

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 16

meeting date: 17 NOVEMBER 2020
 title: OVERALL REVENUE OUTTURN 2019/20
 submitted by: DIRECTOR OF RESOURCES
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1 PURPOSE

1.1 To report the overall revenue outturn for the year ending 31 March 2020.

2 BACKGROUND

2.1 As a result of the pandemic, the timeline for the closure of the accounts for 2019/20 was changed by the Government. The Accounts and Audit Regulations 2015 would ordinarily require that the Council release for audit and publish its draft Statement of Accounts by 31 May and then to have the audited Statement of Accounts approved and published by 31 July.

2.2 These deadlines were extended to 31 August for the publishing of the draft accounts and 30 November to publish the audited accounts.

2.3 Our full Statement of Accounts were signed off for audit by the Director of Resources on 28 August 2020 and are currently subject to audit. Once the audit is completed, the Statement of Accounts will be submitted for approval to Accounts and Audit Committee at their meeting on 25 November 2020. The Statement of Accounts have been published on our website (www.ribblevalley.gov.uk/soa).

2.4 The outturn position for each of our committees is currently being reported in this cycle of meetings and will include details of the variances against the budget estimate. This will help in the budget setting process for the 2021/22 financial year, and also in revising the estimate for the current financial year.

3 GENERAL FUND OUTTURN POSITION 2019/20

3.1 Shown below is the final position for the 2019/20 financial year.

Committee	Original Estimate	Revised Estimate	Actual	Original Estimate Compared to Actual	Revised Estimate Compared to Actual
	£'000	£'000	£'000	£'000	£'000
Community Services	4,024	4,062	4,146	122	84
Economic Development	289	298	269	-20	-29
Health & Housing	1,003	982	795	-208	-187
Planning & Development	392	569	241	-151	-328
Policy & Finance	2,243	2,150	2,016	-227	-134
Committee Expenditure	7,951	8,061	7,467	-484	-594
Interest Payable	7	7	7	0	0
Parish Precepts	451	451	451	0	0
Interest Received	-100	-100	-114	-14	-14

Committee	Original Estimate	Revised Estimate	Actual	Original Estimate Compared to Actual	Revised Estimate Compared to Actual
	£'000	£'000	£'000	£'000	£'000
Net Operating Expenditure	8,309	8,419	7,811	-498	-608
Impairment Losses/(Gains) on Outstanding Debts	0	0	6	6	6
Precept from Collection Fund (including parish precepts)	-3,948	-3,948	-3,948	0	0
Collection Fund Surplus - Council Tax	-62	-62	-62	0	0
Levy Account Surplus	-21	0	-5	16	-5
New Homes Bonus	-1,666	-1,666	-1,666	0	0
Business Rates Baseline Funding	-1,441	-1,441	-1,441	0	0
Retained Rates Income	-582	-582	-582	0	0
S31 Grant	-1,636	-1,659	-1,709	-73	-50
Retained Rates - Renewable Energy	-94	-94	-83	11	11
Contribution to Pilot Pool Risk Reserve	30	33	0	-30	-33
Contribution to Pilot Pool Strategic Growth Fund	148	166	2	-146	-164
Collection Fund Surplus - Business Rates	-224	-224	-224	0	0
Deficit/(Surplus) for year before Capital Adjustments and Transfers to/(from) Earmarked Reserves	-1,187	-1,058	-1,901	-714	-843
Depreciation	-1,005	-933	-933	72	0
Minimum Revenue Provision	126	126	126	0	0
Net Transfer to/(from) earmarked reserves	2,160	2,021	2,804	644	783
Deficit/(Surplus) for Year	94	156	96	2	-60

3.2 You will see we have made a deficit of £96,000 during the year, compared with the Revised Estimate which showed a deficit of £156,000, and the Original Estimate which showed a deficit of £94,000. When the Revised Estimates were considered in January we explained the main differences between the Original and Revised Estimates.

Final Position Compared to the Revised Estimate

3.3 During the 2019/20 financial year there were many variances that occurred which were highlighted in our budget monitoring reports to committee. The main variations affecting our final position compared with the **revised estimate** are summarised below. Favourable variances are denoted by values with a minus sign.

