

Public Document Pack

Dear Councillor

EXECUTIVE - MONDAY, 14TH SEPTEMBER, 2015

Please find attached the appendices related to the Financial Performance Monitoring Item Monday, 14th September, 2015 meeting of the Executive, forwarded to Members under separate cover.

Agenda No	Item
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3	<u>FINANCIAL PERFORMANCE MONITORING AS AT MONTH 3 2015/2016 (Pages 1 - 48)</u>
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Yours sincerely

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BLACKPOOL COUNCIL
REPORT
of the
DIRECTOR OF RESOURCES
to the
EXECUTIVE
14TH SEPTEMBER 2015

FINANCIAL PERFORMANCE MONITORING AS AT MONTH 3 2015/16

1. Introduction

- 1.1 This report is the first of the standard monthly financial performance monitoring reports, which sets out the summary revenue budget position for the Council and its individual directorates for the first 3 months of 2015/16, i.e. the period to 30th June 2015, 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 plus 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 - Deputy Chief Executive
 - Appendix 3c - Governance and Regulatory Services
 - Appendix 3c/d - Ward Budgets
 - Appendix 3e - Resources
 - Appendix 3f - Places
 - Appendix 3g - Strategic Leisure Assets
 - Appendix 3h - Community and Environmental Services
 - Appendix 3i - Adult Services
 - Appendix 3j - Children's Services
 - Appendix 3k - Public Health
 - Appendix 3l - 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 2015/16. 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.

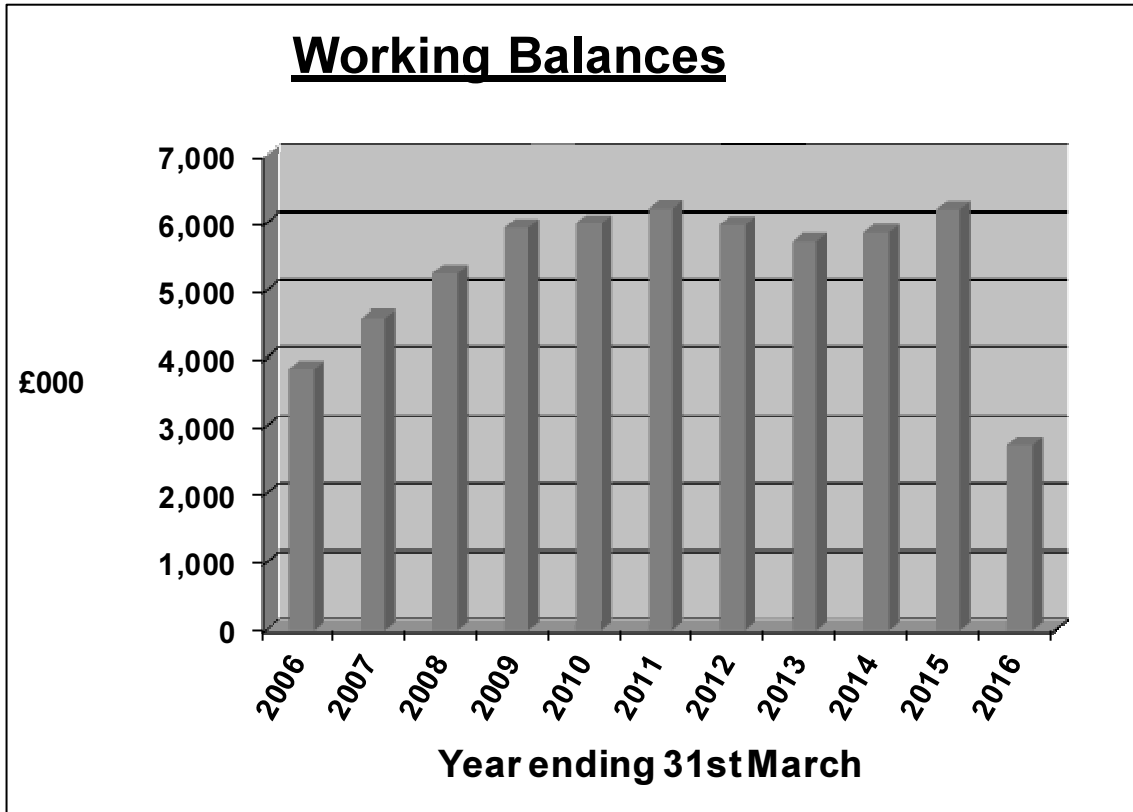
3. Directorates' Budget Performance

3.1 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 3 forecast overspend of £3,466k for 2015/16 are summarised below:-

