

Public Document Pack

Dear Councillor

EXECUTIVE - MONDAY, 6TH NOVEMBER, 2017

Please find attached updated the appendices related to the Financial Performance Monitoring Item Monday, 6th November, 2017 meeting of the Executive, forwarded to Members under separate cover.

Agenda No	Item
------------------	-------------

6	<u>FINANCIAL PERFORMANCE MONITORING AS AT MONTH 5 2017/18 (Pages 1 - 48)</u>
---	-------------------------------------------------------------------------------------

Yours sincerely

This page is intentionally left blank

BLACKPOOL COUNCIL
REPORT
of the
DIRECTOR OF RESOURCES
to the
EXECUTIVE
6 NOVEMBER 2017

FINANCIAL PERFORMANCE MONITORING AS AT MONTH 5 2017/18

1. Introduction

- 1.1 This report is the standard monthly financial performance monitoring report, which sets out the summary revenue budget position for the Council and its individual directorates for the first 5 months of 2017/18, i.e. the period to 31 August 2017, together with an outlook for the remainder of the year. The report is complemented with an assessment of performance to date of balances and reserves, income collection, the Council's latest Capital Programme and statements relating to Cash Flow Summary and Balance Sheet Summary.

2. Report Format

- 2.1 Separate reports have been prepared for each of the Council's core areas of responsibility:
- Appendix 3a - Chief Executive
 - Appendix 3b - Governance and Partnership Services
 - Appendix 3b/c - Ward Budgets
 - Appendix 3d - Resources
 - Appendix 3e - Places
 - Appendix 3f - Strategic Leisure Assets
 - Appendix 3g - Community and Environmental Services
 - Appendix 3h - Adult Services
 - Appendix 3i - Children's Services
 - Appendix 3j - Public Health
 - Appendix 3k - Budgets Outside the Cash Limit.

These incorporate summary financial statements which continue to be prepared on a full accruals basis and focus on the forecast revenue outturns for 2017/18. There is an accompanying narrative to explain any areas of significant variance from budget and to highlight any areas of potential pressure along with action plans agreed with service managers to address them.

2.2 The combined effect of the directorates' financial performances is aggregated in a summary financial statement at Appendix 1 which mirrors the Council's Revenue Budget Book. This summary allows proactive month-on-month monitoring of the Council's forecast working balances to be undertaken to ensure appropriate and prudent levels are maintained. Appendix 2 highlights on a 12-month rolling basis those services which trip the designated overspending reporting threshold.

3. Directorates' Budget Performance

3.1 As a supportive measure to give services every chance to deliver a break-even budget, the Executive agreed at its meeting on 19th June 2017 to write-off all service overspends and carry forward the 2016/17 underspend of £287k on Ward Budgets.

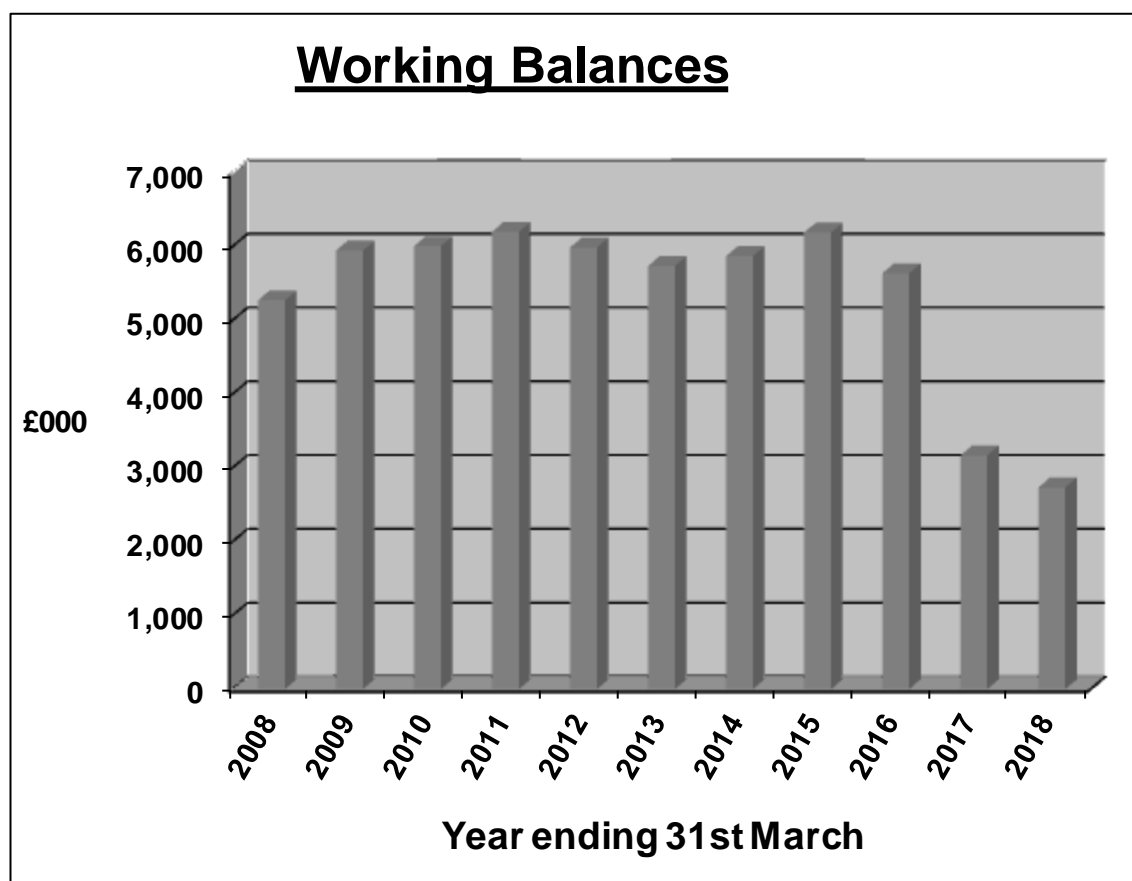
3.2 The impacts of directorates' revenue budget performance and progress in achieving planned savings fall upon the Council's working balances. The main areas accounting for the month 5 forecast overspend of £3,433k for 2017/18 are summarised below:-

Directorate	Service	Forecast Variance £000
Children's Services	An overspend of £4,234k is forecast. Children's Social Care is forecast to overspend by £3,995k, mainly due to increases in the numbers since budgets were set by 8% to 540 with an all-time high of 549 by the end of May 2017 and average placement cost of Looked After Children (LAC) due to lack of capacity in the market along with more complex care needs. There are overspends in the Education Services Grant of £184k due to the loss of funding arising from the grant ceasing from September 2017 although this is partly offset by a transitional grant and the charging of retained education functions to the Dedicated Schools Grant (DSG) and Education of £150k predominately relating to the SEN Transport Service and partly due to the savings target which is forecast not to be achieved. A number of solutions to try and mitigate the cost pressures are being implemented. A procedure has been introduced whereby all new admissions into care must be approved by the Senior Service Manager and, in those cases where the child is 12 years or over, by the Director of Children's Services. Following the implementation of a new demand strategy, the total number of admissions into care each month and the overall number of LAC is reducing. The forecast assumes a reduction in LAC numbers to 514 by March 2018. A new Commissioning role has been created, the purpose of which will be to scrutinise and challenge the cost of the most expensive external placements and review the options for stepping children down into more affordable provision. The Independent Placement Overview panel now meets on a weekly basis and an additional Panel has been introduced for the short-term to review placements	4,234

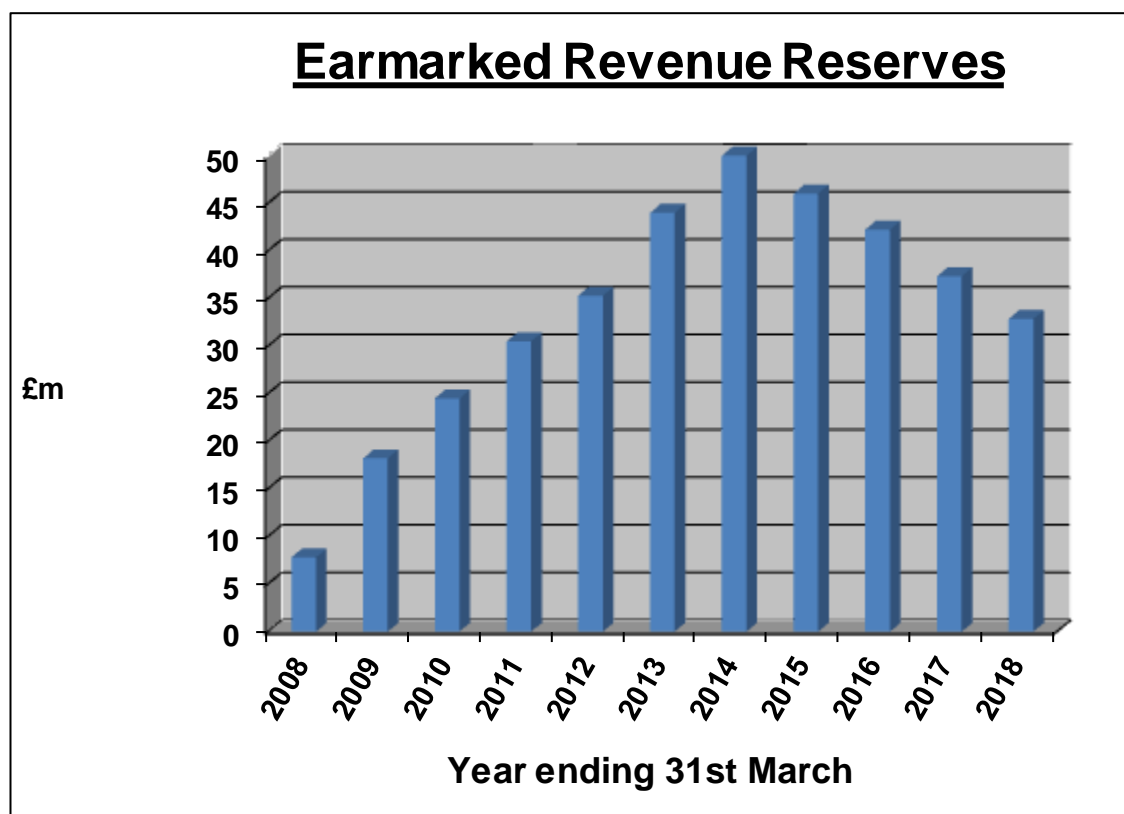
	for LAC who are 16 years or over. Other developments include the recent introduction of an 'edge of care' model through the reconfiguration of Argosy children's home based on a model established in Blackburn and the launch of the Blackpool Young People's Service in July 2017 which will enable young people to be more effectively helped to prevent the need for higher level service interventions. The PAUSE project, which seeks to reduce multiple removals of children at birth from families, is in the implementation stage and should ultimately help to reduce the number of new-born admissions into the care system.	
Budgets Outside the Cash Limit	An overspend of £964k is forecast. Parking Services is £544k down mainly due to the delay in implementing 'on-street parking' schemes, loss of parking spaces and prudential borrowing costs. Treasury Management is forecasting an overspend of £484k. The Council is currently using temporary borrowing to finance Prudentially-funded capital expenditure and the resultant saving partially offsets the Business Loans Fund which has a savings target of £1,800k. Concessionary Fares are forecasting a pressure of £70k relating to a forecast increase in bus and tram patronage. The cost to the Council of supporting the Subsidiary Companies is an underspend of £134k due to the reducing balance payback of prudentially-borrowed schemes and savings on the cost of historic pension payments.	964
Places	An overspend of £275k is forecast. Growing Places has a pressure of £92k mainly due to staffing pressures in Planning and the delay in Central Government agreeing the annual increase in fees. Cultural Services is expecting an overspend of £103k due to income pressures in the Grundy Art Gallery. Other pressures are mainly due to reduced income in Visitor Economy.	275
Resources	An overspend of £140k is forecast. Property Services is forecasting a £55k overspend based on the current pace of property rationalisation and pressure from rental income within the Central Business District. Other pressures are mainly due to savings targets that are not fully met yet.	140
Community and Environmental Services	An overspend of £4k is forecast. The £856k PFI Grant is no longer available and is being considered along with Lancashire County Council in the review of the operation of the recycling plants, with the risk being covered against the specific Waste PFI reserve in 2017/18.	4
Strategic Leisure Assets	Strategic Leisure Assets is forecasting a £878k pressure. In accordance with the original decision for this programme by the Executive on 7 th February 2011, the projected overspend on Strategic Leisure Assets will be carried forward and transferred to Earmarked Reserves. The forecast cumulative deficit as at 31 st March 2018 is £6,307k. This incorporates the increased debt financing costs associated with both the former Tower Lounge	Net nil