Variation	£'000	Impact on Earmarked Reserves £'000	Net Variance £'000
<u>Expenditure Variations</u>			
Agency Staff	27	0	27
Salaries	-16	1	-15
Tuition Fees and Training Expenses	-26	2	-24
Energy Costs	23	0	23
General Repairs and Maintenance	-28	29	1
Vehicle Repairs and Maintenance	158	0	158
Vehicle Running Costs	-18	0	-18
Communications and Computing	-35	12	-23
Equipment, Furniture and Materials	25	5	30
Promotional Activities and Publicity	-27	-2	-29
Printing and Stationery	-18	6	-12
Rent Allowance Payments	-10	0	-10
Total Expenditure Variances	55	53	108
<u>Income Variations</u>			
Rent Allowances Grant	11	0	11
Covid-19 Support Grant Tranche 1	-24	4	-20
Storm Ciara S31 grant in respect of Council Tax Relief	-19	0	-19
Use of Commuted Sums	-388	388	0
Recycling District Grant Fund	-16	14	-2
Government Flood Community Recovery Grant	-66	18	-48
Other Grants, Reimbursements and Contributions	-53	34	-19
Sale of Equipment and Materials	-32	32	0
Fees and Charges	-47	8	-39
Total Income Variances	-634	498	-136
Other Variations	-15	-4	-19
Net Variation on Committee Expenditure	-594	547	-47
Impact of Corporate Variances on Earmarked Reserves		236	236
Net Variation after Corporate Movements on Earmarked Reserves	-594	783	189
Impairment Losses/(Gains) on Outstanding Debts			6
Levy Account Surplus			-5
Increased S31 Grants			-50
Retained Rates - Renewable Energy			11
Contribution to Pilot Pool Risk Resilience Reserve			-33
Contribution to Pilot Pool Strategic Economic Growth and Financial Sustainability Fund			-164
Increased Interest Received			-14
Decrease in amount to take from balances compared to Revised Estimate			-60

- 3.4 The reasons for the large variations listed above are given at Annex 1. As can be seen, a substantial proportion of these variations result in more transfers to our earmarked reserves. This is largely due to a high number of variances relating to grant income that has yet to be expended, and the required accounting treatment of the same through set aside in earmarked reserves for future use.
- 3.5 By far the most the most significant variance is the overspend seen on refuse collection vehicle repairs and maintenance. The overall outturn position shows an overspend in this area of over £170,000 (across all vehicles in all service areas the variance is net £158k). This is a very concerning recurring variance which has once again been flagged in the council's Annual Governance Statement due to its significance, as an area that needs to be addressed with some urgency.

Committee Variances after Earmarked Reserves

- 3.6 The table below summarises the net position by committee and shows the overall variance on committees is -0.6% when compared to the revised estimate after taking in to consideration the associated movements to earmarked reserves:

Committee	Revised Estimate			Actual Outturn			Variance	
	Budget before Earmarked Reserves	Transfers to from Earmarked Reserves	Net Budget	Actual before Earmarked Reserves	Transfers to from Earmarked Reserves	Net Outturn	Net Variance	% Variance to Revised Estimate
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
Community Services	4,062	-10	4,052	4,146	27	4,173	121	3.0%
Economic Development	299	0	299	269	0	269	-30	-10.0%
Health & Housing	981	46	1,027	795	169	964	-63	-6.1%
Planning & Development	569	-173	396	241	116	357	-39	-9.8%
Policy & Finance	2,150	-51	2,099	2,016	46	2,062	-37	-1.8%
Net Committee Level Expenditure	8,061	-188	7,873	7,467	358	7,825	-48	-0.6%
Other Corporate Items	-4,927	2,209	-2,718	-5,175	2,445	-2,730	-12	0.4%
General Fund Balances			-156			-96	60	-38.5%
Overall Net Expenditure			4,999			4,999		

General Fund Balances

- 3.7 As mentioned earlier in the report, we had originally planned to take £93,896 from general fund balances to help finance the 2019/20 spending plans. However, this was revised later in the year to taking £155,965 from general fund balances. The final position shows that the council has taken £94,465 from general fund balances.