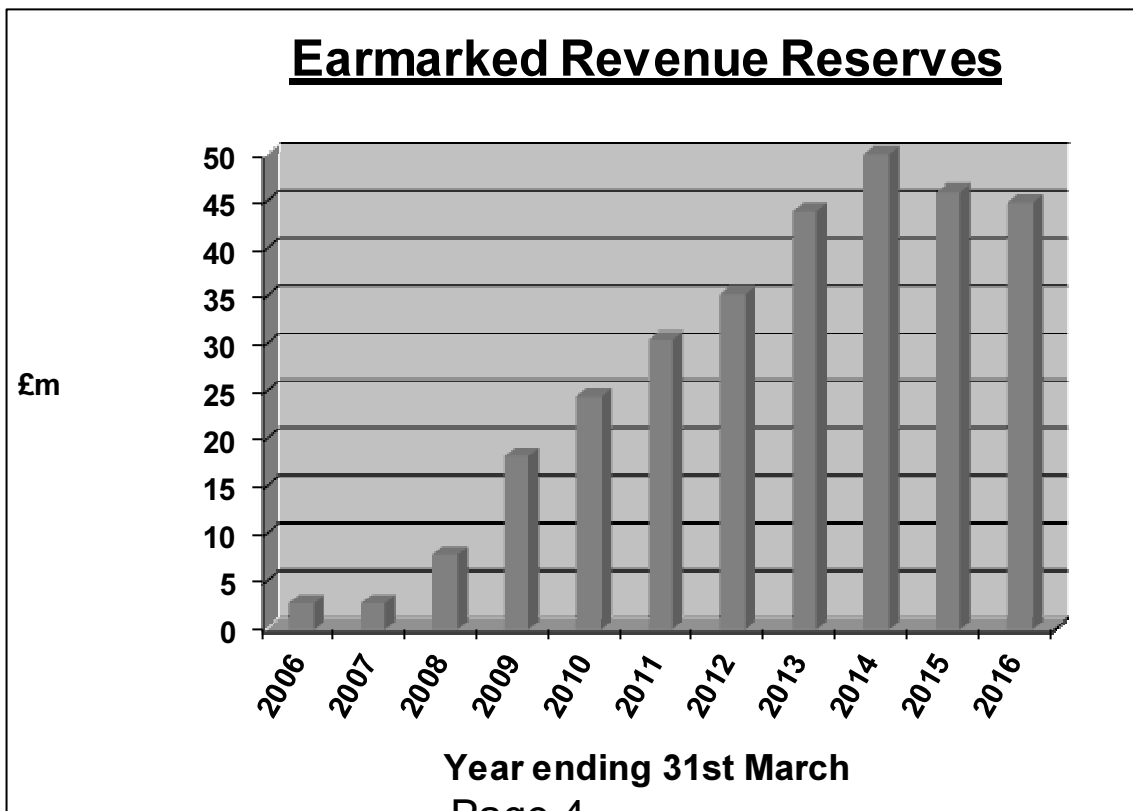
Directorate	Service	Forecast Variance £000
Children's Services	An overspend of £1,921k is forecast. There is an imbalance between the reduced Education Services Grant and the commitments against it showing a £1,085k pressure which is due to historical and in-year academy conversions. Children's Social Care is forecast to overspend by £517k, particularly because of the high cost of Looked After Children (LAC). Whilst numbers have stabilised at around 460 for over 12 months, the overspend is due to placement mix. There are overspends in Local Services Support Grant of £104k, Children's Safeguarding of £103k, Lifelong Learning and Schools of £66k and Early Help for Children and Families of £46k .	1,921
Adult Services	Adult Commissioning Placements and Care & Support are forecasting an overspend of £1,155k. This in-year shortfall is as a result of the delay to the review programme for commissioners.	1,136
Resources	Property Services is forecasting a £753k overspend based on the current pace of property rationalisation and pressure from rental income within the Central Business District. Other pressures within the directorate are mainly due to staffing costs, but, these have been mitigated by savings in Procurement & Projects.	752
Community and Environmental Services	Waste Management has a pressure of £69k due to a decrease in income from recycling waste arising from a downturn in the recycle market. The £856k PFI Grant is no longer available and is subject to Judicial Review with the risk being covered against the specific Waste PFI reserve. A Travel and Road Safety pressure of £144k is awaiting management action.	207

Places	The Directorate's pressure of £79k comprises £30k due to the prudential borrowing costs of Tyldesley/Rigby Road housing development and the inability so far in offsetting savings/income from this project. Print Services is forecasting an overspend of £49k due to an income target that needs to be reviewed as part of a wider review of the service.	79
Governance and Regulatory Services	An underspend of £23k is forecast. This is mainly due to an underspend of £17k in the Democratic Governance service arising from staff savings and reduced expenditure on special events and area forums.	(23)
Deputy Chief Executive's Directorate	The Human Resources, Communication and Engagement divisions are forecasting an underspend of £27k due to staff vacancies.	(27)
Budgets Outside the Cash Limit	Concessionary Fares are forecasting a pressure of £676k due to increased bus patronage. Parking Services is £496k down on its income target. Treasury Management has a £1,231k favourable position due to the ongoing temporary windfall from low short-term interest rates payable to finance recent capital expenditure and lower interest charges on the Local Government Reorganisation debt. The New Homes Bonus underspend of £142k is due to the Council's pro-rata share of the unused national funding from the 2014/15 New Homes Bonus, based on the Start-Up Funding Allocation. The cost to the Council of supporting the Subsidiary Companies are forecasting an underspend of £75k due to the reducing balance payback of prudentially borrowed schemes.	(279)
Strategic Leisure Assets, Contingencies / Reserves	An underspend of £300k is forecast. Strategic Leisure Assets is forecasting a £928k position which is in line with the Strategic Leisure Assets Medium Term Financial Strategy. 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. A £300k saving has arisen from a review of Contingencies.	(300)
Total		3,466

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



3.3 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 strong financial standing an equivalent graph to the above is shown below:



4. Directorate Budget Savings Performance

- 4.1 As at 30th June 2015 67% of the 2015/16 savings target has already been delivered. The full-year forecast predicts that 86% (68% last month) will be achieved by the year-end, which takes into account anticipated pressures and savings.

5. Collection Rates

5.1 Council Tax

At the end of month 3 the collection rate for Council Tax was 27.7%. This compares to 26.4% at the same point in 2014/15.

In the light of the reductions in discount and the introduction of the Local Council Tax Reduction Scheme, the target collection rate is 98% over a 5-year collection period.

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.

At the end of month 3 the collection rate for those who have to pay Council Tax Reduction Scheme, either for the first time or in addition to a proportion of their Council Tax, is 19.1%. This compares to 18.2% at the same point in 2014/15.

However, the likely impact for 2015/16 is that the underlying rate of collection of Council Tax Reduction Scheme will be lower than 2014/15 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 3 the collection rate for Business Rates was 25.5%. This compares to 24.9% at the same point in 2014/15.

From April 2014 Business Rate payers have been entitled to elect to pay by 12 monthly instalments instead of over 10 months. This has allowed businesses more time to pay.

The provisional Business Rate cumulative deficit as at 31st March 2015 is £11.3m. The Council's share of this is £5.54m (49%) and provision has been made for this.

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 as approved by the Executive in February 2015. The month 3 report has traditionally included this data for comparative purposes. The month 4 report is expected to show some significant changes in the capital programme, representing schemes that were not finalised or funding confirmed at the time of capital programme publication.
- 6.3 As at month 3 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 2015/16.
- 7.2 During the first 3 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 reduced due to the accelerated receipt of grant income in the first three months. The Council uses temporary borrowing to finance prudentially funded capital expenditure. While temporary investment rates and temporary borrowing rates are low the treasury team will delay taking any new long-term borrowing to fund planned capital expenditure. The interest charged by Lancashire County Council on the Local Government Reorganisation Debt is lower than anticipated. As a result, the delay in taking new long-term borrowing and the lower interest charge from Lancashire County Council mean that a favourable credit variance is once again forecast for 2015/16.

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 3. 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 3-month period there has been an increase in Property, Plant and Equipment of £2.5m and an increase in cash and cash equivalents of £5.2m, which in the main reflects the timing of the receipt of capital grants and the phasing of the capital programme.

