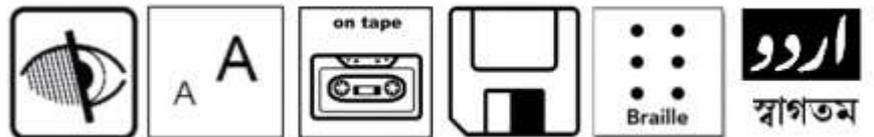


Financial Monitoring Report

2017/18 Draft Out-turn

Including a Glossary of terms on page 32



Monthly Financial Monitoring Report 2017/18 Draft Out-turn

General Fund Revenue Operations – pages 4 to 21

This draft out-turn report on the General Fund for 2017/18 is showing a favourable variance of £270k compared to the original budget of £9,440k. This represents a net favourable change of £78k since the end of December report, including a favourable movement in grant relating to housing benefit payments of £76k. For more details on the movements in Q4 please see pages 4 and 5.

Earmarked Revenue Reserves – page 22 to 23

The total cash-backed Earmarked Reserves brought forward at 1st April 2017 were £6,228k (excluding the Transport Reserve).

Officers recommend the allocation of the first £20k of surplus in 2017/18 to balance the Directorate Investment Reserve, and then the remaining £250k could be transferred back into the Transitional Budgetary Reserve. This will leave a closing balance of £2,718k at the end of 2017/18 to support the future requirements of the MTFS, £187k more than was anticipated in the February 2018 MTFS update.

The Business Rates Retention Reserve now reflects the in-year variances discussed in detail on page 32, including the renewable energy income of £159k for the year and the S31 Grant income of £801k. Funding for the original 2017/18 budget included the application of £700k from this reserve.

The Planning Reserve has been called upon to support £71.6k of costs in relation to the Local Plan, and officers expect to use the balance over the next 2 years.

The closing balance at the 31st March 2018 is now £6,139k, but planned usage of the Transitional Reserve through the life of the MTFS will reduce this to £2,936k by March 2022.

Government Grants Unapplied – page 24

The opening value of Government Grants Unapplied at the 1st April 2017 was £591k. The DFG grant for 2017/18 was £869k, leading to total funds available in 2017/18 of £1,261k. Following slow referrals from the LCC Occupational Health Team, officers have only managed to complete grants of £556k in 2017/18 and hence expect to carry forward £705k into 2018/19.

The Homelessness grant of £82k is the balance of funding received by Rossendale as administrator of the young persons homelessness grant, £13.6k was used to release payment to approved parties in 17/18 leaving a balance of £68.6k.

The Transforming Lives and Hoarding Grants are a joint project with the Police & Crime Commissioner to tackle problems early and the balance of funds received during 2016/17 are expected to be spent in 2018/19.

With the carry forward of DFGs, the balance at March 2018 is now £886k.

Staff Monitoring – page 24

The table on page 24 is in the cash format reported throughout the year, however, the table on page 4 is a more complete picture of the net savings from posts transferred and restructures completed during the year.

The target saving of £150k in the year has not been fully achieved, but other savings have more than compensated for this, as shown on pages 4 and 5.

Treasury & Cash Management - page 25 to 27

At the end of December the bank balances were £7,612k and the year-end balance was

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 2 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

predicted to be around £3.5m. However, Q4 brought in £2.7m gross income from the sale of Rossendale Transport Ltd in January and cash received for the Collection Fund ended the year £2m ahead of expectations. During Q4 there was some improvement in the bank interest rates, bringing the Council's effective interest rate up from 0.41% to 0.47% and leading to a £4k improvement in bank interest income in the quarter.

Invoices raised in 2017/18 totalled £4,268k of which 96% has already been collected, including £869k of DFG grant in June. at the end of the year the debt balance was £633k of which £365k (58%) is still under 30-days old.

The provision for doubtful debt balance approaching the year-end was £71k, compared to a potential doubtful debt estimate of £86.2k. In line with the proposals made in the Q3 report, officers have made an additional provision of £20k, as noted on page 20, to give a closing provision of £91k.

The above debts exclude the rent on Empty Homes Scheme properties with opened the year with an arrears balance of £354k, against which there was a £288k doubtful debt provision equal to 81% of the debts outstanding. During 2017/18 Calico have recovered £27k of those debts, meaning the provision now covers 81% of the debts outstanding.

Capital Receipts – page 28

Capital Receipts now includes £3,640k received upon the sale of the Rossendale Transport shares. Of this £2,300k was in the value of the Knowsley Road building transferred to Council ownership as part of the arrangement. This means that the balance on the Capital Receipts Reserve at the year-end was £2,764k, of which £1,646k is unallocated.

Capital Grants received during 2017/18 include £3,421k received from LCC towards the bus station element of Spinning Point 1 which has been carried forward as a Grant Receipt in Advance, the costs to date being related to the Town Hall building which is being funded from internal borrowing. Grants Unapplied at the year-end include £705k of the £869k Disabled Facilities Grants (DFGs).

Capital Programme and Funding – page 29 to 30

The revised Capital Programme rose to £12,944k with the £2,300k transfer value of the Knowsley Road building noted above. The slippage being carried forward to 2018/19 totals £7,489k and a list of individual projects is shown on page 29, though the bulk relates to the ongoing Bacup THI, Spinning Point Phase 1 and the DFGs.

Collection Fund 2017/18 (Council Tax & NNDR) - page 31 to 32

Collection rates at the end of the year are above those of previous years for both Council Tax and Business Rates.

The Council Tax surplus has reduced by £155k in Q4, with the main change being an additional £73k of banding appeal decisions. This means the out-turn was a surplus of £417k with the Council's share being £63k (down from £86k at Q3).

Business Rates have returned a full year surplus on collection of £502k, up £294k during Q4 and the main changes can be seen on page 31. The S31 Grants to cover various reliefs have increased by £124k during Q4 to £801k. Overall the gains to the Council total £1,191k compared to the MTFS target of £800k, the key drivers being that we have not had to increase the provisions in relation to doubtful debts and appeals. This bodes well for future years.

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 3 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

General Fund Summary - Period 12 (March)

| Service Area (excluding internal recharges) | 2017/18 Org Budget excl Int'l Mkt £000 | 2017/18 Out-turn £000 | 2017/18 Variance (Adv)/Fav £000 | Variance last reported £000 | Change in Qtr 4 (Adv)/Fav £000 |
|---|---|-----------------------------|--|--------------------------------------|---|
| Place Directorate | | | | | |
| Customer Services and E-Government | 1,226.8 | 1,196.7 | 30.1 | (58.7) | 88.8 |
| Operations | 2,426.0 | 2,363.7 | 62.3 | 63.1 | (0.8) |
| Business Directorate | | | | | |
| Building Control Services | (1.4) | (62.4) | 61.0 | 42.8 | 18.2 |
| Legal & Democratic Services | 703.8 | 715.0 | (11.2) | (7.5) | (3.7) |
| Planning Services | 264.2 | 257.9 | 6.3 | 8.8 | (2.5) |
| Local Land Charges | (37.8) | (23.3) | (14.5) | (11.9) | (2.6) |
| Licensing & Enforcement | (78.1) | 168.8 | (246.9) | (210.3) | (36.6) |
| Health, Housing & Regeneration | 1,176.6 | 1,004.9 | 171.7 | 150.5 | 21.2 |
| Corporate Support Services | | | | | |
| Corporate Management | 513.1 | 428.9 | 84.2 | 41.7 | 42.5 |
| Finance & Property Services | 1,331.4 | 1,244.4 | 87.0 | 134.5 | (47.5) |
| People and Policy | 470.5 | 473.8 | (3.3) | (13.6) | 10.3 |
| Non Distributed Costs | 1,084.4 | 1,116.0 | (31.6) | (1.2) | (30.4) |
| Capital Financing and Interest | 203.1 | 150.4 | 52.8 | 33.1 | 19.7 |
| Leisure | 157.6 | 136.0 | 21.6 | 20.5 | 1.1 |
| TOTAL Service Cost | 9,440.3 | 9,170.7 | 269.6 | 191.8 | 77.8 |

This out-turn report for 2017/18 is showing a net favourable variance of £270k.

The original budget included a savings target of £150k for staff vacancy savings. The actual staff savings across all departments have come to £128k by the end of March, a net adverse variance of £22k.

The other main areas of movements during Q4 in the table opposite are:-

| Staffing Variance: | Q1 | Cum Q2 | Cum Q3 | Cum Q4 |
|----------------------------|--------------|-------------|-------------|--------------|
| Customer Services | 9.0 | 16.8 | 16.8 | 20.6 |
| Operations | (9.6) | - | (3.8) | 5.8 |
| Business | (1.0) | (17.9) | (67.1) | (68.9) |
| Health, Hsg & Regen | 118.2 | 97.0 | 126.9 | 151.9 |
| Corporate Mgmt | 11.9 | 11.9 | 25.3 | 29.8 |
| Finance & Property | (3.9) | (4.3) | (4.3) | (19.8) |
| People & Policy | (10.2) | (6.3) | 0.6 | 8.5 |
| Savings anticipated | 114.4 | 97.2 | 94.4 | 127.9 |
| Original target | (150.0) | (150.0) | (150.0) | (150.0) |
| Balance still to find | (35.6) | (52.8) | (55.6) | (22.1) |

- Grant relating to housing benefit payments have improved by £104k
- Recovered court costs have improved by £25k to £62k favourable for the year, net of costs.
- Favourable variances in parks costs and cemeteries income have improved the Operations out-turn by £50.7k, but these have been offset by rising recycling costs of £51.6k.
- The Custom Build Grant received in Q3 has been carried forward to fund the costs of the Custom Build Register in 2018/19.
- Increases of £49k in planning and building control fees have offset a further decrease in Licensing income of £45k.
- Savings in the homelessness costs and staffing have been transferred to an Earmarked Reserve to support changes to 16/17 year old homelessness legislation in 2018/19.
- £35k of the Corporate Contingency was not required.
- Savings in Financial Services have been used to fund £10k scanning software and £11k of phased retirement costs.
- Kay Street commercial premises refurbishment has cost £14.6k to be recovered from rental.

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 4 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

| Annual Variances | Q1 | Q2 | Q3 | Q4 | Total | |
|--|--------------|--------------|--------------|-----------|--------------|--------------|
| | Fav/(Adv) | Fav/(Adv) | Fav/(Adv) | Fav/(Adv) | Fav/(Adv) | |
| Customer Services and e-Government | | | | | | |
| Staff costs | 9.0 | 7.8 | - | 3.8 | 20.6 | |
| Housing Subsidy (net of grant receivable) | (30.2) | (88.7) | (4.2) | 76.2 | (46.9) | |
| Discretionary benefits net of grants | (6.6) | 22.5 | 2.5 | - | 18.4 | |
| Recovery of overpaid benefits | 39.9 | (4.0) | 2.9 | - | 38.8 | |
| Collection Fund - Court Costs Awarded (net of fees) | 25.3 | - | 24.1 | 25.2 | 74.6 | |
| IT software, data, comms & disastery recovery | (29.6) | (46.0) | 0.3 | (0.4) | (75.7) | |
| SAT team new burdens grants (net of related costs) | 16.7 | (9.0) | 3.1 | 7.0 | 17.8 | |
| External Review of commercial rateable values | - | - | - | (7.9) | (7.9) | |
| Other minor variances | 12.4 | (2.3) | (4.7) | (15.1) | (9.7) | 30.0 |
| Place Operations | | | | | | |
| Staff costs (including agency and overtime) | (9.6) | 9.6 | (3.8) | 9.6 | 5.8 | |
| Fuel (<i>note favourable item in Corporate Management bel</i>) | (20.2) | (2.3) | (2.5) | 5.6 | (19.4) | |
| Vehicle maintenance incl hire of temporary replacements | (40.8) | (45.8) | (3.3) | (9.7) | (99.6) | |
| Reserve & MRP Savings re Fleet | 20.5 | 144.6 | 6.7 | 3.3 | 175.1 | |
| Recycling costs (due to contamination/ market rates drop | - | - | - | (51.6) | (51.6) | |
| Refuse stock bins and sacks | (12.5) | - | - | 11.4 | (1.1) | |
| Cemetries Income | 21.3 | (8.8) | (2.1) | 16.9 | 27.3 | |
| General parks (including playgrounds) running costs | 20.7 | (6.6) | 11.8 | 22.3 | 48.2 | |
| Markets Income & Running expenses | (7.3) | (2.8) | (9.9) | (2.0) | (22.0) | |
| Other minor variances | 20.0 | (17.5) | 2.5 | (5.4) | (0.4) | 62.3 |
| Business Directorate | | | | | | |
| Staff costs | (1.0) | (16.9) | (49.2) | (1.8) | (68.9) | |
| Grants received | 14.6 | - | 30.0 | (44.6) | - | |
| Planning Fees | (29.5) | - | 9.5 | 38.0 | 18.0 | |
| Building Control Fee Income | 33.0 | 6.1 | 1.6 | 10.6 | 51.3 | |
| Hackney Driver £200 contribuiton for CCTV | - | - | (32.0) | - | (32.0) | |
| Taxi /Private Hire Licensing income (net of cost savings) | (117.6) | (20.6) | (15.6) | (53.3) | (207.1) | |
| Other minor variances | 25.9 | (2.1) | (14.1) | 23.9 | 33.6 | (205.1) |
| Business - Health, Housing & Regeneration | | | | | | |
| Staff costs | 118.2 | (21.2) | 29.9 | 25.0 | 151.9 | |
| Environmental Health administration expenses | 25.5 | 2.2 | (3.4) | 11.2 | 35.5 | |
| Homelessness Net Overheads | - | 11.1 | 6.4 | 18.4 | 35.9 | |
| Homelessness Transfer total annual savings to Reserve | - | - | - | (40.6) | (40.6) | |
| Economic Regen costs (over reserve) | (20.0) | - | - | 4.3 | (15.7) | |
| Whittaker Park Museum Utilities Costs | (13.8) | 0.4 | - | 2.0 | (11.4) | |
| Private Sector Renewal direct costs and fee income | - | - | - | 2.4 | 2.4 | |
| Other minor variances | 14.5 | 5.5 | (4.8) | (1.5) | 13.7 | 171.7 |
| Corporate Management | | | | | | |
| Staff costs (including professional support) | 11.9 | - | 13.4 | 4.5 | 29.8 | |
| Corporate contingency not required | - | - | - | 35.2 | 35.2 | |
| Other minor variances | (0.2) | 8.4 | 8.2 | 2.8 | 19.2 | 84.2 |
| Finance & Property Services | | | | | | |
| Staff costs | (3.9) | (0.4) | - | (15.5) | (19.8) | |
| Internal & External Audit costs | - | 16.7 | 5.9 | - | 22.6 | |
| New Kofax financial scanning software | - | - | - | (13.4) | (13.4) | |
| Building runing costs | 11.2 | 4.3 | (2.6) | - | 12.9 | |
| NNDR Refund on Old Town Hall | 111.0 | - | - | - | 111.0 | |
| Refurbishment of Kay Street buildings | - | - | (14.0) | (21.1) | (35.1) | |
| Other minor variances | 3.2 | 5.4 | (2.2) | 2.5 | 8.9 | 87.1 |
| People & Policy (incl P&P & Comm) | | | | | | |
| Staff costs (net of external replacement support) | (10.2) | 3.9 | 6.9 | 7.9 | 8.5 | |
| Professional HR & Legal support | (20.1) | - | - | - | (20.1) | |
| Other minor variances | 10.3 | - | (4.4) | 2.4 | 8.3 | (3.3) |
| Non-Distributed Costs & Capital Financing | | | | | | |
| Staff costs - vacancy control target | (150.0) | - | - | - | (150.0) | |
| Pensions | 99.8 | 13.6 | - | (39.7) | 73.7 | |
| Interest payable/receivable | (0.6) | (1.4) | (1.4) | 21.6 | 18.2 | |
| Rosso Management Fee | 53.5 | - | - | - | 53.5 | |
| MRP savings from extending the lives of the related asse | 54.5 | - | - | 11.8 | 66.3 | |
| Other minor variances | (15.5) | (0.2) | - | (3.2) | (18.9) | 42.8 |
| Favourable/(adverse) variance | 233.7 | -34.5 | (8.5) | 79 | 269.7 | 269.7 |

