



Report of:	Meeting	Date	Item no.
Philippa Davies Corporate Director of Resources (S151 Officer)	Audit Committee	28 June 2016	4

Statement of Accounts, Capital Financing and Revenue Outturn 2015/16

1. Purpose of report

- 1.1 To approve the Council's published Statement of Accounts and the final capital and revenue position for the financial year 2015/16.

2. Outcomes

- 2.1 Evidence that the Council produces accounts in accordance with relevant standards and timetables, supported by comprehensive working papers and promotes external accountability.

3. Recommendations

- 3.1 Members are requested to:

- i. Approve the Accounting Policies selected and applied by the Council, as required by International Accounting Standard No. 8: Accounting Policies, Changes in Accounting Estimates and Errors, which are set out as Note 1 to the Financial Statements attached;
- ii. Approve the Council's Statement of Accounts 2015/16, subject to audit;
- iii. Note the major variations in expenditure and income, the proposed slippage and the resulting impact on the level of the Council's reserves and balances at 31 March 2016; and
- iv. Ensure that the accounts are subject to robust member scrutiny/discussion.

4. Background

4.1 The Accounts and Audit Regulations 2015 require the Council's responsible financial officer to certify that the accounts 'present a true and fair view of the financial position' for the 2015/16 financial year by the 30 June 2016. The Council is then formally required to approve and publish the Statement of Accounts no later than 30 September 2016. Following approval, the Statement of Accounts must be signed and dated by the member presiding at the meeting at which approval is given.

5. Key issues and proposals

5.1 An Executive Summary setting out the main details in a format that is straightforward and easy to understand is now included in the Statement of Accounts as part of the Narrative Report. The Statement of Accounts is attached at Appendix 1 for consideration, although this is still subject to audit.

5.2 The Capital Financing Report is attached at Appendix 2 (Table 1) and a comparison of actual capital expenditure to the 2015/16 updated revised budget, illustrating the nature of the variance e.g. advance spend, over spend, under spend or slippage to future years can be seen at Appendix 2 (Table 2).

5.3 A report identifying major variations in revenue expenditure and income compared to the levels budgeted for the year is attached at Appendix 3a and the proposed revenue slippage into 2016/17 and future years is included at Appendix 3b.

5.4 The resulting impact of these changes, such as additional expenditure or reduced income, on the level of the Council's reserves and balances at 31 March 2016 is shown at Appendix 4.

5.5 It should be noted that non-compliance with the requirements of the Accounts and Audit Regulations would be reflected in the Annual Audit Letter received from the Council's External Auditors and be reported publically impacting on the Council's reputation.

Financial and legal implications	
Finance	There are no immediate financial implications arising from this report. The final outturn position will be incorporated within the Medium Term Financial Plan 2016/17 to 2019/20 which aims to provide detailed proposals for corporately managing the Council's resources in the years ahead and is subject to continuous monitoring to ensure its effectiveness.
Legal	The approval of the recommendation will help ensure that the statutory requirements have been complied with.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

risks/implications	✓ / x
asset management	x
climate change	x
data protection	x

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List of background papers:		
name of document	date	where available for inspection

List of appendices

Appendix 1 – Statement of Accounts for the year ended 31 March 2016
 Appendix 2 (Table 1) - Capital Financing Report
 Appendix 2 (Table 2) – Comparison of Capital Expenditure to Budget
 Appendix 3a – Major Revenue Variances
 Appendix 3b – Revenue Budget Savings - Slippage into Future Years
 Appendix 4a – Reserves and Balances Statement
 Appendix 4b – Transfers to and from Reserves

arm/audit/cr/16/2806pd2



STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 2016



WYRE COUNCIL

P DAVIES CPFA
CORPORATE DIRECTOR OF RESOURCES
(CHIEF FINANCIAL OFFICER)

Considered by [Audit Committee 28 June 2016](#)
and confirmed (post audit) at the [Audit Committee 20 September 2016](#)

[Councillor L McKay, Chairman](#)

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NARRATIVE REPORT

INTRODUCTION

The Council is statutorily required to produce annual accounts. The Accounts and Audit Regulations require the Council's responsible financial officer to certify that they 'present a true and fair view of the financial position' for the 2015/16 financial year by 30 June 2016. The Council is then formally required to approve and publish the Statement of Accounts no later than 30 September 2016. Following approval, the Statement of Accounts must be signed and dated by the member presiding at the meeting at which approval is given.

The accounts are audited by the Council's External Auditors, KPMG, who also review whether the Authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources and issue a conclusion on this, as part of their report to those charged with governance, to the Council's Audit Committee at the conclusion of the audit.

The 'Statement of Accounts' has been prepared in accordance with the Accounts and Audit Regulations 2015 and the Code of Practice on Local Authority Accounting 2015/16. The format of the published document is heavily prescribed and this is intended to promote good practice by local authorities and a consistency of approach.

This executive summary has been prepared to assist the readers' interpretation of the accounts and highlight the key issues for the Council.

In addition to the information, which is published in connection with the authority's accounts, electors have the right to inspect the accounts of their authority and to question the external auditor. The authority publishes a notice advertising the availability of accounts for inspection each year.

THE COUNCIL'S SPENDING

The Council effectively has two types of expenditure:

Revenue Expenditure – essentially the everyday costs incurred with running the Council such as employee costs, premises related expenditure and various supplies and services.

Capital Expenditure – the more sizeable costs, which usually relate to the purchase of new assets, or materially improving existing assets so that they will last for a longer period.

At the start of each year, the Council plans how much it is going to spend and reflects these spending plans as budgets. It calculates the amount of money needed to be raised from the council tax, having allowed for income and government grants, and determines how much it can raise from existing resources, contributions from outside sources, or borrowing, to fund its capital programme.

REVENUE EXPENDITURE

The following table sets out the comparison between the Updated Revised Budget and the actual expenditure:

	2015/16 Updated Revised Budget £	2015/16 Actual £	Variance £
Expenditure	14,658,982	14,374,785	(284,197)
(Use of)/Additions to Balances	736,620	1,558,020	821,400
TOTAL SPENDING	<u>15,395,602</u>	<u>15,932,805</u>	<u>537,203</u>
Revenue Support Grant	(2,455,974)	(2,455,974)	0
Other Government Grants (net of levy)	(2,462,782)	(2,999,985)	(537,203)
Non-Domestic Rate Redistribution	(3,298,482)	(3,298,482)	0
Wyre Precept	(6,231,536)	(6,231,536)	0
Parish Precepts	(488,193)	(488,193)	0
Collection Fund Surplus	(458,635)	(458,635)	0
TOTAL RESOURCES	<u>(15,395,602)</u>	<u>(15,932,805)</u>	<u>(537,203)</u>

The main reasons for the increase in additions to balances of £821,400 are listed below.

Revenue Variances	2015/16	
	£	£
<i>Increased Spending/Reduced Income:</i>		
Capital Investment Reserve - Top Up	386,852	
Land Charges Personal Searches - Litigation (net)	51,093	
Insurance Claims and MMI levy (net of contingency)	69,348	
Building Maintenance	58,762	566,055
<i>Reduced Spending/Increased Income:</i>		
Slippage to 16/17 (net of reserve funding)	(821,400)	
Cemeteries Income	(15,853)	
Planning Application Fees (net of future costs)	(52,205)	
Training Costs	(11,603)	
Civic Centre Rent/Compound Fee	(10,230)	
Council Tax Collection – Summons Fee Income	(31,018)	
Advertising and Promotions	(11,832)	
Waste Costs (Bulky Household/Hazardous/Clinical)	(13,657)	
Employee Costs (including car allowances)	(154,735)	
Utilities - Electricity and Gas	(34,392)	
Fuel Costs	(12,154)	
NNDR	(11,202)	
Printing and Stationery	(16,062)	
Vehicle Costs and Sale Income	(20,555)	
Interest Received	(24,994)	
Other Net Savings	(145,563)	(1,387,455)
		<u>(821,400)</u>

CAPITAL EXPENDITURE

The Council spent a total of £19,452,631 (2014/15 £15,327,870) on capital investment in the year compared with an Updated Revised Budget of £19,117,147. A summary of the main items of expenditure is shown below:

2014/15 £	Main Items of Expenditure	2015/16 £
976,670	Housing Grants	957,313
5,375	Environmental Improvements	100,000
6,707,400	Sea Defences	15,029,088
5,725,855	Cultural and Leisure Facilities	1,028,426
62,482	Business Improvement Programme	59,452
624,309	Asset Management	1,264,826
1,225,779	Parks and Open Spaces	1,003,526
0	Flood Grants	10,000
<u>15,327,870</u>		<u>19,452,631</u>

The main reasons for the variation of £335,484 when compared to the Updated Revised Budget are listed below:

Capital Variances	2015/16	
	£	£
Capital slippage into future years		(518,115)
Advance Spending:		
Garstang Leisure Centre – Quantity Surveyor Fees	3,800	
Rossall Sea Wall Improvement Works – Ext Costs	853,742	857,542
Increased Spending:		
Disabled Facilities Grants	262	
Cell Eleven Monitoring – External Costs	692	
Café CCF2	81,275	
Vehicle Fleet Replacement Programme	281	
Memorial Park Fleetwood Heritage Scheme Phase 2	9,060	91,570
Reduced Spending:		
Urban Woodland Scheme: Tower and Pheasants Wood	(74)	
Cell Eleven Monitoring – In House Fees	(1,996)	
Rossall Sea Wall Improvement Works – In House Fees	(934)	
Cleveleys Promenade Beach Urgent Works	(2,296)	
Fleetwood and Cleveleys Beach Works	(344)	
Water Park CCF2	(75,621)	
Unallocated CCF2	(5,654)	
Civica General Filing Software	(5,337)	
Flexi and Absence Management System	(2,899)	
Jean Stansfield Play Area	(320)	
Other Variations (net)	(38)	(95,513)
		<u>335,484</u>

IMPACT OF SPENDING

The impact of the actual spending patterns for the year needs to be considered and this will generally depend on the type of expenditure because both revenue and capital expenditure have different sources of funding.

Revenue Expenditure – the Council's net expenditure, i.e. after income from fees and charges that we receive from users of the facilities and grants and contributions, is primarily funded by the government in the form of grants (approximately 57%) and the balance is funded by the council tax payer (approximately 43%). The funding of the revenue expenditure in 2015/16 was as follows:

	£
<u>Government Grant</u>	
Revenue Support Grant	2,455,974
Council Tax Freeze Grant	72,607
Non Domestic Rate Grant (S31 grant net of levy/safety net – incl. adj. re 14/15)	1,103,659
New Homes Bonus	1,813,689
New Homes Bonus Adjustment	10,030
Non Domestic Rate Redistribution (net of tariff)	3,298,482
Non Domestic Rate Previous years' surplus	307,711
<u>Council Tax</u>	
Precept on the Collection Fund – Wyre Borough Council	6,231,536
Precept on the Collection Fund – Parishes	488,193
Previous years' surplus	150,924
	<u>15,932,805</u>

Some of the spending that was planned to take place during 2015/16 has 'slipped' into 2016/17 and will be covered by the increased Balances at year-end. Spending officers ask for unspent budgets to be moved to the next financial year to avoid paying for previously committed works from their new year's budget. The under spend against their budget is 'slipped' so that next year they can spend their full budget and the under spend from the previous year. Often, the request relates to a one-off budget provision which has either been externally funded or met from earmarked reserves. The 'slippage' for 2015/16 includes:

Revenue Slippage	£
Community Safety Operations - Various	29,080
Homelessness - Various	12,040
Business Support – Various initiatives incl. Business Awards Event	19,620
Fleetwood Coastal Community Project	12,170
Bus Shelters – Installations scheduled for April'16	13,960
Development Control – Consultancy fees and agency staffing	47,630
Local Plan - Consultancy fees and Statutory Notices	152,830
Shaping Your Neighbourhood – Various Schemes	11,420
Contingency Provision - Planning Enforcement	150,000
Contingency Provision - VAT adjustment	177,510
Financial Services – Employee costs, publications and consultancy	31,230
Parks and Open Spaces Team - Various	11,780

Table continued on the following page.

Revenue Slippage	£
Street Scene Team – Employee costs	11,270
Memorial Park – Rephasing of Heritage Lottery Project	15,760
Domestic Waste Management - Various	41,530
Revenue Funding for Capital Schemes	146,500
Other Minor Slippage	100,080
Less Reserve Funded Items	(163,010)
	<u>821,400</u>

The Council maintains revenue balances to protect against unforeseen sudden costs which might occur during the year. The current level of balances, compared to the Updated Revised Budget is as follows:

	<u>Anticipated Position</u> £	<u>Actual Position</u> £
Opening Balance	6,463,992	6,463,992
Additions/(Withdrawals) in Year	736,620	1,558,020
Closing Balance	<u>7,200,612</u>	<u>8,022,012</u>

The Council also maintains a number of earmarked reserves for specific purposes. The additions to those reserves, or their use during the year, are identified in the table below.

	Balance at 1st April £	Transfers To/(From) £	Balance at 31 March £
Building Control	3,689	3,631	7,320
Business Growth Incentive	14,728	(5,304)	9,424
Capital Investment	1,014,489	(218,309)	796,180
Elections	117,750	(98,908)	18,842
Investment - I.T. Strategy	398,863	(74,077)	324,786
Land Charges	24,443	(2,835)	21,608
Leisure Management	120,998	30,544	151,542
New Homes Bonus	1,894,028	583,992	2,478,020
Non-Domestic Rates Equalisation	540,623	899,306	1,439,929
Performance Reward Initiatives	104,976	(55,003)	49,973
Value for Money	577,206	(6,560)	570,646
Vehicle Replacement/Street Cleansing Maintenance	461,543	31,328	492,871
Total Earmarked Reserves	<u>5,273,336</u>	<u>1,087,805</u>	<u>6,361,141</u>

Compared to the Council's Updated Revised Estimate, the reserves are just over £1.4m higher than expected. This is primarily due to the top-up of the Capital Investment Reserve by an additional £386,852, IT savings of £173,753 earmarked to fund the rolling replacement strategy, the top-up of the Leisure Management Reserve with £122,780 reflecting a reduced operational subsidy, the non-use of the contingency and savings on equipment budgets, the top-up of the Street Cleansing Reserve with £16,466 savings and the slippage of reserve funded schemes totalling £163,010 to 2016/17. There was also an increase in the transfer to the Non-Domestic Rates Equalisation Reserve of £537,203.

Capital Expenditure – can be financed by earmarked reserves which have been built up from revenue contributions, taking out loans or in some cases the Council receives capital grants from the government. The Council can also use the proceeds from the disposal of land or other assets.

In 2015/16 capital expenditure was funded as follows:-

Financing	£
Grants and Other Contributions:	
- Better Care funding towards Disabled Facilities Grants	791,610
- Regenda funding towards Disabled Facilities Grants	100,145
- EA funding for Coastal Defence Works and Cell Eleven	14,997,880
- CCF funding for Five-for-Fleetwood	1,006,933
- Lancashire Environmental funding for Five-for-Fleetwood	29,894
- Heritage Lottery funding for Fleetwood Memorial Park	564,334
- Benefactor funding for Fleetwood Mount Grounds	362,850
- Other Contributions e.g. S106, Fleetwood Town Council, Regenda, Great Places, DEFRA, etc.	98,856
Revenue	1,108,189
Capital Receipts	391,940
Borrowing	0
	<u>19,452,631</u>

The Council maintains a fund of capital receipts from the disposal of fixed assets to fund new capital expenditure. At 31 March 2016, the funds available were:-

	Revised £	Actual Position £
Opening Balance	504,214	504,214
Received in Year	160,000	139,200
Applied in Year	(453,340)	(391,940)
Closing Balance	<u>210,874</u>	<u>251,474</u>

Compared with the Council's budgeted position, the available capital receipts at 31 March are £40,600 higher than anticipated mainly resulting from the re-phasing of playground refurbishments. Capital receipts in the year reflect the disposal of Cleveleys Community Centre (£145,000) reduced by associated costs of sale (£5,800). Following commitments in the Capital Programme for 2016/17 (£514,496), associated costs of sale (£11,095) and the receipt in respect of the land at Hardhorn Road Car Park, the available balance is expected to reduce to £25,883. The Council, in accordance with the report to Cabinet 17 February 2016, has continued to apply the policy of ensuring that assets with the shortest charge life are financed from capital receipts.

LEVELS OF BORROWING

With effect from the 2007/08 financial year, the Council once again became reliant on borrowing to support capital expenditure. The Council has borrowed £3.552m to date and this value is used to calculate the minimum revenue provision which must be reflected in the accounts. The borrowing to date is made up as follows:

Date	Loan Ref	Value (£)	Period	Rate (%)	Maturing
05.03.08	494403	1,000,000	3	4.18	Sept'2010
05.03.08	494404	552,000	30	4.48	Sept'2037
05.03.08	494405	1,000,000	50	4.41	Sept'2057
09.03.09	495360	1,000,000	4	2.05	Sept'2012

In an effort to reduce the Council's reliance on borrowing and following concerns about the sustainability of continuing to borrow in the current economic climate, a Capital Investment Reserve was created as part of the 2009/10 closure of accounts.

CURRENT ECONOMIC CLIMATE

In the current economic climate it is especially important that the Council considers its future budgets and continues to closely monitor the Medium Term Financial Plan. The identification of earmarked reserves often takes account of risk assessments and contingency planning with funding being provided for known events such as the rolling replacement of IT equipment and vehicles. The level of general balances also supports contingency planning and recognises anticipated future financial pressure on revenue resources and the difficulties of securing immediate savings. The Council's Policy on the level of reserves and balances is included as part of the Medium Term Financial Plan which is considered annually by Cabinet in September.

SIGNIFICANT LIABILITIES

As part of the terms and conditions of employment of its officers, the Council offers retirement benefits. Although not required to be paid until employees retire, the Council is committed to making the payments and is required to disclose the authority's liability at the time that employees earn their future entitlement. The scheme is funded, however, meaning that both the authority and its employees pay contributions into the fund calculated at a level intended to balance the pension liabilities with investment assets.

The underlying commitment that the authority has to pay retirement benefits is reflected in the net liability of £33,212,000. However, statutory arrangements for funding the deficit mean that the financial position of the authority remains healthy as the deficit on the scheme will be made good by increased contributions over the remaining working life of employees as assessed by the Scheme Actuary.

TRADING OPERATIONS

In accordance with the Service Reporting Code of Practice (SeRCOP) trading services or undertakings with the public or with third parties includes, amongst other categories, catering undertakings, industrial units and markets.

The aim of this note to the accounts reflects considerations of stewardship in that where the authority is trading and taking commercial risks then there should be assurance that the authority is not exposing itself unreasonably to loss.

Where trading accounts are an integral part of the total cost of particular services they should be fully consolidated into the total cost of that service and this is the case for those services listed below. Some are an integral part of the Authority's services to the public such as the operation of Fleetwood Market or the letting of industrial units and others are support services such as the bar/catering facility at the Marine Hall.

2014/15				2015/16		
Income	Total Expenditure	(Surplus)/ Deficit		Income	Total Expenditure	(Surplus)/ Deficit
£	£	£		£	£	£
			Trading Operations			
(65,786)	96,290	30,504	Catering	(64,116)	92,970	28,854
(472,971)	475,461	2,490	Industrial Sites	(473,922)	505,838	31,916
(22,385)	12,280	(10,105)	Poulton Market	(27,035)	13,817	(13,218)
(612,558)	433,571	(178,987)	Fleetwood Market	(575,884)	628,019	52,135
(1,173,700)	1,017,602	(156,098)	TOTAL	(1,140,957)	1,240,644	99,687

The Catering operation relates solely to the bar/catering facility at the Marine Hall and shows a slight reduction in the deficit from £30,504 in 2014/15 to £28,854 in 2015/16. The picture for the Marine Hall as a whole reveals that running costs (excluding capital charges) have reduced from £553,737 in 2007/08 to £227,960 in 2015/16, a reduction of £325,777 or 59% over 8 years. This is a further reduction of £27,475 or 11% from the costs incurred in 2014/15.

The grouping referred to as 'Industrial sites' covers a variety of land holdings including Fleetwood Golf Course, the waste disposal site, Copse Road and Thornton depots and industrial units. Compliance with International Financial Reporting Standards (IFRS) means that any revaluation gains or losses on investment properties together with any rental income is now shown in the financing and investment income and expenditure section of the Comprehensive Income and Expenditure Statement as opposed to net cost of Services. The surplus/deficit reported above is therefore shown partly in the net cost of services and partly in the financing and investment section. Whilst it appears that the financial position has declined, the true position excluding notional charges has improved slightly from a surplus of £237,085 in 2014/15 to a surplus of £249,247 in 2015/16. The increased profitability in respect of the industrial sites of £12,162 reflects increased building maintenance costs at Butts Close (£10,527), increased income at Jameson Road (£32,090), increased costs (£4,462) and reduced income (£13,608) on miscellaneous land and buildings, savings following the vacation of Thornton Depot (£15,066) and increased support service costs from the estates team (£7,986).

Finally, the surplus at Fleetwood Market, after removing the notional charges, has decreased by £54,026 from £264,722 in 2014/15 to £210,696 in 2015/16. The reduced profitability primarily reflects increased staffing costs (£19,517) comprising the creation of a dedicated part-time marketing officer and a change in accounting policy concerning deficit recovery payments and reduced income (£36,674). The surplus at Poulton Market has increased by £3,113 from £10,105 in 2014/15 to £13,218 in 2015/16.

EXPLANATORY FOREWORD TO THE STATEMENT OF ACCOUNTS

This Statement of Accounts covers the financial year ended 31 March 2016 (2015/16). It has been prepared in accordance with the Accounts and Audit Regulations 2015 and the Code of Practice on Local Authority Accounting in the United Kingdom 2015/16. The main Accounting Statements within this document are:

- i) **Movement in Reserves Statement** – This statement shows the movement in the year on the different reserves held by the authority, analysed into ‘usable reserves’ (i.e. those that can be applied to fund expenditure or reduce local taxation) and unusable reserves. The Surplus or Deficit on the Provision of Services line shows the true economic cost of providing the authority’s services, more details of which are shown in the Comprehensive Income and Expenditure Statement. This is different from the statutory amounts required to be charged to the General Fund Balance for council tax setting purposes. The Net Increase / Decrease before Transfers to Earmarked Reserves line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the Authority.
- ii) **Comprehensive Income and Expenditure Statement** – This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.
- iii) **Balance Sheet** - The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority. Reserves are reported in two categories. The first category is usable reserves, i.e. those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category is those that the authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line ‘Adjustments between accounting basis and funding basis under Regulations’.
- iv) **Cash Flow Statement** - The Cash Flow Statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the authority are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the authority’s future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the authority.
- v) **Collection Fund Account** – There is a statutory obligation for billing authorities to maintain a separate Collection Fund. The statement shows the transactions of the billing authority in relation to the collection from taxpayers and distribution to preceptors (Lancashire County Council, Police and Crime Commissioner for Lancashire, Lancashire Combined Fire Authority and Wyre Borough Council) and Government of council tax and non-domestic rates.

These statements are supported by:

- a) **Statement of Responsibilities** - this sets out the responsibilities of the Authority and the Corporate Director of Resources (Chief Financial Officer) in respect of the Statement of Accounts.
- b) **Annual Governance Statement** - this statement sets out the framework that forms the basis of the Code of Corporate Governance and reviews the Authority's arrangements in the light of the code.
- c) **Notes to the Financial Statements** - these allow information about the basis of preparation e.g. the accounting policies used and the disclosure / provision of information not presented elsewhere in the statements which is relevant to the readers' understanding.
- d) **Notes to the Collection Fund** - these allow information about the basis of preparation e.g. the accounting policies used and the disclosure / provision of information not presented elsewhere in the statements which is relevant to the readers' understanding.

FURTHER INFORMATION

Further information about the Accounts is available from the Financial Services Section at Wyre Council, Civic Centre, Breck Road, Poulton-le-Fylde, Lancashire, FY6 7PU, or via the Council's website at www.wyre.gov.uk.

If you would like this information in another language or format please ask our Contact Centre.
Tel: 01253 891000; email: mailroom@wyre.gov.uk;

STATEMENT OF RESPONSIBILITIES

The Authority's Responsibilities

The Authority is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Corporate Director of Resources (Chief Financial Officer).
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- to approve the Statement of Accounts.

The Chief Financial Officer's Responsibilities

The Corporate Director of Resources (Chief Financial Officer) is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the Chartered Institute of Public Finance and Accountancy / Local Authority (Scotland) Accounts Advisory Committee (CIPFA/LASAAC) Code of Practice on Local Authority Accounting in the United Kingdom ('the Code of Practice').

In preparing this Statement of Accounts, the Corporate Director of Resources (Chief Financial Officer) has:

- selected suitable accounting policies and applied them consistently.
- made judgements and estimates that were reasonable and prudent.
- complied with the local authority Code of Practice.
- kept proper accounting records which are up to date.
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

The Chief Financial Officer's Certification

I certify that the Statement of Accounts presents a true and fair view of the financial position of the authority at the accounting date and its income and expenditure for the year ended 31 March 2016.

P DAVIES
CORPORATE DIRECTOR OF RESOURCES (CHIEF FINANCIAL OFFICER)

(Authorised for issue) 28 June 2016
(Authorised for issue) 20 September 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WYRE BOROUGH COUNCIL

The Auditor's Report will be included here once the audit of the Accounts has been concluded and an opinion has been issued.

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ANNUAL GOVERNANCE STATEMENT

1.0 INTRODUCTION TO CORPORATE GOVERNANCE

1.1 Good governance leads to good management, good performance, good stewardship of public money, good public engagement and ultimately leads to good outcomes for the citizens and the service users of Wyre. Good governance also enables the Council to pursue its corporate vision effectively, as well as underpinning that vision, with mechanisms for control and management of risks.

2.0 SCOPE OF RESPONSIBILITY

2.1 Wyre Council is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards, that public money is safeguarded and properly accounted for, and that funding is used economically, efficiently and effectively. Wyre Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

2.2 In discharging this overall responsibility Wyre Council is responsible for putting in place suitable arrangements for the governance of its affairs, which facilitate the effective exercise of its functions and includes arrangements for the management of risk.

2.3 Wyre Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE 'Delivering Good Governance in Local Government' framework.

3.0 THE PURPOSE OF THE GOVERNANCE FRAMEWORK

3.1 The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled, together with the activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

3.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to meet the targets in our policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Wyre Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

3.3 The governance framework has been in place at Wyre Council for the year ended 31 March 2016 and up to the date of approval of the annual statement of accounts.