9. Conclusion and Recommendations

- 9.1 This is the first formal detailed directorate report of the 2015/16 financial year. Although an improvement upon the internally reported forecasts as at months 1 and 2, which are typically too early in the year to make any precise assessment, the Council is still predicting a significant deterioration in its financial standing in comparison with Budget. Working balances are estimated to fall by £3,466k against the budgeted position over the year. This fall is in the context of the unaudited working balances at the start of the year of £6,188k, an erosion of 56.0%.
- 9.2 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 2015/16 within this report contravenes the two specific conditions that excess spending does not:
1. exceed 1% (i.e. £1.3m) of the authority's net revenue expenditure; and
 2. have the effect of reducing the authority's Working Balances below 50% of their normal projected level (i.e. £3.0m).

However, in the context of £45m of Earmarked Revenue Reserves and with 9 months of the financial year remaining there should still be sufficient time to redress the position, though this will inevitably require a bringing forward of budget savings plans from next year.

- 9.3 As a supportive measure to give services every chance to deliver a breakeven budget, the Executive agreed at its meeting on 22nd June 2015 to carry forward only the 2014/15 underspend of £237,000 on Ward budgets to 2015/16 and that all other 2014/15 under and overspendings were to be written off.
- 9.4 In response to the financial position the Director of Resources is holding regular meetings with individual Directors to discuss the robustness and integrity of current year budget forecasts and the plans in place to deliver an in-year breakeven position.
- 9.5 The Executive is asked:
- i) To note the report; and
 - ii) To require the respective Directors and Director of Resources to continue to closely monitor and manage financial and operational performances, particularly in Children's Services, Adult Services, Property Services, Concessionary Fares, Parking Services, Community and Environmental Services and Places.

Steve Thompson
Director of Resources

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Blackpool Council

Revenue summary - budget, actual and forecast:

BLACKPOOL COUNCIL							
FORECAST GENERAL FUND POSITION AS AT 31 MARCH 2016							
SUMMARY							
APP.	GENERAL FUND NET REQUIREMENTS	BUDGET	EXPENDITURE		VARIANCE		2014/15 (UNDER)/OVER SPEND B/FWD £000
		ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUN £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
3(a)	CHIEF EXECUTIVE	526	132	394	526	-	-
3(b)	DEPUTY CHIEF EXECUTIVE'S DIRECTORATE	26	533	(534)	(1)	(27)	-
3(c)	GOVERNANCE & REGULATORY SERVICES	1,568	400	1,145	1,545	(23)	-
3(c/d)	WARD BUDGETS	507	67	440	507	-	(237)
3(e)	RESOURCES	1,865	3,536	(919)	2,617	752	-
3(f)	PLACES	6,969	(3,079)	10,127	7,048	79	-
3(g)	STRATEGIC LEISURE ASSETS	1,289	(210)	2,427	2,217	928	-
3(h)	COMMUNITY & ENVIRONMENTAL SERVICES	44,483	(3,944)	48,634	44,690	207	-
3(i)	ADULT SERVICES	44,927	4,203	41,860	46,063	1,136	-
3(j)	CHILDREN'S SERVICES	36,003	1,462	36,462	37,924	1,921	-
3(k)	PUBLIC HEALTH	-	3,171	(3,171)	-	-	-
3(l)	BUDGETS OUTSIDE THE CASH LIMIT	17,119	3,964	12,876	16,840	(279)	-
	CAPITAL CHARGES	(26,019)	(6,505)	(19,514)	(26,019)	-	-
	NET COST OF SERVICES:	129,263	3,730	130,227	133,957	4,694	(237)
	CONTRIBUTIONS:						
	- TO / (FROM) RESERVES	(3,000)	-	(3,928)	(3,928)	(928)	
	- 2014/15 SERVICE UNDERSPENDS	(237)	-	(237)	(237)	-	
	- REVENUE CONSEQUENCES OF CAPITAL	150	-	150	150	-	
	CONTINGENCIES	1,832	-	1,532	1,532	(300)	
	NW REGIONAL FLOOD DEFENCE LEVY	65	-	65	65	-	
	CONTRIBUTIONS, etc.	(1,190)	-	(2,418)	(2,418)	(1,228)	
	TOTAL NET EXPENDITURE TO BE MET FROM PUBLIC FUNDS	128,073	3,730	127,809	131,539	3,466	
	ADDED TO/(TAKEN FROM) BALANCES	-	-	(3,466)	(3,466)	(3,466)	
	NET REQUIREMENT AFTER WORKING BALANCES	128,073	3,730	124,343	128,073	-	
GENERAL BALANCES AS AT 1st APRIL 2015 PER UNAUDITED STATEMENT OF ACCOUNTS 2014/15							6,188
In-year (reduction in) / addition to General Fund Working Balances							(3,466)
ESTIMATED UNEARMARKED WORKING BALANCES AS AT 31st MARCH 2016							2,722

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Blackpool Council

Schedule of Service forecast annual overspendings over the last 12 months

Directorate	Service	Audit Committee Report	July 2014 £000	Aug 2014 £000	Sept 2014 £000	Oct 2014 £000	Nov 2014 £000	Dec 2014 £000	Jan 2015 £000	Feb 2015 £000	Mar 2015 £000	Apr 2015 £000	May 2015 £000	June 2015 £000
CHILDREN'S SERVICES	EDUCATION SERVICES GRANT		713	726	726	726	726	726	726	755	755			1,085
STRATEGIC LEISURE ASSETS	STRATEGIC LEISURE ASSETS		2,765	2,765	398	398	191	333	333					928
ADULT SERVICES DEPARTMENT	ADULT COMMISSIONING PLACEMENTS		1,076	1,085	1,072	1,071	999	754	914	1,032	1,032			767
RESOURCES	PROPERTY SERVICES (Incl. INVESTMENT PORTFOLIO)		148	148	215	195	195	227	223	121	121			753
CHILDREN'S SERVICES	CHILDREN'S SOCIAL CARE	18/04/13	1,055	1,220	1,199	1,172	1,249	1,308	1,376	1,855	1,855			517
ADULT SERVICES DEPARTMENT	CARE & SUPPORT													388
COMMUNITY & ENVIRONMENTAL SERVICES	TRAVEL AND ROAD SAFETY		352	317	270	270	270	270	270	294	294			144
CHILDREN'S SERVICES	LOCAL SERVICES SUPPORT GRANT		82	82	82	82	82	82	82					104
CHILDREN'S SERVICES	CHILDRENS SAFEGUARDING		75	91		78	118	119	145					103
COMMUNITY & ENVIRONMENTAL SERVICES	HIGHWAYS						437	407	388	373	373			-
ADULT SERVICES DEPARTMENT	ADULT SAFEGUARDING		341	94	96	93	78	82						-
COMMUNITY & ENVIRONMENTAL SERVICES	BUILDING SERVICES		192	242	270	240	220	220		96	96			-
COMMUNITY & ENVIRONMENTAL SERVICES	BUILDING CLEANING		131											-
GOVERNANCE & REGULATORY SERVICES	REGISTRATION AND BEREAVEMENT SERVICES		125	125	125	125	125		104					-
PLACES	VISITOR SERVICES		104	115	96									-
RESOURCES	CUSTOMER FIRST		87	83	80	78	75							-
RESOURCES	CORPORATE LEGAL SERVICES			81	89	81								-
	Sub Total		7,246	7,174	4,718	4,609	4,765	4,528	4,561	4,526	4,526	-	-	4,789
	Transfer to Earmarked Reserves (note 3)		-	-	-	-	-	-	-	-	-	-	-	(928)
	Other General Fund (under) / overspends		(4,870)	(5,127)	(2,823)	(3,313)	(3,777)	(3,814)	(3,957)	(2,941)	(2,941)	-	-	(395)
	Total		2,376	2,047	1,895	1,296	988	714	604	1,585	1,585	-	-	3,466