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 5 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Customer Services & E-Government - Period 12 (March)

| Summary | 2017/18 Org Budget £000 | 2017/18 Out-turn £000 | 2017/18 Variance (Adv)/Fav £000 | Variance last reported £000 | Change in Qtr (Adv)/Fav £000 |
|--|----------------------------|--------------------------|------------------------------------|--------------------------------|---------------------------------|
| Strategic Functions | | | | | |
| Management and Support | 74.9 | 62.2 | 12.7 | 7.7 | 5.0 |
| Service Assurance Team | 120.7 | 61.6 | 59.1 | 49.7 | 9.4 |
| Revenues, Benefits and Customer Services | | | | | |
| Local Tax Collection | (324.3) | (376.7) | 52.4 | 47.0 | 5.4 |
| Benefits Admin | 839.5 | 845.4 | (5.9) | 1.9 | (7.8) |
| Net - Housing Benefit Payments made & Subsidy received | (35.8) | (35.5) | (0.3) | (81.8) | 81.5 |
| Information and Communications Technology | | | | | |
| Technology | 551.8 | 632.4 | (80.6) | (81.0) | 0.4 |
| Pest Control | | | | | |
| Pest Control | - | 7.3 | (7.3) | (2.2) | (5.1) |
| Total | 1,226.8 | 1,196.7 | 30.1 | (58.7) | 88.8 |

| Key changes made during the period to the full year forecast | Variance Bfwd £000 | Variance this Qtr £000 | Full-Yr Forecast £000 | R A G |
|---|-----------------------|---------------------------|--------------------------|-------------|
| Housing Benefit Admin - audit of benefit subsidy claim | 6.0 | (2.9) | 3.1 | |
| Housing Benefit Subsidy (net grant position from Mid-yr Estimate) | (123.1) | (27.6) | (150.7) | |
| Housing Benefit - Discretionary Housing Grant | | 103.8 | 103.9 | |
| Housing Benefit recovery of overpayments | 49.2 | (0.1) | 49.1 | |
| Housing Benefit bailiff fees | (7.9) | (0.6) | (8.5) | |
| Housing Benefit additional Local Council Tax Support Grant | 15.9 | | 15.9 | |
| Collection Fund Court Costs Awarded (net doubtful debt provision) | 37.1 | 31.9 | 69.0 | |
| Business Rates - court fees (re additional income above) | | (6.7) | (6.7) | |
| Business Rates - net costs of collection | 8.7 | (11.2) | (2.5) | |
| Business Rates on Renewable Energy installations | 153.0 | | 153.0 | |
| Business Rates - transfer Renewable Energy income to Reserve | (153.0) | | (153.0) | |
| IT - Software licences (net of released provision re Website) | (38.4) | 2.0 | (36.4) | |
| IT - RLT support costs | (29.7) | 9.6 | (20.1) | |
| IT - Disaster Recovery provision & network testing | (7.7) | (12.0) | (19.7) | |
| IT - Further Website development costs | (3.5) | | (3.5) | |
| SAT Team fraud penalties income | 8.6 | 1.4 | 10.0 | |
| SAT Team Grants received (incl Universal Credit) | 53.8 | 7.0 | 60.8 | |
| New burdens costs re grants received above | (41.1) | (0.8) | (41.9) | |
| External review of business rateable values (no win-no fee basis) | (7.5) | (7.9) | (15.4) | |
| Pest Control services (net of income) | (2.2) | (5.1) | (7.3) | |
| Staff savings | 16.8 | 3.8 | 20.6 | |
| Other savings | 12.2 | 1.3 | 13.5 | |
| TOTAL | (58.8) | 88.8 | 30.1 | |

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 6 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Customer Service & E-Government Highlight Report – Q4 (end March 2018)

Historic Issues

- Court costs awarded in relation to the collection of council tax and business rates continue the 2016/17 trend and look set to be around £25.3k ahead of the budget. To date Council has incurred court fees of £11k in pursuit of debts from one of the businesses in the borough.
- The Local Council Tax Support Grant received in May was £98.4k, a £15.9k favourable variance on that expected in the original budgets.
- The Service Assurance Team restructure has contributed around £12k towards a current staffing variance prediction of £9k favourable.
- Renewable energy business rates are 100% attributable to Rossendale Borough Council, therefore they are removed from the NNDR Collection Fund and will be income to the General Fund. This first occurred during the closure of the 2016/17 accounts, so was not included in the 2017/18 original budget. The value in 2016/17 at £241k covered around 18months. The £153k estimate included here represents a single financial year, but officers recommend that it is transferred straight to the Local Business Rates Retention Reserve (as per the MTFS assumptions).

Current Quarter's Issues

The adverse variance reported at Q3 has improved by almost £89k to return a favourable variance of £30k at the year-end, the main changes being:-

- The Housing Benefit Subsidy adverse variance has ended the year £28k worse than the Q3 forecast, at a £151k adverse, but the Council has received £104k in Discretionary Housing Grant to mitigate against the subsidy deficit, giving a net total deficit of £47k.
- Collection Fund court costs awarded have continued to out-perform previous years, with the favourable variance from Q3 increasing by a further £25.2k to £62.3k for the year, net of the court fees payable.
- In Q3 it was understood that the court fees incurred in pursuit of business rates debts could be written off against the Collection Fund, but this has been corrected, leading to an adverse movement in Q4 of £11.2k.
- Increases in disaster recovery costs of £12k have been mitigated by similar savings in software licences and data storage costs.
- The Service Assurance Team continues to receive new-burdens grants, with a further £7k being received during Q4. Of the total £61k received in 2017/18, £42k has been used to fund changes to the benefits software and additions to the Capita contract, leaving a net favourable variance of £19k
- Costs of the external review of business rates have risen by £17k to £24.4k for the year, which has contributed towards rateable value increases of £359k in 2017/18. This cost will be recovered in the Council's proportion of the retained business rates income (see pages 31 & 32).

Future Issues

- Nothing to report.

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 7 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Place Operations - Period 12 (March)

| Summary | 2017/18 Org Budget £000 | 2017/18 Out-turn £000 | 2017/18 Variance (Adv)/Fav £000 | Variance last reported £000 | Change in Qtr (Adv)/Fav £000 |
|--|----------------------------|--------------------------|------------------------------------|--------------------------------|---------------------------------|
| Strategic Functions | | | | | |
| Operations Admin / Vehicle Maintenance | 367.8 | 434.1 | (66.3) | (53.2) | (13.1) |
| Operational Functions | 0.0 | - | | | |
| Refuse Collection | 955.4 | 1,009.0 | (53.6) | (14.7) | (38.9) |
| Street Sweeping | 337.3 | 334.3 | 2.9 | (9.0) | 11.9 |
| Markets | (80.2) | (71.0) | (9.1) | 2.2 | (11.3) |
| Parks | 0.0 | - | | | |
| Parks & Open Spaces | 946.3 | 797.2 | 149.1 | 118.2 | 30.9 |
| Cemeteries | (124.7) | (152.0) | 27.3 | 10.4 | 16.9 |
| Dog Warden | 24.2 | 12.2 | 12.0 | 9.2 | 2.8 |
| Total | 2,426.0 | 2,363.7 | 62.3 | 63.1 | (0.8) |

| Key changes made during the period to the full year forecast | Variance Bfwd £000 | Variance this Qtr £000 | Full-Yr £000 | R A G |
|--|-----------------------|---------------------------|-----------------|-------------|
| Vacancies at Operations Admin Offices | 0.2 | (6.7) | (6.5) | |
| Parks Salary Variances (Including temporary gardeners) | 54.8 | 6.8 | 61.6 | |
| Street Sweeping Salaries | 8.6 | (0.1) | 8.6 | |
| Refuse Salaries and Agency | (54.8) | 12.1 | (42.7) | |
| Fleet Management Vacancy and Agency | (30.3) | 3.1 | (27.2) | |
| Markets Salary Vacancies | 22.3 | - | 22.3 | |
| Overtime Budgets | (4.6) | (5.6) | (10.2) | |
| Vehicle Maintenance (including tyres/ parts) | (52.2) | (0.0) | (52.2) | |
| Vehicle Hire | (37.7) | (9.7) | (47.3) | |
| Actions re variances - MRP Savings on Vehicles | 151.3 | 3.3 | 154.6 | |
| Actions re variances - removal of Maint Reserve contribution | 20.5 | - | 20.5 | |
| Purchase of Tools and Equipment | 2.9 | (1.7) | 1.2 | |
| Mowers Investment / Maintenance | 14.5 | 6.4 | 20.9 | |
| Parks Playground Equipment | 5.0 | 4.5 | 9.5 | |
| Fuel | (25.0) | 5.6 | (19.4) | |
| Trade Waste Net Income | 2.0 | (1.1) | 0.9 | |
| Refuse Bin Stock | (17.9) | 3.2 | (14.7) | |
| Refuse Sacks | 4.9 | 8.7 | 13.6 | |
| Sale of Green Bins | 1.4 | (0.5) | 0.9 | |
| Recycling Income | (23.7) | (51.6) | (75.3) | |
| Cemeteries income | 10.4 | 16.9 | 27.3 | |
| Markets Income & Running expenses | (20.1) | (2.0) | (22.0) | |
| Dog Warden costs | 9.2 | 2.9 | 12.1 | |
| General other Park Running Costs | 22.4 | 11.5 | 34.0 | |
| Litter Bins purchase | (2.4) | (1.0) | (3.4) | |
| Other Variances | 1.2 | (5.8) | (4.6) | |
| TOTAL | 63.1 | (0.8) | 62.3 | |

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 8 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Operations Highlight Report – Q4 (end of Mar 2018)

Historic Issues

- Vehicle hire costs were overspent by £47.3k at the end of the financial year. As per 2016/17 the main reason for this was due to the suspension of 5 vehicles which were found during Health & Safety Inspections to be inappropriate in design given their use. A refuse vehicle has also been hired in to replace a suspension. A replacement plan has already begun with the purchase and replacement of two vehicles but the majority will take place around 2018/19 due to bespoke design. As a result, external vehicles continue to be hired in temporary arrangements.

Current Quarter Issues

At the end of the financial year Operations budget showed a favourable variance of £62.3k, a small adverse movement of £0.8k during Q4.

- Overall staffing costs including agency and overtime ended £5.8k favourable for the financial year. The adverse variance on Fleet Management was due to an emergency long term sickness absence of a garage fitter with costly agency backfill now being extended into 18/19.
- Vehicle Maintenance costs and temporary vehicle hires overspent by £99.6k, mainly due to works carried out to older fleet vehicles. Some one-off costs include installation of engine £7k, hook lift repair £3k, accidental repair £3k and £2k gear box. There was a saving of £175.1k on MRP and a one-year break in the contributions to the Vehicle Maintenance Reserve. The Operations staff are in the process of trying to obtain replacement vehicles so in time these costs should reduce.
- Fuel overspent by £19.4k for the financial year; this was due to the gradual increase in fuel prices and a reduction in the fuel budget. A contingency £77k was made in the Corporate budget for future year fuel increases.
- Recycling costs escalated in Q4 resulting in a major adverse variance of £75.3k for the financial year. Rossendale are now looking at options for recycling after the current disposal arrangements are costing c£18k per month due to costs relating to the market downturn and contamination issues. As the Cost Share Scheme income ceases from 1st of April 2018 RBC are working together with LCC to reduce the significant ongoing costs of recycling to RBC.
- Markets income ended £22k below the set budget for the year. The main reason for this was under occupancy of stalls with Rawtenstall seeing a 20% vacancy rate and Bacup being 22% empty. However, there has been a saving on the Market Supervisor vacant post of £22.3k with a potential restructure in the pipeline to redistribute the workload of this post.