General Fund Balance	£'000
General Fund Balances: Brought forward at 1 April 2019	2,472,111
Deficit in 2019/20 taken from General Fund Balances	-96,465
General Fund Balances: Carried forward at 31 March 2020	2,375,646

Earmarked Reserves

- 3.8 With regard to earmarked reserves, in support of the revenue account and excluding capital transactions, we had originally planned to add £2,160,402. However, this was revised later in the year to adding £2,020,951 to earmarked reserves. The final position shows that the council has added £2,803,867 to earmarked reserves for revenue purposes.
- 3.9 For capital purposes we used £2,310,163 from earmarked reserves to fund the capital programme.
- 3.10 The overall net movement was £493,704 added to earmarked reserves. Full details of the movement on our earmarked reserves is shown at Annex 2

Earmarked Reserves		£
Earmarked Reserves: Brought forward at 1 April 2019		9,272,064
Net added to Earmarked Reserves for revenue purposes		2,803,867
Net taken from Earmarked Reserves for capital purposes		-2,310,163
Earmarked Reserves: Carried forward at 31 March 2020		9,765,768

- 3.11 Some of the larger in-year additions to earmarked reserves have been from unused in year receipt of New Homes Bonus (£561,486) and Business Rates Growth (£1,920,439). **It must be remembered that much of this is already earmarked for use in funding the capital programme over the coming years.**

Business Rates in 2019/20

- 3.12 To support our budget we use the business rates that we collect from within the borough. This consists of many elements and also the amount we received from one year to the next can be heavily influenced by external factors that are wholly out of our control. As a consequence of these uncertainties we also hold a Business Rates Volatility Earmarked Reserve to cushion any potential impacts (£1.682m), should this be needed.
- 3.13 We use retained business rates at a baseline level set by the government, plus growth on business rates that has been realised. The council also receives a number of grants, known as Section 31 Grants, to compensate the council for business rates income lost as a result of measures introduced by the Government.

Business Rates Element	£'000
Total Business Rates Income Forecast for 2019/20	-14,976
Less Payable to Central Government	3,744
Less Payable to Lancashire County Council	2,621
Less Payable to Lancashire Combined Fire Authority	225
Balance Retained by Ribble Valley Borough Council	-8,386
Less Tariff Payable to Central Government	6,364
Baseline Business Rates Income of £1,440,000 plus Growth of £582,000	-2,022
Business Rates retained on Renewable Energy Schemes	-83
Section 31 Grants	-1,709
Less Contribution to the Strategic Growth Fund	2

Business Rates Element	£'000
Less Business Rates Collection Fund Surplus	-224
Overall Net Retained Business Rates Related Income	-4,036
Business Rates Income Used In-Year	
Baseline Business Rates Income	1,440
Use of other Business Rates Related Income, Including Growth	676
Total Business Rates Income Used In-Year	2,116
Balance set aside in the Business Rates Growth Earmarked Reserve	1,920

Collection Fund

- 3.14 As billing authority, the council maintains a separate Collection Fund for the collection of and distribution of council tax and business rates.
- 3.15 With regard to council tax, each precepting body declares the precept that they require from the Collection Fund to support their services in February each year. This forms the basis for what we, as billing authority, then charge residents as council tax.
- 3.16 Due to the change of circumstances for residents and changes to occupied property numbers, the actual amount of council tax collected from residents can be higher or lower than the total amount required to be paid to precepting bodies. This results in either a forecast surplus or deficit, which is declared in the following January each year and is either paid to or collected from precepting bodies in the following financial year.
- 3.17 For business rates, similar principles apply. Total forecast collectable rates are paid from the Collection Fund at fixed shares to Central Government, Ribble Valley Borough Council, Lancashire County Council and Lancashire Fire and Rescue Authority.
- 3.18 Due to the change of circumstances for businesses, the actual amount of business rates collected can be higher or lower than the total amount required to be paid out in fixed shares. This results in either a forecast surplus or deficit, which is declared in the following January each year and is either paid to or collected from Central Government, Ribble Valley Borough Council, Lancashire County Council and Lancashire Fire and Rescue in the following financial year.
- 3.19 Full details of the Collection Fund position can be seen at Annex 3, but in summary the overall opening balance on the collection fund at 1 April 2019 was a surplus of £1.282m and the closing balance was a surplus of £1.103m.