	development and essential Tower steel structure renewal, together with increased marketing costs and revised income profile. The Leisure Assets portfolio is currently forecast to break-even, in-year, during 2021/22.	
Governance and Partnership Services	An underspend of £230k is forecast. This is due to a combination of service demand and a forecast underspend on Wards.	(230)
Adult Services	An underspend of £454k is forecast. Adult Commissioning Placements are forecasting an underspend of £319k as a result of releasing one-off income and unallocated accruals, offset by in-year planned slippage of the Housing Related Support savings target. The remaining underspends are mainly due to staffing.	(454)
Contingencies /Reserves	Review of Contingencies and Reserves and calculated release in part to General Fund. The Contingency line includes corporate savings that are managed centrally e.g. £1.5m Procurement saving. Corporate Leadership Team are reviewing all services and savings targets which includes a review of all vacant posts, discretionary spend and how some services are delivered to drive out this forecast underspend.	(1,500)
Total		3,433

3.3 The graph on the page below shows the impact on the level of Council working balances in-year together with the last 10 years' year-end balances for comparison:



- 3.4 Whilst the Council maintains working balances to address any in-year volatilities, it also maintains a number of Earmarked Revenue Reserves for such longer-term commitments as future Private Finance Initiative payments and uncertainties within the new Localised Business Rate system. In order to present a complete picture of the Council's financial standing an equivalent graph to that of working balances is shown below:



4. Directorate Budget Savings Performance

- 4.1 As at 31st August 2017 27% of the 2017/18 savings target has been delivered. The full-year forecast predicts that 82% (81% last month) will be achieved by the year-end, which takes into account anticipated pressures and savings.
- 4.2 The full-year effect of the 2017/18 savings in 2018/19 amounts to 65% of the 2017/18 target which reflects the non-recurrent savings and recurrent in-year pressures/savings.

5. Collection Rates

5.1 Council Tax

At the end of month 5 the amount collected for Council Tax (excluding Police and Fire precepts) was £21.7m and the collection rate was 42.7%. This compares to £20.5m and 42.5% at the same point in 2016/17. The increase of 0.2% compared to the previous year equates to £0.1m. The amount collected has actually risen by £1.2m of which £1.1m is due to increases in both the Council Tax rate and base.

In the light of the reductions in discount and the introduction of the Local Council Tax Reduction Scheme the target collection rate is still 97.5% over a 4-year collection period as approved on 27th January 2017 as part of the setting of the Council Tax Base for 2017/18.

5.2 Council Tax Reduction Scheme (CTRS)

The Council Tax Reduction Scheme was introduced on 1st April 2013. The Scheme ensures that support to pensioners continues at existing levels. Working-age claimants are means-tested to establish entitlement and a percentage reduction (currently 27.11%) is applied at the end of the assessment to establish the level of support provided. From 1st April 2017 the scheme was amended so that certain vulnerable groups would have the 27.11% reduced to 13.56%. This has the effect of reducing the amount to be collected.

At the end of month 5 the amount collected (excluding Police and Fire precepts) in respect of the Council Tax Reduction Scheme and Council Tax for those who have to pay CTRS, either for the first time or in addition to a proportion of their Council Tax, was £1.08m and the collection rate was 28.7%. This compares to £1.25m and 28.4% at the same point in 2016/17.

The likely impact for 2017/18 is that the underlying rate of collection of Council Tax Reduction Scheme will be under greater pressure than 2016/17 due to accumulated arrears and limits on the amount that can be recovered from Attachment of Benefits.

5.3 Business Rates

Prior to 1st April 2013 Business Rate income was collected by billing authorities on behalf of central government and then redistributed among all local authorities and police authorities as part of Formula Grant. From 1st April 2013 the income relating to Blackpool is shared between central government (50%), the Council (49%) and the Fire Authority (1%). Consequential adjustments were made to the Formula Grant equivalent.

At the end of month 5 the amount collected for Business Rates was £21.4m and the collection rate was 41.7%. This compares to £22.7m and 41.6% at the same point in 2016/17. The increase of 0.1% compared to the previous year equates to £0.1m, though changes in both the Business Rate multiplier and base (due to the Revaluation in April 2017) have made negative contributions of £1.4m, offset by a compensating increase to the NDR Top-up amount. The Council's share of business rate yield continues at 49%.

From April 2014 Business Ratepayers have been entitled to elect to pay by 12 monthly instalments instead of over 10 months. This has allowed businesses more time to pay. However, over 350 business rate summonses were issued in July.

The audited Business Rate cumulative surplus as at 31st March 2017 is £785k. The Council's share of this is £385k (49%).

6. Capital Monitoring Performance

- 6.1 All active capital schemes have been included within Appendix 4. The purpose is to present the overall position of capital spend. The schemes are shown individually where total scheme budget is greater than £500k and grouped as "other schemes" otherwise. As in previous financial years the emphasis regarding capital monitoring will be on scheme variance rather than in-year progress since many schemes cross financial years such as the major housing developments. Therefore, some degree of flexibility for the management of slippage is necessary in order to balance the overall capital programme each year to the funding allocations available.

- 6.2 The report includes the capital programme at month 5. The figures have changed significantly from month 3 as this represented the programme approved by the Executive in February 2017. Since that date a number of additional schemes have been approved and are now included.
- 6.3 As at month 5 an overall nil variance on capital schemes is anticipated.

7. Summary Cash Flow Statement

- 7.1 As part of the reporting format for this financial year a summary cash flow statement is included at Appendix 5. This provides a comparison of the actual cash receipts and payments compared to forecast for 2017/18.
- 7.2 During the first 5 months of the year, the Council's net cashflow has resulted in fluctuations in short-term net investment/borrowing balances. However, overall temporary borrowing has increased since 31st March 2017 mainly due to a £36.7m up-front payment to the Lancashire County Pension Fund. The Council is currently using temporary borrowing to finance Prudentially-funded capital expenditure. While temporary investment rates and temporary borrowing rates are low the Treasury team is delaying taking any new long-term borrowing to fund planned capital expenditure. As a result the delay in taking new long-term borrowing means that interest charges are lower than expected. In contrast, the take-up of loans from the recently expanded Business Loans Fund is slightly slower than anticipated and this means that an adverse variance is currently forecast for 2017/18.

8. Summary Balance Sheet

- 8.1 In order to provide a complete picture of the Council's financial performance, Appendix 6 provides a snapshot of the General Fund balance sheet as at the end of month 5. The key areas of focus are any significant movements in debtors, cash and cash equivalents, bank overdraft and creditors, as these impact upon the Council's performance in the critical areas of debt recovery, treasury management and Public Sector Payment Policy.
- 8.2 Over the 5-month period, there has been a decrease in cash and cash equivalents of £5.5m and an increase in short-term borrowing of £12.8m, which in the main reflects borrowing in advance at low interest rates to fund the capital programme. The movement in debtors and creditors reflects seasonal activity.

9. Conclusions and Recommendations

- 9.1 Between the 6 years 2011/12 – 2016/17 the Council planned for and delivered Budget savings of £118.5m on a controllable Revenue Budget of some £300m. This reflects one of the highest cuts per head of population across local authorities in England and in an environment of growing demands upon services as commensurate of an authority with such recognised pockets of significant deprivation.
- 9.2 The Medium-term Financial Sustainability Strategy 2016/17 – 2021/22 always identified 2017/18 as the critical financial year to navigate, being the last of the very high Budget gap years to bridge and following 6 years of significant erosion of resources. This is now proving to be the case.

- 9.3 This is a slight improvement on the position compared to month 4 of £105k. Working balances are estimated to fall by £3,433k against the budgeted position over the year. This fall is in the context of the audited, adjusted working balances at the start of the year of £6,166k.
- 9.4 By far the Council's biggest financial risk and pressure is the demand growth in Children's Social Care. This is not unique to Blackpool – Local Government Association (LGA) research as recent as 9th August 2017 concluded that "Children's services are at breaking point (nationally) with 75% of councils overspending to keep vital protections in place". The review found that in 2015/16 councils surpassed their children's social care budgets by £605m in order to protect children at immediate risk of harm. 172,290 children in England and Wales were subject to child protection inquiries in 2015/16, compared to 71,800 in 2005/06 – a 140% increase in just 10 years. The equivalent figure for Blackpool is more than double this increase at 328%.
- 9.5 If this forecast position became the actual outturn, then in accordance with the Council's Financial Procedure Rules within its Constitution, the forecast revenue outturn 2017/18 within this report contravenes the second of the two specific conditions that excess spending does not:
1. exceed 1% (= £4.2m) of the authority's total gross revenue expenditure; or
 2. have the effect of reducing the authority's Working Balances below 50% of their normal target level (= £3.0m).

In the context of £33m of Earmarked Revenue Reserves and with 7 months of the financial year remaining there should still be sufficient opportunity to improve the position such that Working Balances of at least £3.0m are reached, but action is being taken immediately. Revised service and financial plans are underway, including the review of non-essential spend and delays to filling non-front line vacancies.

- 9.6 The Executive is asked:
- i) to note the report;
 - ii) to continue to lobby Government along with other local authorities facing similar pressures, the LGA and the Association of Directors of Children's Services for more funding to cope with the mounting demand and new burdens presenting in Children's Services; and
 - iii) to require the respective directors and Director of Resources to continue to closely monitor and manage service financial and operational performances, specifically Children's Services, Strategic Leisure Assets, Treasury Management/Business Loans Fund and Parking Services.