Futures Issues

- The Bulky Waste service external contractor went into liquidation last year and the service is being done in-house at the moment. This will be subject to a tendering process in due course which may lead to changes in the 2018/19 costs.
- The Garden Waste service has now become a charged service. To date we have taken 4,550 applications which will result in £159k in income for 2018/19. The project continues to be a success as it exceeds our budgeted income of £87.5k.
- The Director of Communities has proposed a new staffing restructure which, pending consultation, will result in re-profiling the agency and salaries budget.

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|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 9 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Business Services - Period 12 (March)

| Summary | 2017/18 Org Budget £000 | 2017/18 Out-turn £000 | 2017/18 Variance (Adv)/Fav £000 | Variance last reported £000 | Change in Qtr (Adv)/Fav £000 |
|--|-------------------------------|-----------------------------|--|-----------------------------------|---------------------------------------|
| Corporate Apprentices | | | - | - | - |
| Planning | | | | | |
| Development Control | 126.4 | 123.7 | 2.7 | 8.7 | (6.0) |
| Forward Planning | 137.8 | 134.2 | 3.6 | 0.1 | 3.5 |
| | - | - | - | | |
| Land Charges | (37.8) | (23.3) | (14.5) | (11.9) | (2.6) |
| | - | - | - | | |
| Building Control | | | | | |
| Building Control - Fee Earning Account | (38.0) | (87.8) | 49.8 | 36.2 | 13.6 |
| Building Control - Statutory Function | 29.1 | 29.1 | (0.0) | 1.6 | (1.6) |
| Building Control - Street Signs | 7.5 | (3.7) | 11.2 | 5.0 | 6.2 |
| | - | - | - | | |
| Legal Services | 175.7 | 194.2 | (18.5) | (15.6) | (2.9) |
| | - | - | - | | |
| Democratic Services | | | | | |
| Electoral Registration | 42.5 | 48.2 | (5.7) | (5.0) | (0.7) |
| Elections | 82.8 | 77.5 | 5.3 | 4.7 | 0.6 |
| Democratic Representation | 350.7 | 350.9 | (0.2) | 3.2 | (3.4) |
| Mayoralty | 49.5 | 41.6 | 8.0 | 5.2 | 2.8 |
| Town Twinning | 2.5 | 2.5 | 0.0 | - | 0.0 |
| | - | - | - | | |
| Licensing & Enforcement | (78.1) | 168.8 | (246.9) | (210.3) | (36.6) |
| Total | 850.7 | 1,056.0 | (205.3) | (178.1) | (27.2) |

| Key changes made during the period to the full year forecast | Variance Bfwd £000 | Variance this Qtr £000 | Full-Yr £000 | R A G |
|--|--------------------------|------------------------------|-----------------|-------------|
| Legal - Salary & Additional Agency Costs | (22.2) | (6.2) | (28.4) | |
| Legal Professional Fees/ Legal reference books | (1.0) | 5.9 | 4.9 | |
| Members Allowances - including one additional cabinet member | (5.0) | | (5.0) | |
| Democratic Services salary savings | 6.0 | (1.6) | 4.4 | |
| Mayoralty savings | 4.9 | 3.3 | 8.2 | |
| Register of Electors | (0.8) | 0.3 | (0.5) | |
| Land Charges Income | (11.9) | (2.6) | (14.5) | |
| Additional Staffing resource in Planning | (20.1) | 2.5 | (17.6) | |
| Planning Application Fee Income | (21.0) | 38.0 | 17.0 | |
| Brownfield Grant & Custom Build Grant | 44.6 | | 44.6 | |
| Above Grants transferred to Reserves | | (44.6) | (44.6) | |
| Planning miscellaneous variances | 4.7 | 11.6 | 16.3 | |
| Building Control Fee Income | 42.8 | 18.2 | 61.0 | |
| Licensing - Salary costs including agency for Manager | (31.8) | 3.5 | (28.3) | |
| Provision for £200 CCTV contribution to c400 drivers | (32.0) | | (32.0) | |
| Private Hire income & expenditure | (59.5) | (14.9) | (74.4) | |
| Hackney income & expenditure | (87.5) | (42.0) | (129.5) | |
| Taxi misc income | 3.9 | | 3.9 | |
| Licensing misc expenditure | 8.2 | 5.2 | 13.4 | |
| Business Miscellaneous Variances | (0.4) | (3.8) | (4.2) | |
| TOTAL | (178.1) | (27.2) | (205.3) | |

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|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 10 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Business Monitoring Highlight Report – Q4 (end March 2018)

Historic Issues

- A £32k provision has now been created to cover the cost of the £200 contribution per vehicle RBC are making towards the cost of Hackney Drivers to purchase CCTV equipment.

Current Quarter Issues

The Business Services out-turn for 2017/18i is showing an over spend of £205.3k, an adverse movement of £27.2k

- Land charges income has been dropping over the year and has under achieved at the end of the year by £14.4k. This is in the main due to increasing competition from private search companies
- Planning Application fees have ended the year with an over achievement of £17k and Building Control Fees over achievement £51.3k.
- The £44.6k from the Brownfield grant and Custom Build Grant have been set aside for future Local Plan costs.
- Licencing income and expenditure is showing an under achievement of £243k including:
 - Salaries within Licencing are showing an adverse variance of £28.3k at the end of the year due to the restructure within the service area.
 - The Private Taxi Licencing budget and the Hackney Licencing budget are both showing net adverse variances; £74.4k and £125.9k respectively. Budgets were set on activity towards the end of 2016/17 but applications have fallen more sharply than budgeted, as a result of the late 2016/17 policy changes.

Future Issues

- **39 Burnley Rd, Rawtenstall, collapsed culvert under property** – The owner has had a court order to either make the house safe or demolish within 52 days. Since the owner has not complied with the court order, the Council has had to intervene. Work has now commenced to demolish the property and the costs are expected to be in excess of £20k.

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|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 11 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Health, Housing & Regeneration - Period 12 (March)

| Summary | 2017/18 Org Budget £000 | 2017/18 Out-turn £000 | 2017/18 Variance (Adv)/Fav £000 | Variance last reported £000 | Change in Qtr (Adv)/Fav £000 |
|--------------------------------|----------------------------|--------------------------|------------------------------------|--------------------------------|---------------------------------|
| Strategic Functions | | | | | |
| Regeneration Mangement & Admin | 145.4 | 59.8 | 85.6 | 85.8 | (0.2) |
| Tourism | 20.0 | 20.0 | 0.0 | | 0.0 |
| Area Forums | 15.0 | 15.0 | (0.0) | | (0.0) |
| Economic Regeneration | - | - | | | |
| Economic Regeneration | 84.0 | 123.0 | (39.0) | (40.5) | 1.5 |
| Whittaker Park Musuem | 71.7 | 83.2 | (11.4) | (13.4) | 2.0 |
| Strategic Housing | - | - | | | |
| Housing Strategy | 54.1 | 94.3 | (40.3) | (40.3) | 0.0 |
| Homelessness | 171.9 | 146.2 | 25.7 | 29.1 | (3.4) |
| Private Sector Renewal | 36.4 | 25.1 | 11.3 | 8.9 | 2.4 |
| Environmental Health | - | - | | | |
| Environmental Health | 378.1 | 228.2 | 149.9 | 120.9 | 29.0 |
| Empty Homes Scheme | | | | | |
| HCA | 200.0 | 210.0 | (10.0) | - | (10.0) |
| Total | 1,176.6 | 1,004.9 | 171.7 | 150.5 | 21.2 |

| Key changes made during the period to the full year forecast | Variance Bfwd £000 | Variance this Qtr £000 | Full-Yr £000 | R A G |
|--|-----------------------|---------------------------|-----------------|-------------|
| Regeneration Officer Vacancies (net of agency support/ consultant) | 69.9 | (1.5) | 68.4 | |
| Economic Regeneration staff vacancies | (14.2) | 2.9 | (11.2) | |
| Housing Strategy staffing | (37.9) | 2.7 | (35.2) | |
| Private Sector Renewal salaries | (0.1) | - | (0.1) | |
| Environmental Health Staff Vacancies | 102.3 | 17.3 | 119.6 | |
| Housing Options Team - staffing | 16.7 | 3.6 | 20.3 | |
| Economic Regen expected transfer from Reserve insufficient funds | (20.0) | 4.3 | (15.7) | |
| Whittaker Park Museum Utilities Costs | (13.4) | 2.0 | (11.4) | |
| Private Sector Renewal direct costs and fee income | 8.9 | 2.4 | 11.3 | |
| Environmental Health administration | 16.2 | 11.2 | 27.5 | |
| Flexible Homelessness Support Grant | 41.8 | - | 41.8 | |
| Homelessness Temporary Accommodation (B&B) | (31.7) | 18.5 | (13.2) | |
| Kay Street Safe Housing running costs | (3.6) | (0.9) | (4.5) | |
| Contributions to outside bodies re Homelessness | 11.0 | 0.9 | 11.9 | |
| Transfers to Homelessness reserve for future projects | - | (40.6) | (40.6) | |
| Growth Lancashire Consultant costs | (3.1) | | (3.1) | |
| Contribution towards Domestic Abuse to PCC | (6.0) | - | (6.0) | |
| Childrens Partnership Board Grant | 15.0 | - | 15.0 | |
| Public Burials | (1.7) | (0.2) | (1.9) | |
| Empty Homes Scheme | - | (726.1) | (726.1) | |
| Application of the Provisions & Reserve set aside | - | 716.1 | 716.1 | |
| Other Miscellaneous Variances | 0.2 | 8.7 | 8.9 | |
| TOTAL | 150.5 | 21.2 | 171.7 | |

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|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 12 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Business - Health, Housing & Regeneration Highlight Report – Q4 (end Mar 2018)

Historic Issues

- Under Economic Regeneration the original budget has included a £20k contribution from the Regeneration Reserve for several years to fund officers. At the beginning of 2017/18 the balance on the Reserve was £4.3k, giving a £16.7k adverse variance for this year and future years. The budget has been corrected for future years.
- Utilities costs, janitorial and other running costs at the Whittaker Park Museum continue to be overspent and ended £11.4k above budget provision, mainly reflecting the increased opening hours at the Museum and associated café. At Q4 there was £2k favourable movement in costs.
- Empty Homes Scheme costs during 2017/18 totalled £726k and have been met from funds previously set aside. As at the end of March 2018 the cumulative costs of the scheme, net of grant to be retained, totalled £4,939k.

Current Quarter Issues

Health, Housing and Regeneration outturn at year end resulted in a favourable variance of £171.7k, a favourable movement of £21k in Q4

- The previous staffing establishment review for Housing, Regeneration and Economic Development has been completed in the year. The overall saving for the financial year was £42.2k of which Regeneration was £68.4k favourable, Economic Development £11.2k adverse, Housing Strategy £35.2k adverse, Housing Options Team £20.3k favourable. The staffing budgets has been revised in the 18/19 budgets to reflect the new establishment.
- A Fixed term Housing Options Officer has taken up a part time position within the Domestic Abuse programme funded by grant, this has created a saving of £3.6k in revenue costs
- Staffing costs within the Environmental Health team resulted in a saving of £119.6 for the financial year. This being a favourable variance of £17.3k in Q4 mainly due to principle environmental health officer secondment being reduced from 2 to 1 day a week over the remainder of the financial year. Another contributor to the favourable variance was due to the Public protection Unit restructure as posts were yet to be filled creating small vacancy savings.
- Administration spend and fees and charges such as the new charge for retesting of hygiene ratings for food businesses contributed towards a net favourable movement of £11.2k in Q4 for the Environmental Health department.

Future Issues

- The Whittaker Museum utilities budget is being reviewed as this is projected to be overspent. Officers are working with the museum on drawing up a commercial lease with a separate funding agreement
- The Homelessness team will have a larger remit on homelessness for 16 to 17 year olds in 2018/19 so £41k of the grant income received in 2017/18 has been carried forward for the future projects.