	Council Tax £'000	Business Rates £'000	Total Collection Fund £'000
Opening Balance - Surplus	706	576	1,282
Income	42,383	15,829	58,212
Expenditure	42,306	16,085	58,391
Closing Balance - Surplus	783	320	1,103

4 CONCLUSION

- 4.1 The final outturn of a **deficit of £96,000** means that we have taken £60,000 **less** from general fund balances than was estimated when we prepared the Revised Estimates.
- 4.2 There has also been £783,000 more (revenue only) added to earmarked reserves than forecast at revised estimate, which was largely due to the accounting treatment required for grants received but yet to be spent, but also results from the increase in S31 grants around business rates and the set aside in the new Business Rates Growth Reserve.
- 4.3 General preliminary discussion and guidance is sought for the budget setting process for the revised revenue budgets for 2020/21 and original revenue budgets for 2021/22.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PFFX-20/LO/AC
30 October 2020

KEY VARIANCES

Variation	Committee Level Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000	Variance Description
<u>Expenditure Variations</u>				
Agency Staff	27	0	27	It was necessary to utilise increased agency staff for Refuse Collection to cover staff shortages, in order to ensure continuity of service for this essential public function.
Salaries	-16	1	-15	Vacancy savings in the posts of Assistant Planning Officer, Pre-Planning Advice Officer, Planning Administration Assistant and Regeneration Policy Officer exceeded that built in to the budget at revised estimate.
Tuition Fees and Training Expenses	-26	2	-24	A large part of this variance relates to the corporate training budget, a proportion of which has been set aside in earmarked reserves to be spent in 2020/21. There is also a low level of spend within departmental budgets in year, resulting in the overall variance shown.
Energy Costs	23	0	23	The majority of this relates to Ribblesdale Pool where a new energy meter has been installed which has registered readings of an increase in gas usage. The energy provider has stated these readings are correct and the readings from the old meter understated usage.
General Repairs and Maintenance	-28	29	1	Painting of the council offices had been programmed to be completed in 2019/20, but was postponed until the 2020/21 financial year. This work was to be fully funded from earmarked reserves, hence the compensating impact on earmarked reserves shown.
Vehicle Repairs and Maintenance	158	0	158	This is the net variance across all council vehicles. The most significant overspend is on refuse collection vehicles. The overall outturn position shows an overspend on refuse collection vehicle repairs and replacement vehicle hire of over £170,000. This is a concerning recurring variance which has again been flagged in the council's Annual Governance Statement due to its significance, as an area that needs to be addressed with some urgency.
Vehicle Running Costs	-18	0	-18	There have been some net underspends across all council vehicles of £18K, notably around fuel and tyres

KEY VARIANCES

Variation	Committee Level Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000	Variance Description
Communications and Computing	-35	12	-23	This category covers IT, postage and telephony. The key underspend has been around software maintenance costs, and postages.
Equipment, Furniture and Materials	25	5	30	Main variances here have been around ICT purchases, as a result of purchasing ICT Equipment at the start of the Covid-19 outbreak. This has been funded from the Covid-19 Support Grant Tranche 1 government funding (see income variance below)
Promotional Activities and Publicity	-27	-2	-29	The largest proportion of the variance here relates to general promotional activities around arts and sports development, largely due to difficulties with keeping delivery of activities within the planned timeframe. Some of this work would have been funded from earmarked reserves and will instead be delivered where possible (now subject to Covid-19 restrictions) in the following year. Other variances have been around the number of publications of Ribble Valley News, resulting in some savings.
Printing and Stationery	-18	6	-12	There has been a general underspend on printing and stationery items within the year, and also an accounting adjustment around the treatment of some election items, which impacts on the earmarked reserves.
Rent Allowance Payments	-10	0	-10	Rent Allowance payments were lower than budgeted for, after adjusting for recovery of housing benefits overpayments and non-cash transactions in-year. Actual expenditure was 0.2% less than the £5.67m budgeted for.
Total Expenditure Variances	55	53	108	
<u>Income Variations</u>				
Rent Allowances Grant	11	0	11	Less Housing Benefits subsidy grant received than budgeted for, which broadly reflects less Rent Allowances paid out in-year – actual income was 0.2% less than the £5.70m budgeted for.