Notes:

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 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 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 respective financial performance over a 12-month rolling basis for comparison of progress being made.

2. The Strategic Leisure Assets overspend reflects the in-year position.

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.

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Blackpool Council - Chief Executive

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2014/15 (UNDER)/OVER SPEND B/FWD £000
	2015/16					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUNE £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
NET EXPENDITURE						
CHIEF EXECUTIVE	526	132	394	526	-	-
TOTALS	526	132	394	526	-	-

Commentary on the key issues:

Directorate Summary

The Revenue summary (above) lists the outturn projection for the service against its respective, currently approved, revenue budget. Forecast outturns are based upon actual financial performance for the first 3 months of 2015/16 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year.

The Directorate is forecasting a break even position for 2015/16.

Budget Holder – Mr N Jack, Chief Executive

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Blackpool Council – Deputy Chief Executive’s Directorate

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2014/15 (UNDER)/OVER SPEND B/FWD £000
	2015/16					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUNE £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
DEPUTY CHIEF EXECUTIVE'S DIRECTORATE						
NET EXPENDITURE						
HUMAN RESOURCES, COMMUNICATION & ENGAGEMENT	(98)	288	(413)	(125)	(27)	-
ICT	124	245	(121)	124	-	-
TOTALS	26	533	(534)	(1)	(27)	-

Commentary on the key issues:

Directorate Summary – basis

The Revenue summary (above) lists the outturn projection for the Directorate against its currently approved revenue budget. The forecast outturn is based upon actual financial performance for the first 3 months of 2015/16 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.

Human Resources, Communication and Engagement

The Human Resources, Communication and Engagement divisions are forecasting an underspend of £27k for the year due to vacancy savings across various teams.

The service is forecast to meet its savings requirement in 2015/16.

Information and Communication Technology

The Information and Communication Technology division is forecasting a breakeven position for the year.

The service is forecast to meet its savings requirement in 2015/16.

Budget Holder – Mrs C McKeogh, Deputy Chief Executive – Deputy Chief Executive’s Directorate

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Blackpool Council – Governance and Regulatory Services

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2014/15 (UNDER)/OVER SPEND B/FWD £000
	2015/16					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUNE £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
GOVERNANCE & REGULATORY SERVICES						
NET EXPENDITURE						
DEMOCRATIC GOVERNANCE	2,275	569	1,689	2,258	(17)	-
LICENSING	(376)	(94)	(286)	(380)	(4)	-
REGISTRATION AND BEREAVEMENT SERVICES	(331)	(75)	(258)	(333)	(2)	-
GOVERNANCE & REGULATORY SERVICES	1,568	400	1,145	1,545	(23)	-
WARDS	507	67	440	507	-	(237)
TOTALS	2,075	467	1,585	2,052	(23)	(237)

Commentary on the key issues:

Directorate Summary

- The Revenue summary (above) lists the outturn projection for Governance and Regulatory Services against its currently approved, revenue budget. The adjusted budget for 2015/16 includes the 2014/15 underspend carried forward. Forecast outturns are based upon actual financial performance for the first 3 months of 2015/16 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.

Governance and Regulatory Services

- The Democratic Governance service is forecasting an underspend of £17k for 2015/16 due to small in-year staffing savings and reduced expenditure on special events and area forums.
- The Licensing Service is forecasting an underspend of £4k for 2015/16 due to vacancy savings and savings on Supplies and Services budgets, partly offset by a shortfall against income targets.
- A Business Rates revaluation was carried out in respect of the premises at Carleton Crematorium at the start of the year, resulting in a windfall gain to the service of £65k. Following remedial works in 2014, the three cremators are now fully operational and it is anticipated that income targets in 2015/16, whilst challenging, will be achieved. However, some pressures are anticipated in the Coroners and Mortuary service due to the levels of demand which, it is expected, will virtually offset the likely underspend at the Crematorium. At this stage, therefore, the Registration and Bereavement Service is forecasting a £2k underspend for 2015/16.
- Ward budgets are expected to break even in 2015/16.

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

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**Blackpool Council
Ward Budgets
2015/2016
Month 3**

