

Estimate	Method / model used to make the estimate	Controls used to identify estimates	Whether Management have used an expert	Underlying assumptions: - Assessment of degree of uncertainty  - Consideration of alternative estimates	Has there been a change in accounting method in year?
Valuation of Property, Plant and Equipment	RICS approved valuation methodologies	Use of external RICS qualified auditors	Yes – External Valuers and in-house RICS qualified employees	Variances to be checked with in-house team and where necessary alternative valuers will be used to challenge any variances	No
Valuation of pension liability	As part of the terms and conditions of employment of its officers and other employees, the Authority offers retirement benefits through the Local Government Pension Scheme.	The Committee is assisted by an investment panel which advises on investment strategy and risk management.	Yes - Mercers	This scheme is administered by Lancashire County Council who have appointed a Pension Fund Committee to manage the Fund.	No
Depreciation	The approach is outlined in the statement of accounts utilizing Code of Practice and up to date CIPFA Capital Accounting guidance	Analysis of impairments, acquisitions and disposals included in the closure of accounts procedures	Yes – External Valuers and in-house RICS qualified employees	No other alternatives have been considered for 20/21	No

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Significant Accrual	Estimates are based on hard data, eg values of orders placed, actual invoiced/remitted amounts paid /received in first month of succeeding financial year, values produced by completion final returns and grant claims.	Accruals are raised only where there is objective evidence of expenditure/income which is required to be recognized in the financial year.	No. Process is internal only. All staff involved are trained and experienced to sufficient degree both to fully understand the process and its significance and to apply it in practice.	Robust nature of base data and relatively mechanistic nature of process mean that there is only a very limited degree of uncertainty, eg an invoiced amount may vary slightly from an order value, a subsequent amendment might be made to a return on which a grant claim was based, but it will be rare for these to produce any significant variation.	No. Only factor of note is that overall value of accruals (specifically income accruals) is significantly higher for 2020/21, because of factors around Covid 19 related funding streams.
Fair Value Loans	The Council does not have any Fair Value Loans	Not applicable	Not applicable	Not applicable	Not applicable

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Bad Debt Provision	For Sundry Debts, a percentage provision has been applied. For HB overpayments, provision is based on a percentage dependent on the age of the debt. CTax and Business Rates debt (including Costs) is again based on age bandings and percentages. All percentage bandings have been reviewed for 2020/21 in view of the impacts of the Covid 19 pandemic and, where judged appropriate, varied compared to previous years.	Estimates are derived by reference to the available relevant data and in accordance with professional standards and guidance.	No. Process is internal only. All staff involved are trained and experienced to sufficient degree both to fully understand the process and its significance and to apply it in practice.	There is an inherent element of estimation uncertainty and this has inevitably been increased by the circumstances of the pandemic. Every effort has been made to limit this increase, by close reference to all available data.	Base methodology remains unchanged, but there have been changes to the percentage provisions applied, to take account of the exceptional circumstances for income recovery, arising from the impacts of the Covid 19 pandemic.

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NNDR Appeal Provision	For pre-2017 List appeals, a calculation is carried out based on levels of outstanding appeals, the grounds of the appeals and past experience of success rates and levels of reductions in RV. For the 2017 List, provision is based on an estimated percentage, derived with reference to comparator councils, adjusted for changes made at the 'Check' and 'Challenge' stages.	Estimates are derived by reference to the available relevant data, comparators, etc and in accordance with professional standards and guidance.	Estimate has been produced in-house. LG Futures have been retained to review and advise on its appropriateness.	A degree of estimation uncertainty is inherent even with the pre-2107 List, because although it is based on objective data and an established methodology, there is always the possibility of variation from previous percentage success rates and RV reduction. The uncertainty is higher in respect of the 2017 List, where there is very little objective evidence on which to assess the likely ultimate level of successful appeals. The percentage applied is judged to be within the range of likely outcomes, but towards the higher end of that range. Consideration has been given to applying a lower percentage, but this would expose the Council to the risk of future loss without the provision to cover it, with the possibility that this could be for a significant amount.	Only change compared to previous year is that a certain amount of information is now available in respect of numbers and status of 2017 List cases at the 'Check' and 'Challenge' stages and this has been incorporated