KEY VARIANCES

Variation	Committee Level Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000	Variance Description
Covid-19 Support Grant Tranche 1	-24	4	-20	The council received an initial payment of funding in respect of covid-19 at the end of March 2020. The majority of this was used towards the purchase of ICT equipment and the balance was set aside in earmarked reserves for use in the 2020/21 financial year
Storm Ciara S31 grant in respect of Council Tax Relief	-19	0	-19	S31 funding towards council tax relief awarded following Storm Ciara
Use of Commuted Sums	-388	388	0	Committed sums have been released for use to the revenue account to allow the resources to fund the capital programme - hence the transfer to the capital earmarked reserve shown. The schemes were Longridge Affordable Housing Scheme and Primrose lodge Blue and Greenway Project
Recycling District Grant Fund	-16	14	-2	A District Funding Grant received from LCC for the purpose of increasing recycling in the borough by the replacement of the collection of recycling using bins instead of lilac sacks. As not all the funding was expended during the year the remaining balance has been transferred to an earmarked reserve to be used in 2020/21.
Government Flood Community Recovery Grant	-66	18	-48	This represents funding from the government to support the flood recovery work following Storm Ciara. An element that was unspent in year was set aside in earmarked reserves to meet residual costs.
Other Grants, Reimbursements and Contributions	-53	34	-19	<p>£14k was received from the council's insurers for reimbursement following the theft of some of the council's assets from the Civic Suite. The remaining variance is mainly due to VAT shelter income and grants received to support the council with the costs of Individual Electoral Registration.</p> <p>There was also unbudgeted additional funding received near year-end, the main ones being LA Data Sharing IT funding received from the DWP to fund revenue system update costs and MHCLG Letting Agents Transparency Redress Scheme new burdens funding.</p>

KEY VARIANCES

Variation	Committee Level Variance £'000	Impact on Earmarked Reserves £'000	Net Variance £'000	Variance Description
Sale of Equipment and Materials	-32	32	0	This variance mainly relates to the additional proceeds from the sale of vehicles which have arisen after the setting of the revised estimate, and also from the sale of household bins due to the increase in the number of new developments completed. Income from both of these variances have been set aside in earmarked reserves to fund future expenditure
Fees and Charges	-47	8	-39	<p>On Health and Housing Committee there has been increased income in-year with the main increases being from Environmental Health licences and permits, cemetery fees, disabled facilities grants administration charges and homelessness unit rents, all being areas of fluctuating service demand.</p> <p>Under Policy and Finance Committee there was also an accounting adjustment around the Small Business Rates Relief funding from central government in respect of 2018/19.</p> <p>Under Community Services Committee there has been increased income notably from street naming due to an increase in the number of new developments</p>
Total Income Variances	-634	498	-136	
Other Variations	-15	-4	-19	
Net Variation on Committee Expenditure	-594	547	-47	

EARMARKED RESERVES

General Fund	Balance at 31 March 2018 £	Transfers In 2018/19 £	Transfers Out 2018/19 £	Balance at 31 March 2019 £	Transfers In 2019/20 £	Transfers Out 2019/20 £	Balance at 31 March 2020 £
Reserves for Shorter Term Service Commitments							
Community Services Committee Grants Fund <i>Used to fund various Community Services Committee grants</i>	17,975	16,980		34,955		-17,042	17,913
Audit Reserve Fund <i>Used for computer audit</i>	12,335			12,335			12,335
Refuse Collection <i>To fund refuse collection costs of bin replacements.</i>	68,497	6,542	-27,724	47,315	22,295	-10,000	59,610
Amenity Cleansing Reserve <i>Used to fund known future amenity cleansing works</i>	5,750	24,160		29,910		-18,080	11,830
Clitheroe Food Festival <i>Resources set aside or used to help support the costs associated with the Clitheroe Food Festival</i>	17,736		-3,910	13,826		-6,921	6,905
Two-Way Radio Reserve <i>Contributions from the Lancashire Resilience Forum towards the running of the two-way radio system and future enhancements</i>	0			0	718		718
Promotional Activities Reserve <i>To fund planned publicity and promotional activities</i>	0	5,000		5,000		-5,000	0
Total Reserves for Shorter Term Service Commitments	122,293	52,682	-31,634	143,341	23,013	-57,043	109,311
Reserves to Smooth the Revenue Impact of Longer-Term Cyclical Costs							
Elections Fund <i>Used to fund local elections held once every four years</i>	87,000	33,000	-18,232	101,768	36,852	-113,502	25,118
Revaluation of Assets Reserve <i>To contribute towards the revaluation of the Council's assets every five years.</i>	7,290	2,110		9,400	2,420	-9,400	2,420
Pensions Triennial Revaluation Reserve <i>Savings on contribution rates, set aside with a view to offsetting any future pensions fund deficits</i>	12,778	29,450		42,228	26,364		68,592
Total Reserves to Smooth the Revenue Impact of Longer Term Cyclical Costs	107,068	64,560	-18,232	153,396	65,636	-122,902	96,130