Wards

Ward	Councillors	Total No. of Requisitions Submitted	No. of Requisitions Approved	No. Awaiting Approval	Total No. of Requisitions Completed	Total 2015-16 Budget	Budget Committed to <u>Approved</u> Schemes	Remaining 2015-16 Budget
Anchorsholme Ward BC1001	Cllr. Galley Cllr. Williams	4	4	0	4	£17,216.71	£2,200.00	£15,016.71
Bispham Ward BC1002	Cllr. Clapham Cllr. C Maycock	0	0	0	0	£15,000.00	£0.00	£15,000.00
Bloomfield Ward BC1003	Cllr. Cain Cllr. Jones	8	8	0	8	£30,538.68	£18,312.80	£12,225.88
Brunswick Ward BC1004	Cllr. Blackburn Cllr. G Coleman	0	0	0	0	£15,982.55	£0.00	£15,982.55
Claremont Ward BC1005	Cllr. I Taylor Cllr. L Williams	5	5	0	5	£40,428.95	£19,485.00	£20,943.95
Clifton Ward BC1006	Cllr. Hutton Cllr. L Taylor	3	3	0	3	£16,484.39	£1,350.00	£15,134.39
Greenlands Ward BC1007	Cllr. Ryan Cllr. Wright	8	8	0	8	£20,148.24	£5,148.24	£15,000.00
Hawes Side Ward BC1008	Cllr. D Coleman Cllr. Critchley	0	0	0	0	£15,000.00	£0.00	£15,000.00
Highfield Ward BC1009	Cllr. Mrs Henderson MBE Cllr. Hunter	5	5	0	5	£36,939.18	£19,997.41	£16,941.77
Ingthorpe Ward BC1010	Cllr. Cross Cllr. Rowson	6	6	0	6	£37,266.09	£22,266.00	£15,000.09
Layton Ward BC1011	Cllr. Mrs Benson Cllr. M Mitchell	4	4	0	4	£18,302.70	£3,302.70	£15,000.00
Marton Ward BC1012	Cllr. Singleton Cllr. Elmes	4	4	0	4	£27,848.07	£7,991.78	£19,856.29
Norbreck Ward BC1013	Cllr. Callow Cllr. Mrs Callow	3	3	0	3	£36,346.50	£20,840.00	£15,506.50
Park Ward BC1014	Cllr. Campbell Cllr. Kirkland	1	1	0	1	£19,389.79	£2,750.00	£16,639.79
Squires Gate Ward BC1015	Cllr. Cox Cllr. Humphreys	1	1	0	1	£15,178.91	£100.00	£15,078.91
Stanley Ward BC1016	Cllr. Roberts Cllr. Stansfield	7	7	0	7	£30,690.00	£15,869.00	£14,821.00
Talbot Ward BC1017	Cllr. I Coleman Cllr. Smith	10	10	0	10	£32,592.78	£17,350.00	£15,242.78
Tyldesley Ward BC1018	Cllr. Collett Cllr. Matthews	3	3	0	3	£22,655.22	£6,855.22	£15,800.00
Victoria Ward BC1019	Cllr. Jackson Cllr. Owen	4	4	0	4	£27,301.05	£12,301.05	£15,000.00
Warbreck Ward BC1020	Cllr. Brown Cllr. Scott	4	4	0	4	£21,337.87	£6,226.00	£15,111.87
Waterloo Ward BC1021	Cllr. O'Hara Cllr. Robertson BEM	5	5	0	5	£29,293.52	£14,663.52	£14,630.00
Ward Totals		85	85	0	85	£525,941.20	£197,008.72	£328,932.48
Unallocated Budget		-	-	-	-	£26,478.60	£0.00	£26,478.60
Income Budget		-	-	-	-	-£45,000.00	£0.00	-£45,000.00
Area Ward Totals		85	85	0	85	£507,419.80	£197,008.72	£310,411.08

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Blackpool Council - Resources

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2014/15 (UNDER)/OVER SPEND £000
	2015/16					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUNE £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
RESOURCES						
NET EXPENDITURE						
PROCUREMENT & PROJECTS	26	59	(133)	(74)	(100)	-
REVENUES, BENEFITS & TRANSACTIONAL	251	610	(378)	232	(19)	-
CORPORATE LEGAL SERVICES	(447)	27	(449)	(422)	25	-
CUSTOMER FIRST	(58)	182	(203)	(21)	37	-
ACCOUNTANCY	(77)	152	(176)	(24)	53	-
RISK SERVICES	73	39	37	76	3	-
PROPERTY SERVICES (Incl. INVESTMENT PORTFOLIO)	2,097	2,467	383	2,850	753	-
TOTALS	1,865	3,536	(919)	2,617	752	-

Commentary on the key issues:

Directorate Summary

- 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 3 months of 2015/16 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 £100k is due to an over achievement against current and prior years Priority Led Budgeting targets in respect of staff savings.

Revenues, Benefits and Transactional Services

- The service is forecast to meet its savings requirement in 2015/16. Additional income has been received from the Department for Work and Pensions (DWP) and Department for Communities and Local Government (DCLG) for welfare reform, Universal Credit and the Council Tax Reduction Scheme (CTRS). This income is to provide the funding to assist Councils in their statutory duty to administer and process extra Housing Benefit/Council Tax Benefit (HB/CTB) workload during the economic downturn, implementation of welfare reforms and implementation of the Council Tax Reduction Scheme.

This funding will be used in part for software changes, process changes, additional staff and equipment due to the increased caseload. The head of service is managing this extra workload by using existing employees and overtime with some filling of posts on a temporary basis.

- The Local Discretionary Support Scheme is forecast to break even in-year.

Corporate Legal Services

- Corporate Legal Services is forecasting a £25k staffing overspend for 2015/16, additional income is being targeted which may partially offset this pressure.

Customer First

- Customer First is forecasting a £37k pressure in 2015/16. The majority of this pressure falls within the staffing budget due to the need to keep as many staff as possible answering the phones and the extra duties involved in staffing the reception at Bickerstaffe House.

Accountancy

- Accountancy is forecasting a £53k pressure mainly due to a one-off staffing cost and pressure on COSMO (Cheques over six months old) income.

Property Services (incl. Investment Portfolio)

- Property Services is forecasting an overspend of £753k. This early projection is based on the current pace of property rationalisation. A report is due from the Lancashire Enterprise Partnership (LEP) regarding future options and timescales. There is also a forecast pressure from rental income within the Central Business District.

Summary of the revenue forecast

After 3 months of the financial year, Resources is forecasting a £752k 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	2014/15 (UNDER)/OVER SPEND B/FWD £000
	2015/16					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR -JUN £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
PLACES						
NET EXPENDITURE						
CULTURAL SERVICES	1,778	(626)	2,404	1,778	-	-
ECONOMIC DEVELOPMENT	627	(335)	962	627	-	-
HOUSING, PLANNING & TRANSPORT	379	(2,144)	2,553	409	30	-
VISITOR SERVICES	4,185	26	4,208	4,234	49	-
TOTALS	6,969	(3,079)	10,127	7,048	79	-

Commentary on the key issues:

Directorate Summary

- 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 £79k overspend is based upon actual financial performance for the first 3 months of 2015/16 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.

Housing, Planning & Transport Policy

- In total this service has a £30k overspend relating to the Prudential Borrowing costs of Tyldesley/Rigby Road housing development and the service's inability so far in offsetting savings/income from this project.

Visitor Services

- This service is expecting a £49k overspend by the year-end due to an income target in Print Services that needs to be reviewed as part of a wider review of the service.

Budget Holder – Mr A Cavill, Director of Place

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Blackpool Council – Strategic Leisure Assets

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2014/15 (UNDER)/OVER SPEND B/FWD £000
	2015/16					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR -JUN £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
STRATEGIC LEISURE ASSETS						
NET EXPENDITURE						
STRATEGIC LEISURE ASSETS	1,289	(210)	2,427	2,217	928	-
TOTALS	1,289	(210)	2,427	2,217	928	-

Commentary on the key issues:

Directorate Summary

- 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 3 months of 2015/16 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 financial position is £928k. This is in line with the Strategic Leisure Assets Medium Term Financial Strategy as previously notified and covers planned expenditure to help recover the position.

