfGM and New Economy and led to the creation of a Wider Leadership Team that was made up of the ten Chief Executives. The resulting strategy was then signed off by the 10 districts, plus the GM LEP (which was newly created at that time). This framework was refreshed in 2013, following a similar process, and in 2017 (taking into account the winning Mayoral manifesto, plus some survey work on residents and the latest evidence base). Consultant support was used throughout (especially in terms of providing independent challenge, as well as helping with filling evidence gaps and developing the narrative and presentation). In the 2017 version quite a bit more time was spent engaging with the community/voluntary sector to get them bought in and dedicated sessions with Leader and LEP members (separately) to get their input.

The Independent Panel

The independence of the work is critical for two reasons. First it provides the opportunity to highlight the real challenges and brings rigour and confidence. It is something which national Government is particularly keen to see and is promoted by the Local Economic Growth What Works Centre as good practice. In the text above on the economy the Independent Panel members are listed for both the MIER and the Shared Prosperity Review. It could be advantageous to use similar key experts in the Lancashire work given they will be familiar with what works well in the process as well as secure both local and other world class leaders in these fields. The Intelligent Client consultancy will be asked to help mobilise a high profile and credible Panel, and bring independence to the appointment process.

Independent Policy Commissions

Independent Policy Commissions have worked particularly well in the West Midlands. This has enabled deep dives in the areas where there is no real understanding of the way forward and enabled some difficult issues to come to the fore. Whether this is something required here can be decided once the work on the GLP starts to emerge.

<https://www.wmca.org.uk/what-we-do/research-analysis/>

Laying the foundations for the future

The GLP work will provide for a strong collaboration across the fifteen local authorities. It will lay the foundations for a single narrative, evidence base and vision for Lancashire, bringing context and join-up between the local and the subnational agendas for Lancashire.

As part of taking the work forward Lancashire County Council has taken the lead to host this work with an offer for other local authorities to contribute as well as the GLP Working Group to ensure there is full engagement with all local authorities in developments. As part of the work it is suggested a business case is produced looking at the scope for a dedicated Strategic Intelligence Unit to oversee

and monitor the work in the future, as well as to own the data, evidence and intelligence as the foundation for the refreshing of Lancashire-based plans and strategies. Existing capacity and capabilities could be drawn on such as Lancashire Insight. Subject to good progress and the views of central government it could also include bringing in the support of the Lancashire Enterprise Partnership secretariat as a part of the solution. This business case will build from the existing business case outlined here and is estimated to cost only £10K.

SUMMARY

Financial Implications

The initial cost of the proposition to be funded from the is estimated to be £400k by March 2020 to produce all aspects of the GLP and is proposed to be funded from early release of funding from the Economic Growth and Financial Sustainability Fund. The GLP will provide a basis for identifying future priorities, which may involve further business cases for further investment which could be one-off or recurrent and would come forward as future funding bids. These are likely to include future running costs from March 2020-23, with a further potential gross cost over the period of £900k-£1.2m, depending on scale, but with opportunities to develop a co-produced approach with partners, sharing the costs.

Benefits

The benefits have already been outlined above and are demonstrated particularly in comparative work with the trailblazers and national evaluation reports. For example, Greater Manchester has received £2bn in flexible investment funds since 2014, arising from its devolution deals. The West Midlands has witnessed productivity rising twice as fast as the national average last year. These places have bridged the democratic deficit and lead the vision and strategy for their conurbations. Their local enterprise partnerships are business advisers and work to the wider vision and ambition.

Devo 2.0

The GLP will provide Lancashire with a refreshed opportunity to re-open a conversation with Government about the future. Devolution, and the powers and resources it potentially offers, remains unfinished business, especially outside the metropolitan areas.

The Case for a Greater Lancashire Plan

The GLP is a response to the current crisis narrative:

- Lancashire falling behind
- Places in long term decline
- Outside of the 'fast track', dominated by Combined Authorities
- No single voice
- Not seen as a credible subnational opportunity, with a serious proposition for the future.

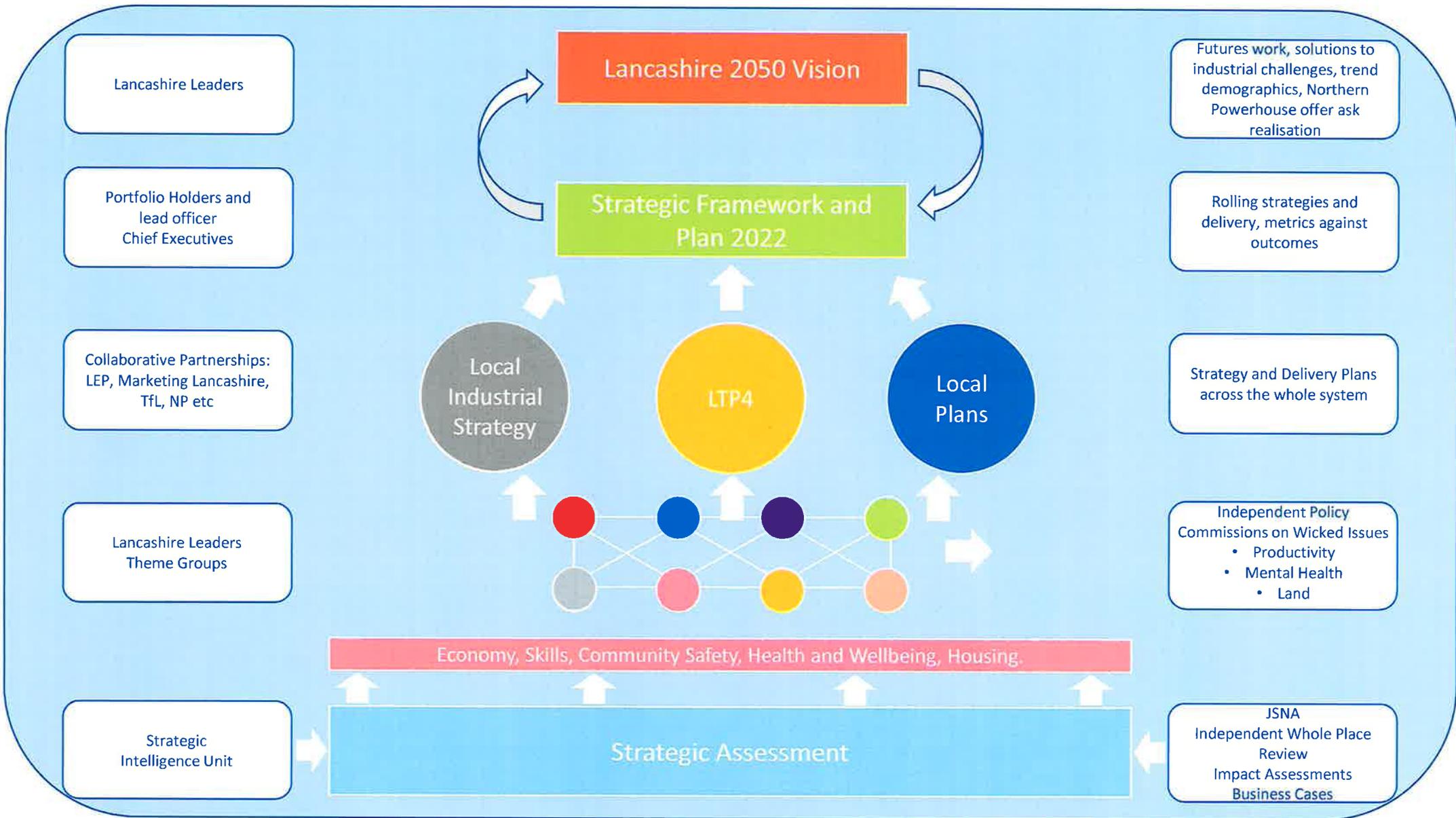
The GLP:

- Takes advantage of the Brexit policy impasse
- Prepares the ground to get Lancashire into the 'fast track'
- Seeks to create a single coherent narrative and foundation for continuous engagement with Government and communities
- Provides a strategic and integrated approach, driven by independent analysis and challenge.

Greater Lancashire Plan: what we have already said so far

We have already agreed in principle to:

1. Commissioning a Whole Place Independent Economic, Social and Environmental Review of Lancashire
2. Commissioning futures work for a Greater Lancashire Vision 2050;
3. Revisiting the existing Lancashire Plan and reviewing and refreshing it as a contribution to developments;
4. Designing and sending out a proforma to capture work of Lancashire Leaders Theme Groups;
5. Setting out the principles, terms of reference and scope of Independent Policy Commissions, with the suggestion of three to begin with on Land, Productivity and Mental Health but to be confirmed, and to seek a Chief Executive lead to administer and run each of the Commissions;
6. Setting out a case for an independent secretariat for the Greater Lancashire Plan, to lead developments and support Lancashire Leaders and Chief Executives, with LCC acting as initial host authority, with scope for secondments into the secretariat;
7. Producing an Outline Business Case (and Full Business Case to follow on) to evaluate the case for a Strategic Intelligence Unit;
8. Parking the issue of Portfolio Holders and Governance;
9. Parking the issue of Devolution Asks and Offers.



Suggested scope of work

Preparatory phase

- Getting the scope right

Phase one

- Getting the commission right

Phase two – undertaking a whole place independent review

- An independent comprehensive review provides scope for rich foundations including a single evidence base, baseline and narrative – scoped around three themes economic, social and environmental, going a step beyond CAs and a first for a County area;
- It will capture existing work of Lancashire Leaders Theme Groups, existing strategy development such as LIS and LTP 4;
- It will review all existing plans and strategies, including the work done on a previous Lancashire Plan;
- In parallel it will use futures work to inform the vision and ambition: Lancashire 2050.
- First Draft GLP produced based on progress.

Phase three – undertaking deep dives into the identified core barriers

- The Review will provide analysis to inform the key barriers to progress in Lancashire and provide scope to prioritise deep dives through time-limited independent policy commissions, to unlock those issues. This Phase will not slow down production of the GLP but create necessary work to sit alongside its future development.

Phase four – finalising and launching the GLP

- Will produce Final Greater Lancashire Plan – a single overarching ‘state of Lancashire’ report and a strategic delivery framework and vision for Lancashire, backed up by robust evidence and a rich narrative, based on independent challenge and support from local and world leading experts.

Informal socialisation of the Greater Lancashire Plan idea and good practice

- GM – MIERS and Shared Prosperity Review – offer from GMGC
- WM – Independent Policy Commissions and new Office of Data Analytics
- LGIU and Foresight – Futures work
- North West Communities and Local Growth Unit – access to and support from Government
- GLP an integral part to Lancashire LEP Improvement Plan for Strategy and access to National LEP Network good practice
- Jake Berry MP – credible offer.
- Leapfrogs the opposition – a first for whole place and a first for a County area, breaking new ground

Greater Lancashire Plan: a collaborative working group

- **Fylde** Alex Scrivens
- **Hyndburn** Mark Hoyle
- **Pendle** Dean Langton
- **Wyre** Marianne Hesketh
- **Blackburn** Martin Kelly
- **South Ribble** Greg Stott
- **Lancaster** Jason Syers
- **Blackpool** Antony Lockley
- **West Lancs** Ian Gill
- **Burnley** Mick Cartledge
- **Rosendale** Cath Burns
- **Preston** Chris Haywood
- **Chorley** Rebecca Huddleston
- **Ribble Valley**
- **Lancashire County Council** – Richard Kenny

Preparatory stage – Weeks 1-6

GLP Working Group

- To sense-check the proposition and overall programme
- To agree scope of work, help shape the brief (s) for commissions and advise CEOs and Leaders
- To advise on any early steers on the deep dive independent policy commissions
- Lancashire provide a lead officer and host the beginnings of an independent secretariat to take the work forward, accountable to Lancashire Leaders and Lancashire Chief Executives, with request for secondments across all the local authorities over time.

Appoint an Intelligent Client Function

- To accelerate the pace of delivery it is suggested we appoint consultants to support the Lancashire Leaders as client over the duration of this project, based on a 'call off' contract
- This has worked well in how other areas have driven Devo Deals over the line with Government, eg PWC in the West Midlands
- Informal conversations took place with consultants on 31st May . Estimated costs tbc.

Proposition put to Lancashire Leaders for sign off

- This is planned for 5TH June.

Produce a specification

- Commission to go to out to market for GLP.

Phase One: Commission the preferred Consortium and secure an Independent Panel Weeks 7-15

Commission the GLP

- Six weeks out to market
- Three weeks to sense-check and score the bids
- Appoint preferred consortium

In parallel, appoint independent Panel(s) to oversee and provide challenge.

Phase 2 – produce a ‘state of Lancashire’ analysis and first draft GLP Weeks 16-36

Whole Place Independent Review

Three commissions against three themes – economy, public reform and environment.

- Panel of experts for each theme supported by commissioned consultants to produce the work
- Work to be shaped and determined through the GLP Working Group
- Estimated costs, based on trailblazer work, £100K per theme.
- Editorial group to be established to pull together the first draft Greater Lancashire Plan

Lancashire 2050

- Fourth commission for futures work to deliver a bold and ambitious vision for Lancashire
- Estimated cost, £50K

Leader Theme Group Work

- The previous work developed for the case for a Lancashire Combined Authority will be fed into this process, especially the Lancashire Plan and the economic growth and public reform scale of ambition and activities.
- We will send out a simple proforma to capture the existing work of the theme groups. This proforma will be shared and developed through the GLP Working Group.

Case for a Lancashire Strategic Intelligence and Data Analytics Unit

- Fifth commission for an Outline Business Case, estimated cost £10K, to be produced for month 6.

Phase Three: decide on whether there is a need for independent policy commissions? Week 37-38

Independent policy commissions

- Will be identified from the whole place review
- Key issues for West Midlands proved to be Productivity and Skills, Land and Mental Health
- Formulated as Independent expert Panels, deeper dive than Review, seeking deeper understanding, linking to what works from elsewhere, including internationally
- Estimated cost £50K per commission.
- These will work in parallel with the Greater Lancashire Plan and will be part of its continuous improvement.

Case for a Lancashire Strategic Intelligence and Data Analytics Unit

- Depending on OBC, a Full Business Case commissioned, estimated cost £40K
- This will necessarily link to moving away from a reliance on consultants, resources secured through national government and others and greater collaboration by working at scale.

Phase four: finalise the GLP Weeks 38 - 44

Produce the Greater Lancashire Plan

- Authored independently and edited through the GLP Working Group
- Pulls economic growth, public reform and quality of environment together in a single overarching vision and strategic framework for future of Lancashire
- Primarily in-house, but supported by intelligent client support function.
- Collaborate closely with Government.

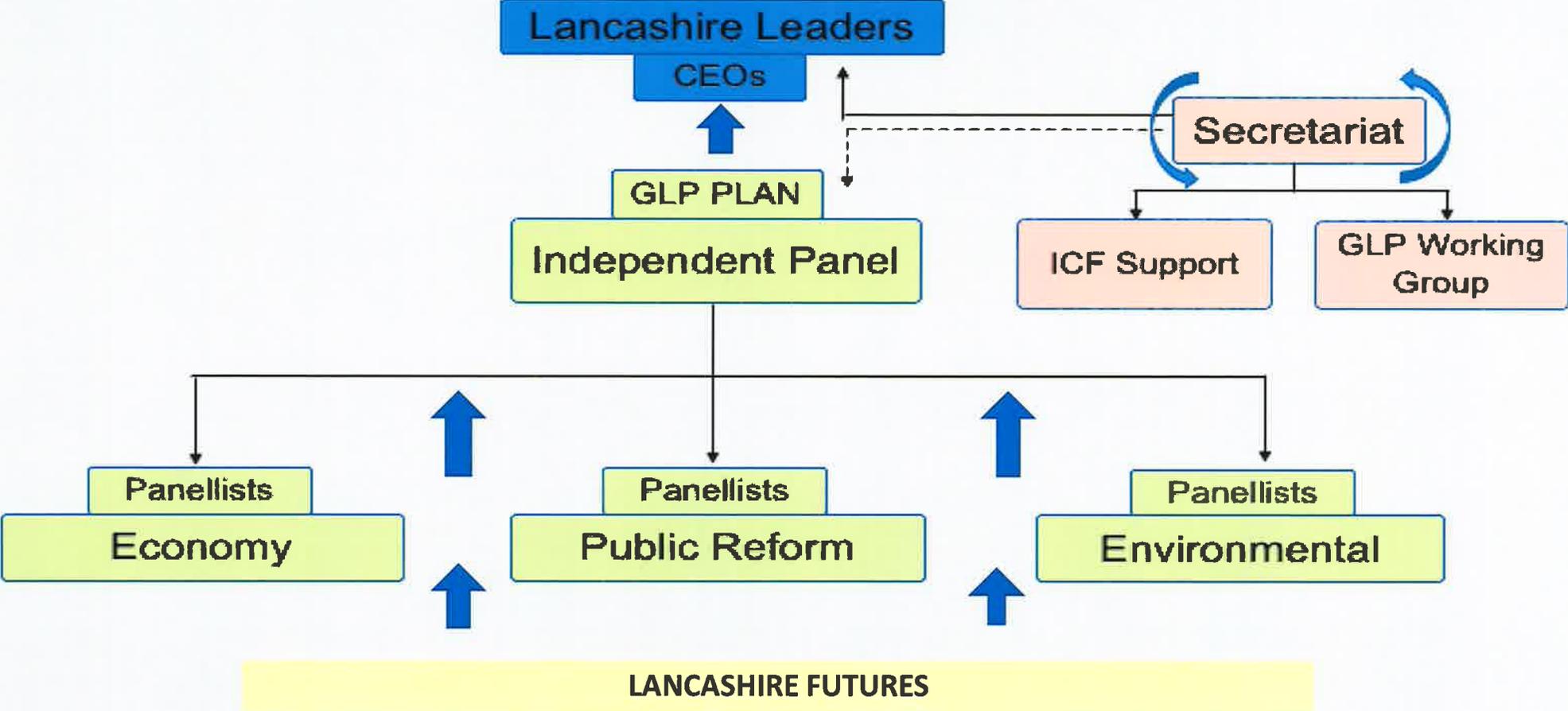
Establish Strategic Intelligence and Data Analytics Unit

- Finalise the FBC, and depending on the strength of the case, move to implementation plan

Making the case for a Greater Lancashire

- This will feature as a new phase of development, building on the co-development of this work with partners, including a new basis for dialogue with Central Government.

GOVERNANCE



Briefing Note for: Lancashire Leaders meeting on 1 August 2019
 Prepared by: Jane Pearson (on behalf of Lancs BR Pool Executive Body)
 Subject: Advance release of £400k to fund work on Greater Lancashire Plan
 Date: 30 July 2019

1. The Lancashire BR Pool Executive Body met on 14 June 2019 and 26 July 2019.
2. They explored how £400k could be released from the Strategic Economic Growth and Financial Sustainability Fund (SEGFSF) in this financial year to fund work on the Greater Lancashire Plan i.e. prior to the BR growth income being realised and available in this fund.
3. The Executive Body considered 2 options:
 - Option 1 - That the advance funding is provided by one authority, or;
 - Option 2 - That the advance funding is provided by pool members in proportion to their anticipated contribution to the fund based on NNDR1's.
4. The Executive Body members present were minded to agree Option 2 and, subject to the views of those authorities not present, would be recommending this option to the next Governing Body meeting.
5. The table below shows the initial contribution which would be required from each pool member in the final column:

	Contribution to SEGFSF £	All to underwrite pro rata to expected contribution to SEGFSF £
Blackburn with Darwen	445,648	65,669
Blackpool	0	0
Burnley	236,219	34,808
Chorley	177,840	26,206
Fylde	137,497	20,261
Hyndburn	26,500	3,905
Lancashire	773,067	113,916
Lancashire Fire Authority	53,363	7,863
<i>Lancaster</i>	<i>0</i>	<i>0</i>
Pendle	69,242	10,203
Preston	38,913	5,734
Ribble Valley	147,776	21,776
Rosendale	94,801	13,969
South Ribble	244,386	36,012
West Lancashire	120,961	17,824
Wyre	148,302	21,853
	2,714,515	400,000

6. They will also recommend that there is an adjustment carried out at year end following production of NNDR3's when actual outturn is known.
7. A full report from the Executive Body will be submitted to the next Governing Body meeting.

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 7a

meeting date: 24 SEPTEMBER 2019
 title: REFERENCE FROM HEALTH AND HOUSING COMMITTEE – ASHES
 BEAM AT CLITHEROE CEMETERY
 submitted by: DIRECTOR OF RESOURCES
 principal author: LAWSON ODDIE

1 PURPOSE

- 1.1 To consider a request from Health and Housing Committee to agree to the approval of additional revenue budget of £4,410 in 2019/20 for the installation of additional ashes beams for cremated remains in Clitheroe Cemetery.

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 5 February 2019 and by Full Council on 5 March 2019.
- 2.2 Any revenue or capital expenditure over and above what has already been approved must be agreed by Policy and Finance Committee.

3 HEALTH AND HOUSING COMMITTEE 12 SEPTEMBER 2019

- 3.1 Health and Housing Committee considered a report submitted by the Chief Executive (attached at Annex 1) which gave details of a request for additional revenue budget of £1,553 for 2019/20. This was in respect of for the installation of additional ashes beams for cremated remains in Clitheroe Cemetery.
- 3.2 At its meeting, Health and Housing Committee considered the request, but approved the release of the full amount of £4,410 currently held in the reserve to allow for the installation of 3 ashes beams.

‘RESOLVED: That Committee

1. Approve the proposed 3 ashes beam works at a cost of up to £4,410 subject to;
2. Policy and Finance Committee agreeing the financial implications and budgetary provision’

4. RECOMMENDED THAT COMMITTEE

- 4.1 Approve the request for the additional revenue budget of £4,410
- 4.2 Approve the use of the Equipment Earmarked Reserve to fund the additional revenue budget approval.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF52-19/LO/AC
16 September 2019

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH & HOUSING COMMITTEE

Agenda Item No. 9

meeting date: THURSDAY, 12 SEPTEMBER 2019
title: ASHES BEAM AT CLITHEROE CEMETERY
submitted by: MARSHAL SCOTT - CHIEF EXECUTIVE
principal author: KEN ROBINSON - HEAD OF ENVIRONMENTAL HEALTH SERVICES

1 PURPOSE

- 1.1 To request approval for the installation of an additional ashes beam for cremated remains in Clitheroe Cemetery.
- 1.2 Relevance to the Council's ambitions and priorities:
 - The works will comply with the Corporate Priority to ensure a well-managed Council providing efficient services based on identified customer needs.

2 BACKGROUND

- 2.1 Cremated remains have until recently been interred either next to a commemorative tree or shrub, or in a designated plot within the cemetery extension. All commemorative tree plots have been sold, therefore all demand for ashes interments must now be met in the conventional ashes interment area.

3 ISSUES

- 3.1 The ashes interment plots are provided with a concrete beam which provides a foundation for plaques and headstones. This arrangement is much more efficient than providing individual foundations for each plot as required and is included in the fee charged for ashes interments. The current beam will run out of space during this financial year. It is planned to install a further beam in a location parallel to the existing ones to meet anticipated demand. Such a new beam would have the capacity for a minimum of 27 or a maximum of 108 ashes interments [each plot can hold 4 interments].
- 3.2 It is anticipated that the provision of a further beam would cost £1,553 and it is hoped to be able to construct the new beam over the coming months (subject to approval) in order to be operational from December 2019. Once completed, the beam will have the potential to generate total income of £31,000 based on current interment charges.
- 3.3 It has not been possible to identify any areas within existing budgets from which to vire funds for this project. However, there is currently £4,410 which was set aside in past years in the Equipment earmarked reserve for the purpose of providing cemetery beams.

4 RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications:
 - Resources – The provision of the beam is anticipated to cost £1,553 and once completed there is the potential for future total income of £31,000 based on current interment charges. Whilst this project cannot be met from existing budgets, there are resources set aside in an earmarked reserve for this purpose.

- Technical, Environmental and Legal – None.
- Political – None.
- Reputation – The Council is expected to provide sufficient ashes interment plots within the cemetery.
- Equality & Diversity – None.

5 CONCLUSIONS

- 5.1 The work to provide an additional ashes beam has become necessary as the current beam will run out of space during this financial year.
- 5.2 No existing budget is in place for the provision of the beam, but resources are available in the Equipment earmarked reserve set aside for this purpose.

6 **RECOMMENDED THAT COMMITTEE**

- 6.1 Approve the proposed ashes beam works at a cost of £1,553 subject to;
- 6.2 Policy and Finance committee agreeing the financial implications and budgetary provision.