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|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 13 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Corporate Management - Period 12 (March)

| Summary | 2017/18 Org Budget £000 | 2017/18 Out-turn £000 | 2017/18 Variance (Adv)/Fav £000 | Variance last reported £000 | Change in Qtr (Adv)/Fav £000 |
|--|----------------------------|--------------------------|------------------------------------|--------------------------------|---------------------------------|
| Corporate Management | | | | | |
| Executive Office | 328.0 | 293.2 | 34.7 | 27.4 | 7.3 |
| Corporate Contingency | 76.4 | 41.2 | 35.2 | - | 35.2 |
| Exec Support & Corporate Subscriptions | 71.7 | 61.5 | 10.2 | 10.3 | (0.1) |
| Concessionary Fares | 4.0 | - | 4.0 | 4.0 | - |
| | - | - | | | |
| Community Safety | 33.0 | 33.0 | - | - | - |
| Total | 513.1 | 428.9 | 84.2 | 41.7 | 42.5 |

| Key changes made during the period to the full year forecast | Variance Bfwd £000 | Variance this Qtr £000 | Full-Yr £000 | R A G |
|---|-----------------------|---------------------------|-----------------|-------------|
| Staff Savings | 97.2 | (18.3) | 78.9 | Green |
| Agency & Professional Support | (71.9) | 22.8 | (49.1) | Red |
| Subscriptions - Regenerate Pennine Lancs reduced | 8.0 | | 8.0 | Green |
| Subscriptions - new Pennine Up subscription | (2.0) | | (2.0) | Yellow |
| PCC contribution to cost of Domestic Homicide Review 2015 to 2017 | 9.5 | | 9.5 | Green |
| Corporate contingency not used | | 35.2 | 35.2 | Green |
| Other Misc under / (over) spends | 0.9 | 2.8 | 3.7 | Green |
| TOTAL | 41.7 | 42.5 | 84.2 | Green |

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 14 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Corporate Management Highlight Report – Q4 (end March 2018)

Historic Issues

- During 2017/18 there has been a vacancy for one director which was covered by external support up to the end of December 2017 at a cost of £56.7k. Though this external support ended earlier than planned, officers have forecast the cost of filling the current role permanently from the beginning of January 2018, representing a staff saving of £68.6k. When combined with the external support this gives a net saving of £11.9k.
- Cost of corporate subscriptions was reduced earlier in the year due to a reduction in the required subscription to Regenerate Pennine Lancashire. In Q3 a new subscription to Pennine Up of £2k was added.
- One-off income of £9.5k has been received in relation to costs of a Domestic homicide Review incurred by this council in prior years.

Current Quarter Issues

The Corporate Management out-turn is now expected to under-spend by £84.2k, an improvement of £42.5k during Q4, the main elements being:-

- An update to staffing costs/agency cover noted above has seen a further net £4.5k saving on the Director post at the start of Q4.
- At the year-end the Corporate Contingency budget has received the following calls, leaving a net saving of £35.2k
 - £7.2k, pertaining to an old insurance case
 - £29k for legal and professional support costs on the sale of Rossendale Transport Ltd
 - £13.5k one-off legal costs regarding a HR claim.

Futures Issues

- Members will be aware of the Secretary of State's announcement rejecting the planned Scout Moor wind farm extension. This puts an additional £600k per annum pressure on the Council's MTFS. The Council's forecast funding gap is now £1m per annum.

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|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 15 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Finance and Property Services - Period 12 (March)

| Summary | 2017/18 Org Budget £000 | 2017/18 Out-turn £000 | 2017/18 Variance (Adv)/Fav £000 | Variance last reported £000 | Change in Qtr (Adv)/Fav £000 |
|--------------------------------|----------------------------|--------------------------|------------------------------------|--------------------------------|---------------------------------|
| Financial Services Team | 343.3 | 353.6 | (10.3) | 1.0 | (11.3) |
| Internal Audit | 71.8 | 54.8 | 17.1 | 16.0 | 1.1 |
| Corporate Costs | - | - | | | |
| External Audit Fee | 49.8 | 41.3 | 8.5 | 6.5 | 2.0 |
| Bank Charges (net of fees) | 33.2 | 34.5 | (1.3) | (2.8) | 1.5 |
| Treasury Management | 4.4 | 7.4 | (3.0) | (3.0) | 0.0 |
| Property Services | - | - | | | |
| Property Services Team | 347.8 | 356.5 | (8.8) | (10.2) | 1.4 |
| Corporate Estates | (60.3) | (45.3) | (15.0) | (0.8) | (14.2) |
| Non Domestic Estates | (107.2) | (117.2) | 10.0 | 10.1 | (0.1) |
| Office Accommodation | 57.8 | (31.2) | 89.0 | 103.7 | (14.7) |
| Operational Properties | 375.0 | 363.3 | 11.7 | 17.2 | (5.5) |
| Leisure Properties | 50.5 | 57.7 | (7.1) | 2.7 | (9.8) |
| Bus Shelters | 4.5 | 8.9 | (4.4) | (3.8) | (0.6) |
| Business Centre | 160.8 | 160.3 | 0.5 | (2.1) | 2.6 |
| Total | 1,331.4 | 1,244.4 | 87.0 | 134.5 | (47.5) |

| Key changes made during the period to the full year forecast | Variance Bfwd £000 | Variance this Qtr £000 | Full-Yr £000 | R A G |
|--|-----------------------|---------------------------|-----------------|-------------|
| Financial Services Staffing | (4.3) | | (4.3) | |
| Provision for cost of Phased retirement | - | (11.2) | (11.2) | |
| Civica software - website rebranding & scanning software | (2.8) | (10.6) | (13.4) | |
| New Burdens Grant - Transparency Code | - | 8.1 | 8.1 | |
| Loan arrangement fee to Rosso | 5.0 | (1.2) | 3.8 | |
| External Audit fees - prior years refund | 6.5 | 2.0 | 8.5 | |
| Internal Audit fees - 16/17 closing accrual was too high | 15.6 | 1.5 | 17.1 | |
| Bank Charges - EU ruling on change to debit card collection | (5.8) | 4.5 | (1.3) | |
| Finance Misc Expenses | 3.6 | 1.9 | 5.5 | |
| Rerpairs & Maintenance | - | (4.1) | (4.1) | |
| Electricity | (4.8) | (4.9) | (9.7) | |
| Gas | 9.9 | (0.7) | 9.2 | |
| Water | 4.4 | 7.0 | 11.4 | |
| Transfer Car Parks under spend to Provisions | - | (7.0) | (7.0) | |
| NNDR - Old Town Hall refund back dated | 111.0 | 4.0 | 115.0 | |
| Refurbishment of Kay St buildings | (14.0) | (21.1) | (35.1) | |
| Departure Charges - loss of one operator | (2.8) | | (2.8) | |
| Estates Income | 6.5 | 1.5 | 8.0 | |
| Emergency Planning | 7.3 | | 7.3 | |
| Cleaning costs | 4.5 | | 4.5 | |
| Xmas Lights | - | (3.6) | (3.6) | |
| Business Centre - Telephone line | 4.7 | | 4.7 | |
| Business Centre - room rental | (6.0) | | (6.0) | |
| Property Misc Expenses | (4.0) | (13.6) | (17.6) | |
| TOTAL | 134.5 | (47.5) | 87.0 | |

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|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 16 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Finance & Property Services - Monitoring Highlight Report – Q4 (March 2018)

Financial Services

Historic Issues

- Staffing costs of the Finance team look set to cost £3.9k more than the original budget with the phased retirement of the Exchequer manager which ended in December 2017.
- The cash flow loan arrangement fee with Rosso ended at £3.75k following the sale.
- The final cost for 2016/17 internal audit reviews has come in £16.7k under yr-end accrual.

Current Quarter Issues

The Financial Services out-turn is a £12.8k favourable variance, the main Q4 changes being:-

- Provision has been set aside of £11.2k to support the cost of a phased retirement in 2018/19.
- Receipt of £8k new burdens grant has been applied to fund replacement scanning software.

Futures Issues

- Nothing to report.
-

Property Services

Historic Issues

- The council has received a Business Rates refund of £127.8k for the old Town Hall & OSS. Across the Council's whole portfolio, the net favourable variance is £115k, but this will have an adverse impact on NNDR collection fund surplus of £51k.
- The New Property Services Manager has been appointed with a remit to seek further income streams across the estates. For operational efficiency reasons Property Services now sits alongside the Regeneration Team.
- The Cleaning and Telephone lines at futures and the cleaning at Marl pits have been reviewed, producing a saving of £4.5

Current Months Issues

Property Services out-turn for 2017/18 is showing an under spend £76.5k. An adverse movement of £40.2k during Q4, the main changes being:-

- The gas, electric and water budgets are showing an under spend of £10.9k. A new 3 year contract has been entered into with a 17.4% reduction in the Councils energy costs.
- The refurbishments of the commercial buildings on Kay St are under way but a further £14.6k will be needed before the other commercial properties on Kay St can be rented. Total cost £35.1k This cost is expected to be recovered within the next two years.
- Xmas lighting has over spent by £3.6k. Extra lights were installed across the valley this year, community groups contributed towards some of these costs.

Futures Issues

- The Property Service Manager intends to do a rent review on the Industrial units and garages by summer of 2018.

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|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 17 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

People and Policy - Period 12 (March)

| Summary | 2017/18 Org Budget £000 | 2017/18 Out-turn £000 | 2017/18 Variance (Adv)/Fav £000 | Variance last reported £000 | Change in Qtr (Adv)/Fav £000 |
|--|----------------------------|--------------------------|------------------------------------|--------------------------------|---------------------------------|
| People & Organisational Development | | | | | |
| Human Resources | 267.4 | 283.1 | (15.7) | (17.2) | 1.5 |
| Corporate Support | 203.0 | 190.7 | 12.4 | 3.6 | 8.8 |
| Total | 470.5 | 473.8 | (3.3) | (13.6) | 10.3 |

| Key changes made during the period to the full year forecast | Variance Bfwd £000 | Variance this Qtr £000 | Full-Yr £000 | R A G |
|---|-----------------------|---------------------------|-----------------|-------------|
| HR & Comms Staffing (net of shared services from other LAs) | (20.3) | (2.5) | (22.8) | Red |
| Health & Safety Support (contractor moved to employee above) | 18.1 | | 18.1 | Green |
| Corporate Support Staffing (incl current request for an Apprentice) | 2.8 | 10.4 | 13.2 | Green |
| Professional HR & Legal Fees | (10.2) | | (10.2) | Red |
| Lone working alarms | (2.3) | | (2.3) | Yellow |
| Drug & Alcohol Policy testing equipment & supplies | (0.8) | | (0.8) | Yellow |
| Children's Trust Grant income - transferred to Regen to fund staff | - | | - | Green |
| Miscellaneous variances | (0.9) | 2.4 | 1.5 | Green |
| TOTAL | (13.6) | 10.3 | (3.3) | Yellow |

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 18 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

People & Policy Highlight Report – Q4 (end March 2018)

Historic Issues

- The provision of Health & Safety advice & support was brought back in-house in May and so the £18.1k saving on external contractors has been replaced by an additional £17k in staffing costs. The ongoing vacancy of the Media & Engagement Officer has been replaced by external support from Blackburn with Darwen. The net position for the HR team in staffing is therefore £1.8k favourable.
- Professional HR advice and settlement costs pertaining to an exceptional employment issue has cost an additional £20.1k to date.
- The £20k original budget for Promoting Rossendale has now been moved into the Regeneration area to provide a corporate external communication fund. Members will note that the Health, Housing & Regen original budget has increased by the same £20k so this change is net neutral across the Council.
- One-off legal fees of £13.5k have been transferred to the Corporate Contingency budget, but some further professional HR support has reduced the saving in the People & Policy area to £9.9k
- The grant for administering the Children's Trust activities has been approved again for 2017/18, bringing in £15k which was not anticipated when the original budget was being set. However, this is now funding officer time in the Regeneration team, so the income has been transferred there during Q3.

Current Quarter Issues

The People & Policy budget overspend has reduced by £10.3k to £3.3k at the end of March. Some of the main movements are as follows:-

- Corporate Support is now a separate section and staffing costs initially increased by £8k for the year once the former apprenticeship posts converted to full pay. Those posts ended in August and the July forecast included some savings from flexible retirement requests, supported by a new apprenticeship post from Sept 2017. In this Q4 one member of staff was temporarily seconded into the Regeneration team, so £10.4k of costs have been transferred out of People & Policy.

Future Issues

- Nothing to report.

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 19 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Non-distributed Costs, Corporate Resources & Leisure Services

Period 12 (March)

| Summary | 2017/18 Org Budget £000 | 2017/18 Out-turn £000 | 2017/18 Variance (Adv)/Fav £000 | Variance last reported £000 | Change in Qtr (Adv)/Fav £000 |
|------------------------------|----------------------------|--------------------------|------------------------------------|--------------------------------|---------------------------------|
| Non Distributed Costs | | | | | |
| Employee & Pension Costs | 1,071.8 | 1,141.8 | (70.0) | (37.2) | (32.8) |
| Other Non-distributed Costs | 12.6 | (25.8) | 38.4 | 36.0 | 2.4 |
| Capital Financing | | | | | |
| Minimum Revenue Provision | 133.4 | 98.5 | 34.9 | 36.4 | (1.5) |
| Interest (net) | 69.8 | 51.9 | 17.8 | (3.3) | 21.1 |
| Leisure | 157.6 | 136.0 | 21.6 | 20.5 | 1.1 |
| Total | 1,445.1 | 1,402.3 | 42.8 | 52.4 | (9.6) |

| Key changes made during the period to the full year forecast | Variance Bfwd £000 | Variance this Qtr £000 | Full-Yr £000 | R A G |
|--|-----------------------|---------------------------|-----------------|-------------|
| Vacancy control savings target | (150.0) | | (150.0) | |
| Added Years Pension Strain 2017/18 | 13.0 | (14.2) | (1.2) | |
| Added Years Pension Strain 2016/17 missed accrual | | (12.7) | (12.7) | |
| Savings on pensions arising from payment in advance | 99.8 | (12.8) | 87.0 | |
| Interest expenditure | 6.1 | (0.3) | 5.8 | |
| Interest income from bank accounts | (14.9) | 1.1 | (13.8) | |
| Interest income from alternative loans | | 3.8 | 3.8 | |
| Other Interest income | 5.4 | 16.7 | 22.1 | |
| Environmental Insurance policy on former HRA properties | 2.7 | | 2.7 | |
| Additional doubtful debt provision | (20.0) | | (20.0) | |
| Management charge to Rossendale Transport for 2015/16 | 53.5 | (0.3) | 53.2 | |
| MRP review of asset lives on general land & building assets | 36.4 | (1.5) | 34.9 | |
| MRP review of asset lives on Marl Pits extension | 18.1 | 13.3 | 31.4 | |
| Other minor variances | 2.3 | (2.7) | (0.4) | |
| TOTAL | 52.4 | (9.6) | 42.8 | |

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 20 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Non-Distributed Costs & Capital Financing Highlight Report – Q4 (end March 2018)

Historic Issues

- There have been no transfers of staff savings into NDC to meet the £150k vacancy control saving required in the original budget. However, the summary on page 4 shows progress across all departments (see table on page 4).
- Paying all the next 3 years of pension costs up-front to LCC will save £99.8k in 2017/18
- Interest from bank deposits is expected to result in an adverse £12.1k variance, partly because the pensions payment above took £4.7m out of the Council's resources in April. However, this is matched by favourable variances in other areas - interest expenditure is expected to be £6.1k lower than the budget, the cash flow loan to Rossendale Transport Ltd looks set to bring in an additional £5.4k interest and, as planned, there will be a £41k return on the 2016/17 RLT equipment investment.
- Officers recommend a further contribution to the Doubtful Debt Provision of £20k
- Rossendale Transport Ltd have been charged a management fee of £53.5k for support from the Council during 2016/17 which was not anticipated in the original budget.
- Officers have revised the operational lives of some of the assets upon which Minimum Revenue Provision is being charged which has effectively reduced the annual MRP revenue repayments relating to general buildings by £36.4k and the Marl Pits dry sports investment by £18.1k.