4.0 WYRE COUNCIL'S LOCAL CODE OF CORPORATE GOVERNANCE

4.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) have published a framework and guidance for delivering good governance in local government. The guidance helps local authorities to interpret the overarching principles contained in the framework prior to developing and maintaining their own 'local' corporate governance arrangements. The framework recognises that effective governance is achieved through six core principles and 18 supporting principles.

- 4.2 It should be noted that the CIPFA/SOLACE guidance is not prescriptive and authorities are encouraged to use it in a way that best reflects their structure, type, functions and size.

5.0 **MEETING THE CORE PRINCIPLES**

- 5.1 The tables below demonstrate how each of the core principles has been upheld during the 2015/16 financial year.

Core Principle No 1 - Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.

Supporting Principles

- Exercising strategic leadership by developing and clearly communicating the Authority's purpose and vision and its intended outcome for citizens and service users.
- Ensuring that users receive a high quality of service whether directly, or in partnership or by commissioning.
- Ensuring that the Authority makes best use of resources and that tax payers and service users receive excellent value for money.

Specific Evidence

- The Council has made a clear statement of the Authority's vision in its Business Plan (2015 – 2019) and uses this as a basis for corporate and service planning.
- The Business Plan includes a set of measures which are reported quarterly to the Overview and Scrutiny Committee.
- Annual financial statements are produced with an easy to read executive summary.
- There is an annual review of performance which is publically reported.
- There are effective arrangements to deal with failure in service delivery. There is a corporate complaints procedure with annual reports being available on the web site.
- The Medium Term Financial Plan, budgets and Capital Programme are soundly based and are designed to deliver the Council's strategic priorities.
- The Council embraces community engagement and involvement and uses its Shaping Your Neighbourhood initiative to encourage neighbourhood engagement and works collectively with ward councillors, parish and town councillors, community groups and other partner organisations to identify local issues and priorities.
- There is a Health Plan for Wyre reflecting the priorities of the Fylde and Wyre Clinical Commissioning Groups and the Fylde and Wyre Health and Wellbeing Partnership.
- Relationships have been established with clinical leads from the Blackpool, Preston and Lancaster North Clinical Commissioning Groups.
- The Value for Money indicators are reviewed annually with the results being reported to Cabinet.
- The Council's approach to Value for Money is reflected in the Annual Efficiency Statement reported to Cabinet.

Core Principle No 2 - Members and officers working together to achieve a common purpose with clearly defined functions and roles.

Supporting Principles

- Ensuring effective leadership throughout the Authority by being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.
- Ensuring that a constructive working relationship exists between elected Members and officers and that the responsibilities of Members and officers are carried out to a high standard.

- Ensuring relationships between the Authority, its partners and the public are clear so that each know what to expect of the other.

Specific Evidence

- The Constitution sets out the responsibilities of elected Members by defining the decision-making powers of the Council, Executive, Overview and Scrutiny and Regulatory and other committees, providing clear terms of reference, and describing roles and functions.
- There is also a clearly defined management structure and a scheme of delegation to officers, which is underpinned by the Members' Code of Conduct and a Protocol for Officer/Member relations.
- The scheme of delegation was last reviewed in April 2016 in light of the recent senior management changes.
- There are published job descriptions and established protocols, which ensure that the Leader and Chief Executive establish their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.
- A comprehensive review of the Members Allowance Scheme is carried out every 3 years with an annual interim review being performed prior to 1 April. The last full review was reported to Council in January 2016.
- The Council's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and are clearly articulated and disseminated.
- Key partnerships are periodically reviewed through the Internal Audit plan and the Financial Regulations and Financial Procedure Rules include advice and guidance which can assist officers in managing the key risks of the partnership.
- Effective mechanisms exist to monitor service delivery through the Overview and Scrutiny arrangements and quarterly performance reports highlight where corrective action is necessary.
- Effective management arrangements are in place both at the top of and throughout the organisation.
- The Chief Executive is responsible and accountable to the Authority for all aspects of operational management and is required to attend regular performance appraisal meetings with the Leader.
- The Corporate Director of Resources (S151 officer) is responsible to the Authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.
- The authority has complied with the CIPFA statement on the Role of the Chief Financial Officer in Local Government.
- Financial Regulations and Financial Procedure Rules are reviewed annually by the Audit Committee.
- The Monitoring Officer is responsible to the Authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.
- Up to date job descriptions and person specifications are maintained for the Chief Executive, S151 Officer and the Monitoring Officer.
- There is an established pay and grading structure for employees referred to as the Job Evaluation system and a process for appeals.
- There is an agreement between the Council and the YMCA identifying arrangements for the management of the Councils Health and Fitness Centres. A Recent Internal Audit review gave an overall opinion of 'Good'.

Core Principle No 3 - Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

Supporting Principles

- Ensuring Authority Members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.
- Ensuring that organisational values are put into practice and are effective.

Specific Evidence

- The Council has a set of values for its staff reflecting public expectations about the conduct and behaviour of individuals.
- The Council operates a formal complaints procedure.
- Established Codes of Conduct define expected standards of personal behaviour.
- Effective arrangements are in place to ensure that high standards of conduct for elected members are firmly embedded within the culture.
- Induction training is arranged for all newly elected members.
- Arrangements are in place to ensure that Members and employees of the Authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders.
- Systems and processes are designed in conformity with appropriate ethical standards, and are monitored to ensure their continuing effectiveness in practice.
- A register of interests is maintained for members and staff.
- An up-to-date register of gifts and hospitality is maintained and is reviewed annually by the Monitoring Officer.
- Anti-fraud and anti-corruption policies are in place and reviewed annually by Audit Committee.
- The Council uses an on-line e-learning package to promote information security; 'focus on information security'.
- Regular training is provided to elected members who sit on regulatory committees such as Planning or Licensing.
- Whistleblowing arrangements are in place and protect individuals raising concerns.
- Protocols are in place for partnership working.
- There is an effective Standards Committee.

Core Principle No 4 - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

Supporting Principles

- Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.
- Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.
- Ensuring that an effective risk management system is in place.
- Using their legal powers to the full benefit of the citizens and communities in their area.

Specific Evidence

- The Council has an effective scrutiny function which encourages constructive challenge and enhances the Authority's performance overall.
- An effective Internal Audit function is resourced and maintained.
- Internal Audit reviews are conducted under the Auditing Practices Board Guidelines and in-line with Public Sector Internal Audit Standards.
- In accordance with the Accounts and Audit Regulations 2015, an annual assessment of

the Council's systems of internal audit is carried out in May each year using the Public Sector Internal Audit Standards and the checklist provided in the Local Government Application Note published by CIPFA.

- The Head of Governance (Chief Internal Auditor) has developed a Quality Assurance Improvement Programme to ensure the continual improvement of the Internal Audit Service.
- As the Head of Governance (Chief Internal Auditor) has not yet attained a full Consultative Committee of Accountancy Bodies (CCAB) qualification, the Council is required in accordance with CIPFA's 'The role of the head of internal audit' to publicly state this in the Annual Governance Statement. The post holder does have over 16 years internal audit experience, holds the Association of Accounting Technicians qualification, is part qualified in the Chartered Institute of Public Finance and Accountancy qualification (CIPFA) and has now committed to complete the Chartered Internal Auditor qualification in September 2016.
- There are effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.
- Arrangements are in place so that conflicts of interest on behalf of Members and officers are avoided.
- Arrangements are in place for whistleblowing, to which all staff and all those contracting with the Authority have access. The policy is reviewed annually by the Audit Committee.
- Effective, transparent and accessible arrangements are in place for dealing with complaints.
- An effective Audit Committee is in place, which is independent of the Executive and the scrutiny function.
- The Audit Committee undertakes an annual review of its own effectiveness against the checklist in the CIPFA guidance 'Effective Audit Committees' and is satisfied that it meets the required standard.
- There is a calendar of dates for submitting, publishing and distributing timely reports that is adhered to.
- Those making decisions are provided with information that is fit for the purpose, relevant, timely and gives clear explanations of technical and financial issues and their implications.
- Effective arrangements are in place for determining the remuneration of senior staff.
- Proper professional advice on matters that have legal or financial implications is available and recorded well in advance of decision-making and used appropriately.
- Risk management is embedded into the culture of the Authority, with Members and managers at all levels recognising that risk management is part of their job. The Risk Management Policy is agreed annually by the Audit committee.
- Strategic and Operational risk registers are maintained and workshops are held throughout the year to review current risks and identify new risks.
- Limits of lawful activity are recognised by the ultra vires doctrine and managers strive to utilise their powers to the full benefit of the community.
- Specific legislative requirements are observed, as well as the requirements of general law, and in particular the key principle of good administrative law, rationality, legality and natural justice form part of procedures and decision-making.

Core Principle No 5 - Developing the capacity and capability of Members and officers to be effective.

Supporting Principles

- Making sure that Members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.
- Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.
- Encouraging new talent for membership of the Authority so that best use can be made of

individuals' skills and resources in balancing continuity and renewal.

Specific Evidence

- The Authority assesses the skills required by Members and officers and makes a commitment to develop these to enable roles to be carried out effectively.
- Performance reviews are undertaken as part of the performance appraisal system.
- The Authority ensures that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the Authority.
- Training programmes are tailored to meet individual needs and there are opportunities for Members and officers to update their knowledge on a regular basis. An induction programme is provided for all new members.
- Members and staff have personal development plans.
- Skills are developed on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.
- Arrangements are in place via the volunteering initiative to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the Authority.
- A competency framework exists to ensure that all staff have appropriate skills enabling them to deliver top quality services.
- Career structures are in place for members and officers to facilitate succession planning.
- The Council has obtained the gold award for Investors in People.
- The Councillor Development Programme and Councillor Development Strategy is regularly reviewed and includes a skills framework for all Elected Member roles and responsibilities.

Core Principle No 6 - Engaging with local people and other stakeholders to ensure robust public accountability.

Supporting Principles

- Exercising leadership through a robust scrutiny function, which effectively engages local people and all local institutional stakeholders, including partnerships and develops constructive accountable relationships.
- Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery, whether directly by the authority, in partnership or by commissioning.
- Making the best use of human resources by taking an active and planned approach to meet responsibilities to staff.

Specific Evidence

- A database of stakeholders with whom the authority engages is maintained on behalf of the Council by Wyre and Fylde Together.
- Staff consider those institutional stakeholders to whom they are accountable and assess the effectiveness of the relationships and any changes required.
- Clear channels of communication are in place with all sections of the community and other stakeholders including monitoring arrangements to ensure that they operate effectively.
- The Shaping Your Neighbourhood initiative is currently being reviewed with a view to agreeing its future focus.
- Arrangements are in place to enable the Authority to engage with all sections of the community effectively. These arrangements recognise that different sections of the community have different priorities and there are explicit processes for dealing with these

competing demands. (Shaping your Neighbourhood and the Wyre and Fylde Together consultation database)

- Corporate guidance has been issued on consultation and public involvement mechanisms offering practical steps and advice.
- A business plan is published annually giving information on the Authority's vision, priorities and performance measures which is shared with all staff, partners, elected members and the community.
- The Annual Efficiency statement is published with the Revenue Estimates.
- The Corporate Director of Resources (S151 Officer) is responsible for publishing annual accounts in a timely basis to communicate the organisation's activities and achievements, its financial position and performance.
- An executive summary supports the financial statements, which are statutorily produced as at 31 March each year.
- There are clear policies on how staff and their representatives are consulted and involved in decision-making.
- Periodic reports are produced on scrutiny function activity.
- The Authority as a whole is open and accessible to the community, service users and its staff and is committed to openness and transparency in all its dealings, including partnerships; subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.
- The Authority has been awarded a 3 star rating in the last annual SOCITM review (March 2015).
- Wyre Voice, an information leaflet produced by the Council, is delivered to every household twice a year.
- The Authority complies with the Local Government Transparency Code 2015 and a recent audit review gave 'substantial assurance' that the Council was complying to the Code.
- The recent staff survey revealed positive results including that 92% think the Council is a good organisation to work for and 90% have a clear understanding about their duties and responsibilities.

6.0 RISK MANAGEMENT

- 6.1 The Council has adopted a corporate risk management policy and operates a fully integrated risk management system across the organisation. Relevant officers have received training in risk management enabling the production of operational risk registers with associated risk action plans, which are reviewed on a regular basis.
- 6.2 Each year the Council's Management Team holds a workshop, to identify and prioritise strategic risks and to produce action plans. Significant business risks that may impact upon the Council's priorities have been identified and assessed, and appropriate control measures are in place. The report and associated action plans are presented to Management Board and Audit Committee and progress is monitored on a regular basis through the Management Team.

7.0 REVIEW OF EFFECTIVENESS

- 7.1 In accordance with the Accounts and Audit Regulations 2015, the Authority must ensure that it has a sound system of internal control which:
- a) facilitates the effective exercise of its functions and the achievement of its aims and objectives,
 - b) ensures that the financial and operational management of the authority is effective; and
 - c) includes effective arrangements for the management of risk.

- 7.2 The Authority is also responsible for conducting each financial year a review of effectiveness of the system of internal control.
- 7.3 The Corporate Director of Resources (S151) Officer is responsible for the proper administration of the Council's financial affairs. This includes responsibility for maintaining and reviewing Financial Regulations and Financial Procedure Rules, to ensure they remain fit for purpose, submitting any additions or changes necessary to the Audit Committee for approval and reporting, where appropriate, breaches of the Regulations to the Cabinet and/or the Council.
- 7.4 The Corporate Director of Resources (S151 Officer) also has responsibility for:
- overseeing the implementation and monitoring the operation of the Code of Corporate Governance;
 - maintaining and updating the Code in the light of latest guidance on best practice;
 - reporting annually to the Corporate Management Team and to Members on compliance with the Code and any changes that may be necessary to maintain it and ensure effectiveness in practice.
- 7.5 Wyre Council's Internal Audit Service, via a specific responsibility assigned to the Head of Governance (Chief Internal Auditor) is required to provide an independent and objective opinion to the Authority on its risk management, governance and internal control environment. The Chief Internal Auditor's Annual report for 2015/16 concluded that the Council has an adequate and effective control environment.
- 7.6 The review of compliance with the governance framework has involved a review of the latest position on the core principles by the Corporate Director of Resources (Section 151 Officer), the Head of Governance (Chief Internal Auditor) and the Audit Committee.

8.0 VALUE FOR MONEY CONCLUSION

- 8.1 The External Auditors issued an unqualified value for money conclusion in their most recent review for 2014/15. This means that they are satisfied that the Council has proper arrangements for securing financial resilience and challenging how it secures economy, efficiency and effectiveness. To arrive at that conclusion they looked at the Council's financial governance, financial planning and financial control processes, as well as reviewing how the Council prioritises its resources, improves efficiency and productivity.

9.0 SIGNIFICANT GOVERNANCE ISSUES

- 9.1 There are no significant governance issues to report. Minor issues have been identified, which will be documented in an action plan that will be monitored by Management Team and reported to the Audit Committee in November each year.

10.0 REVIEWING AND REPORTING ARRANGEMENTS

- 10.1 The CIPFA/SOLACE guidance recommends that authorities should undertake annual reviews of their governance arrangements to ensure continuing compliance with best practice as set out in the framework.
- 10.2 Each year, during the months of March and April, key members of staff are required to complete a 'Governance Assurance Questionnaire'. Any issues highlighted are documented and this, together with an action plan, is submitted for consideration by the Leader and Chief Executive who then sign to certify they are aware of the governance issues within the Authority and of the measures that are required to improve the control environment.

11.0 CERTIFICATION

As the Leader of the Council, I am aware of the governance issues within this Authority and of the measures that are needed to improve the control environment. Overall, my assessment of the control environment as at 31st March 2016 is satisfactory.



COUNCILLOR P GIBSON
LEADER OF THE COUNCIL

As the Chief Executive, I am aware of the governance issues within this Authority and of the measures that are needed to improve the control environment. Overall, my assessment of the control environment as at 31st March 2016 is satisfactory.



G PAYNE
CHIEF EXECUTIVE

MOVEMENT IN RESERVES STATEMENT

	General Fund Balance	Earmarked General Fund Reserves	Capital Receipts Reserve	Capital Grants Unapplied Reserve	Total Usable Reserves (Note 22)	Unusable Reserves (Note 23)	Total Authority Reserves
	£	£	£	£	£	£	£
Balance at 31 March 2014	7,142,487	6,228,290	0	18,630	13,389,407	27,618,468	41,007,875
Movement in Reserves during 2014/15							
Surplus or (Deficit) on the Provision of Services	9,559,270	0	0	0	9,559,270	0	9,559,270
Other Comprehensive Income and Expenditure (Note 11,12 and 38)	0	0	0	0	0	(4,625,368)	(4,625,368)
Total Comprehensive Income and Expenditure	9,559,270	0	0	0	9,559,270	(4,625,368)	4,933,902
Adjustments between accounting basis and funding basis under Regulations (Note 6)	(11,192,719)	0	504,214	984,233	(9,704,272)	9,704,272	0
Net Increase / (Decrease) before Transfers to Earmarked Reserves	(1,633,449)	0	504,214	984,233	(145,002)	5,078,904	4,933,902
Transfers to / from Earmarked Reserves (Note 7)	954,954	(954,954)	0	0	0	0	0
Increase / (Decrease) Movement in 2014/15	(678,495)	(954,954)	504,214	984,233	(145,002)	5,078,904	4,933,902
Balance at 31 March 2015 carried forward (Note 22 and 23)	6,463,992	5,273,336	504,214	1,002,863	13,244,405	32,697,372	45,941,777
Movement in Reserves during 2015/16							
Surplus or (Deficit) on the Provision of Services	13,604,124	0	0	0	13,604,124	0	13,604,124
Other Comprehensive Income and Expenditure (Note 11, and 38)	0	0	0	0	0	7,811,727	7,811,727
Total Comprehensive Income and Expenditure	13,604,124	0	0	0	13,604,124	7,811,727	21,415,851
Adjustments between accounting basis and funding basis under Regulations (Note 6)	(10,958,300)	0	(252,740)	(368,537)	(11,579,577)	11,579,577	0
Net Increase / (Decrease) before Transfers to Earmarked Reserves	2,645,824	0	(252,740)	(368,537)	2,024,547	19,391,304	21,415,851
Transfers to / from Earmarked Reserves (Note 7)	(1,087,805)	1,087,805	0	0	0	0	0
Increase / (Decrease) Movement in 2015/16	1,558,019	1,087,805	(252,740)	(368,537)	2,024,547	19,391,304	21,415,851
Balance at 31 March 2016 carried forward (Note 22 and 23)	8,022,011	6,361,141	251,474	634,326	15,268,952	52,088,676	67,357,628

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

2014/15				2015/16			
Gross Expenditure	Gross Income	Net Expenditure		Notes	Gross Expenditure	Gross Income	Net Expenditure
£	£	£			£	£	£
1,949,881	(1,433,091)	516,790	Central Services to the Public		2,004,032	(1,341,603)	662,429
5,748,284	(747,089)	5,001,195	Cultural and Related Services		5,582,801	(895,451)	4,687,350
			Environmental and Regulatory				
7,187,403	(2,155,054)	5,032,349	Services		7,643,449	(2,135,459)	5,507,990
2,411,240	(1,883,938)	527,302	Planning Services		2,944,721	(1,786,655)	1,158,066
			Highways and Transport				
1,375,591	(1,166,173)	209,418	Services		1,375,310	(932,141)	443,169
35,109,979	(34,438,885)	671,094	Other Housing Services		34,816,440	(34,309,341)	507,099
			Corporate and Democratic				
1,620,075	(28,133)	1,591,942	Core		1,765,676	(6,543)	1,759,133
698,451	0	698,451	Non Distributed Costs		975,248	0	975,248
56,100,904	(41,852,363)	14,248,541	Cost of Services		57,107,677	(41,407,193)	15,700,484
498,111	(926,838)	(428,727)	Other Operating Expenditure	8	810,690	0	810,690
1,452,869	(471,253)	981,616	Financing and Investment				
			Income and Expenditure	9	1,270,665	(664,456)	606,209
0	0	0	(Surplus) or Deficit on		0	0	0
			discontinued operations				
0	(24,360,700)	(24,360,700)	Taxation and Non-Specific	10	0	(30,721,507)	(30,721,507)
			Grant Income				
			(Surplus) or Deficit on the				
		(9,559,270)	Provision of Services				(13,604,124)
			(Surplus) or Deficit on				
			Revaluation of Property,	11			(1,315,727)
		(3,777,632)	Plant and Equipment Assets				
			(Surplus) or Deficit on				
			Revaluation of Available for				
		0	Sale Financial Assets				0
			Remeasurements of the Net				
			Defined Benefit Liability/	38			(6,496,000)
		8,403,000	(Asset)				
		4,625,368	Other Comprehensive				(7,811,727)
			Income and Expenditure				
		(4,933,902)	Total Comprehensive Income				(21,415,851)
			and Expenditure				

BALANCE SHEET

For the Year Ended 31st March 2016

31 March 2015		Notes	31 March 2016
£			£
77,811,569	Property, Plant and Equipment	11	93,310,588
293,725	Heritage Assets	12	293,725
4,604,944	Investment Property	13	4,765,630
131,068	Intangible Assets	14	121,751
19	Long Term Investments	15	19
0	Long Term Debtors	15	0
82,841,325	Long Term Assets		98,491,713
560,000	Short Term Investments	15	0
0	Assets Held for Sale	19	0
45,883	Inventories	16	65,117
3,106,933	Short Term Debtors	17	3,216,641
16,737,911	Cash and Cash Equivalents	18	16,188,202
20,450,727	Current Assets		19,469,960
0	Bank Overdrafts	18	0
0	Short Term Borrowing	15	0
(6,824,003)	Short Term Creditors	20	(7,573,107)
(772,035)	Provisions	21	(1,248,763)
(7,596,038)	Current Liabilities		(8,821,870)
0	Long Term Creditors		0
0	Provisions		0
(1,552,000)	Long Term Borrowing	15	(1,552,000)
(4,460)	Deferred Liabilities		(8,656)
(38,663,000)	Liability related to Defined Benefit Pension Scheme	38	(33,212,000)
(9,534,777)	Capital Grants Received In Advance	32	(7,009,519)
(49,754,237)	Long Term Liabilities		(41,782,175)
45,941,777	Net Assets		67,357,628
13,244,405	Usable Reserves	22	15,268,952
32,697,372	Unusable Reserves	23	52,088,676
45,941,777	Total Reserves		67,357,628

CASH FLOW STATEMENT**As at 31 March 2016**

2014/15		Notes	2015/16
£			£
(9,559,270)	Net (Surplus) or Deficit on the Provision of Services		(13,604,124)
*(4,742,040)	Adjustments to Net Surplus or Deficit on the Provision of Services for Non-cash Movements	24	(7,601,854)
12,034,980	Adjustments for items included in the Net Surplus or Deficit on the Provision of Services that are Investing and Financing activities	24	17,163,165
(2,266,330)	Net Cash Flows from Operating Activities		(4,042,813)
(4,425,428)	Investing Activities	25	4,282,725
*(2,177,173)	Financing Activities	26	309,797
(8,868,931)	Net (Increase) or Decrease in Cash and Cash Equivalents		549,709
(7,868,980)	Cash and Cash Equivalents at the beginning of the reporting period		(16,737,911)
(16,737,911)	Cash and Cash Equivalents at the end of the reporting period	18	(16,188,202)

* Figures restated to reflect adjustment to NDR creditor to Preceptors and Central Government.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

General Principles

The Statement of Accounts summarises the Council's transactions in the 2015/16 financial year and its position for the year-ended 31 March 2016. The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015 and must comply with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2015/16 and the Service Reporting Code of Practice 2015/16, supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the Authority transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Revenue from the provision of services is recognised when the Authority can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of no more than 24 hours. Cash equivalents are highly liquid investments that mature no more than three months from the date of acquisition and are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Balance Sheet and Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

Prior Period Adjustments, changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding non-current assets during the year:

- Depreciation attributable to assets used by the relevant service.
- Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which losses can be written off.
- Amortisation of intangible fixed assets attributable to the service.

The Authority is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement referred to as the Minimum Revenue Provision (MRP) and equal to an amount calculated on a prudent basis determined by the authority in accordance with statutory guidance. Depreciation, revaluation and impairment losses and amortisations are therefore replaced by the MRP contribution, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

Employee Benefits

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as salaries, paid annual leave and paid sick leave for current employees and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy in exchange for those benefits and are charged on an accruals basis to the appropriate service or, where applicable, to the Non Distributed Costs line in the Comprehensive Income and Expenditure Statement at the earlier of when the Authority can no longer withdraw the offer of those benefits or when the Authority recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pension Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post-Employment Benefits

Employees of the Authority are members of the Local Government Pension Scheme, administered by Lancashire County Council.

The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Authority.

The Local Government Pension Scheme

- The liabilities of the Lancashire County Council pension scheme attributable to the Authority are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate of 3.5% (based on the indicative rate of return on high quality Corporate bond).
- The assets of the Lancashire County Council pension fund attributable to the Authority are included in the Balance Sheet at their fair value:
 - quoted securities – current bid price.
 - unquoted securities – professional estimate.
 - unitised securities – current bid price.
 - property – market value.

The change in the net pensions liability is analysed into the following components:

- Service Cost comprising:
 - current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
 - past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs.

- net interest on the net defined benefit liability (asset), i.e. net interest expense for the Authority – the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.
- Remeasurements comprising:
 - the return on plan assets - excluding amounts included in the net interest on the net defined benefit liability (asset) – charged to the Pension Reserve as Other Comprehensive Income and Expenditure.
 - actuarial gains and losses - changes in net pension liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Contributions paid to the Lancashire County Council pension fund – cash paid as employer’s contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Authority to the pension fund or directly to pensioners in the year, not that amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

Events After the Reporting Period

Events after the Balance Sheet date are those events both favourable and unfavourable that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Adjusting events: Those that provide evidence of conditions that existed at the end of the reporting period – the financial statements and notes to the accounts are adjusted to reflect such events.
- Non-adjusting events: Those that are indicative of conditions that arose after the reporting period – the financial statements and notes to the accounts are not amended to reflect such events, but where material, disclosure is made of the nature of the event and the estimated financial impact.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Authority has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest) and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Financial Assets

Financial assets are classified into two types:

- loans and receivables – assets that have fixed or determinable payments but are not quoted in an active market.
- available-for-sale assets – assets that have a quoted market price and/or do not have fixed or determinable payments.