Steve Thompson
Director of Resources

5th October 2017

Blackpool Council

Revenue summary - budget, actual and forecast:

BLACKPOOL COUNCIL							2016/17 (UNDER)/OVER SPEND B/FWD £000
FORECAST GENERAL FUND POSITION AS AT 31 MARCH 2018							
SUMMARY							
APP.	GENERAL FUND NET REQUIREMENTS	BUDGET	EXPENDITURE			VARIANCE	
		ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - AUG £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
3(a)	CHIEF EXECUTIVE	741	(1,119)	1,860	741	-	-
3(b)	GOVERNANCE & PARTNERSHIP SERVICES	1,623	1,201	442	1,643	20	-
3(b/c)	WARD BUDGETS	557	57	250	307	(250)	(287)
3(d)	RESOURCES	3,942	(8,864)	12,946	4,082	140	-
3(e)	PLACES	3,604	3,018	861	3,879	275	-
3(f)	STRATEGIC LEISURE ASSETS	(190)	(3,057)	3,745	688	878	-
3(g)	COMMUNITY & ENVIRONMENTAL SERVICES	42,428	5,389	37,043	42,432	4	-
3(h)	ADULT SERVICES	48,157	16,909	30,794	47,703	(454)	-
3(i)	CHILDREN'S SERVICES	38,770	11,655	31,349	43,004	4,234	-
3(j)	PUBLIC HEALTH	23	3,681	(3,658)	23	-	-
3(k)	BUDGETS OUTSIDE THE CASH LIMIT	14,112	7,655	7,421	15,076	964	-
	CAPITAL CHARGES	(28,979)	(12,075)	(16,904)	(28,979)	-	-
	NET COST OF SERVICES:	124,788	24,450	106,149	130,599	5,811	(287)
	CONTRIBUTIONS:						
	- TO / (FROM) RESERVES	(4,185)	-	(5,171)	(5,171)	(986)	
	- 2016/17 SERVICE UNDERSPENDS	(287)	-	(287)	(287)	-	
	- REVENUE CONSEQUENCES OF CAPITAL	185	-	185	185	-	
	CONTINGENCIES	(320)	-	(1,712)	(1,712)	(1,392)	
	NW REGIONAL FLOOD DEFENCE LEVY	67	-	67	67	-	
	CONTRIBUTIONS, etc.	(4,540)	-	(6,918)	(6,918)	(2,378)	
	TOTAL NET EXPENDITURE TO BE MET FROM PUBLIC FUNDS	120,248	24,450	99,231	123,681	3,433	
	ADDED TO/(TAKEN FROM) BALANCES	-	-	(3,433)	(3,433)	(3,433)	
	NET REQUIREMENT AFTER WORKING BALANCES	120,248	24,450	95,798	120,248	-	
GENERAL BALANCES AS AT 1st APRIL 2017							6,166
In-year (reduction in) / addition to General Fund Working Balances							(3,433)
ESTIMATED UNEARMARKED WORKING BALANCES AS AT 31st MARCH 2018							2,733

This page is intentionally left blank

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Blackpool Council															
2																
3	Schedule of Service forecast annual overspendings over the last 12 months															
4																
5																
6																
7	Directorate	Service	Scrutiny Committee		Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug
8			Report		2016	2016	2016	2016	2017	2017	2017	2017	2017	2017	2017	2017
9					£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
10																
11	CHILDREN'S SERVICES	CHILDREN'S SOCIAL CARE			3,861	3,939	4,534	4,918	5,432	5,916	5,916			3,926	3,956	3,995
12	STRATEGIC LEISURE ASSETS	STRATEGIC LEISURE ASSETS			668	668	668	668	668	618	618			878	878	878
13	CHILDREN'S SERVICES	EDUCATION SERVICES GRANT			83	83	83	83	83					175	175	184
14	CHILDREN'S SERVICES	EDUCATION			240	213	154	75						153	161	150
15	PLACES	CULTURAL SERVICES												103	103	103
16	PLACES	GROWING PLACES			93	93		200	200	195	195			92	92	92
17	RESOURCES	REVENUES & EXCHEQUER SERVICES												95	88	92
18	PLACES	VISITOR ECONOMY			260	260	380	380	380	212	212			80	80	80
19	RESOURCES	PROPERTY SERVICES			481	283	272	147	158	180	180			155	195	-
20	ADULT SERVICES	ADULT SAFEGUARDING			158	157	156	155	137	143	143					-
21	GOVERNANCE & PARTNERSHIP SERVICES	LIFE EVENTS & CUSTOMER CARE						102	102	219	219					-
22	COMMUNITY & ENVIRONMENTAL SERVICES	HIGHWAYS AND TRAFFIC MANAGEMENT SERVICES								88	88					-
23	COMMUNITY & ENVIRONMENTAL SERVICES	INTEGRATED TRANSPORT							101							-
63																
64		Sub Total			5,844	5,696	6,247	6,728	7,261	7,571	7,571	-	-	5,657	5,728	5,574
65																
66		Transfer to Earmarked Reserves (note 3)			(668)	(668)	(668)	(668)	(668)	(618)	(618)	-	-	(878)	(878)	(878)
67																
68		Other General Fund (under) / overspends			(2,000)	(2,400)	(2,444)	(3,257)	(3,805)	(4,483)	(4,483)	-	-	(1,304)	(1,312)	(1,263)
69																
70		Total			3,176	2,628	3,135	2,803	2,788	2,470	2,470	-	-	3,475	3,538	3,433
71																
72																
73	Notes:															
74																
75	1. The Executive of 11th February 2004 approved a process whereby services which trip a ceiling for overspending against budget of £75,000 or 1.5% of net budget where															
76	the controllable budget exceeds £5m are required to be highlighted within this monthly budgetary control report. They are required to develop and submit a recovery plan															
77	over a period not exceeding 3 years which is to be approved by the respective Portfolio Holder. The services tripping this threshold are listed above together with their															
78	respective financial performance over a 12-month rolling basis for comparison of progress being made.															
79																
80	2. The Strategic Leisure Assets overspend reflects the in-year position.															
81																
82	3. In accordance with the original decision for this programme by the Executive on 7th February 2011, the projected overspend on Strategic Leisure Assets will be carried forward and transferred to Earmarked Reserves.															
83																

This page is intentionally left blank

Blackpool Council - Chief Executive

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2016/17 (UNDER)/OVER SPEND B/FWD £000
	2017/18					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - AUG £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
CHIEF EXECUTIVE						
NET EXPENDITURE						
CHIEF EXECUTIVE	601	241	360	601	-	-
HUMAN RESOURCES, ORGANISATION AND WORKFORCE DEVELOPMENT	50	(963)	1,013	50	-	-
CORPORATE DELIVERY UNIT	90	(397)	487	90	-	-
TOTALS	741	(1,119)	1,860	741	-	-

Commentary on the key issues:

Directorate Summary - basis

The Revenue summary (above) lists the outturn projection for each individual service within the Chief Executive's Directorate against their respective, currently approved, revenue budget. Forecast outturns are based upon actual financial performance for the first 5 months of 2017/18 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year.

This Directorate now includes the School Improvement Data Team transferred from Children's Services to the Corporate Delivery Unit.

The Directorate is forecasting a break-even position for 2017/18.

Budget Holder – Mr N Jack, Chief Executive

This page is intentionally left blank

Blackpool Council – Governance and Partnership Services

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2016/17 (UNDER)/OVER SPEND B/FWD £000
	2017/18					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - AUG £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
GOVERNANCE & PARTNERSHIP SERVICES						
NET EXPENDITURE						
DEMOCRATIC GOVERNANCE	2,046	1,374	672	2,046	-	-
CORPORATE LEGAL SERVICES	20	(313)	333	20	-	-
LIFE EVENTS & CUSTOMER CARE	(443)	140	(563)	(423)	20	-
GOVERNANCE & PARTNERSHIP SERVICES	1,623	1,201	442	1,643	20	-
WARDS	557	57	250	307	(250)	(287)
TOTALS	2,180	1,258	692	1,950	(230)	(287)

Commentary on the key issues:

Directorate Summary - basis

The Revenue summary (above) lists the outturn projection for each individual service within Governance and Partnership Services against their respective, currently approved, revenue budget. Forecast outturns are based upon actual financial performance for the first 5 months of 2017/18 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year, all of which have been agreed with the head of service.

Democratic Governance Service

The Democratic Governance Service is forecasting a break-even position for 2017/18.

Corporate Legal Services

This service is currently forecasting a break-even position.

Life Events & Customer Care

This service, which used to be called Registration and Bereavement Services, is forecasting a pressure of £20k. This is due to the current forecast level of income and staffing pressures within the Registrars and Cremation services.

Ward Budgets

Ward budgets are expected to underspend in 2017/18.

Budget Holder - Mr M Towers, Director of Governance and Partnership Services.

This page is intentionally left blank

Blackpool Council
Ward Budgets
2017/18
Month 5

Wards

Ward	Councillors	Total No. of Requisitions Submitted	No. of Requisitions Approved	No. Awaiting Approval	Total No. of Requisitions Completed	Total 2017-18 Budget	Budget Committed to <u>Approved</u> Schemes	Remaining 2017-18 Budget
Anchorsholme Ward BC1001	Cllr. Galley Cllr. A Williams	3	3	0	0	£33,860.71	£7,600.00	£26,260.71
Bispham Ward BC1002	Cllr. Clapham Cllr. Maycock	4	4	0	0	£18,970.88	£5,875.58	£13,095.30
Bloomfield Ward BC1003	Cllr. Cain Cllr. Hobson	4	4	0	1	£21,607.99	£4,691.95	£16,916.04
Brunswick Ward BC1004	Cllr. Blackburn Cllr. G Coleman	2	2	0	0	£43,502.55	£2,199.80	£41,302.75
Claremont Ward BC1005	Cllr. I Taylor Cllr. L Williams	5	5	0	0	£17,686.86	£6,097.57	£11,589.29
Clifton Ward BC1006	Cllr. Hutton Cllr. L Taylor	10	10	0	0	£26,909.39	£11,278.94	£15,630.45
Greenlands Ward BC1007	Cllr. Ryan Cllr. Mrs Wright	7	7	0	6	£44,818.81	£5,809.59	£39,009.22
Hawes Side Ward BC1008	Cllr. D Coleman Cllr. Critchley	5	5	0	0	£34,145.90	£6,574.64	£27,571.26
Highfield Ward BC1009	Cllr. Mrs Henderson MBE Cllr. Hunter	2	2	0	0	£32,074.75	£1,534.80	£30,539.95
Ingthorpe Ward BC1010	Cllr. Cross Cllr. Rowson	3	3	0	0	£38,621.69	£12,731.06	£25,890.63
Layton Ward BC1011	Cllr. Mrs Benson Cllr. Mitchell	2	2	0	0	£15,822.52	£6,250.00	£9,572.52
Marton Ward BC1012	Cllr. Singleton Cllr. Elmes	5	5	0	0	£27,902.68	£8,202.73	£19,699.95
Norbreck Ward BC1013	Cllr. Callow Cllr. Mrs Callow	3	3	0	0	£15,220.91	£5,199.40	£10,021.51
Park Ward BC1014	Cllr. Campbell Cllr. Kirkland	4	4	0	0	£35,494.79	£6,977.44	£28,517.35
Squires Gate Ward BC1015	Cllr. Cox Cllr. Humphreys	2	2	0	0	£19,861.41	£5,178.15	£14,683.26
Stanley Ward BC1016	Cllr. Roberts Cllr. Stansfield	2	2	0	0	£41,566.00	£496.94	£41,069.06
Talbot Ward BC1017	Cllr. I Coleman Cllr. Smith	0	0	0	0	£32,503.85	£0.00	£32,503.85
Tyldesley Ward BC1018	Cllr. Collett Cllr. Matthews	2	2	0	0	£37,587.71	£1,277.14	£36,310.57
Victoria Ward BC1019	Cllr. Jackson Cllr. Owen	5	5	0	0	£31,458.31	£10,417.14	£21,041.17
Warbreck Ward BC1020	Cllr. Scott Cllr. Mrs Scott	3	3	0	0	£31,785.91	£1,833.00	£29,952.91
Waterloo Ward BC1021	Cllr. O'Hara Cllr. Robertson BEM	4	4	0	0	£30,680.00	£10,305.00	£20,375.00

Ward Totals	77	77	0	7	£632,083.62	£120,530.87	£511,552.75
Unallocated Budget	-	-	-	-	£-30,000.00	£0.00	£-30,000.00
Income Budget	-	-	-	-	£-45,000.00	£0.00	£-45,000.00
Area Ward Totals	77	77	0	7	£557,083.62	£120,530.87	£436,552.75

This page is intentionally left blank

Blackpool Council - Resources

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2016/17 (UNDER)/OVER SPEND B/FWD £000
	2017/18					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR-AUG £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
RESOURCES						
NET EXPENDITURE						
PROCUREMENT & PROJECTS	141	(252)	363	111	(30)	-
BENEFITS	(949)	(2,567)	1,609	(958)	(9)	-
REVENUES & EXCHEQUER SERVICES	1,205	338	959	1,297	92	-
CUSTOMER FIRST	28	(475)	506	31	3	-
ICT SERVICES	410	(1,379)	1,789	410	-	-
ACCOUNTANCY	52	(778)	833	55	3	-
RISK SERVICES	72	(445)	543	98	26	-
PROPERTY SERVICES (Incl. INVESTMENT PORTFOLIO)	2,983	(3,306)	6,344	3,038	55	-
TOTALS	3,942	(8,864)	12,946	4,082	140	-

Commentary on the key issues:

Directorate Summary - basis

The Revenue summary (above) lists the outturn projection for each individual service within Resources against their respective, currently approved, revenue budget. Forecast outturns are based upon actual financial performance for the first 5 months of 2017/18 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year, all of which have been agreed with each head of service.