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

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Blackpool Council – Community and Environmental Services

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2014/15 (UNDER)/OVER SPEND B/FWD £000
	2015/16					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUN £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
COMMUNITY & ENVIRONMENTAL SERVICES						
NET EXPENDITURE						
BUILDING SERVICES	114	173	(59)	114	-	
BUILDING CLEANING	(110)	157	(267)	(110)	-	
CONVENIENCES	992	224	768	992	-	
HIGHWAYS	14,422	(118)	14,540	14,422	-	
TRANSPORT	744	(26)	778	752	8	
STREET LIGHT PFI & COASTAL PARTNERSHIP	4,251	(172)	4,431	4,259	8	
ENFORCEMENT AND QUALITY STANDARDS	95	(2,324)	2,417	93	(2)	
CVMU	108	169	(62)	107	(1)	
INTEGRATED TRANSPORT SERVICES	202	267	(65)	202	-	
TRAVEL AND ROAD SAFETY	52	48	148	196	144	
WASTE MANAGEMENT	15,411	(2,160)	17,640	15,480	69	
STREET CLEANSING AND LEAF	3,011	609	2,379	2,988	(23)	
PARKS	1,692	199	1,501	1,700	8	
CATERING SERVICES	331	(997)	1,358	361	30	
LEISURE FACILITIES & SPORT DEVELOPMENT	1,921	(65)	1,986	1,921	-	
BUSINESS SERVICES	1,247	72	1,141	1,213	(34)	
TOTALS	44,483	(3,944)	48,634	44,690	207	-

Commentary on the key issues:

Community and Environmental Services - Directorate Summary

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 3 months of 2015/16 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.

Waste Management has a pressure of £69k at the Household Waste Recycling Centre (HWRC) due to a decrease in the level of income forecast from recycling waste which is due to a downturn in the recycle markets. The £856k PFI Grant is no longer available and is subject to judicial review, with the risk being covered against the specific Waste PFI reserve.

Travel and Road Safety's position is £144k as additional savings are sought to offset previously agreed CSR savings. The main component of this pressure is a proposed CSR saving no longer deemed achievable. A further review of the service is being undertaken.

There are various other savings and pressures across the remaining services that net off to a saving of £6k.

Conclusion – Community and Environmental Services financial position

Community and Environmental Services' position is £207k over budget due to a £69k pressure on waste because of a fall in the market for recycled materials, Travel and Road Safety pressures of £144k, and various minor savings and pressures across other services that net off to a saving of £6k. Risks on the Waste PFI grant has been offset against reserves.

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	2014/15 (UNDER)/OVER SPEND B/FWD £000
	ADJUSTED CASH LIMITED BUDGET £000	2015/16			F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
		EXPENDITURE APR - JUN £000	PROJECTED SPEND £000	FORECAST OUTTURN £000		
ADULT SERVICES DEPARTMENT						
NET EXPENDITURE						
ADULT SOCIAL CARE	5,660	1,362	4,270	5,632	(28)	-
CARE & SUPPORT	8,782	1,909	7,261	9,170	388	-
COMMISSIONING & CONTRACTS TEAM	1,403	12	1,388	1,400	(3)	-
ADULT COMMISSIONING PLACEMENTS	25,888	1,396	25,259	26,655	767	-
ADULT SAFEGUARDING	211	(263)	477	214	3	-
BUSINESS SUPPORT & RESOURCES	2,983	(213)	3,205	2,992	9	-
TOTALS	44,927	4,203	41,860	46,063	1,136	-

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 against their respective, currently approved revenue budget. The forecast outturn is based upon actual financial performance for the first 3 months of 2015/16 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.

Adult Commissioning Placements (Social Care Packages) and Care and Support

- Whilst there still remains an issue with a historical Priority Led Budgeting (PLB) commissioning placements savings target, one-off funding has again been identified to offset this in this financial year. Significant progress has also been made against the challenging £4.7m 2015/16 PLB savings target, which will see the full amount realised in 2016/17. Inevitably, there is forecast to be a shortfall in-year as a result of the delay to the review programme for commissioners. Collaborative efficiencies are being investigated as part of the Better Care Fund agenda which may also reduce this gap further.
- It should be noted that the forecast outturn within the Adults Commissioning Placements Division is based on trend analysis using invoiced amounts drawn from the financial ledger. Frameworki is currently being implemented and will incorporate financial data in phase 2 of the development which should provide improved forecasting in the future.

Summary of the Adult Services financial position

As at the end of June 2015 the Adult Services Directorate is forecasting an overall overspend of £1.136m for the financial year to March 2016.

Budget Holder – K Smith, Director of Adult Services

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Blackpool Council – Children’s Services

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2014/15 (UNDER)/OVER SPEND B/FWD £000
	2015/16					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUNE £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
CHILDREN'S SERVICES						
NET EXPENDITURE						
LOCAL SCHOOLS BUDGET - ISB	79,078	6,243	72,835	79,078	-	-
LOCAL SCHOOLS BUDGET - NON DELEGATED	350	-	297	297	(53)	-
LIFELONG LEARNING & SCHOOLS	21,997	5,441	16,765	22,206	209	-
EARLY HELP FOR CHILDREN AND FAMILIES	298	62	178	240	(58)	-
CHILDREN'S SOCIAL CARE	116	29	87	116	-	-
DEDICATED SCHOOL GRANT	(102,839)	(12,848)	(89,991)	(102,839)	-	-
CARRY FORWARD OF DSG	-	-	(98)	-	(98)	-
TOTAL DSG FUNDED SERVICES	(1,000)	(1,073)	73	(1,000)	-	-
CHILDRENS SERVICES DEPRECIATION	3,244	-	3,244	3,244	-	-
LIFELONG LEARNING & SCHOOLS	4,238	(2,199)	6,503	4,304	66	-
EARLY HELP FOR CHILDREN AND FAMILIES	3,980	(1,175)	5,201	4,026	46	-
CHILDREN'S SOCIAL CARE	26,554	6,003	21,068	27,071	517	-
CHILDRENS SAFEGUARDING	1,155	153	1,105	1,258	103	-
LOCAL SERVICES SUPPORT GRANT	(118)	-	(14)	(14)	104	-
EDUCATION SERVICES GRANT	(2,050)	(247)	(718)	(965)	1,085	-
TOTAL COUNCIL FUNDED SERVICES	37,003	2,535	36,389	38,924	1,921	-
TOTAL CHILDREN'S SERVICES	36,003	1,462	36,462	37,924	1,921	-

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 3 months of 2015/16 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.