Loans and Receivables

Loans and receivables are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans that the Authority has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.

The Authority has not made any loans to voluntary organisations at less than market value (soft loans).

Available-for-sale Assets

The Authority has no available for sale assets, which includes instruments with quoted market prices, other instruments with fixed and determinable payments or equity share with no quoted market prices.

Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Authority when there is reasonable assurance that:

- The Authority will comply with conditions attached to the payments, and
- The grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset in the form of the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ringfenced revenue grants and most capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

Heritage Assets

A tangible heritage asset has historical, artistic, scientific, technological, geophysical or environmental qualities and is held and maintained principally for its contribution to knowledge and culture. An intangible heritage asset has cultural, environmental or historical significance and would include recordings of significant historical events.

Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Authority's accounting policies on property, plant and equipment. The carrying amounts of heritage assets are reviewed where there is evidence of impairment e.g. where an item has suffered physical deterioration or breakage. Any impairment is recognised and measured in accordance with the Authority's general policies on impairment. The Authority's collection of tangible heritage assets includes the following:

Eros Statue

The bronze statue of Eros in Fleetwood is an exact replica of the London original and was donated permanently to the Authority, provided it remained in Fleetwood.

This item is reported in the Balance Sheet at the valuation used for insurance purposes which is based on market values. The insurance valuation is updated on an annual basis. The item is deemed to have an indeterminate life and a high residual value; hence the Authority does not consider it appropriate to charge depreciation.

Civic Regalia

The collection consists of assorted items kept by the Authority as part of its civic role. The items are carried on the Balance Sheet at the valuation used for insurance purposes, which is based on market values. The items are deemed to have indeterminate lives and a high residual value; hence the Authority does not consider it appropriate to charge depreciation.

Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Authority as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Authority. Expenditure is capitalised where it can be measured reliably as attributable to that asset and does not include research expenditure.

Expenditure on the development of the Authority's website is capitalised as the website is not solely or primarily intended to promote or advertise the Authority's goods or services.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Authority can be determined by reference to an active market. In practice, no intangible asset held by the Authority meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

Interests in Companies and other Entities

The Authority has no material interests in companies and other entities that have the nature of subsidiaries, associates and joint ventures, which require the Authority to prepare group accounts.

Inventories

Inventories are included in the Balance Sheet at the lower of the cost and net realisable value.

Investment Property

Investment properties are those used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, Investment properties are measured at highest and best use. Investment properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases. The Authority does not have any finance leases or operating leases.

Overheads and Support Services

The cost of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Service Reporting Code of Practice 2015/16 (SeRCOP). The total absorption costing principle is used – the full cost of overheads and support services are shared between users in proportion to the benefits received, with the exception of:

- Corporate and Democratic Core – costs relating to the Authority's status as a multi-functional, democratic organisation.
- Non Distributed Costs – the use of discretionary benefits awarded to employees retiring early and impairment losses chargeable on Assets Held for Sale.

These two cost categories are defined in SeRCOP and accounted for as separate headings in the Comprehensive Income and Expenditure Statement, as part of Net Expenditure on the Cost of Services.

Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition: expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Measurement: assets are initially measured at cost, comprising:

- the purchase price.
- any cost attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-specific Grant Income line of the Comprehensive Income and Expenditure Statement, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

Assets are carried in the Balance Sheet using the following measurement bases:

- Infrastructure, community assets and assets under construction – depreciated historical cost.
- Council Offices – current value determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).
- Surplus assets – the current value measurement is fair value, estimated at highest and best use from a market participant’s perspective.
- All other assets – current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value.

Where non-property assets have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. (Exceptionally, gains might be credited to the Surplus or Deficit on the Provision of Services where they arise from the reversal of a loss previously charged to a service.)

Where decreases in value are identified they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land, certain Community Assets) and assets that are not yet available for use (i.e. Assets Under Construction).

Depreciation is calculated on the following bases:

- buildings / car parks – straight-line allocation over the useful life of the property as estimated by the valuer which can be up to 80 years.
- vehicles, plant and equipment – straight-line allocation over the life of the asset.
- infrastructure – straight-line allocation over 50 years.

Where an item of Property, Plant and Equipment has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previously recognised losses in the Surplus or Deficit on the Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account. Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. A proportion of receipts relating to the disposal of housing assets, which the Authority no longer holds, (75% for dwellings, 50% for land and other assets, net of statutory deductions and allowances) is payable to the Government. The balance of receipts is required to be credited to the Capital Receipts Reserve, and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the Capital Financing Requirement). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For example, the Authority may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Authority becomes aware of the obligation, and are measured at the best estimate, at the balance sheet date, of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

Contingent Liabilities

A contingent liability arises when an event has taken place that gives the authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

Reserves

The Authority sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure. The Council operates a number of different reserves, the purpose of each is summarised below:-

- **Building Control** – a fundamental principle of the Building Regulations Scheme, introduced 1 April 1999 and subsequently amended by the 2010 Regulations, is that there is a three to five year rolling accounting period over which costs should equate with charge income. This reserve can assist with achieving that aim in future periods or fund expenditure promoting increased efficiency and reduced costs.
- **Business Growth Incentive** – established in 2005/06 to raise the prosperity of all communities and release the economic potential of the area, funded from increased income from National Non-Domestic Rates on new developments.
- **Capital Investment** – established in 2009/10 to fund capital investment, thereby avoiding the need to borrow in the future.
- **Community Safety (CAB)** – established in 2008/09 in anticipation of a continuing contribution to Police Community Support Officers which were funded up to 2012/13. The use of second homes monies previously administered by the Local Strategic Partnership (LSP) released £60,000 which was used to provide grant support to the Citizens Advice Bureau for two years from 1 June 2013.
- **Elections** – established in 2008/09 to fund Borough Elections, which occur every four years.
- **Investment - IT Strategy** – to meet costs of the rolling replacement of IT equipment, infrastructure and other known future costs.
- **Land Charges** – Councils are required to assess the cost of providing a service, the projected take-up of that service and thus the charge should be made over a period of between 1 and 3 years. This reserve, following receipt of a 'new burdens' payment from DCLG, will also contribute to the cost of the personal search revocation implications.
- **Leisure Management** – established to fund the Council's 50% share of costs above the agreed operational subsidy level or fund service improvements.
- **New Homes Bonus** – established in 2011/12 using funding encouraging local authorities to facilitate housing growth to compensate for the impact of accepting the Council Tax Freeze grant.
- **Non-Domestic Rates Equalisation** – established in 2013/14 to protect against the volatility in funding associated with the new Business Rate Retention Scheme.
- **Performance Reward Initiatives** – established in 2009/10 using performance reward grant which was previously administered by the Local Strategic Partnership until its dissolution at the end of March 2013. The monies have subsequently been used to promote the Shaping Your Neighbourhood initiative, which was agreed by the Council in April 2012.

- **Value for Money** – originally established in 2005/06 for future value for money initiatives and now incorporates supplementary grants awarded for the administration of council tax, localised council tax support, NDR and housing benefit.
- **Vehicle Replacement/Street Cleansing Maintenance** – originally established in 2005/06 to fund the future replacement of the mobile advice centre, but now reflects the current and anticipated requirements for the vehicle fleet council wide and the maintenance of Street Cleansing vehicles.

Certain reserves are kept to manage, for example, the accounting processes for non-current assets, retirement and employee benefits and do not represent usable resources for the Authority – these reserves are explained in the relevant policies.

Revenue Expenditure Funded from Capital under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Authority has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of council tax.

VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

2. Accounting Standards that have been published but have not yet been adopted

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires authorities to disclose information relating to the impact of an accounting change that will be required by a new standard that has been published but not yet adopted. This requirement applies to accounting standards that come into effect for financial years commencing on or before 1 January of the financial year in question (i.e. on or before 1 January 2017 for 2016/17).

IAS 1 Presentation of Financial Statements.

This standard provides guidance on the form of the financial statements. The 'Telling the Story' review of the presentation of the Local Authority financial statements as well as the December 2014 changes to IAS 1 under the International Accounting Standards Board (IASB) Disclosure Initiative will result in changes to the format of the accounts in 2016/17. The format of the Comprehensive Income and Expenditure Statement and the Movement in Reserves Statement will change and introduce a new Expenditure and Funding Analysis.

IAS 16, 19, 38, IFRS 11, Annual Improvements to IFRSs (2010 – 2012 Cycle, and 2012 – 2014 Cycle), formatting and presentational issues

These improvements are minor, principally providing clarification and are not expected to have any material impact on the Statement of Accounts.

3. Critical Judgements in applying accounting policies

There are no critical judgements made by management in the process of applying the Authority's accounting policies that have a significant effect on the amounts recognised in the financial statements.

4. Assumptions made about the future and other major sources of estimation uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends, and other relevant factors. However, because these estimates cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. In the accounts these are as follows:

Pensions Liability

The liability related to the Defined Benefit Pension Scheme is based on assumptions made about the future and depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Authority with expert advice about the assumptions to be applied.

Fair Value Estimations

When the fair values of Investment Properties, Surplus Assets and Assets Held for Sale cannot be measured based on quoted prices in active markets (i.e. Level 1 inputs), their fair value is measured using the following valuation techniques:

Level 2: inputs that are observable for the asset or liability either directly or indirectly, such as quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3: inputs that are unobservable, and are based on best information available in the circumstances such as the Authority's own data and indexations.

Where possible, the inputs to these valuation techniques are based on observable data, but where this is not possible judgement is required in establishing fair values. These judgements typically include considerations such as uncertainty and risk. Changes in assumptions used could affect the fair value of assets and liabilities. Significant changes in any of the unobservable inputs would result in lower or higher fair value measurement for these assets.

Property, Plant and Equipment

Asset valuations are reviewed as part of a rolling revaluation programme to ensure that the Council does not materially misstate the value of its non-current assets. An increase or reduction in asset valuations would result in gains or losses being recognised either in the Revaluation Reserve or in the Comprehensive Income and Expenditure Statement. Additionally, assets are depreciated over useful lives, which are determined by how long the Council will have benefit of the asset. Depreciation charges for operational buildings will change as a result of changes in their estimated value and/or estimated useful life.

5. Events after the Reporting Period

There are no events taking place after the authorised for issue date which require reporting.

6. Adjustments between accounting basis and funding basis under Regulations

This note details the adjustments that are made to the Total Comprehensive Income and Expenditure recognised by the Authority in the year in accordance with proper accounting practice, to arrive at the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure. The reserves against which adjustments are made include:

General Fund Balance

The General Fund is the statutory fund into which all the receipts of an authority are required to be paid and out of which all liabilities of the Authority are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund Balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that the Authority is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the Council is required to recover) at the end of the financial year.

Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at the year-end.

Capital Grants Unapplied Reserve

The Capital Grants Unapplied Reserve holds the grants and contributions received towards capital projects for which the Authority has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

2015/16	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied Reserve	
	£	£	£	£

Adjustments primarily involving the Capital Adjustment Account:

1. Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:

Charges for depreciation and impairment of non-current assets.	3,722,477			(3,722,477)
Revaluation losses on Property, Plant and Equipment.	0			0
Movements in the market value of Investment Properties.	(65,286)			65,286
Amortisation of Intangible Assets.	68,769			(68,769)
Capital grants and contributions applied.	(16,792,355)			16,792,355
Movement in the Donated Assets Account.	0			0
Revenue expenditure funded from capital under statute.	957,313			(957,313)
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement.	434,697			(434,697)

2. Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:

Statutory provision for the financing of capital investment.	(95,559)			95,559
Capital expenditure charged against the General Fund (Direct Revenue Contributions).	(1,108,189)			1,108,189

Adjustment primarily involving the Capital Grants Unapplied Reserve:

Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement.	(791,610)		791,610	
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2015/16	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied Reserve	
	£	£	£	£
Application of grants and capital financing transferred to the Capital Adjustment Account.			(1,160,147)	1,160,147
<u>Adjustment primarily involving the Capital Receipts Reserve:</u>				
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement.	(139,200)	139,200		
Use of Capital Receipts Reserve to finance new capital expenditure.		(391,940)		391,940
Contribution from the Capital Receipts Reserve towards administrative costs of non-current asset disposal.	0	0		
Contribution from the Capital Receipts Reserve to finance the payment to the Government capital receipts pool.	0	0		
Transfer from the Deferred Capital Receipts Reserve upon receipt of cash.			0	0
<u>Adjustment primarily involving the Deferred Capital Receipts Reserve:</u>				
Transfer of deferred sale proceeds credited as part of the gains/loss on disposal to the Comprehensive Income and Expenditure Statement.	0			0
<u>Adjustments primarily involving the Financial Instruments Adjustment Account:</u>				
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements.	0			0
<u>Adjustments primarily involving the Pension Reserve:</u>				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see Note 38).	1,045,000			(1,045,000)
Employer's pensions contributions and direct payments to pensioners payable in the year.	0			0

2015/16	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied Reserve	
	£	£	£	£
<u>Adjustments primarily involving the Collection Fund Adjustment Account:</u>				
Amount by which council tax income and non-domestic rates income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements.	1,839,008			(1,839,008)
<u>Adjustments primarily involving the Accumulated Absences Account:</u>				
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements.	(33,365)			33,365
Total Adjustments	(10,958,300)	(252,740)	(368,537)	11,579,577

2014/15 Comparative Figures	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied Reserve	
	£	£	£	£

Adjustments primarily involving the Capital Adjustment Account:

1. Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:

Charges for depreciation and impairment of non-current assets.	2,943,091			(2,943,091)
Revaluation losses on Property, Plant and Equipment.	0			0
Movements in the market value of Investment Properties.	85,487			(85,487)
Amortisation of Intangible Assets.	60,717			(60,717)
Capital grants and contributions applied.	(8,447,017)			8,447,017
Movement in the Donated Assets Account.	0			0
Revenue expenditure funded from capital under statute.	976,670			(976,670)
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement.	1,016,400			(1,016,400)

2. Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:

Statutory provision for the financing of capital investment.	(95,559)			95,559
Capital expenditure charged against the General Fund (Direct Revenue Contributions).	(4,781,336)			4,781,336

Adjustment primarily involving the Capital Grants Unapplied Reserve:

Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement.	(1,655,125)		1,655,125	
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2014/15 Comparative Figures	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied Reserve	
	£	£	£	£
Application of grants and capital financing transferred to the Capital Adjustment Account.			(670,892)	670,892
<u>Adjustment primarily involving the Capital Receipts Reserve:</u>				
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement.	(1,932,838)	1,932,838		
Use of Capital Receipts Reserve to finance new capital expenditure.		(1,428,624)		1,428,624
Contribution from the Capital Receipts Reserve towards administrative costs of non-current asset disposal.	0	0		
Contribution from the Capital Receipts Reserve to finance the payment to the Government capital receipts pool.	0	0		
Transfer from the Deferred Capital Receipts Reserve upon receipt of cash.			0	0
<u>Adjustment primarily involving the Deferred Capital Receipts Reserve:</u>				
Transfer of deferred sale proceeds credited as part of the gains/loss on disposal to the Comprehensive Income and Expenditure Statement.	0			0
<u>Adjustments primarily involving the Financial Instruments Adjustment Account:</u>				
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements.	0			0
<u>Adjustments primarily involving the Pension Reserve:</u>				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see Note 38).	780,000			(780,000)
Employer's pensions contributions and direct payments to pensioners payable in the year.	0			0

2014/15 Comparative Figures	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied Reserve	
	£	£	£	£

Adjustments primarily involving the Collection Fund Adjustment Account:

Amount by which council tax income and non-domestic rates income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements.	(210,802)			210,802
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Adjustments primarily involving the Accumulated Absences Account:

Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements.	67,593			(67,593)
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Total Adjustments	(11,192,719)	504,214	984,233	9,704,272
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7. Transfers to/from Earmarked Reserves

This note sets out the amounts set aside from the General Fund Balance in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure in 2015/16.

	Balance at 1 April 2014	Transfers In 2014/15	Transfers Out 2014/15	Balance at 31 March 2015	Transfers In 2015/16	Transfers Out 2015/16	Balance at 31 March 2016
	£	£	£	£	£	£	£
General Fund							
Building Control	8,339	0	(4,650)	3,689	3,631	0	7,320
Business Growth Incentive	28,245	0	(13,517)	14,728	0	(5,304)	9,424
Capital Investment	2,706,870	735,050	(2,427,431)	1,014,489	485,069	(703,378)	796,180
Community Safety (CAB)	30,000	0	(30,000)	0	0	0	0
Elections	78,500	39,250	0	117,750	0	(98,908)	18,842
Investment - I.T. Strategy	396,092	259,388	(256,617)	398,863	183,053	(257,130)	324,786
Land Charges	32,160	15,382	(23,099)	24,443	0	(2,835)	21,608
Leisure Management	237,626	11,344	(127,972)	120,998	129,125	(98,581)	151,542
New Homes Bonus	1,299,800	770,394	(176,166)	1,894,028	760,158	(176,166)	2,478,020
Non-Domestic Rates Equalisation	204,353	338,293	(2,023)	540,623	1,103,659	(204,353)	1,439,929
Performance Reward Initiatives	241,683	0	(136,707)	104,976	0	(55,003)	49,973
Value for Money	515,119	160,571	(98,484)	577,206	83,003	(89,563)	570,646
Vehicle Replacement/ Street Cleansing Maintenance	449,503	198,905	(186,865)	461,543	237,217	(205,889)	492,871
Total	6,228,290	2,528,577	(3,483,531)	5,273,336	2,984,915	(1,897,110)	6,361,141

8. Other Operating Expenditure

2014/15		2015/16
£		£
472,111	Parish council precepts	488,193
26,000	Pension administration costs	27,000
(926,838)	(Gains)/losses on disposal of non-current assets (excl. investment assets)	295,497
(428,727)	Total	810,690

9. Financing and Investment Income and Expenditure

2014/15		2015/16
£		£
100,982	Interest payable and similar charges	68,665
1,256,000	Net interest on defined benefits liability / (asset)	1,202,000
(78,754)	Interest receivable and similar income	(105,784)
(296,612)	Income and Expenditure in relation to Investment properties and changes to their fair value (See Note 13)	(558,672)
981,616	Total	606,209

10. Taxation and Non-Specific Grant Income and Expenditure

2014/15		2015/16
£		£
(6,766,863)	Council Tax income	(6,842,460)
(2,749,594)	Non-domestic rates income and expenditure	(1,958,156)
(5,538,212)	Non-ringfenced government grants (See Note 32)	(5,293,182)
(9,306,031)	Capital grants and contributions (See Note 32)	(16,627,709)
(24,360,700)	Total	(30,721,507)

11. Property, Plant and Equipment**Movements in 2015/16**

	Other Land and Buildings	Vehicles, Plant, Furniture and Equipment	Infrastructure Assets	Community Assets	Assets Under Construction	Surplus Assets	Total Property, Plant and Equipment
	£	£	£	£	£	£	£
Cost or valuation							
B/fwd at 01/04/15	55,343,264	4,451,276	30,813,700	2,125,245	6,371,508	300,000	99,404,993
Additions	1,673,939	318,522	186,261	1,148,917	15,012,827	0	18,340,466
Derecognition – Disposals	(434,697)	0	0	0	0	0	(434,697)
Derecognition – Other	0	0	0	0	0	0	0
Impairments	(1,209,206)	320	(129,296)	(849)	0	0	(1,339,031)
Reclassifications	378,962	(78,962)	0	0	0	(300,000)	0
Reclassified to Held for Sale	0	0	0	0	0	0	0
Revaluations	1,315,727	0	0	0	0	0	1,315,727
Sub-Total	57,067,989	4,691,156	30,870,665	3,273,313	21,384,335	0	117,287,458
Depreciation							
B/fwd at 01/04/15	(13,168,898)	(2,240,911)	(6,162,315)	0	0	(21,300)	(21,593,424)
Charge in year	(1,395,206)	(370,527)	(617,713)	0	0	0	(2,383,446)
Revaluations							
Reclassification	(21,300)	0	0	0	0	21,300	0
C/fwd at 31/03/16	(14,585,404)	(2,611,438)	(6,780,028)	0	0	0	(23,976,870)
Net Book Value at 31/03/16	42,482,585	2,079,718	24,090,637	3,273,313	21,384,335	0	93,310,588

Movements in 2014/15

	Other Land and Buildings	Vehicles, Plant, Furniture and Equipment	Infrastructure Assets	Community Assets	Assets Under Construction	Surplus Assets	Total Property, Plant and Equipment
	£	£	£	£	£	£	£
Cost or valuation							
B/fwd at 01/04/14	46,554,041	4,080,364	30,501,946	878,874	0	573,333	82,588,558
Additions	5,878,435	391,287	335,891	1,253,852	6,371,508	0	14,230,973
Derecognition – Disposals	0	0	0	0	0	0	0
Derecognition – Other	0	0	0	0	0	0	0
Impairments	(506)	(20,375)	(24,137)	(7,525)	0	(624,885)	(677,428)
Reclassifications	(1,384,152)	0	0	2	0	1,384,150	0
Reclassified to Held for Sale	0	0	0	0	0	(420,000)	(420,000)
Revaluations	4,295,446	0	0	42	0	(612,598)	3,682,890
Sub-Total	55,343,264	4,451,276	30,813,700	2,125,245	6,371,508	300,000	99,404,993
Depreciation							
B/fwd at 01/04/14	(11,891,536)	(1,882,401)	(5,553,824)	0	0	(51,667)	(19,379,428)
Charge in year	(1,277,362)	(358,510)	(608,491)	0	0	(21,300)	(2,265,663)
Revaluations	0	0	0	0	0	51,667	51,667
Reclassifications	0	0	0	0	0	0	0
C/fwd at 31/03/15	(13,168,898)	(2,240,911)	(6,162,315)	0	0	(21,300)	(21,593,424)
Net Book Value at 31/03/15	42,174,366	2,210,365	24,651,385	2,125,245	6,371,508	278,700	77,811,569

Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation;

- Other Land and Buildings - up to 80 years.
- Vehicles, Plant, Furniture and Equipment - straight-line allocation over the life of the asset.
- Infrastructure - 50 years.

Commitments on the Capital Programme

The following significant contracts for capital investment have been entered into:

<u>Scheme</u>	<u>Purpose</u>	<u>Approx Value</u> £	<u>Period over which</u> <u>Investment will take</u> <u>place</u>
Rossall Seawall Improvement Works	Improvement to coastal sea defences at Rossall	27,810,300	April '16 - December '17
Mount Grounds	Restoration of Mount Grounds, Fleetwood	310,500	April '16 - July '16
Vehicle Fleet	3 x Compact Sweepers	195,500	April '16
Beach Bungalows	Building 10 beach bungalows at Fleetwood	97,900	April '16 - June '16
Fleetwood Leisure Centre	Sandfilters	51,500	April '16 - June '16

Slippage totalling £518,115 has also been requested in respect of capital schemes and this will therefore fall into future years.

Revaluations

The Authority carries out a rolling programme that ensures that all Property, Plant and Equipment is revalued at least every five years. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. Valuations of vehicles, plant, furniture and equipment are based on current prices where there is an active second-hand market or latest list prices adjusted for the condition of the asset.

The following statement shows the progress of the Authority's rolling programme for the revaluation of Property, Plant and Equipment.

	Other Land and Buildings	Vehicles, Plant, Furniture and Equipment	Infrastructure Assets	Community Assets	Surplus Assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Valued in:						
2011/12	195	0	0	0	0	195
2012/13	696	0	0	0	0	696
2013/14	(94)	0	0	0	0	(94)
2014/15	4,295	0	0	0	(561)	3,734
2015/16	1,316	0	0	0	0	1,316
Total Cost or Valuation	6,408	0	0	0	(561)	5,847

12. Heritage Assets

Movements in 2015/16

	Civic Regalia	Sculptures	Total
	£	£	£
<u>Cost or Valuation</u>			
B/fwd at 01/04/15	93,725	200,000	293,725
Additions	0	0	0
Derecognition – Disposals	0	0	0
Derecognition – Other	0	0	0
Impairments	0	0	0
Reclassifications	0	0	0
Revaluations	0	0	0
Sub-Total	93,725	200,000	293,725
Net Book Value C/fwd at 31/03/16	93,725	200,000	293,725

Movements in 2014/15

	Civic Regalia	Sculptures	Total
	£	£	£
Cost or Valuation			
B/fwd at 01/04/14	50,650	200,000	250,650
Additions			
Derecognition – Disposals	0	0	0
Derecognition – Other	0	0	0
Impairments	0	0	0
Reclassifications	0	0	0
Revaluations	43,075	0	43,075
Sub-Total	43,075	0	43,075
Net Book Value C/fwd at 31/03/15	93,725	200,000	293,725

Depreciation

In accordance with FRS30 and the CIPFA Code of Practice heritage assets are not subject to depreciation.

The Authority's collection of Civic Regalia and the Eros Statue are both reported in the Balance Sheet at the valuation used for insurance purposes which is based on market values and updated periodically.

Information prior to 1 April 2010 is not available for Heritage Assets. The Code of Practice states that this information need not be given for any period before April 2010 where it is not practicable to do so.

13. Investment Property

The following items of income and expense have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement and together with the gain or loss on disposal of investment assets and gain or loss on revaluation total £558,672 at 31 March 2016 as reported in Note 9.

	2014/15	2015/16
	£	£
Rental Income from Investment property	392,499	493,386
Direct operating expenses arising from Investment property	0	0
Net gain/(loss)	392,499	493,386

There are no restrictions on the Authority's ability to realise the value inherent in its investment property or on the Authority's right to the remittance of income and the proceeds of disposal. The Authority has no contractual obligations to purchase, construct or develop investment property or repair, maintain or enhance it.

The following table summarises the movement in the fair value of investment properties over the year.

	2014/15	2015/16
	£	£
Balance B/fwd at start of the year	5,229,087	4,604,944
Additions:		
• Purchases	0	0
• Construction	0	0
• Subsequent expenditure	57,744	95,400
Disposals	(596,400)	0
Net gain/(losses) from fair value adjustments	(85,487)	65,286
Transfers:		
• To/from Property, Plant and Equipment	0	0
Other changes	0	0
Balance C/fwd at end of the year	4,604,944	4,765,630

Fair Value Hierarchy

Inputs to the valuation techniques in respect of the Council's fair value measurement of its assets and liabilities are categorised within the fair value hierarchy as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – unobservable inputs for the asset or liability.