Procurement and Projects

The favourable variance of £30k is due to an over-achievement against current and prior years' savings targets in respect of staff savings and additional income.

Benefits

The Benefits service is forecasting a favourable variance of £9k on a gross budget of £3.8m. Whilst new claims processing times have recently increased due to staff vacancies, the overall processing time for new claims for Housing Benefit, new claims for Council Tax Reduction and changes in circumstances notifications is 19 days; this is within the current target of 21 days.

Revenues and Exchequer Services

Revenues and Exchequer Services is forecasting an overspend of £92k. This is in part due to a service re-structure in 2017/18 within the Revenues Service and a long standing income pressure in Payroll. It is anticipated that a review of the supplies and services and unbudgeted income receivable will reduce the overspend.

Customer First

Customer First is forecasting an overspend of £3k on a gross budget of £1.07m.

ICT Services

ICT is forecasting to achieve its savings target and break-even on a gross budget of £4.4m.

Accountancy

Accountancy is forecasting an overspend of £3k on a gross budget of £1.83m.

Risk Services

Risk Services are forecasting a £26k budget pressure but additional income is being pursued which could offset this pressure.

Property Services (incl. Investment Portfolio)

Property Services is forecasting an overspend of £55k. This projection is based on the current pace of property rationalisation. There is also a forecast pressure from rental income within the Central Business District until all units are filled and any rent-free periods lapse.

Summary of the revenue forecast

After 5 months of the financial year Resources is forecasting a £140k overspend. The Directorate continues to operate on the basis of not filling staff vacancies other than in exceptional circumstances.

Budget Holder - Mr S Thompson, Director of Resources

Blackpool Council – Places

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2016/17 (UNDER)/OVER SPEND £000
	2017/18					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR -AUG £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
PLACES						
NET EXPENDITURE						
CULTURAL SERVICES	46	(1,172)	1,321	149	103	-
ECONOMIC DEVELOPMENT	238	(1,135)	1,373	238	-	-
GROWING PLACES	442	3,947	(3,413)	534	92	-
VISITOR ECONOMY	2,878	1,378	1,580	2,958	80	-
TOTALS	3,604	3,018	861	3,879	275	-

Commentary on the key issues:

Directorate Summary – basis

The Revenue summary (above) lists the outturn projection for each individual service within the Places Directorate against their respective, currently approved, revenue budget. The forecast outturn of £275k overspend is based upon actual financial performance for the first 5 months of 2017/18 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year, all of which have been agreed with each head of service.

Cultural Services

This service is expecting a £103k overspend. This is due to income pressures in the Grundy Art Gallery.

Growing Places

This service is expecting a £92k overspend by the year-end. This is due to pressures in Planning. £20k of this pressure relates to the delay in Central Government agreeing the annual increase in planning fees, the rest is historic staffing pressure.

Visitor Economy

This service is expecting a £80k overspend by the year-end. The Illuminations service is forecasting an overspend of £30k due to the saving put forward regarding additional income from digital advertising which will not now happen in 2017/18. Visit Blackpool is also forecasting an overspend of £50k due to events expecting to come in over budget.

Budget Holder – Mr A Cavill, Director of Place

This page is intentionally left blank

Blackpool Council – Strategic Leisure Assets

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2016/17 (UNDER)/OVER SPEND B/FWD £000
	2017/18					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR- AUG £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
STRATEGIC LEISURE ASSETS						
NET EXPENDITURE						
STRATEGIC LEISURE ASSETS	(190)	(3,057)	3,745	688	878	-
TOTALS	(190)	(3,057)	3,745	688	878	-

Commentary on the key issues:

Directorate Summary - basis

The Revenue summary (above) lists the outturn projection for the Service against its respective, currently approved, revenue budget. The forecast outturn is based upon actual financial performance for the first 5 months of 2017/18 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year, all of which have been agreed with the head of service.

Key Issues

The Leisure Asset portfolio projected outturn for 2017/18 is currently £878k, taking the forecast cumulative deficit as at 2017/18 year-end to £6,307k. This position incorporates the increased debt financing costs associated with both the former Tower Lounge development and essential Tower steel structure renewal, together with increased marketing costs and revised income profile.

The Leisure Asset portfolio is currently forecast to break-even, in-year, during 2021/22.

In accordance with the original decision for this programme by the Executive on 7th February 2011, the projected overspend on Strategic Leisure Assets will be carried forward and transferred to Earmarked Reserves.

Budget Holder – Mr A Cavill, Director of Place

This page is intentionally left blank

Blackpool Council – Community and Environmental Services

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2016/17 (UNDER)/OVER SPEND B/FWD £000
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - AUG £000	2017/18		F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
			PROJECTED SPEND £000	FORECAST OUTTURN £000		
COMMUNITY & ENVIRONMENTAL SERVICES						
NET EXPENDITURE						
BUSINESS SERVICES	253	439	(208)	231	(22)	-
LEISURE AND CATERING	3,088	2,463	648	3,111	23	-
PUBLIC PROTECTION	135	(1,343)	1,481	138	3	-
HIGHWAYS AND TRAFFIC MANAGEMENT SERVICES	15,418	(200)	15,592	15,392	(26)	-
STREET CLEANSING AND WASTE	18,462	1,347	17,172	18,519	57	-
COASTAL AND ENVIRONMENTAL PARTNERSHIPS	4,419	1,393	3,026	4,419	-	-
INTEGRATED TRANSPORT	653	1,290	(668)	622	(31)	-
TOTALS	42,428	5,389	37,043	42,432	4	-

Commentary on the key issues:

Directorate Summary - basis

The Revenue summary (above) lists the outturn projection for each individual service within Community and Environmental Services against their respective, currently approved, revenue budget. Forecast outturns are based upon actual financial performance for the first 5 months of 2017/18 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year, all of which have been agreed with each head of service.

Business Services

There is a £22k surplus due to additional funding taken from reserve to assist in funding pressures across the Directorate.

Leisure and Catering

There is a forecast pressure of £23k on income across the service. Catering Services faced a £135k pressure due to 5 schools leaving the service, which has had to be carefully managed through the budget management process. The service will be reconfigured to address the ongoing pressure from the loss of business.

Public Protection

There is a £3k pressure on Public Protection due to income.

Highways and Traffic Management Services

There is a £26k surplus due to additional scheme income.

Street Cleansing and Waste

Street Cleansing and Waste is £57k over budget due to pressures on disposal costs and income at the HWRC.

The £856k PFI Grant is no longer available and is being considered along with Lancashire County Council in the review of the operation of the recycling plants, with the risk being covered against the specific Waste PFI reserve in 2017/18.

Integrated Transport

Vehicle Maintenance continues to make a small surplus following the RPI uplift.

Conclusion – Community and Environmental Services financial position

As at the end of month 5 the Community and Environmental Services Directorate is forecasting an overall overspend of £4k for the financial year to March 2018 as detailed above. The pressure due to the loss of the Waste PFI grant has been offset against reserves in 2017/18.

Budget Holder - Mr J Blackledge, Director of Community and Environmental Services

Blackpool Council - Adult Services

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2016/17 (UNDER)/OVER SPEND B/FWD £000
	2017/18					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR-AUG £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
ADULT SERVICES						
BETTER CARE FUND POOLED BUDGET						
BLACKPOOL COUNCIL	17,774	5,359	12,415	17,774	-	-
BLACKPOOL CCG	6,974	2,906	4,068	6,974	-	-
TOTAL GROSS EXPENDITURE	24,748	8,265	16,483	24,748	-	-
BLACKPOOL COUNCIL - BCF GRANT	(7,385)	(3,077)	(4,308)	(7,385)	-	-
BLACKPOOL COUNCIL - CORE BUDGET	(1,713)	(714)	(999)	(1,713)	-	-
BLACKPOOL CCG	(15,650)	(6,521)	(9,129)	(15,650)	-	-
TOTAL CONTRIBUTIONS	(24,748)	(10,312)	(14,436)	(24,748)	-	-
CARRY FORWARD OF BETTER CARE FUND	-	-	-	-	-	-
BETTER CARE FUND POOLED BUDGET NET EXPENDITURE	-	(2,047)	2,047	-	-	-
NET EXPENDITURE						
BETTER CARE FUND	1,713	646	1,067	1,713	-	-
ADULT SOCIAL CARE	4,176	3,118	1,072	4,190	14	-
CARE & SUPPORT	3,291	4,035	(789)	3,246	(45)	-
COMMISSIONING & CONTRACTS TEAM	820	184	586	770	(50)	-
ADULT COMMISSIONING PLACEMENTS	37,496	11,080	26,097	37,177	(319)	-
ADULT SAFEGUARDING	661	(107)	714	607	(54)	-
TOTAL COUNCIL FUNDED SERVICES	48,157	18,956	28,747	47,703	(454)	-
TOTALS	48,157	16,909	30,794	47,703	(454)	-

Commentary on the key issues:

Directorate Summary – basis

The Revenue summary (above) lists the latest outturn projection for each individual service within the Adult Services Directorate against their respective, currently approved, revenue budget. Forecast outturns are based upon actual financial performance for the first 5 months of 2017/18 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year, all of which have been agreed with each head of service.

Better Care Fund

The Better Care Fund (BCF) is a programme spanning both the NHS and local government which seeks to join-up health and care services, so that people can manage their own health and wellbeing, and live independently in their communities for as long as possible. A requirement of the programme is that Blackpool Council and Blackpool Clinical Commissioning Group (CCG) pool budgets via a section 75 agreement for these shared services. The value of the pooled budget has increased from £17.4m in 2016/17 to £24.7m in 2017/18 mainly as a result of the Improved Better Care Fund (iBCF) grant announced in the Spring 2017 budget.

Adult Commissioning Placements (Social Care Packages)

The Adult Commissioning Placements Budget is forecasting a £319k underspend as a result of releasing one-off income and unallocated accruals, offset by in-year planned slippage of the Housing Related Support savings target.

Commissioning & Contracts Team

Commissioning & Contracts is currently forecast to be £50k underspent on their staffing budget as a result of integrating the commissioning team with Blackpool CCG.

Care & Support

Care & Support is currently forecasting an underspend of £45k due to the time taken to recruit to the new Extra Support Resilience team.

Adult Social Care

Adult Social Care is currently forecast to be £14k overspent.

Adult Safeguarding

The Adult Safeguarding Division is forecasting an underspend of £54k on their staffing budget due to the vacant Principal Social Worker Post.

Summary of the Adult Services financial position

As at the end of August 2017 the Adult Services Directorate is forecasting an overall underspend of £454k for the financial year to March 2018 on a gross budget of £73m.

