

Balancing 2020/21 Budget

		£000 (Reduction)/ Increase in Budget Gap
2020/21 Budget Gap (as presented to Finance Council in February 2019)		5,719
INCOME		
Increase in New Homes Bonus	1	(341)
Net increase in Council Tax income due to growth	2	(836)
BwD share of £1billion funding for social care	3	(3,600)
2% Adult Social Care Precept	4	(1,074)
Net reduction in funding via Settlement Funding Assessment and local share of Business Rates due to end of Lancashire 75% BRR Pilot	5	4,155
Increase in S31 grants - Small Business Rate Relief, 2% multiplier cap and other Localism Reliefs	7	(4,977)
Surplus on Business Rates and Council Tax Collection Fund in 2019/20	8	(702)
Revised Budget Gap for 2020/21		(1,656)
EXPENDITURE		
Cost pressures identified during 2019/20	9	6,123
Portfolio Savings Programme identified during 2019/20	10	(4,727)
Impact of updated assumptions in respect of inflation and National Living Wage	12	2,305
Increase in revenue funding of capital programme		300
Reduction in Pension deficit repayment	20	(2,071)
Saving from advance payment of pension contributions, net of related borrowing costs	21	(404)
Increase in contribution from Earmarked reserves	23	(370)
Replenishment of Unallocated Reserves	8	500
2020/21 Budget Gap/(Surplus)		0

The table above summarises the way in which the Budget Gap for 2020/21 (as presented in the MTFs to Finance Council back in February 2019) has changed over the past 12 months to produce a balanced budget as required by