All the Council's investment properties have been value assessed as Level 2 on the fair value hierarchy for valuation purposes.

Valuation Techniques Used to Determine Level 2 Fair Values for Investment Property

The fair value of investment property has been measured using a market approach, which takes into account quoted prices for similar assets in active markets, existing lease terms and rentals, research into market evidence including market rentals and yields, the covenant strength for existing tenants, and data and market knowledge gained in managing the Council's Investment Asset portfolio. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised as level 2 on the fair value hierarchy.

14. Intangible Assets

The Authority accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment. The intangible assets include purchased software licenses.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use and the useful life assigned to software by the Authority is 5 years.

The carrying amount of intangible assets is amortised on a straight-line basis. The amortisation of £68,769 charged to revenue in 2015/16 was charged to the relevant service headings in the Comprehensive Income and Expenditure Statement.

The movement on Intangible Asset balances during the year is as follows:

	2014/15	2015/16
	£	£
Balance at start of the year comprising:		
• Gross carrying amounts	2,302,319	2,364,800
• Accumulated amortisation	(2,173,015)	(2,233,732)
Net carrying amount at start of the year	129,304	131,068
Additions	62,481	59,452
Assets reclassified as held for sale	0	0
Other disposals	0	0
Revaluations increases or decreases	0	0
Impairment losses	0	0
Amortisation for the period	(60,717)	(68,769)
Net carrying amount at end of period	131,068	121,751
Comprising:		
• Gross carrying amounts	2,364,800	2,424,252
• Accumulated amortisation	(2,233,732)	(2,302,501)
	131,068	121,751

15. Financial Instruments

Categories of Financial Instruments

The following categories of financial instrument are carried in the Balance Sheet:

	Long Term		Current	
	31 March 2015	31 March 2016	31 March 2015	31 March 2016
	£	£	£	£
Investments				
Loans and receivables (including short and long term investments and short term deposits Note 18)	19	19	17,072,269	16,366,442
Total Investments	19	19	17,072,269	16,366,442

Short Term Debtors

Financial assets carried at contract amounts	0	0	3,106,933	3,216,641
Total Short Term Debtors	0	0	3,106,933	3,216,641

Borrowings

Financial liabilities at amortised cost	(1,552,000)	(1,552,000)	0	0
Total Borrowings	(1,552,000)	(1,552,000)	0	0

Short Term Creditors

Financial liabilities carried at contract amounts	0	0	(6,824,003)	(7,573,107)
Total Short Term Creditors	0	0	(6,824,003)	(7,573,107)

Income, Expense, Gains and Losses

	2015/16				
	Financial Liabilities measured at amortised cost	Financial Assets Loans and receivables	Financial Assets Available for sale	Assets and Liabilities at Fair Value through Profit and Loss	Total
	£	£	£	£	£
Interest Expense	(68,665)	-	0	-	(68,665)
Total expense in Surplus or Deficit on the Provision of Service	(68,665)	-	0	-	(68,665)
Interest Income	-	105,784	0	-	105,784
Total income in Surplus or Deficit on the Provision of Service	-	105,784	0	-	105,784
Gains on revaluation	-	-	0	-	0
Losses on revaluation	-	-	0	-	0
Amounts recycled to the Surplus or Deficit on the Provision of Services after impairment	-	-	0	-	0
Surplus/Deficit arising on revaluation of financial assets in Other Comprehensive Income and Expenditure	-	-	0	-	0
Net gain/(loss) for the year	(68,665)	105,784	0	-	37,119

	2014/15				
	Financial Liabilities measured at amortised cost	Financial Assets Loans and receivables	Financial Assets Available for sale	Assets and Liabilities at Fair Value through Profit and Loss	Total
	£	£	£	£	£
Interest Expense	(100,982)	-	0	-	(100,982)
Total expense in Surplus or Deficit on the Provision of Service	(100,982)	-	0	-	(100,982)
Interest Income	-	78,754	0	-	78,754
Total income in Surplus or Deficit on the Provision of Service	-	78,754	0	-	78,754
Gains on revaluation	-	-	0	-	0
Losses on revaluation	-	-	0	-	0
Amounts recycled to the Surplus or Deficit on the Provision of Services after impairment	-	-	0	-	0
Surplus/Deficit arising on revaluation of financial assets in Other Comprehensive Income and Expenditure	-	-	0	-	0
Net gain/(loss) for the year	(100,982)	78,754	0	-	(22,228)

Fair Values of Assets and Liabilities

Financial liabilities and financial assets represented by loans and receivables and long term debtors and creditors are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments (Level 2), using the following assumptions:

- the Authority has the choice of adopting either the new borrowing rate or the premature repayment rate as the discount factor for Public Works Loan Board (PWLB) borrowing. Whilst PWLB have indicated that they will be using the premature repayment rates, the authority has chosen to use the new borrowing rate as the Code's Guidance Notes for Practitioners confirms that it is acceptable for either or both valuations to be used.
- no early repayment or impairment is recognised.
- where an instrument will mature in the next 12 months, the carrying amount is assumed to approximate to fair value.
- the fair value of trade and other receivables is taken to be the invoiced or billed amount.

The fair values calculated are as follows:

	31 March 2015		31 March 2016	
	Carrying amount	Fair Value	Carrying amount	Fair Value
	£	£	£	£
Market Debt	0	0	0	0
PWLB Debt (short and long term)	1,552,000	1,991,808	1,552,000	2,025,904
Total Borrowings	1,552,000	1,991,808	1,552,000	2,025,904
Creditors	6,824,003	6,824,003	7,573,107	7,573,107
Total Financial Liabilities	8,376,003	8,815,811	9,125,107	9,599,011

The fair value of the liabilities is greater than the carrying amount in 2015/16 because the Authority's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the prevailing rates at the Balance Sheet date. This shows a notional future loss (based on economic conditions at 31 March 2016) arising from a commitment to pay interest to lenders above current market rates.

	31 March 2015		31 March 2016	
	Carrying amount	Fair Value	Carrying amount	Fair Value
	£	£	£	£
Investments (short term investments and short term deposits Note 18)	17,072,269	17,075,672	16,366,442	16,373,793
Long Term Debtors	0	0	0	0
Debtors	3,106,933	3,106,933	3,216,641	3,216,641
Total Loans and Receivables	20,179,202	20,182,605	19,583,083	19,590,434

The fair value of the loans and receivables is greater than the carrying amount in 2015/16 because the Authority's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans in the market at the balance sheet date. This shows a notional future gain (based on economic conditions at 31 March 2016) attributable to the commitment to receive interest above current market rates.

16. Inventories

2014/15	Analysis	2015/16
£		£
	Consumable Stores:	
63,826	Balance at 1 April	45,883
407,913	Purchases	404,083
(425,856)	Recognised as an expense in the year	(384,849)
0	Written (off)/on balances	0
0	Reversal of write-offs in previous years	0
45,883	Balance at 31 March	65,117

There was no work in progress at 31 March 2016.

17. Short Term Debtors

2014/15	Analysis	2015/16
£		£
	Amounts falling due in one year:	
576,194	Central Government Bodies	894,897
378,528	Other Local Authorities	505,092
100,148	NHS Bodies	9,500
0	Public Corporations	0
2,052,063	Other Entities and Individuals	1,807,152
3,106,933	Total	3,216,641

18. Cash and Cash Equivalents

2014/15	Analysis	2015/16
£		£
2,214	Cash held by the Authority	2,634
223,428	Bank current accounts	0
0	Bank overdrafts	(180,874)
16,512,269	Short term deposits	16,366,442
16,737,911	Total	16,188,202

19. Assets Held for Sale

2014/15	Analysis	2015/16
£		£
0	Balance outstanding at start of year	0
	Assets newly classified as held for sale:	
420,000	Property, Plant and Equipment	0
0	Intangible Assets	0
0	Other assets/liabilities in disposal groups	0
(420,000)	Assets sold	0
0	Balance outstanding at year-end	0

20. Short Term Creditors

2014/15	Analysis	2015/16
£		£
(2,159,757)	Central Government Bodies	(1,503,706)
(1,013,772)	Other Local Authorities	(684,258)
(222,976)	NHS Bodies	(221,389)
0	Public Corporations	0
(3,427,498)	Other Entities and Individuals	(5,163,754)
(6,824,003)	Total	(7,573,107)

21. Provisions

Changes to the Business rates system came into force with effect from 1st April 2013 under the Localism Act. The Authority, County Council and Combined Fire Authority now retain 50% of rates collected, and also assume responsibility for 50% of any losses due to appeals. The process for lodging and processing appeals is beyond the control of the Authority, and reductions can be backdated. The Business Rates provision is to cover the backdating of appeals lodged, but not yet heard.

2014/15	Analysis	2015/16
£		£
(447,235)	Balance at 1 April 2015	(772,035)
(324,800)	Additional Provisions made 2015/16	(476,728)
0	Amounts used in 2015/16	0
<u>(772,035)</u>	Balance at 31 March 2016	<u>(1,248,763)</u>

22. Usable Reserves

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement at page 25.

2014/15	Analysis	2015/16
£		£
6,463,992	General Fund	8,022,011
5,273,336	Earmarked Reserves	6,361,141
504,214	Capital Receipts Reserve	251,474
1,002,863	Capital Grants Unapplied Reserve	634,326
<u>13,244,405</u>	Total	<u>15,268,952</u>

23. Unusable Reserves

2014/15	Analysis	2015/16
£		£
12,073,682	Revaluation Reserve	12,847,690
59,027,950	Capital Adjustment Account	73,999,888
(38,663,000)	Pensions Reserve	(33,212,000)
434,533	Collection Fund Adjustment Account	(1,404,474)
(175,793)	Accumulated Absences Account	(142,428)
<u>32,697,372</u>	Total	<u>52,088,676</u>

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost.
- used in the provision of services and the gains are consumed through depreciation, or
- disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2014/15		2015/16
£		£
8,774,441	Balance at 1 April	12,073,682
4,602,634	Upward revaluation of assets	2,399,904
(825,002)	Downward revaluation of assets and impairment losses not charged to the Surplus or (Deficit) on the Provision of Services	(1,084,177)
<u>3,777,632</u>	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or (Deficit) on the Provision of Services	<u>1,315,727</u>
(412,177)	Difference between fair value depreciation and historic cost depreciation	(445,134)
(66,214)	Accumulated gains on assets sold or scrapped	(96,585)
<u>(478,391)</u>	Amounts written off to the Capital Adjustment Account	<u>(541,719)</u>
<u>12,073,682</u>	Balance at 31 March	<u>12,847,690</u>

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or additions to those assets under statutory provisions. The Account is debited with costs such as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and subsequent costs.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Authority.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 6 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

2014/15		2015/16
£		£
48,208,496	Balance at 1 April	59,027,950
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
(2,943,091)	• Charges for depreciation and impairment of non-current assets	(3,722,478)
0	• Revaluation losses on Property, Plant and Equipment	0
(60,717)	• Amortisation of intangible assets	(68,769)
(976,670)	• Revenue expenditure funded from capital under statute	(957,313)
(1,016,400)	• Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(338,112)
<u>(4,996,878)</u>		<u>(5,086,672)</u>
478,391	Adjusting amounts written out of the Revaluation Reserve	445,134
<u>(4,518,487)</u>	Net written out amount of the cost of non-current assets consumed in the year	<u>(4,641,538)</u>
	Capital financing applied in the year:	
1,428,624	• Use of the Capital Receipts Reserve to finance new capital expenditure	391,940
8,447,017	• Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	16,792,355
670,892	• Application of grants to capital financing from the Capital Grants Unapplied Reserve	1,160,147
95,559	• Statutory provision for the financing of capital investment charged against the General Fund	95,559
4,781,336	• Capital expenditure charged against the General Fund	1,108,189
<u>15,423,428</u>		<u>19,548,190</u>
(85,487)	Movements in the market value of Investment Properties debited or credited to the Comprehensive Income and Expenditure Statement	65,286
0	Movement in the Donated Assets Account credited to the Comprehensive Income and Expenditure Statement	0
<u>59,027,950</u>	Balance at 31 March	<u>73,999,888</u>

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Authority makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2014/15 £		2015/16 £
(29,480,000)	Balance at 1 April	(38,663,000)
(8,403,000)	Remeasurement of the net defined benefit liability / (asset)	6,496,000
(780,000)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(1,045,000)
0	Employer's pensions contributions and direct payments to pensioners payable in the year	0
<u>(38,663,000)</u>	Balance at 31 March	<u>(33,212,000)</u>

Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax and non-domestic rates income in the Comprehensive Income and Expenditure Statement as it falls due from council tax payers and business rates payers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

2014/15 £		2015/16 £
223,731	Balance at 1 April	434,533
210,802	Amount by which council tax and non-domestic rates income credited to the Comprehensive Income and Expenditure Statement is different from council tax and non-domestic rates income calculated for the year in accordance with statutory requirements	(1,839,007)
<u>434,533</u>	Balance at 31 March	<u>(1,404,474)</u>

Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

2014/15		2015/16
£		£
(108,200)	Balance at 1 April	(175,793)
108,200	Settlement or cancellation of accrual made at the end of the preceding year	175,793
(175,793)	Amounts accrued at the end of the current year	(142,428)
(67,593)	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	33,365
(175,793)	Balance at 31 March	(142,428)

24. Cash Flow Statement – Operating Activities

The cash flows for operating activities include the following items:

2014/15		2015/16
£		£
(78,754)	Interest received	(105,784)
100,982	Interest paid	68,665
0	Dividends received	0
22,228	Total	37,119

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements

2014/15		2015/16
£		£
2,265,663	Depreciation	2,383,446
677,428	Impairment and downward valuations	1,339,031
60,717	Amortisation	68,769
0	Increase / (decrease) in impairment of bad debts	0
*(18,837)	Increase / (decrease) in creditors	2,048,411
(467,561)	(Increase) / decrease in debtors	(109,708)
17,943	(Increase) / decrease in inventories	(19,234)
780,000	Movement in pension liability (Retirement benefits)	1,045,000
1,016,400	Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	434,697
410,287	Movement in Investment Property values (Net gain/losses from fair value adjustments) and Provisions	411,442
4,742,040	Total	7,601,854

* Figure restated to reflect adjustment to NNDR creditor to Preceptors and Central Government.

The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities.

2014/15 £		2015/16 £
0	Proceeds from short term (not considered to be cash equivalents) and long term investments	560,000
(1,932,838)	Proceeds from the sale of property plant and equipment, investment property and intangible assets	(139,200)
(10,102,142)	Capital Grants credited to surplus or deficit on the provision of services	(17,583,965)
<u>(12,034,980)</u>	Total	<u>(17,163,165)</u>

25. Cash Flow Statement – Investing Activities

2014/15 £		2015/16 £
(13,213,223)	Purchase of property, plant and equipment, investment property and intangible assets	(19,480,632)
(560,000)	Purchase of short term and long term investments	0
0	Other payments for investing activities	0
1,932,838	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	139,200
0	Proceeds from short term and long term investments	0
16,265,813	Other receipts from investing activities	15,058,707
<u>4,425,428</u>	Total	<u>(4,282,725)</u>

26. Cash Flow Statement – Financing Activities

2014/15 £		2015/16 £
0	Cash receipts of short and long term borrowing	0
0	Other receipts from financing activities	0
0	Cash payments for the reduction of the outstanding liabilities relating to finance leases and on-balance sheet PFI contracts	0
(3,687)	Repayments and Receipts from short and long term borrowing	4,196
*2,180,860	Billing Authorities - Council Tax and NNDR adjustments	(313,993)
0	Other payments for financing activities	0
<u>2,177,173</u>	Total	<u>(309,797)</u>

* Figure restated to reflect adjustment to NNDR creditor to Preceptors and Central Government.

27. Trading Operations

In accordance with the Service Reporting Code of Practice (SeRCOP) trading services or undertakings with the public or with third parties includes, amongst other categories, catering undertakings, industrial units and markets.

The aim of this note to the accounts reflects considerations of stewardship in that where the authority is trading and taking commercial risks then there should be assurance that the authority is not exposing itself unreasonably to loss.

Where trading accounts are an integral part of the total cost of particular services they should be fully consolidated into the total cost of that service and this is the case for those services listed below. Some are an integral part of the Authority's services to the public such as the operation of Fleetwood Market or the letting of industrial units and others are support services such as the bar facility at the Marine Hall.

2014/15			2015/16			
Income	Total Expenditure	(Surplus) / Deficit		Income	Total Expenditure	(Surplus) / Deficit
£	£	£		£	£	£
			Trading Operations			
(65,786)	96,290	30,504	Catering	(64,116)	92,970	28,854
(472,971)	475,461	2,490	Industrial Sites	(473,922)	505,838	31,916
(22,385)	12,280	(10,105)	Poulton Market	(27,035)	13,817	(13,218)
(612,558)	433,571	(178,987)	Fleetwood Market	(575,884)	628,019	52,135
(1,173,700)	1,017,602	(156,098)	TOTAL	(1,140,957)	1,240,644	99,687

28. Agency Services

The Highways Partnership agency arrangement was terminated at the end of June 2006, with Lancashire County Council assuming direct responsibility for the delivery of highway related functions from 1 July 2006. There remains a residual agreement in place which covers the maintenance of highway verges and roundabouts, weed control, leaf sweeping, tree maintenance and the management of Public Rights of Way. Total reimbursement in 2015/16 was £72,413 (2014/15 £78,861). The above sums are not included in the Comprehensive Income and Expenditure Statement.

29. Members' Allowances

The Authority's Members' Allowance Scheme is based on recommendations from an Independent Remuneration Panel. Basic Allowance is an annual sum payable to all Members and a Special Responsibility Allowance is paid to certain Members with specific additional responsibilities. The total of the payments made in 2015/16 was £312,710 (2014/15 £308,094). In addition £6,293 (2014/15 £6,503) was paid to cover Members' Travel and Subsistence. Claims paid for Dependants' Carers' Allowances in 2015/16 totalled £192 (2014/15 £0).

30. Officers' Remuneration

Statutory provisions exclude senior employees whose remuneration is disclosed within the accounts from being included in the table below. However, the authority has decided to include them in the banding note in the interest of transparency.

The number of employees whose remuneration including reimbursement for election work and redundancy payments but excluding employer's pension contributions, was £50,000 or more in bands of £5,000 were:

Remuneration Bands	2014/15 Number of Employees	2015/16 Number of Employees
£50,000 - £54,999	1	1
£55,000 - £59,999	-	-
£60,000 - £64,999	-	-
£65,000 - £69,999	-	-
£70,000 - £74,999	-	-
£75,000 - £79,999	2	-
£80,000 - £84,999	-	-
£85,000 - £89,999	-	-
£90,000 - £94,999	-	-
£95,000 - £99,999	1	-
£100,000 - £104,999	-	1
£105,000 - £109,999	-	-
£110,000 - £114,999	-	1
£115,000 - £119,999	-	-
£120,000 - £124,999	-	1

Senior employees whose salary is £50,000 or more per year but less than £150,000, are required to be listed individually by way of job title. Persons whose salary is £150,000 or more per year must be identified by name. The Authority has no employees with a salary greater than £150,000.

2015/16 Senior Officers' emoluments-Salary is between £50,000 and £150,000 per year						
Post holder information (Post title)	Year	Salary (Including fees and Allowances) £	Expenses Allowances £	Compensation for loss of office (Redundancy payments) £	Pension contributions (Incl. strain / augmented costs) £	Total Remuneration £
Chief Executive	2015/16	103,076	765	0	13,589	117,430
	2014/15	95,704	567	0	12,453	108,724
Corporate Director People and Places	2015/16	81,917	55	40,008	228,940	350,920
	2014/15	76,674	253	0	10,430	87,357
Corporate Director of Resources	2015/16	78,213	337	34,822	10,585	123,957
	2014/15	76,686	200	0	10,430	87,316

31. External Audit Costs

The Authority incurred the following fees relating to external audit and inspection:

2014/15 £	Audit Fee Type	2015/16 £
57,407	Fees payable to KPMG with regard to external audit services carried out by the appointed auditor.	49,472
2,300	Fees payable to the Audit Commission in respect of the National Fraud Initiative	0
0	Fees payable in respect of other services provided by KPMG	0
9,240	Fees payable to KPMG for the certification of grant claims and returns	5,676
68,947	Total	55,148

32. Grant Income

The Authority credited the following grants to the Taxation and Non-Specific Grant Income line in the Comprehensive Income and Expenditure Statement:

	2014/15	2015/16
	£	£
Non-ringfenced Government Grants		
Revenue Support Grant	3,467,744	2,455,974
Council Tax Freeze Grant	72,037	72,607
New Homes Bonus	1,203,464	1,823,719
NNDR Section 31 Grant	794,967	940,882
	5,538,212	5,293,182
Capital Grants and Contributions		
Clinical Commissioning Group	149,059	940
Contribution from a Local Benefactor	1,000,000	0
Heritage Lottery	996,536	564,334
DCLG Coastal Communities Fund	379,653	1,006,933
Environment Agency	6,595,522	14,978,584
S106 Contributions	75,257	0
Other Contributions	110,004	76,918
	9,306,031	16,627,709

The Authority has received a number of capital grants and contributions that have yet to be recognised as income as they have conditions attached to them that may require monies to be returned to the awarding body. The balance at year-end is £7,009,519 and has been recognised in the Balance Sheet as Capital Grants Received in Advance.

33. Related Parties

The Authority is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority. Related parties include:

- Central Government
- Members
- Officers
- Other Public Bodies
- Entities Controlled or Significantly Influenced by the Authority

Central Government

Central government has significant influence over the general operations of the Authority – it is responsible for providing the statutory framework within which the Authority operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Authority has with other parties (e.g. council tax bills, housing benefits). Grants received from Government departments are set out in Note 10 with Note 32 providing a further analysis.

Members

The council maintains a register of all members' disclosable pecuniary interests. Within 28 days of election, Councillors are legally required to inform the council's Monitoring Officer of any pecuniary interests they have. If a Councillor is present at a meeting of the authority, or any committee, subcommittee, joint committee or joint subcommittee of the authority, and has a disclosable pecuniary interest then, if that interest is not registered they must disclose that interest to the meeting and notify the Council's Monitoring Officer to have that interest added to the register of interests.

The register of members' interests is open to public inspection as required by Section 29 of the Localism Act 2011. Copies of the Registration of Interest Forms completed by members are also available to view on the council's website. Where a member has a disclosable pecuniary interest they are precluded from taking part in meetings or decisions related to their previously disclosed interest, unless an appropriate dispensation has been granted.

In respect of 2015/16 financial year a number of council members had a controlling interest in a company, partnership, trust or equity. The controlling interest was by way of ownership, or as a director, trustee, governor or partner of an organisation. The existence of the procedures described above ensures that the council is able to both identify where a member has an interest, and take action to ensure that there is no participation in any decisions relevant to their interest. All major decisions are available for public scrutiny and challenge as part of the council's constitutional arrangements.

Members of the Council have direct control over the Council's financial and operating policies. The total of members' allowances paid in 2015/16 is shown in Note 29. During 2015/16, some Councillors of Wyre Borough acted in a number of other capacities for related parties, namely being either employed by other local organisations or serving on the management boards of companies, schools and voluntary bodies.

There are two transactions to disclose in 2015/16 relating to payments of £441.25 to Pams Kitchen for catering provided at two events hosted at the Civic Centre, in which Councillor Murphy has an interest and £604.80 to Poulton Press Printers for printing Council business cards and programmes and tickets for a local festival, in which Councillor Henderson has an interest. These are recorded in the register of Members' interests.

Officers

There are no material transactions to disclose in respect of officers.

Other Public bodies

The following transactions involving related parties to the Council are disclosed elsewhere within the accounts:

- Payments to the Local Government Pension Scheme – see Note 38.
- Precepts in relation to Lancashire County Council, the Police and Crime Commissioner for Lancashire and Lancashire Combined Fire Authority – see the Collection Fund Account and Notes to the Collection Fund.

Entities Controlled or Significantly Influenced by the Authority

The Authority does not have any control or significant influence on any other entity.

34. Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Authority, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed.

	2014/15	2015/16
	£	£
Opening Capital Financing Requirement	2,330,695	2,235,136
Capital Investment;		
Property, Plant and Equipment*	14,230,974	18,340,466
Investment Property*	57,744	95,400
Intangible Assets*	62,481	59,452
Revenue Expenditure Funded from Capital under Statute	976,670	957,313
Sources of Finance;		
Capital Receipts	(1,428,624)	(391,940)
Government grants and other contributions	(9,117,909)	(17,952,502)
Sums set aside from Revenue;		
Direct revenue contributions	(4,781,336)	(1,108,189)
Minimum Revenue Provision	(95,559)	(95,559)
Closing Capital Financing Requirement	2,235,136	2,139,577
Explanation of movement in the year;		
Increase in underlying need to borrow (unsupported by government financial assistance)	0	0
Minimum Revenue Provision set aside to repay debt	(95,559)	(95,559)
Increase / (decrease) in Capital financing Requirement	(95,559)	(95,559)

* These figures match to the Additions lines in the notes detailing movements on the non-current asset balances.

35. Leases

The Authority as a lessee has no Operating or Finance leases and no un-discharged obligations for future years.

36. Impairment Losses

During 2015/16 the Authority has recognised impairment losses of £1,339,031. These relate to revaluations of Property, Plant and Equipment which includes non-enhancing capital expenditure (see Note 11).

37. Termination Benefits

The Authority terminated the contracts of 8 employees in 2015/16 (14 employees in 2014/15), incurring liabilities of £349,301 (£149,587 in 2014/15), who left the Authority following a review of service delivery arrangements. The 2014/15 figure includes an overprovision of £33 in respect of 2013/14.

The number of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below.

Exit package cost band (including special payments)	Number of compulsory redundancies (a)		Number of other departures agreed (b)		Total number of exit packages by cost band (a) + (b)		Total cost of exit packages in each band	
	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16
							£	
£0 - £20,000	4	2	8	3	12	5	84,232	28,310
£20,001 - £40,000	0	0	2	2	2	2	65,388	62,629
£40,001 - £60,000	0	0	0	0	0	0	0	0
£60,001 - £80,000	0	0	0	0	0	0	0	0
£80,001 - £100,000	0	0	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
Over £150,000	0	0	0	1	0	1	0	258,362
Total	4	2	10	6	14	8	149,620	349,301

38. Defined Benefit Pension Scheme

The Authority participates in one post-employment scheme, the Local Government Pension Scheme, administered by Lancashire County Council. This is a funded scheme, meaning that the Authority and employees pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. In 2015/16 the employer's contribution rate was 13.7% plus a deficit recovery contribution of £796,300, an equated rate of 25.6%. This rate was determined following the 2013 triennial actuarial review of the Pension Fund, which impacts in the 2014/15, 2015/16 and 2016/17 financial years.