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, 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 2016/17 and, in the case of overspends, become the first call on the grant in that year.

Lifelong Learning and Schools

- A Priority Led Budgeting (PLB) savings target of £400k was applied to the Skills, Education and Employment division, to be achieved through a review of synergies between the Positive Steps and Connexions services. The review was carried out and no savings identified, however, it is anticipated that the target will be partly achieved through the maximisation of external income sources across the whole of Lifelong Learning and Schools.

Early Help for Children and Families

- Significant progress has been made against the challenging £1.4m 2015/16 PLB savings target that was applied to the Early Help division. Inevitably, there is forecast to be a shortfall in-year as a result of the delay to the review program for commissioners. Several reviews, including an assessment of the nursery provision in the authority's children's centres, are nearing completion, and the savings look close to being realised in full from 2016/17.

Children's Social Care

- The Children's Social Care division is forecasting an overspend of £517k due to the high cost of Looked After Children (LAC). Whilst numbers have stabilised at around 460 for over 12 months, the overspend is as a result of placement mix as highlighted in the graphs on the following pages. The variation in unit costs is significant with an average residential placement equivalent in cost to nine internal fostering placements and the most expensive placement equal to eighteen. Maximising less costly placements is, therefore, a key element of the recovery plan, and to this end placements are reviewed at a fortnightly panel.

Children's Safeguarding

- Child Protection cases have recently reached very high levels, and the forecast overspend shown reflects ongoing pressures on the staffing budget.

Local Services Support Grant

- A shortfall in grant of £104k is forecast relating to a cut in the Department for Education Extended Rights to Free Travel element from £118k in 2014-15 to £14k in 2015-16.

Education Services Grant

- From April 2013, the education functions provided by local authorities have been funded from the Education Services Grant (ESG). The Council receives £87 per pupil in relation to the pupils in schools maintained by the authority plus £15 for each pupil in all schools and academies in respect of responsibilities retained for every pupil within our boundary. A shortfall in grant of £1.085m is included in the forecast overspend, relating to the anticipated loss of funding due to both historical and in-year academy conversions.

Summary of the Children's Services financial position

As at the end of June 2015 the Children's Services Directorate is forecasting an overspend of £1.921m for the financial year to March 2016.

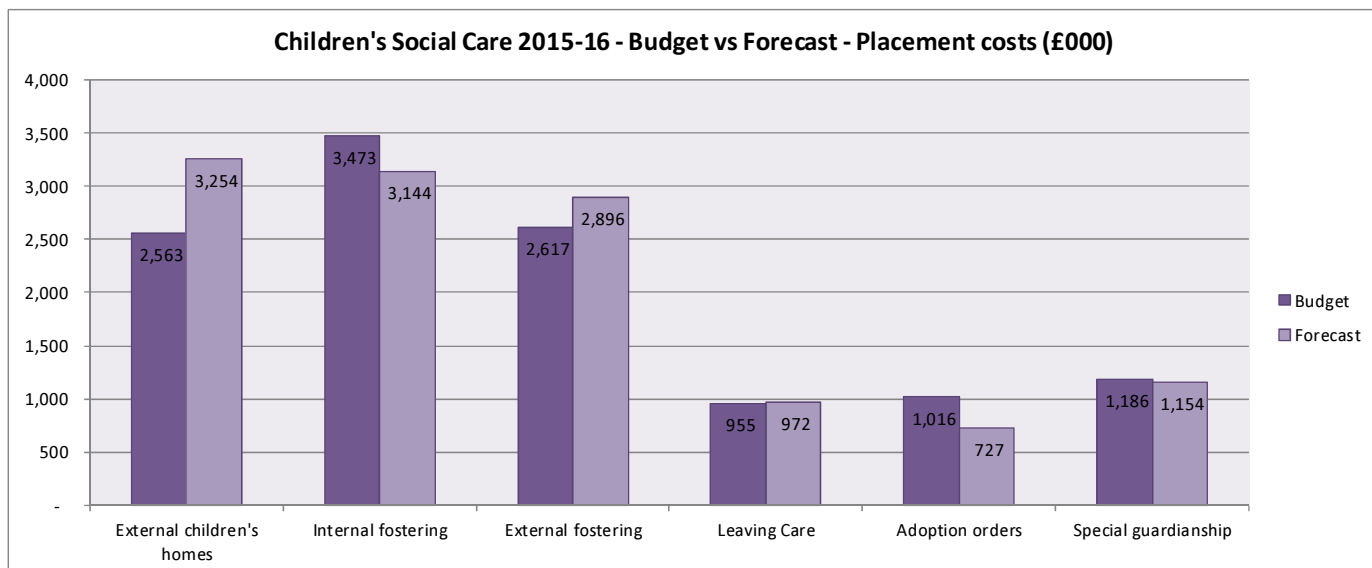
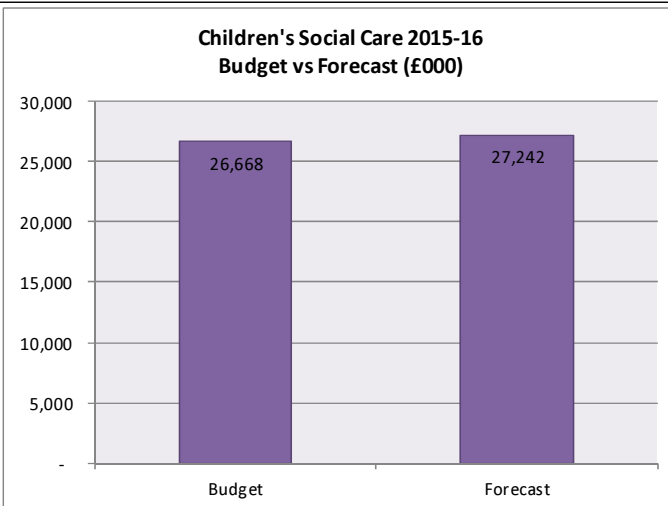
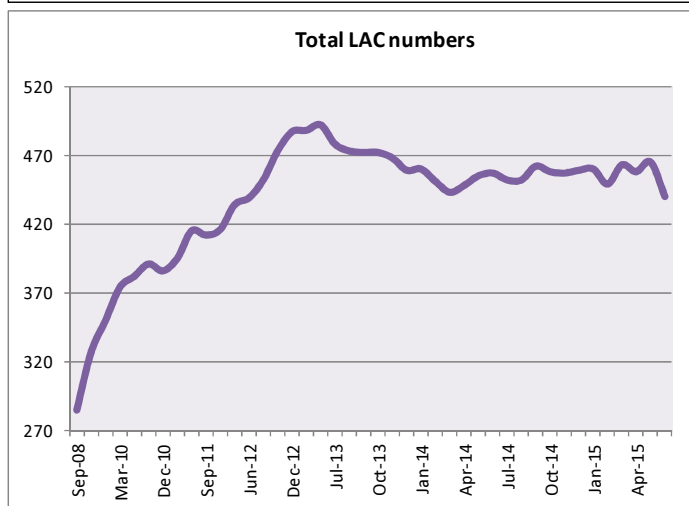
Budget Holder – Mrs D Curtis, Director of People