Budget Holder – K Smith, Director of Adult Services

Blackpool Council – Children’s Services

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2016/17 (UNDER)/OVER SPEND B/FWD £000
	2017/18					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - AUG £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER)/ OVER £000	
CHILDREN'S SERVICES						
NET EXPENDITURE						
LOCAL SCHOOLS BUDGET - ISB	19,372	9,029	10,343	19,372	-	-
LOCAL SCHOOLS BUDGET - NON DELEGATED	370	241	129	370	-	-
EDUCATION	22,137	7,398	15,572	22,970	833	-
EARLY HELP FOR CHILDREN AND FAMILIES	50	39	3	42	(8)	-
BUSINESS SUPPORT AND RESOURCES	1,890	897	990	1,887	(3)	-
DEDICATED SCHOOL GRANT	(44,645)	(19,270)	(25,769)	(45,039)	(394)	-
CARRY FORWARD OF DSG UNDER/(OVER) SPEND	(174)	-	(602)	(602)	(428)	-
TOTAL DSG FUNDED SERVICES	(1,000)	(1,666)	666	(1,000)	-	-
CHILDREN'S SERVICES DEPRECIATION	3,236	-	3,236	3,236	-	-
EDUCATION	2,748	521	2,377	2,898	150	-
EARLY HELP FOR CHILDREN AND FAMILIES	4,758	(470)	5,173	4,703	(55)	-
CHILDREN'S SOCIAL CARE	28,056	12,486	19,565	32,051	3,995	-
BUSINESS SUPPORT AND RESOURCES	1,481	1,066	393	1,459	(22)	-
LOCAL SERVICES SUPPORT GRANT	-	(8)	(10)	(18)	(18)	-
EDUCATION SERVICES GRANT	(509)	(274)	(51)	(325)	184	-
TOTAL COUNCIL FUNDED SERVICES	39,770	13,321	30,683	44,004	4,234	-
TOTALS	38,770	11,655	31,349	43,004	4,234	-

Commentary on the key issues:

Directorate Summary – basis

The Revenue summary (above) lists the latest outturn projection for each individual service within the Children’s Services Directorate against their respective, currently approved, revenue budget. Forecast outturns are based upon actual financial performance for the first 5 months of 2017/18 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year, all of which have been agreed with each head of service.

Children’s Social Care

Children’s Social Care is forecasting an overspend of £3.995m, primarily due to a significant increase in the numbers of Looked After Children (LAC) since budgets were set. At this point, numbers were around 500, which still represented the highest LAC per 10,000 population nationally. However, numbers continued to rise and had reached 529 by 31st March 2017, increasing to an all-time high of 549 by the end of May 2017. Lack of capacity in the market along with more complex care needs have also increased unit costs.

A number of solutions to try and mitigate the cost pressures around LAC are being implemented. A procedure has been introduced whereby all new admissions into care must be approved by the Senior Service Manager and, in those cases where the child is 12 years or over, by the Director of Children's Services. Following the implementation of a new demand strategy, the total number of admissions into care each month, and consequently the overall number of LAC, is reducing. The forecast at Month 5 assumes a reduction in LAC numbers to 514 by March 2018.

In addition, a new Commissioning role has been created, the purpose of which will be to scrutinise and challenge the cost of the most expensive external placements, and review the options for stepping children down into more affordable provision. This post was appointed to during August 2017.

The Independent Placement Overview Panel now meets on a weekly basis, and an additional Panel has been introduced for the short-term to review placements for LAC who are 16 years or over. As a result of this, it is anticipated that a number of children will successfully step down from residential settings to supported accommodation placements, which will create net savings for the current year across placement budgets in excess of £600k. These savings are assumed within the current forecast.

Other developments in the service include the recent introduction of an 'edge of care' model through the reconfiguration of Argosy children's home; the model this is based upon has been used in Blackburn and has created savings of £750k per year for that authority. Blackpool Young People's Service (previously known as the Vulnerable Adolescent Hub) was launched in July 2017, and will enable services to work more effectively with young people to prevent the need for higher level service interventions. The PAUSE project, which seeks to reduce multiple removals of children at birth from families, is in the implementation stage, and should ultimately help to reduce the number of new-born admissions into the care system.

Dedicated Schools Grant Funded Services

The Dedicated Schools Grant (DSG) is the funding stream that supports the Schools Budget, which includes amounts that are devolved through the Individual School Budget (ISB), together with centrally-retained pupil-related services as listed in the revenue summary. Any under or overspends against services funded by the DSG will be carried forward to 2018/19 and, in the case of overspends, become the first call on the grant in that year.

Education

The overspend in the Education division predominantly relates to the SEN Transport service, and is partly due to demand pressures and also due to the savings target that has been applied in the current year but is not forecast to be achieved.

Education Services Grant

The Education Services Grant (ESG), which historically has supported a number of services within the directorate, will cease with effect from September 2017. The gap in 2017/18 is partly covered by a transitional grant and the charging of retained education functions to the Dedicated Schools Grant (DSG), however, there is a remaining pressure of £184k in the current year, rising to £283k in 2018/19.

Summary of the Children's Services financial position

As at the end of August 2017 the Children's Services Directorate is forecasting an overspend of £4.234m for the financial year to March 2018.

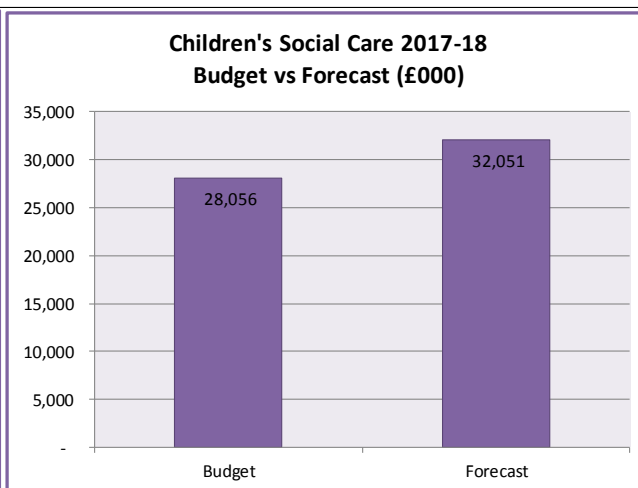
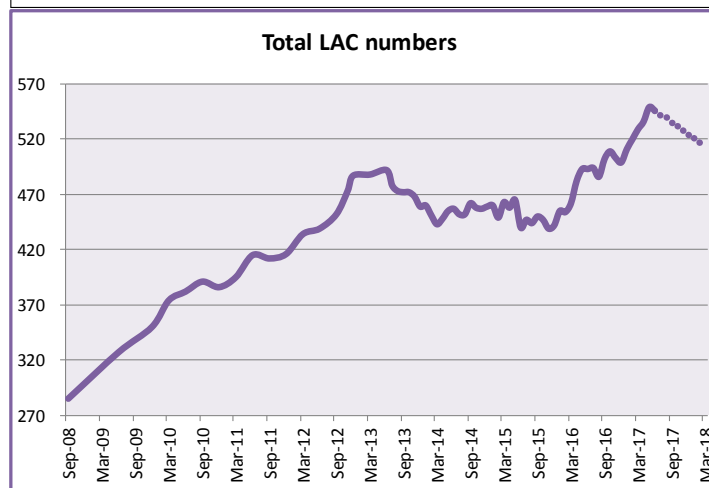
Budget Holder – Mrs D Booth, Director of Children's Services

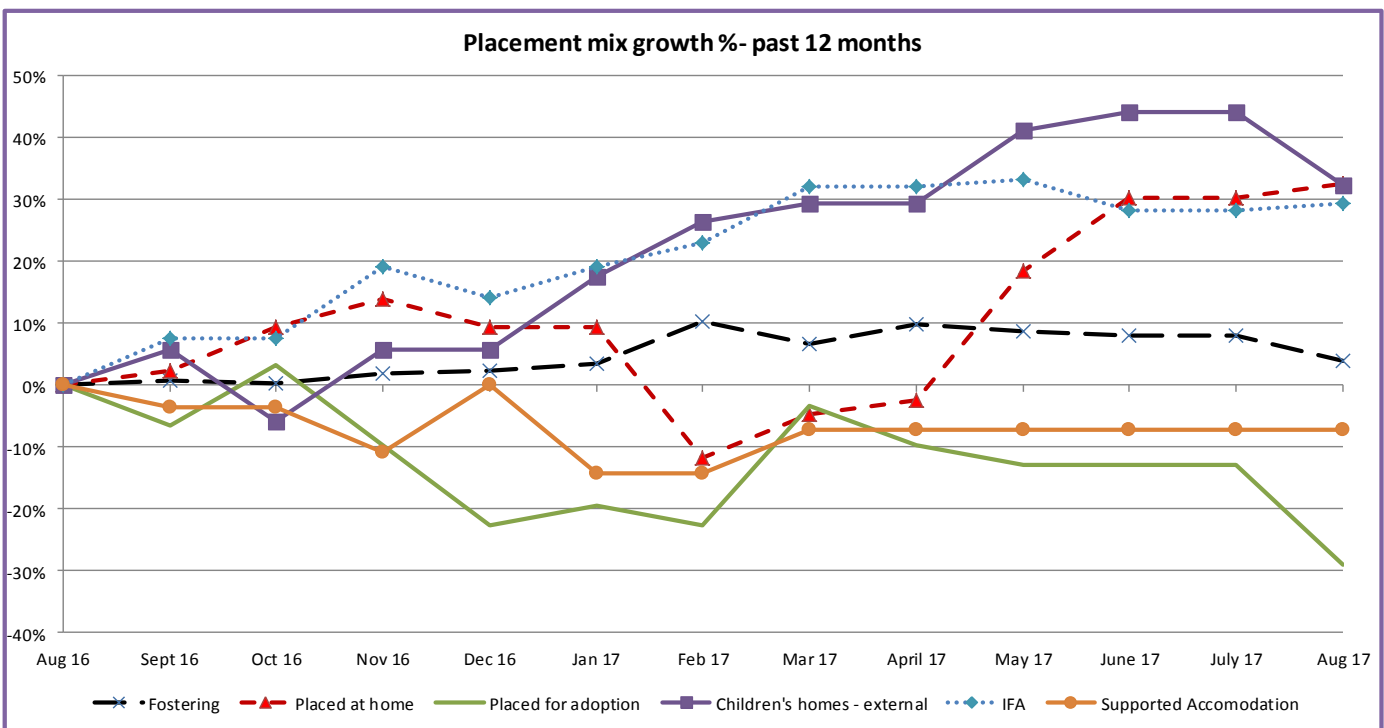
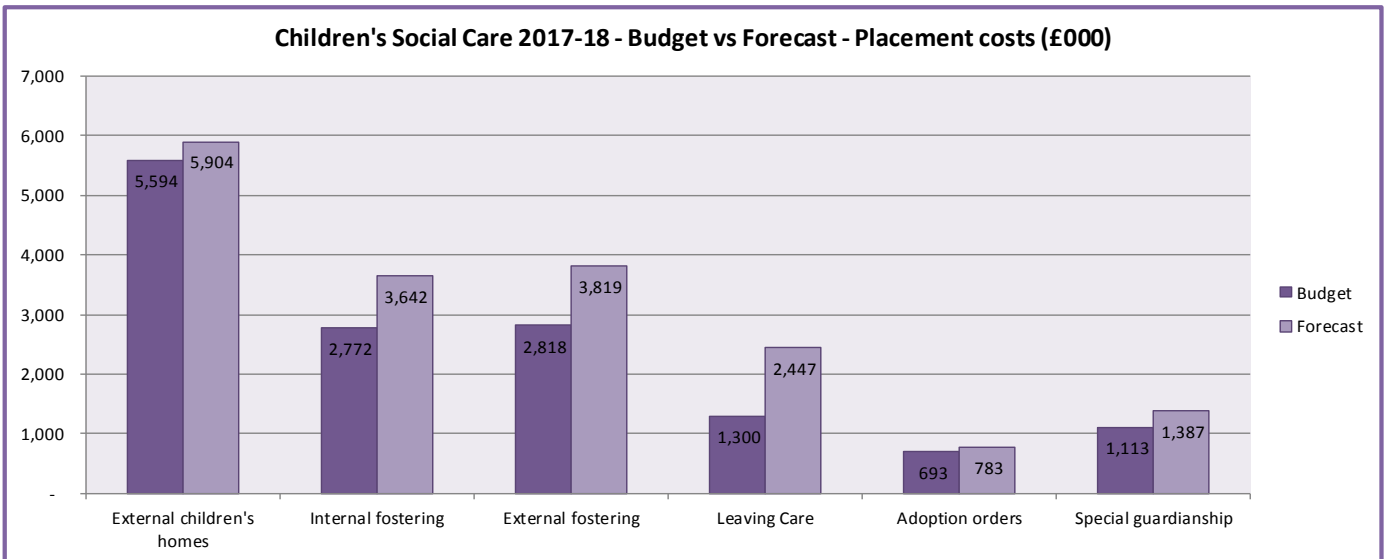
Children's Social Care Trends