KEN ROBINSON
HEAD OF ENVIRONMENTAL HEALTH SERVICES

MARSHAL SCOTT
CHIEF EXECUTIVE

For further information please ask for Ken Robinson, extension 4466.

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 8

meeting date: 24 SEPTEMBER 2019
title: CONCURRENT FUNCTION GRANTS
submitted by: DIRECTOR OF RESOURCES
principal author: VALERIE TAYLOR

1 PURPOSE

1.1 To consider the allocation of concurrent function grants for 2019/20.

1.2 Relevance to the Council's ambitions and Priorities:

- In accordance with the corporate strategy objective "to protect and enhance the existing environmental quality of our area". This report will provide a means for providing a high quality environment, including safe, clean parks and open spaces.

2 BACKGROUND

2.1 In November 2017, this committee considered a revised Concurrent Function grant Scheme, which combined the previous Parish Lengthsman scheme with the concurrent function grant scheme.

2.2 The combined scheme continues to give grant assistance for those Parishes/ Town Councils who provide services in their areas, which elsewhere are provided by the Borough Council.

2.3 The Council has agreed to support Parish and Town Council net revenue expenditure on the following concurrent functions.

- Burial Grounds
- Bus Shelters
- Footpaths
- Footway Lighting
- Litter Collection
- Dog waste bins
- Parks and play areas
- Parish Lengthsman

2.4 Under the revised scheme concurrent function grants continue to be paid to parishes at 25% of eligible concurrent function expenditure.

2.5 For those parishes previously in receipt of a separate Parish Lengthsman grant the following transitional protection applies:

Year	Protection of Previous Parish Lengthsman Grant Paid (or actual net expenditure on Lengthsman if lower)
2017/18	100%
2018/19	100%
2019/20	75%
2020/21	50%
2021/22 and thereafter	25%

2.6 These transitional arrangements are in place to help support parishes previously in receipt of a separate parish lengthsman grant by enabling a gradual and smooth transfer into the combined scheme.

2.7 This committee resolved at their meeting in April 2019 that should a circumstance arise where the amount of parish lengthsman grant payable under these transitional arrangements is less than what would be payable under the concurrent function grant scheme, i.e. less than 25% of total net lengthsman expenditure, then the higher of the two amounts would be processed for the grant claim, subject to the cost of the overall scheme not exceeding available budget.

2.8 An annual revenue budget allocation for the combined scheme in 2019/20 has been approved of £31,910.

3 ALLOCATION OF 2019/20 GRANT

3.1 In June 2019 all Parish Councils were sent a concurrent function grant application form for 2019/20. It included an invitation to apply for a grant in respect of 2018/19 eligible net expenditure, with applications to be returned to the Borough Council by 31 July 2019.

3.2 25 applications were received, with eligible net revenue expenditure totalling £88,163 (See Annex 1).

3.3 Final allocations proposed for Committee approval at 25% of net eligible expenditure and including transitional arrangements for those council's previously in receipt of a separate parish lengthsman grant total £23,812 (See Annex 2).

4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications

- Resources – a total budget of £31,910 is available to fund the grants requested and the proposed expenditure is within this balance.
- Technical, environmental and legal – no implications identified
- Political – no implications identified
- Reputation - the matter covered links to the Council's ambitions and priorities to protect and enhance the existing environmental quality of our area.
- Equality and Diversity – the scheme is open to all parish and town councils.

5 RECOMMENDATION

- 5.1 That Committee approve the payment of grants to parish councils as detailed in Annex 2 and totalling £23,812.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF43-19/VT/AC
6 SEPTEMBER 2019

CONCURRENT FUNCTION GRANT APPLICATIONS – 2019/20

Nos	Parish / Town Council	Burial Grounds	Bus Shelters	Footpaths	Litter Collection	Dog Waste Bins	Parks and Play Areas	Parish Lengthsman Gross	Sub-Total	External funding	Net Expenditure
		£	£	£	£	£	£	£	£	£	£
1	Aighton Bailey/Chaigley						2,568		2,568		2,568
2	Barrow	145			382	25	640	1,200	2,392		2,392
3	Billington & Langho	1,258					4,197	3,088	8,543		8,543
4	Bolton By Bowland							6,306	6,306		6,306
5	Bowland Forest (Higher)						1,971	1,170	3,141	-600	2,541
6	Chatburn				1,025	139	2,289		3,453		3,453
7	Chipping		100	30			2,789		2,919		2,919
8	Clitheroe			612	1,848		1,816	3,348	7,624	-250	7,374
9	Gisburn						692	1,460	2,152	-250	1,902
10	Grindleton		50					650	700		700
11	Longridge				3,887		7,451		11,338		11,338
12	Mellor				2,218		2,753		4,971		4,971
13	Newton in Bowland					129	352		481		481
14	Pendleton							597	597		597
15	Read				186	1,486	773	1,259	3,704		3,704
16	Ribchester						300	1,856	2,156		2,156
17	Rimington & Middop						1,250		1,250		1,250
18	Sabden	400				666	311	4,000	5,377		5,377
19	Salesbury			28			864		892		892
20	Simonstone				338		320	526	1,184		1,184
21	Waddington		40				4,237		4,277		4,277
22	West Bradford						607	830	1,437		1,437
23	Whalley	591					130	3,628	4,349	-250	4,099
24	Wilpshire			1,120			1,076	4,918	7,114		7,114
25	Wiswell	74					14	500	588		588
	Sub-Total	2,468	190	1,790	9,884	2,445	37,400	35,336	89,513	-1,350	88,163

ALLOCATION OF CONCURRENT FUNCTION GRANT – 2019/20

Nos	Parish / TownCouncil	Burial Grounds	Bus Shelters	Footpaths	Litter Collection	Dog Waste Bins	Parks and Play Areas	Parish Lengthsman excl transitional grant scheme	Applicable External funding	Concurrent function grant at 25%	Parish Lengthsman transitional grant	Total
		£	£	£	£	£	£	£	£	£	£	£
1	Aighton Bailey/Chaigley						2,568			642		642
2	Barrow	145			382	25	640	1,200		598		598
3	Billington & Langho	1,258					4,197	3,088		2,136		2,136
4	Bolton By Bowland *									0	1,577	1,577
5	Bowland Forest (Higher)						1,971	1,170	-600	635		635
6	Chatburn				1,025	139	2,289			863		863
7	Chipping		100	30			2,789			730		730
8	Clitheroe			612	1,848		1,816	3,348	-250	1,844		1,844
9	Gisburn						692			173	750	923
10	Grindleton		50					650		175		175
11	Longridge				3,887		7,451			2,835		2,835
12	Mellor				2,218		2,753			1,243		1,243
13	Newton in Bowland					129	352			120		120
14	Pendleton							597		149		149
15	Read				186	1,486	773	1,259		926		926
16	Ribchester						300	1,856		539		539
17	Rimington & Middop						1,250			313		313
18	Sabden	400				666	311			344	1,500	1,844
19	Salesbury			28			864			223		223
20	Simonstone				338		320	526		296		296
21	Waddington		40				4,237			1,069		1,069
22	West Bradford						607			152	375	527
23	Whalley	591					130			180	1,500	1,680
24	Wilpshire			1,120			1,076	4,918		1,779		1,779
25	Wiswell	74					14	500		147		147
	Sub-Total	2,468	190	1,790	9,884	2,445	37,400	19,112	-850	18,110	5,702	23,812

* Bolton by Bowland: Lengthsman grant paid at 25% of net revenue expenditure, being higher than transitional arrangements in place for 2019/20

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

Agenda Item No 9

meeting date: 24 SEPTEMBER 2019
title: VOLUNTARY ORGANISATION GRANTS – CITIZENS ADVICE BUREAU
PERFORMANCE MONITORING INFORMATION
submitted by: DIRECTOR OF RESOURCES
principal author: VALERIE TAYLOR

1. PURPOSE

- 1.1 To receive and consider the performance monitoring information provided by the Ribble Valley Citizens Advice Bureau for the quarter ending June 2019.
- 1.2 To consider whether to approve payment for the next quarterly instalment of voluntary organisation grant to the Citizens Advice Bureau.

2. BACKGROUND

- 2.1 At your meeting in April 2019 you approved grants supporting 20 voluntary organisations across the borough totalling £105,500.
- 2.2 Concern was expressed by members that the proposed allocation for the Citizens Advice Bureau dominated the grants to be awarded representing approximately 50% of the total budget available.
- 2.3 Although it was recognised that the Citizens Advice Bureau have an important role to play it was also felt that the Council should receive regular updates on their work with measurable targets in order for the Council to be sure that the grant was well spent.
- 2.4 Members therefore approved that the agreed grant amount for the Citizens Advice Bureau of £52,500 be paid quarterly in advance subject to satisfactory monitoring information being received and approved by this Committee.
- 2.5 At your meeting in June 2019 monitoring information to the quarter ending March 2019 was provided by the Citizens Advice Bureau and Committee approved the release of the second instalment of the agreed grant.
- 2.6 Although there was support for the Citizens Advice Bureau there was still some concern about the issues dealt with by the Citizens Advice Bureau and the fact that there is no longer any service in Longridge or outreach facilities in the Parishes. It was requested that in future the information provided by the Citizens Advice Bureau should include where the clients are from.

3. MONITORING INFORMATION

- 3.1 The manager of the Citizens Advice Bureau has supplied monitoring information for the latest quarter available i.e. up to the end of June 2019 along with explanatory notes. These are attached at Annex 1.

4. RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications:
 - Resources – assignment of budget for payment of this grant has already been approved and approval of this report would result in the release of the next quarterly instalment of the grant.
 - Technical, Environmental and Legal – None.

- Political – None.
- Reputation – None
- Equality & Diversity – The additional information supplied by the Citizens Advice Bureau seeks to demonstrate the geographical spread of assistance provided, following Members' concerns.

5. CONCLUSIONS

- 5.1 The total grant of £52,500 for the citizens Advice Bureau was approved at the Policy and Finance Committee in April 2019.
- 5.2 Members requested that the grant be paid in quarterly instalments and subject to satisfactory monitoring information being provided to committee.
- 5.3 At the last meeting that this monitoring information was provided members asked for further data. This is now included for consideration at Annex 1.

6. RECOMMENDATION

- 6.1 Members consider the monitoring information supplied by the Citizens Advice Bureau and decide whether to approve payment of the grant for the third quarter of £13,125.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF37-19/VT/AC
17 September 2019

Activities and clients by Office

Client Geography Group or locations Office	Client Geography Ward	Office group Ribble Valley (member)		Funder All	
Client Geography (group)	Client Geography	Clients	% Clients	Distinct count of Case Note Id	% Casenotes
Ribble Valley	Alston & Hothersall	4	3%	27.0	5%
	Billington & Langho	8	5%	50.0	8%
	Bowland	1	1%	2.0	0%
	Brockhall & Dinckley	1	1%	1.0	0%
	Chatburn	2	1%	6.0	1%
	Chipping	3	2%	17.0	3%
	Clayton-le-Dale & Salesbury	2	1%	3.0	1%
	Derby & Thornley	8	5%	69.0	12%
	Dilworth	2	1%	5.0	1%
	East Whalley, Read & Simonstone	4	3%	20.0	3%
	Edisford & Low Moor	16	10%	42.0	7%
	Gisburn & Rimington	2	1%	3.0	1%
	Littlemoor	20	13%	42.0	7%
	Mellor	3	2%	7.0	1%
	Primrose	20	13%	77.0	13%
	Ribchester	4	3%	18.0	3%
	Sabden	3	2%	17.0	3%
	Salthill	19	12%	83.0	14%
	St Mary's	15	10%	46.0	8%
	West Bradford & Grindleton	1	1%	1.0	0%
Whalley & Painter Wood	5	3%	11.0	2%	
Whalley Nethertown	1	1%	1.0	0%	
Wilpshire & Ramsgreave	3	2%	4.0	1%	
Wiswell & Barrow	10	6%	40.0	7%	
Grand Total		157	100%	592.0	100%

Key Statistics

Ribble Valley (member)

01/04/2019 27/06/2019



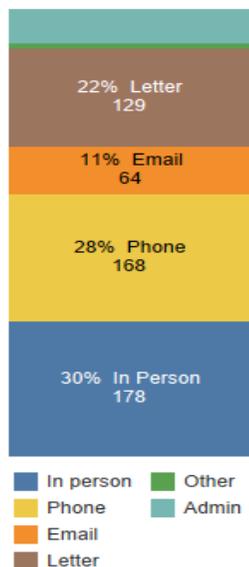
Summary

Clients	157
Quick client contacts	
Issues	383
Activities	592
Cases	114

Outcomes

Income gain	£32,967
Re-imbursments, services, loans	£579
Debts written off	£71,933
Repayments rescheduled	£720

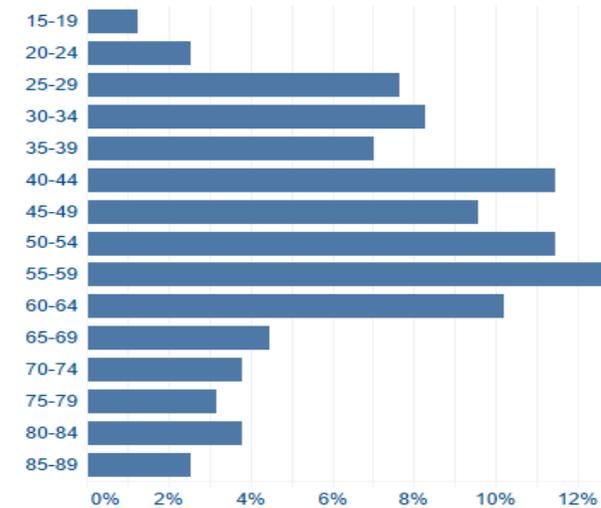
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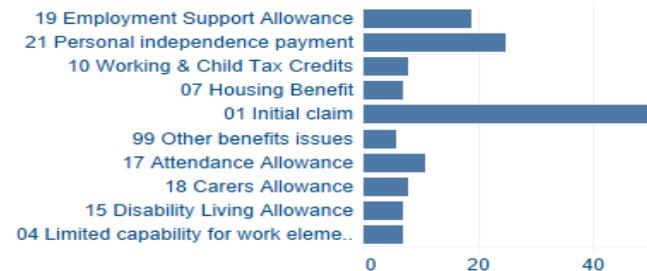
Issues

Issues	Issues	Clients
Benefits & tax credits	102	48
Benefits Universal Credit	61	27
Consumer goods & services	5	4
Debt	156	42
Financial services & capability	4	4
Health & community care	3	2
Housing	11	9
Immigration & asylum	4	2
Legal	4	3
Other	5	5
Relationships & family	8	5
Tax	3	3
Travel & transport	12	12
Utilities & communications	5	5
Grand Total	383	

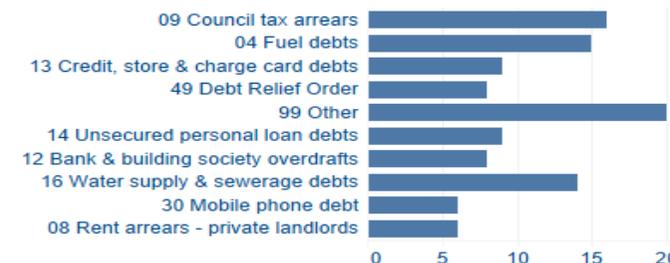
Age



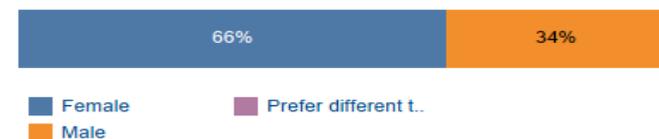
Top benefit issues



Top debt issues



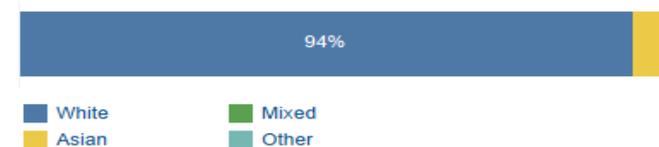
Gender



Disability / Long-term health



Ethnicity



Key statistics dashboard – explanatory notes

This includes data recorded by advisers on Citizens Advice centralised system, Casebook, after each face to face appointment, phone call or drop in session. The record is checked for quality of advice by the supervisors.

On the left is shown the number of clients or individual service users, what they have come about (issues) what actions taken (activities) and the number of cases created (where advisers have undertaken work on clients' behalf)

Below, on the left are Outcomes. The first, Income Gain, is the annualised amount of payment to clients as a result of our work, for example a gain of £40 per week in additional benefits awarded due to our support would be shown as an income gain of £2, 080

In the centre, work type per client is shown, which is self explanatory

On the right side of the table, mandatory recording enables client profile data gathering on age, gender, health and ethnicity.

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

Agenda Item No. 10

meeting date: 24 SEPTEMBER 2019
 title: CAPITAL MONITORING 2019/20
 submitted by: DIRECTOR OF RESOURCES
 principal author: ANDREW COOK

1 PURPOSE

1.1 To report progress on the approved 2019/20 capital programme for this Committee for the period to the end of July 2019.

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 Four schemes, totalling £112,200, were approved as this Committee's original estimate capital programme by the Special Policy and Finance Committee and Full Council at their respective meetings in February 2019 and March 2019.

2.2 When the revised estimate budget for the 2018/19 capital programme was approved by this Committee in January 2019, £84,050 of budget on one scheme was moved from the 2018/19 capital programme to the 2019/20 capital programme.

2.3 Three schemes in the 2018/19 capital programme were not completed by 31 March 2019 and had unspent budget available at that date. The total unspent balance on these schemes, £60,950, is known as slippage. This slippage was transferred into the 2019/20 capital programme budget, after approval by this Committee in June 2019.

2.4 As a result of the above, the total approved budget for this Committee's capital programme of eight schemes is £257,200. This is shown at Annex 1.

3 CAPITAL MONITORING 2019/20

3.1 The table below summarises this Committee's capital programme budget, expenditure to date and variance as at the end of July 2019. 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.

Original Estimate 2019/20 £	Budget Moved from 2018/19 £	Slippage from 2018/19 £	Total Approved Budget 2019/20 £	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
112,200	84,050	60,950	257,200	24,256	-232,944

3.2 At the end of July 2019 £24,256 had been spent or committed. This is only 9.4% of the annual capital programme budget for this Committee.

- 3.3 The Queensway Garages scheme has been completed.
- 3.4 The Corporate Firewall, Committee Administration IT System, Replacement PCs, Financial system upgrade and New Council telephone system schemes are currently on-track to be completed in-year.
- 3.5 At this stage, there is no certainty that the Re-Design of Corporate Website and Lift Replacement at Council Offices schemes will be fully completed in-year.
- 3.6 The main reasons for the underspend on the full year budget to date are:

- **Lift replacement at Council Offices (-£82,000):** The main contract work was out to tender at the end of July 2019. The contract has now been let with a start date expected for early 2020. Given the nine-week estimate for completion of works, it is hoped that the main contract work will be completed by March 2020, but this is dependent on the actual start date agreed and delivery of works without delay.

Whatever happens with the timing of the works, the scheme will not be financially complete at the end of 2019/20, as the main contract retention payment, based on 5% of the final contract costs, cannot be paid until twelve months after the completion of the main work on the contract. The latest estimate of this retention amount is £4,280.

The scheme budget has been re-assessed, now that the main contract has been let. The latest estimate for the full scheme costs is £92,340, with £89,390 of this being the budget required for 2019/20 and 2020/21. The increase of £5,340 from the original budget is due to higher main contract works costs than planned (new regulations require a top drive lift, which has increased beam and loft costs) and expert consultant costs not included in the original budget. This latest estimate does not include any increase for further unforeseen costs.

This Committee is requested to approve the additional budget of £5,340 on this scheme, which can be funded from the Capital earmarked reserve.

- **Replacement PCs (-£47,100):** Officers are currently looking to progress the purchase of replacement PCs and organise short training sessions on Windows 10 and Office 2019 prior to roll out. Aiming for PCs to be purchased and operational by the end of January 2020.
- **New Council telephone system (-£45,000):** Following the completion of work obtaining quotes and making supplier/site visits, the preferred supplier will be chosen by the end of September 2019. At this stage, installation of the replacement system is expected to be completed by March 2020.
- **Re-Design of Corporate Website (-£30,000):** Officers are currently in discussions with suppliers and quotes have been received, including an option to move to an alternative supplier. A suggested way forward will be reported to CMT by October 2019. The planned completion date for the scheme will be known once the preferred solution has been agreed with CMT and the timescale then agreed with the chosen supplier. Therefore, there is a possibility that the scheme may not be fully completed by year-end.
- **Committee Administration IT System (-£20,100):** An initial meeting has been held with the proposed supplier and a formal quote received. A report on the suggested solution and proposed supplier is included elsewhere on this meeting's agenda. If that suggested solution is approved by this Committee, then officers aim to complete the system and hardware implementation by March 2020, to allow use of the new Committee Administration system from the beginning of the new municipal year in May 2020.

- **Corporate Firewall (-£7,130):** The hardware and software elements of the scheme were purchased by the end of July 2019. The IT consultancy input to complete the scheme has subsequently been delivered and paid for in August 2019.

4 RISK ASSESSMENT

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

- Resources – A sum of £5,340 is required to fund the increased budget on the Lift Replacement at Council Offices scheme. This can be funded from the Capital earmarked reserve.
- Technical, Environmental and Legal – The lift at the council offices must comply with the latest build regulations.
- Political – None.
- Reputation – None.
- Equality and Diversity – A safe and reliable lift is required in the council offices to provide disabled access.

5 CONCLUSION

5.1 At the end of July 2019 £24,256 had been spent or committed. This is only 9.4% of the annual capital programme budget for this Committee.

5.2 Out of the eight capital schemes for this Committee, one has been completed and at this stage five are on-track to be completed in-year. However, there is no certainty that the Re-Design of Corporate Website and Lift Replacement at Council Offices schemes will be fully completed in-year.

5.3 A sum of £5,340 is required to fund the increased budget on the Lift Replacement at Council Offices scheme.

6 RECOMMENDED THAT COMMITTEE

6.1 Approve the request for additional budget of £5,340 on the Lift Replacement at Council Offices scheme, to be funded from the Capital earmarked reserve.

SENIOR ACCOUNTANT
PF48-19/AC/AC
16 September 2019

DIRECTOR OF RESOURCES

For further background information please ask for Andrew Cook.
BACKGROUND PAPERS – None

Policy and Finance Committee – Capital Programme 2019/20

Cost Centre	Scheme	Original Estimate 2019/20 £	Budget Moved from 2018/19 £	Slippage from 2018/19 £	Additional Approvals 2019/20 £	Total Approved Budget 2019/20 £	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
COWEB	Re-Design of Corporate Website	30,000	0	0	0	30,000	0	-30,000
COFIR	Corporate Firewall	15,000	0	0	0	15,000	7,870	-7,130
COADM	Committee Administration IT System	20,100	0	0	0	20,100	0	-20,100
REPPC	Replacement PCs	47,100	0	0	0	47,100	0	-47,100
COLFT	Lift replacement at Council Offices	0	84,050	0	0	84,050	2,050	-82,000
QGARR	Queensway Garages – replace roof covering and repairs	0	0	1,830	0	1,830	228	-1,602
CFUPG	Financial system upgrade	0	0	14,120	0	14,120	14,108	-12
PHONE	New Council telephone system	0	0	45,000	0	45,000	0	-45,000
Total Policy and Finance Committee		112,200	84,050	60,950	0	257,200	24,256	-232,944

Policy and Finance Committee Individual Scheme Details

Re-Design of Corporate Website

Service Area: ICT

Submitted by: Lawson Oddie

Brief Description of the Scheme:

The last major re-design of the corporate website took place in 2014, by 2019/20 the current site will be 5 years old and website styling, best practice and functionality will have moved on greatly since 2014.

The current site will be showing its age, and be less engaging to members of the public.

Revenue Implications:

None above the existing budgeted revenue charges.

Timescale for Completion:

5 months based on the previous re-design.

Capital Cost:

	£	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
Total Approved Budget 2019/20	30,000	0	-30,000
ANTICIPATED TOTAL SCHEME COST	30,000		

Progress – Budget Holder Comments:

July 2019: Officers are currently in discussions with suppliers and quotes have been received, including an option to move to an alternative supplier. A suggested way forward will be reported to CMT by October 2019. The planned completion date for the scheme will be known once the preferred solution has been agreed with CMT and the timescale then agreed with the chosen supplier. Therefore, there is a possibility that the scheme may not be fully completed by year-end.