EARMARKED RESERVES

General Fund	Balance at 31 March 2018 £	Transfers In 2018/19 £	Transfers Out 2018/19 £	Balance at 31 March 2019 £	Transfers In 2019/20 £	Transfers Out 2019/20 £	Balance at 31 March 2020 £
<i>Reserves for Trading or Business Units</i>							
Building Control Fund <i>Available to equalise net expenditure over a three-year period</i>	-41,160		-7,993	-49,153		-29,602	-78,755
Total Reserves for Trading or Business Units	-41,160		-7,993	-49,153	0	-29,602	-78,755
<i>Reserves for Sums Set Aside for Major Schemes such as Capital Projects</i>							
Capital <i>Used to fund the capital programme</i>	860,472	835,243	-802,772	892,943	2,348,987	-2,310,163	931,767
ICT Renewals <i>To fund future software and hardware pressures</i>	167,789	3,130	-26,048	144,871		-22,131	122,740
Vehicle & Plant Renewals Reserve <i>Resources set aside to fund future replacement of Vehicles and Plant through the capital programme</i>	438,000		-386,965	51,035			51,035
Total Reserves for Sums Set Aside for Major Schemes such as Capital Projects	1,466,261	838,373	-1,215,785	1,088,849	2,348,987	-2,332,294	1,105,542
<i>Reserves for Longer Term Strategic or Corporate Items</i>							
VAT Shelter Reserve <i>Funds received from the post LSVT VAT Shelter arrangements, partly used to contribute towards the future financing of the capital programme</i>	1,223,054	37,779	-52,964	1,207,869	32,963	-136,379	1,104,453
Fleming VAT Claim <i>VAT recovered from 'Fleming' claim challenge to HMRC</i>	67,271		-6,452	60,819		-2,000	58,819
Insurance <i>Available to meet any costs following demise of Municipal Mutual Insurance Company</i>	14,581			14,581			14,581
Repairs and Maintenance <i>To fund emergency repairs and maintenance items, including legionella and asbestos abatement</i>	29,299	31,100	-15,320	45,079			45,079

EARMARKED RESERVES

General Fund	Balance at 31 March 2018 £	Transfers In 2018/19 £	Transfers Out 2018/19 £	Balance at 31 March 2019 £	Transfers In 2019/20 £	Transfers Out 2019/20 £	Balance at 31 March 2020 £
Post LSVT <i>To fund any costs post LSVT which may arise, such as pension fund liabilities</i>	219,075		-36,512	182,563		-36,513	146,050
Restructuring Reserve <i>To fund costs resulting from restructuring reviews</i>	207,317		-10,284	197,033		-9,130	187,903
Equipment Reserve <i>To fund essential and urgent equipment requirements</i>	123,517	14,866	-56,775	81,608	30,413	-28,366	83,655
Invest to Save Fund <i>To fund future invest to save projects</i>	250,000		-18,169	231,831	5,559	-228	237,162
Planning Reserve <i>To fund any future potential planning issues such as Local Development Plan expenditure and Planning Appeals</i>	124,980	113,278	-105,707	132,551	1,676	-92,584	41,643
Housing Benefit Reserve <i>To help meet the challenges facing the service in the coming years</i>	100,000			100,000			100,000
Business Rates Volatility Reserve <i>To provide some protection against business rates volatilities</i>	1,682,000			1,682,000			1,682,000
Business Rates Growth Reserve <i>Business rates growth used to support revenue expenditure or the capital programme.</i>	221,060	873,020	-94,508	999,572	1,920,439	-1,345,397	1,574,614
New Homes Bonus Reserve <i>To help support revenue and capital expenditure</i>	1,886,771	470,908	-139,469	2,218,210	561,486	-361,547	2,418,149
Total Reserves for Longer Term Strategic or Corporate Items	6,148,925	1,540,951	-536,160	7,153,716	2,552,536	-2,012,144	7,694,108
Reserves for External Funding where Expenditure has yet to be Incurred							
Performance Reward Grant <i>Performance Reward Grant received and used to fund associated projects</i>	67,577			67,577			67,577