The award of discretionary post-retirement benefits upon early retirement is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due.

The Lancashire County Council pension scheme is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the pensions committee of Lancashire County Council. Policy is determined in accordance with the Pension Fund Regulations. The investment managers of the fund are appointed by the committee.

The principal risks to the Authority of the scheme are longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund the amounts required by statute as described in the accounting policy note.

The Authority recognises the cost of retirement benefits in the Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge the Authority is required to make against council tax is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

2014/15 £'000	Local Government Pension Scheme	2015/16 £'000
Comprehensive Income and Expenditure Statement		
Cost of Services		
Service cost comprising:		
1,337	- Current Service Cost	1,717
0	- Past Service Cost	0
101	- (Gain)/Loss from Settlements and Curtailments	274
Other Operating Expenditure		
26	- Administration Expenses	27
Financing and Investment Income and Expenditure		
1,256	- Net Interest Expense	1,202
2,720	Total Post-employment Benefits charged to the Surplus or Deficit on the Provision of Services	3,220
Other Post-employment Benefits charged to the Comprehensive Income and Expenditure Statement		
Remeasurement of the net defined benefit liability comprising:		
(5,225)	- Return on plan assets (excluding amount included in the net interest expense)	(1,139)
0	- Actuarial gains and losses arising on changes in demographic assumptions	
13,628	- Actuarial gains and losses arising on changes in financial assumptions	(5,357)
0	- Other	
8,403	Total Remeasurements charged to Other Comprehensive Income and Expenditure	(6,496)
11,123	Total Post-employment Benefits charged to the Comprehensive Income and Expenditure Statement	(3,276)
Movement in Reserves Statement		
(780)	- Reversal of net changes made to the surplus or deficit on the provision of services for the post-employment benefits in accordance with the Code	(1,045)
Actual amount charged against the General Fund Balance for pensions in the year		
1,940	- Employer's contributions payable to scheme	2,175

Pension Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Authority's obligation in respect of its defined benefit plans is as follows:

	2014/15	2015/16
	£'000	£'000
Fair value of plan assets	70,802	72,653
Present value of the defined benefit obligation	(109,465)	(105,865)
Net liability arising from defined benefit obligation	(38,663)	(33,212)

Reconciliation of the Movement in the Fair Value of Scheme (Plan) Assets

Reconciliation of fair value of the scheme assets

	2014/15	2015/16
	£'000	£'000
Opening fair value of scheme assets	64,063	70,802
Interest income	2,791	2,242
Remeasurements gain and (loss):		
- The return on plan assets, excluding the amount included in the net interest expense	5,225	1,139
Other Operating Expenditure - Administration	(26)	(27)
Contributions from Employer	1,940	2,175
Contributions from Employees	430	436
Benefits Paid	(3,621)	(4,114)
Closing fair value of scheme assets	70,802	72,653

Reconciliation of present value of the scheme liabilities

	2014/15	2015/16
	£'000	£'000
Opening balance at 1 April	(93,543)	(109,465)
Current Service Cost	(1,337)	(1,717)
Interest Cost	(4,047)	(3,444)
Contribution by Scheme Participants	(430)	(436)
Remeasurements gain and (loss):		
- Actuarial gains/losses arising from changes in demographic assumptions	0	0
- Actuarial gains/losses arising from changes in financial assumptions	(13,628)	5,357
- Other	0	0
Past Service Cost	0	0
Curtailments	(101)	(274)
Benefits Paid	3,621	4,114
Settlements	0	0
Closing balance at 31 March	(109,465)	(105,865)

The liabilities show the underlying commitments that the Authority has in the long-run to pay retirement benefits. The net liability of £33,212,000 has a substantial impact on the net worth of the Authority as recorded in the Balance Sheet. However, statutory arrangements for funding the deficit mean that the financial position of the Authority remains healthy as the deficit on the Scheme will be made good by increased contributions over the remaining working life of employees, as assessed by the Scheme Actuary.

Local Government Pension Scheme assets comprised:

	2014/15	2015/16
	£'000	£,000
Cash		
- Cash and cash equivalents	3,430	2,455
- Net Current Assets	0	43
Sub-total cash	3,430	2,498
Equity instruments:		
By industry type		
- Consumer	7,827	7,893
- Manufacturing	4,357	4,048
- Energy and utilities	1,584	1,517
- Financial institutions	4,195	4,407
- Health and care	2,406	2,636
- Information technology	4,002	4,471
Miscellaneous/Unclassified	0	0
Sub-total equity	24,371	24,972
Bonds:		
By sector		
- Corporate	983	1,480
- Government	2,222	1,460
Sub-total bonds	3,205	2,940
Property:		
By type		
- Retail	2,879	2,489
- Commercial	3,788	4,495
- Residential	0	0
Sub-total property	6,667	6,984
Private equity:		
- UK	1,776	1,185
- Overseas	2,516	3,190
Sub-total private equity	4,292	4,375
Other investment funds:		
- Infrastructure	3,940	5,805
- Indirect property funds	519	1,003
- Credit funds	18,241	18,282
- Emerging Markets ETF	0	0
- UK Pooled equity funds	0	0
- Overseas Pooled equity funds	6,137	5,794
Sub-total other investment funds	28,837	30,884
Total Assets	70,802	72,653

Basis for Estimating Assets and Liabilities

Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Mercers Limited, an independent firm of actuaries, estimates for the fund being based on the latest full valuation of the scheme as at 31 March 2013.

The significant assumptions used by the actuary have been:

	2014/15	2015/16
Mortality assumptions		
Longevity at 65 for current pensioners		
Men	22.9 years	23.0 years
Women	25.4 years	25.6 years
Longevity at 65 for future pensioners		
Men	25.1 years	25.2 years
Women	27.8 years	27.9 years
Rate of CPI inflation	2.0%	2.0%
Rate of increase in salaries	*3.5%	3.5%
Rate of increase in pensions	2.0%	2.0%
Rate for discounting scheme liabilities	3.2%	3.5%

(*An adjustment has been made for short term pay restraint in line with the most recent actuarial valuation.)

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions as set out above.

The sensitivity analysis below have been determined based on reasonably possible changes to the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases for men and women. In practice this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit cost method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Sensitivity Analysis - Impact on the Defined Benefit liabilities obligation in the Scheme

	Approximate Increase / (Decrease)	
	2014/15	2015/16
	£'000	£'000
1 year increase in members life expectancy	2,188	2,117
0.1% increase in Discount Rate	(1,791)	(1,732)
0.1% increase in the Salary Increase Rate	334	324
0.1% increase in the Pension Increase Rate	1,820	1,761

Impact on the Authority's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The County Council has agreed a strategy with the scheme's actuary to achieve a funding level of 100%. The maximum deficit recovery period for the Fund has been set as 19 years. Funding levels are monitored on an annual basis. Following the 2013 valuation, the next triennial valuation is due to be completed 31 March 2016.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the act, the Local Government Pension Scheme in England and Wales and other main existing public service schemes may not provide benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made

within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits.

The Actuary anticipates that the Authority will pay £1.971m contributions to the scheme in 2016/17.

The weighted average duration of the defined benefit obligation for scheme members in 2015/16 is 17 years (17 years in 2014/15).

39. Contingent Liabilities

APPS Costs Dispute

A group of Property Search Companies sought to claim refunds of fees paid to the Council to access land charges data. The parties have reached agreement on the claims. The Council has agreed to pay the property search companies legal costs to be subject to detailed assessment by way of costs only proceedings if not agreed. The Council is in discussions with the claimants about the costs aspect of the claim. At present it is not possible to put a final value on these potential liabilities and so the Council has instead recognised a contingent liability.

40. Nature and Extent of Risks arising from Financial Instruments

The Authority's activities expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due to the Authority.
- Liquidity risk – the possibility that the Authority might not have funds available to meet its commitments to make payments.
- Market risk - the possibility that financial loss might arise for the Authority as a result of changes in such measures as interest rates movements.

The Authority's overall risk management procedures focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the resources available to fund services. The Treasury Management Practices are agreed annually by the Cabinet in March and the Treasury Management and Annual Investment Strategy is approved annually by Council in April.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Authority's customers. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria and limits approved by Council.

The following analysis summarises the Authority's potential maximum exposure to credit risk, based on experience of default assessed by the ratings agencies and the Authority's experience of its customer collection levels over the last three financial years, adjusted to reflect current market conditions.

	31/03/2016	Historical experience of default	Adjustment for market conditions at 31/03/16	Estimated maximum exposure to default
	£'000	%	%	£'000
	a	b	c	a x c
Deposits with banks and financial institutions (market value):				
High rated counterparties	16,366	0.0	0.0	0
Trade debtors (o/s Sundry Debtors at 31/03/16)	818	0.5	4.0	33
	17,184			33

No credit limits were exceeded during the reporting period and the authority does not expect any losses from non-performance by any of its counterparties in relation to deposits.

The Authority does not generally allow credit for its trade debtors. Of the £818,005 outstanding for trade debtors, £660,786 is overdue. The overdue amount can be analysed by age as follows:

	2015/16
	£'000
Less than three months	240
Three months to one year	316
More than one year	105
	661

Liquidity Risk

The Authority has ready access to borrowings from the Money Markets to cover any day to day cash flow need, and the PWLB provides access to longer term funds. There is therefore no significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

The Authority manages its liquidity position through the risk management procedures above (the setting and approval of prudential indicators and the approval of the treasury and investment strategy reports), as well as through cash flow management procedures required by the Code.

The Authority sets limits on the proportion of its fixed rate borrowing during specified periods.

The maturity analysis of financial liabilities is as follows:

	2015/16
	£'000
Less than one year (short term creditors and short term borrowing)	7,573
Between one and two years	0
Between two and five years	0
Between five and ten years	0
More than ten years (long term borrowing)	1,552
	9,125

Market Risk

Interest rate risk - The Authority is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the authority. For instance, a rise in interest rates would have the following effects:

- borrowings at variable rates – the interest expense charged to the Surplus or Deficit on the Provision of Services will rise.
- borrowings at fixed rates – the fair value of the liabilities borrowings will fall.
- investments at variable rates – the interest income credited to the Surplus or Deficit on the Provision of Services will rise.
- investments at fixed rates – the fair value of the assets will fall.

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in Other Comprehensive Income and Expenditure.

The Authority has a number of strategies for managing interest rate risk. The Annual Treasury Management Strategy draws together the Authority's prudential indicators and its expected treasury operations, including an expectation of interest rate movements. From this Strategy a prudential indicator is set which provides maximum and minimum limits for fixed and variable interest rate exposure. The in-house treasury team will monitor the market and forecast interest rates within the year to adjust exposures appropriately. For instance, during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long term returns.

Price risk - The Authority is not responsible for administering the pension fund and therefore does not invest in instruments with this type of risk.

Foreign exchange risk - The Authority has no financial assets or liabilities denominated in foreign currencies. It therefore has no exposure to loss arising from movements in exchange rates.

COLLECTION FUND ACCOUNT

Foreword

1. The Collection Fund is a statement that reflects the statutory requirement contained in section 89 of the Local Government Finance Act 1988 (as amended by the Local Government Finance Act 1992) for billing authorities to establish and maintain a separate fund for the collection and distribution of amounts due in respect of council tax and national non-domestic rates (NNDR).

2014/15			Notes	2015/16		
Business Rates	Council Tax			Business Rates	Council Tax	Total
£	£		£	£	£	
INCOME:						
-	(53,426,843)	Council Tax Receivable	1	-	(55,023,287)	(55,023,287)
-	(2,921)	Council Tax Annex Grant		-	-	-
(27,035,290)	-	Business Rates Receivable	2	(25,397,353)	-	(25,397,353)
(50,467)	-	Transitional Protection Payment		-	-	-
(0)	(0)	Contributions to previous year's Collection Fund deficit		(0)	(0)	(0)
(27,085,757)	(53,429,764)	TOTAL INCOME		(25,397,353)	(55,023,287)	(80,420,640)
EXPENDITURE:						
12,736,639	-	Precepts, Demands and Share - Central Government		13,237,798	-	13,237,798
2,292,595	37,792,057	- Lancashire County Council		2,382,804	39,077,847	41,460,651
-	5,320,788	- Police and Crime Commissioner for Lancashire		-	5,501,710	5,501,710
254,733	2,171,509	- Lancashire Combined Fire Authority		264,756	2,243,436	2,508,192
10,189,311	6,618,514	- Wyre Borough Council		10,590,239	6,719,729	17,309,968
25,473,278	51,902,868			26,475,597	53,542,722	80,018,319
207,109	133,340	Charges to Collection Fund - Less Write offs of uncollectable amounts		108,041	218,852	326,893
9,097	225,182	- Less: Increase / (Decrease) in Bad Debt Provisions		297,448	284,368	581,816
812,000	-	- Less: Increase / (Decrease) in Provisions for Appeals		1,191,820	-	1,191,820
154,288	-	- Costs of Collection Allowance		153,550	-	153,550
-	-	- Transitional Protection Payments due for the year to				
-	-	Central Government		927,356	-	927,356
-	-	- Interest on Refunds		1,299	-	1,299
1,182,494	358,522			2,679,514	503,220	3,182,734
23,200	781,794	Contributions - To previous year's Collection Fund surplus	3	769,278	1,183,554	1,952,832
26,678,972	53,043,184	TOTAL EXPENDITURE		29,924,389	55,229,496	85,153,885
(406,785)	(386,580)	(Surplus) / Deficit arising during the year		4,527,036	206,209	4,733,245
(305,210)	(787,506)	(Surplus) / Deficit B/fwd as at 1 April		(711,995)	(1,174,086)	(1,886,081)
(711,995)	(1,174,086)	(Surplus) / Deficit C/fwd as at 31 March	4	3,815,041	(967,877)	2,847,164

NOTES TO THE COLLECTION FUND

1. Council Tax

The Council Tax base for 2015/16 was calculated at 34,588.90 and a Band D Council Tax set at £1,533.86. The tax base was calculated as follows:

	Total No. of Chargeable Dwellings	**Relevant Amount
Additional Band	29	15.28
Band A	11,459	6,571.66
Band B	11,583	8,019.89
Band C	12,022	9,705.90
Band D	7,194	6,663.00
Band E	4,671	5,385.93
Band F	2,274	3,101.13
Band G	978	1,555.03
Band H	56	106.00
	50,266	41,123.82
Less Council Tax Reduction		(5,829.02)
		35,294.80
	Collection Rate 98% = Relevant Amount x 0.98	<u>34,588.90</u>

** Total number of chargeable dwellings adjusted where discounts apply and converted to an equivalent number of Band D dwellings.

2. Income from Business Ratepayers

The total non-domestic rateable value at 31 March 2016 was £69,085,899. The Government set a National Non-domestic multiplier (rate in the pound) of 49.3 pence for 2015/16 and a Small Business non-domestic multiplier of 48.0 pence. This rateable value figure is different from the figure in the accounts due to various relief awards.

3. Distribution of Collection Fund prior year Balance

2014/15		2014/15		2015/16		
Business Rates	Council Tax	Business Rates	Council Tax	Total		
£	£	£	£	£		
Attributable to Central Government and other Local Authorities as follows:						
11,600	-	384,639	-	384,639	Central Government	
2,088	568,230	69,235	861,782	931,017	Lancashire County Council	
-	80,003	-	121,331	121,331	Police and Crime Commissioner for Lancashire	
232	33,300	7,693	49,517	57,210	Lancashire Combined Fire Authority	
9,280	100,261	307,711	150,924	458,635	Wyre Borough Council	
23,200	781,794	769,278	1,183,554	1,952,832		

4. Closing (Surplus) / Deficit Balance on the Collection Fund

2014/15		2015/16		
Business Rates	Council Tax	Business Rates	Council Tax	Total
£	£	£	£	£
		Attributable to Central Government and other Local Authorities as follows:		
(355,997)	-	1,907,521	-	1,907,521
(64,080)	(854,872)	343,353	(705,939)	(362,586)
-	(120,358)	-	(99,686)	(99,686)
(7,120)	(49,121)	38,151	(40,710)	(2,559)
(284,798)	(149,735)	1,526,016	(121,542)	1,404,474
(711,995)	(1,174,086)	3,815,041	(967,877)	(2,847,164)
(Surplus) / Deficit as at 31 March				

GLOSSARY OF ACCOUNTING TERMS

ACCOUNTING POLICIES

The rules and practices adopted by the authority that determine how the transactions and events are reflected in the accounts.

ACCRUALS

Spending and income included in the accounts for the year in which relevant services or goods have been supplied.

ACCUMULATED ABSENCES

Absences earned but not taken by the end of a given period i.e. holiday pay entitlement.

AGENCY SERVICES

Services provided by the Authority, as an agent on behalf of the responsible body, where the Authority is acting as an intermediary.

AMORTISATION

A measure of the costs of economic benefits consumed for intangible assets during the year.

ASSETS

An item which is measurable in monetary terms.

AUDITOR'S OPINION

The opinion required by statute from the Authority's external auditors, indicating whether the accounting statements give a true and fair view of the financial position of the Authority.

BALANCE SHEET

A statement of the recorded assets, liabilities and reserves at the end of an accounting period.

BUDGET

A statement of the Authority's spending plans for a financial year.

CAPITAL ADJUSTMENT ACCOUNT

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or additions to those assets under statutory provisions.

CAPITAL EXPENDITURE

Expenditure on the acquisition and/or improvement of assets, which adds to, and not merely maintains, its value.

CAPITAL RECEIPTS

Income from asset disposals with a value in excess of £10,000.

CASH AND CASH EQUIVALENTS

Money held either as cash-in-hand, a deposit with a financial institution repayable without penalty on notice of no more than 24 hours or investments that mature within 3 months of the date of acquisition.

CIPFA (CHARTERED INSTITUTE OF PUBLIC FINANCE AND ACCOUNTING)

CIPFA is the professional institute for accountants working in the public services. CIPFA publishes the Code, which defines proper accounting practice for local authorities.

COLLECTION FUND

An account, which shows the transactions of the Authority in relation to non-domestic rates and council tax, and the distribution of these to preceptors and the general fund. The collection fund is consolidated with the other accounts of the Authority.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT (CIES)

This statement details income and expenditure relating to the Council as a whole, and the source of funding for all the Councils expenditure.

CONSISTENCY

The concept that the accounting treatment of like items is the same within an accounting period and from one period to the next.

CONTINGENCY

A sum set-aside in addition to approved budgets to meet unforeseen items of expenditure, e.g. excess inflation, pay awards.

CONTINGENT LIABILITIES OR ASSETS

These are amounts potentially due to or from individuals or organisations which may arise in the future but which at this time cannot be determined accurately, and for which provision has not been made in the Council's accounts.

COUNCIL TAX

This is a property based local tax. Each domestic property is valued and placed in one of eight bands A to H; the tax paid is fixed in relation to the Band D tax. Dwellings shown in 'Additional Band' refer to those dwellings in Band A which it is estimated will qualify for a Disabled Persons Reduction of an amount equal to 1/9 of the Band D Council Tax.

CREDITORS

Amounts owed by the Council for work done, goods received or services rendered, for which payment has not been made at the date of the balance sheet.

CURRENT ASSETS

Assets held by the Authority which will be consumed or cease to have value within the next financial year e.g. stock and debtors.

CURRENT LIABILITIES

Amounts which will become payable or could be called in within the next accounting period, e.g. creditors or cash overdrawn.

CURTAILMENT COST

For a defined benefit scheme, an event that reduces the expected years of future service of present employees or reduces, for a number of employees, the accrual of defined benefits for some or all of their future service.

DEBTORS

These are sums of money due to the Council that have not been received at the date of the Balance Sheet.

DEFERRED LIABILITIES

Future income for the Council that is not due in the following financial year such as money received from developers for maintenance of grounds and open spaces transferred to the Council.

DEFINED BENEFIT SCHEME

A pension or other retirement benefit scheme other than a defined contribution scheme. Usually, the scheme rules define the benefits independently of the contributions payable, and the benefits are not directly related to the investments of the scheme. The Lancashire County Pension Fund is a funded scheme meaning that the Authority and employees pay contributions into the fund calculated at a level intended to balance the pension liabilities with investment assets.

DEPRECIATION

A measure of the costs of economic benefits consumed for tangible assets during the year.

EXPECTED RATE OF RETURN ON PENSIONS ASSETS

For a funded defined benefit scheme, the average rate of return, including both income and changes in fair value but net of scheme expenses, expected over the remaining life of the related obligation on the actual assets held by the scheme.

EXPENDITURE

The costs incurred relating to the accounting period irrespective of whether or not the amounts due have been paid or not. The difference between expenditure and payments is calculated by reference to the levels of accruals.

FAIR VALUE

The fair value of an asset is the price at which it could be exchanged between knowledgeable, willing parties in an arm's length transaction.

FINANCIAL INSTRUMENTS

Defined as contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. This includes the borrowing and lending of money and the making of investments and also extends to include debtors and creditors.

GENERAL FUND

The main revenue fund of the Authority. Day-to-day spending on services is met from the fund.

GOING CONCERN

The concept that the Authority will remain in operational existence for the foreseeable future with no consequential amendments being required to valuations of assets or a need for provisions for closure costs or redundancies.

GROSS EXPENDITURE

The cost of service provision before allowing for any income.

HERITAGE ASSET

A tangible asset with historical, artistic, scientific, geophysical, technological, or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS)

Defined Accounting Standards that must be applied by reporting entities to all financial statements in order to provide a true and fair view of the entity's financial position.

IMPAIRMENT

Assets are reviewed at the end of each financial year for evidence of material reductions in value.

INCOME

Amounts due to the Authority that have been or are due to be received. The difference between income and receipts is calculated by reference to the levels of accruals.

INTANGIBLE ASSETS

Expenditure on assets that do not have a physical substance but are identifiable such as software licenses.

INVENTORIES

Items of raw materials and stores the Authority has procured to use on a continuing basis and which it has not yet used. These comprise the following categories:

- Consumable stores
- Maintenance materials
- Client services work in progress
- Property acquired or constructed for sale

LEASES

Finance Lease: A finance lease is a lease that transfers substantially all of the risks and rewards of ownership of a fixed asset to the lessee.

Operating Lease: Leases that do not meet the definition of a finance lease.

LIABILITIES

Money the Authority will have to pay to people or organisations in the future.

LONG TERM ASSETS

Non-current assets that yield benefits to the Authority and the services it provides for a period of more than one year.

LONG TERM BORROWING

The total amount borrowed from external lenders for capital purposes which has not been repaid at the balance sheet date.

MATERIALITY

The concept that the financial statements should include all amounts which, if omitted, or misstated, could be expected to lead to a distortion by a reader of those statements.

MINIMUM REVENUE PROVISION (MRP)

MRP is the minimum amount which must be charged to an Authority's revenue account each year and set aside as a provision for debt, as required by the Local Government and Housing Act 1989, i.e. an annual contribution from revenue towards the reduction in the overall borrowing requirement.

NET ASSETS

Assets less liabilities which are matched by the reserves held by the authority.

NET EXPENDITURE

Gross expenditure less Gross income.

NON-DOMESTIC RATES

A National Non-Domestic Rate multiplier (rate in the pound) for commercial premises is set annually by the Government and is applied to the rateable value collected by Local Authorities.

NON-RINGFENCED GRANT

Grants received with no stipulations imposed as to their use, ensuring full local control over how funding can be used.

OUTTURN

Final Account position of the authority as at 31 March each year in terms of income and expenditure.

PRECEPT

The amount the County Council, the Police and Crime Commissioner for Lancashire, the Combined Fire Authority and the parish councils (the precepting authorities) ask the Authority to collect every year.

PROJECTED UNIT METHOD – PENSION FUND VALUATION

An assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and projections of earnings for current employees.

PROVISIONS

Provisions are required for any obligation that require a settlement by a transfer of economic benefits but where the timing of the transfer is uncertain.

PRUDENCE

Accounts should be prepared in accordance with the prudence concept. Income should only be anticipated to the extent that it will be received, as cash or other assets, with reasonable certainty and full and proper allowance should be made for all known and foreseeable losses and liabilities.

PUBLIC WORKS LOAN BOARD (PWLB)

A central Government agency, which lends money to Local Authorities at lower, rates than those generally available from the private sector. Local Authorities are able to borrow a proportion of their requirements to finance capital expenditure from this source.

RELATED PARTY

A person or entity that is has the potential to control or influence the Authority or to be controlled or influenced by the Authority. Related Parties include:

- Central Government
- Members
- Officers
- Other Public Bodies
- Entities Controlled or Significantly Influenced by the Authority

REMUNERATION

Amounts paid to or receivable by a person including sums by way of expenses or allowances and the value of any other benefits received by an employee otherwise than in cash.

RESERVES

Amounts created for future policy purposes or to cover contingencies.

RETIREMENT BENEFITS

All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment. Retirement benefits do not include termination benefits as these are not given in exchange for services tendered by employees.

REVENUE EXPENDITURE

Expenditure of a day to day nature incurred in the course of providing services, earning revenue, maintaining assets and on the acquisition of goods for resale.

REVENUE EXPENDITURE FUNDED FROM CAPITAL UNDER STATUTE (REFCUS)

Expenditure incurred during the year that may be capitalised under statutory provision but that does not result in the creation of a non-current asset that has been charged as expenditure to the CIES.

REVENUE SUPPORT GRANT (RSG)

Government grant to support local authority services.

SCHEME LIABILITIES

The liabilities of a defined benefit scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflect the benefits that the employer is committed to provide for service up to the valuation date.

SERVICE REPORTING CODE OF PRACTICE (SeRCOP)

Prepared and published by CIPFA, the Service Reporting Code of Practice (SeRCOP) establishes proper practices with regard to consistent financial reporting for services and in England and Wales.

SHORT TERM BORROWING

Loans where repayment can be demanded or made within one year, excluding deposits which can be recalled without penalty on notice of no more than 24 hours.

SLIPPAGE

Expenditure of a capital or revenue nature that is not spent within the accounting period and is carried forward to future years.

TERMINATION BENEFITS

Amounts payable as a result of either (i) an employer's decision to terminate an employee's employment before the normal retirement date or (ii) an employee's decision to accept voluntary redundancy in exchange for those benefits.

