

**Pendle Borough Council**  
**General Fund Revenue Budget 2019/20**

Your Budget is Balanced

Line No		Liberal Democrat Group Budget 2019/20 £	Management Team Budget 2019/20 £	Variations 2019/20 £
1	<b>Net Expenditure - Policy and Resources Cttee 18th December 2018</b>	14,062,050	14,062,050	-
2	Increase in s31 Grant Income for Business Rates	(777,700)	(777,700)	-
3	<u>Firming Up and Other Adjustments</u> Firming Up Adjustments	(159,620)	(159,620)	-
4	<b>Revised Net Expenditure post Firming Up and Other Adjustments</b>	13,124,730	13,124,730	-
	Increase in Cemetery Fees at 6%	(20,735)	(41,470)	(20,735)
	Administrative Charges for Replacement Wheeled Bins	-	(46,000)	(46,000)
	Office Accommodation Review	(20,000)	(20,000)	-
	Vehicle Contract Renewal	(25,000)	(25,000)	-
	Reduced Manual Sweeping	-	(25,000)	(25,000)
	Reduced Mechanical Sweeping	-	(81,820)	(81,820)
	Reduction in Pendle Leisure Trust Grant	(106,880)	(106,880)	-
	Sponsorship of Pendle Walking Festival	(3,000)	(3,000)	-
	Reduction in funding for Land Drainage	-	(10,000)	(10,000)
	Removal of subsidy for Late Night Bus Service	-	(7,700)	(7,700)
	Cessation of funding for Community Safety Initiatives	-	(2,000)	(2,000)
	Rural Waste Collection Service	-	(3,400)	(3,400)
	Cessation of Collection of Garden Waste December to February	-	(12,820)	(12,820)
	<u>Other Budget Savings</u>	-	-	-
	Income from District Enforcement trial	(25,000)	-	25,000
	Utilisation of government Brexit funding	(35,000)	-	35,000
	Impact of Community Asset Transfers to Town & Parish Councils (excluding Parks)	(30,000)	-	30,000
	Shared services savings	(30,000)	-	30,000
	Review of markets	(20,000)	-	20,000
	Review of Tourism	(10,000)	-	10,000
	Additional income from Environmental Services private work	(20,000)	-	20,000
	Additional income from Engineering fees	(20,000)	-	20,000
	Income generation from use of buildings	(10,000)	-	10,000
	Increase vacancy allowance	(10,000)	-	10,000
	<b>Total Savings Proposals</b>	<b>(385,615)</b>	<b>(384,090)</b>	<b>1,525</b>
	<u>Other Budget Growth</u>	-	-	-
	<b>Total Growth Proposals</b>	-	-	-
5	<b>Total Policy Issues</b>	<b>(385,615)</b>	<b>(384,090)</b>	<b>1,525</b>
	Use of Specific Reserves	(161,780)	(161,780)	-
	Use of Budget Strategy Reserve	(912,855)	(914,380)	(1,525)
6	<b>BUDGET REQUIREMENT (BR)</b>	11,664,480	11,664,480	-
	<b>Funding</b>			
	Business Rates Retained	(4,505,050)	(4,505,050)	-
	Revenue Support Grant	-	-	-
	Collection Fund Surplus - Council Tax	(375,000)	(375,000)	-
	Collection Fund Surplus - NNDR	(400,000)	(400,000)	-
7	<b>COUNCIL TAX REQUIREMENT</b>	<b>(6,384,430)</b>	<b>(6,384,430)</b>	-
8	<b>Budget Balanced in 2019/20</b>	0	0	0
	Assumption on Increase in Council Tax	2.99%	2.99%	2.99%
	Council Tax Base	24,061.30	24,061.30	24,061.30
	<b>Band D Council Tax *1</b>	<b>265.34</b>	<b>265.34</b>	<b>265.34</b>

\*1 Band D Council Tax in 2018/19 is £257.64

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**Chief Financial Officer Comments:-**

The budget proposal above increases the amount of savings achieved in 2019/20 by £1,575 and so reduces the use of the Budget Support Reserve by the same amount.

**Additional Income** - The proposals to generate additional income will need further work to be undertaken to identify the levels of income that can reasonably be expected. Therefore if these proposals are approved I can give no assurance at this stage that the targets can be achieved suffice to say that, as with other budgets, specific actions will need to be taken to deliver the additional income which will be subject of in-year monitoring; any variance from the target income levels will be reported accordingly.

**Brexit Income** - this income has been received to meet potential costs as a result of Brexit. There is a lack of information on what the impact of Brexit may be so if this income is taken as a one-off saving in 2019/20, any Brexit costs arising in the future will fall as an additional cost to the revenue budget. Equally, this is one-off funding and there is no indication that the Council will receive any further funding from 2020/21 onwards.