EARMARKED RESERVES

General Fund	Balance at 31 March 2018 £	Transfers In 2018/19 £	Transfers Out 2018/19 £	Balance at 31 March 2019 £	Transfers In 2019/20 £	Transfers Out 2019/20 £	Balance at 31 March 2020 £
<u>Land Charges Reserve</u> <i>To fund any potential restitution claims for personal search fees</i>	46,794	4,323		51,117			51,117
<u>Pendle Hill User Reserve</u> <i>To fund improvement schemes on Pendle Hill</i>	44,510	191	-20,280	24,421		-22,240	2,181
<u>Crime Reduction Partnership Reserve</u> <i>To fund cost of crime reduction initiatives</i>	34,608	4,494		39,102	4,550	-5,593	38,059
<u>Exercise Referral and Up and Active Reserve</u> <i>To fund potential residual staffing costs and to hold other service grants</i>	13,771		-1,183	12,588		-7,556	5,032
<u>Housing Related Grants Reserve</u> <i>Residual grant received, to be committed to future grant funded schemes</i>	198,705		-36,165	162,540	45,368	-1,456	206,452
<u>Planning Policy Related Grants Reserve</u> <i>To provide short term capacity support when dealing with housing planning applications</i>	5,850			5,850			5,850
<u>Community Right to Bid/Challenge</u> <i>To fund any future costs under the Community Right to Bid and Community Right to Challenge Regulations</i>	45,124			45,124			45,124
<u>Grant Funded Sports Development</u> <i>To finance future Sports Development grant funded expenditure</i>	3,640		-650	2,990	7,737	-40	10,687
<u>Whalley Moor Reserve</u> <i>Grant received towards work at Whalley Moor Woodland</i>	4,520			4,520			4,520

EARMARKED RESERVES

General Fund	Balance at 31 March 2018 £	Transfers In 2018/19 £	Transfers Out 2018/19 £	Balance at 31 March 2019 £	Transfers In 2019/20 £	Transfers Out 2019/20 £	Balance at 31 March 2020 £
<u>Individual Electoral Registration Reserve</u> <i>Grant received for the implementation of Individual Electoral Registration which will be used to fund this work</i>	16,590			16,590			16,590
<u>Rural Services Reserve</u> <i>Grant received with the purpose of supporting rural services</i>	105,544		-21,494	84,050		-8,658	75,392
<u>Neighbourhood Planning Reserve</u> <i>MHCLG Neighbourhood Planning Grant received to fund future related expenditure</i>	10,069	6,064		16,133			16,133
<u>Repossession Prevention Fund Reserve</u> <i>Ring-fenced MHCLG funded reserve to help prevent repossessions and homelessness.</i>	28,491			28,491			28,491
<u>Parish Grant Reserve</u> <i>PRG resources set aside to fund the Parish Grant Scheme</i>	36,819			36,819		-1,050	35,769
<u>Custom and Self Build Register Grant Reserve</u> <i>Grant funding towards maintenance of a register of individuals, and associations of individuals, seeking to acquire serviced plots of land in the area</i>	45,000	28,750		73,750	15,000		88,750
<u>Brownfield Register Grant Reserve</u> <i>Grant funding towards preparation and maintenance of a register of brownfield sites suitable for residential development.</i>	16,420	7,397		23,817	2,446		26,263
<u>Flood Resilience, Response and Recovery Grant Reserve</u> <i>Grant funding relating to residual Flood Resilience Grants and also in respect of flood response and recovery</i>	20,000		-20,000	0	18,408		18,408
<u>EU Exit Funding Reserve</u> <i>Grant funding relating to impacts in respect of the EU Exit</i>	0	17,484		17,484	34,968		52,452