Policy and Finance Committee Individual Scheme Details

Corporate Firewall

Service Area: ICT

Submitted by: Lawson Oddie

Brief Description of the Scheme:

The current corporate firewall was replaced in 2014. New security threats from the internet are emerging at a rapid rate and technology must keep pace. In order to protect RVBC from cyber threats we will need to enhance our firewall/internet gateway.

Revenue Implications:

None above the existing budgeted revenue charges.

Timescale for Completion:

2-3 months depending on hardware availability.

Capital Cost:

	£	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
Total Approved Budget 2019/20	15,000	7,870	-7,130
ANTICIPATED TOTAL SCHEME COST	10,855		

Progress – Budget Holder Comments:

July 2019: The hardware and software elements of the scheme were purchased by the end of July 2019. The IT consultancy input to complete the scheme has subsequently been delivered and paid for in August 2019.

Policy and Finance Committee Individual Scheme Details

Committee Administration IT System

Service Area: Chief Executive's Department

Submitted by: Diane Rice

Brief Description of the Scheme:

This system will provide web-based access, storage and management of Council documents for members and officers.

Members will be able to:

- set up bespoke access to the committee papers and other documents that suits their individual needs
- add in personal notes on documents
- store all this information on their iPads; and
- link in with social media communication channels.

A small number of additional iPads will support committee administration in the Civic Suite.

The scheme will also potentially streamline committee admin, reducing costs for printing and delivery, moving away from paper based committee documents.

Revenue Implications:

Year 1: Restricted App annual costs, £3,100.

Year 2 onwards: Annual support and maintenance and Restricted App annual costs, £10,300.

Possible future printing and delivery reduced costs but no accurate estimate available.

Timescale for Completion:

2019/20.

Capital Cost:

	£	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
Total Approved Budget 2019/20	20,100	0	-20,100
ANTICIPATED TOTAL SCHEME COST	20,100		

Progress – Budget Holder Comments:

July 2019: An initial meeting has been held with the proposed supplier and a formal quote received. A report on the suggested solution and proposed supplier is included elsewhere on this meeting's agenda. If that suggested solution is approved by this Committee, then officers aim to complete the system and hardware implementation by March 2020, to allow use of the new Committee Administration system from the beginning of the new municipal year in May 2020.

Policy and Finance Committee Individual Scheme Details

Replacement PCs

Service Area: ICT

Submitted by: Lawson Oddie

Brief Description of the Scheme:

We have just recently had notification that extended support for Windows 7 will cease on 14 January 2020. Without such support we are unable to operate such PCs on the council network. Based on our current desktops this move to Windows 10 will affect 169 PCs and the majority (115) will either not support Windows 10 or the performance would be very poor.

Whilst some PC replacements can be accommodated in the lead up to January 2020, some other PCs will be approaching end of life.

This bid proposes the replacement of 115 PCs with those of a specification that should help assure an anticipated usable life of around 5 years.

Further considerations and planning may require a change in the phasing of these replacements and PC specifications.

Revenue Implications:

None identified.

Timescale for Completion:

Required to be in place by January 2020.

Capital Cost:

	£	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
Total Approved Budget 2019/20	47,100	0	-47,100
ANTICIPATED TOTAL SCHEME COST	47,100		

Progress – Budget Holder Comments:

July 2019: Officers are currently looking to progress the purchase of replacement PCs and organise short training sessions on Windows 10 and Office 2019 prior to roll out. Aiming for PCs to be purchased and operational by the end of January 2020.

Policy and Finance Committee Individual Scheme Details

Lift replacement at Council Offices

Service Area: Council Offices
Head of Service: Adrian Harper

Brief Description of the Scheme:

The council offices lift is the only accessible entrance to the council offices. The exact age of the lift itself is unidentified. The gear box that controls the lift is 38 years old so it can be assumed that the lift has been in situ since 1979. The lift is coming to the end of its economic life. In 2013 essential repair works to the lift were undertaken to keep the lift in operation; the total cost of this was £5,170. These works entailed replacement of the lift ropes and repairs to the drive sheave. It is generally thought that a reasonable operating life cycle for a lift would be 20-25 years although this expectation is dependent on usage and the environment in which the lift has been installed. The design life of a lift can and has been extended with routine servicing and by using replacement parts of the correct compatibility. The older a lift becomes sourcing original parts becomes increasingly difficult as they are no longer manufactured. As the legislation changes modifications are required to improve/meet compliance. The current standards in force for new lift installations are the BS EN81 series. To ensure the increased safety of existing lifts BS EN81-80 contains the rules for improvement of existing lift installations. Any existing lift installation should be assessed to this standard to ensure it meets the highest level of safety. The lift at the council offices does not comply with BS EN81-80. However, currently there is no legal obligation to comply.

The lift requires replacement because it is coming to the end of its economic life, does not comply with the latest BS standards and is currently unreliable.

Revenue Implications:

None.

Timescale for Completion:

Spring 2018: Out to tender. Summer 2018: Install new lift.

Capital Cost:

	£	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
Original Estimate 2019/20	0		
Budget Moved from 2018/19	84,050		
Total Approved Budget 2019/20	84,050	2,050	-82,000
Actual Expenditure 2018/19	2,950		
ANTICIPATED TOTAL SCHEME COST	92,340		

Policy and Finance Committee Individual Scheme Details

Progress - Budget Holder Comments

July 2019: The main contract work was out to tender at the end of July 2019. The contract has now been let with a start date expected for early 2020. Given the nine-week estimate for completion of works, it is hoped that the main contract work will be completed by March 2020, but this is dependent on the actual start date agreed and delivery of works without delay.

Whatever happens with the timing of the works, the scheme will not be financially complete at the end of 2019/20, as the main contract retention payment, based on 5% of the final contract costs, cannot be paid until twelve months after the completion of the main work on the contract. The latest estimate of this retention amount is £4,280.

The scheme budget has been re-assessed, now that the main contract has been let. The latest estimate for the full scheme costs is £92,340, with £89,390 of this being the budget required for 2019/20 and 2020/21. The increase of £5,340 from the original budget is due to higher main contract works costs than planned (new regulations require a top drive lift, which has increased beam and loft costs) and expert consultant costs not included in the original budget. This latest estimate does not include any increase for further unforeseen costs.

This Committee is requested to approve the additional budget of £5,340 on this scheme, which can be funded from the Capital earmarked reserve.

December 2018: The work specification needs to be completed before the scheme is put out to tender. The work specification is expected to be completed in 2018/19 at an estimated cost of £2,950. However, the time then required for the tendering and contractor selection means that no spend will take place on the main contract work before the end of 2018/19. Thus, it is recommended that the revised estimate budget is reduced to £2,950 and the remaining budget of £84,050 is moved to the 2019/20 financial year.

September/October 2018: No change to August 2018 comments.

August 2018: The design and build specification needs to be finalised before the scheme is put out to tender. The time required for the tender, design and build stages means that the scheme will not be completed within the 2018/19 financial year. Slippage into 2019/20 will be requested for any unspent budget at year-end.

Policy and Finance Committee Individual Scheme Details

Queensway Garages – replace roof covering and repairs (Slippage)

Service Area: Estates
Head of Service: Adrian Harper

Brief Description of the Scheme:

The Garage site comprising 23 garages is now managed again by the Council.

The Garages are in a poor condition and are in need of repairs. The roof covering has reached the end of its economic life. An estimate for works including the removal and disposal of the existing asbestos cement roofs, replacing with steel roofing sheets and some maintenance work to the metal up and over doors would come to a cost of £23,000.

It should be noted that the Council previously generated an income of approximately £3,600 per year when Ribble Valley Homes managed the garage site. Now the Council have taken back management of the garage site, it is estimated further income of £3,600 per year will be accrued, resulting in estimated income of £7,200 per annum.

Revenue Implications:

-£3,600 Fees and charges income per annum – garage rents additional income now the Council manage the garages.

£500 Premises related costs per annum – yearly maintenance costs now the Council manage the garages.

Timescale for Completion:

Spring 2018: Specify and Tender.

Summer 2018: Commencement of works and completion.

Capital Cost:

	£	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
Original Estimate 2019/20	0		
Slippage from 2018/19	1,830		
Total Approved Budget 2019/20	1,830	228	-1,602
Actual Expenditure 2018/19	18,169		
ANTICIPATED TOTAL SCHEME COST	18,397		

Progress - Budget Holder Comments

July 2019: SCHEME COMPLETE - Snagging work was completed in April 2019.

March 2019: The main work on the scheme is complete. The only work still to be completed at 31 March 2019 was final snagging work on some roof joints. Slippage of £1,830 into the 2019/20 financial year is required to cover the cost of the roof joint snagging work plus some contingency.

**Policy and Finance Committee
Individual Scheme Details**

December 2018: The main scheme work has been completed at a cost of £17,845, which is lower than the original estimate budget of £23,000, but there is the potential that final snagging work will be required. Thus, it is recommended that the revised estimate is set at £20,000 to ensure some budget is set aside to cover any snagging work required.

September/October 2018: The scheme is still close to completion but officers are still awaiting agreement from some residents on gaining access to the rear of their garages to complete the final part of the work. It is expected that the scheme will be completed in-year, subject to gaining the access required.

August 2018: The majority of the work on the scheme is complete and officers are awaiting agreement with residents on gaining access to the rear of some of the garages to complete the final part of the work. At this stage, it is expected that the scheme will be completed in-year.

Policy and Finance Committee Individual Scheme Details

Financial system upgrade (Slippage)

Service Area: Financial Services
Head of Service: Lawson Oddie

Brief Description of the Scheme:

We were made aware towards the end of 2017 by the software supplier of our financial systems that the rich client version that we currently use is to be withdrawn from mid-2018 and that we will be forced to move to the web-based version.

As a result, a financial system upgrade capital scheme is required for the 2018/19 financial year.

Revenue Implications:

There will be an increase to our annual maintenance and support charge of £2,800. The current annual charge is £18,679.

Timescale for Completion:

We have been told that the very latest date that could be permitted for a move to the web-version of the software in 'live' would be December 2018. We will look to undertake the implementation after the audit of the Statement of Accounts for 2017/18 - therefore between August and December 2018. Any interim work that could be undertaken without impacting on the closedown process and audit will be undertaken earlier where possible.

Capital Cost:

	£	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
Original Estimate 2019/20	0		
Slippage from 2018/19	14,120		
Total Approved Budget 2019/20	14,120	14,108	-12
Actual Expenditure 2018/19	32,330		
ANTICIPATED TOTAL SCHEME COST	46,450		

Progress - Budget Holder Comments

July 2019: The software upgrade has been completed. Training is to be undertaken at the end of September 2019, with Go Live completion planned for October 2019.

March 2019: A significant amount of work has been completed on the scheme, namely purchase of the software required and initial upgrade and migration work in the test environment. There have been some delays which mean that final testing and the final live upgrade to the web-based version will now be completed in 2019/20. Slippage of £14,120 into the 2019/20 financial year is needed to cover the costs of final testing and the final upgrade to the web-based version of our financial systems.

**Policy and Finance Committee
Individual Scheme Details**

September/October 2018: The initial upgrade and migration work has been completed in the test environment. Testing is almost complete on the Rich Client version. Once this has been tested and rolled out to users, work will be finalised on moving over to the latest web version of the system, with further consultancy from the software company and testing before go-live. There have been some delays on testing which is likely to push completion to January/February 2019.

August 2018: The upgrade software has been paid for. The IT consultancy input for the web upgrade and conversion part of the scheme, which is required to complete the scheme, will be scheduled in within this financial year.

Policy and Finance Committee Individual Scheme Details

New Council telephone system (Slippage)

Service Area: Council Offices

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 including commitments as at end of July 2019 £	Variance as at end of July 2019 £
Original Estimate 2019/20	0		
Slippage from 2018/19	45,000		
Total Approved Budget 2019/20	45,000	0	-45,000
Actual Expenditure 2017/18	0		
Actual Expenditure 2018/19	0		
ANTICIPATED TOTAL SCHEME COST	45,000		

Policy and Finance Committee Individual Scheme Details

Progress – Budget Holder Comments:

July 2019: Following the completion of work obtaining quotes and making supplier/site visits, the preferred supplier will be chosen by the end of September 2019. At this stage, installation of the replacement system is expected to be completed by March 2020.

March 2019: The scheme is at the quote stage. Initial quotes have been received from three suppliers and a fourth quote is being sought in line with contract procedure rules. A site visit has been scheduled for 19 June 2019 to visit the fourth supplier for a full demonstration of their proposed solution. Following this visit a report outlining options for replacement telephony and associated costings will be submitted to CMT for consideration. Slippage of £45,000 into the 2019/20 financial year is required to complete the delivery of the replacement telephone system

December 2018: Officers are currently in the process of obtaining quotes for the replacement system, following further work undertaken on the options available within the current capital budget. The quotes are likely to be reported to CMT in February 2019 before the preferred supplier is confirmed. At this stage, it is unlikely that the scheme will be completed within the 2018/19 financial year. Slippage into 2019/20 will be requested for any unspent budget at year-end.

September/October 2018: Following input from CMT, further work is on-going with regard to the options being considered for a preferred solution. The preferred solution will be reported to CMT and a future Policy and Finance Committee meeting before quotes are requested from suppliers. At this stage, there is no guarantee that the scheme will be completed within the 2018/19 financial year. Slippage into 2019/20 will be requested for any unspent budget at year-end.

August 2018: Following supplier input on the type of replacement system or system upgrade available to provide telephony resilience for future years, lead officers and CMT discussed the initial options considered and agreed the next steps for the scheme. Lead officers will now gather more information on technical specifications, costings and timescales and suggest a preferred solution. The preferred solution will be reported to CMT and a future Policy and Finance Committee meeting. At this stage, officers are aiming to complete the scheme in 2018/19, but this is dependent on the timescale for the preferred solution.

March 2018: The scheme is still in development stage, having sought supplier input over a period of time on the most appropriate telephone system solution. This is an iterative process. Following supplier input, officers will now develop the system requirements, a detailed specification will be confirmed and quotes will be obtained. Slippage of £45,000 into the 2018/19 financial year is required to complete the delivery of the new system.

December 2017: An initial meeting and follow up telephone conference with a potential supplier have taken place. The potential supplier will now visit the Council and officers will then develop the system requirements. Following this, a detailed specification will be confirmed and quotes will be obtained. Given this, completion within the current financial year cannot be estimated with any certainty at this stage. If the scheme is not completed by year-end, then any unspent budget will be rolled forward at year-end to support spend in 2018/19.

September 2017: Officers met with a potential supplier in September and are currently awaiting technical feedback on the system requirements. Following this, a detailed specification will be produced and quotes obtained. The implementation timescale will be clearer at detailed specification stage. Given this, completion within the current financial year cannot be estimated with any certainty at this stage.

**Policy and Finance Committee
Individual Scheme Details**

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.

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 11

meeting date: 24 SEPTEMBER 2019
title: LOCAL TAXATION WRITE OFFS
submitted by: DIRECTOR OF RESOURCES
principal author: MARK EDMONDSON

1 PURPOSE

1.1 To obtain Committee's approval to write off Business Rate debts.

1.2 Relevance to the Council's ambitions and priorities:

- Council Ambitions/Community Objectives/Corporate Priorities

Without the revenue collected from business 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. We only write debts off where all avenues of debt recovery have been fully explored.

Business Rates

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.

3 CURRENT POSITION

3.1 There is one case where a company has been dissolved and one which has been liquidated and therefore we need to write off these debts. Annex 1 shows details of the debts we are seeking approval to write off against the collection fund – these total £13,572.03 business rates.

4 FINANCIAL IMPLICATIONS

4.1 Under the **current** Business Rate Pilot arrangements the cost of Business Rate write offs are met in part by central government 25% and in part by local government, i.e. ourselves 56%, the county council 17.5% and the fire and rescue authority 1.5%.

4.2 RECOMMENDED THAT COMMITTEE

4.3 Approve writing off £13,512.03 Business Rates and £60.00 costs where it has not been possible to collect the amounts due.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF47-19/ME/AC
10 September 2019

Write offs – NNDR

Year	Name	Property	Amount £
DISSOLVED			
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.			
2017/18	Cool Base Ltd	37 Castle Street, Clitheroe	3,412.75
2018/19			5,493.30
TOTAL			8,906.05

Year	Name	Property	Amount £
LIQUIDATION			
Liquidation is the process by which a company (or part of a company) is brought to an end, and the assets and property of the company are redistributed. It is unlikely in these cases that, as an unsecured creditor, we will receive any funds but if we do an adjustment will be made to the amount written off.			
2018/19	Fieldens Arms Ltd	Whalley Road, Mellor Brook, Blackburn	*4,665.98
TOTAL			4,665.98

*including £60.00 costs

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 12

meeting date: 24 SEPTEMBER 2019
title: SPENDING ROUND 2019
submitted by: DIRECTOR OF RESOURCES
principal author: JANE PEARSON

1 PURPOSE

- 1.1 To update members regarding the Spending Round 2019 announced on 4 September 2019.

2 BACKGROUND

- 2.1 The full document (108 pages) is available to download from the Government website at <https://www.gov.uk/government/publications/spending-round-2019-document>

3 IMPACT ON LOCAL GOVERNMENT

- 3.1 The LGA have produced a useful analysis of the Spending Round announcement which is available at <https://www.local.gov.uk/parliament/briefings-and-responses/spending-round-2019-day-briefing>

4 KEY MESSAGES

- 4.1 The 2019 Spending Round is for one year only but does provide Councils with some certainty as to next year's funding. The Chancellor has announced a funding package of more than £3.5 billion for council services. This is the biggest year on year real terms increase in spending power for local government in a decade
- 4.2 The Government has provided £1bn for social care and £700m for children and young people with special educational needs and disabilities. The Chancellor confirmed that key grants to local government will also continue next year

Core Spending Power

- 4.3 There is a £2.9bn increase in Core Spending power overall. Most of the additional funding is for adults and children's services, but there is £54m for Homelessness

Business Rates and the Fair Funding Review

- 4.4 The Chancellor announced:that Local Government's business rate baseline funding levels will increase in line with CPI.
- 4.5 The Government has written to councils announcing that a decision has been taken to delay the implementation of 75% business rates retention and the Fair Funding Review until April 2021.
- 4.6 75% business rates pilots will come to an end and there are no new pilots planned for 2020/21

Council tax

- 4.7 The Spending Round assumes a 2% maximum council tax increase and a further 2% increase for Adult Social Care Precept for illustrative purposes. As is customary however,

the government will consult on Council Tax Referendum Principles later this year as part of the Local Government Finance Settlement. The government will also consult on a 2% Adult Social Care precept that will enable councils to access a further £0.5 billion.

New Homes Bonus (NHB)

- 4.8 Legacy payments will be honoured but the scheme for 2020/21 is still for discussion with ministers

Negative RSG

- 4.9 Funding to remove negative RSG has been continued for 2020/21
- 4.10 A technical consultation will be issued on the settlement fairly soon with the provisional settlement being announced in early December. This could, of course, be subject to change depending on decisions made by Parliament.

5 CONCLUSION

- 5.1 Whilst the Spending Round announcement provides some degree of certainty over our funding for next year we await a decision on what will replace business rate pilots.
- 5.2 Also of significant concern is that the NHB scheme for 2020/21 is still being considered by ministers.

DIRECTOR OF RESOURCES
BWG

50-19pf

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No. 13

meeting date: TUESDAY, 24 SEPTEMBER 2019
 title: LUNCHEON CLUBS
 submitted by: NICOLA HOPKINS - DIRECTOR OF ECONOMIC DEVELOPMENT & PLANNING
 principal author: DILYS DAY – PARTNERSHIP OFFICER

1 PURPOSE

1.1 This report provides Committee with an update on the Luncheon Clubs support project which was given a budget allocation in 2015 following the cessation of the meals on wheels service.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – The provision of services supports older and more vulnerable people in the community and provides a point of contact for those residents with other partner agencies.
- Corporate Priorities – The service helps make peoples' lives safer and healthier and helps to alleviate issues around loneliness and isolation.
- Other Considerations – future funding allocations.

2 BACKGROUND

2.1 LCC provided a match fund for the 2 years following the closure of the Meals on Wheels service. This resulted in a fund of £20,000 to be invested in new lunch club provisions and for the development of existing clubs, with the objective of them becoming sustainable.

2.2 In 2016/17 the Council's budget allocation was £12,910, in 2018/19 it was £13,170 and in the current year £14,520.

3 PROGRESS TO DATE

3.1 There are now 25 lunch clubs registered on our database. This is a net increase of 8 since the start of the initiative. It is estimated that the new clubs have attracted around 300 additional people. Clubs of particular note include Ribchester which has a regular attendance of around 60 people, and West Bradford with over 50 regular attenders. Wilpshire attracts around 25 people, and Grindleton also has a membership of over 50 people.

3.2 A lunch club operating at Ribchester Hospital unfortunately had to close due to the difficulty in finding volunteers to keep the group going and this was one of the clubs subsidised by RVBC.

3.2 The following start up and support grants were awarded by the Council in 2018/19:

Location	£
Grindleton Lunch club	109.00
Mellor Luncheon Club	700.00
Clitheroe Methodist Circuit	400.00
Pendle Luncheon Club	750.00
Total for 2018/ 2019	1,959.00

- 3.4 The Council continues to support 3 clubs on a regular basis – Pendle Club in Clitheroe, Chatburn and Mellor. All of these clubs have been in operation for many years, and have been supported by the Council by way of grant payments towards the running costs. Pendle Club has now reduced the frequency of the lunches to once every two weeks due to availability of cooking volunteers.
- 3.5 In regard to the future budgeting for Lunch Clubs, the existing regular provision can continue to be supported within existing budgets, with the surplus being available for situations where additional funds are needed for the continuation of a lunch provision or for the establishment of a new one. Whilst the Council has promoted within parishes the creation of new clubs, other initiatives are coming forward.
- 3.6 Over the past four years, the expectations around continued funding have been managed, and amounts paid frozen at 2015 levels as clubs have moved towards being more sustainable.
- 3.7 Additionally the clubs have the potential to access alternative funding which reduces the draw on the Council's budget. With the support of the Partnership Officer, Longridge over 60s Club was directed towards the Yapp Foundation which is a fund focused on supporting older people's groups. The Club was able to access funding to help with their running costs over the next 3 years. We also signposted the Gisburn Monday Club to Awards for All, and they too have secured funding to allow their group to continue.
- 3.8 All of the new clubs have been supported by the Partnership Team to help them to set up and become established. They are now thriving, and are sustainable with the current attendance levels.

4 FUTURE DEVELOPMENTS

- 4.1 There are very few locations across the borough that do not have access to a lunch club or similar regular event. However, attempts to start new clubs are limited by a lack of volunteers. The lack of volunteers limits the ability of some clubs to continue (Pendle Club now has reduced frequency for example).
- 4.2 There seems to be a shift in the type of social activity that our older residents are interested in. Around two years ago, with our help, funding was secured by the Seniors Form to host tai chi classes for over 50s. They have been immensely popular, and the sessions across six locations attract over 150 people who benefit from the exercise and valuable social interaction. In Sabden, there is a monthly lunch club held at the local pub where people can access a quality great value meal, with the reassurance that there will be other like-minded people there to socialise and have lunch with.
- 4.3 Bearing the above points in mind, our future developments are looking at ways to reduce the reliance on volunteers, and to put lunch clubs into established venues which offer a feeling of normality, with the reassurance that there will be others to meet with. This model also helps support local business. Working with the RVDAA and Age UK Lancashire, the Council have just opened a lunch club which is dementia friendly at Taste Buds café in Whalley. The cafe is prepared to offer a closed off space and a subsidised lunch menu. This forms the first venue for us in our 'Meet & Eat' initiative.

5 MEET & EAT

- 5.1 'Meet & Eat' has been established to promote regular gatherings in established cafes and pubs. The essence of the gatherings will be that there will be a warm, dementia

friendly, welcome on hand at set times, together with a specially priced menu. Whether alone, or in a group, people can be reassured that they will be looked after, and have someone to sit with. This supports not only our desire to overcome loneliness and isolation, but also helps to support the rural businesses that take part.

- 5.2 There is a plan to have an accompanying guide to the 'Meet & Eat' venues.
- 5.3 Going forward opportunities develop new models including how the Council can best support needs in relation to activities that support well-being for older persons in particular will be explored.

6 **CONCLUSION**

- 6.1 That Committee note the contents of this report.