**Shared Services, Review of Market and Review of Tourism** - these reviews will need to be undertaken during the year and therefore I am not able to say at this stage whether the level of savings proposed are achievable. As with other budgets, if approved, specific actions will need to be taken which will be the subject of in-year monitoring and any variance from the target savings will be reported accordingly.

As per the budget reports to Policy and Resources Committee, I have set out the reserve balances I consider appropriate in 2019/20 and over the medium term to 2021/22. My advice is that budget savings should be maximised as much as possible in 2019/20 as this reduces the risk of: an unachievable amount of budget savings accumulating in any one year; and reserves available to smooth out the budget gap running out.

The table below shows the impact of the budget proposals above on the Medium Term Financial Plan (MTFP) and the Budget Support Reserve (BSR).

**Impact on the MTFP and Reserves**

	2019/20 £	2020/21 £	2021/22 £
<b>MTFP Savings Requirement</b>			
Management Team Budget - In year Savings	384,090	1,305,000	1,398,290
Liberal Democrat Group Budget - In year Savings	385,615	1,303,475	1,398,290
<b>Budget Savings Requirement Variation</b>	<b>(1,525)</b>	<b>1,525</b>	<b>0</b>

**Budget Support Reserve****Management Team Budget**

Opening Balance	2,818,415	1,904,035	844,035
In year use - Management Team Budget - Appendix G	(914,380)	(1,060,000)	(650,000)
<b>Closing Balance - (A)</b>	<b>1,904,035</b>	<b>844,035</b>	<b>194,035</b>

**Liberal Democrat Group Budget**

Opening Balance	2,818,415	1,905,560	845,560
In year use - Liberal Democrat Group Budget	(912,855)	(1,060,000)	(650,000)
<b>Closing Balance - (B)</b>	<b>1,905,560</b>	<b>845,560</b>	<b>195,560</b>

<b>BSR Closing Balance Variation (B) - (A)</b>	<b>1,525</b>	<b>1,525</b>	<b>1,525</b>
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**Pendle Leisure Trust - Outline Options**

Line No		Base Budget 2019/20 £	Liberal Democrat Group 2019/20 £	Management Team 2019/20 £
1	Base Budget Requirement	4,408,270	4,408,270	4,408,270
	Income (excluding Grant to Pendle Leisure Trust)	(2,892,250)	(2,892,250)	(2,892,250)
		<b>1,516,020</b>	<b>1,516,020</b>	<b>1,516,020</b>
	Use of PLT Reserves		(100,000)	(100,000)
<b>A</b>	<b>Grant to Pendle Leisure Trust (Excluding Savings)</b>	<b>1,516,020</b>	<b>1,416,020</b>	<b>1,416,020</b>

**Policy Options**

*The following are additional options provided by Pendle Leisure Trust. They are shown separately below as some are not mutually exclusive*

*NB. Some policy options will result in staff reductions.*

		Base Budget 2019/20 £	Group 2019/20 £	Management Team 2019/20 £
	<b>Pricing Options (Mutually Exclusive)</b>			
	A 3.0% Price Inc. on Admissions from 1st April 2019 with a 1% resistance in attendance	(20,000)	(20,000)	(20,000)
	A 5.0% Price Inc. on Admissions from 1st April 2019 with a 2% resistance in attendance	(26,000)		
	A 10.0% Price Inc. on Admissions from 1st April 2019 with a 4% resistance in attendance	(48,000)		
	Retaining Free Swimming for Under 3 year olds	(8,000)	(8,000)	(8,000)
	Senior Pricing to start at State Pension Age	(10,000)	(10,000)	(10,000)
	<b>Service Reviews</b>			
	Review of Inside Spa Treatments	(80,000)	(80,000)	(80,000)
	<b>Closures/Reduction in Opening Hours (Mutually Exclusive)</b>			
	Operate ACE Centre as per Muni Operation	(40,000)		
	Operate ACE Centre BISTRO only	(90,000)	(90,000)	(90,000)
	ACE Centre Total Closure	(200,000)		
<b>B</b>	<b>Total Savings Proposals</b>		<b>(208,000)</b>	<b>(208,000)</b>
<b>A-B</b>	<b>Proposed Grant to Pendle Leisure Trust in 2019/20</b>		<b>1,208,020</b>	<b>1,208,020</b>
	<b>Current Grant to Pendle Leisure Trust in 2018/19</b>		<b>1,314,900</b>	<b>1,314,900</b>
	<b>Net Saving in Grant to Pendle Leisure Trust</b>		<b>(106,880)</b>	<b>(106,880)</b>

