

Summary Revenue Budget 2020/21

<u>Estimated Net Spending</u>	Pay	Non-Pay	Reserves	Net Spending
<u>Service</u>	£'000	£'000	£'000	£'000
Management Team	338	16	-	354
Policy & Engagement	332	85	-	417
People & Development	162	68	-	230
Green Spaces and Amenities	2,025	(1,037)	-	988
Legal & Democratic Services	695	219	-	914
Finance & Property	913	(404)	-	509
Revenues and Benefits	-	(1,343)	-	(1,343)
Leisure Trust Client	-	734	-	734
Streetscene	1,104	1,932	-	3,036
Housing and Development Control	1,320	(1,062)	-	258
Economy & Growth	1,112	(214)	-	898
Strategic Partnership	-	3,994	-	3,994
Central Budgets	19	(4)	-	15
Corporate Budgets	-	2,879	-	2,879
Earmarked Reserves	-	-	1,810	1,810
	8,020	5,863	1,810	15,693

Net Budget Requirement

	£'000	£'000
Collection Fund Surplus		301
Revenue Support Grant		1,640
Business Rates Retention Scheme		
Business Rate Baseline Funding	5,484	
Additional Retained Income - Renewable Energy Schemes	248	5,732
Council Tax Yield		7,160
Parish Precepts		166
New Homes Bonus		694
		15,693

2020/21 Revenue Budget**Growth Proposals**

	Ongoing £'000	One-off £'000	Total £'000	
Repairs & Maintenance Budget Increase	25	-	25	(An additional £10k growth over and above this increase will be contributed annually in 21/22 & 22/23)
Restructure within Planning Department	29	-	29	See paragraph 20 of report
Local Development Scheme	-	40	40	See report elsewhere on the Agenda
Community Skip Reintroduction Trial	-	25	25	See paragraph 20 of report
Climate Change Initiatives	-	50	50	See paragraph 20 of report
Glyphosate Alternatives Trial	-	15	15	See report elsewhere on the Agenda
Total Growth	54	130	184	

REVENUE BUDGET 2020/21**Summary of Budget Gap Remaining and Savings**

	£'000	£'000	<u>Narrative</u>
Budget gap reported September 2019		187	
Finalisation of continuation estimates 2020/21			
<u>Further Increases/(Decreases) - Net Spending Pressures</u>			
Pay, Increments and Pensions forecast adjustment	315		2.5% pay inflation (2% assumed at the time of reporting in September 2019) plus 2.2% increase to employers pension contribution rate.
General Inflation Adjustments	20		2% general inflation assumed, with 3% applied to a small number of contracts
Income pressures	133		Pressures on income estimates relating to commercial rents, green spaces income and land charges income.
Fees & Charges Income	27		Reduction in estimated fees & charges income following decision to freeze car parking & cemetery and cremation income.
Growth (see Appendix 2)	184		Please see Appendix 2
Re-tender of Insurance Services	(75)		Re-tender of the Council's insurance services for a period of 3 year plus 1 year plus 1 year
Reduction in Pension Payments	(1,071)		Reduction in pension payments following the 2019 triennial review
Maximum Pension Liability - Burnley Leisure & Liberata	144		Maximum liability re increase in employers pension contribution rate.
Various net adjustments in finalising continuation estimates	17		Ongoing review of service budgets to align expenditure pressures.
Increase in borrowing costs & capital financing costs	101		Increase in borrowing and capital financing costs based upon the Council's Capital Programme.
Reduction in contributions to earmarked reserves	(133)		Changes to contributions to earmarked reserves.
		(338)	
<u>Further (Increases)/Decreases - Funding</u>			
Additional New Homes Bonus	(249)		Additional New Homes Bonus to be received for 2020/21 only.
Adjustment to Business Rates Retained Income	913		The Government announced the end the 75% business rates pilot for 2020/21 and the delay of the Fair Funding Review to 2021/22 after the publication of the September 2019 report. The 50% business rates pool is to be reintroduced for 2020/21. Reduction to business rates baseline funding following the provisional settlement for which the Volatility reserve was established to offset these fluctuations.
Additional Business Rates Renewables Grant	(9)		Additional Renewable Energy Grant.
Additional Council Tax due to increase in Tax Base	(41)		Estimated increase to the council tax base of 0.8% (originally estimated at 0.25% increase)
Additional Collection Fund prior year surplus	(301)	313	Estimated collection fund surplus - Council Tax (£42k) and NNDR (£259k).
Residual budget gap - February 2020		162	
<u>Further Savings - February 2020</u>			
Implemented Market Restructure 2019	(31)		
Growth of Chargeable Commercial Waste Collection Service	(20)		
Waste and Cleansing Contract Review	(100)		
Corporate Transformation Initiatives	(11)		
		(162)	
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