UNUSABLE RESERVES

Reserves that the Authority is not able to use to provide services as they reflect unrealised gains and losses.

USABLE RESERVES

Reserves that the Authority may use to provide services subject to maintaining a prudent level and any statutory limitations.

USEFUL LIFE

The period over which the Authority will derive benefits from the use of a fixed asset.

WORK IN PROGRESS

The cost of work done on an uncompleted project at a specified date, which should be accrued where appropriate.

LINKS TO OTHER FINANCIAL INFORMATION

The Statement of Accounts is a key financial document published by the Council. The Council's website contains the Statement of Accounts for previous financial years and other financial information:

http://www.wyre.gov.uk/info/200339/council_budgets_and_spending

Capital Financing Report

Appendix 2 - Table 1

NB. Reflects new Directorates	Updated	To 31st	Funded By.....				Total
	Revised	March 16	Grants and	Revenue	Capital	Loan	Funded
	2015/16	Actuals	Contributions		Receipts		
Budget	£ p	£ p	£ p	£ p	£ p	£ p	£ p
<u>HEALTH AND COMMUNITY ENGAGEMENT PORTFOLIO</u>							
<u>Health and Wellbeing Directorate</u>							
Air Quality - Paths	4,000	0.00	0.00	0.00	0.00	0.00	0.00
Portfolio Total	4,000	0.00	0.00	0.00	0.00	0.00	0.00
<u>LEISURE AND CULTURE PORTFOLIO</u>							
<u>Health and Wellbeing Directorate</u>							
QS Consultant costs for Client Side Leisure Centre Refurbishments	25,132	25,130.38	0.00	25,130.38	0.00	0.00	25,130.38
Garstang Leisure Centre	0	3,800.00	0.00	3,800.00	0.00	0.00	3,800.00
Thornton Leisure Centre	225,870	225,869.59	0.00	225,869.59	0.00	0.00	225,869.59
Poulton Leisure Centre	565,354	565,354.40	0.00	220,146.40	345,208.00	0.00	565,354.40
Fleetwood Leisure Centre Health and Fitness Equipment	133,922	133,921.93	0.00	133,921.93	0.00	0.00	133,921.93
<u>People and Places Directorate</u>							
Urban Woodland Scheme Tower & Pheasants Woods	924	849.45	-1,438.75	2,288.20	0.00	0.00	849.45
<u>Performance and Innovation Directorate</u>							
Fleetwood Leisure Centre Heating	95,000	0.00	0.00	0.00	0.00	0.00	0.00
Fleetwood Leisure Centre Sand filters	125,000	73,500.00	0.00	73,500.00	0.00	0.00	73,500.00
Portfolio Total	1,171,202	1,028,425.75	-1,438.75	684,656.50	345,208.00	0.00	1,028,425.75
<u>NEIGHBOURHOOD SERVICES AND COMMUNITY SAFETY PORTFOLIO</u>							
<u>Health and Wellbeing Directorate</u>							
<u>Housing</u>							
Disabled Facilities Mandatory Grants	894,551	894,813.02	894,696.16	116.86	0.00	0.00	894,813.02
Empty Homes Delivery	17,049	0.00	0.00	0.00	0.00	0.00	0.00
Social Housing	62,500	62,500.00	62,500.00	0.00	0.00	0.00	62,500.00
<u>People and Places Directorate</u>							
New Link Road through Hardhorn Rd Car Park, Poulton	100,000	100,000.00	5,687.00	94,313.00	0.00	0.00	100,000.00
Flood Repair and Renew Grant	10,000	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00
<u>Coast Protection</u>							
Cell Eleven (2011 to 2016) Monitoring: External Costs	5,600	6,292.24	6,292.24	0.00	0.00	0.00	6,292.24
Cell Eleven (2011 to 2016) Monitoring: In House Fees	15,000	13,003.50	13,003.50	0.00	0.00	0.00	13,003.50
Wyre Beach Management Study	11,432	0.00	0.00	0.00	0.00	0.00	0.00
Rossall Seawall Improvement Works: External Costs	13,985,429	14,839,170.96	14,839,170.96	0.00	0.00	0.00	14,839,170.96
Rossall Seawall Improvement Works: In House Fees	114,590	113,656.36	113,656.36	0.00	0.00	0.00	113,656.36
Knott End Revetment Works: External Costs	5,401	5,399.24	2,341.36	3,057.88	0.00	0.00	5,399.24
Knott End Revetment Works: In House Costs	2,810	2,810.74	0.00	2,810.74	0.00	0.00	2,810.74
Cleveleys Promenade Beach Urgent works: External Costs	28,346	28,182.20	28,182.20	0.00	0.00	0.00	28,182.20
Cleveleys Promenade Beach Urgent works: Internal Costs	2,370	237.39	237.39	0.00	0.00	0.00	237.39
Fleetwood and Cleveleys Beach Works	20,679	20,335.50	20,335.50	0.00	0.00	0.00	20,335.50
Cleveleys Phase 4b	0	0.00	-6,172.64	6,172.64	0.00	0.00	0.00
Portfolio Total	15,275,757	16,096,401.15	15,989,930.03	106,471.12	0.00	0.00	16,096,401.15

Capital Financing Report - Continued

Appendix 2 - Table 1

NB. Reflects new Directorates	Updated	To 31st	Funded By.....				Total	
	Revised	March 16	Grants and	Revenue	Capital	Loan	Funded	
	2015/16	Actuals	Contributions	£ p	Receipts	£ p	£ p	£ p
	£	£ p	£ p	£ p	£ p	£ p	£ p	£ p
<u>PLANNING AND ECONOMIC DEVELOPMENT PORTFOLIO</u>								
<u>Chief Executive Directorate</u>								
Monitoring and Evaluation CCF2	10,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Marine Hall Dome Restoration (including CCF2 funding)	72,000	8,800.00	8,800.00	0.00	0.00	0.00	0.00	8,800.00
<u>People and Places Directorate</u>								
Euston Park CCF2	144,221	144,221.17	144,221.17	0.00	0.00	0.00	0.00	144,221.17
Skate Park CCF2	112,953	112,953.34	112,953.34	0.00	0.00	0.00	0.00	112,953.34
Water Park CCF2	456,263	380,641.95	380,641.95	0.00	0.00	0.00	0.00	380,641.95
Marine Lakes CCF2: External Costs	-522	-522.04	-522.04	0.00	0.00	0.00	0.00	-522.04
Marine Lakes CCF2: In House Fees	89	88.67	88.67	0.00	0.00	0.00	0.00	88.67
Ecology Zone CCF2	60,000	60,000.00	60,000.00	0.00	0.00	0.00	0.00	60,000.00
<u>Performance and Innovation Directorate</u>								
Café CCF2	176,079	257,353.90	257,353.90	0.00	0.00	0.00	0.00	257,353.90
Unallocated CCF2	12,400	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Beach Bungalows CCF2	150,000	73,290.00	73,290.00	0.00	0.00	0.00	0.00	73,290.00
Portfolio Total	1,193,483	1,036,826.99	1,036,826.99	0.00	0.00	0.00	0.00	1,036,826.99
<u>RESOURCES PORTFOLIO</u>								
<u>People and Places Directorate</u>								
Vehicle Fleet Replacement Programme	205,608	205,888.49	0.00	205,888.49	0.00	0.00	0.00	205,888.49
E Benefits and Revenues Software	6,596	6,556.84	0.00	6,556.84	0.00	0.00	0.00	6,556.84
Civica Documents General Filing Software	27,725	22,388.00	0.00	22,388.00	0.00	0.00	0.00	22,388.00
<u>Performance and Innovation Directorate</u>								
Renovation Wyreside Café	21,967	21,971.45	0.00	21,971.45	0.00	0.00	0.00	21,971.45
Beach Bungalows Fleetwood	139	139.00	0.00	139.00	0.00	0.00	0.00	139.00
Flexi and Absence Management System	33,406	30,506.83	0.00	30,506.83	0.00	0.00	0.00	30,506.83
Portfolio Total	295,441	287,450.61	0.00	287,450.61	0.00	0.00	0.00	287,450.61
<u>STREET SCENE, PARKS AND OPEN SPACES PORTFOLIO</u>								
<u>People and Places Directorate</u>								
Memorial Park Fleetwood Heritage scheme Phase 2	631,936	640,996.35	564,334.00	29,930.35	46,732.00	0.00	0.00	640,996.35
Mount Grounds	490,328	362,849.94	362,849.94	0.00	0.00	0.00	0.00	362,849.94
Jean Stansfield Play Area	0	-319.50	0.00	-319.50	0.00	0.00	0.00	-319.50
North Drive Playground Refurbishment	23,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tebay Playground Refurbishment	7,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Douglas Avenue Playground Refurbishment	18,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mariners Close Playground Removal/Relandscaping	7,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Portfolio Total	1,177,264	1,003,526.79	927,183.94	29,610.85	46,732.00	0.00	0.00	1,003,526.79
GRAND TOTAL	19,117,147	19,452,631.29	17,952,502.21	1,108,189.08	391,940.00	0.00	0.00	19,452,631.29

Reconciliation	Summary Impact on Capital Programme and Funding 2016/17 of 2015/16 outturn and slippage to 2016/17					
	2016/17	Funded by				Total
Capital Budget - 2016/17	Budget	Grants and	Revenue	Capital	Loan	Funded
	£	Contributions	£	Receipts	£	£
As approved at Council 03/03/16	26,843,312	£	£	£	£	£
Subsequent changes in aggregate agreed to date	830,157	£	£	£	£	£
Current 2016/17 approval	27,673,469	£	£	£	£	£
2015/16 Year End slippage to 2016/17	518,115	£	£	£	£	£
2015/16 Year End advance use of 2016/17 budget	-857,542	£	£	£	£	£
2015/16 Year End review Vehicle Fleet Replacement rephasing	-42,000	£	£	£	£	£
Latest 2016/17 Capital Budget	27,292,042	£	£	£	£	£

Reconciliation	Summary Impact on Capital Programme and Funding 2017/18 of 2015/16 outturn					
	2017/18	Funded by				Total
Capital Budget - 2017/18	Budget	Grants and	Revenue	Capital	Loan	Funded
	£	Contributions	£	Receipts	£	£
As approved at Council 03/03/16	18,708,846	£	£	£	£	£
2015/16 Year End review Vehicle Fleet Replacement rephasing	42,000	£	£	£	£	£
Current and latest 2017/18 Capital Budget approval	18,750,846	£	£	£	£	£

Reconciliation	Summary Impact on Capital Programme and Funding 2018/19 of 2015/16 outturn					
	2018/19	Funded by				Total
Capital Budget - 2018/19	Budget	Grants and	Revenue	Capital	Loan	Funded
	£	Contributions	£	Receipts	£	£
As approved at Council 03/03/16	1,081,500	£	£	£	£	£
Subsequent amendments in aggregate agreed to date	0	£	£	£	£	£
Current and latest 2018/19 Capital Budget approval	1,081,500	£	£	£	£	£

Reconciliation	Summary Impact on Capital Programme and Funding 2019/20 of 2015/16 outturn					
	2019/20	Funded by				Total
Capital Budget - 2019/20	Budget	Grants and	Revenue	Capital	Loan	Funded
	£	Contributions	£	Receipts	£	£
As approved at Council 03/03/16	1,236,500	£	£	£	£	£
Subsequent amendments in aggregate agreed to date	0	£	£	£	£	£
Current and latest 2019/20 Capital Budget approval	1,236,500	£	£	£	£	£

Comparison of Capital Expenditure to Budget

Appendix 2 - Table 2

NB. Reflects new Directorates	Updated Revised 2015/16 Budget £	To 31st March 16 Actuals £	Variance £	Advance spend of 16/17 Budget £	Overspend £	Underspend £	Slippage £	Comments
HEALTH AND COMMUNITY ENGAGEMENT PORTFOLIO								
<u>Health and Wellbeing Directorate</u>								
Air Quality - Paths	4,000	0	-4,000	0	0	0	-4,000	Works have been delayed by LCC who have now committed to complete the works by June 2016.
Portfolio Total	4,000	0	-4,000	0	0	0	-4,000	
LEISURE AND CULTURE PORTFOLIO								
<u>Health and Wellbeing Directorate</u>								
QS Consultant costs for Client Side Leisure Centre Refurbishments	25,132	25,130	-2	0	0	-2	0	Scheme complete with minor underspend.
Garstang Leisure Centre	0	3,800	3,800	3,800	0	0	0	Advance spend of 16/17 budget to fund Quantity Surveyor Fees.
Thornton Leisure Centre	225,870	225,870	0	0	0	0	0	
Poulton Leisure Centre	565,354	565,354	0	0	0	0	0	
Fleetwood Leisure Centre Health and Fitness Equipment	133,922	133,922	0	0	0	0	0	Scheme complete.
<u>People and Places Directorate</u>								
Urban Woodland Scheme Tower & Pheasants Woods	924	850	-74	0	0	-74	0	Scheme complete with funding to be to be claimed from the Forestry Commission in future years.
<u>Performance and Innovation Directorate</u>								
Fleetwood Leisure Centre Heating	95,000	0	-95,000	0	0	0	-95,000	Tenders are due to be returned in June with PH report to follow.
Fleetwood Leisure Centre Sand filters	125,000	73,500	-51,500	0	0	0	-51,500	Final works to be completed once suitable date received from YMCA for closure of the facility.
Portfolio Total	1,171,202	1,028,426	-142,776	3,800	0	-76	-146,500	
NEIGHBOURHOOD SERVICES AND COMMUNITY SAFETY PORTFOLIO								
<u>Health and Wellbeing Directorate</u>								
<u>Housing</u>								
Disabled Facilities Mandatory Grants	894,551	894,813	262	0	262	0	0	Minor overspend of which £145.59 is being funded by Regenda.
Empty Homes Delivery	17,049	0	-17,049	0	0	0	-17,049	To be used for partial match funding for future schemes.
Social Housing	62,500	62,500	0	0	0	0	0	Scheme complete.
<u>People and Places Directorate</u>								
New Link Road through Hardhorn Rd Car Park, Poulton	100,000	100,000	0	0	0	0	0	Scheme complete.
Flood Repair and Renew Grant	10,000	10,000	0	0	0	0	0	Current scheme complete.
<u>Coast Protection</u>								
Cell Eleven (2011 to 2016) Monitoring: External Costs	5,600	6,292	692	0	692	0	0	Scheme complete with cumulative (2011-2016) overspend being claimed from EA.
Cell Eleven (2011 to 2016) Monitoring: In House Fees	15,000	13,004	-1,996	0	0	-1,996	0	
Wyre Beach Management Study	11,432	0	-11,432	0	0	0	-11,432	Extension of the study to monitor beaches using radar - agreement with Liverpool University expected to be finalised by the end of May 2016.
Rossall Seawall Improvement Works: External Costs	13,985,429	14,839,171	853,742	853,742	0	0	0	Advance spend of 16/17 budget funded by EA.
Rossall Seawall Improvement Works: In House Fees	114,590	113,656	-934	0	0	-934	0	Minor variance.
Knott End Revetment Works: External Costs	5,401	5,399	-2	0	0	-2	0	Scheme complete, minor underspend.
Knott End Revetment Works: In House Costs	2,810	2,811	1	0	1	0	0	
Cleveleys Promenade Beach Urgent works: External Costs	28,346	28,182	-164	0	0	-164	0	Scheme complete, minor underspend to be repaid to EA.
Cleveleys Promenade Beach Urgent works: Internal Costs	2,370	238	-2,132	0	0	-2,132	0	
Fleetwood and Cleveleys Beach Works	20,679	20,335	-344	0	0	-344	0	Scheme complete, minor underspend to be repaid to EA.
Portfolio Total	15,275,757	16,096,401	820,644	853,742	955	-5,572	-28,481	
PLANNING AND ECONOMIC DEVELOPMENT PORTFOLIO								
<u>Chief Executive Directorate</u>								
Monitoring and Evaluation CCF2	10,000	0	-10,000	0	0	0	-10,000	£6,746 to be used for evaluation £3,254 to be trf rd to Beach Bungalows.
Marine Hall Dome Restoration (including CCF2 funding)	72,000	8,800	-63,200	0	0	0	-63,200	To complete Summer 2016.
<u>People and Places Directorate</u>								
Euston Park CCF2	144,221	144,221	0	0	0	0	0	Scheme complete.
Skate Park CCF2	112,953	112,953	0	0	0	0	0	Scheme complete.
Water Park CCF2	456,263	380,642	-75,621	0	0	-75,621	0	Scheme complete, underspend on Water Park funding overspend on café.

Comparison of Capital Expenditure to Budget - Continued

Appendix 2 - Table 2

	Updated Revised 2015/16 Budget £	To 31st March 16 Actuals £	Variance £	Advance spend of 16/17 Budget £	Overspend £	Underspend £	Slippage £	Comments
NB. Reflects new Directorates								
PLANNING AND ECONOMIC DEVELOPMENT PORTFOLIO - Continued								
<u>People and Places Directorate (continued)</u>								
Marine Lakes CCF2: External Costs	-433	-522	-89	0	0	-89	0	
Marine Lakes CCF2: In House Fees	0	89	89	0	89	0	0	
Ecology Zone CCF2	60,000	60,000	0	0	0	0	0	
<u>Performance and Innovation Directorate</u>								
Café CCF2	176,079	257,354	81,275	0	81,275	0	0	Scheme complete, overspend on Café being funded by underspend on Water Park above and Unallocated below.
Unallocated CCF2	12,400	0	-12,400	0	0	-5,654	-6,746	Underspend used to fund net overspend of Café see above .Slippage transferred to Beach Bungalows.
Beach Bungalows CCF2	150,000	73,290	-76,710	0	0	0	-76,710	Works commenced and completion due by June 2016.
Portfolio Total	1,193,483	1,036,827	-156,656	0	81,364	-81,364	-156,656	
RESOURCES PORTFOLIO								
<u>People and Places Directorate</u>								
Vehicle Fleet Replacement Programme	205,608	205,889	281	0	281	0	0	Small overspend.
E Benefits and Revenues Software	6,596	6,557	-39	0	0	-39	0	Scheme complete with minor underspend.
Civica Documents General Filing Software	27,725	22,388	-5,337	0	0	-5,337	0	Scheme complete with underspend.
<u>Performance and Innovation Directorate</u>								
Renovation Wyreside Café	21,967	21,971	4	0	4	0	0	Scheme complete.
Beach Bungalows Fleetwood	139	139	0	0	0	0	0	Scheme complete.
Flexi and Absence Management System	33,406	30,507	-2,899	0	0	-2,899	0	Scheme complete with underspend due to reduced cost of interfaces
Portfolio Total	295,441	287,451	-7,990	0	285	-8,275	0	
STREET SCENE, PARKS AND OPEN SPACES PORTFOLIO								
<u>People and Places Directorate</u>								
Memorial Park Fleetwood Heritage scheme Phase 2	631,936	640,996	9,060	0	9,060	0	0	Scheme mainly complete, overspend due to a time extension with main contractor. Compensatory underspend on revenue.
Mount Grounds	490,328	362,850	-127,478	0	0	0	-127,478	Work to the shelters is commencing later than anticipated and the value of landscaping works to date is lower than originally forecast.
Jean Stansfield Play Area	0	-320	-320	0	0	-320	0	Difference between accrued and actual retention on completed scheme.
North Drive Playground Refurbishment	23,000	0	-23,000	0	0	0	-23,000	Slipped to avoid play area being closed during Easter holidays.
Tebay Playground Refurbishment	7,000	0	-7,000	0	0	0	-7,000	Work sequential to other sites having been refurbished.
Douglas Avenue Playground Refurbishment	18,000	0	-18,000	0	0	0	-18,000	Slipped to avoid play area being closed during Easter holidays.
Mariners Close Playground Removal/Relandscaping	7,000	0	-7,000	0	0	0	-7,000	Work sequential to other sites having been refurbished.
Portfolio Total	1,177,264	1,003,526	-173,738	0	9,060	-320	-182,478	
GRAND TOTAL	19,117,147	19,452,631	335,484	857,542	91,664	-95,607	-518,115	

Major Revenue Variances**Comparison of 2015/16 Actuals against Updated Revised Estimate**

	Updated Revised Estimate 2015/16 £	Actuals 2015/16 £	Variance Analysis	
			Overspend £	Underspend £
Aggregate 15/16 slippage to 16/17, see Appendix 3b.				-832,000
Additional 15/16 income increase to fund additional new 16/17 costs, see Appendix 3b.				-40,720
				<hr/> -872,720
Additional 15/16 income increase to fund additional future year costs, see Appendix 3b.				-940
				<hr/> -873,660
Net Slippage - Sub Total				<hr/> <hr/>

Other Services within Portfolios**Health and Community Engagement Portfolio**

No major variations.

Leisure and Culture Portfolio

<u>Cemeteries</u> - Income net of related sub contractor costs.	-189,540	-205,393		-15,853
<u>Leisure Management</u> -				
Subsidy/Management fee. Operational savings transferred to Leisure Management Reserve.	275,800	220,939		-54,861
Equipment (Portable and Handover); Thornton LC extra building works and noise survey, saving Leisure Management Reserve.	116,500	98,581		-17,919
<u>Marine Lake</u> - reduced dredging, CCF improvements.	15,000	4,510		-10,490

Neighbourhood Services and Community Safety Portfolio

<u>Car Parks Unmetered</u> - increased maintenance.	54,220	84,137	29,917	
<u>Sea Defences</u> - Private Contractors.	43,710	13,762		-29,948
<u>Benefits (including Rent Rebates: Local Scheme (War Widows) and Rent Allowances</u> - Net Changes.	-33,350	-45,682		-12,332

Planning and Economic Development Portfolio

<u>Development Control</u> - Planning Application Fees - net increase after part used to fund future year additional costs.	-602,580	-654,785		-52,205
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Resources Portfolio

<u>Civil Contingencies</u> - Internal recharge, duplicated budget.	-29,540	0	29,540	
<u>Land Charges Personal Searches</u> - Compensation provision.	0	51,093	51,093	
<u>Provision for Contingencies</u> -				
Insurance, MMI additional levy and claims provision, accounting change, see 2016/17 new Reserve.	68,950	182,698	113,748	
Provision for Leisure Centre excess cost not required. Saving transferred to Leisure Management Reserve.	50,000	0		-50,000
Provision for Planning Enforcement and appeals (other than budget slipped to 2016/17).	44,400	0		-44,400
<u>Corporate Support Services</u> -				
<u>HR Team</u> - Corporate Training.	37,880	26,277		-11,603
<u>IT and Telephony Team</u> -				
Consultant savings - rephasing to IT Strategy Reserve.	38,690	20,880		-17,810
Hardware savings/rephasing to IT Strategy Reserve.	295,800	159,483		-136,317
IT software - rephasing to IT Strategy Reserve.	364,730	345,104		-19,626
<u>Civic Centre</u> - Rent income, mainly compound NHS licence.	-13,800	-24,030		-10,230
<u>Estates Team</u> - Fee income (Asset sales) rephasing.	-18,730	-5,300		13,430
<u>Council Tax Collection</u> - Other Legal Fees (Summons).	-350,000	-381,018		-31,018

Street Scene, Parks and Open Spaces Portfolio

<u>Street Cleansing</u> - Materials and Vehicle Hire, general underspend to Veh. Maintenance/Street Cleansing Reserve.	39,820	23,584		-16,236
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Major Revenue Variances - Continued

Appendix 3a

Comparison of 2015/16 Actuals against Updated Revised Estimate

	Updated Revised Estimate 2015/16 £	Actuals 2015/16 £	Variance Analysis	
			Overspend £	Underspend £
<u>Aggregates across and between all Services and Portfolios</u> (excluding any IT Reserve/slippage elements included in Appendix 3b)				
Advertising and Promotions costs	88,130	76,298		-11,832
Building maintenance costs	367,020	425,782	58,762	
Bulky Household Waste and Hazardous/Clinical Waste	24,640	10,983		-13,657
Car Allowance (officers)	84,100	71,103		-12,997
Employee costs.	9,791,520	9,649,782		-141,738
Electricity and Gas costs.	308,510	274,118		-34,392
Fuel costs	113,230	101,076		-12,154
NNDR costs	417,850	406,648		-11,202
Printing and Stationery (ex. Elections and Rossall EAF) costs	66,090	50,028		-16,062
Vehicle parts costs and sale of vehicles income	43,780	23,225		-20,555
Services within Portfolios - Sub Totals			283,060	-792,007

Non Service Specific

Financing of Capital Expenditure by Revenue - mainly slippage, see use Capital Investment Reserve.	1,258,120	1,108,189		-149,931
Interest received.	-80,790	-105,784		-24,994
NDR s31 grants and Levy (see Reserve).	-874,167	-1,411,370		-537,203
Non Service Specific - Sub Totals			0	-712,128

	Updated Revised Estimate 2015/16 £	Actuals 2015/16 £	Variance Analysis	
			Use reduced /Top Up extra £	Use extra / Top Up reduce £
<u>Reserve movements</u>				
Slippage of capital expenditure to 16/17, so reduced use of Reserve income in 15/16:-				
Capital Investment -				
Fleetwood Leisure Centre Heating improvements	-95,000	0	95,000	
Fleetwood Leisure Centre Sand filters	-125,000	-73,500	51,500	
Advance use of 16/17 budget in 15/16, so increased use of Reserve income in 15/16:-				
Capital Investment -				
Garstang Leisure Centre - Quantity Surveyor fees.	0	-3,800		-3,800
Other Reserve movements -				
Building Control - improved performance, now small surplus.	-2,880	3,631	6,511	
Business Growth Incentive - minor change.	-5,300	-5,304		-4
Capital Investment -				
Top Up changes.	98,218	98,217		-1
Scheme variations - minor.	-624,993	-626,078		-1,085
Investment IT Reserve -				
Top Up from IT general savings - underspend.	-19,130	173,753	192,883	
Usage extra Rolling Replacement Hardware Programme.	-238,000	-257,130		-19,130
Land Charges -	-6,460	-526	5,934	
Top Up - Reduced deficit.				
Personal Searches, Legal costs.	-2,387	-2,309	78	

Major Revenue Variances - Continued

Appendix 3a

Comparison of 2015/16 Actuals against Updated Revised Estimate

	Updated Revised Estimate 2015/16 £	Actuals 2015/16 £	Variance Analysis Use reduced /Top Up extra £	Use extra / Top Up reduce £
Reserve movements - Continued				
Leisure Management -				
Top Up minor change, Garstang equipment.	6,340	6,344	4	
Poulton and Thornton Leisure Centres -				
Portable equipment; extra Thornton LC building works and noise survey, reduced overall requirements.	-84,493	-68,209	16,284	
Handover equipment, Poulton and Thornton, small savings.	-32,000	-30,372	1,628	
Non-Domestic Rates Equalisation - Top Up net of levy, changes as a result of amended NDR and grant income.	566,456	1,103,659	537,203	
Performance Reward Initiatives - slippage of approved schemes to 16/17.	-73,066	-52,748	20,318	
Performance Reward Initiatives - scheme minor changes.	-2,115	-1,755	360	
Value for Money -				
Top Up, net additional New Burdens grant income.	79,630	83,003	3,373	
Capital scheme changes -				
Civica Documents General Filing Software underspend	-27,725	-22,388	5,337	
Minor other capital scheme changes.	-6,596	-6,557	39	
Other minor usage changes.	-62,284	-60,618	1,666	
Vehicle Replacement/Street Cleansing Maintenance -				
Capital scheme, minor change.	-205,608	-205,888		-280

New Reserve movement recommendations

Capital Investment -				
Top up from General outturn net underspends.	0	386,852	386,852	
Leisure Management -				
Top Up change, no use of excess operational cost provision..	0	50,000	50,000	
Top Up change, operational cost savings.	0	54,861	54,861	
Top Up change, Poulton and Thornton equipment savings.	0	17,920	17,920	
Vehicle Replacement/Street Cleansing Maintenance -				
Street Cleansing savings, Top Up Reserve.	0	16,466	16,466	
Reserve Movements - Sub Totals			1,464,217	-24,300

Summary

		£	£
Major Variations			
Net aggregate 15/16 slippage/advance funding to 16/17 and future years.			-873,660
Services within Portfolios	Overspends	283,060	
Services within Portfolios	Underspends	-792,007	
Non Service Specific	Overspends	0	
Non Service Specific	Underspends	-712,128	
			-1,221,075
Reserve movements	Use reduced /Top Up extra	1,464,217	
	Use extra / Top Up reduce	-24,300	
			1,439,917
Other Minor variances			-166,582
Overall increase in Balances at 31/3/16 after Reserve movement			-821,400

Reconciliation (See Balances Appendix 4a)	£	£
Balances at 31/3/16 as approved at Council 3/3/16	7,134,222	
Subsequent net additional approved changes in 2015/16	66,390	
		7,200,612
Actual Balances at 31/3/16 after 2015/16 outturn		8,022,012
Overall increase in Balances at 31/3/16		-821,400

Revenue Budget Savings - Slippage into Future Years less Advance Spend

Appendix 3b

Slippage
Request
£**A1a) Revenue Expenditure Slippage to fund Revenue costs in 2016/17****Health and Community Engagement Portfolio**Air Pollution - LCC contribution car sharing older people; scheme in Poulton to be developed. 2,000**Leisure and Culture Portfolio**Coastal Communities Fund - Revenue Schemes - Use of external funding.