Current Quarter Issues

A net adverse movement of £9.6k during Q4 has left a net favourable variance of £42.8k at the end of March. The main movements were as follows:-

- The table on page 4 shows that the annual saving on staff costs across all departments has reached £224.9k by the end of March, compared to the target in the original budget of £150k, giving a net favourable variance of £74.9k for the year.
- During Q4 the added-years pension contributions have been reviewed completely, uncovering adverse errors of £12.7k at the end of 2016/17 and £14.2k at the beginning of 2017/18.
- The current year actual pension costs have also been revised, resulting in an adverse £12.8k movement against the pre-payment saving. This reduces the annual saving arising from the pensions prepayment to £87k.
- Interest expenditure and income over the various different types of investment have led to a net favourable variance of £17.9k for the year. Most of this has come from alternative investments, as noted earlier in the year, which will not recur in 2018/19.

Future Issues

- The Council incurs c£1m per annum on pension deficit contributions. Officers are currently engaged with the Pension Fund to explore options to reduce this annual cost.

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 21 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Earmarked Reserves

| Earmarked Reserves (cash-backed items only) | Employment & Transport Reserve | Director Invest Reserve | Local Business Rates Retention | Transitional Budgetary Support | Planning Reserve AN060109 / AN060145 | Vehicle Reserve AN060130 |
|--|--------------------------------------|-------------------------------|---|--------------------------------------|---|--------------------------------|
| | AN060103 | AN060123 | AN060144 | AN060129 | | |
| Balance at 01/04/2017 | 1,222.5 | (13.7) | 847.0 | 2,459.0 | 186.2 | 230.5 |
| Funds Received 2017/18 | | | | | | |
| Collection Fund - CTAX Surplus 2016/17 | | | | 38.0 | | |
| Collection Fund - S31 Grants | | | 801.0 | | | |
| Collection Fund - Renewable Energy | | | 159.0 | | | |
| New Homes Bonus | | | | 839.6 | | |
| Other Revenue income received | | | | | 79.5 | |
| General Fund Surplus Contribution | | 20.0 | | 249.6 | | |
| Total Funds Available | 1,222.5 | 6.3 | 1,807.0 | 3,586.2 | 265.7 | 230.5 |
| 2017-18 Published Budget Utilisation | | | | | | |
| Retained Business Rates | | | (700.0) | | | |
| New Homes Bonus | | | | (835.0) | | |
| General budget support | | | | (199.0) | | |
| 2017-18 Other Utilisation Plans | | | | | | |
| Transfers between Reserves | | | | 165.5 | | |
| Active East | | (1.2) | | | | |
| Bacup THI Support | | | | | | |
| Civica receipting software upgrade | | | | | | |
| Counter Fraud & RV Analysis | | | | | | |
| Support Corporate Plan (FP) | | | | | (71.6) | |
| HCA Empty Homes Scheme | | | | | | |
| Whitaker Museum Stables Phase 1 / ED | (8.2) | | | | | |
| Cost Share Shortfall | | | | | | |
| Legionella Risk Assessment | | | | | | |
| Living Well, Living Better Project | | | | | | |
| Spinning Point Phase 1 | | | | | | |
| Spinning Point Phase 2 development | (58.1) | | | | | |
| Haslingden Task Force | | | | | | |
| IDOX - Asset data transfer | | | | | | |
| Tourism and special events | | | | | | |
| Quality Bus Route | | | | | | |
| Reserve Estimates 31/3/2017 | 1,156.2 | 5.1 | 1,107.0 | 2,717.7 | 194.1 | 230.5 |
| Future Contributions/Utilisation Plans | | | | | | |
| 2018/19 Plans | (84.0) | (5.1) | 0.0 | (766.0) | (152.1) | (25.5) |
| 2019/20 Plans | | | | (1,194.0) | (42.0) | (51.0) |
| 2020/21 Plans | | | | (571.0) | | 25.5 |
| 2021/22 Plans | | | | 0.0 | | |
| Potential Reserve Balances | 1,072.2 | 0.0 | 1,107.0 | 186.7 | 0.0 | 179.5 |

Usage as per MTFS Feb 2018

Current issues

Funding for the original revenue budget of included the use of £700k from the Retained Business Rates Reserve as well as £835k of New Homes Bonus Grant and £199k from the balance on the Transitional Budget Reserve, as reflected in the above table. As noted on page 2, officers expect to transfer back £249.6k from the savings made in the year.

The Transitional Budget Reserve will receive £38k for Council Tax surplus in 2016/17, as per the Technical Resolution approved back in February 2017. Local Business Rates Retention Reserve will be supplemented by the £159k renewable energy business rates and the £801k of 2017/18 S31 small business rates grants (see page 32). Other gains will come through in the following year.

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 22 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Earmarked Reserves

| Earmarked Reserves (cash-backed items only) | Leisure Reserve | Empty Homes Reserve | Bacup THI | Pension Fund Reserve | Operational Reserves | Total |
|--|--------------------|---------------------------|--------------|----------------------------|-------------------------|----------------|
| | AN060118 | AN060148 | AN060142 | AN060117 | AN060121 | |
| | 64.2 | 178.5 | 229.0 | 165.5 | 659.3 | 6,228.0 |
| Funds Received 2017/18 | | | | | | |
| Collection Fund - CTAX Surplus 2016/17 | | | | | 0.0 | 38.0 |
| Collection Fund - S31 Grants | | | | | 0.0 | 801.0 |
| Collection Fund - Renewable Energy | | | | | 0.0 | 159.0 |
| New Homes Bonus | | | | | 0.0 | 839.6 |
| Other Revenue income received | | | | | 109.6 | 189.1 |
| General Fund Surplus Contribution | | | | | 0.0 | 269.6 |
| Total Funds Available | 64.2 | 178.5 | 229.0 | 165.5 | 768.9 | 8,524.3 |
| 2017-18 Published Budget Utilisation | | | | | | |
| Retained Business Rates | | | | | 0.0 | (700.0) |
| New Homes Bonus | | | | | 0.0 | (835.0) |
| General budget support | | | | | 0.0 | (199.0) |
| 2017-18 Other Utilisation Plans | | | | | | |
| Transfers between Reserves | | | | (165.5) | 0.0 | 0.0 |
| Active East | | | | | 0.0 | (1.2) |
| Bacup THI Support | | | (156.8) | | 0.0 | (156.8) |
| Civica receipting software upgrade | | | | | 0.0 | 0.0 |
| Counter Fraud & RV Analysis | | | | | (9.0) | (9.0) |
| Support Forward Plan | | | | | 0.0 | (71.6) |
| HCA Empty Homes Scheme | | (178.5) | | | 0.0 | (178.5) |
| Whitaker Museum Stables Phase 1 / ED | | | | | 5.0 | (3.2) |
| Cost Share Shortfall | | | | | (23.5) | (23.5) |
| Legionella Risk Assessment | | | | | (4.6) | (4.6) |
| Living Well, Living Better Project | | | | | (115.8) | (115.8) |
| Spinning Point Phase 1 | | | | | 0.0 | 0.0 |
| Spinning Point Phase 2 development | | | | | 0.0 | (58.1) |
| Haslingden Task Force | | | | | (15.2) | (15.2) |
| IDOX - Asset data transfer | | | | | (5.4) | (5.4) |
| Tourism and special events | | | | | (5.4) | (5.4) |
| Quality Bus Route | | | | | (2.4) | (2.4) |
| Reserve Estimates 31/3/2017 | 64.2 | 0.0 | 72.2 | 0.0 | 592.6 | 6,139.7 |
| Future Contributions/Utilisation Plans | | | | | | |
| 2018/19 Plans | | | (72.2) | | (265.8) | 4,769.0 |
| 2019/20 Plans | | | | | 0.0 | 3,482.0 |
| 2020/21 Plans | | | | | 0.0 | 2,936.5 |
| 2021/22 Plans | | | | | 0.0 | 2,936.5 |
| | 64.2 | 0.0 | 0.0 | 0.0 | 326.8 | 2,936.5 |

The Bacup THI Reserve is being used to support £30k of revenue costs and £128k of capital costs, as noted in the capital programme on pages 28 & 29. This will leave £71k in the reserve to support a further £30k of revenue costs and £41k of capital costs in 2018/19.

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 23 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Grants Unapplied

| Grants Unapplied (* denotes a capital grant) | Commun' for Habitats | Disabled Facilities Grants * | Homeless Grant | Domestic Abuse Grant | Transform' Lives Grant | Hoarding Grant | Total |
|---|----------------------------|------------------------------------|-------------------|----------------------------|------------------------------|-------------------|----------------|
| Balance at 01/04/2017 | 25.2 | 391.9 | 82.1 | 0.0 | 73.6 | 17.9 | 590.7 |
| New Funds Received 2017/18 | | | | | | | |
| Grant due/received | | 869.4 | | 49.6 | | | 919.0 |
| Total Funds Available | 25.2 | 1,261.3 | 82.1 | 49.6 | 73.6 | 17.9 | 1,509.6 |
| Utilisation in 2017/18 | | | | | | | |
| DFGs planned in Capital Programme | | (500.0) | | | | | (500.0) |
| DFGs Additional Grant allocation | | (369.4) | | | | | (369.4) |
| DFGs slippage from 2016/17 | | (391.9) | | | | | (391.9) |
| DFGs slippage carried fwd to 2018/19 | | 705.0 | | | | | 705.0 |
| Transforming Lives/Hoarding Projects | | | | | (32.8) | (7.4) | (40.1) |
| Homelessness Project | | | (13.5) | | | | (13.5) |
| Domestic Abuse Projects | | | | (13.6) | | | (13.6) |
| Anticipated Balance 31/03/2018 | 25.2 | 705.0 | 68.6 | 36.0 | 40.8 | 10.5 | 886.1 |
| Future Utilisation Plans | | | | | | | |
| 2018/19 plans | | (250.0) | (44.9) | (36.0) | (40.8) | (10.5) | 503.9 |
| 2019/20 plans | | (250.0) | | | | | 253.9 |
| 2020/21 plans | | (205.0) | | | | | 48.9 |
| Potential Reserve Balances | 25.2 | 0.0 | 23.7 | (0.0) | 0.0 | 0.0 | 48.9 |

There has been an additional grant during Q4 from the Ministry for Housing, Communities and Local Government (MHCLG, formerly the DCLG) for work on domestic abuse projects in the borough continuing into 2018/19.

Officers have worked hard to ensure that as much of the DFG grant available has been allocated and used during the year. The total resources brought forward and in received in the year came to £1,261k and of this officers have completed works to the value of £556k, leaving £705k to be carried forward into future years. The 2018/19 grant has still not been confirmed, but it is expected to be in the same region as the 2017/18 grant. Members will recall that the problem in getting more grants approved and completed lies with the slow referrals from LCC Occupational therapists.