Date	External Placements Projection						Supported Accomodation projection			Internal Fostering Projection			Total LAC Numbers
	Fostering			Residential			FTE	£000's	£ per placement	FTE	£000's	£ per placement	No.
	FTE	£000's	£ per placement	FTE	£000's	£ per placement							
Dec-08	8.67	411	47,453	27.50	2,624	95,423	no data	no data	no data	no data	no data	no data	285
Mar-09	8.77	403	45,979	28.07	2,772	98,747	no data	no data	no data	208.91	2,510	12,015	323
Jul-09	12.10	466	38,549	40.85	4,290	105,007	no data	no data	no data	no data	no data	no data	334
Mar-10	13.35	513	38,445	39.02	4,295	110,083	no data	no data	no data	263.88	2,889	10,946	374
Jun-10	20.43	765	37,428	34.20	3,473	101,534	no data	no data	no data	304.83	3,357	11,012	382
Mar-11	22.69	860	37,912	36.73	3,536	96,272	no data	no data	no data	303.23	3,329	10,977	395
Jun-11	29.54	1,108	37,508	33.62	3,430	102,023	no data	no data	no data	303.23	3,329	10,977	395
Sep-11	30.35	1,129	37,191	33.90	3,457	101,982	no data	no data	no data	316.95	3,527	11,128	412
Dec-11	31.91	1,184	37,118	35.16	3,580	101,808	no data	no data	no data	312.85	3,496	11,175	416
Mar-12	32.68	1,223	37,424	34.27	3,488	101,780	no data	no data	no data	315.07	3,507	11,131	434
Jun-12	49.27	1,816	36,858	36.47	3,710	101,727	no data	no data	no data	296.18	3,480	11,750	439
Sep-12	53.37	1,903	35,657	36.70	4,264	116,185	no data	no data	no data	290.42	3,345	11,518	452
Dec-12	55.80	1,987	35,611	38.08	4,498	118,121	no data	no data	no data	290.55	3,372	11,606	487
Mar-13	57.36	2,028	35,355	38.89	4,645	119,447	no data	no data	no data	291.27	3,377	11,594	488
Jun-13	71.93	2,604	36,202	30.01	3,349	111,596	no data	no data	no data	298.00	3,542	11,887	492
Sep-13	70.51	2,515	35,667	29.05	3,240	111,523	no data	no data	no data	293.58	3,496	11,908	472
Dec-13	68.22	2,494	36,560	29.02	3,398	117,073	no data	no data	no data	292.11	3,455	11,828	459
Mar-14	72.82	2,480	34,058	29.76	3,525	118,473	no data	no data	no data	295.49	3,474	11,757	443
Jun-14	70.35	2,527	35,928	24.74	2,537	102,561	no data	no data	no data	266.65	3,422	12,833	457
Sep-14	69.41	2,614	37,655	23.09	2,799	121,210	no data	no data	no data	258.39	3,248	12,570	462
Dec-14	68.73	2,664	38,760	23.09	2,870	124,281	no data	no data	no data	265.56	3,313	12,474	459
Mar-15	71.13	2,856	40,155	23.23	2,993	128,868	no data	no data	no data	262.93	3,253	12,374	463
Jun-15	71.30	2,896	40,625	22.02	3,254	147,777	no data	no data	no data	250.74	3,144	12,541	440
Sep-15	71.48	2,862	40,040	26.39	3,772	142,934	no data	no data	no data	251.13	3,151	12,549	450
Dec-15	71.41	2,945	41,243	26.60	3,862	145,196	no data	no data	no data	250.66	3,115	12,428	442
Mar-16	72.39	3,056	42,215	27.09	3,958	146,120	no data	no data	no data	250.97	3,125	12,453	462
Jun-16	73.79	3,110	42,145	25.62	4,025	157,136	18.39	710	38,608	256.45	3,239	12,630	493
Sep-16	75.24	3,216	42,750	31.40	5,337	169,996	22.67	938	41,376	255.78	3,245	12,688	502
Dec-16	78.60	3,383	43,038	34.41	6,055	175,954	27.39	1,124	41,037	258.78	3,327	12,857	499
Mar-17	80.88	3,519	43,502	35.35	6,352	179,669	30.13	1,278	42,416	263.33	3,390	12,872	529
Apr-17	96.25	3,806	39,544	42.68	7,111	166,601	22.62	1,267	56,027	274.84	3,520	12,806	536
May-17	94.73	3,805	40,164	45.38	7,010	154,472	24.21	1,342	55,436	276.52	3,589	12,979	549
Jun-17	95.87	3,924	40,933	42.55	6,445	151,450	23.99	1,462	60,946	272.43	3,603	13,227	546
Jul-17	98.28	3,998	40,678	38.87	6,165	158,604	28.62	1,781	62,229	272.89	3,613	13,241	542
Aug-17	93.01	3,819	41,062	37.47	5,904	157,588	30.81	1,779	57,741	275.33	3,642	13,229	540

Note:

The variance between the current total number of Looked After Children (540) and the total internal fostering and external placement numbers (437 FTE) is children with care orders, adoption placements etc. They are still classed as LAC but do not incur any commissioned costs.





This page is intentionally left blank

Blackpool Council – Public Health

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2016/17 (UNDER)/OVER SPEND B/FWD £000
	2017/18					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - AUG £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
PUBLIC HEALTH						
NET EXPENDITURE						
MANAGEMENT AND OVERHEADS	1,386	1,047	339	1,386	-	-
NHS HEALTH CHECKS - MANDATED	145	15	130	145	-	-
CHILDREN (5-19) - PUBLIC HEALTH PROGRAMMES	600	600	-	600	-	-
CHILDREN'S 0-5 SERVICES	2,500	2,354	146	2,500	-	-
TOBACCO CONTROL	694	153	541	694	-	-
MENTAL HEALTH AND WELLBEING	91	6	85	91	-	-
SEXUAL HEALTH SERVICES - MANDATED	2,216	1,758	458	2,216	-	-
SUBSTANCE MISUSE (DRUGS AND ALCOHOL)	3,124	1,326	1,798	3,124	-	-
HEALTHY WEIGHT/WEIGHT MANAGEMENT	2,628	1,031	1,597	2,628	-	-
MISCELLANEOUS PUBLIC HEALTH SERVICES	5,553	4,848	705	5,553	-	-
GRANT	(18,914)	(9,457)	(9,457)	(18,914)	-	-
TOTALS	23	3,681	(3,658)	23	-	-

Commentary on the key issues:

Directorate Summary – basis

The Revenue summary (above) lists the latest outturn projection for each individual scheme against their respective, currently approved, revenue budget. Forecast outturns are based upon actual financial performance for the first 5 months of 2017/18 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year, all of which have been agreed with the service leads.

Public Health Grant

The Public Health Grant is a central government grant which is ring-fenced until March 2018.

The grant conditions require quarterly financial reporting of spend against a prescribed set of headings and spend of the grant must link explicitly to the Health and Wellbeing Strategy, Public Health Outcomes Framework and Joint Strategic Needs Assessment.

Payment by Results (PbR)/ Activity-based Commissioning

A number of Public Health schemes' payments are linked to activity. The aim of Payment by Results (PbR) is to provide a transparent, rules-based system for payment. It rewards outputs, outcomes and supports patient choice and diversity. Payment will be linked to activity. This does, however, raise a number of challenges when determining accurate budgetary spend/forecast spend.

Summary of the Public Health Directorate financial position

As at the end of August 2017, the Public Health Directorate is forecasting an overall spend of the full grant, £18,914,000, for the financial year to March 2018.

Budget Holder – Dr Arif Rajpura, Director of Public Health

This page is intentionally left blank

Blackpool Council – Budgets Outside the Cash Limit

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2016/17 (UNDER)/OVER SPEND B/FWD £000
	2017/18					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - AUG £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER)/ OVER £000	
BUDGETS OUTSIDE THE CASH LIMIT						
NET EXPENDITURE						
TREASURY MANAGEMENT	10,371	4,523	6,332	10,855	484	-
PARKING SERVICES	(4,095)	1,437	(4,988)	(3,551)	544	-
CORPORATE SUBSCRIPTIONS	191	81	110	191	-	-
HOUSING BENEFITS	2,027	825	1,202	2,027	-	-
COUNCIL TAX & NNDR COST OF COLLECTION	304	124	180	304	-	-
SUBSIDIARY COMPANIES	(997)	(156)	(975)	(1,131)	(134)	-
LAND CHARGES	(52)	(35)	(17)	(52)	-	-
CONCESSIONARY FARES	4,263	179	4,154	4,333	70	-
EMPLOYERS PREVIOUS YEARS' PENSION LIABILITY	2,890	1,204	1,686	2,890	-	-
NEW HOMES BONUS	(790)	(527)	(263)	(790)	-	-
TOTALS	14,112	7,655	7,421	15,076	964	-

Commentary on the key issues:

Directorate Summary - basis

The Revenue summary (above) lists the latest outturn projection for each individual service categorised as falling 'outside the cash limit' and thereby exempt from the cash limited budget regime. Forecast outturns are based upon actual financial performance for the first 5 months of 2017/18 together with predictions of performance, anticipated pressures and savings in the remainder of the financial year, which have been agreed by each designated budget manager.

Treasury Management

Treasury Management is forecasting an overspend of £484k. The Council is currently using temporary borrowing to finance Prudentially-funded capital expenditure. While temporary investment rates and temporary borrowing rates are low the treasury team is delaying taking any new long-term borrowing to fund planned capital expenditure. The resultant saving of £1,200k currently partially offsets the Business Loans Fund which has a savings target of £1,800k.

Parking Services

This service is forecasting a pressure of £544k, this pressure is mainly due to the delay in implementing 'on-street parking' schemes, loss of parking spaces and prudential borrowing costs. As at Week 25 (w/e 17th September) parking income is at £3.141m with patronage at 724,468. Car park patronage is down by 15,168, however income is up by £144,865 on 2016/17. On-Street Pay and Display is down on patronage by 10,970, however income is up by £1,913.

Subsidiary Companies

This service is now forecasting a favourable variance of £134k. This is due to the reducing balance payback of prudentially-borrowed schemes and savings on the cost of historic pension payments.

Concessionary Fares

This service is forecasting a pressure of £70k which relates to a forecast increase in bus and tram patronage.