DILYS DAY
PARTNERSHIP OFFICER

NICOLA HOPKINS
DIRECTOR OF ECONOMIC DEVELOPMENT & PLANNING

BACKGROUND PAPERS

None.

For further information please ask for Dilys Day, extension 4549.

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No. 14

meeting date: TUESDAY, 24 SEPTEMBER 2019
 title: OMBUDSMAN ANNUAL REVIEW LETTER 2018
 submitted by: MARSHAL SCOTT - CHIEF EXECUTIVE
 principal author: DIANE RICE - HEAD OF LEGAL AND DEMOCRATIC SERVICES

1 PURPOSE

1.1 To inform Committee about referrals to the Local Government Ombudsman (LGO) for the period 1.4.18 to 31.3.19.

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 eight occasions.

2.4 Whilst eight complaints were received, nine were determined during the period 1 April 2018 to 31 March 2019. The decisions made by the Ombudsman were as follows:

- One complaint was dismissed as incomplete or invalid.
- One complaint was closed after initial enquiries by the Ombudsman.
- One complaint was upheld.
- Six complaints were not upheld.

2.5 It should be noted that one complaint is classified as Adult Care Services – whilst the Council's role does not in general include the provision of adult care services, the Council does provide some related services eg disabled facilities grants.

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 2019:

www.lgo.ork.uk/information/centre/reports/annual-review-reports/interpreting-local-authority-statistics

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

24 July 2019

By email

Marshal Scott
Chief Executive
Ribble Valley Borough Council

Dear Mr Scott

Annual Review letter 2019

I write to you with our annual summary of statistics on the complaints made to the Local Government and Social Care Ombudsman about your authority for the year ending 31 March 2019. The enclosed tables present the number of complaints and enquiries received about your authority, the decisions we made, and your authority's compliance with recommendations during the period. I hope this information will prove helpful in assessing your authority's performance in handling complaints.

Complaint statistics

As ever, I would stress that the number of complaints, taken alone, is not necessarily a reliable indicator of an authority's performance. The volume of complaints should be considered alongside the uphold rate (how often we found fault when we investigated a complaint), and alongside statistics that indicate your authority's willingness to accept fault and put things right when they go wrong. We also provide a figure for the number of cases where your authority provided a satisfactory remedy before the complaint reached us, and new statistics about your authority's compliance with recommendations we have made; both of which offer a more comprehensive and insightful view of your authority's approach to complaint handling.

The new statistics on compliance are the result of a series of changes we have made to how we make and monitor our recommendations to remedy the fault we find. Our recommendations are specific and often include a time-frame for completion, allowing us to follow up with authorities and seek evidence that recommendations have been implemented. These changes mean we can provide these new statistics about your authority's compliance with our recommendations.

I want to emphasise the statistics in this letter reflect the data we hold and may not necessarily align with the data your authority holds. For example, our numbers include

enquiries from people we signpost back to your authority, some of whom may never contact you.

In line with usual practice, we are publishing our annual data for all authorities on our website, alongside our annual review of local government complaints. For the first time, this includes data on authorities' compliance with our recommendations. This collated data further aids the scrutiny of local services and we encourage you to share learning from the report, which highlights key cases we have investigated during the year.

New interactive data map

In recent years we have been taking steps to move away from a simplistic focus on complaint volumes and instead focus on the lessons learned and the wider improvements we can achieve through our recommendations to improve services for the many. Our ambition is outlined in our [corporate strategy 2018-21](#) and commits us to publishing the outcomes of our investigations and the occasions our recommendations result in improvements for local services.

The result of this work is the launch of an interactive map of council performance on our website later this month. [Your Council's Performance](#) shows annual performance data for all councils in England, with links to our published decision statements, public interest reports, annual letters and information about service improvements that have been agreed by each council. It also highlights those instances where your authority offered a suitable remedy to resolve a complaint before the matter came to us, and your authority's compliance with the recommendations we have made to remedy complaints.

The intention of this new tool is to place a focus on your authority's compliance with investigations. It is a useful snapshot of the service improvement recommendations your authority has agreed to. It also highlights the wider outcomes of our investigations to the public, advocacy and advice organisations, and others who have a role in holding local councils to account.

I hope you, and colleagues, find the map a useful addition to the data we publish. We are the first UK public sector ombudsman scheme to provide compliance data in such a way and believe the launch of this innovative work will lead to improved scrutiny of councils as well as providing increased recognition to the improvements councils have agreed to make following our interventions.

Complaint handling training

We have a well-established and successful training programme supporting local authorities and independent care providers to help improve local complaint handling. In 2018-19 we delivered 71 courses, training more than 900 people, including our first 'open courses' in Effective Complaint Handling for local authorities. Due to their popularity we are running six more open courses for local authorities in 2019-20, in York, Manchester, Coventry and London. To find out more visit www.lgo.org.uk/training.

Finally, I am conscious of the resource pressures that many authorities are working within, and which are often the context for the problems that we investigate. In response to that situation we have published a significant piece of research this year looking at some of the

common issues we are finding as a result of change and budget constraints. Called, [Under Pressure](#), this report provides a contribution to the debate about how local government can navigate the unprecedented changes affecting the sector. I commend this to you, along with our revised guidance on [Good Administrative Practice](#). I hope that together these are a timely reminder of the value of getting the basics right at a time of great change.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'M King', with a stylized flourish at the end.

Michael King
Local Government and Social Care Ombudsman
Chair, Commission for Local Administration in England

Local Authority Report: Ribble Valley Borough Council
For the Period Ending: 31/03/2019

For further information on how to interpret our statistics, please visit our [website](#)

Complaints and enquiries received

Adult Care Services	Benefits and Tax	Corporate and Other Services	Education and Children's Services	Environment Services	Highways and Transport	Housing	Planning and Development	Other	Total
0	0	2	0	0	0	0	6	0	8

Decisions made

Incomplete or Invalid	Advice Given	Referred back for Local Resolution	Closed After Initial Enquiries	Detailed Investigations		Total
				Not Upheld	Upheld	
1	0	0	1	6	1	9
					14	

Note: The uphold rate shows how often we found evidence of fault. It is expressed as a percentage of the total number of detailed investigations we completed.

Satisfactory remedy provided by authority

Upheld cases where the authority had provided a satisfactory remedy before the complaint reached the Ombudsman	% of upheld cases
0	0

Note: These are the cases in which we decided that, while the authority did get things wrong, it offered a satisfactory way to resolve it before the complaint came to us.

Compliance with Ombudsman recommendations

Complaints where compliance with the recommended remedy was recorded during the year*	Complaints where the authority complied with our recommendations on-time	Complaints where the authority complied with our recommendations late	Complaints where the authority has not complied with our recommendations	Number	Compliance rate**
1	1	0	0	0	-
		100%			

Notes:

* This is the number of complaints where we have recorded a response (or failure to respond) to our recommendation for a remedy during the reporting year. This includes complaints that may have been decided in the preceding year but where the data for compliance falls within the current reporting year.

** The compliance rate is based on the number of complaints where the authority has provided evidence of their compliance with our recommendations to remedy a fault. This includes instances where an authority has accepted and implemented our recommendation but provided late evidence of that.

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No. 15

meeting date: 24th SEPTEMBER 2019
 title: 2018/2019 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 2018/2019 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 2018/19. Notes are provided where necessary to explain significant variances either between the outturn and the target or between 2018/2019 data and 2017/2018 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 2018/2019 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 also been provided for 2019/2020.
- 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:
 - 90.9% (10) of PIs met target (green)
 - 9.09% (1) of PIs close to target (amber)

- 0% (0) of PIs missed target (red)
- 2.6 Analysis shows that of the 14 indicators where it's appropriate to compare performance trend over the years:
- 78.57% (11) of PIs improved
 - 7.14% (1) of PIs stayed the same
 - 14.29% (2) of PIs worsened
- 2.7 Where possible audited and checked data has been included in the report. However, some data may be corrected following the work of Internal Audit and before the final publication of the indicators on the Council's website.
- 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 Revenues and Benefits, Mark Edmondson, Head of Revenues and Benefits, has provided the following information regarding performance and targets and variances:
- **PI RB3 - NNDR Direct Debit take-up as a percentage of chargeable properties -**
- the number of NNDR accounts paying by Direct Debit is difficult to predict. It is influenced by the various additional reliefs that have been introduced by the Government at the last budget ie a relief may be introduced that reduces the number of rate payers.
- 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 – It is important that correct information is available to facilitate decision-making.
 - Equality & Diversity - None
- 5 CONCLUSION
- 5.1 Consider the 2018/2019 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

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

Legal Services Performance Information 2018/2019

PI Code	Short Name	2017/18		2018/19		2019/20	Current Performance	Trend year on year	Target setting rationale	Corporate Objective
		Value	Target	Value	Target	Target				
PI LD1 (BV179)	Standard searches carried out in 10 working days	95.48%	85.00%	97.39%	90.00%	90.00%			To improve performance.	
PI LD3	Number of corporate complaints received	13		19					Targets not required.	

Financial Services Performance Information 2018/2019

PI Code	Short Name	2017/18		2018/19		2019/20	Current Performance	Trend year on year	Target setting rationale	Corporate Objective
		Value	Target	Value	Target	Target				
PI FS6	Accrued investment interest earned	£21002	£15660	£81042	£20000	£25000			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	
PI FS7 (BV8)	% of invoices paid on time	99.40%	99.00%	99.40%	99.00%	99.00%			99% deemed to be an achievable target	To maintain critical financial management and controls, and ensure the authority provides council tax payers with value for money within the current financial restraints
PI IT1	Number of unique website visitors (excluding authorities own staff)	248,677		264,279						

Revenues and Benefits Services Performance Information 2018/2019

PI Code	Short Name	2017/18		2018/19		2019/20	Current Performance	Trend year on year	Target setting rationale	Corporate Objective
		Value	Target	Value	Target	Target				
PI RB1	CTAX direct debit take-up as a percentage of chargeable accounts	75.84%	74.9%	76.51%	75.9%	76.6%			To continue to increase DD take up	
PI RB3	NNDR Direct Debit take-up as a percentage of chargeable properties	53.82%	53%	51.14%	53.9%	51.2%			To continue to increase DD take up	
PI RB5 (BV9)	% of Council Tax collected	98.75%	98.80%	98.85%	98.80%	98.85%			Maintain high collection rate	To maintain critical financial management and controls, and ensure the authority provides council tax payers with value for money within the current financial restraints
PI RB6 (BV10)	Percentage of Non-domestic Rates Collected	98.32%	98.53%	98.50%	98.50%	98.50%			Maintain high collection rate	To maintain critical financial management and controls, and ensure the authority provides council tax payers with value for money within the current financial restraints
PI RB10 (BV79b1)	Percentage of Recoverable Overpayments Recovered (HB) that are recovered during period	94.79%	75.00%	103.93%	95.00%	100.00%			Maintain high collection rate	
PI RB11 (BV79b2)	HB overpayments recovered as % of the total amount of HB overpayment debt outstanding	44.47%	40.00%	46.74%	44.53%	46.80%			Continuous improvement	
PI RB12 (BV79b3)	Percentage of Over Payments Written Off in period (HB)	1.40%		1.33%					Targets not required	
PI RB13 (BV78a)	Speed of processing - new HB/CTB claims	18.9	23.0	14.3	20.0	15.0			Target set due to rollout of Universal Credit	
PI RB14 (NI 181)	Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	6.5	10.0	4.1	6.9	5.0			Target set at for continuous improvement having regard to rollout of Universal Credit	

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

Agenda Item No 16

meeting date: 24 SEPTEMBER 2019
title: OVERALL CAPITAL MONITORING 2019/20
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 2019.

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 Eighteen schemes, totalling £2,429,140, were approved for inclusion in the overall capital programme original estimate budget by the Special Policy and Finance Committee and Full Council at their respective meetings in February 2019 and March 2019.

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

- The 2018/19 capital programme budgets for two schemes, totalling £259,050, were moved from 2018/19 to the 2019/20 capital programme, following assessment of the progress on those schemes when the 2018/19 revised capital programme budget was set in January 2019.
- The 2019/20 budget for one scheme has been reduced by £2,290 because £2,292 was spent on necessary early work on that scheme towards the end of the 2018/19 financial year.
- There were eleven 2018/19 capital schemes that were not completed by 31 March 2019 and had unspent budget available at that date. The total unspent budget on these schemes was £678,270 and this is known as slippage. This slippage has been transferred into the 2019/20 capital programme budget.
- Additional budget approvals, totalling £386,870, have been granted on four capital schemes so far in 2019/20.

2.3 Consequently, the total approved budget for the 2019/20 overall capital programme of thirty two schemes is £3,751,040.

3 CAPITAL MONITORING 2019/20

3.1 The table overleaf summarises the overall capital programme by committee, showing the total approved budget, actual expenditure and variances as at the end of July 2019. Annex 1 shows the overall capital programme by scheme, including budget, actual expenditure and variances as at the end of July 2019.

Committee	Original Estimate 2019/20 £	Budget Moved from 2018/19 £	Slippage from 2018/19 £	Additional Approvals 2019/20 £	Total Approved Budget 2019/20 £	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
Community Services	1,912,440	-2,290	57,870	11,500	1,979,520	615,455	-1,364,065
Planning and Development	14,500	0	26,420	0	40,920	0	-40,920
Policy and Finance	112,200	84,050	60,950	0	257,200	24,256	-232,944
Health and Housing	370,000	175,000	451,280	375,370	1,371,650	222,401	-1,149,249
Economic Development	20,000	0	81,750	0	101,750	0	-101,750
OVERALL TOTAL	2,429,140	256,760	678,270	386,870	3,751,040	862,112	-2,888,928

3.2 At the end of July 2019 £862,112 had been spent or committed. This is 23% of the overall capital programme budget for 2019/20.

3.3 Six schemes have been completed already. Based on the review of progress on each of the remaining twenty six schemes, at this stage:

- seventeen schemes are currently on-track to be completed in-year
- five schemes are in progress but may not be fully completed in-year
- two schemes are on hold, awaiting the result of a wider Planning system process review before any progress can be made; and
- two schemes are on-going Housing grants schemes.

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

- **Edisford Sports Complex (-£1,226,148):** The scheme is progressing well at the end of July 2019. The main contract work is on track for completion in September 2019, whilst all non-contract items are expected to be completed in October 2019, the main ones being purchase of a pitch maintenance tractor and furniture and equipment for the new building.

The capital scheme budget for the facility was first estimated at £1,430,440 and was approved by Special Policy and Finance Committee in February 2019. Since this time the main element of the works have been tendered and the contract awarded at a lower price. After allowing for contingencies the budget will be revised to reflect the successful tender and the other associated costs of the scheme to £1,323,010. Whilst unexpected costs may arise at any point during a project of this size, the indication at this time is that the full scheme will be within budget. The 2019/20 element of this overall budget is £1,320,720, after allowing for the £2,290 budget used on early work in 2018/19.

The scheme will not be financially complete at the end of 2019/20, as the main contract retention payment, based on 5% of the final contract costs including variations, cannot be paid until twelve months after the completion of the main work on the contract. The latest estimate of this retention amount is £61,730.

The revised budget and the contract retention amount will be included in the capital programme Revised Estimate budget, to be recommended to Community Services Committee in January 2020.

- **Replacement of CCTV System (-£60,000):** CCTV requirements are being specified currently, which will form the basis for tenders to be requested by October 2019. The aim is for the scheme to be completed by February/March 2020.
- **Play Area Improvements 2019/20 (-£37,709):** Main improvement and refurbishment works will be planned for October 2019 onwards, based on playground assessments after the school summer holidays in September 2019. The aim is to complete this work by the end of November 2019. Further improvement works may also be required in-year if regular playground assessment checks or insurance condition surveys identify any improvement work.
- **Replacement Mini Tractor with Bucket PN05 BYS (-£22,000):** Quotes have been received and an order has been placed in August 2019. Delivery is expected by October 2019.
- **Introduction of Planning Portal Link to the Planning Application System and Planning System Update (-£26,420):** The computerised system currently used within both the Planning and Building Control services is overdue to be upgraded and the upgrade is needed to facilitate the introduction of the Planning Portal. However, a review of how the upgraded software can be used to improve the efficiency and effectiveness of the service is currently underway. The proposed changes to the processes within the service and associated software costs will be reported to CMT by January 2020 and then to a future meeting of this Committee.

The current elements included in this capital scheme need to be compatible with the functionality of the Planning system going forwards and may change as a result of the wider process review. Given that, this scheme is now on-hold awaiting the outcome of the review.

- **Replacement of Plotter/Copier in the Planning Section (-£14,500):** The plotting/copying requirements in the Planning section have changed since this capital bid was submitted. The Planning section will review the needs of the section, in consultation with Building Control, and in line with the process review currently underway (see above) before going ahead or not with the purchase of a replacement. The proposed changes from the process review will be reported to CMT by January 2020 and then to a future meeting of this Committee.
- **Lift replacement at Council Offices (-£82,000):** The main contract work was out to tender at the end of July 2019. The contract has now been let with a start date expected for early 2020. Given the nine-week estimate for completion of works, it is hoped that the main contract work will be completed by March 2020, but this is dependent on the actual start date agreed and delivery of works without delay.

Whatever happens with the timing of the works, the scheme will not be financially complete at the end of 2019/20, as the main contract retention payment, based on 5% of the final contract costs, cannot be paid until twelve months after the completion of the main work on the contract. The latest estimate of this retention amount is £4,280.

The scheme budget has been re-assessed, now that the main contract has been let. The latest estimate for the full scheme costs is £92,340, with £89,390 of this being the budget required for 2019/20 and 2020/21. The increase of £5,340 from the original budget is due to higher main contract works costs than planned (new regulations require a top drive lift, which has increased beam and loft costs) and expert consultant costs not included in the original budget. This latest estimate does not include any increase for further unforeseen costs.

Elsewhere on this agenda, this Committee is requested to approve the additional budget of £5,340 on this scheme, which can be funded from the Capital earmarked reserve.

- **Replacement PCs (-£47,100):** Officers are currently looking to progress the purchase of replacement PCs and organise short training sessions on Windows 10 and Office 2019 prior to roll out. Aiming for PCs to be purchased and operational by the end of January 2020.
- **New Council telephone system (-£45,000):** Following the completion of work obtaining quotes and making supplier/site visits, the preferred supplier will be chosen by the end of September 2019. At this stage, installation of the replacement system is expected to be completed by March 2020.
- **Re-Design of Corporate Website (-£30,000):** Officers are currently in discussions with suppliers and quotes have been received, including an option to move to an alternative supplier. A suggested way forward will be reported to CMT by October 2019. The planned completion date for the scheme will be known once the preferred solution has been agreed with CMT and the timescale then agreed with the chosen supplier. Therefore, there is a possibility that the scheme may not be fully completed by year-end.
- **Committee Administration IT System (-£20,100):** An initial meeting has been held with the proposed supplier and a formal quote received. A report on the suggested solution and proposed supplier is included elsewhere on this meeting's agenda. If that suggested solution is approved by this Committee, then officers aim to complete the system and hardware implementation by March 2020, to allow use of the new Committee Administration system from the beginning of the new municipal year in May 2020.
- **Disabled Facilities Grants (-£490,419):** Committed expenditure at the end of July 2019 was based on twenty five schemes approved in 2018/19 and twenty schemes approved so far in 2019/20. In addition to this, there were a further sixteen applications working towards approval, three currently approved schemes where additional approvals may be required to fund further work now identified and there are fifteen referrals from Occupational Therapists that may become formal applications in the near future. Further referrals and applications are expected in-year.

This grant scheme is demand-led, being dependent on referrals from Occupational Therapists. Therefore, the actual level of committed expenditure for the year as a whole will be dependent on the number of and value of approved referrals in-year. The number of and value of referrals can vary throughout the year and between years. The DFG budget is monitored by officers on a monthly basis.

- **Landlord/Tenant Grants (-£134,240):** No schemes have been approved so far in 2019/20. A site visit has been made to one potential applicant, but the property would require planning permission in advance of a grant application. Housing Officers will look to promote the scheme more widely in coming months. At this

stage, there is no certainty that the scheme budget will be fully committed by year-end.

- **Clitheroe Market Improvements (-£175,000):** Initial plans to use part of the budget on this scheme comprise erecting new uniform canopies on all cabins, hand painting fascia signs on all cabins, refurbishing the market toilets and removing all stalls in the bull-ring. The budgeted cost of this initial work is expected to be confirmed at Health and Housing Committee on 12 September 2019 and the work is expected to be completed by March 2020. It is proposed to bring a further report to Health and Housing Committee in respect of any further improvements proposed to the Market.
- **Longridge Affordable Housing Scheme (-£234,000):** Following members approval to purchase two properties in Longridge, to be affordable units, discussions have been on-going with a registered provider, who will manage the properties, and a draft Management Agreement is currently under consideration. A joint visit has been arranged with the Council's surveying team and the registered provider's surveying team to view one of the properties in early September 2019. The scheme is on-track to be completed in-year, but is dependent on final agreement of the lease and Management Agreement and the time taken to complete purchase of and undertake any associated works on two suitable properties.
- **Chipping Community Housing Grant (-£115,000):** Chipping Community Land Trust have a planned completion date of November 2019 for the three properties being purchased. The Council will pay the grant monies to the Land Trust just prior to completion of the purchases, under a grant agreement between the Council and the Land Trust. The grant agreement has been considered by Corporate Management Team and is close to being finalised.
- **Gateway Signs for Whalley, Longridge and Clitheroe (-£20,000):** The Council is engaged in a dialogue with Lancashire County Council (LCC) regarding the process and the permissions required which will determine the number and location of the signs. Following this, quotes will be obtained for the signs and they can be purchased and installed. The aim is to complete the scheme by March 2020, dependent on the time taken to obtain permissions from LCC.
- **Economic Development Initiatives (-£81,750):** There are no current schemes in progress which are likely to be funded from this economic development capital pot. A number of site opportunities are being explored and will be the subject of future reports.

4 CONCLUSION

- 4.1 At the end of July 2019 £862,112 had been spent or committed. This is 23% of the overall capital programme budget for 2019/20.
- 4.2 Six schemes have been completed already. Based on the review of progress on each of the remaining twenty six schemes, at this stage:
- seventeen schemes are currently on-track to be completed in-year
 - five schemes are in progress but may not be fully completed in-year
 - two schemes are on hold, awaiting the result of a wider Planning system process review before any progress can be made; and
 - two schemes are on-going Housing grants schemes.