Staff Costs, including agency

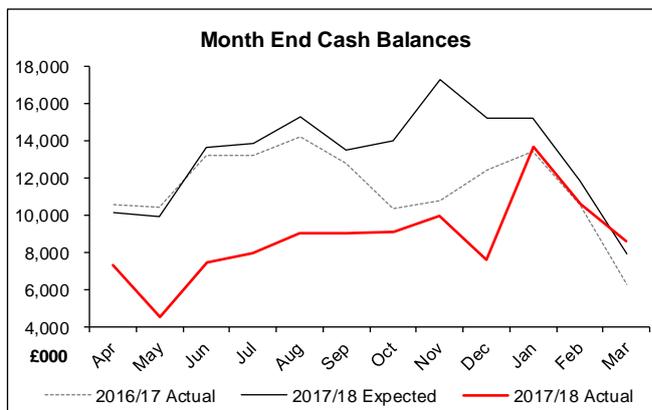
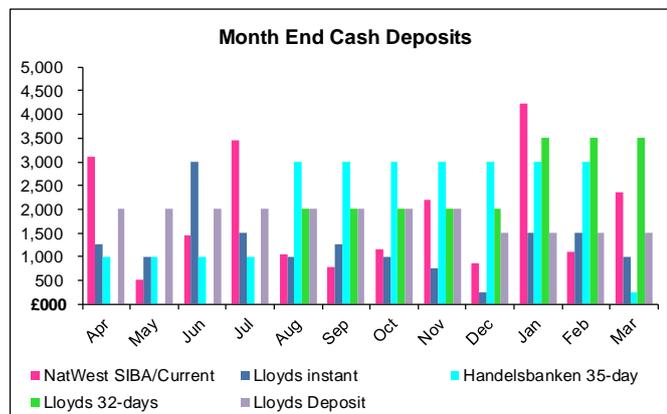
| Employment Costs 2017/18 to end March | YTD Budget £000 | YTD Actual £000 | YTD Variance (Adv)/Fav £000 | Variance last Qtr (Adv)/Fav £000 | Change this Qtr (Adv)/Fav £000 | FTE Original Budget 2017/18 | FTE Changes during 2017/18 | Current Vacant Posts |
|--|-----------------------|-----------------------|--------------------------------------|---|---|--------------------------------------|-------------------------------------|----------------------------|
| Place Directorate | | | | | | | | |
| Customer Services | 352 | 296 | 56 | 56 | - | 8.8 | 0.5 | 0.5 |
| Operations Service | 2,151 | 2,146 | 5 | 5 | - | 75.1 | 0.0 | 4 |
| Business Directorate | | | | | | | | |
| Building Control Services | 85 | 82 | 2 | 3 | (1) | 2.0 | 0.0 | 0 |
| Legal & Democratic Services | 406 | 432 | (26) | (26) | (0) | 11.6 | 0.0 | 1 |
| Planning Services | 414 | 430 | (17) | (17) | 0 | 11.3 | 0.0 | 0 |
| Local Land Charges | | | - | - | - | 1.0 | 0.0 | 0 |
| Public Protection | 275 | 301 | (27) | (27) | - | 10.0 | 0.0 | 0 |
| Health, Housing & Regen | 752 | 691 | 61 | 60 | 1 | 17.9 | -0.9 | 2 |
| Corporate Services | | | | | | | | |
| Corporate Management | 342 | 260 | 81 | 81 | - | 4.0 | 0.0 | 0 |
| Finance & Property Services | 443 | 448 | (5) | (6) | 1 | 11.2 | 0.0 | 0 |
| People & Org. Performance | 400 | 404 | (4) | (5) | 1 | 13.0 | 0.0 | 2 |
| Total | 5,619 | 5,491 | 128 | 126 | 2 | 166.1 | -0.4 | 9.5 |

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 24 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

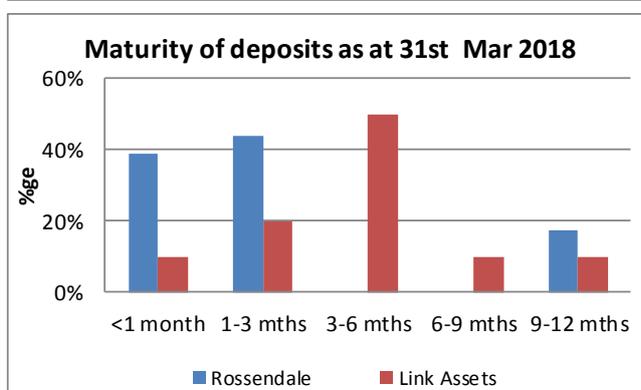
Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Treasury Management & Cash Flow Monitoring

At the end of December the bank balances were £7,612k and the year-end balance was predicted to be around £3.5m. However, Q4 brought in £2.7m income from the sale of Rossendale Transport Ltd in January and cash received for the Collection Fund ended the year £2m ahead of expectations



| Effective Interest Rates at 31/03/2018 | Current Balance £k | Effective Interest Rate % |
|--|--------------------|---------------------------|
| NatWest SIBA | 2,351 | 0.15 |
| Handelsbanken 35-day | 250 | 0.20 |
| Lloyds instant access | 1,000 | 0.40 |
| Lloyds 32-day notice | 3,500 | 0.57 |
| Lloyds Deposit 12mths | 1,500 | 0.85 |
| Total Bal & Avg interest | 8,601 | 0.47 |



The average effective interest rate has risen from 0.35% at Q3 to 0.47% at the end of the year. This is a result of an increase in the NatWest SIBA account from 0.1% to 0.15% in early January and an increase in the Lloyds instant access account from 0.1% up to 0.4% at the beginning of February

In Q2 a S.M.A.R.T. performance indicator for treasury management was set at Base Rate + 0.15% with the increase in base rate to 0.5% on the 2nd November 2017, this gives a current target of 0.65%. Though the current average rate of 0.47% is below the revised target, it represents an improvement of 0.12% during Q4.

Officers will be keeping funds comparatively liquid again during 2018 to support the costs of the Spinning Point development, and this will impact upon the potential interest earnings.

Interest Earned

The net interest budget was a cost of £69.6k. The out-turn is a net cost of £51.9k, a favourable variance of £17.7k (page 20).

the increase in bank balances as explained above, and the increases in interest rate being earned has led to an improvement of £21.1k since Q3.

| Interest Out-turn | Budget 2017/18 | Out-turn 2017/18 | Variance Fav/(Adv) | Change Fav/(Adv) |
|----------------------------|----------------|------------------|--------------------|------------------|
| Revenue | | | | |
| Interest payable (PWLB) | (146.8) | (146.2) | 0.6 | (0.4) |
| Other interest payable | (5.1) | 0.0 | 5.1 | 0.0 |
| Rosso Mortgage interest | 29.7 | 36.5 | 6.8 | 6.8 |
| Misc Interest income | 3.1 | 22.1 | 19.0 | 10.7 |
| Bank Interest income | 49.5 | 35.7 | (13.8) | 4.0 |
| Net Interest (Paid) | (69.6) | (51.9) | 17.7 | 21.1 |

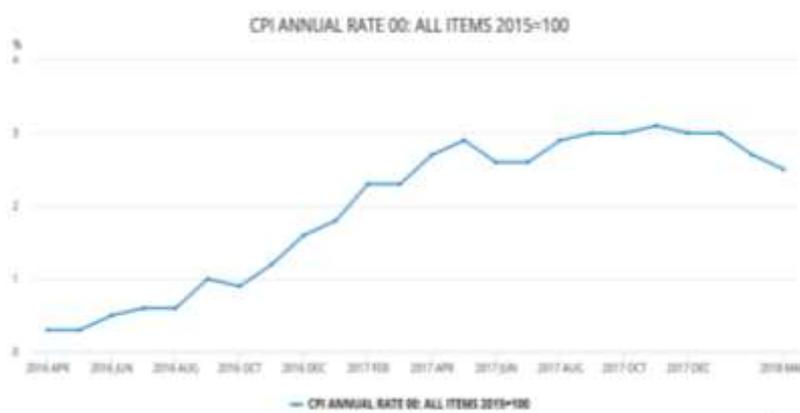
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|------------------------------|--------------------|-------------|----------------|
| Responsible Section/Team | Financial Services | Page | 25 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Economic Outlook

(issued 12th December)

The Consumer Prices Index (CPI) 12-month rate was 2.5% in March 2018, down from a high of 3.1% in November 2017; it was last higher in March 2012.



The largest downward contribution to the change in the rate between February 2018 and March 2018 came from prices for clothing and footwear rising by less than they did a year ago. Prices for alcoholic drinks and tobacco also made a downward contribution to the change in the rate; this in part reflects tax changes for tobacco being announced in November 2017 instead of March 2018.

Interest rate forward predictions

The Council's treasury management advisors, Link Asset Services, are now of the opinion that the bank base rate may increase again during summer 2018 and again before Christmas. Over the same period they expect the PWLB borrowing rates to rise by 0.3%.

| at March 2018 | Current Rates | Jun 2018 | Sept 2018 | Dec 2018 | Mar 2019 | Jun 2019 | Sept 2019 | Dec 2019 | Mar 2020 |
|----------------------|---------------|----------|-----------|----------|----------|----------|-----------|----------|----------|
| Base Rate est | 0.50% | 0.75% | 0.75% | 1.00% | 1.00% | 1.00% | 1.00% | 1.25% | 1.25% |
| 25yr PWLB est | 2.80% | 2.90% | 3.00% | 3.10% | 3.20% | 3.20% | 3.30% | 3.30% | 3.40% |

Treasury Management Practices (TMPs) and Prudential Indicators

Officers have been working to maintain a top limit of £5m, but in January the NatWest accounts hovered around £7m for one week following the receipt of the monies from the sale of Rossendale Transport Ltd. The issue was resolved by a £1.5m transfer to the Lloyds 32-day notice account on the 22nd January, bringing the total funds with Lloyds Group up to £6.5m.

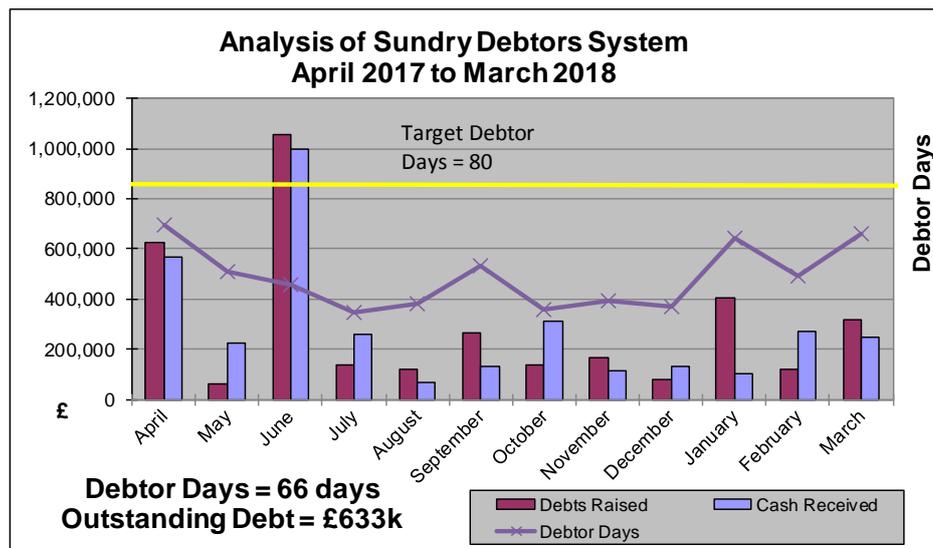
The total cash resources at the beginning of 2018/19 have risen to £8,601, and the impact on the MTFS cash flow is shown opposite.

| Cash Flow over the MTFS as at 31st March 2018 | 2018/19 £000 | 2019/20 £000 | 2020/21 £000 | 2021/22 £000 |
|--|--------------|--------------|--------------|--------------|
| Cash Balances at 1st April b/fwd | 8,601 | 5,382 | 5,901 | 3,102 |
| Non- Cash Budget items: | | | | |
| Minimum Revenue Provision | 927 | 888 | 830 | 830 |
| Annual Pensions charge | 1,500 | 1,500 | 1,500 | 1,500 |
| 3-yr Pre-payment of Pensions | - | - | (4,500) | - |
| Revenue Contribution to Capital Outlay | 100 | 100 | 100 | 100 |
| Application of Reserves | | | | |
| Transitional Reserve to balance MTFS | (766) | (1,194) | (571) | - |
| Other Reserves | (660) | (93) | 26 | - |
| Capital Programme | | | | |
| Vehicles | (639) | (468) | - | - |
| Spinning Point Phase 1 (net of grants still due) | (3,297) | - | - | - |
| Annual Programme | (300) | (130) | (100) | (100) |
| Capital receipts | 100 | 100 | 100 | 100 |
| PWLB borrowing repayments | (184) | (184) | (184) | (184) |
| Cash Balances at 31st March c/fwd | 5,382 | 5,901 | 3,102 | 5,348 |

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 26 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Sundry Debts Monitoring



Invoices raised in 2017/18 totalled £4,268k. Excluding the £458k raised in March, so not yet past due, the collection rate was 96.0%.

Of the £458k of invoices raised in April 2017, mainly for trade waste and industrial units, monthly instalments have collected 99.3% of the debts in the year.

Direct Debits represented 67% of the volume of receipts but 19% of the value.

Total debt balance is £633k.

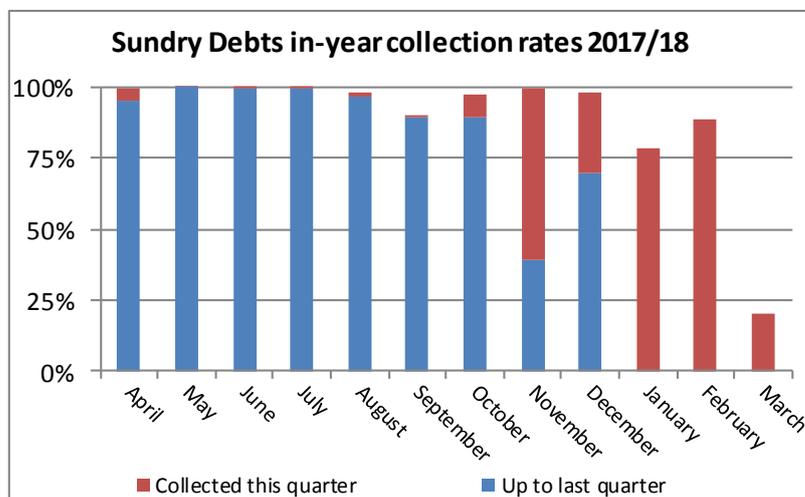
Housing Rent Debts

Of the £354k of housing rent debts brought forward in April 2017, £27k has been collected on behalf of the Council by Calico, reducing the debt to £327k. A provision of £288.5k was brought forward into 2017/18, leaving a net £39k debt still to chase.

Doubtful debts

At the year-end 58% of the total debt was under 1 month old, so not yet past due, and 18% was over 1 year old.