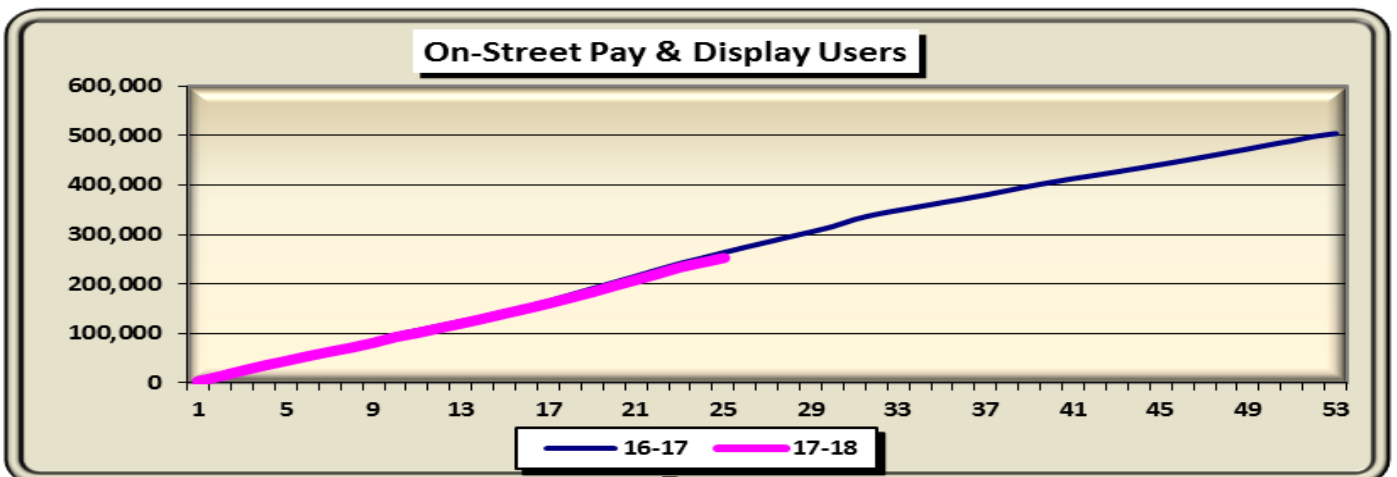
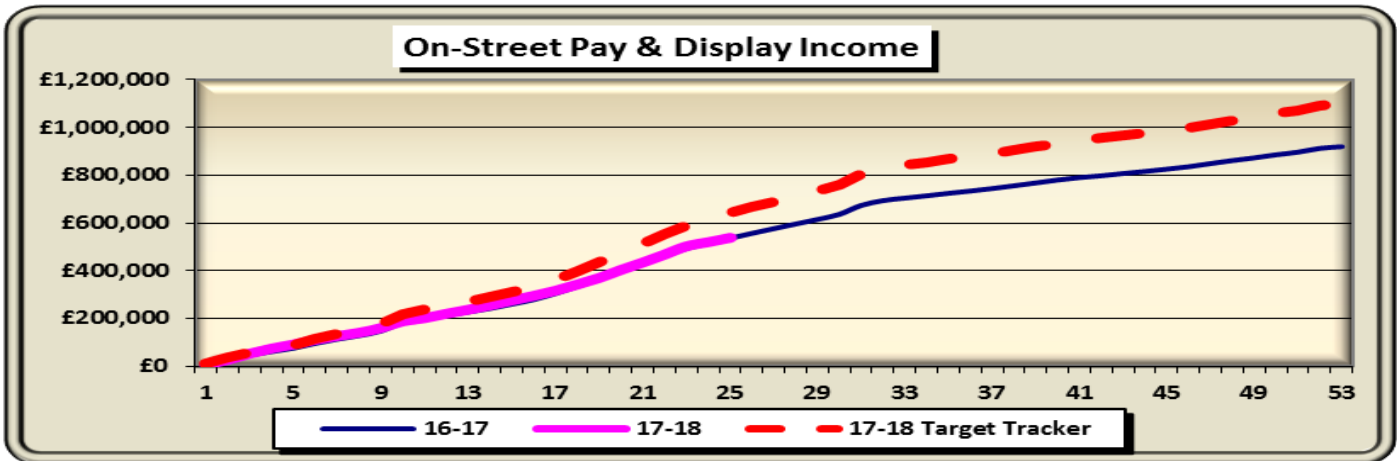
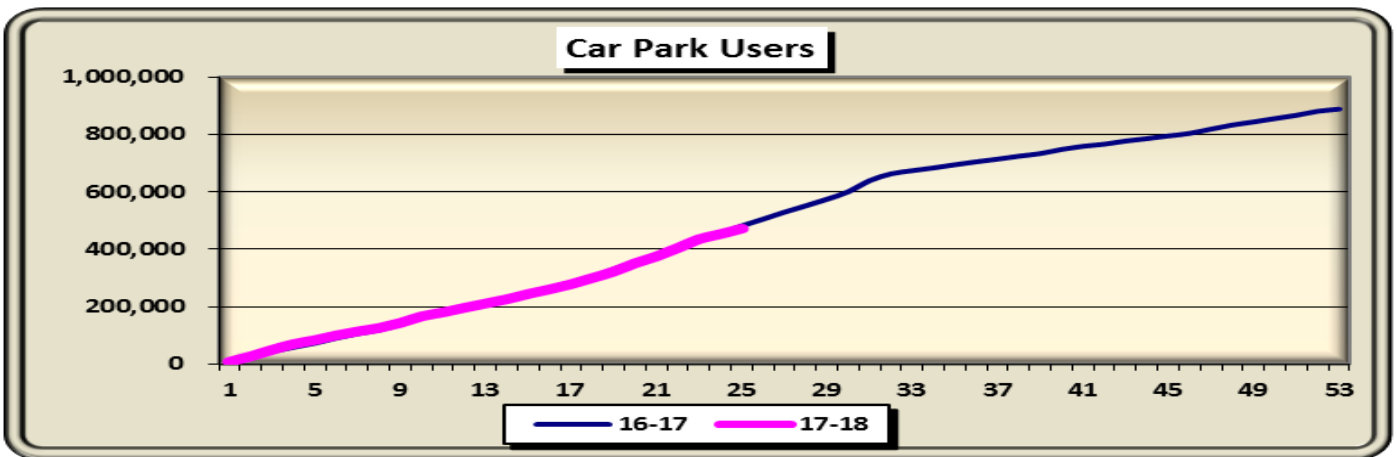
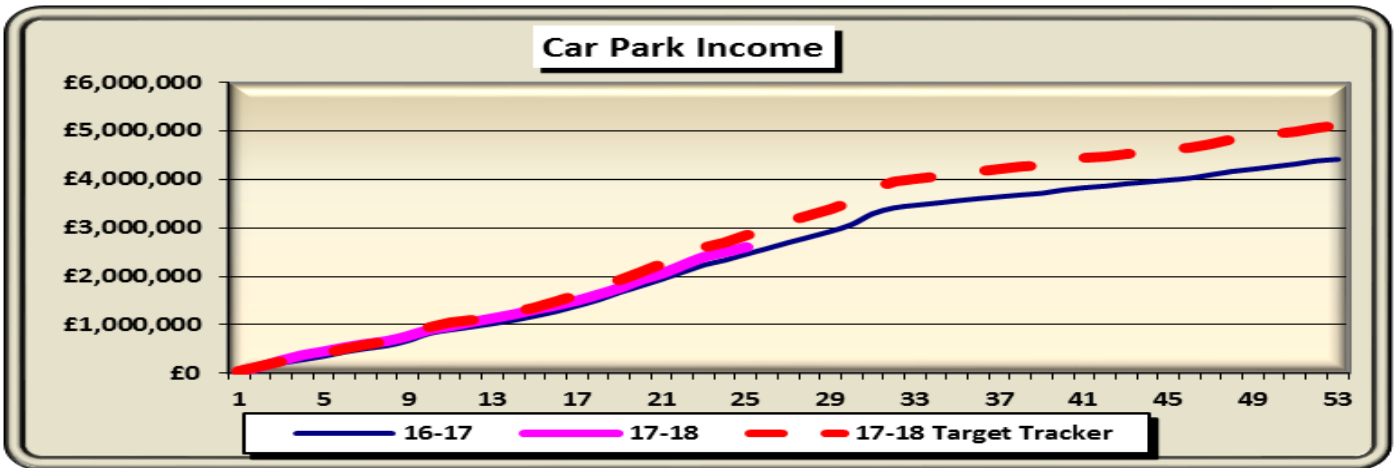
Land Charges

This service is forecasting a break-even position for 2017/18.

Summary of the revenue forecasts

After 5 months of the financial year, the Budgets Outside the Cash Limit services are forecasting a £964k overspend.

Car Parking Trends



This page is intentionally left blank

**2017/18 CAPITAL MONITORING
MONTH 5**

	Total Scheme Budget	Spend as at 31/3/17	Budget Brought Forward 2016/17	Capital Programme 2017/18 as approved by Exec.	Total Available Budget 2017/18	Spend to Date April -Aug	Forecast to Year End	Forecast Variance	Notes
	£000	£000	£000	£000	£000	£000	£000	£000	
Director Responsible for Resources									
Property and Asset Management									
Central Business District Phase 1	40,832	37,810	2,622	-	2,622	309	-	-	
Office Accommodation Strategy	1,408	1,408	-	-	-	-	-	-	
CBD Phase 2 - Hotel	23,000	133	(12)	3,500	3,488	-	500	-	
- Wilkinson's	7,800	6,279	1,521	-	1,521	-	-	-	
BHS Acquisition	6,500	-	-	6,500	6,500	19	6,481	-	
Syndicate	1,600	1,716	(116)	-	(116)	(7)	-	-	
ICT Refresh	1,650	850	-	800	800	42	758	-	
Clifton Street Redevelopment	776	776	-	-	-	(18)	-	-	
Municipal Building Works	1,095	870	225	-	225	727	-	-	
Other Resources Schemes	1,214	718	246	250	496	44	452	-	
Total Resources	85,875	50,560	4,486	11,050	15,536	1,116	8,191	-	
Director Responsible for Adult Services									
Support to Vulnerable Adults - Grants	4,188	2,637	66	1,485	1,551	382	1,169	-	
Other Adult Services Schemes	3,964	2,453	1,071	440	1,511	13	1,498	-	
Total Adult Services	8,152	5,090	1,137	1,925	3,062	395	2,667	-	

**2017/18 CAPITAL MONITORING
MONTH 5**

	Total Scheme Budget	Spend as at 31/3/17	Budget Brought Forward 2016/17	Capital Programme 2017/18 as approved by Exec.	Total Available Budget 2017/18	Spend to Date April -Aug	Forecast to Year End	Forecast Variance	Notes
	£000	£000	£000	£000	£000	£000	£000	£000	
Director Responsible for Community and Environmental Services									
Anchorsholme Seawall	27,515	24,761	2,753	-	2,753	-	2,000	-	
Coastal Protection Studies	1,463	1,289	174	-	174	70	104	-	
Marton Mere Pumping Station & Spillway	505	462	43	-	43	-	43	-	
Marton Mere HLF	360	296	63	-	63	20	43	-	
Transport									
Blackpool/Fleetwood Tramway	99,990	95,638	4,353	-	4,353	1,302	3,051	-	
Sintropher	1,903	2,780	(876)	-	(876)	-	-	-	
Bridges	11,365	6,021	635	3,511	4,146	541	3,605	-	
Total Community and Environmental Services	143,101	131,247	7,145	3,511	10,656	1,933	8,846	-	