- 4.3 Approval for £5,340 additional budget for the Lift replacement at Council Offices scheme is being requested from this Committee elsewhere on this agenda. As this request is subject to approval, this additional £5,340 has not been included within the budgets reported in this overall monitoring report.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF49-19/AC/AC
16 September 2019

Overall Capital Programme 2019/20

Cost Centre	Scheme	Original Estimate 2019/20 £	Budget Moved from 2018/19 £	Slippage from 2018/19 £	Additional Approvals 2019/20 £	Total Approved Budget 2019/20 £	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
Community Services Committee								
PLAYT	Play Area Improvements 2019/20	40,000	0	0	0	40,000	2,291	-37,709
REPWB	Replacement of Refuse Wheelie Bins	10,000	0	0	0	10,000	10,000	0
RCCTV	Replacement of CCTV System	60,000	0	0	0	60,000	0	-60,000
RVHNX	Replacement of Refuse Collection Vehicle VU60 HNX	227,000	0	0	0	227,000	224,602	-2,398
RVTKN	Replacement of Paper Collection Vehicle VU06 TKN	50,000	0	0	0	50,000	51,322	1,322
GVGMW	Replacement Gang Mower (rvbc009)	30,000	0	0	0	30,000	24,400	-5,600
GVBYS	Replacement Mini Tractor with Bucket PN05 BYS	22,000	0	0	0	22,000	0	-22,000
GVJCB	Replacement of JCB Gravemaster Digger (rvbc005)	29,000	0	0	0	29,000	29,400	400
AABED	Automatic Access Barrier – Edisford River Bank	14,000	0	0	0	14,000	6,626	-7,374
ESCPX	Edisford Sports Complex	1,430,440	-2,290	0	0	1,428,150	202,002	-1,226,148
PLAYS	Play Area Improvements 2018/19	0	0	18,870	0	18,870	18,315	-555
GVKJJ	Replacement Truck (Ford) c/w tail lift PE60 KJJ	0	0	37,500	0	37,500	35,740	-1,760
CPPAY	Off-Street Car Parks – Update of Payment Systems	0	0	1,500	0	1,500	0	-1,500
CPHFT	Replacement of Leased Car Parking Van KR16 HFT	0	0	0	11,500	11,500	10,757	-743
Total Community Services Committee		1,912,440	-2,290	57,870	11,500	1,979,520	615,455	-1,364,065

Overall Capital Programme 2019/20

Cost Centre	Scheme	Original Estimate 2019/20 £	Budget Moved from 2018/19 £	Slippage from 2018/19 £	Additional Approvals 2019/20 £	Total Approved Budget 2019/20 £	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
Planning and Development Committee								
PLOTT	Replacement of Plotter/Copier in the Planning Section	14,500	0	0	0	14,500	0	-14,500
PLANN	Introduction of Planning Portal Link to the Planning Application System and Planning System Update	0	0	26,420	0	26,420	0	-26,420
Total Planning and Development Committee		14,500	0	26,420	0	40,920	0	-40,920
Policy and Finance Committee								
COWEB	Re-Design of Corporate Website	30,000	0	0	0	30,000	0	-30,000
COFIR	Corporate Firewall	15,000	0	0	0	15,000	7,870	-7,130
COADM	Committee Administration IT System	20,100	0	0	0	20,100	0	-20,100
REPPC	Replacement PCs	47,100	0	0	0	47,100	0	-47,100
COLFT	Lift replacement at Council Offices	0	84,050	0	0	84,050	2,050	-82,000
QGARR	Queensway Garages – replace roof covering and repairs	0	0	1,830	0	1,830	228	-1,602
CFUPG	Financial system upgrade	0	0	14,120	0	14,120	14,108	-12
PHONE	New Council telephone system	0	0	45,000	0	45,000	0	-45,000
Total Policy and Finance Committee		112,200	84,050	60,950	0	257,200	24,256	-232,944

Overall Capital Programme 2019/20

Cost Centre	Scheme	Original Estimate 2019/20 £	Budget Moved from 2018/19 £	Slippage from 2018/19 £	Additional Approvals 2019/20 £	Total Approved Budget 2019/20 £	Actual Expenditure including commitments as at end of July 2019 £	Variance as at end of July 2019 £
Health and Housing Committee								
DISCP	Disabled Facilities Grants	320,000	0	360,120	26,370	706,490	216,071	-490,419
LANGR	Landlord/Tenant Grants	50,000	0	84,240	0	134,240	0	-134,240
CMIMP	Clitheroe Market Improvements	0	175,000	0	0	175,000	0	-175,000
CWARM	Affordable Warmth – Capital Grants	0	0	6,920	0	6,920	6,330	-590
LONAH	Longridge Affordable Housing Scheme	0	0	0	234,000	234,000	0	-234,000
CHCHG	Chipping Community Housing Grant	0	0	0	115,000	115,000	0	-115,000
Total Health and Housing Committee		370,000	175,000	451,280	375,370	1,371,650	222,401	-1,149,249
Economic Development Committee								
GWSGN	Gateway Signs for Whalley, Longridge and Clitheroe	20,000	0	0	0	20,000	0	-20,000
ECDVI	Economic Development Initiatives	0	0	81,750	0	81,750	0	-81,750
Total Economic Development Committee		20,000	0	81,750	0	101,750	0	-101,750
OVERALL CAPITAL PROGRAMME 2019/20 TOTAL								
		2,429,140	256,760	678,270	386,870	3,751,040	862,112	-2,888,928

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 17

meeting date: 24 SEPTEMBER 2019
 title: REVENUE OUTTURN 2018/19
 submitted by: DIRECTOR OF RESOURCES
 principal author: VALERIE TAYLOR

1 PURPOSE

1.1 To report on the outturn for the financial year 2018/19 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 2019 and that audit has now been completed.

2.2 Under the Accounts and Audit Regulations 2015 we are required to have our audited Statement of Accounts approved by 31 July.

2.3 Our final audited Statement of Accounts was approved by Accounts and Audit Committee at their meeting on 24 July 2019.

3 FINANCIAL INFORMATION

3.1 Shown below, by cost centre, is a comparison with the revised estimate. You will see an overall underspend of £54,958 on the net costs of services. After transfers to and from earmarked reserves, there is an underspend of £47,221. This has been added to General Fund Balances.

3.2 In the table below are a number of services with a net cost of 'nil', marked **. This is where services are fully recharged out to other service areas.

Cost Centre	Cost Centre Name	Revised Estimate	Actual	Variance	Associated Earmarked Reserves	Net Variance
		2018/19	2018/19	2018/19	Variance	2018/19
		£	£	£	£	£
CEXEC	Chief Executives Department**	0	0	0	0	0
CIVCF	Civic Functions	56,980	54,294	-2,686	0	-2,686

Cost Centre	Cost Centre Name	Revised Estimate	Actual	Variance	Associated Earmarked Reserves	Net Variance
		2018/19	2018/19	2018/19	Variance	2018/19
		£	£	£	£	£
CIVST	Civic Suite**	0	0	0	0	0
CLOFF	Council Offices**	0	0	0	0	0
CLTAX	Council Tax	356,830	342,605	-14,225	0	-14,225
COMPR	Computer Services**	0	0	0	0	0
CORPM	Corporate Management	339,200	337,052	-2,148	0	-2,148
COSDM	Cost of Democracy	459,640	454,136	-5,504	0	-5,504
CSERV	Corporate services	155,220	143,404	-11,816	5,000	-6,816
DISTC	District Elections	60	18,232	18,172	-8,222	9,950
ELADM	Election Administration	6,640	6,591	-49	0	-49
ELECT	Register of Electors	77,590	80,199	2,609	0	2,609
EMERG	Community Safety	64,060	61,822	-2,238	0	-2,238
ERNET	Emergency Radio Network	-2,000	-70	1,930	0	1,930
ESTAT	Estates	80,960	84,849	3,889	-7,140	-3,251
FGSUB	Grants & Subscriptions - Policy and Fin	167,190	162,006	-5,185	0	-5,185
FLDRH	Flood Resilience Grants - Households	0	20,000	20,000	-20,000	0
FMISC	Policy & Finance Miscellaneous	30,640	3,747	-26,893	34,256	7,363
LANCS	Lancashire County Elections	0	-4	-4	0	-4
LANDC	Land Charges	23,630	25,572	1,942	4,323	6,265
LICSE	Licensing	27,280	20,828	-6,452	0	-6,452
LUNCH	Luncheon Clubs	14,300	3,079	-11,221	0	-11,221
NNDRC	National Non Domestic Rates	54,130	35,620	-18,510	0	-18,510
PARIS	Parish Elections	4,260	4,255	-5	0	-5
RESOR	Resources Department**	0	0	0	3,130	3,130
SUPER	Superannuation	0	0	0	-3,610	-3,610
SUPDF	Superannuation Deficiency Payments	96,650	96,571	-79	0	-79
WWOCO	World War One Commemoration	0	3,515	3,515	0	3,515
	Sum:	2,013,260	1,958,302	-54,958	7,737	-47,221

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.

	Revised Estimate 2018/19 £	Outturn 2018/19 £	Variance £	Reason for movement on Earmarked Reserve
Committee Net Cost of Services	2,013,260	1,958,302	-54,958	
FNBAL/H230 - Election Reserve The reserve was established from monies set aside on an annual basis to smooth out the cost of local elections.	22,990	14,768	-8,222	£33k has been added to this reserve to smooth out the cost of local elections and £18k has been released from the reserve to fund expenditures on the 2019 local election falling in the 2018/19 financial year.
FNBAL/H269 - Revaluation Reserve Reserve established from monies set aside on an annual basis to smooth out the cost of the full revaluation of council assets which must be carried out every five years.	2,110	2,110	0	No variance.

	Revised Estimate 2018/19	Outturn 2018/19	Variance	Reason for movement on Earmarked Reserve
	£	£	£	
FNBAL/H337 - Equipment Reserve This reserve was established by setting aside unspent budget provisions and miscellaneous grants received to fund equipment and new burdens imposed on the council.	0	8,103	8,103	A transparency code new burdens grant has been received from MHCLG and set aside in this reserve to fund associated future expenditures.
FNBAL/H325 - VAT Shelter Reserve As part of the housing stock transfer to a social housing landlord a VAT shelter agreement was established. The council receives an annual payment from the landlord which is set aside in an earmarked reserve, largely to fund future capital expenditure.	39,710	37,779	-1,931	Lower VAT shelter income was received from Ribble Valley Homes than was anticipated at the time of setting the revised estimate.
FNBAL/H262 - ICT Equipment reserve The reserve was established to fund the purchase of computer equipment, both capital and revenue.	0	3,130	3,130	A budget underspent on corporate training during 2018/19 has been set aside in this reserve to fund expenditure on corporate training laptops in 2019/20.
	-12,140	-12,140	0	Release from reserve to fund various approved ICT initiatives.
FNBAL/H375 - Flood Resilience Reserve Reserve established to set aside outstanding flood resilience grants.	0	-20,000	-20,000	This is the return of grant funding received from LCC and set aside in this reserve for schemes which are no longer eligible.
FNBAL/H369 - Pension Triennial Revaluation Reserve Savings on contribution rates, set aside with a view to offsetting any future pensions fund deficits.	33,060	29,450	-3,610	Savings on contribution rates during 2018/19 were lower than estimated.

	Revised Estimate 2018/19	Outturn 2018/19	Variance	Reason for movement on Earmarked Reserve
	£	£	£	
FNBAL/H328 - Repairs & Maintenance Reserve Reserve established to fund emergency repairs and maintenance items, including legionella and asbestos abatement.	0	-7,140	-7,140	Release from the repairs and maintenance reserve to fund essential fire protection works at the over 60's Club in Longridge.
FNBAL/H272 – Land Charges Reserve Reserve established to fund any potential restitution claims for personal search fees.	0	4,323	4,323	A new burdens grant was received from MHCLG during 2018/19 and moved to this reserve at the year-end.
FNBAL/H289 - EU Exit Reserve Grant funding relating to impacts in respect of the EU Exit are moved to this reserve.	0	17,484	17,484	District council's received a grant from MHCLG in 2018/19 to support council's to prepare for the EU Exit. The grant income has been set aside to fund future associated expenditures.
FNBAL/H294 - Cyber Resilience Grant Reserve Grant funding in respect of Cyber Resilience work.	0	10,600	10,600	The council successfully bid for grant support from the Local Government Association to support consultancy and training expenditures in respect of cyber resilience and recovery initiatives. The grant income has been set aside to fund future expenditures.
FNBAL/H276 - Promotions Activities Reserve To fund planned publicity and promotional activities.	0	5,000	5,000	Due to publication restrictions in the run up to the local election there was a delay in the publication of the Spring Ribble Valley News, with expenditure falling in the 2019/20 financial year. Unspent 2018/19 budget in respect of this publication was therefore set aside in this earmarked reserve.
	2,098,990	2,051,769	-47,221	

5 KEY MOVEMENTS FROM REVISED ESTIMATE TO OUTTURN

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

Service Area	Description of Variance	Amount £
DISTC District Elections	This is expenditure on the 2019 Local election which fell within the 2018/19 financial year. The expenditure has been funded from the Elections Reserve.	18,232
FLDRH Flood Resilience Grants	This is the repayment of flood resilience grants to Lancashire County Council which had been held in reserve.	20,000
FMISC Cyber Resilience Grant	The council successfully bid for grant support from the Local Government Association for consultancy and training expenditures in respect of cyber resilience and recovery initiatives. The grant income has been set aside to fund future associated expenditures.	-10,600
FMISC EU Exit Funding	District council's received a grant from the Ministry for Housing Communities and Local Government (MHCLG) in 2018/19 to support council's to prepare for the EU Exit. The grant income has been set aside to fund future associated expenditures.	-17,484
LUNCH Luncheon Clubs/ Grants to Voluntary Organisations	Applications for grant assistance from luncheon clubs during 2018/19 were lower than allowed for in the budget.	-11,211
NNDRC National Non Domestic Rates/ DCLG Business Rates S31	This variance is due to the recalculation of a prior year S31 grant from central government in respect of small business rate relief. The year-end accounting requirement for this adjustment was to credit the service, rather than presenting it together with all other business rates S31 grants – hence the variance shown.	-17,521

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 underspend of £54,958 on the net cost of services. After transfers to and from earmarked reserves the overall underspend is £47,221.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF36-19/VT/AC

29 August 2019

For further information please ask for Val Taylor.

POLICY & FINANCE COMMITTEE – VARIANCES 2018/19

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
CEXEC: Chief Executive's Department							
Savings arising from various employment vacancies within the Department.	-8,188						
Claims by employees for the reimbursement of mileage expenses were lower than that allowed for in the estimate.	-2,465						
Unanticipated expenditure of £7k incurred in the last quarter of the 2018/19 financial year in respect of specialised legal advice.	5,993						
Lower than anticipated net expenditure in the Chief Executives Department for 2018/19 decreased the recharge to the Environmental Health Section.			2,724				
Total Chief Executive's Department	-4,660		2,724		-1,936		-1,936
CLOFF: Council Offices							
Lower electricity charges than forecast for the financial year has resulted in a favourable variance.	-2,978						
Total Council Offices	-2,978				-2,978		-2,978
CLTAX: Council Tax							

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
Expenditure on postages in the 2018/19 financial year for council tax were lower than allowed for in the budget estimate. Outturn will be built into future forecasts.	-2,942						
The court cost of issuing liability orders reduced from £3 per order down to £0.50 per order during the financial year. The reduced cost will be used to inform future estimates.	-6,632						
Total Council Tax	-9,574				-9,574		-9,574
COMPR: Computer Services							
Expenditure on equipment & materials within computer services during the financial year were lower than average resulting in a saving.	-2,577						
Total Computer Services	-2,577				-2,577		-2,577
CSERV: Corporate Services							
Due to publication restrictions in the run up to the local election there was a delay in the publication of the Spring edition of the Ribble Valley News, with expenditure falling in the 2019/20 financial year. Unspent 2018/19 budget in respect of this publication was therefore set aside in an earmarked reserve.	-6,546						
Planned spend on promotions did not occur within the 2018/19 financial year.	-4,520						
Total Corporate Services	-11,066				-11,066		-11,066

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
DISTC: District Elections							
This is expenditure on the 2019 Local election which fell within the 2018/19 financial year. The expenditure has been funded from the Elections Reserve.	18,232					-18,232	
Additional contribution to the Elections Reserve to ensure the 2018/19 total sum set aside to fund future expenditures was £33k.						10,010	
Total District Elections	18,232				18,232	-8,222	10,010
ELECT: Register of Electors							
The fee payable for the council's annual data protection registration has increased following a revision to the pricing structure under the Data Protection (Charges and Information) Regulations 2018.	2,380						
Total Register of Electors	2,380				2,380		2,380
ESTAT: Estates							
The cost of estates repairs & maintenance works were above that estimated, particularly with regards to essential fire protection works on a council owned property. Cost per the original estimate has been met from the repairs and maintenance reserve.	2,166					-7,140	

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
Part of the estates budget allowed for full annual business rates liability in respect of a building that was let part way through the financial year.	-2,171						
Disposal costs relating to the sale of land at Peel Street car park.	4,250						
Total Estates	4,245				4,245	-7,140	-2,895
FGSUB: Grants and Subscriptions							
Reimbursement of Parish Council expenditure under the concurrent function grants scheme was lower than allowed for in the 2018/19 budget.	-5,142						
Total Grants and Subscriptions	-5,142				-5,142		-5,142
FLDRH: Flood resilience grants							
Repayment of flood resilience grants to Lancashire County Council following release from reserve.		20,000				-20,000	
Total Flood resilience grants		20,000			20,000	-20,000	0
FMISC: Policy & Finance Misc.							
Payment to Grant Thornton external auditors for Certification of the Housing Benefit Subsidy claim was higher than forecast.	3,691						
Expenditure resulting from national fraud initiative data matching exercises which were carried out during the financial year.	2,100						

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
A transparency code new burdens grant was received from MHCLG and set aside in this reserve to fund associated expenditures.		-8,103				8,103	
The council successfully bid for grant support from the Local Government Association to support consultancy and training expenditures in respect of cyber resilience and recovery initiatives. The grant income has been set aside to fund future associated expenditures.		-10,600				10,600	
District council's received a grant from MHCLG in 2018/19 to support council's to prepare for the EU Exit. The grant income has been set aside to fund future associated expenditures.		-17,484				17,484	
Savings on employer pension contribution rates which are set aside in an earmarked reserve were lower than estimated.		3,610				-3,610	
Total Policy & Finance Misc.	5,791	-32,577			-26,786	32,577	5,791
LICSE: Licensing							
Requirements for the purchase of taxi plates and fixings (recharged to drivers) lower than forecast.	-2,313						

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
Premises licence Income received during 2018/19 was higher than the previous 4-year average upon which the forecast is based. Outturn will be used to inform future estimates.		-2,218					
Total Licensing	-2,313	-2,218			-4,531		-4,531
LUNCH: Luncheon Clubs							
Applications for grant assistance from luncheon clubs was lower than allowed for in the 2018/19 budget. A report is to be submitted to this Committee for a decision concerning current and future year allocations.	-11,211						
Total Luncheon Clubs	-11,211				-11,211		-11,211
NNDRC: National Non-Domestic Rates							
This variance is due to the recalculation of a prior year S31 grant from central government in respect of small business rate relief. The year-end accounting requirement for this adjustment was to credit the service, rather than presenting it together with all other business rates S31 grants – hence the variance shown.		-17,521					
Total National Non-Domestic Rates		-17,521			-17,521		-17,521

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
RESOR: Resources Department							
Additional, unanticipated staffing costs were incurred as a result of changes within the department.	2,466						
Employer superannuation contribution savings arising from various employment vacancies within the Department.	-2,963						
Training requirements lower than that allowed for within the budget due to a timing difference between the recruitment of new employees and the expenditures to be incurred once any training requirements are identified.	-4,394						
Budget underspent on corporate training during 2018/19 with part being set aside in the ICT equipment reserve to fund expenditure on corporate training laptops in 2019/20.	-5,906					3,130	
Additional consulting and project management costs associated with the expansion of the council's on-line payments facility.	4,389						
The revenue cost of upgrading the civic financial system to a web based version did not materialise during the 2018/19 financial year.	-2,806						

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
The cost of carrying out a desktop valuation of the council's assets, to be met from general fund balances.	3,500						
Total Resources Department	-5,714				-5,714	3,130	-2,584
WWOCO: World War One Commemoration							
Expenditure commemorating the 100th anniversary of the end of the First World War, to be met from general fund balances.	3,515						
Total World War One Commemoration	3,515				3,515	0	3,515
Other Variances	-23,162	34,138	-15,287	17	-4,294	7,392	3,098
Total Variances for Policy and Finance Committee	-44,234	1,822	-12,563	17	-54,958	7,737	-47,221

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 18

meeting date: 24 SEPTEMBER 2019
 title: REVENUE MONITORING 2019/20
 submitted by: DIRECTOR OF RESOURCES
 principal author: LAWSON ODDIE

1 PURPOSE

1.1 To let you know the position for the period April to July 2019 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. To meet the objective within this priority, of maintaining 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 to the end of July. You will see an overall underspend of £107,273 on the net cost of services. Please note that underspends are denoted by figures with a minus symbol. After allowing for transfers to/from earmarked reserves there is an underspend of £84,076.

Cost Centre	Cost Centre Name	Net Budget for the Full Year	Net Budget to the end of period	Actual including Commitments to the end of the period	Variance	
CEXEC	Chief Executives Department	0	357,644	364,424	6,780	
CIVCF	Civic Functions	61,430	27,687	25,705	-1,982	
CIVST	Civic Suite	0	17,627	19,515	1,888	
CLOFF	Council Offices	0	96,737	91,440	-5,297	
CLTAX	Council Tax	375,050	30,477	27,009	-3,468	
COMPR	Computer Services	0	55,740	56,938	1,198	
CORPM	Corporate Management	342,600	0	0	0	
COSDM	Cost of Democracy	479,640	87,142	85,623	-1,519	
CSERV	Corporate services	163,230	11,849	11,575	-274	
DISTC	District Elections	120,000	120,000	100,694	-19,306	
ELADM	Election Administration	24,660	0	0	0	

Cost Centre	Cost Centre Name	Net Budget for the Full Year	Net Budget to the end of period	Actual including Commitments to the end of the period	Variance
ELECT	Register of Electors	108,670	27,103	26,071	-1,032
EMERG	Community Safety	65,210	2,176	831	-1,345
ESTAT	Estates	68,840	-16,431	-26,618	-10,187
FGSUB	Grants & Subscriptions - Policy and Fin	169,670	95,332	101,089	5,757
FMISC	Policy & Finance Miscellaneous	43,370	13,221	-7,127	-20,348
LANDC	Land Charges	30,180	-15,182	-18,090	-2,908
LICSE	Licensing	31,070	-10,584	-13,886	-3,302
LUNCH	Luncheon Clubs	14,520	0	520	520
NNDRC	National Non-Domestic Rates	48,570	6,694	-23,936	-30,630
OMDEV	Organisation & Member Development	0	0	0	0
PARGR	Parish Council Grants	0	0	300	300
RESOR	Resources Department	8,980	707,942	686,059	-21,883
SUPDF	Superannuation Deficiency Payments	99,010	22,201	21,967	-234
Sum:		2,254,700	1,637,375	1,530,102	-107,273

Transfers to/from Earmarked Reserves				
Elections Earmarked Reserve	-90,000	-120,000	-100,694	19,306
Superannuation Adjustment Reserve	50,540	0	0	0
Revaluation Reserve	2,150	0	0	0
Capital Earmarked Reserve	0	0	7,501	7,501
ICT Equipment Reserve	0	0	-3,610	-3,610
Total after Transfers to/from Earmarked Reserves	2,217,390	1,517,375	1,433,299	-84,076

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, which 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.
- 2.5 In summary the **main** areas of variances that are **unlikely** to rectify themselves by the end of the financial year is shown below:

Description	Variance to end July 2019 £
EU Exit Funding (FMISC) – This is funding received from central government to support local councils with any costs incurred in preparation for the EU Exit. Any unspent funds in the current year will be set aside in the EU Exit Reserve to meet future associated costs.	-17,484
Estates (ESTAT) – This is the net variance resulting from the sale of 3 x parcels of freehold land (£9k) less associated land valuation costs (£2k).	-7,501
District Elections (DISTC) - £18k of budgeted costs in respect of the 2019 district election were incurred towards the end of the 2018/19 financial year which has resulted in an underspend in the current year. District election costs are funded from the elections reserve where funds are set aside on an annual basis to smooth out the cost of elections. The budget and earmarked reserve will therefore be reviewed at revised estimate.	-19,306
Estates (ESTAT) – The rental of a council owned building (the former physio centre) has resulted in a reduction to the council's annual NNDR liability for the year (-£2k) and brought about an increase in rental income (-£3k). Budgets will be updated at revised estimate to reflect the most up to date position.	-5,320

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an underspend of £107,273 for the first four months of the financial year 2019/20. After allowing for transfers to/from earmarked reserves there is an underspend of £84,076.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF45-19/VT/AC
6 September 2019

Policy and Finance Committee Budget Monitoring – 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
NNDRC/864 9z	National Non-Domestic Rates/Storm Eva S31 Grant (Tranche 2)	0	0	-30,786	-30,786	This is past grant income from previous financial years that is due for return to the government. The grant was originally received in respect of business rates reliefs following Storm Eva in 2015.	It was confirmed last year with MHCLG that this should be resolved in the closedown process around NNDR3.
RESOR/0100	Resources Department/ Salaries	1,422,440	474,524	454,891	-19,633	Due to the level of staff turnover to date there are underspends on staffing costs above the 4% allowed for in the budget.	The budget will be reviewed and updated at revised estimate to reflect the most up to date position.
FMISC/8793 Z	Policy & Finance Miscellaneous/ MHCLG - EU Exit Funding	0	0	-17,484	-17,484	This is the second and final tranche of funding received from central government to support local councils with any costs incurred in preparation for the EU Exit. The first payment which was received in 2018/ 2019 was set aside in the EU Exit Reserve.	Any anticipated costs associated with the EU Exit along with an associated movement in earmarked reserve will be brought in to the budget at revised estimate.
ESTAT/8856I	Estates/Sale of Land and Buildings <£10k	0	0	-9,501	-9,501	This is a receipt for the sale of 3 x parcels of freehold land at Peel Park Avenue and Claremont Drive. This	The budget will be adjusted for at revised estimate and an appropriate value will be transferred to the Capital Reserve at year-end.