Debtor Days collection performance for sundry debts has moved from 53 days in March 2017 to 66 days in March 2018, with an average monthly rate of 49 days against a target of 80 days.



| Debts Outstanding | Mar 2017 | 31 Dec 2017 | | 31 Mar 2018 | | Doubtful Debts | |
|-----------------------|--------------|-------------|--------------|-------------|--------------|----------------|-------------|
| | £k | £k | £k | £k | £k | rate | value |
| Earlier Debt | 45.5 | | 36.2 | | 34.0 | 100% | 21.6 |
| 2014/15 Debt | 38.5 | | 37.9 | | 37.3 | 100% | 21.5 |
| 2015/16 Debt | 12.8 | | 9.0 | | 7.8 | 100% | 3.3 |
| 2016/17 Debt | 418.0 | | 36.9 | | 36.0 | 100% | 0.0 |
| 2017/18 Debt | | | | | | | |
| Q1 Apr | | 28.4 | | 4.6 | | 75% | 3.5 |
| Q1 May | | 0.1 | | 0.0 | | 75% | 0.0 |
| Q1 Jun | | 5.5 | 34.0 | 0.5 | 5.1 | 75% | 0.4 |
| Q2 Jul | | 0.8 | | 0.6 | | 50% | 0.3 |
| Q2 Aug | | 3.9 | | 2.3 | | 50% | 1.2 |
| Q2 Sept | | 29.0 | 33.7 | 28.4 | 31.3 | 50% | 14.2 |
| Q3 Oct | | 15.2 | | 3.7 | | 50% | 1.9 |
| Q3 Nov | | 100.0 | | 0.3 | | 50% | 0.2 |
| Q3 Dec | | 24.6 | 139.8 | 1.6 | 5.6 | 50% | 0.8 |
| Q4 Jan | | 9.4 | | 87.7 | | 10% | 0.3 |
| Q4 Feb | | | | 23.2 | | 10% | 1.6 |
| Q4 Mar | | | | 365.0 | 475.9 | 10% | 15.4 |
| Total Debt o/s | 514.8 | | 327.5 | | 633.0 | | 86.2 |

Of the £633k outstanding, £250k is due from other local authorities or contract partners and £53k was received in the first week of April. Ignoring these invoices, the doubtful element of the total debt is now £86k.

The impairment provision brought forward in April 2017 was £97k of which £26k has been used to write off debts in the year. Officers have included a further provision of £20k on page 20 to bring the closing impairment provision to £87k.

Of the sundry debts opposite £35k are held on the Local Land Charges Register.

| Responsible Section/Team | Financial Services | Page | 27 |
|------------------------------|--------------------|-------------|----------------|
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Capital Resources

Table 1 - 2017/18 receipts

| Major Receipts: | Original Budget £000 | Out-turn £000 | Surplus/ (Deficit) £000 |
|--------------------------------|-------------------------|------------------|-------------------------------|
| Capital Receipts | | | |
| Land & Property Sales | 50 | 160 | 110 |
| Osolete refuse vehicles | - | 6 | 6 |
| CPO Property Sales | - | 30 | 30 |
| Sale of Rosso shares | - | 3,640 | 3,640 |
| Net receipts to table 2 | 50 | 3,836 | 3,786 |

Current issues

The income from asset sales in table 1 above includes £3,640k from the sale of Rossendale Transport Ltd shares. Officers have also concluded the sale of another asset which brought in £148k in the early part of Q4.

Financing the Capital Programme

The opening balance of Useable Capital Receipts was £1,762k, though £635k of this was required to finance continuing projects, as shown in the slippage table reported in December.

The original capital programme was £885k, to which £8,873k of slippage was added from projects approved in 2016/17. This included £1,601k for the Bacup THI project and £5,241k for the Spinning Point Phase 1 building works.

There has been one change to the capital programme in Q4 - the transfer of the building on Knowlsey Road industrial estate which used to house Rossendale Transport Ltd for a consideration of £2.3m. The revised capital programme for 2017/18 totalled £12,944k at the end of the year.

As shown in detail opposite, £7,489k of works have been carried forward into 2018/19, the main 3 items being the THI project, Spinning Point Phase 1, and the balance of DFGs works.

Table 2 above shows the total capital resources received and used during 2017/18, leaving £6,890k on the Balance sheet at the year-end. Of that £3,421k is the Spinning Point Grant received from LCC which is classed as a Capital Grant Received in Advance and the DFG grant of £705k which is classed as Grants Unapplied.

The Capital Receipts Reserve holds the balance of funds from the sale of Council assets. The total at the end of 2017/18 was £2,764k, of which £379k is ring-fenced for housing schemes like purchases under CPO powers. In addition £649 is already allocated to the projects being carried forward into 2018/19 and £90k is required for the new capital projects identified in the original capital programme 2018/19 and onwards. That leaves £1,646k of capital receipts unallocated at the present time.

Future issues

Members have already been made aware of the level of funding available for DFGs and the problems being experienced in getting referrals through from the LCC Occupation Health Team. The carry forward of £705k at March 2018 represents over 80% of the 2017/18 grant and officers anticipate a similar level of funding coming in for 2018/19.

Table 2 - Useable Capital Resources

| Useable Capital Resources | £ 000 |
|---|---------------|
| Balance at April 2017 | 1,762 |
| Capital Grants in 2017/18 | 5,087 |
| Capital Receipts in 2017/18 | 3,836 |
| | 10,685 |
| Revenue Contributions | |
| from Earmarked Reserves | 186 |
| from S106 agreements | 135 |
| from Revenue Operations | 89 |
| Total Capital Resources 2017/18 | 11,096 |
| Capital Prog funding applied | (4,206) |
| Total Capital Resources March 2018 | 6,890 |
| Capital Receipts Reserve (housing) | 379 |
| Capital Receipts Reserve (allocated) | 739 |
| Capital Receipts Reserve (unallocated) | 1,646 |
| Capital Grant Receipts in Advance | 3,421 |
| Grants Unapplied - DFGs | 705 |

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 28 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Capital Programme Spending

| SERVICE AREA | 2017/18 Original Capital Programme | 2017/18 Revised Capital Programme | 2017/18 Out-turn Programme | 2017/18 Out-turn Funding Arrangements | | | | |
|-----------------------------------|------------------------------------|-----------------------------------|----------------------------|---------------------------------------|------------------|----------------|----------------|------------|
| | Total £000 | Total £000 | Forecast £000 | Grants/ Contrib'n | Capital Receipts | Reserves /RCCO | RBC Int Borrow | MRP Effect |
| Place Directorate | | | | | | | | |
| Operations | 130 | 1,081 | 468 | 196 | 29 | 179 | 62 | 12 |
| IT Software & Equipment | 0 | 6 | 6 | 0 | 0 | 0 | 6 | 1 |
| Regeneration | 0 | 9,708 | 3,933 | 599 | 2,304 | 186 | 844 | 28 |
| Corporate Support Services | | | | | | | | |
| Finance & Property Services | 135 | 384 | 152 | 0 | 110 | 42 | 0 | 0 |
| Other Projects | 0 | 69 | 2 | 2 | 0 | 0 | 0 | 0 |
| Housing | 620 | 1,696 | 557 | 556 | 2 | 0 | 0 | 0 |
| | 885 | 12,944 | 5,118 | 1,353 | 2,445 | 407 | 912 | 42 |

Capital Programme

The only change to the Capital Programme in Q4 was the transfer of the former Rossendale Transport building in Helmshore at £2.3m, which brought the revised Capital Programme up to £12,944k.

Actual performance in the year has been £5,118k and projects slipping forward into 2018/19 total £7,489k as listed above.

| Slippage items cfwd at end of 2017/18 | Costs '£000 | Funding Arrangements | | | |
|---------------------------------------|--------------|----------------------|------------------|-------------------------|----------------|
| | | Grants/ Contrib'n | Capital Receipts | RCCO (reserves or S106) | RBC Int Borrow |
| Refuse/Parks Vehicles | 178 | | | | 178 |
| Sports Playing Fields | 207 | | 207 | | |
| Playgrounds (community projects) | 103 | 93 | | 10 | |
| Pathways | 28 | | 28 | | |
| Cemeteries | 96 | | 96 | | |
| Crook Hill Wind Farm | 50 | | | 50 | |
| Bacup THI | 874 | 844 | | 30 | |
| Whitworth land remediation | 21 | 21 | | | |
| Ski Slope Investment | 400 | 400 | | | |
| Spinning Point | 4,442 | 4,386 | | | 56 |
| Emergency Works | 100 | | 100 | | |
| Building Maint (uncommitted) | 100 | | 100 | | |
| CCTV | 50 | 50 | | | |
| Signage (funded from PRG Reserve) | 17 | | | 17 | |
| DFGs | 705 | 705 | | | |
| CPOs | 118 | | 118 | | |
| | 7,489 | 6,499 | 649 | 107 | 234 |

Capital project activity

- DFGs paid or committed were £556k, or 44% of the revised programme. This means that £705k of the 2017/18 Better Care Fund grant of £869k is being carried forward into 2018/19, as shown on page 24.
- Bacup THI has paid or committed £727k in the year. Officers estimate that £874k of works will slip forward into 2018/19, to be funded by £30k of the balance in the Earmarked Reserve on page 23 and £844k from Heritage Lottery grant and owner contributions.
- Parks projects, in conjunction with community groups, have totalled £455k this year, of which only £17k has been funded from Council capital receipts and the balance has come from grants and S106 funds. At the end of March £103k of these works are being carried forward to 2018/19.
- The Spinning Point Town Hall work progressed by £198k in Q4, bringing the total spend in 2017/18 to £844k of the £5.2m project, funded so far from RBC internal borrowing. The balance of £4,442k, with the respective funding, has been carried forward to 2018/19.
- The £2.3m Rosso building on the Knowsley Road Industrial site was transferred to the Council as part of the negotiations on the sale of the shares in the company in January.

| | | | |
|------------------------------|--------------------|-------------|----------------|
| Responsible Section/Team | Financial Services | Page | 29 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Minimum Revenue Provision (MRP)

| Minimum Revenue Provision (MRP) | MRP Budget 2017/18 | Revised MRP Required 2017/18 | Out-turn (costs)/savings 2017/18 |
|---------------------------------|--------------------|------------------------------|----------------------------------|
| Refuse Collection | 310 | 214 | 96 |
| Street Sweeping | 44 | 6 | 38 |
| Parks | 54 | 19 | 35 |
| IT | 30 | 46 | -16 |
| Facilities/Property | 19 | 19 | 0 |
| Leisure Investment | 158 | 177 | -19 |
| Corporate Services | 9 | 9 | 0 |
| Housing | 200 | 0 | reassigned |
| Non-distributed Costs | 133 | 113 | 20 |
| | 957 | 603 | 154 |

MRP is the annual revenue repayment of internal funds used to support capital work.

Delays in purchasing refuse and parks vehicles increased the maintenance costs, but these were funded by an MRP 'holiday' in 2017/18 (see notes on pages 8 & 9).

The £200k budget for Empty Homes Scheme MRP has been reassigned to the other revenue costs in the year, see pages 12 & 13.

Revision of the life of some buildings has resulted in an ongoing £36k reduction of MRP in the Non-Distributed Costs area. The net £20k adverse for leisure investments above is being refunded by the Leisure Trust. The £844k Council funding of the Spinning Point Phase 1 will be shown here once the project is complete and MRP repayments begin.

Section 106 Receipts Monitoring

Q4 has seen a further £10.3k of new deposits and £16.2k has been applied to Rossendale projects. This means at March 2018 there are £742.7k of S106 monies being held, of which £334.8k are available to support Rossendale Council projects as shown in the table below.

| Section 106 Agreements 2017/18 | Third Party Projects | RBC Revenue Projects | RBC Capital projects | Total Held |
|--------------------------------|----------------------|----------------------|----------------------|--------------|
| | £000 | £000 | £000 | £000 |
| Balance b/wd at 1st April 2017 | 492.3 | 167.6 | 318.9 | 978.8 |
| Deposits received in 2017/18 | 22.4 | | 10.3 | 32.7 |
| Deposits applied in 2017/18 | (106.8) | (26.0) | (136.0) | (268.8) |
| Current Balance | 407.9 | 141.6 | 193.2 | 742.7 |

Members and officers are currently considering options for funding the Stubblelee Dell project, one option being the application of the remaining S106 monies from the Cloughfold development.

| Planning Ref | Area | Site | Purpose | Time Period | Current Balance |
|----------------------------------|------------|---------------------------------|--|----------------|-----------------|
| RBC Revenue Maintenance:- | | | | | |
| 2004/012 | Craw'booth | Former Chapel at York St | For recreation area selected by the Council | no time limit | 3,841 |
| 2004/401 | Bacup | Douglas Rd/ Tong Lane | Land Maintenance | no time limit | 134,846 |
| | | Others | | Exp Jan 2021 | 2,945 |
| | | | | Revenue | 141,632 |
| RBC Capital:- | | | | | |
| 2010/0667 | Whitworth | Cowm Park Way/ Hall St | Public & Open Spaces | Exp Jul 2020 | 110,769 |
| 2010/0667 | Whitworth | Cowm Park Way/ Hall St | Youth & Community | Exp Jul 2020 | 32,549 |
| 2010/0667 | Whitworth | Cowm Park Way/ Hall St | Youth & Community | Exp Mar 2023 | 10,264 |
| 2011/0046 | Helmshore | Holmefield House | Affordable housing | Exp Sep 2020 | 25,800 |
| 2013/0041 | Cloughfold | Land at 449 - 457 Bacup Rd | Play or Open Space and/or pedestrian/cycle way | no time limit | 13,702 |
| 2013/0277 | Waterfoot | Mytholme House (Affordable hsg) | POS contribution within the vicinity | no time limit | 0 |
| | | | | Capital | 193,084 |

Council Tax & NNDR Collection Rates

| | | | |
|------------------------------|--------------------|-------------|----------------|
| Responsible Section/Team | Financial Services | Page | 30 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

| Cumulative Collection | Council Tax | | | | Business rate | | | |
|-----------------------|-------------|---------|---------|---------|---------------|---------|---------|---------|
| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
| April | 10.16 | 10.91 | 10.60 | 10.39 | 10.97 | 11.87 | 11.25 | 10.34 |
| May | 20.16 | 19.98 | 19.73 | 19.53 | 21.66 | 20.80 | 19.20 | 19.14 |
| June | 29.02 | 29.22 | 30.12 | 28.81 | 31.50 | 29.31 | 28.26 | 27.51 |
| July | 38.43 | 38.49 | 37.97 | 37.91 | 38.83 | 43.25 | 35.55 | 36.85 |
| August | 47.63 | 47.54 | 47.21 | 47.10 | 51.60 | 54.82 | 43.60 | 48.98 |
| September | 57.00 | 56.80 | 56.35 | 56.20 | 61.01 | 62.70 | 58.92 | 57.60 |
| October | 66.30 | 66.18 | 65.58 | 65.58 | 68.55 | 70.27 | 67.00 | 65.57 |
| November | 75.52 | 75.45 | 74.73 | 74.81 | 75.72 | 79.88 | 74.40 | 74.28 |
| December | 84.81 | 84.52 | 83.85 | 84.03 | 82.61 | 87.02 | 82.08 | 82.46 |
| January | 91.15 | 93.73 | 93.01 | 92.93 | 90.30 | 93.17 | 90.20 | 91.18 |
| February | 95.69 | 95.41 | 94.84 | 94.90 | 94.46 | 96.85 | 94.06 | 95.10 |
| March | 96.90 | 96.80 | 96.20 | 96.40 | 97.60 | 97.40 | 97.20 | 98.40 |

Collection rates for both council Tax and Business rates have ended the year slightly ahead of 2016/17.