Business Workshop/Advice/Surgery/events - to complete scheme in 2016/17 including evaluation. 8,970

Volunteer Wyre Project - underspending to fund volunteer opportunities. 1,140**Sports Development** -

Amenity Use of Facilities and Promotions General - net underspend - in 16/17 required for new hand bikes, Wyre Wheels scheme. 1,300

External Coaching - underspend to use as match funding in Sport England funding bid. 14,720

Neighbourhood Services and Community Safety PortfolioOff Street Car Paring - reduced maintenance in 2016/17 to fund Unmetered Car Park maintenance. 6,280Children's Trust - Misc. Expenses, LCC funding on activities for children, young people and families. 3,520**Community Safety Operations** -

Volunteer Expenses, training course slipped to April 2016. 870

Other Contribs.- Financial Assistance Budget, external funds to be used as and when required. 1,390

Other Contribs.- LDAAT - external funding re alcohol abuse, possibly may slip to 2017/18. 2,310

Community Development Initiatives - Anti Social Behaviour initiatives.

Anti Social Behaviour reduction initiatives. 1,280

CCTV costs - Town Centre (Fleetwood and Poulton) works, Resources and Neighbourhood 23,230

Services and Community Safety PH approval 5/5/16 and radio costs.

Care and Repair Service -

Projects e.g. Winter warmth (09/10 and onwards) rephasing. 229,560

External Grant funding of one off projects above - e.g. LCC/PCT/CCG/DCLG -229,560

Homelessness -

Single Homelessness Initiative - use of external funding until June 2016. 8,010

Bed and Breakfast - underspend to be used to allow Single Homelessness initiative to continue when external funding ends. 1,430

No Second Night Out project - use of external grant to combat rough sleeping in the borough. 2,600

Planning and Economic Development PortfolioBusiness Support - Miscellaneous initiatives rephased and funding for Business Awards event. 19,620Fleetwood Coastal Community Project - Misc. Expenses, use of external funding on retailer training (May) and shop refurbishments as and when landlord/owner permissions. 12,170Wyred Up - net underspends for continuing business events including Wyre Expo. 4,250Bus Shelters and Turn Round - two replacement shelters, installation now in April 16. 13,960**WBC Highways - Non Agency** -

Unadopted Assets - reduced maintenance in 2016/17 to fund Unmetered Car Park maintenance. 6,640

Naming of Street - savings, in 2016/7 to fund Unmetered Car Park maintenance. 2,790

Development Control - Consultant savings required for appeals submitted 15/16 and costs in 16/17. 14,420**Local Plan** -

Consultant Fees - rephasing of preparation timetable. 130,060

Consultant Fees - Community Infrastructure Levy, realigned with Local Plan timetable. 21,000

Advertising Statutory Notices - Next stage of required consultation will be June 16. 1,770

Copse Road Depot -

Car park maintenance - line over marking. 710

Tools and Equipment - underspend to be used for replacing CCTV kit. 1,180

CCTV Running costs - underspend for CCTV upgrades. 960

Revenue Budget Savings - Slippage into Future Years less Advance Spend - Continued.Appendix 3b
Slippage
Request
£**Resources Portfolio**Grants -

SYN 2014/15 - Poulton - Vicarage Park Community Centre.	3,150
SYN 2014/15 - Thornton - Community Corridor.	130
SYN 2015/16 - Rural West - Hambleton, the Bark Park.	3,000
SYN 2015/16 - Rural West - Stalmine with Staynall, Flood Plain, storage.	2,000
SYN 2015/16 - Cleveleys - Trinity Hospice, comfort bags.	400
SYN 2015/16 - Cleveleys - Incredible edibles.	2,000
SYN 2015/16 - Thornton - Pheasant Wood improvements.	740

Contingency -

Provision for Planning Enforcement and appeal costs not required in 2015/16.	150,000
Provision for DFG related VAT not required in 2015/16.	177,510

Cemeteries Team - Deceased Online, data transfer to be completed.

3,000

Civic Centre -

Window Cleaning - delayed until April because of Surgery works.	720
Purchase furniture - for office moves and relocation of staff as part of management restructure.	2,000

Community Safety Team - Printing.

2,000

Development Management Team - some Agency planning application processing now in 2016/17.

33,210

Financial Services Team -

Employee costs - for additional training and new staffing structure post June 16.	25,840
Purchase of Publications - for additional publications for new staffing structure post June 16.	560
Consultant Fees - revaluation of Council's assets by external provider and Civica training days linked to procurement of Civica system.	4,830

Human Resources and General Training -

Management Development Training - for new Management restructure training by July 16.	5,510
Corporate Health and Safety Training - for new Management restructure training by July 16.	820

Legal Team -

Consultant Fees - to cover possible planning appeal costs or cases as and when required.	4,200
Miscellaneous Expenses - reserved staff savings to be used for Legal case management system.	7,460

Transformation Team - Technical Training - Internet analytics course in April 2016.

200

Parks and Open Spaces Team -

Salary, a seasonal worker for trial additional beach cleaning at Cleveleys, Rossall and Fleetwood.	9,000
Equipment - use of insurance claim monies to replace trailer damaged in road accident.	1,300
Tourism Support - contribution for completion of Bilsborrow in Bloom.	390
Private Contractors - painting railings Carleton.	1,090

Private Sector Housing Team - Training - Managing Safety course in April 2016.

340

Street Scene Team - Employee costs - retain seasonal staff, collect spare green bins in summer.

11,270

Street Scene, Parks and Open Spaces PortfolioEnvironmental Improvements - Monuments and Memorials - possible residual works in Thornton.

1,060

Memorial Park, Heritage Lottery funded project - rephasing:-

Special Events - Pharos - activities by September 2016.	4,460
Special Events - Fleetwood Live - underspend to be used to deliver new programme.	1,880
Special Events - Fit for Heroes - reprofiled activities for summer up to October 2016.	5,890
Special Events - Development of Park Management, volunteer role in 2016.	210
Special Events - Educational Resources in place by October 2016.	1,140
Special Events - Local History Walk, linkage with 100th anniversary Battle of the Somme.	100
Special Events - Playing on Memories to follow on after Living Names project.	1,500
Special Events - Demonstration Garden - completion expected by September 2016.	580

Jean Stansfield/Vicarage Park - 2015/16 part SYN part Friends, work delayed due to bad weather.

10,000

Domestic Waste Management -

Provision of Bins, boxes and sacks, - underspend, use for collection of unwanted green bins.	7,790
Service Development Board joint contribution for projects as and when agreed.	30,740
Promotions - General, new signage on vehicles re green and food waste changes.	3,000
<u>Foreshore Cleaning -</u> Vehicle Hire - rephased de-stoning works due to spring tides.	2,400

Directorate expenditure slippage requests to 2016/17 832,000

Revenue Budget Savings - Slippage into Future Years less Advance Spend - Continued.

Appendix 3b

Slippage
Request
£**A1b) Revenue Income increase to fund additional new Revenue costs in 2016/17****Planning and Economic Development Portfolio**Development Control - Planning Application Fees - net increased income, for Local Plan,
and Planning Application processing costs. 40,720**Directorate income slippage requests to 2016/17** **40,720****Net Directorate slippage requests to 2016/17** **872,720****A2a) Revenue Income 15/16 increase to fund additional new Revenue costs in 2017/18****Planning and Economic Development Portfolio**

Development Control - Planning Application Fees - net increased income, for Local Plan costs. 630

A2b) Revenue Expenditure Slippage to fund Revenue costs in 2019/20**Street Scene, Parks and Open Spaces Portfolio**

Memorial Park, Heritage Lottery funded project - Green Flag savings, rephased. 310

Net Directorate slippage requests to future year costs **940****B) Income Slippage to 2016/17****Resources**

Estates Team - capitalisation income now expected in 2016/17. -13,430

Street Scene, Parks and Open Spaces Portfolio

Memorial Park - Heritage Lottery Grant, part offset expenditure (see A1 above). -12,650

Jean Stansfield/Vicarage Park - Friends contrib.re slipped works (see A1a above). -5,000

-17,650

Aggregate Income Slippage to 2016/17 **-31,080**Slippage/ Advance
Funding
£

£

C) Advance spend in 2015/16 of 2016/17 Revenue Budget**Street Scene, Parks and Open Spaces Portfolio**

Memorial Park (Lottery scheme) - Launch Event. -870

D1) Capital Expenditure slippage to 2016/17, financed by Revenue**Leisure and Culture Portfolio**

Fleetwood Leisure Centre Heating improvements 95,000

Fleetwood Leisure Centre Sand filters 51,500

146,500

Aggregate Capital Expenditure slippage to 2016/17 **146,500****D2) Capital Expenditure advance use in 2015/16 of 2016/17 budget, financed by Revenue**

Garstang Leisure Centre - Quantity Surveyor costs. -3,800

Revenue Budget Savings - Slippage into Future Years less Advance Spend - Continued.

Appendix 3b

	£	Slippage/ Advance Funding £
E) Reserve movements -		
<u>Slippage of revenue expenditure (Reserve funded) to 2016/17 -</u>		
<u>Performance Reward Initiatives Reserve -</u>		
SYN 2014/15 - Poulton - Vicarage Park Community Centre.	-3,150	
SYN 2014/15 - Thornton - Community Corridor.	-130	
SYN 2015/16 - Rural West - Hambleton, the Bark Park.	-3,000	
SYN 2015/16 - Rural West - Stalmine with Staynall, Flood Plain, storage.	-2,000	
SYN 2015/16 - Cleveleys - Trinity Hospice, comfort bags.	-400	
SYN 2015/16 - Cleveleys - Incredible edibles.	-2,000	
SYN 2015/16 - Thornton - Pheasant Wood improvements.	-740	
SYN 2015/16 - Poulton - Jean Stansfield/Vicarage Park Play Area.	-5,000	
Wyre BC revenue scheme - Wyred Up	-2,750	
Volunteer Wyre Project.	-1,140	
	<hr/>	-20,310
<u>Slippage of capital expenditure (Reserve funded) to 2016/17 -</u>		
<u>Capital Investment Reserve -</u>		
Fleetwood Leisure Centre Heating improvements	-95,000	
Fleetwood Leisure Centre Sand filters	-51,500	
	<hr/>	-146,500
<u>Advance use of capital budget 2016/17 to fund expenditure in 15/16 (Reserve funded)</u>		
<u>Capital Investment Reserve - Garstang Leisure Centre - Quantity Surveyor costs.</u>		<hr/> 3,800
Aggregate Reserve movements		-163,010
		<hr/>
Net 2016/17 Slippage and Advance Spend movements funded by Balances		820,460
		<hr/> <hr/>

Reconciliation	Summary Impact on Balances after accounting for Slippage from 2015/16	
	£	£
Actual Balances at 31/3/16 (see Appendices 3a and 4a)		8,022,012
Less:-		
Net Directorate slippage requests from 2015/16 to 2016/17 (see A1 above).	-872,720	
Income slippage from 2015/16 to 2016/17 (see B above).	31,080	
Advance spend in 2015/16 of 2016/17 Revenue Budget (see C above).	870	
Financing of slipped Capital Expenditure by Revenue (see D1 above).	-146,500	
Financing of advance spend in 2015/16 of 2016/17 Capital Budget by Revenue (see D2 above).	3,800	
Net additional use of Reserves in respect of slipped expenditure (see E above).	<hr/> 163,010	-820,460
Original Balances movement 2016/17 as approved at Council 3/3/16.		1,385,536
15/16 y/e Vehicle Review and Memorial Park review impact in 16/17		1,220
Latest changes in 2016/17. Up to end May Board plus 15/6/16 CAB		396,235
Latest estimated Balances at 31/3/17 (see Appendix 4a)		8,984,543
Reconciliation (See Balances Appendix 4a)	£	£
Balances at 31/3/17 (per Council 3/3/16 but updated for subsequent approvals).		8,586,148
Increased 15/16 Balances at 31/3/16.	821,400	
Less net use of Balances as a consequence of slippage to 2016/17.	-820,460	
Less latest 16/17 changes.	<hr/> 396,235	397,175
15/16 y/e Vehicle Review and Memorial Park review impact in 16/17		<hr/> 1,220
Latest estimated Balances at 31/3/17 (see Appendix 4a)		8,984,543
(of which £940 will be used to fund future year costs (see A2))		

Revenue Budget Savings - Slippage into Future Years less Advance Spend - Continued.

Appendix 3b

	£	£
F) Additional change 2016/17 and onwards as a consequence of 2015/16 year-end reviews NOT affecting Balances.		
Reallocation of annual Contingency Budget provision to Insurance Reserve.	-40,000	
Top Up annually of Insurance Reserve.	<u>40,000</u>	0
G) Additional 2016/17 change as a consequence of 2015/16 year-end reviews NOT affecting Balances.		
Efficiency cost - ipad acquisitions Building Control.	4,000	
Use of increased y/e 15/16 Building Control Reserve.	<u>-4,000</u>	0
Additional Contact Centre FTC employee costs funded by VFM Reserve.	2,112	
Use of VFM Reserve.	<u>-2,112</u>	0
		<u>0</u>
		<u>0</u>
H) Additional 2017/18 change as a consequence of 2015/16 year-end reviews NOT affecting Balances.		
Additional Contact Centre FTC employee costs funded by VFM Reserve.	1,596	
Use of VFM Reserve.	<u>-1,596</u>	0
		<u>0</u>
I) Revenue Budget 2017/18 changes affecting Balances		
Use of increased 15/16 Balances to fund additional 17/18 costs.		
Planning and Economic Development Portfolio		
<u>Development Control</u> - Planning Application Fees - net increased income, for Local Plan costs.		630
<u>Other</u>		
Wyre BC share of Collection Fund 15/16 y/e increased deficits to be taken into account in setting the 2017/18 Budget. (Assumes no change to 16/17 forecast):-		
NDR Transactions. Increased Wyre BC cost.	1,134,711	
Offset by use of 15/16 Non-Domestic Rates Equalisation Reserve Top Up and use of part 16/17 forecast Top Up in Non-Domestic Rates Equalisation Reserve.	<u>-1,108,101</u>	
	0	
Council Tax transactions. Reduction in Balances.	18,762	
Memorial Park, Lottery Grant scheme - rephased net costs.	-1,320	
Change in set-aside provision for rephased Vehicle Fleet replacement.	<u>-5,606</u>	
		11,836
		<u>12,466</u>
J) 2018/19 changes resulting from 15/16 y/e reviews, affecting Balances.		
Memorial Park (Lottery Grant scheme (rephased net costs).	-2,257	
Change in set-aside provision for rephased Vehicle Fleet replacement.	<u>395</u>	
		<u>-1,862</u>
K) 2019/20 changes as a consequence of 15/16 year-end affecting Balances.		
Street Scene, Parks and Open Spaces Portfolio		
<u>Memorial Park, Heritage Lottery funded project</u> - Green Flag savings, rephased.		310
<u>Other</u>		
Memorial Park (Lottery Grant scheme (rephased net costs).	-4,870	
Change in set-aside provision for rephased Vehicle Fleet replacement.	<u>395</u>	
		-4,475
		<u>-4,165</u>

RESERVES AND BALANCES STATEMENT

Appendix 4a

	Actual Balance at 01/04/2015 £	' Top-up ' £	Less to Fund Expenditure £	Estimated Balance at 31/03/2016 £
2015/16 UPDATED REVISED ESTIMATE *				
Reserves				
Building Control	3,689	0	-2,880	809
Business Growth Incentive	14,728	0	-5,300	9,428
Capital Investment	1,014,489	98,218	-844,993	267,714
Elections	117,750	0	-98,908	18,842
Investment - I.T. Strategy	398,863	-9,830	-238,000	151,033
Land Charges	24,443	0	-8,847	15,596
Leisure Management	120,998	6,340	-116,493	10,845
New Homes Bonus	1,894,028	760,158	-176,166	2,478,020
Non-Domestic Rates Equalisation	540,623	566,456	-204,353	902,726
Performance Reward Initiatives	104,976	0	-75,681	29,295
Value for Money	577,206	79,630	-96,605	560,231
Vehicle Replacement/Street Cleansing Maintenance	461,543	220,751	-205,608	476,686
	5,273,336	1,721,723	-2,073,834	4,921,225
Balances				
General	6,463,992	736,620	0	7,200,612
TOTAL	11,737,328	2,458,343	-2,073,834	12,121,837

Note. All of the Performance Reward Initiatives 31/03/16 balance is ring-fenced for revenue purposes.

Note. None of the Land Charges 31/03/16 balance is for Personal Search revocation implications.

	Actual Balance at 01/04/2015 £	' Top-up ' £	Less to Fund Expenditure £	Actual Balance at 31/03/2016 £
2015/16 OUTTURN				
Reserves				
Building Control	3,689	3,631	0	7,320
Business Growth Incentive	14,728	0	-5,304	9,424
Capital Investment	1,014,489	485,069	-703,378	796,180
Elections	117,750	0	-98,908	18,842
Investment - I.T. Strategy	398,863	183,053	-257,130	324,786
Land Charges	24,443	0	-2,835	21,608
Leisure Management	120,998	129,125	-98,581	151,542
New Homes Bonus	1,894,028	760,158	-176,166	2,478,020
Non-Domestic Rates Equalisation	540,623	1,103,659	-204,353	1,439,929
Performance Reward Initiatives	104,976	0	-55,003	49,973
Value for Money	577,206	83,003	-89,563	570,646
Vehicle Replacement/Street Cleansing Maintenance	461,543	237,217	-205,889	492,871
	5,273,336	2,984,915	-1,897,110	6,361,141
Balances				
General	6,463,992	1,558,020	0	8,022,012
TOTAL	11,737,328	4,542,935	-1,897,110	14,383,153

Note. All of the Performance Reward Initiatives 31/03/16 balance is ring-fenced for revenue purposes.

Note. None of the Land Charges 31/03/16 balance is for Personal Search revocation implications.

* Includes changes since Council 3/03/16.

RESERVES AND BALANCES STATEMENT - Continued

Appendix 4a continued

	Estimated Balance at 01/04/2016 £	' Top-up ' £	Less to Fund Expenditure £	Estimated Balance at 31/03/2017 £	
<u>2016/17 CURRENT ESTIMATE *</u>					
Reserves					
Building Control	809	0	-640	169	
Business Growth Incentive	9,428	0	0	9,428	
Capital Investment	267,714	99,590	-300,000	67,304	
Elections	18,842	41,217	-30,000	30,059	
Insurance	0	40,000	0	40,000	
Investment - I.T. Strategy	151,033	66,470	-97,000	120,503	
Land Charges	15,596	5,940	0	21,536	
Leisure Management	10,845	6,340	-38,828	-21,643	
New Homes Bonus	2,478,020	760,158	-568,749	2,669,429	
Non-Domestic Rates Equalisation	902,726	634,171	-331,828	1,205,069	
Performance Reward Initiatives	29,295	0	-2,260	27,035	
Value for Money	560,231	64,660	-36,781	588,110	
Vehicle Replacement/Street Cleansing Maintenance	476,686	213,851	-284,500	406,037	
	4,921,225	1,932,397	-1,690,586	5,163,036	
Balances					
General	7,200,612	1,781,771	0	8,982,383	
	TOTAL	12,121,837	3,714,168	-1,690,586	14,145,419

Note. All of the Performance Reward Initiatives 31/03/17 balance is ring-fenced for revenue purposes.

Note. None of the Land Charges 31/03/17 balance is for Personal Search revocation implications.

* Includes changes since Council 3/03/16.

	Actual Balance at 01/04/2016 £	' Top-up ' £	Less to Fund Expenditure £	Estimated Balance at 31/03/2017 £	
<u>2016/17 LATEST ESTIMATE * INCLUDING OUTTURN 2015/16 AND SLIPPAGE</u>					
Reserves					
Building Control	7,320	0	-4,640	2,680	
Business Growth Incentive	9,424	0	0	9,424	
Capital Investment	796,180	99,590	-442,700	453,070	
Elections	18,842	41,217	-30,000	30,059	
Insurance	0	40,000	0	40,000	
Investment - I.T. Strategy	324,786	54,470	-85,000	294,256	
Land Charges	21,608	5,940	0	27,548	
Leisure Management	151,542	6,340	-38,828	119,054	
New Homes Bonus	2,478,020	760,158	-568,749	2,669,429	
Non-Domestic Rates Equalisation	1,439,929	634,171	-331,828	1,742,272	
Performance Reward Initiatives	49,973	0	-22,570	27,403	
Value for Money	570,646	64,660	-38,893	596,413	
Vehicle Replacement/Street Cleansing Maintenance	492,871	214,381	-242,500	464,752	
	6,361,141	1,920,927	-1,805,708	6,476,360	
Balances					
General	8,022,012	962,531	0	8,984,543	
	TOTAL	14,383,153	2,883,458	-1,805,708	15,460,903

Note. All of the Performance Reward Initiatives 31/03/17 balance is ring-fenced for revenue purposes.

Note. None of the Land Charges 31/03/17 balance is for Personal Search revocation implications.

* Includes changes since Council 3/03/16.

RESERVES AND BALANCES STATEMENT - Continued

Appendix 4a continued

	Estimated Balance at 01/04/2017 £	' Top-up ' £	Less to Fund Expenditure £	Estimated Balance at 31/03/2018 £	
<u>2017/18 LATEST ESTIMATE *</u>					
Reserves					
Building Control	2,680	0	0	2,680	
Business Growth Incentive	9,424	0	0	9,424	
Capital Investment	453,070	99,590	0	552,660	
Elections	30,059	41,217	0	71,276	
Insurance	40,000	40,000	0	80,000	
Investment - I.T. Strategy	294,256	63,760	-85,000	273,016	
Land Charges	27,548	0	0	27,548	
Leisure Management	119,054	6,340	0	125,394	
New Homes Bonus	2,669,429	0	-568,749	2,100,680	
Non-Domestic Rates Equalisation	1,742,272	0	-1,134,711	607,561	
Performance Reward Initiatives	27,403	0	-2,860	24,543	
Value for Money	596,413	0	-19,128	577,285	
Vehicle Replacement/Street Cleansing Maintenance	464,752	220,971	-288,000	397,723	
	6,476,360	471,878	-2,098,448	4,849,790	
Balances					
General	8,984,543	557,086	0	9,541,629	
	TOTAL	15,460,903	1,028,964	-2,098,448	14,391,419

Note. All of the Performance Reward Initiatives 31/03/18 balance is ring-fenced for revenue purposes.

Note. None of the Land Charges 31/03/18 balance is for Personal Search revocation implications.

* Includes changes since Council 3/03/16.

	Estimated Balance at 01/04/2018 £	' Top-up ' £	Less to Fund Expenditure £	Estimated Balance at 31/03/2019 £	
<u>2018/19 LATEST ESTIMATE *</u>					
Reserves					
Building Control	2,680	0	0	2,680	
Business Growth Incentive	9,424	0	0	9,424	
Capital Investment	552,660	99,590	0	652,250	
Elections	71,276	41,217	0	112,493	
Insurance	80,000	40,000	0	120,000	
Investment - I.T. Strategy	273,016	51,565	-85,000	239,581	
Land Charges	27,548	0	0	27,548	
Leisure Management	125,394	0	0	125,394	
New Homes Bonus	2,100,680	0	-568,749	1,531,931	
Non-Domestic Rates Equalisation	607,561	0	0	607,561	
Performance Reward Initiatives	24,543	0	-2,233	22,310	
Value for Money	577,285	0	0	577,285	
Vehicle Replacement/Street Cleansing Maintenance	397,723	251,511	-189,500	459,734	
	4,849,790	483,883	-845,482	4,488,191	
Balances					
General	9,541,629	0	-1,457,728	8,083,901	
	TOTAL	14,391,419	483,883	-2,303,210	12,572,092

Note. All of the Performance Reward Initiatives 31/03/19 balance is ring-fenced for revenue purposes.