Policy and Finance Committee Budget Monitoring – 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
						income is partially offset by associated land valuation costs of £2k (see ESTAT/ 3090)	
CEEXEC/0100	Chief Executives Department/ Salaries	795,860	265,496	275,738	10,242	Council staffing budget estimates assume an average vacancy saving of 4% across the authority. Turnover to date within the Chief Executives department is lower than that allowed for within the budget which has resulted in the overspend shown.	The budget will be reviewed and updated at revised estimate to reflect the most up to date position.
DISTC/ Various	District Elections/Various	120,000	120,000	100,694	-19,306	£18k of budgeted costs in respect of the 2019 district election were incurred towards the end of the 2018/ 2019 financial year.	District election expenditures are funded from the elections reserve where monies are set aside on an annual basis. The election budget and earmarked reserve will be reviewed at revised estimate to account for actual costs incurred within the current financial year.

Planning and Development Committee Budget Monitoring – 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
RESOR/0109	Resources Department/Superannuation Salaries	232,730	77,636	72,687	-4,949	Vacancy savings which exceed that built into the budget estimate have reduced the council's superannuation costs within the Resources Department.
ESTAT/8804u	Estates/Building Rents	-10,200	0	-3,120	-3,120	There has been an increase in rental income this year following rental of the former physio centre from February 2019. Current year rental agreements will be reviewed at revised estimate and the forecast updated to reflect the most up to date position.
LICSE/8437u	Licensing/Premises Licences	-62,410	-11,048	-13,305	-2,257	Actual income received to the end of July is higher than average, the budget will be reviewed at revised estimate.
ESTAT/2451	Estates/National Non-Domestic Rates	2,200	2,200	0	-2,200	A council owned building (the physio centre) has now been rented out so the NNDR liability is now the responsibility of the tenant.
CLOFF/2451	Council Offices/National Non-Domestic Rates	62,400	62,400	60,248	-2,152	The transitional surcharge that applied to the council offices annual business rates liability following a reduction in the premises rateable value has now ended resulting in a favourable variance for the 2019/20 financial year. The budget will be amended at revised estimate.

Planning and Development Committee Budget Monitoring – 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
RESOR/0108	Resources Department/National Insurance Salaries	123,050	41,048	39,039	-2,009	Vacancy savings which exceed that built into the budget estimate have reduced the council's national insurance liability within the Resources Department.
RESOR/2881	Resources Department/Purchase of Equipment & Materials	10,440	5,459	8,089	2,630	Training laptops have been purchased at a cost of £3k. These are to be funded from a movement in earmarked reserve (which had been set aside following an underspend on corporate training in the 2018/ 2019 financial year), the budget will be amended at RE1920.
FGSUB/4678	Grants & Subscriptions - Policy and Fin/Grants to Voluntary, Comm & Soc Ent Orgs	111,310	85,063	89,250	4,187	Grant paid to LCC following approval from P&F Committee in June 2019 to support the continuation of the 280 bus service for twelve months. The spend is to be brought in at revised estimate (with a corresponding reduction to original estimate 2020/ 2021).
RESOR/0101	Resources Department/Salaries Overtime	0	0	4,544	4,544	Overtime costs incurred whilst existing employees worked additional hours to cover a period of employee vacancies. This variance is offset by salary savings (see RESOR/0100).

Planning and Development Committee Budget Monitoring – 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
COMPR/2998	Computer Services/Software Maintenance	19,950	36,903	41,628	4,725	This variance results from year one revenue costs associated with the corporate firewall capital scheme which have been offset in part by the credit received below. The new contract will result in substantial savings over the longer term, and also the capital scheme has come in below budget.
COMPR/8297n	Computer Services/Sale of Equipment/Materials	0	0	-2398	-2398	This variance results from a credit that was received from the council's supplier for the trade in of returned hardware as part of the corporate firewall renewal.
ESTAT/3090	Estates/Legal	1,480	496	5,231	4,735	Expenditure and Commitments for the valuations of council land to be brought in to the forecast at revised estimate. £2k of these costs relate to valuations of land at Peel Park (see ESTAT/8856l variance)

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 19

meeting date: 24 SEPTEMBER 2019
 title: OVERALL REVENUE MONITORING 2019/20
 submitted by: DIRECTOR OF RESOURCES
 principal author: LAWSON ODDIE

4 PURPOSE

4.1 To report the overall revenue position for the current financial year up to the end of July 2019.

2 ORIGINAL BUDGET 2019/20

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

	Original Estimate 2019/20 £
Committee Net Requirements	7,950,580
Capital Charges Adjustment	-878,568
Committee Expenditure After Adjustments	7,072,012
Other Items - Interest Payable	6,530
- Interest on balances	-100,000
- New Homes Bonus	-1,666,486
- Levy Account Surplus	-20,446
- Retained Business Rates Income	-581,737
- Renewable Energy Business Rates	-93,820
- Section 31 Grant for Business Rates	-1,636,295
- Pilot Pool: 5% of extra growth to risk reserve	29,555
- Pilot Pool: 25% of extra growth to strategic growth fund	147,776
- Share of Business Rates Surplus on Collection Fund	-224,211
Expenditure After Other Items	2,932,878
Less Added to/(taken from) Earmarked Reserves	
Elections	-90,000
Building Control Fee Earning	-15,290
Food Festival Reserve	-14,120
Two Way Radio Reserve	1,500
Community Safety	-14,060
Refuse Collection Reserve	2,080
Revaluation Reserve	2,150

	Original Estimate 2019/20 £
Government Housing Grants Reserve	30,000
Planning Reserve	-11,200
Post LSVT Pensions Reserve	-36,512
Capital Reserve	10,610
New Homes Bonus Reserve	561,486
Pensions Triennial Revaluation Reserve	50,540
Business Rates Growth Reserve	1,683,218
Taken From Revenue Balances	-93,896
Net Expenditure	4,999,384

3 ADDITIONAL REVENUE ITEM

Human Resources Capacity

- 3.1 Capacity issues within the HR section were addressed following a report to Policy and Finance Committee in April 2019 and proposed changes to the staffing structure of the team were approved with additional costs of £11,950. This was then brought in to the budget for the 2019/20 financial year.
- 3.2 The impact on the council's revenue budget is summarised in the table below:

	Original Estimate 2019/20 £	Additional Revenue Item £	Restated Original Estimate £
Committee Net Requirements	7,950,580	11,950	7,962,530
Capital Charges Adjustment	-878,568		-878,568
Committee Expenditure After Adjustments	7,072,012	11,950	7,083,962
Other Items	-4,139,134		-4,139,134
Expenditure After Other Items	2,932,878	11,950	2,944,828
Less Added to/(taken from) Earmarked Reserves	2,160,402		2,160,402
To be Taken from Balances	-93,896	-11,950	-105,846
Net Expenditure	4,999,384	0	4,999,384

4 BUDGET VARIANCES

- 4.1 Our budget monitoring to service committees focuses on the value shown above against Committee Net Requirements of £7,962,530.

- 4.2 Within this report, this amount is broken down subjectively and monitored against the profiled budget up to the end of July 2019. As at this date, there shows an underspend of £129,275.
- 4.3 The full position is shown at Annex 1, with any variances above £10,000 at this high level (highlighted in yellow) detailed below, with reasons given. Favourable variances are shown as negative values.

Description	Amount £	Variance Reasons
Employee Related Expenditure - Direct Employee Expenses	-32,793	<p>This underspend falls largely under Policy and Finance Committee.</p> <p>There have been a large number of vacancies experienced in the Resources Department – above that allowed for within the budget. These vacancies have now been appointed to and the underspend will be reflected at the time of producing the Revised Estimate.</p> <p>There has also been an underspend at Ribblesdale Pool, particularly on Swimming Instructors (£9K) due to difficulties in recruiting to these posts – but there is an associated overspend on bought in services, detailed further down this variance list under ‘Supplies and Services – Services’</p>
Premises Related Expenditure - Business Rates	-20,638	<p>There has been a fall in the amount of business rates payable compared to the budget particularly as the Museum Café has now been separately rated and the operator is now the liable party – rather than being recharged under the contract.</p> <p>This has resulted in a sizeable reduction in Business Rates directly payable by the council.</p>
Premises Related Expenditure - Repairs and Maintenance	21,669	<p>A large proportion of this relates to extra repairs and maintenance needed at a number of public convenience sites due to vandalism.</p> <p>Some further spend is proposed to help prevent further vandalism, including the installation of metal doors. This will be met through the use of virements to move budget from other service areas. It is hoped at this stage that the variance will resolve itself by the end of the financial year.</p>

Description	Amount £	Variance Reasons
<p>Transport Related Expenditure - Direct Transport Costs</p>	<p>37,879</p>	<p>There are recurring overspends on the repairs and maintenance of the refuse collection fleet, resulting in an overspend on that service of approximately £75K - of this £25K relates to a single vehicle which was off the road for three months with extra vehicle hire costs being incurred. A reduction in the charge for the work is currently being sought due to quality issues.</p> <p>There is a partial offset on the refuse collection service due to lower Diesel costs and lower spend on Tyres, with a saving of £20K currently showing in total on these two items (£14K and £6K respectively).</p> <p>The net overspend on the refuse collection service vehicles is currently partly offset by an underspend of £10K on the Grounds Maintenance Service and £3K on the Street Cleansing Service.</p>
<p>Supplies and Services - Equipment, Furniture and Materials</p>	<p>19,313</p>	<p>At Ribblesdale Pool there has been a new installation of a data link as the existing type of provision was to be withdrawn by BT. Additional spend has also been needed on the heat exchanger at the pool due to failure of the existing one. The total overspend at the pool is currently £6K and virements will be sought to help address this variance as far as possible.</p> <p>There is also an overspend on the Resources department (£4K) in respect of upgrades required to the cash receipting system in order to allow further functionality around online payments. This additional cost is to be met from earmarked reserves.</p> <p>At the mechanics workshop there is also an overspend (£5K) due to CMT agreed work to repair the brake testing equipment from revenue. A replacement is included in the capital scheme in 2022/23 but it is hoped that if the repair and upgrade is successful it may result in this capital scheme for £61,900 being able to be removed.</p>

Description	Amount £	Variance Reasons
Supplies and Services - Services	21,779	<p>The overspend here largely relates to the Planning Control and Enforcement service (£15K) and associated legal and consultancy costs in relation to a planning appeal at Henthorn Road, Clitheroe.</p> <p>Additionally, there is a £7K overspend at Ribblesdale Pool, which relates to the use of external providers for the provision of swimming lessons following difficulties in recruiting (See associated underspend under 'Employee Related Expenditure - Direct Employee Expenses')</p>
Third Party Payments - Private Contractors	-10,444	<p>This variance relates to a reversal of a year-end creditor amount owed by the Council to HARV Domestic Violence Team for the Domestic Abuse Outreach Support Service provided between December 2018 and March 2019.</p> <p>Following finalisation of the service level agreement with HARV this payment will be made, which will clear the variance shown.</p>
Transfer Payments - Benefit Payments	-15,697	<p>Rent Allowance payments are slightly lower than budgeted for. This is mainly due to changing caseload levels, which vary week to week. The overall caseload is reducing throughout the year as part of the migration from Housing Benefits to Universal Credit in Ribble Valley.</p> <p>Any lower payments for the year as a whole will be reflected in less Rent Allowance subsidy grant income received at year-end, as payments for the full year are broadly funded by subsidy grant received at year-end. As a result, there is unlikely to be a significant underspend at year-end.</p>

Description	Amount £	Variance Reasons
Government Grants	21,332	<p>There is a mix of different grant variances resulting in the variance shown:</p> <p>Rent allowances Grant – Actual Rent Allowance subsidy grant income was 4% lower than the £1.901m budgeted for the year to date. Rent Allowance subsidy grant received at year-end is updated to broadly reflect the actual Rent Allowance payments for the year as a whole. As a result, there is unlikely to be a significant under-recovery of income at year-end.</p> <p>Storm Eva Section 31 Grant – This past grant income (£31K) is from previous financial years and is due for return to the government. This grant was originally received in respect of business rates reliefs following Storm Eva in 2015. It is anticipated that this will be recovered as part of the NNDR3 business rates end of year return.</p> <p>DWP Verify Earnings and Pensions (VEP) Alerts Grant – £6K of funding has been received in the current financial year from the government. This was not anticipated at the time of setting the budget.</p> <p>MHCLG EU Exit Funding - £17.5K of funding has been received in the current financial year from the government. This was not anticipated at the time of setting the budget.</p>
Other Grants, Reimbursements and Contributions	-67,172	<p>The largest proportion of this variance relates to additional grant funding from Lancashire County Council to support the Council's expenditure on the Domestic Abuse Outreach Support Service that will be provided by HARV Domestic Violence Team. The grant agreement was not in place when the Original Estimate budget was set. This will be adjusted for at the revised estimate.</p> <p>Also, there has been £4K of sponsorship towards the Food Festival, which was not anticipated this year.</p>

Description	Amount £	Variance Reasons
Customer and Client Receipts	-75,408	<p>The largest proportion of this variance is in respect of Trade Refuse income (£53K in total). There continues to be an increased level of income from trade waste above that budgeted for, this despite the increased budget this year compared to last year's original estimate.</p> <p>There is also increased income from the sale of bins to new developments £23K. This income is set aside to fund the capital programme scheme for the replacement of old existing household refuse bins.</p>

5 CONCLUSION

- 5.1 There is an overall underspend variance to the end of July 2019 of £129,275.
- 5.2 There have been a number of variances on direct employee costs reflecting the level of vacancies that have been seen to date. These posts are now recruited to, but there have been resulting savings which will be reflected in the revised estimate.
- 5.3 We continue to receive high levels of income from Trade Waste and also a number of additional grants that were not anticipated at the time of setting the current year's budget. Again, these will be reflected in the revised estimate.
- 5.4 Of continuing concern is the overspend being seen on the budgets for the refuse collection vehicles. This is an area that will be considered in more detail by CMT, budget working group and in the budget setting process.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF38-19/LO/AC
29 August 2019

SUBJECTIVE ANALYSIS OF ALL COMMITTEE BUDGETS AND ACTUALS

		Original 2019/20	Original Estimate to Period End	Actual and Commitments to Period End	Variance at Period End	Percentage Variance for the Period
Variations of more than £10,000 have been highlighted and examined in the body of the report						
EXPENDITURE						
Employee Related Expenditure	Direct Employee Expenses	6,847,940	2,268,644	2,235,851	-32,793	-1.45%
	Indirect Employee Expenses	179,520	34,835	36,558	1,723	4.95%
Employee Related Expenditure	Subtotal	7,027,460	2,303,479	2,272,409	-31,070	-1.35%
Premises Related Expenditure	Apportionment of Operational Building Expense	153,610	-52	0	52	-100.00%
	Business Rates	278,140	262,590	241,952	-20,638	-7.86%
	Cleaning & Domestic Supplies	234,710	35,285	31,973	-3,312	-9.39%
	Energy Costs	155,660	38,232	35,968	-2,264	-5.92%
	Fixtures & Fittings	390	140	154	14	9.67%
	Grounds Maintenance Costs	504,160	149,223	151,676	2,453	1.64%
	Premises Insurance	33,900	5,026	0	-5,026	-100.00%
	Rates	2,260	1,408	1,636	228	16.18%
	Rents	51,510	36,461	34,449	-2,012	-5.52%
	Repairs & Maintenance	244,730	105,277	126,946	21,669	20.58%
	Water Services	99,600	56,937	59,963	3,026	5.31%
Premises Related Expenditure	Subtotal	1,758,670	690,527	684,716	-5,811	-0.84%
Transport Related Expenditure	Car Allowances & Travel Expenses	47,150	16,716	14,444	-2,272	-13.59%
	Contract Hire & Operational Leases	214,530	56,228	50,074	-6,154	-10.94%
	Direct Transport Costs	562,450	185,309	223,188	37,879	20.44%
	Public Transport	3,080	860	289	-571	-66.42%
	Transport Insurances	44,000	1,636	0	-1,636	-100.00%
	Transport Recharges	887,080	683	66	-617	-90.34%
Transport Related Expenditure	Subtotal	1,758,290	261,432	288,061	26,629	10.19%
Supplies and Services	Clothes, Uniform & Laundry	21,400	7,662	5,100	-2,562	-33.44%
	Communications & Computing	437,060	290,772	288,125	-2,647	-0.91%

ANNEX 1

SUBJECTIVE ANALYSIS OF ALL COMMITTEE BUDGETS AND ACTUALS

		Original 2019/20	Original Estimate to Period End	Actual and Commitments to Period End	Variance at Period End	Percentage Variance for the Period
	Equipment, Furniture & Materials	279,720	114,824	134,137	19,313	16.82%
	Expenses	266,530	100,468	97,695	-2,773	-2.76%
	Grants & Subscriptions	67,270	22,804	20,167	-2,637	-11.56%
	Miscellaneous Expenses	171,960	65,124	60,073	-5,051	-7.76%
	Printing, Stationery, Expenses	95,440	54,889	51,669	-3,220	-5.87%
	Services	337,920	42,844	64,623	21,779	50.83%
Supplies and Services	Subtotal	1,677,300	699,387	721,587	22,200	3.17%
Third Party Payments	Government Departments	3,160	-136	0	136	-100.00%
	Other Local Authorities	242,620	19,943	19,725	-218	-1.09%
	Private Contractors	118,920	44,116	33,672	-10,444	-23.67%
Third Party Payments	Subtotal	364,700	63,923	53,397	-10,526	-16.47%
Transfer Payments	Benefit Payments	5,733,690	1,869,381	1,853,684	-15,697	-0.84%
	Grant Payments	265,810	125,141	128,053	2,912	2.33%
Transfer Payments	Subtotal	5,999,500	1,994,522	1,981,737	-12,785	-0.64%
Support Services	Central Departmental Support	4,278,160	16	0	-16	-100.00%
	Departmental Support	2,119,600	504	0	-504	-100.00%
	Other Recharges	350,010	0	0	0	-
Support Services	Subtotal	6,747,770	520	0	-520	-100.00%
Depreciation and Impairment	Depreciation	1,004,470	2,650	0	-2,650	-100.00%
Depreciation and Impairment	Subtotal	1,004,470	2,650	0	-2,650	-100.00%
TOTAL Expenditure		26,338,160	6,016,440	6,001,907	-14,533	-0.24%

INCOME

Government Grants	Government Grants	-6,039,210	-1,953,570	-1,932,238	21,332	-1.09%
Government Grants	Subtotal	-6,039,210	-1,953,570	-1,932,238	21,332	-1.09%

SUBJECTIVE ANALYSIS OF ALL COMMITTEE BUDGETS AND ACTUALS

		Original 2019/20	Original Estimate to Period End	Actual and Commitments to Period End	Variance at Period End	Percentage Variance for the Period
Other Grants, Reimbursements Contributions	Other Grants, Reimbursements, Contributions	-99,520	12,396	-54,776	-67,172	-541.88%
Other Grants, Reimbursements Contributions	<i>Subtotal</i>	-99,520	12,396	-54,776	-67,172	-541.88%
Customer & Client Receipts	Customer & Client Receipts	-3,345,790	-1,411,816	-1,487,224	-75,408	5.34%
Customer & Client Receipts	<i>Subtotal</i>	-3,345,790	-1,411,816	-1,487,224	-75,408	5.34%
Oncosts and Recharges	Oncosts and Recharges	-8,891,060	-344,997	-338,491	6,506	-1.89%
Oncosts and Recharges	<i>Subtotal</i>	-8,891,060	-344,997	-338,491	6,506	-1.89%
Interest	Interest	-50	0	0	0	-
Interest	<i>Subtotal</i>	-50	0	0	0	-
TOTAL Income		-18,375,630	-3,697,987	-3,812,729	-114,742	3.10%
	NET EXPENDITURE	7,962,530	2,318,453	2,189,178	-129,275	-5.58%

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY & FINANCE COMMITTEE

INFORMATION

Agenda Item No 20

meeting date: 24 SEPTEMBER 2019
title: TREASURY MANAGEMENT MONITORING
submitted by: DIRECTOR OF RESOURCES
principal author: VALERIE TAYLOR

1 PURPOSE

1.1 To provide you with a monitoring report on our treasury management activities for the period 1 April 2019 to 31 August 2019.

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 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 potentially serious risks involved in the management of an organisation's investments and cash flows.

2.2 The Council's approved Treasury Management Policies and Practices set out in detail how we control the risks associated with our treasury management activities, ensuring that we have sufficient liquidity to meet our short-term commitments and capital spending plans and that the overriding concern when investing any surplus funds is the security of the principal invested, with risk limitation being more important than return.

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 which are agreed and reported to Policy and Finance Committee and ultimately Full Council.

2.6 The main points being:

- The Council maintains a list of organisations it will lend its surplus funds to, which is regularly reviewed. The current list of approved banks and building societies is shown in section 8 of this report.
- 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.

- The safety of our investments is paramount and not the requirement to maximise returns.
 - 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.
- 2.7 The Council borrows any money it requires to fund its capital spending plans from the Public Works Loan Board (PWLB). The PWLB make funds available for long loan periods at interest rates just below market rates and lend to Government and Public sector 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.

3 PUBLIC WORKS LOAN BOARD

- 3.1 The Bank of England base rate increased from 0.50% to 0.75% in August 2018 where it remained at 31st August 2019.
- 3.2 The increase in interest rate only impacted on the amount of interest received on our temporary investments as all interest payable on the Council's long-term loan debt from the Public Works Loan Board (PWLB) is at fixed interest rates.
- 3.3 From 1 November 2012, the Government reduced by 20 basis points (0.20%) the interest rates on loans from the PWLB. The reduction was to be applicable for those councils that provide an annual return providing 'improved information and transparency' on 'borrowing and associated capital spending plans'. This will enable the government to build a more robust forecast of public expenditure.
- 3.4 A return has been submitted for Ribble Valley Borough Council and we continue to be listed as an eligible council for this certainty discount rate on the PWLB website.

4 BORROWING REQUIREMENTS

- 4.1 There has been no movement on the Council's external borrowing during the period as the instalments in respect of the PWLB are only paid at the end of September and March. Total external debt can be summarised as follows:

	Total £000
External Debt at 1 April 2019	136
Transactions - New Loans	0
- Repayments	0
External debt at 31 August 2019	136

- 4.2 No temporary loans were taken out in the current financial period up to August 2019, or in the same period in 2018.
- 4.3 No half yearly instalment of interest is due until September 2019.

5 TEMPORARY INVESTMENTS

- 5.1 In accordance with the approved treasury management policies and practices, 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.
- 5.2 The movement in the Council's external investments during the reporting period are shown in Annex 1 and are summarised below:

	Banks/Building Societies £000	Other Local Authorities £000	Total £000
Monies Invested at 1 April 2019	4,175	8,000	12,175
Transactions - New Investments	46,275	9,500	55,775
- Repayment Investments	-40,680	-15,000	-55,680
Monies Invested as at 31 August 2019	9,770	2,500	12,270
Interest April – August 2019			36

- 5.3 Investments were held with the following organisations at 31 August 2019:

Date Invested	Nos	Borrower	Notice	Rate %	£'000	£'000
22-Jul-19	46/2	Bank of Scotland plc	13-Sep-19	0.68%	1,480	
						1,480
29-Jul-19	77	Coventry	13-Sep-19	0.58%	795	
29-Aug-19	88	Coventry	16-Sep-19	0.50%	955	
						1,750
14-Jun-19	48	Lancashire County Council	12-Jun-20	0.95%	2,500	
						2,500
08-Aug-19	27/2	Leeds	22-Nov-19	0.69%	1,750	
						1,750
17-Jun-19	57	Lloyds Bank plc	19-Sep-19	0.90%	850	
28-Aug-19	87	Lloyds Bank plc	13-Sep-19	0.60%	440	
						1,290
08-Aug-19	85	Nationwide BS	22-Nov-19	0.70%	1,750	
						1,750
16-Aug-19	86	Yorkshire	13-Sep-19	0.67%	590	
19-Aug-19	63/2	Yorkshire	13-Sep-19	0.67%	1,160	
						1,750
Total Investments as at 31 August 2019					12,270	12,270

- 5.4 The total interest received on the Council's external investments during the period was £35,622 compared with £19,677 in the previous year.
- 5.5 In August 2019 the Council reached an agreement with its banking provider, HSBC, to secure an interest rate payable on bank account balances at a rate of 0.1% below the Bank of England base rate.
- 5.6 Prior to this arrangement, in order to secure interest on our balances, it was necessary to place funds over fixed terms with HSBC money market through our online banking system, hsbc.net.
- 5.7 In terms of value for money the new arrangement has the following benefits:
- **Economic value:** Under the new arrangement the Council has secured a higher interest rate with HSBC, currently 0.65% for balances at bank compared to 0.60% on the money market. Rates will continue to be monitored to ensure economic value continues to be achieved.
 - **Increased efficiency:** During 2018/2019 close to 200 investments were placed with HSBC money markets. By removing the need to utilise this facility there is a reduction to the administrative cost of treasury management activities.
 - **Greater effectiveness:** In terms of risk management the Council's exposure to liquidity and interest rate risks have reduced. Higher cash balances result in an increased ability to deal with any unexpected payments whilst also maintaining the flexibility to take advantage of potentially advantageous investment opportunities and interest rates with alternative counterparties.