**2017/18 CAPITAL MONITORING
MONTH 5**

	Total Scheme Budget	Spend as at 31/3/17	Budget Brought Forward 2016/17	Capital Programme 2017/18 as approved by Exec.	Total Available Budget 2017/18	Spend to Date April -Aug	Forecast to Year End	Forecast Variance	Notes
	£000	£000	£000	£000	£000	£000	£000	£000	
Director Responsible for Place									
Housing									
Foxhall Village	12,500	10,892	1,608	-	1,608	680	928	-	
Work towards Decent Homes Standard	4,263	-	-	4,263	4,263	1,085	3,178	-	
Queens Park Redevelopment Ph2	12,202	5,365	-	5,251	5,251	1,679	3,572	-	
Other	96	68	27	-	27	-	27	-	
Others									
College Relocation/Illumination Depot	12,905	13,924	(1,119)	100	(1,019)	-	-	-	
Leisure Assets	61,449	61,409	40	-	40	-	40	-	
Leopold Grove	557	357	200	-	200	188	12	-	
Spanish Hall roof & façade	1,995	20	100	1,875	1,975	48	1,927	-	
Other	12	-	12	-	12	12	-	-	
Transport									
Local Transport Plan 2015/16	1,730	1,545	185	-	185	185	-	-	
Local Transport Plan Project 30 2015/16	826	826	-	-	-	-	-	-	
Local Transport Plan 2016/17	860	643	217	-	217	54	163	-	
Local Transport Plan Project 30 2016/17	583	583	-	-	-	-	-	-	
Local Transport Plan Quality Corridor 2016/17	82	82	-	-	-	-	-	-	
Local Transport Plan ITM 2016/17	165	-	165	-	165	-	165	-	
Local Transport Plan 2017/18	984	-	-	984	984	6	978	-	
Local Transport Plan Project 30 2017/18	523	-	-	523	523	-	523	-	
Local Transport Plan Quality Corridor 2017/18	282	-	-	282	282	-	282	-	
Quality Corridor	6,600	603	-	1,779	1,779	282	1,497	-	
Intelligent Traffic Management	1,510	-	-	1,510	1,510	617	893	-	
Total Place	120,124	96,317	1,435	16,567	18,002	4,836	14,185	-	

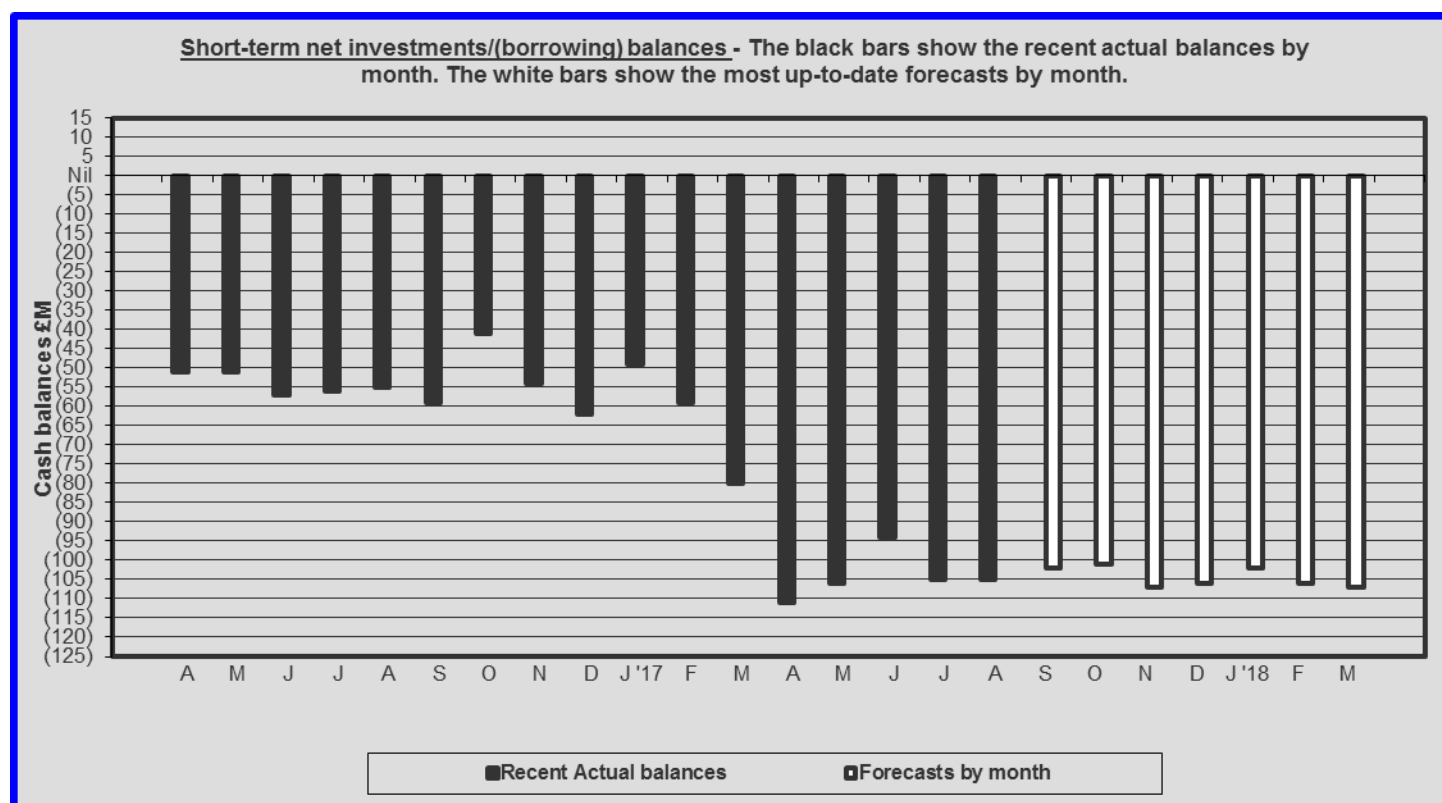
**2017/18 CAPITAL MONITORING
MONTH 5**

	Total Scheme Budget	Spend as at 31/3/17	Budget Brought Forward 2016/17	Capital Programme 2017/18 as approved by Exec.	Total Available Budget 2017/18	Spend to Date April -Aug	Forecast to Year End	Forecast Variance	Notes
	£000	£000	£000	£000	£000	£000	£000	£000	
Director Responsible for Children's Services									
Devolved Capital to Schools	282	141	51	90	141	-	141	-	
Christ The King	5,160	5,117	(917)	960	43	-	-	-	
Westbury Feasibility Plan	555	541	14	-	14	-	-	-	
Woodlands Development Scheme	1,500	86	1,414	-	1,414	460	954	-	
Demolition Aspire	350	228	122	-	122	163	-	-	
Basic Need	4,273	260	2,252	801	3,053	-	-	-	
Condition	696	72	196	428	624	55	469	-	
Early Years	362	49	313	-	313	313	-	-	
Other Children's Schemes	606	528	78	-	78	2	76	-	
Total Children's Services	13,784	7,022	3,523	2,279	5,802	993	1,640	-	
CAPITAL TOTAL	371,036	290,236	17,726	35,332	53,058	9,273	35,529	-	

Blackpool Council

Cash summary - budget, actual and forecast:

CASH FLOW - SUMMARY - 17/18							
FULL YEAR CASH FLOW ORIGINAL BUDGET (*)	APR-AUG CASH FLOW ORIGINAL BUDGET (*)	APR-AUG CASH FLOW ACTUAL	SEP - MAR CASH FLOW FORECAST	(*) THE CASH FLOW BUDGET IS CONSISTENT WITH THE REVENUE BUDGET AND THE CAPITAL PROGRAMME IN TOTAL. THE BUDGETED CASH FLOW PHASING IS BASED ON DETAILED EXPECTATIONS AND PAST EXPERIENCE	APR - AUG MORE / (LESS) CASH ACTUAL vs ORIGINAL BUDGET	SEP - MAR MORE / (LESS) CASH FORECAST vs ORIGINAL BUDGET	FULL YEAR MORE / (LESS) AS NOW FORECAST vs ORIGINAL BUDGET
£M	£M	£M	£M		£M	£M	£M
75	31	31	44	RECEIPTS	-	-	-
105	47	39	56	Housing Benefit & Subsidy	(8)	(2)	(10)
12	5	6	7	Council tax and NNDR	1	-	1
27	12	15	13	VAT	3	(2)	1
87	38	50	48	RSG & BRR	12	(1)	11
98	41	44	64	Other Grants	3	7	10
3	3	234	14	Other Income	231	14	245
9	9	240	59	Money Market Transactions Received	231	59	290
416	186	659	305	Receipt of Loans	473	75	548
9	4	4	5	RECEIPTS - NORMAL ACTIVITIES	-	-	-
225	92	108	125	PAYMENTS	(16)	8	(8)
-	-	-	-	Police & Fire	-	-	-
104	43	76	55	General Creditors	-	-	-
68	29	27	39	RSG & BRR	(33)	6	(27)
90	87	443	171	Salaries & wages	2	-	2
496	255	658	395	Housing Benefits	(356)	(168)	(524)
				Money Market Transactions Paid Out	(403)	(154)	(557)
(80)	(69)	1	(90)	PAYMENTS - NORMAL ACTIVITIES	70	(79)	(9)
A	B	C	D	NET CASH FLOW IN/(OUT)	= C less B	= D less (A-B)	

Cash - short-term net investments/(borrowing) balances:

Commentary on Cash Movements during the year:

The summary on the previous page provides a comparison of the actual cash receipts and payments compared to the forecasted cash receipts and payments.

During the first 5 months of the year, the Council's net cashflow has resulted in fluctuations in short-term net investment/borrowing balances. However, overall temporary borrowing has increased since 31st March 2017 mainly due to a £36.7m up-front payment to the Lancashire County Pension Fund. The Council is currently using temporary borrowing to finance Prudentially-funded capital expenditure. While temporary investment rates and temporary borrowing rates are low the treasury team is delaying taking any new long-term borrowing to fund planned capital expenditure. As a result the delay in taking new long-term borrowing means that interest charges are lower than expected. In contrast, the take-up of loans from the recently expanded Business Loans Fund is slower than anticipated and this means that an adverse variance is currently forecast for 2017/18.

The chart of actual and forecast month-end balances shows temporary investment and borrowing levels throughout the year. The forecast shows the level of borrowing that may be required to cover planned capital expenditure up to 31st March 2018.

Blackpool Council

Balance Sheet / Working capital:

BALANCE SHEET 2017/2018				
LAST Y/END		CURRENT	CHANGE	NEXT Y/END
31 Mar 17 Actual £000s		31 Aug 17 Actual £000s	Movement since 31 Mar 17 £000s	31 Mar 18 Forecast £000s
777,280	Property, Plant and Equipment	786,553	9,273	800,358
32	Intangible Assets	22	(10)	-
36,436	Long-term Assets	45,331	8,895	65,534
	Current Assets			
41,583	Debtors	37,580	(4,003)	66,000
479	Inventories	381	(98)	475
9,878	Cash and cash equivalents	4,338	(5,540)	9,500
865,688	Total Assets	874,205	8,517	941,867
	Current Liabilities			
(91,697)	Borrowing Repayable within 12 months	(104,500)	(12,803)	(100,000)
(55,720)	Creditors	(47,600)	8,120	(52,000)
	Long-term Liabilities			
(84,701)	Borrowing Repayable in excess of 12 months	(92,932)	(8,231)	(94,700)
(16,073)	Capital Grants in Advance	(16,073)	-	(14,000)
(12,718)	Provisions	(12,327)	391	(14,000)
(365,166)	Other Long Term Liabilities	(365,166)	-	(364,300)
239,613	Total Assets less Liabilities	235,607	(4,006)	302,867
(58,846)	Usable Reserves	(54,516)	4,330	(52,432)
(180,767)	Unusable Reserves	(181,091)	(324)	(250,435)
(239,613)	Total Reserves	(235,607)	4,006	(302,867)

Commentary on the key issues:

In order to provide a complete picture of the Council's financial performance, the above table provides a snapshot of the General Fund balance sheet as at the end of month 5. The key areas of focus are any significant movements in debtors, cash and cash equivalents, bank overdraft and creditors as these impact upon the Council's performance in the critical areas of debt recovery, treasury management and Public Sector Payment Policy.

The balance sheet has been prepared under International Financial Reporting Standards (IFRSs). Temporary investments are included within cash and cash equivalents along with bank balance and cash in hand. Usable reserves include unallocated General Fund reserves and earmarked revenue reserves. Unusable reserves are those that the Council is not able to use to provide services. This category 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 were sold.

Over the 5-month period, there has been a decrease in cash and cash equivalents of £5.5m and an increase in short-term borrowing of £12.8m, which in the main reflects borrowing in advance at low interest rates to fund the capital programme. The movement in debtors and creditors reflects seasonal activity.