Council Tax Collection Fund

The Q3 report included the brought forward balances in error, this has been corrected at Q4 and the effective Q3 comparators re-stated in the table opposite. The draft out-turn is a surplus of £417k, of which RBC share is £63k.

| Council Tax Collection Fund Forecas: | Q3 £'000 | Q3 restated £'000 | Out-turn £'000 |
|---|-------------|----------------------|-------------------|
| Council Tax Collectable (after Discounts & Exemptions) | 35,190 | 34,981 | 34,856 |
| less Doubtful Debt Provision | (139) | (139) | (169) |
| | 35,051 | 34,842 | 34,687 |
| less Precepts for 2017/18 | | | |
| Lancashire County Council | (24,607) | (24,432) | (24,432) |
| Police | (3,333) | (3,309) | (3,309) |
| Fire | (1,320) | (1,310) | (1,310) |
| Rossendale Borough Council | (5,257) | (5,219) | (5,219) |
| | (34,517) | (34,270) | (34,270) |
| Surplus | 535 | 572 | 417 |
| RBC Share | 82 | 86 | 63 |

Local retention of Local Business Rates (NNDR)

Under the new business rates scheme, variances from the original budgets fall into two categories – those arising from changes to the collection fund and those arising from grants and levies received or charged to the General Fund.

The draft out-turn for Business Rates Collection is a cash surplus of £502k of which RBC share is £201k. This is an improvement in Q4 of £294k on the cash surplus and £118k on the surplus attributable to Rossendale, see table overleaf.

The main changes between Q3 and Q4 include

- a net £220k adverse change in annual rates payable due to band decreases
- an adverse £127k in additional exemptions and reliefs
- the additional contribution to the Doubtful Debt Provision of £350k was not required
- following the band decreases in Q4, the planned £450k contribution to the Appeals Provision was not required

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 31 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

| | Q2 | Q3 | Q4 |
|---|------------------|-------------|-------------|
| Business Rates Collection Fund 2017/18 | £000 | £000 | £000 |
| Net Business Rates due from customers | 11,860 | 11,819 | 12,681 |
| Bfwd April 2017 | 39 | 39 | 0 |
| LESS Transitional Surcharge payable to MHCLG | omitted in error | | (667) |
| LESS Precepts paid as per NNDR1 for 2017/18 | (11,650) | (11,650) | (11,512) |
| Cash surplus/(deficit) on Business Rates Coll | 249 | 208 | 502 |
| RBC Share @ 40% | 100 | 83 | 201 |
| Central Government share 50% | 125 | 104 | 251 |
| LCC and Fire share 10% | 25 | 21 | 50 |

The second area of variance occurs within the Council's General Fund. Here we must compare the amounts received from business rates with the amount of funding that we would have received under the previous national scheme. In theory RBC retain 40% of business rates, which would be £4,806k, but this is reduced to a baseline figure by a central government tariff so that no individual authority could gain an undue benefit from the new scheme - for RBC the 2017/18 tariff has been amended by the Valuation Office in January 2018 to £2,534k.

In addition central government give authorities Section 31 grants to cover small business rate reliefs and other minor government-backed schemes. As those reliefs have increased in Q4, so have the S31 Grants to £801k. This creates a surplus of £1,037k over RBC's baseline funding which, due to new pooling arrangements, is now protected from any MHCLG levy.

| | Q2 | Q3 | Q4 |
|--|-------------|-------------|--------------|
| RBC General Fund / Pooling gains | £000 | £000 | £000 |
| Business Rates Income | 11,860 | 11,819 | 12,014 |
| RBC Share @ 40% | 4,744 | 4,728 | 4,806 |
| less tariff paid to Central Government | (2,616) | (2,534) | (2,534) |
| plus Enhanced Small Business Relief | 586 | 586 | 571 |
| plus other Section 31 Grants | 66 | 66 | 230 |
| Subtotal | 2,780 | 2,846 | 3,073 |
| RBC Baseline Funding Level | 2,035 | 2,035 | 2,036 |
| Surplus for Levy Calculations | 745 | 811 | 1,037 |
| <i>Saving on levy to Central Gov't @ 50%</i> | 373 | 405 | 518 |

To summarise, the current forecast variances relating to the 2017/18 for business rates show an overall gain of £1,191k compared to the MTFs target of £800k

| | Q2 | Q3 | Q4 |
|--|--------------|--------------|--------------|
| Business Rates Summary | £'000 | £'000 | £'000 |
| Collection Fund surplus/(deficit) 2017/18 | 100 | 83 | 201 |
| Reduction in Tariff notified Jan 2018 | | | 82 |
| Precept surplus/(deficit) | (7) | 75 | 0 |
| Section 31 Grants & Localism Relief | 652 | 652 | 801 |
| less LCC pooling share (10% of levy surplus above) | (37) | (41) | (52) |
| Renewable Energy | 157 | 157 | 159 |
| Overall Gain | 864 | 927 | 1,191 |
| <i>MTFS Target</i> | | 800 | 800 |

The variances above are all recommended to be transferred to the Business Rates Retention Reserve – see page 22. This bodes well for the MTFs. All things being equal, a prudent estimate would be to anticipate a further £200k on-going annual surplus from the Council's share of NNDR.

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 32 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Glossary

Accrual

An adjustment and year-end to charge costs or income due in the old year, regardless of whether the cash has been paid or received. Accounts are prepared on an accruals basis in order to match the income for each financial year with the costs attributable to the same time period, known as the matching principle.

Capital expenditure

Spending on the acquisition or maintenance of assets either directly by the Council or indirectly in the form of grants to other persons or bodies. Expenditure that does not fall within the definition must be charged to a revenue account.

Capital Grants Received in Advance

Grants received in cash during the year, but not spent or committed, are held on the Balance Sheet in the Short-term Liabilities area as Capital Grants Received in Advance, acknowledging the potential requirement to pay these grants back should the related project not go ahead or underspend.

Capital Receipts

Proceeds from the sale of fixed assets, such as land or buildings, or the repayment of capital grants or advances. These funds form part of the Council's Useable Reserves, though they are ring-fenced for capital projects rather than revenue costs.

Cash & Cash Equivalents

Cash deposits are those which provide instant access to the funds without significant penalty or loss of interest. For the Council this is the balance on the NatWest account. This is in comparison to short- and long-term *Investments* in which funds are untouchable during the life of the deposit.

Consumer Price Index (CPI)

The consumer price index (CPI) is a measure estimating the average price of consumer goods and services purchased by households. It is a price index determined by measuring the price of a standard group of goods meant to represent the typical market basket of a typical urban consumer and how this changed in the previous 12 months.

Compulsory Purchase Order (CPO)

Compulsory acquisition of key properties in accordance with the Council's regeneration agenda. Compensation must be paid to the property owners, but where they cannot be traced the Council must deposit the funds with the courts for a minimum of 12 years.

Earmarked Reserves

Cash-backed funds identified to fund specific projects in the future.

Full Time Equivalent (FTE)

Each full-time post within the Council works 37 hours per week. Part-time posts are expressed in relation to this, for example a post working 4 days a week would be 0.8FTE.

General Fund

The main revenue fund of the Council. Spending on services is met from the General Fund. Spending on the provision of housing, however, must be charged to a separate Housing Revenue Account.

Grants Unapplied

Unlike Capital Grants Received in Advance, there is no requirement to repayment of these grants. The unspent balance will be released into capital or revenue in the coming years as projects come online. These funds form part of the Council's Useable Reserves.

| | | | |
|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 33 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Homes and Communities Agency (HCA)

The Homes and Communities Agency (HCA) is the non-departmental public body which helps to fund new affordable housing in England. It was established by the Housing and Regeneration Act 2008 as one of the successor bodies to the Housing Corporation, and became operational on 1 December 2008. In 2012 the HCA approved the East Lancashire Empty Homes Scheme.

Investments

The Council invests surplus cash in short- and long-term deposits in accordance with the Treasury Management Strategy and Practices revised in February each year. In this context short-term includes anything up to 365 days, and long-term is for more than one year. Funds deposited in such investments are not accessible until the end of the agreed terms.

Link Asset Services (formerly Capita & Sector)

Link Asset Services (formerly Capita & Sector) is the company which provides the Council with Treasury Management advice, including daily market reports and predictions, credit rating updates, interest rate forecasts and annual reviews of our strategy and practices ahead of the February reports to Full Council. The Link model investment portfolio is the benchmark by which we measure our investment performance.

Local Authority Business Growth Incentive Scheme (LABGIS)

This is a means to reward Councils for increases in the rateable value of business properties above a certain threshold. Rossendale has received this for the first time in 2006/07 and used the extra income to create a Reserve for future Economic Development activity.

Medium Term Financial Strategy (MTFS)

The Council's financial planning document for the foreseeable future.

Minimum Revenue Provision (MRP)

The minimum amount which must be charged to the Council's revenue account each year and set aside as provision for credit liabilities, as required by the Local Government and Housing Act 1989.

Ministry of Housing, Communities and Local Government (MHCLG)

The former Department of Communities and Local Government has been redesignated as the Ministry of Housing, Communities and Local Government, or MHCLG.

National non-domestic rates (NDR)

National non-domestic rates for commercial premises are set annually by the government and collected by all local authorities. The proceeds are redistributed through the Central Formula Grant.

Provision

Cash 'put aside' for expenditure on an intended project which is not commenced or complete at the year-end. This may include accumulating provisions, such as a vehicle replacement provision, and one-off projects.

Provisional

Best forecast given current knowledge.

Public Works Loans Board (PWLB)

The PWLB is a central government statutory body which lends funds to local authorities with advantageous interest rates. Interest rates are published daily and local authorities provide the PWLB with estimates of cash requirements in return for certainty on the availability of funds and the interest rates being charged.

Reserve

Amounts included in one financial year's accounts to provide for payment for goods or services, whether revenue or capital, in a future financial year.

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|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 34 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

Monthly Financial Monitoring Report 2017/18 Draft Out-turn

Revenue account

An account that records an authority's day-to-day expenditure and income on such items as salaries and wages and other running costs of services.

Retail Price index (RPI) and (RPIX)

The Retail Price Index (RPI) is a measure of inflation published monthly by the Office for National Statistics. It measures the change in the cost of a basket of retail goods and service and is used by the government as a base for various purposes, such as the indexation of pensions, social housing rent increases and many employers also use it as a starting point in wage negotiations

RPIX is the RPI excluding mortgage interest payments.

Section 106 Agreement

Planning agreement whereby developers make a contribution towards specific projects linked to their development as a condition of planning application approval. Deposits may be for revenue or capital schemes, but application of the funds are dependent on firstly the developer, and then the Council, pursuing the projects specified within the agreement.

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|-------------------------------------|--------------------|--------------------|----------------|
| Responsible Section/Team | Financial Services | Page | 35 |
| Responsible Author | Finance Manager | Produced | 30/04/2018 |
| Dates covered in this review | end March 2018 | Next review | end Q1 2018/19 |

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آپ کو ان معلومات کا خلاصہ سے صرف میں ڈیجیٹل سٹریٹجی کے علاوہ کسی اور زبان میں اور کارپوریشن کے
میریٹس میں بتائیں، ہم کوئی آپ کے لئے اس کا انتظام کریں گے۔
ہمارے میریٹس 01706 217777 پر ٹیلیفون کریں یا پھر کیویٹیشن سیشن سے اس سے رابطہ قائم کریں۔

آپنی اگر اس بات کے سارے سہولتوں بڑھانے کے لئے، آڈیو کاسیٹس یا دیگر ایڈجسٹڈ ایڈیشن
ان کے کسی بھی زبان میں پتہ چان ہاں ہے انہیں کرنے کے لئے ہمیں جاننا کہ آپ اپنا
اپنا بیان کریں۔

انہیں کرنے کے لئے 01706 217777 پر ٹیلیفون کریں یا پھر کیویٹیشن سیشن سے اس سے
رابطہ قائم کریں۔

Other formats available on request.

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