6 LOCAL GOVERNMENT BONDS AGENCY

- 6.1 The Council has one longer-term investment of £10,000 which was placed with the Local Government Bonds Agency in 2014. The agency is a freestanding independent body that is owned by the local government sector with the purpose of raising money efficiently on the capital markets at regular intervals to on-lend to participating bodies.
- 6.2 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 PRUDENTIAL INDICATORS

- 7.1 Local authorities in England and Wales are required by the Local Government Act 2003 to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities.
- 7.2 In April 2019 this Committee approved a combined Capital and Treasury Management Strategy for 2019/ 2020 which met a new requirement of the Prudential Code to produce a capital strategy along with a range of streamlined prudential indicators.
- 7.3 These prudential indicators are designed to deliver accountability in taking capital financing, borrowing and treasury management decisions.
- 7.4 The treasury management indicators which still form part of the prudential code are the following:
- **Authorised limit for external debt**
This sets a limit on the amount of external borrowing that reflects a level of borrowing, which while not desired, could be afforded but may not be sustainable. It is the upper

limit on the level of gross external indebtedness, which must not be breached without council approval. It is the **worse-case scenario**.

- **Operational boundary for external debt**

This indicator focuses on the day-to-day treasury management activity within the Council and reflects the most likely prudent but not worse-case scenario. Any sustained breaches to this boundary would give an indication that the Council may be in danger of stepping beyond the prudential boundaries it has set itself.

7.5 The Council's actual long-term debt at 31st August 2019 compared to the approved authorised limit and operational boundary for the 2019/ 20 financial year is as follows:

Prudential Indicator	Authorised Limit £000's	Operational Boundary £000's	31 st August 2019 £000's	Breaches to limits 2019/ 2020
Borrowing	19,935	1,685	136	NONE
Other Long-Term liabilities	0	0	0	NONE

7.6 The Treasury Management code requires that where an authority invests, or plans to invest, for periods of longer than one year that an upper limit for investments maturing in excess of this timeframe is set. This council currently has a policy of not investing for periods of longer than one year and so no upper limits have been set and no investments have been made in the reporting period for longer than 364 days.

8 APPROVED ORGANISATIONS

8.1 Principally, Fitch credit ratings are used as an indication of the probability of organisations defaulting on our investments. Definitions for the ratings are provided at Annex 2.

8.2 The ratings show an indication of the current credit position and are monitored on a regular basis with any significant changes to be reported to this committee. Prior to investing any monies on a day to day basis the ratings given by rating agents S&P Global Ratings and Moody's are also monitored and considered alongside the Fitch ratings. The full list of ratings for our approved institutions as at 31st August 2019 is shown at Annex 3.

8.3 Investments with Building Societies are limited to the top 8 building societies based on their total assets (provided they are included in Fitch ratings). West Bromwich and Nottingham Building Societies have been removed from the approved list as they do not currently have a Fitch rating, leaving the top 6 building societies based on their total assets.

Name	Fitch Rating		
	Full Transaction Review Date	Long Term	Short Term
Nationwide	01/03/19	A	F1
Yorkshire	04/04/19	A-	F1
Coventry	04/04/19	A-	F1
Skipton	04/04/19	A-	F1
Leeds	04/04/19	A-	F1
Principality	04/04/19	BBB+	F2

- 8.4 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 Council has a policy to only use institutions with a short-term Fitch rating of F2 or above. The banks on the Council's approved list meeting this requirement at 31st August 2019 are as follows:

Name	Fitch's Full Transaction Review Date	Long Term	Short Term
Santander UK Plc	01/03/19	A +	F1
Barclays Bank Plc*	06/06/19	A+	F1
Bank of Scotland Plc	01/03/19	A+	F1
HSBC Bank Plc	06/06/19	AA-	F1+
Lloyds Bank Plc	01/03/19	A+	F1
National Westminster Bank Plc	01/03/19	A+	F1
Royal Bank of Scotland Plc (The)	01/03/19	A	F1

* Changed since last reported

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

9 RECENT EVENTS

- 9.1 In August 2019 the Bank of England's Monetary Policy Committee (MPC) voted unanimously to maintain the Bank Rate at 0.75%.
- 9.2 Brexit continues to be an area of high uncertainty, and any firm impact on interest rates in the short to medium term is still unclear. The MPC's most recent projections estimate that the Bank Rate will reduce down to 0.6% in the 4th quarter of 2019 before reducing down to 0.5% in 2020.

10 EXPOSURE TO RISK

- 10.1 With the risks surrounding the UK's exit from the UK, it is imperative that we continue to protect the Council's principal sums invested in order to minimise its exposure to risks.
- 10.2 To ensure our exposure is limited as far as possible, we continue with the following measures:
- 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
 - Authorisation prior to investments with either the Director of Resources or the Head of Financial Services
 - Keep Leader/Chief Executive informed of any developments

- Look to arrange new secure options for investments as necessary.

11 CONCLUSION

- 11.1 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.
- 11.2 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

PF44-19/VT/AC
6 September 2019

For further information please ask for Val Taylor

**POLICY AND FINANCE COMMITTEE
TEMPORARY INVESTMENT ACTIVITY – 2019/20**

ANNEX 1

Date Invested	Temporary Investment Number	Borrower	Amount Invested £	Interest rate %	Date Repaid	Principal Repaid £	Interest Received or Due £	Fitch Long Term Rating	Fitch Short Term Rating
Investments Brought Forward at 1 April 2019									
18-Feb-19	152/2	Barclays Bank	760,000	0.66%	30-Apr-19	-760,000	-975.72	A+	F1
		Debtor					577.18		
18-Feb-19	156/2	Dumfries Council	2,500,000	0.81%	23-Apr-19	-2,500,000	-3,550.68		
		Debtor					2,330.14		
15-Mar-19	164/3	Lloyds Bank plc	330,000	0.61%	15-Apr-19	Rolled Over	-170.97	A+	F1
		Debtor					93.76		
02-Jan-19	181	Nationwide BS	1,540,000	0.72%	02-Apr-19	Rolled Over	-2,734.03	A+	F1
		Debtor					2,703.65		
18-Jan-19	195	Leeds City Council	1,500,000	0.70%	18-Apr-19	-1,500,000	-2,589.04		
		Debtor					2,100.00		
01-Feb-19	208	Redcar & Cleveland Council	2,500,000	0.82%	23-Apr-19	-2,500,000	-4,549.32		
		Debtor					3,313.70		
19-Feb-19	218	London Borough of Sutton	1,500,000	0.77%	30-Apr-19	-1,500,000	-2,215.07		

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest rate %	Date Repaid	Principal Repaid	Interest Received or Due	Fitch Long Term	Fitch Short Term
		Debtor					1,297.40		
01-Mar-19	228	Bank of Scotland plc	525,000	0.65%	08-Apr-19	-525,000	-355.27	A+	F1
		Debtor					289.83		
29-Mar-19	246	HSBC Bank plc	1,020,000	0.60%	02-Apr-19	-1,020,000	-67.07	AA-	F1+
		Debtor					50.30		
Monies Invested at 1 April 2019			12,175,000			-10,305,000	-4,451.20		
Investments made April to August 2019									
01-Apr-19	1	HSBC Bank plc	170,000	0.60%	02-Apr-19	-170,000	-2.79	AA-	F1+
02-Apr-19	2	HSBC Bank plc	280,000	0.60%	08-Apr-19	-280,000	-27.62	AA-	F1+
02-Apr-19	3	HSBC Bank plc	220,000	0.60%	15-Apr-19	-220,000	-47.01	AA-	F1+
02-Apr-19	4	HSBC Bank plc	820,000	0.60%	18-Apr-19	-820,000	-215.67	AA-	F1+
03-Apr-19	5	HSBC Bank plc	80,000	0.60%	18-Apr-19	-80,000	-19.73	AA-	F1+
05-Apr-19	6	HSBC Bank plc	85,000	0.60%	15-Apr-19	-85,000	-13.97	AA-	F1+
08-Apr-19	7	HSBC Bank plc	240,000	0.60%	09-Apr-19	-240,000	-3.95	AA-	F1+
09-Apr-19	8	HSBC Bank plc	300,000	0.60%	10-Apr-19	-300,000	-4.93	AA-	F1+
10-Apr-19	9	HSBC Bank plc	370,000	0.60%	11-Apr-19	-370,000	-6.08	AA-	F1+

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest rate %	Date Repaid	Principal Repaid	Interest Received or Due	Fitch Long Term	Fitch Short Term
11-Apr-19	10	HSBC Bank plc	420,000	0.60%	12-Apr-19	-420,000	-6.90	AA-	F1+
12-Apr-19	11	HSBC Bank plc	470,000	0.60%	15-Apr-19	-470,000	-23.18	AA-	F1+
15-Apr-19	12	HSBC Bank plc	450,000	0.60%	16-Apr-19	-450,000	-7.40	AA-	F1+
16-Apr-19	13	HSBC Bank plc	500,000	0.60%	17-Apr-19	-500,000	-8.22	AA-	F1+
17-Apr-19	14	HSBC Bank plc	580,000	0.60%	18-Apr-19	-580,000	-9.53	AA-	F1+
18-Apr-19	15	Wirral MBC	2,000,000	0.70%	20-May-19	Rolled Over	-1,227.40		
18-Apr-19	16	HSBC Bank plc	1,000,000	0.60%	24-Apr-19	-1,000,000	-98.63	AA-	F1+
23-Apr-19	17	Coventry	650,000	0.60%	10-Jun-19	-650,000	-512.88	A-	F1
23-Apr-19	18	HSBC Bank plc	150,000	0.60%	07-May-19	-150,000	-34.52	AA-	F1+
23-Apr-19	19	HSBC Bank plc	80,000	0.60%	24-Apr-19	-80,000	-1.32	AA-	F1+
24-Apr-19	20	HSBC Bank plc	600,000	0.60%	25-Apr-19	-600,000	-9.86	AA-	F1+
25-Apr-19	21	HSBC Bank plc	670,000	0.60%	26-Apr-19	-670,000	-11.01	AA-	F1+
26-Apr-19	22	HSBC Bank plc	1,070,000	0.60%	29-Apr-19	-1,070,000	-52.77	AA-	F1+
29-Apr-19	23	Bank of Scotland plc	1,750,000	0.61%	30-May-19	-1,750,000	-906.64	A+	F1
29-Apr-19	24	HSBC Bank plc	90,000	0.60%	30-Apr-19	-90,000	-1.48	AA-	F1+

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest rate %	Date Repaid	Principal Repaid	Interest Received or Due	Fitch Long Term	Fitch Short Term
30-Apr-19	25	London Borough of Sutton	2,500,000	0.70%	30-May-19	-2,500,000	-1,438.36		
30-Apr-19	26	HSBC Bank plc	320,000	0.60%	13-May-19	-320,000	-68.38	AA-	F1+
30-Apr-19	27	Leeds	1,750,000	0.72%	08-Aug-19	Rolled Over	-3,452.05	A-	F1
30-Apr-19	28	HSBC Bank plc	270,000	0.60%	20-May-19	-270,000	-88.77	AA-	F1+
01-May-19	29	HSBC Bank plc	200,000	0.60%	20-May-19	-200,000	-62.47	AA-	F1+
03-May-19	30	HSBC Bank plc	150,000	0.60%	07-May-19	-150,000	-9.86	AA-	F1+
07-May-19	31	HSBC Bank plc	320,000	0.60%	13-May-19	-320,000	-31.56	AA-	F1+
08-May-19	32	HSBC Bank plc	90,000	0.60%	13-May-19	-90,000	-7.40	AA-	F1+
10-May-19	33	HSBC Bank plc	130,000	0.60%	22-May-19	-130,000	-25.64	AA-	F1+
13-May-19	34	HSBC Bank plc	300,000	0.60%	20-May-19	-300,000	-34.52	AA-	F1+
15-May-19	35	HSBC Bank plc	215,000	0.60%	16-May-19	-215,000	-3.53	AA-	F1+
16-May-19	36	HSBC Bank plc	270,000	0.60%	17-May-19	-270,000	-4.44	AA-	F1+
17-May-19	37	HSBC Bank plc	500,000	0.60%	20-May-19	-500,000	-24.66	AA-	F1+
20-May-19	38	HSBC Bank plc	375,000	0.60%	21-May-19	-375,000	-6.16	AA-	F1+

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest rate %	Date Repaid	Principal Repaid	Interest Received or Due	Fitch Long Term	Fitch Short Term
21-May-19	39	HSBC Bank plc	440,000	0.60%	28-May-19	-440,000	-50.63	AA-	F1+
22-May-19	40	HSBC Bank plc	140,000	0.60%	28-May-19	-140,000	-13.81	AA-	F1+
28-May-19	41	HSBC Bank plc	660,000	0.60%	29-May-19	-660,000	-10.85	AA-	F1+
29-May-19	42	Yorkshire	1,550,000	0.66%	19-Jun-19	-1,550,000	-588.58	A-	F1
30-May-19	43	HSBC Bank plc	300,000	0.60%	31-May-19	-300,000	-4.93	AA-	F1+
31-May-19	44	HSBC Bank plc	70,000	0.60%	03-Jun-19	-70,000	-3.45	AA-	F1+
31-May-19	45	HSBC Bank plc	50,000	0.60%	14-Jun-19	-50,000	-11.51	AA-	F1+
31-May-19	46	Bank of Scotland plc	1,480,000	0.70%	22/07/2019	Rolled Over	-1,475.95	A+	F1
31-May-19	47	DMO	2,500,000	0.50%	14-Jun-19	-2,500,000	-479.45		
14-Jun-19	48	Lancashire County Council	2,500,000	0.95%	Still Invested	Still Invested	-5,075.34		
03-Jun-19	49	HSBC Bank plc	95,000	0.60%	04-Jun-19	-95,000	-1.56	AA-	F1+
04-Jun-19	50	HSBC Bank plc	120,000	0.60%	21-Jun-19	-120,000	-33.53	AA-	F1+
05-Jun-19	51	HSBC Bank plc	75,000	0.60%	06-Jun-19	-75,000	-1.23	AA-	F1+
06-Jun-19	52	HSBC Bank plc	115,000	0.60%	07-Jun-19	-115,000	-1.89	AA-	F1+
07-Jun-19	53	HSBC Bank plc	200,000	0.60%	10-Jun-19	-200,000	-9.86	AA-	F1+

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest rate %	Date Repaid	Principal Repaid	Interest Received or Due	Fitch Long Term	Fitch Short Term
10-Jun-19	54	HSBC Bank plc	340,000	0.60%	14-Jun-19	-340,000	-22.36	AA-	F1+
12-Jun-19	55	HSBC Bank plc	80,000	0.60%	14-Jun-19	-80,000	-2.63	AA-	F1+
14-Jun-19	56	HSBC Bank plc	740,000	0.60%	17-Jun-19	-740,000	-36.49	AA-	F1+
17-Jun-19	57	Lloyds Bank plc	850,000	0.90%	Still Invested	Still Invested	-1,571.92	A+	F1
17-Jun-19	58	HSBC Bank plc	365,000	0.60%	24-Jun-19	-365,000	-42.00	AA-	F1+
19-Jun-19	59	HSBC Bank plc	710,000	0.60%	04-Jul-19	-710,000	-175.07	AA-	F1+
21-Jun-19	60	HSBC Bank plc	165,000	0.60%	24-Jun-19	-165,000	-8.14	AA-	F1+
24-Jun-19	61	HSBC Bank plc	250,000	0.60%	28-Jun-19	-250,000	-16.44	AA-	F1+
26-Jun-19	62	HSBC Bank plc	95,000	0.60%	15-Jul-19	-95,000	-29.67	AA-	F1+
28-Jun-19	63	Yorkshire	1,160,000	0.70%	19-Aug-19	Rolled Over	-1,156.82	A-	F1
04-Jul-19	64	Wirral MBC	2,500,000	0.70%	08-Aug-19	-2,500,000	-1,678.08	-	-
01-Jul-19	65	HSBC Bank plc	30,000	0.60%	19-Jul-19	-30,000	-8.88	AA-	F1+
01-Jul-19	66	DMO	3,380,000	0.50%	04-Jul-19	-3,380,000	-138.90	-	-
04-Jul-19	67	HSBC Bank plc	740,000	0.60%	08-Jul-19	-740,000	-48.66	AA-	F1+
04-Jul-19	68	Lloyds Bank plc	760,000	0.61%	05-Aug-19	-760,000	-406.44	A+	F1

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest rate %	Date Repaid	Principal Repaid	Interest Received or Due	Fitch Long Term	Fitch Short Term
09-Jul-19	69	HSBC Bank plc	300,000	0.60%	15-Jul-19	-300,000	-29.59	AA-	F1+
12-Jul-19	70	HSBC Bank plc	300,000	0.60%	15-Jul-19	-300,000	-14.79	AA-	F1+
15-Jul-19	71	HSBC Bank plc	900,000	0.60%	22-Jul-19	-900,000	-103.56	AA-	F1+
16-Jul-19	72	HSBC Bank plc	110,000	0.60%	22-Jul-19	-110,000	-10.85	AA-	F1+
18-Jul-19	73	HSBC Bank plc	295,000	0.60%	22-Jul-19	-295,000	-19.40	AA-	F1+
22-Jul-19	74	HSBC Bank plc	270,000	0.60%	31-Jul-19	-270,000	-39.95	AA-	F1+
24-Jul-19	75	HSBC Bank plc	520,000	0.60%	31-Jul-19	-520,000	-59.84	AA-	F1+
26-Jul-19	76	HSBC Bank plc	195,000	0.60%	31-Jul-19	-195,000	-16.03	AA-	F1+
29-Jul-19	77	Coventry	795,000	0.58%	Still Invested	Still Invested	-416.88	A-	F1
31-Jul-19	78	DMO	3,910,000	0.50%	08-Aug-19	-3,910,000	-428.49	-	-
31-Jul-19	79	HSBC Bank plc	160,000	0.60%	05-Aug-19	-160,000	-13.15	AA-	F1+
31-Jul-19	80	HSBC Bank plc	550,000	0.60%	12-Aug-19	-550,000	-108.49	AA-	F1+
01-Aug-19	81	HSBC Bank plc	200,000	0.60%	08-Aug-19	-200,000	-23.01	AA-	F1+
05-Aug-19	82	HSBC Bank plc	270,000	0.60%	12-Aug-19	-270,000	-31.07	AA-	F1+
05-Aug-19	83	HSBC Bank plc	270,000	0.60%	08-Aug-19	-270,000	-13.32	AA-	F1+

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest rate %	Date Repaid	Principal Repaid	Interest Received or Due	Fitch Long Term	Fitch Short Term
07-Aug-19	84	HSBC Bank plc	100,000	0.60%	08-Aug-19	-100,000	-1.64	AA-	F1+
08-Aug-19	85	Nationwide	1,750,000	0.70%	Still Invested	Still Invested	-771.92	A	F1
16-Aug-19	86	Yorkshire	590,000	0.67%	Still Invested	Still Invested	-162.45	A-	F1
28-Aug-19	87	Lloyds Bank plc	440,000	0.60%	Still Invested	Still Invested	-21.70	A+	F1
29-Aug-19	88	Coventry	955,000	0.50%	Still Invested	Still Invested	-26.16	A+	F1
20-May-19	15/2	Wirral MBC	Rolled over	0.75%	04-Jul-19	-2,000,000	-1,849.32	-	-
15-Apr-19	164/4	Lloyds Bank plc	Rolled over	0.61%	13-May-19	Rolled Over	-154.42	A+	F1
13-May-19	164/5	Lloyds Bank plc	Rolled over	0.61%	14-Jun-19	-330,000	-176.48	A+	F1
02-Apr-19	181/2	Nationwide BS	Rolled over	0.75%	04-Jul-19	-1,540,000	-2,942.88	A	F1
08-Aug-19	27/2	Leeds	Rolled over	0.69%	Still Invested	Still Invested	-760.89	A-	F1
22-Jul-19	46/2	Bank of Scotland plc	Rolled over	0.68%	Still Invested	Still Invested	-1,102.90	A+	F1
19-Aug-19	63/2	Yorkshire	Rolled over	0.67%	Still Invested	Still Invested	-255.52	A-	F1
Investments April - August 2019			55,775,000			-45,375,000	-31,171.07		
Total Investments 2019/20 (including Brought Forward from 2018/19)			67,950,000			-55,680,000	-35,622.27		

POLICY AND FINANCE COMMITTEE

Fitch Rating Definitions	
International Long-Term Credit Ratings	
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
International Short-Term Credit ratings	
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 2019**

	S&P Global Ratings			Moody's			Fitch				
	Long Term	Short Term	Outlook	Long Term	Short Term	Outlook	Full Review Date	Long Term	Short Term	Outlook	
Building Societies											
Nationwide	A	A-1	Positive	Aa3	P-1	Negative	01/03/19	A	F1	Negative	£1m min
Yorkshire	-	-	-	A3	P-2	Stable	04/04/19	A-	F1	Negative	
Coventry	-	-	-	A2	P-1	Stable	04/04/19	A-	F1	Negative	Sterling Brokers
Skipton	-	-	-	Baa1	P-2	Positive	04/04/19	A-	F1	Negative	
Leeds	-	-	-	A3	P-2	Stable	24/04/19	A-	F1	Negative	3 Mth
Principality	-	-	-	Baa2	P-2	Stable	04/04/19	BBB+	F2	Negative	No Contact
Banks											
Santander UK Plc.	A	A-1	Stable	Aa3	P-1	Positive	01/03/19	A+	F1	Negative	
Barclays Bank Plc.	A	A-1	Stable	A2	P-1	Positive	06/06/19	A+	F1	Negative	
Bank of Scotland Plc.	A+	A-1	Stable	Aa3	P-1	Stable	01/03/19	A+	F1	Negative	
HSBC Bank Plc.	AA-	A-1+	Stable	Aa3	P-1	Stable	06/06/19	AA-	F1+	Negative	
Lloyds Bank Plc.	A+	A-1	Stable	Aa3	P-1	Stable	01/03/19	A+	F1	Negative	£250k
National Westminster Bank Plc.	A	A-1	Stable	A1	P-1	Positive	01/03/19	A+	F1	Negative	Current a/c required
Royal Bank of Scotland Plc.	A	A-1	Stable	A1	Baa1	Positive	01/03/19	A	F1	Negative	Current a/c required
Banks not currently meeting minimum Fitch Short Term requirement of F2 (and not currently approved for investments)											
Co-operative Bank (The)	-	-	-	B3	B3	Positive	30/07/19	B	B	Negative	£1m min

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 21

meeting date: 24 SEPTEMBER 2019
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 2020/21 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

PF39-19/LO/AC
29 August 2019

Annex 1

Budget Timetable 2020/21 Task		Who?	When?
1	Invite all Heads of Service to submit new Capital Bids for the financial year 2024/2025 (Deadline for return Friday 13 September 2019)	Head of Financial Services	Friday 2 August 2019
2	Budget Working Group meeting: Fair Funding Review, Lancashire Business Rates Pilot Pool, Budget Monitoring, New Homes Bonus	Budget Working Group	Tuesday 20 August 2019
3	Meetings arranged between Accountants, Heads of Service and Budget Holders to review fees and charges in line with guidance provided by Budget Working Group	Accountants / Accounting Technicians / Heads of Service	Wednesday 21 August 2019
4	Distribution of recharge time allocation sheets to service managers for purpose of calculating departmental recharges	Senior Accountants	Monday 26 August 2019
5	Housing Benefit Mid-Year Estimate return to be submitted	Senior Accountant (AC)/Director Of Resources	Friday 30 August 2019
6	Deadline for submission of Capital Bids for 2024/25 by Heads of Service	Senior Accountant (AC)/ All Heads of Service	Friday 13 September 2019
7	Budget Working Group meeting: 3 Year Budget Forecast, Business Rate Reforms, Budget Setting Guidelines, Fair Funding Review, Pay Award Implications	Budget Working Group	Thursday 19 September 2019
8	Finalise proposals for the Revised Capital Programme for 2019/20	Head of Financial Services/Senior Accountant (AC) All Heads of Service	Friday 20 September 2019
9	Calculate Capital Charges and distribute	Head of Financial Services/Senior Accountant (VT)	Monday 23 September 2019