EARMARKED RESERVES

General Fund	Balance at 31 March 2018 £	Transfers In 2018/19 £	Transfers Out 2018/19 £	Balance at 31 March 2019 £	Transfers In 2019/20 £	Transfers Out 2019/20 £	Balance at 31 March 2020 £
Cyber Resilience Grant Reserve <i>Grant funding in respect of Cyber Resilience work</i>	0	10,600		10,600			10,600
Pendle Hill Landscape Partnership Reserve <i>To fund schemes in respect of the Pendle Hill Landscape Partnership</i>	0	20,000		20,000		-20,000	0
Housing Benefits New Burden Grants Reserve <i>Grant income to support new burdens in respect of Housing Benefits</i>	0	11,983		11,983		-7,314	4,669
LCTS New Burdens Grant Reserve <i>Grant income to support new burdens in respect of Localised Council Tax Support</i>	0	26,370		26,370		-8,000	18,370
Parks Improvement Funding Reserve <i>Grant funding to support improvements to parks</i>	0			0	10,000	-2,889	7,111
Covid-19 Response <i>Balance of grant income received prior to the end of the 2019/20 financial year in respect of the response to the Covid-19 pandemic.</i>	0			0	3,835		3,835
Total Reserves for External Funding where Expenditure has yet to be Incurred	744,032	137,656	-99,772	781,916	142,312	-84,796	839,432
Total of all Earmarked Reserves	8,547,420	2,634,222	-1,909,576	9,272,065	5,132,484	-4,638,781	9,765,768

COLLECTION FUND

Collection Fund Position in Respect of Council Tax

2018/19 £'000	Collection Fund - Council Tax	2019/20 £'000
	Income	
39,743	Income from Council Tax Payers	42,355
	Transfers from General Fund - Council Tax Benefits	2
	Transfers from General Fund - Flood Relief	18
6	Family Annexes Discount Grant (MHCLG)	8
39,749	Total Income	42,383
	Expenditure	
	Precepts and Demands:	
29,656	- Lancashire County Council	31,253
3,886	- Ribble Valley Borough Council (including parishes)	3,948
4,064	- Police and Crime Commissioner (PCC) for Lancashire	4,675
1,545	- Lancashire Combined Fire Authority	1,613
	Share of Estimated Surplus:	
525	- Lancashire County Council	469
70	- Ribble Valley Borough Council	61
28	- Lancashire Combined Fire Authority	24
71	- Police and Crime Commissioner (PCC) for Lancashire	64
7	Transfers to General Fund - Council Tax Benefits	12
12	Provision for Bad/Doubtful Debts	187
39,864	Total Expenditure	42,306
-115	(Deficit)/Surplus for the Year	77
821	(Deficit)/Surplus Brought Forward	706
706	(Deficit)/Surplus Carried Forward	783
	Allocated to	
534	- Lancashire County Council	590
70	- Ribble Valley Borough Council	74
74	- Police and Crime Commissioner (PCC) for Lancashire	88
28	- Lancashire Combined Fire Authority	31
706	(Deficit)/Surplus Carried Forward	783

COLLECTION FUND

Collection Fund Position in Respect of Business Rates

2018/19 £'000	Collection Fund - Business Rates	2019/20 £'000
	Income	
15,375	Income from Business Ratepayers	15,632
187	Transitional Protection Payments	197
	Share of Estimated Deficit:	
31	- Central Government	
6	- Lancashire County Council	
25	- Ribble Valley Borough Council	
1	- Lancashire Combined Fire Authority	
15,625	Total Income	15,829
	Expenditure	
	Business Rates	
7,311	- Central Government	3,744
1,316	- Lancashire County Council	2,621
5,849	- Ribble Valley Borough Council	8,387
146	- Lancashire Combined Fire Authority	225
	Share of Estimated Surplus:	
	- Central Government	280
	- Lancashire County Council	50
	- Ribble Valley Borough Council	224
	- Lancashire Combined Fire Authority	6
88	Costs of Collection	91
92	Renewable Energy Schemes	83
92	Provision for Bad/Doubtful Debts	126
195	Enterprise Zone	210
54	Provision for Appeals	38
15,143	Total Expenditure	16,085
482	(Deficit)/Surplus for the Year	-256
94	(Deficit)/Surplus Brought Forward	576
576	(Deficit)/Surplus Carried Forward	320
	Allocated to	
288	- Central Government	84
52	- Lancashire County Council	54
230	- Ribble Valley Borough Council	177
6	- Lancashire Combined Fire Authority	5
576	(Deficit)/Surplus Carried Forward	320