Note. None of the Land Charges 31/03/19 balance is for Personal Search revocation implications.

* Includes changes since Council 3/03/16.

RESERVES AND BALANCES STATEMENT - Continued

Appendix 4a continued

	Estimated Balance at 01/04/2019 £	' Top-up ' £	Less to Fund Expenditure £	Estimated Balance at 31/03/2020 £
<u>2019/20 LATEST ESTIMATE *</u>				
Reserves				
Building Control	2,680	0	0	2,680
Business Growth Incentive	9,424	0	0	9,424
Capital Investment	652,250	82,990	0	735,240
Elections	112,493	41,217	-153,710	0
Insurance	120,000	40,000	0	160,000
Investment - I.T. Strategy	239,581	57,570	-123,020	174,131
Land Charges	27,548	0	0	27,548
Leisure Management	125,394	0	0	125,394
New Homes Bonus	1,531,931	0	-568,749	963,182
Non-Domestic Rates Equalisation	607,561	0	0	607,561
Performance Reward Initiatives	22,310	0	0	22,310
Value for Money	577,285	0	0	577,285
Vehicle Replacement/Street Cleansing Maintenance	459,734	253,214	-344,500	368,448
	<u>4,488,191</u>	<u>474,991</u>	<u>-1,189,979</u>	<u>3,773,203</u>
Balances				
General	8,083,901	0	-2,521,597	5,562,304
TOTAL	<u>12,572,092</u>	<u>474,991</u>	<u>-3,711,576</u>	<u>9,335,507</u>

Note. All of the Performance Reward Initiatives 31/03/20 balance is ring-fenced for revenue purposes.

Note. None of the Land Charges 31/03/20 balance is for Personal Search revocation implications.

* Includes changes since Council 3/03/16.

TRANSFERS TO AND FROM RESERVES

Appendix 4b

Updated Revised 2015/16 Estimate and actuals reflecting slippage to later years

* approved at Council 3/3/16 with subsequent changes

***** Top Up/(-)Expenditure *****

	Current * 2015/16		2015/16 Actual	
	Revised Estimate		£ p	£ p
	£	£	£ p	£ p
<u>BUILDING CONTROL</u>				
Chargeable work 2015/16 net surplus (not deficit as estimated).		-2,880		3,630.54
<u>BUSINESS GROWTH INCENTIVE</u>				
Business Support initiatives, slippage from 14/15.		-5,300		-5,303.86
<u>CAPITAL INVESTMENT</u>				
Top Up -YMCA equipment contribution, Cabinet 22/10/14 (final year 2019/20).	99,590		99,590.00	
Top Up - retrospective VAT adj. re premium receipt, Beach Bungalow, Fleetwood.	-1,372		-1,372.35	
Top Up - general outturn net underspend.	0		386,852.00	
Usage approvals -				
Beach Bungalows, Fleetwood (2014/15) - residual costs.	-139		-139.00	
Cleveleys Ph4b improvements - adj. re final settlement of ERDF grant funding.	-6,173		-6,172.64	
Disabled Facility Grants - minor overspend.	0		-116.86	
Improvements to Memorial Park.	-28,890		-29,930.35	
New Link Road through Hardhorn Rd Car Park, Poulton.	-94,313		-94,313.00	
Urban Woodland Scheme, offset external funding change.	-2,363		-2,288.20	
Wyreside Café renovations.	-21,967		-21,971.45	
<u>Leisure Centre Improvements</u>				
Garstang LC - Quantity surveyor fees, advance use of 16/17 funding.	0		-3,800.00	
Poulton LC works.	-220,146		-220,146.40	
Thornton LC works.	-225,870		-225,869.59	
Leisure Centre Client Support - additional costs.	-25,132		-25,130.38	
<u>Other Leisure Centres</u>				
Fleetwood Leisure Centre Sand filters - part slip to 2016/17.	-125,000		-73,500.00	
Fleetwood Leisure Centre urgent Heating improvements - slip to 2016/17.	-95,000		0.00	
		-746,775		-218,308.22
<u>ELECTIONS</u>				
Updated 2015 Borough Elections partly offset by General Election shared costs.	-66,710		-66,710.00	
Transfer to General Fund, for CAB funding (year 1 of 2), Cab. 21/1/15.	-30,000		-30,000.00	
Transfer to General Fund, for part funding SYN I year extension, Cab. 21/1/15.	-2,198		-2,198.00	
		-98,908		-98,908.00
<u>INVESTMENT - I.T.STRATEGY</u>				
Top Up from IT general savings per latest review.	-19,130		173,752.79	
Top Up re CCTV investment net Fylde contribution. Cabinet 3/12/14.	9,300		9,300.00	
Additional Rolling Replacement Hardware Programme.	-238,000		-257,130.00	
		-247,830		-74,077.21
<u>LAND CHARGES</u>				
Chargeable work 2015/16 net deficit	-6,460		-526.49	
Personal Searches - Legal Fees costs.	-2,387		-2,309.13	
		-8,847		-2,835.62
<u>LEISURE MANAGEMENT</u>				
Top Up, Garstang equipment, YMCA contribution (year 3 of 5).	6,340		6,344.08	
Top Up, no use of Leisure Management Excess provision.	0		50,000.00	
Top Up, Wyre BC share of 15/16 YMCA operational savings.	0		54,861.00	
Top Up, Poulton and Thornton equipment savings.	0		17,919.27	
Portable Equipment, Leisure Centre Development - approved Resources and Leisure and Culture PHs 12/2/15 - includes slippage from 14/15, extra Thornton	-84,493		-54,662.18	
Leisure Centre building works and noise survey.			-13,547.00	
Poulton SC Handover costs.	-6,000		-5,411.80	
Thornton LC Handover costs.	-26,000		-24,959.75	
		-110,153		30,543.62
<u>NEW HOMES BONUS</u>				
Top Up for Government Grant (year 5 of 6), see 2011/12.	271,597		271,597.00	
Top Up for Government Grant (year 4 of 6), see 2012/13.	147,369		147,369.00	
Top Up for Government Grant (year 3 of 6), see 2013/14.	341,192		341,192.00	
Fund Council Taxpayer income foregone from 12/13 freeze.	-176,166		-176,166.00	
		583,992		583,992.00

TRANSFERS TO AND FROM RESERVES - Continued

Appendix 4b - Continued

Updated Revised 2015/16 Estimate and actuals reflecting slippage to later years

* approved at Council 3/3/16 with subsequent changes

***** Top Up/(-)Expenditure *****

	Current * 2015/16		2015/16 Actual	
	Revised Estimate		p	p
	£	£	£	£
NON-DOMESTIC RATES EQUALISATION				
Top-Up - s31 Local Government Act 2003 Grant net of related NDR Levy.	570,898		940,882.00	
Top-Up - adjustment for 2014/15 understated NDR Levy.	-4,442		-4,442.00	
Top-Up - Safety Net receipt.	0		167,219.00	
Transfer to General Fund, 2013/14 Reserve surplus.	<u>-204,353</u>		<u>-204,353.00</u>	
		362,103		899,306.00
PERFORMANCE REWARD INITIATIVES				
Wyre BC revenue scheme - Wyred Up slip from 14/15.	-4,845		-2,075.31	
Poulton Locality Plan, Cabinet 5/12/12 -				
Jean Stansfield Play Area - over prior year accrued retention.	0		319.50	
Travel Champions for Schools. Part slip 13/14 to 14/15 and slip to 15/16.	-500		-500.00	
Volunteer Wyre Project. Cab. 19/6/13, incl. slippage from 14/15 and to future years.	-3,050		-1,909.69	
Neighbourhood Funding (6 areas), Cabinet 15/1/14. Detailed scheme allocation	-27,800		-24,512.58	
Cabinet 30/7/14. Known 14/15 slippage plus 14/15 outturn slippage.				
Aggregate contribution to 2015/16 one year SYN extension, Cabinet 21/1/15.	<u>-39,486</u>		<u>-26,325.05</u>	
		-75,681		-55,003.13
VALUE FOR MONEY				
New Burden Localisation of Council Tax Support final additional DCLG grant.	24,423		24,423.00	
Welfare Reforms 2015/16 Administration costs DWP grant.	16,211		16,210.94	
Universal Credit Delivery Partnership Agreement with DWP.	24,984		24,575.00	
Fraud and Error Incentive Fund DWP Initial grant.	7,610		7,610.00	
New Burden Migrant Access to Benefits DWP grant.	698		698.00	
New Burden Measure 9 DWP grant.	54		54.00	
New Burden Real Time Information DWP grants	3,787		7,569.31	
New Burden Single Fraud Investigation Service DWP grant.	1,863		1,863.00	
Use - E-Benefits software, Resources PH 27/10/14 (update of 17/7/14 approval).	-596		-556.84	
Use - E-Revenues software.	-6,000		-6,000.00	
Use - Central Filing Software, Resources PH 2/7/15.	-27,725		-22,388.00	
Use - Contact Centre 2 year Apprentice now to 14/8/15. Post No. RE3044.	-5,303		-5,303.43	
Use - Contact Centre 2 year Apprentice to 8/6/16. Post No. RE4055.	-15,974		-15,973.80	
Use - Contact Centre 2 year Apprentice now to 7/8/15. Post No. RE4047.	-5,107		-5,106.61	
Use - Contact Centre new 2 year Apprentice to 11/10/17. Post No. RE3044.	-7,794		-6,953.81	
Use - Contact Centre new 2 year Apprentice to 4/10/17. Post No. RE4047.	-8,106		-7,880.76	
Use - IDOX Document Management System, Resources PH 17/12/15.	<u>-20,000</u>		<u>-19,400.00</u>	
		-16,975		-6,560.00
VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE				
After Quarter 1 2015/16 review changes, Cabinet 27/7/15:-				
Aggregate set-aside for replacement of vehicles.	195,823		195,823.00	
Set-aside of vehicle sale income, Cabinet 22/10/14 quarter 2 review.	23,500		23,500.00	
Aggregate set-aside for replacement of vehicles, Qtr3 review, Cabinet 20/1/16.	1,428		1,428.00	
Top Up from Street Cleansing vehicle savings in 2015/16.	0		16,466.00	
Use of Reserve to fund vehicle replacements/adaptations.	<u>-205,608</u>		<u>-205,888.49</u>	
		15,143		31,328.51
TOTAL NET TRANSFER FROM (-) / TO 2015/16 RESERVES	<u>-352,111</u>		<u>1,087,804.63</u>	

TRANSFERS TO AND FROM RESERVES - Continued

Appendix 4b - Continued

Updated 2016/17 Estimate - reflecting slippage from 2015/16

* approved at Council 3/3/16 with subsequent changes

***** Top Up/(-)Expenditure *****

	Current *		Latest	
	2016/17 Estimate		2016/17 Estimate	
	£	£	£	£
<u>BUILDING CONTROL</u>				
Chargeable work 2016/17 net deficit (including ipad acquisitions £4,000 from 2015/16 surplus).		-640		-4,640
<u>CAPITAL INVESTMENT</u>				
Top Up - YMCA equipment contribution, Cabinet 22/10/14 (final year 2019/20).	99,590		99,590	
Usage approvals -				
<u>Leisure Centre Improvements</u>				
<u>Cabinet 21/10/15 Quarter 2 and 20/1/16 Quarter 3 2015/16 Review</u>				
Garstang LC (subject to detailed scheme approval) - slipped to 2016/17.	-300,000		-300,000	
<u>2015/16 Outturn review</u>				
Garstang LC (subject to detailed scheme approval) - advance 15/16 spend.	0		3,800	
<u>Other Leisure Centres</u>				
Fleetwood Leisure Centre Sand filters - slippage from 2015/16.	0		-51,500	
Fleetwood Leisure Centre urgent Heating improvements - slippage from 2015/16.	0		-95,000	
		-200,410		-343,110
<u>ELECTIONS</u>				
Reduced Annual provision 2019 Borough Elections.	41,217		41,217	
Transfer to General Fund, for CAB funding (year 2 of 2), Cab. 21/1/15.	-30,000		-30,000	
		11,217		11,217
<u>INSURANCE</u>				
Annual set aside for possible claims.		40,000		40,000
<u>INVESTMENT - I.T. STRATEGY</u>				
Top Up from IT general savings per latest review.	63,790		63,790	
Top Up re CCTV investment net Fylde contribution. Cabinet 3/12/14.	2,680		2,680	
CCTV Investment - Resources and Neighbourhood Services and Community Safety PH 5/5/16 Town Centre CCTV works.	-12,000		-12,000	
Additional Rolling Replacement Hardware Programme.	-85,000		-85,000	
		-30,530		-30,530
<u>LAND CHARGES</u>				
Chargeable work 2016/17 net surplus.		5,940		5,940
<u>LEISURE MANAGEMENT</u>				
Top Up, Garstang equipment, YMCA contribution (year 4 of 5).	6,340		6,340	
Use - Cabinet 15/6/16 additional Garstang LC and Pool capital costs.	-38,828		-38,828	
		-32,488		-32,488
<u>NEW HOMES BONUS</u>				
Top Up for Government Grant (year 6 of 6), see 2011/12.	271,597		271,597	
Top Up for Government Grant (year 5 of 6), see 2012/13.	147,369		147,369	
Top Up for Government Grant (year 4 of 6), see 2013/14.	341,192		341,192	
Fund Council Taxpayer income foregone from 11/12 freeze.	-176,689		-176,689	
Fund Council Taxpayer income foregone from 12/13 freeze.	-176,166		-176,166	
Fund Council Taxpayer income foregone from 13/14 freeze.	-71,250		-71,250	
Fund Council Taxpayer income foregone from 14/15 freeze.	-72,037		-72,037	
Fund Council Taxpayer income foregone from 15/16 freeze.	-72,607		-72,607	
		191,409		191,409
<u>NON-DOMESTIC RATES EQUALISATION</u>				
Top-Up - s31 Local Government Act 2003 Grant net of related NDR Levy.	217,997		217,997	
Top-Up - NDR Retained Levy (Pooling).	416,174		416,174	
Transfer to General Fund, 2014/15 Reserve increased surplus.	-331,828		-331,828	
		302,343		302,343
<u>PERFORMANCE REWARD INITIATIVES</u>				
Wyre BC revenue scheme - Wyred Up slip from 15/16.	0		-2,750	
Volunteer Wyre Project, Cab.19/6/13, slippage from 14/15 (also to future years), and additional slippage from 2015/16.	-2,260		-2,260	
Neighbourhood Funding (6 areas), Cabinet 15/1/14. Detailed scheme allocation Cabinet 30/7/14. 15/16 slippage.	0		-3,280	
2015/16 one year SYN extension, Cabinet 21/1/15 - 15/16 slippage.	0		-13,140	
		-2,260		-22,570

TRANSFERS TO AND FROM RESERVES - Continued

Appendix 4b - Continued

Updated 2016/17 Estimate - reflecting slippage from 2015/16 - Continued

* approved at Council 3/3/16 with subsequent changes

***** Top Up/(-)Expenditure *****

	Current *		Latest	
	2016/17 Estimate		2016/17 Estimate	
	£	£	£	£
VALUE FOR MONEY				
Fraud and Error Reduction Scheme (FERIS) Maintenance Fund, DWP grant.	18,830		18,830	
New Burden Real Time Information initial DWP grant.	2,190		2,190	
New Burden Removal Family Premium HB limitation, DWP grant.	1,780		1,780	
New Burden Welfare Reform changes, DWP grant.	22,810		22,810	
Universal Credit Delivery Partnership Agreement with DWP.	16,210		16,210	
New Burden Single Fraud Investigation Service DWP grant.	2,100		2,100	
New Burden Pension Credit Assessed Income Period Reform, DWP grant.	740		740	
Use - Contact Centre 2 year Apprentice to 8/6/16. Post No. RE4055.	-3,065		-3,333	
Use - Contact Centre new 2 year Apprentice to 11/10/17. Post No. RE3044.	-16,858		-17,780	
Use - Contact Centre new 2 year Apprentice to 4/10/17. Post No. RE4047.	-16,858		-17,780	
		27,879		25,767
VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE				
Aggregate set-aside for replacement of vehicles, Qtr1 review, Cabinet 29/7/15.	213,208		213,208	
Aggregate set-aside for replacement of vehicles, Qtr3 review, Cabinet 20/1/16.	643		643	
Adjusted set-aside after 2015/16 outturn.	0		530	
Use of Reserve to fund vehicle replacements/adaptations.	-322,000		-322,000	
<u>Cabinet 29/7/15 Quarter 1 2015/16 Review</u>				
Vehicle Fleet Replacement Programme rephase.	-42,000		-42,000	
<u>Cabinet 20/1/16 Quarter 3 2015/16 Review</u>				
Vehicle Fleet Replacement Programme cost rephase.	79,500		79,500	
<u>2015/16 Outturn review</u>				
Vehicle Fleet Replacement Programme cost rephase.	0		42,000	
		-70,649		-28,119
TOTAL NET TRANSFER TO 2016/17 RESERVES		241,811		115,219

TRANSFERS TO AND FROM RESERVES - Continued

Appendix 4b - Continued

Updated 2017/18 Estimate - reflecting changes from 2015/16

* approved at Council 3/3/16 with subsequent changes

***** Top Up/(-)Expenditure *****

	Current *		Latest	
	2017/18 Estimate		2017/18 Estimate	
	£	£	£	£
<u>BUILDING CONTROL</u>				
Chargeable work 2017/18 net nil.		0		0
<u>CAPITAL INVESTMENT</u>				
Top Up -YMCA equipment contribution, Cabinet 22/10/14 (final year 2019/20).		99,590		99,590
<u>ELECTIONS</u>				
Reduced Annual provision 2019 Borough Elections.		41,217		41,217
<u>INSURANCE</u>				
Annual set aside for possible claims.		40,000		40,000
<u>INVESTMENT - I.T.STRATEGY</u>				
Top Up from IT general savings per latest review.		51,080		51,080
Top Up re CCTV investment net Fylde contribution. Cabinet 3/12/14.		12,680		12,680
Additional Rolling Replacement Hardware Programme.)	-85,000		-85,000
		<u>-21,240</u>		<u>-21,240</u>
<u>LAND CHARGES</u>				
Chargeable work 2017/18 net nil.		0		0
<u>LEISURE MANAGEMENT</u>				
Top Up, Garstang equipment, YMCA contribution (year 5 of 5).		6,340		6,340
<u>NEW HOMES BONUS</u>				
Top Up for Government Grant (year 6 of 6), see 2012/13.		0		0
Top Up for Government Grant (year 5 of 6), see 2013/14.		0		0
Now assume post Consultation, Government preference to reduce 6 yearly allocations (incl. prior years) to 4 will be actioned.				
Fund Council Taxpayer income foregone from 11/12 freeze.		-176,689		-176,689
Fund Council Taxpayer income foregone from 12/13 freeze.		-176,166		-176,166
Fund Council Taxpayer income foregone from 13/14 freeze.		-71,250		-71,250
Fund Council Taxpayer income foregone from 14/15 freeze.		-72,037		-72,037
Fund Council Taxpayer income foregone from 15/16 freeze.		-72,607		-72,607
		<u>-568,749</u>		<u>-568,749</u>
<u>NON-DOMESTIC RATES EQUALISATION</u>				
Transfer to General Fund, 2015/16 Reserve Top Up.		0		-1,108,101
Transfer to General Fund, 2016/17 part Reserve Top Up.		0		-26,610
		<u>0</u>		<u>-1,134,711</u>
<u>PERFORMANCE REWARD INITIATIVES</u>				
Volunteer Wyre Project, Cab.19/6/13, incl. slippage from 14/15 and to future years.		-2,860		-2,860
<u>VALUE FOR MONEY</u>				
Use - Contact Centre new 2 year Apprentice to 11/10/17. Post No. RE3044.		-8,921		-9,733
Use - Contact Centre new 2 year Apprentice to 4/10/17. Post No.RE4047.		-8,611		-9,395
		<u>-17,532</u>		<u>-19,128</u>
<u>VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE</u>				
Aggregate set-aside for replacement of vehicles, Qtr1 review, Cabinet 29/7/15.		234,338		234,338
Aggregate set-aside for replacement of vehicles, Qtr3 review, Cabinet 20/1/16.		-7,761		-7,761
Adjusted set-aside after 2015/16 outturn.		0		-5,606
Use of Reserve to fund vehicle replacements/adaptations. <u>Cabinet 20/1/16 Quarter 3 2015/16 Review</u>		-166,500		-166,500
Vehicle Fleet Replacement Programme cost rephase. <u>2015/16 Outturn review</u>		-79,500		-79,500
Vehicle Fleet Replacement Programme cost rephase.		0		-42,000
		<u>-19,423</u>		<u>-67,029</u>
TOTAL NET TRANSFER FROM (-) 2017/18 RESERVES		<u>-442,657</u>		<u>-1,626,570</u>

TRANSFERS TO AND FROM RESERVES - Continued

Appendix 4b - Continued

Updated 2018/19 Estimate - reflecting changes from 2015/16

* approved at Council 3/3/16 with subsequent changes

***** Top Up/(-)Expenditure *****

	Current *		Latest	
	2018/19 Estimate		2018/19 Estimate	
	£	£	£	£
<u>BUILDING CONTROL</u>				
Chargeable work 2018/19 net nil.		0		0
<u>CAPITAL INVESTMENT</u>				
Top Up -YMCA equipment contribution, Cabinet 22/10/14 (final year 2019/20).		99,590		99,590
<u>ELECTIONS</u>				
Reduced Annual provision 2019 Borough Elections.		41,217		41,217
<u>INSURANCE</u>				
Annual set aside for possible claims.		40,000		40,000
<u>INVESTMENT - I.T.STRATEGY</u>				
Top Up from IT general savings per latest review.		38,885		38,885
Top Up re CCTV investment net Fylde contribution. Cabinet 3/12/14.		12,680		12,680
Additional Rolling Replacement Hardware Programme.		-85,000		-85,000
		<u>-33,435</u>		<u>-33,435</u>
<u>LAND CHARGES</u>				
Chargeable work 2018/19 net nil.		0		0
<u>NEW HOMES BONUS</u>				
Top Up for Government Grant (year 6 of 6), see 2013/14.		0		0
Now assume post Consultation, Government preference to reduce 6 yearly allocations (incl. prior years) to 4 will be actioned.				
Fund Council Taxpayer income foregone from 11/12 freeze.		-176,689		-176,689
Fund Council Taxpayer income foregone from 12/13 freeze.		-176,166		-176,166
Fund Council Taxpayer income foregone from 13/14 freeze.		-71,250		-71,250
Fund Council Taxpayer income foregone from 14/15 freeze.		-72,037		-72,037
Fund Council Taxpayer income foregone from 15/16 freeze.		-72,607		-72,607
		<u>-568,749</u>		<u>-568,749</u>
<u>PERFORMANCE REWARD INITIATIVES</u>				
Volunteer Wyre Project, Cab.19/6/13, incl. slippage from 14/15 and to future years.		-2,233		-2,233
<u>VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE</u>				
Aggregate set-aside for replacement of vehicles, Qtr1 review, Cabinet 29/7/15.		250,473		250,473
Aggregate set-aside for replacement of vehicles, Qtr3 review, Cabinet 20/1/16.		643		643
Adjusted set-aside after 2015/16 outturn.		0		395
Use of Reserve to fund vehicle replacements/adaptations.		-189,500		-189,500
<u>Cabinet 29/7/15 Quarter 1 2015/16 Review</u>				
Vehicle Fleet Replacement Programme rephase.		-2,660		-2,660
<u>Cabinet 20/1/16 Quarter 3 2015/16 Review</u>				
Vehicle Fleet Replacement Programme cost rephase.		2,660		2,660
		<u>61,616</u>		<u>62,011</u>
TOTAL NET TRANSFER FROM (-) 2018/19 RESERVES		<u><u>-361,994</u></u>		<u><u>-361,599</u></u>

TRANSFERS TO AND FROM RESERVES - Continued

Appendix 4b - Continued

Updated 2019/20 Estimate

* approved at Council 3/3/16 with subsequent changes

***** Top Up/(-)Expenditure *****

	Current *		Latest	
	2019/20 Estimate		2019/20 Estimate	
	£	£	£	£
<u>BUILDING CONTROL</u>				
Chargeable work 2019/20 net nil.		0		0
<u>CAPITAL INVESTMENT</u>				
Top Up -YMCA equipment contribution, Cab.22/10/14 (final part year 2019/20).		82,990		82,990
<u>ELECTIONS</u>				
Reduced Annual provision 2019 Borough Elections.	41,217		41,217	
Use of Reserve for Borough Elections in 2019.	<u>-153,710</u>		<u>-153,710</u>	
		-112,493		-112,493
<u>INSURANCE</u>				
Annual set aside for possible claims.		40,000		40,000
<u>INVESTMENT - I.T.STRATEGY</u>				
Top Up from IT general savings per latest review.	48,060		48,060	
Top Up re CCTV investment net Fylde contribution. Cabinet 3/12/14.	9,510		9,510	
CCTV Investment, adjusted for 16/17 spend.	<u>-38,020</u>		<u>-38,020</u>	
Additional Rolling Replacement Hardware Programme.	<u>-85,000</u>		<u>-85,000</u>	
		-65,450		-65,450
<u>LAND CHARGES</u>				
Chargeable work 2019/20 net nil.		0		0
<u>NEW HOMES BONUS</u>				
Fund Council Taxpayer income foregone from 11/12 freeze.	-176,689		-176,689	
Fund Council Taxpayer income foregone from 12/13 freeze.	-176,166		-176,166	
Fund Council Taxpayer income foregone from 13/14 freeze.	-71,250		-71,250	
Fund Council Taxpayer income foregone from 14/15 freeze.	-72,037		-72,037	
Fund Council Taxpayer income foregone from 15/16 freeze.	<u>-72,607</u>		<u>-72,607</u>	
		-568,749		-568,749
<u>VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE</u>				
Aggregate set-aside for replacement of vehicles, Qtr1 review, Cabinet 29/7/15.	252,819		252,819	
Adjusted set-aside after 2015/16 outturn.	0		395	
Use of Reserve to fund vehicle replacements/adaptations.	<u>-344,500</u>		<u>-344,500</u>	
		-91,681		-91,286
TOTAL NET TRANSFER FROM (-) 2019/20 RESERVES		<u><u>-715,383</u></u>		<u><u>-714,988</u></u>

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