Annex 1

Budget Timetable 2020/21 Task		Who?	When?
10	Consideration of Budget Forecast up to 2022/23 by Policy and Finance Committee	Policy and Finance Committee	Tuesday 24 September 2019
11	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	Monday 30 September 2019
12	Calculation of Taxbase for council tax setting purposes for 2020/21	Director of Resources/Head of Financial Services/ Head of Revenues and Benefits	Friday 4 October 2019
13	Request VAT Shelter forecast for 2019/20 and 2020/21 from Ribble Valley Homes	Senior Accountant (AC)/Ribble Valley Homes	Friday 11 October 2019
14	Send out Precept Letters to Parish Councils (For return Friday 20 December 2019)	Head of Financial Services/Accounting Technician	Friday 11 October 2019
15	Budget Working Group meeting: - Fees and Charges, Budget Monitoring, Fair Funding Review	Budget Working Group	Wednesday 16 October 2019
16	Consideration of Fees and Charges and Capital Reports by Committees: Community Services Committee <u>(Date to Printing: Friday 18 October 2019. Distribution Monday 21 October 2019)</u>	Service Committees/Senior Accountants/Heads of Service	Meeting Date: Tuesday 29 October 2019
17	Consideration of Fees and Charges and Capital Reports by Committees: Planning and Development Committee <u>(Date to Printing: Friday 18 October 2019. Distribution Monday 21 October 2019)</u>	Service Committees/Senior Accountants/Heads of Service	Meeting Date: Thursday 31 October 2019
18	Final Calculations of ALL Recharges – This is the final deadline for the last recharge to be calculated	Accountants	Friday 1 November 2019

Annex 1

Budget Timetable 2020/21 Task		Who?	When?
19	Finalise VAT Shelter budget for inclusion under Policy and Finance Committee and any associated movement in earmarked reserves	Senior Accountant (AC) /Head of Financial Services/Ribble Valley Homes	Friday 1 November 2019
20	Consideration of Fees and Charges and Capital Reports by Committees: Health and Housing Committee <u>(Date to Printing: Friday 25 October 2019. Distribution Monday 28 October 2019)</u>	Service Committees/Senior Accountants/Heads of Service	Meeting Date: Thursday 7 November 2019
21	Budget Working Group meeting: - Council Taxbase, Autumn Statement 2019, Earmarked Reserves Review	Budget Working Group	Tuesday 12 November 2019
22	Consideration of Fees and Charges and Capital Reports by Committees: Licensing Committee <u>(Date to Printing: Friday 1 November 2019. Distribution Monday 4 November 2019)</u>	Service Committees/Senior Accountants/Heads of Service	Meeting Date: Tuesday 12 November 2019
23	Consideration of Fees and Charges and Capital Reports by Committees: Economic Development Committee <u>(Date to Printing: Friday 1 November 2019. Distribution Monday 4 November 2019)</u>	Service Committees/Senior Accountants/Heads of Service	Meeting Date: Thursday 14 November 2019
24	Consideration of Fees and Charges and Capital Reports by Committees: Policy and Finance Committee <u>(Date to Printing: Friday 8 November 2019. Distribution Monday 11 November 2019)</u>	Service Committees/Senior Accountants/Heads of Service	Meeting Date: Tuesday 19 November 2019
25	Anticipated announcement of Provisional Settlement information from DCLG (including New Homes Bonus)	MHCLG	December 2019
26	Assess implications of Settlement for RVBC	Director of Resources/Head of Financial Services	December 2019
27	Committee budget figures to be passed to Director of Resources and Head of Financial Services	All Accountants/Head of Financial services/Director of Resources	Monday 2 December 2019

Annex 1

Budget Timetable 2020/21 Task		Who?	When?
28	CMT to consider the budget position that will be reported to service committees – prior to Budget Working Group	CMT	Wednesday 4 December 2019
29	Budget Reports for ALL 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 6 December 2019
30	Budget Working Group meeting: - Local Government Grant Settlement, Draft Revenue Budget 2020/21	Budget Working Group	Thursday 12 December 2019
31	Director of Resources to finalise council tax base	Director of Resources	Mid December 2019
32	Calculate Collection Fund (Council Tax) Surplus/Deficit and apportion between Precepting Authorities	Director of Resources/Head of Financial Services	Mid December 2019
33	Anticipated publication of NNDR1 Return by Central Government	Director of Resources/Head of Revenues and Benefits	Mid December 2019
34	Deadline for return of parish precept letters	Parish Clerks/Accounting Technician	Friday 20 December 2019
35	Consideration of Revenue Budget Reports by Committees: Community Services Committee <u>(Date to Printing: Friday 13 December 2019. Distribution Monday 16 December 2019)</u>	Service Committees	Meeting Date: Tuesday 7 January 2020
36	Consideration of Revenue Budget Reports by Committees: Planning & Development Committee <u>(Date to Printing: Friday 13 December 2019. Distribution Monday 16 December 2019)</u>	Service Committees	Meeting Date: Thursday 9 January 2020
37	Proposed Special CMT to review Revenue and Capital budgets	CMT	Monday 13 January 2020

Budget Timetable 2020/21 Task		Who?	When?
38	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 2020
39	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 13 January 2020
40	Budget Working Group - NNDR1, Revenue Budget 2020/21, Collection Fund, Forward Capital Programme	Budget Working Group	Thursday 16 January 2020
41	Consideration of Revenue Budget Reports by Committees: Health & Housing Committee (Date to Printing: Friday 3 January 2020. Distribution Monday 6 January 2020)	Service Committees	Meeting Date: Thursday 16 January 2020
42	Consideration of Revenue Budget Reports by Committees: Policy & Finance Committee (Date to Printing: Friday 10 January 2020. Distribution Monday 13 January 2020)	Service Committees	Meeting Date: Tuesday 21 January 2020
43	Consideration of Revenue Budget Reports by Committees: Economic Development Committee (Date to Printing: Friday 10 January 2020. Distribution Monday 13 January 2020)	Service Committees	Meeting Date: Thursday 23 January 2020
44	Anticipated return date for NNDR1 (To Central Government and local preceptors)	Director of Resources/Head of Revenues and Benefits/Head of Financial Services	Friday 31 January 2020
45	Forecasts of potential outturn position for the Lancashire Business Rates Pilot Pool based on NNDR1 returns submitted by the Pilot Pool members.	Director of Resources/Head of Financial Services	Monday 3 February 2020
46	Settlement Debate in Parliament	Central Government	Early February 2020

Budget Timetable 2020/21 Task		Who?	When?
47	Meeting of Special Policy and Finance Committee to approve budget and recommend Council Tax to Full Council (Date to Printing: Friday 24 January 2020. Distribution Monday 27 January 2020)	Director of Resources/Head of Financial Services/Members	Meeting Date: Tuesday 4 February 2020
48	Provision of Financial Information for Council Tax Leaflet and website	Head of Financial Services/ Head of Revenues and Benefits	Mid-February 2020
49	Arrange formal budget consultation meeting with Representatives of Business Rates Payers	PA to Director of Resources	Mid-February 2020
50	Entering of Proposed/Approved Budget onto Financials system	All Accountants	Mid-February 2020
51	Receipt of Precept Letters from Major Precepting Authorities – Date yet to be confirmed for Lancashire County Council Meeting	Head of Financial Services	Mid-February 2020
52	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 2020
53	Receipt of Precept Letters from Major Precepting Authorities – Date yet to be confirmed for Lancashire Combined Fire Authority Meeting	Head of Financial Services	Mid-February 2020
54	Production of Summary Budget Books for Full Council	Head of Financial Services	Mid-February 2020
55	Full Council to agree Budget and set Council Tax (Date to Printing: Friday 21 February 2020. Distribution Monday 24 February 2020)	Director of Resources/Head of Financial Services/Members	Meeting Date: Tuesday 3 March 2020
56	Inform Heads of Service of approved Budget	Director of Resources, Head of Financial Services & CMT	Wednesday 4 March 2020

Annex 1

Budget Timetable 2020/21 Task		Who?	When?
57	Publish Fees and Charges on website	Accounting Technician	Wednesday 4 March 2020
58	Production of Final Budget Book	Head of Financial Services	Wednesday 4 March 2020

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 22

meeting date: 24 SEPTEMBER 2019
 title: INSURANCE RENEWALS 2019/20
 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 2019 to 19 June 2020.

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 2018, resulting in Zurich Municipal being appointed as our insurers on a five year long-term agreement effective from 20 June 2018.

2.2 The Council’s insurances were renewed on 20 June 2019 under the terms of the long-term agreement.

2.3 Renewal terms for 2019/20 are as follows:

Policy	Premium		Increase/ Decrease £	%	Notes
	2018/2019 £	2019/20 £			
Material Damage (Fire)	12,879	12,309	-570	4.43	
Terrorism	2,673	2,759	86	3.22	
Business Interruption	1,673	1,679	6	0.36	
Theft	1,788	1,978	190	10.63	¹
Money	268	284	16	5.97	
All Risks	4,412	4,567	155	3.51	
Public Liability	36,779	38,959	2,180	5.93	
Professional Negligence	533	533	0	0	
Officials Indemnity	1,467	1,554	87	5.93	
Employers Liability	33,223	35,195	1,972	5.94	
Libel and Slander	474	474	0	0	
Motor	42,096	42,096	0	0	
Engineering	6,797	7,538	741	10.90	¹
Fidelity Guarantee	1,838	1,904	66	3.59	
Land Charges	1,209	1,010	-199	16.46	²
Personal Accident	771	808	37	4.8	
Public Health Act	311	327	16	5.14	
Computers	2,269	2,269	0	0	

Policy	Premium		Increase/ Decrease £	%	Notes
	2018/2019 £	2019/20 £			
	151,460	156,243	4,783	3.16	

Notes

- ¹ Reflecting an overall increase in claims nationwide in this particular line of business, meaning that insurers overall rating has increased for this kind of risk.
- ² Reflecting a decrease in claims nationwide in this particular line of business.

3 COMMENTS ON RENEWAL TERMS

- 3.1 Total cost of premiums for 2019/20 has risen by £4,783 (3.16%) on the previous year's figure.
- 3.2 Our claims experience has been slightly better this year compared to last but still well up on claims from the four years previous to 2017/18:

	Liability	Motor	Property	Total
2014/15	3	13	0	16
2015/16	7	23	0	30
2016/17	4	18	3	25
2017/18	7	25	3	35
2018/19	5	21	7	33

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 20.06.18	8	5	0	13
Claims during year	5	21	7	33
Settled during year	6	11	4	21
Claims outstanding 19.06.19	7	15	3	25

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 2019/20 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 2019/20.

PRINCIPAL AUDITOR

DIRECTOR OF RESOURCES

PF40-19/MA/AC
2 September 2019

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

Agenda Item No 23

meeting date: 24 SEPTEMBER 2019
 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 processing times and overpayment recovery.

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 9 September 2019:

	£000	£000	2019/20 %	2018/19 %
Balance Outstanding 1 April 2019		604		
NNDR amounts due	21,288			
Plus costs	1			
Transitional surcharge	44			
Write ons	0			
	21,333			
Less				
- Transitional relief	-241			
- Exemptions	-429			
- Charity, Rural, Community Amateur Sports Clubs Relief	-1,234			
- Small Business Rate Relief	-3,240			
- Revaluation 2017, Pub, SSB and Other reliefs	-487			
- Interest Due	0			
- Write Offs	-16			
	-5,647	15,686		
Total amount to recover		16,290		
Less cash received to 9 September 2019		-7,888	48.4	47.7
Amount Outstanding		8,402	51.6	52.3

NB The figures included in the table include not only those charges for 2019/20 but also those relating to previous years, but we are required to report to the Ministry of Housing, Communities & Local Government (MHCLG) 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 2019 is 49.16% compared with 47.87% at 31 August 2018.

3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 9 September 2019:

	£000	£000	2018/19 %	2017/18 %
Balance Outstanding 1 April 2019		927		
Council Tax amounts due	49,300			
Plus costs	50			
Transitional relief	0			
Write ons	3			
	49,353			
Less - Exemptions	-682			
- Discounts	-4,345			
- Disabled banding reduction	-57			
- Council Tax Benefit	7			
- Local Council Tax Support	-1,854			
- Write offs	-11			
	-6,942	42,411		
Total amount to recover		43,338		
Less cash received to 9 September 2019		-21,199	48.9	49.0
Amount Outstanding		22,139	51.1	51.0

NB The figures included in the table include not only those charges for 2019/20 but also those relating to previous years, but we are required to report our in year collection rate to the MHCLG. 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 2019 is 49.02% compared to 49.22% at 31 August 2018.

4 SUNDRY DEBTORS

4.1 A summary of the sundry debtors account at 13 September 2019 is:

	£000	£000
Amount Outstanding 1 April 2019		429
Invoices Raised	1,609	
Plus costs	1	
		1,610
Less credit notes		-49
Total amount to recover		1,990
Less cash received to 13 September 2019		-1,380
Amount outstanding		610

Aged Debtors	000s	%
< 30 days	37	6.07
30 - 59 days	14	2.30
60 - 89 days	19	3.11
90 - 119 days	26	4.26
120 - 149 days	7	1.15
150+ days	507	83.11
	610	100

4.2 A large proportion of the debt outstanding for '150+ days' relates to the recovery of Housing Benefit overpayments, having arisen from reasons including fraud. Recovery action continues on this debt, with some being paid by instalments or recovered from other continuing benefits through the DWP.

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 2019/2020

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.

Target for year	Actual Performance 1 April 2019 – 30 June 2019	Average Performance
6.9 days	3.80 days	20 days per IRRV

New claims performance

Target for year	Actual Performance 1 April 2019 – 30 June 2019	Top grade 4 for all LA's 2007/08
20 days	12.95 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 2019 - 30 June 2019:

Performance Measure	%
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.	94.89
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.	19.54

Performance Measure	%
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.	0.09

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

PF41-19/ME/AC
4 September 2019

For further information please ask for Mark Edmondson.

MINUTES OF BUDGET WORKING GROUP MEETING

HELD 17 JANUARY 2019

Present: Cllrs: S Atkinson (Chair), A Brown, R Swarbrick, Chief Executive, Director of Community Services, Director of Resources, Head of Financial Services.

1 Apologies

Cllrs: S Hirst, A Knox and J Rogerson. Director of Economic Development and Planning.

2 Minutes of meeting held on 7 November 2018

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

3 Provisional Local Government Finance Settlement 2019/20

3.1 A report was presented by the Director of Resources on the Provisional Local Government Finance Settlement 2019/20. It was explained that the information presented was in respect of the provisional settlement, with the final settlement expected to be laid before the House of Commons in February.

3.2 The report gave key information around:

- Provisional Settlement Funding Assessment - £1,440,600 for 2019/20.
- New Homes Bonus - no change to the baseline for 2019/20, but still uncertainty going forward.
- Business Rates - confirmation that the new Lancashire Pilot pool had officially been designated by MHCLG, subject to any parties withdrawing within the 28 days after the Provisional Local Government Finance Settlement date of 13 Dec 2018. Extra growth retained for this council was indicated as £360k.
- Levy Account Adjustment – the Government had announced that there was a surplus on the levy account (where levies from authorities payable on growth are used to compensate those authorities below their safety net threshold). This was to be distributed and this council were to benefit by £20,446.
- Negative Revenue Support Grant – this would be eliminated by the Government for 2019/20 via foregone business rate receipts. Negative RSG for this council would have been £109k.
- Rural Services Delivery Grant – the council's initial allocation for 2019/20 of £86,603 would be increased to £107,921.
- Social Care – whilst not directly impacting this council, there was extra funding announced of £650m in 2019/20 for local authorities.
- Council Tax Referendum Principles – for this council there was the ability to increase council tax by up to 3% or up to and including £5, whichever is higher.
- Spending Power – the Government's calculation of 'Spending Power' for this council was identified as being £6,754,763 in 2019/20.

3.3 There was a discussion about the Government's calculation of 'Spending Power' and the principles that it was based on. The Chair made reference to the efficiencies of the Council in respect of the increase in households compared to the increase in the level of council tax income over past years. There was also a discussion on Job Evaluation and market forces on pay.

3.4 The 2019 Spending Review was discussed, it confirming the overall local government resourcing from 2020/21, with the government working towards significant reform, including:

- updated, more robust and transparent distribution methodology following the review of relative needs and resources.
 - reforms to business rates retention, including resetting business rates baseline.
- 3.5 The deadline for the consultations regarding these areas was 21 February 2019 and it was agreed that a draft response would be brought to the next meeting.

4 Revenue Budget 2018/19 and 2019/20 Latest Position

- 4.1 An update on the revised budget for 2018/19 and the budget position for 2019/20 was provided to members by the Director of Resources. The main variances from original estimate to revised estimate 2018/19 were provided within the report. Overall, revised committee budgets were forecast to be £144,900 above the original estimate.
- 4.2 The use of general balances also showed a likely decrease from taking £170,738 to taking £54,388. Net resources being added to Earmarked reserves were forecast to decrease from adding £1,416,194 to adding £1,339,693.
- 4.3 Looking forward to the 2019/20 original estimate, committee expenditure was set to increase by £491,660 compared to the original estimate for 2018/19. Again the main variances were provided within the report.
- 4.4 Looking at earmarked reserves, there was a forecast of £303,459 less being added, compared to the original estimate 2018/19.
- 4.5 The impact of the latest position on the council tax was discussed, and a number of scenarios were provided to members. Use of New Homes Bonus was also discussed with members, as was the position on Business Rates. It was explained that a clearer forecast for Business Rates should be available over the next week, once the NNDR1 return had been finalised.
- 4.6 Members were asked for a number of decisions to be made in order to further progress the budget for 2019/20:
- **Use of balances.** Members confirmed the use of balances of £82,376 to support the revenue budget.
 - **Council Tax.** Members agreed to progress on the basis of a zero increase in the council's Band D council tax (£150.69).
 - **New Homes Bonus.** Members agreed to leave the amount used to fund the revenue budget at the current level of £1,105,000.
 - **Business Rates Growth.** Members agreed to increase the amount of business rate growth/retained levy under pooling up to £675,514 per annum.
- 4.7 Members agreed that the Revenue Budget report to Special Policy and Finance Committee was to be prepared on the basis of the responses to the above questions.

5 Five Year Capital Programme to Date

- 5.1 The Head of Financial Services updated members on the latest position with regard to the five year capital programme. All bids had been considered, together with the new Edisford Sports Complex bid and the additional scheme as proposed by Community Services Committee.
- 5.2 CMT had reviewed which schemes to now take forward and add to the five year capital programme 2019/20-2024/25. A number of recommendations had been made and members were taken through each of these.
- 5.3 Suggested funding for the resulting five year capital programme was also provided, which was supported by members.

- 5.4 The budget working group agreed with the proposals in the report, with the minor adjustment that the Castle Repointing scheme also be moved from 2019/20 to 2020/21 to give more time to identify external funding in order to allow the scheme to progress.
- 5.5 Members agreed that the five year capital programme report to Special Policy and Finance Committee was to be prepared on the basis of what had been presented, with the additional adjustment for the castle Repointing scheme.

6 Any Other Business

- 6.1 The requirement for the statutory meeting with Representatives of Business Rates Payers was discussed, and it was agreed that this would be held after the next Budget Working Group meeting.

7 Date and Time of Next Meeting

3.15pm to 4.00pm Monday 11 February 2019 in Committee Room 1 meeting of the Budget Working Group, followed by

4.00pm Monday 11 February 2019 - statutory meeting with Representatives of Business Rates Payers.

Apologies were given in advance by the Director of Community Services.

MINUTES OF BUDGET WORKING GROUP MEETING

HELD 11 FEBRUARY 2019

Present: Cllrs: S Atkinson (Chair), A Brown, S Hirst, J Rogerson, R Swarbrick, Chief Executive, Director of Resources, Director of Economic Development and Planning, Head of Financial Services.

1 Apologies

Cllrs: A Knox and Director of Community Services.

2 Minutes of meeting held on 17 January 2019

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

3 Fair Funding Consultation

3.1 The Director of Resources took members through the background of the consultation and the key points that were pertinent to this council were discussed as part of a walk-through of the consultation document.

3.2 A draft of the proposed responses to the consultation for this council were provided to members and any feedback, further additions or changes were invited.

3.3 A copy of the comments made by the District Councils' Network in response to the consultation was shared with members. Also a copy of work completed by LG Futures on behalf of the Society of District Council Treasurers, together with that of the Rural Services Network, was shared.

3.4 Members were supportive of the proposed response. The Director of Resources highlighted that the deadline for responses was 21 February 2019, should any member have any further comments to add prior to submission.

4 Business Rates Retention Reforms Consultation

4.1 Again, the Director of Resources took members through the background of the consultation and the key points that were pertinent to this council were discussed as part of a walk-through of the consultation document.

4.2 A draft of the proposed responses to the consultation for this council were provided to members and any feedback, further additions or changes were invited.

4.3 A copy of the comments made by the Rural Services Network in response to the consultation was shared with members.

4.4 Members were supportive of the proposed response. The Director of Resources highlighted that the deadline for responses was again 21 February 2019, should any member have any further comments to add prior to submission.

5 Any Other Business

5.1 There were no other items of business.

6 Date and Time of Next Meeting

6.1 No further meeting dates were set.

The meeting was followed by the statutory meeting with Business Rate Representatives.

MINUTES OF BUDGET WORKING GROUP MEETING

HELD 18 JULY 2019

Present: Cllr S Atkinson (Chair), A Brown, S Fletcher, S Hore, D Peat, J Rogerson, Chief Executive, Director of Resources.

1 Apologies

Cllrs S Hirst, A Knox

Director of Community Services, Director of Economic Development and Planning, Head of Financial Services

2 Minutes of meeting held on 11 February 2019

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

3 Introduction to the Role of the Budget Working Group

3.1 The Director of Resources gave members an introduction to the role of the Budget Working Group, including an outline of its key roles and an understanding of the budget processes and timeline. A number of questions were asked

4 Overall Capital Outturn 2018/19

4.1 Members were taken through a report on the overall position regarding the outturn for the capital programme for 2018/19.

4.2 The total approved budget for the year was £2,126,200, the revised estimate was £2,004,770 with actual expenditure of £1,276,243.

4.3 Thirty-one schemes were included in the revised capital programme of which

- 19 were completed in 2018/19
- 8 were in progress at year-end
- 3 were housing grant schemes on which there were underspends in 2018/19 – these grants continue into 2019/20
- 1 scheme was deleted

4.4 The Director of Resources highlighted the main reasons for the £728,527 underspend. This largely consisted of schemes which had been carried forward into 2019/20 as slippage

5 Overall Revenue Outturn 2018/19

5.1 The Director of Resources took members through a report which explained the position on the Revenue Outturn for 2018/19. She explained that the Statement of Accounts had now been submitted to Accounts and Audit for approval at their meeting on 24 July 2019.

5.2 Overall the outturn produced a deficit of £62k which compared with an original estimate deficit of £171k and a revised estimate deficit of £54k. The resulting deficit meant that £8,000 more had been taken from general fund balances than predicted when the revised estimate had been prepared.

5.3 The Director highlighted some of the key variances which were also due to be reported to service committees in the next cycle.

5.4 She also explained the outturn position with regard to Business Rates. The outturn was total Business Rate income of £2,652,000 which included:

- Business Rates Baseline of £1,303,000

- Business Rates Growth of £399,000
- Renewable Energy income of £92,000
- Section 31 Grants of £955,000
- Less levy paid to LCC of £72,000
- Less Business Rates Collection Fund Deficit of £25,000

6 BWG Workplan 2019/20

- 6.1 The Director of Resources explained that it was useful at this stage of the cycle to set up some BWG meeting dates and also gave an indication of a suggested workplan
- 6.2 Some discussion took place regarding the suggested dates and it was agreed that the following meetings be set up.
- Tuesday 20 August 2019 4pm
 - Thursday 19 September 2019 5pm
 - Wednesday 16 October 2019 4pm
 - Tuesday 12 November 2019 5pm
 - Thursday 12 December 2019 4pm
 - Thursday 16 January 2020 4pm

7 Any Other Business

- 7.1 There were no other items of business.

8 Date and Time of Next Meeting

Tuesday 20 August 2019 4pm Committee Room 1.