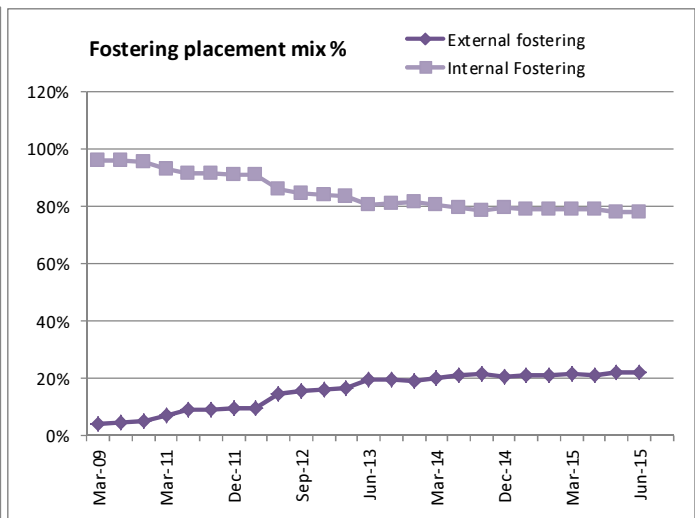
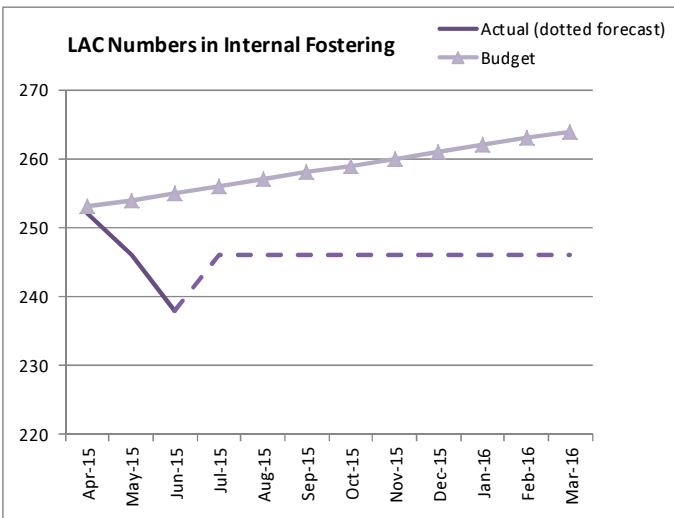
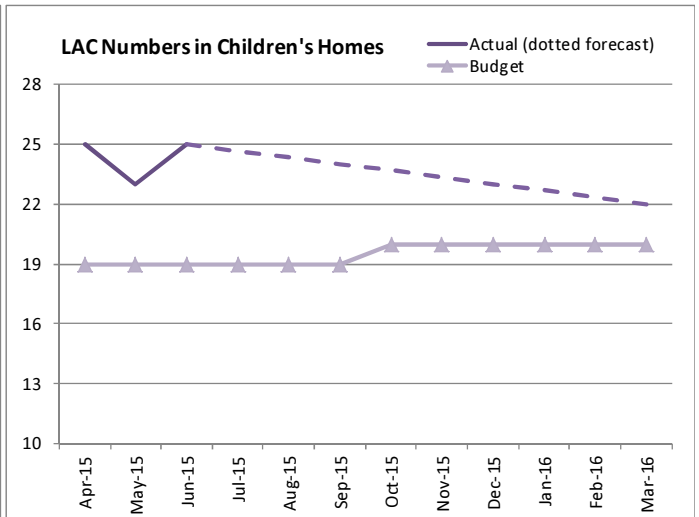
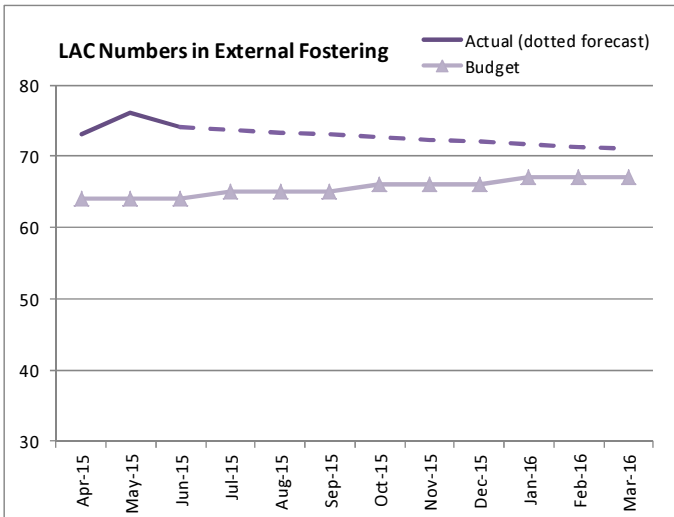
Children's Social Care Trends

Date	External Placements						Total			Internal Fostering			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	36.17	3,035	83,926	no data	no data	no data	285
Mar-09	8.77	403	45,979	28.07	2,772	98,747	36.84	3,175	86,186	208.91	2,510	12,015	323
Jul-09	12.10	466	38,549	40.85	4,290	105,007	52.96	4,757	89,820	no data	no data	no data	334
Mar-10	13.35	513	38,445	39.02	4,295	110,083	52.37	4,809	91,824	263.88	2,889	10,946	374
Jun-10	20.43	765	37,428	34.20	3,473	101,534	54.63	4,237	77,563	304.83	3,357	11,012	382
Mar-11	22.69	860	37,912	36.73	3,536	96,272	59.42	4,396	73,983	303.23	3,329	10,977	395
Jun-11	29.54	1,108	37,508	33.62	3,430	102,023	63.16	4,538	71,849	303.23	3,329	10,977	395
Sep-11	30.35	1,129	37,191	33.90	3,457	101,982	64.25	4,586	71,376	316.95	3,527	11,128	412
Dec-11	31.91	1,184	37,118	35.16	3,580	101,808	67.07	4,764	71,031	312.85	3,496	11,175	416
Mar-12	32.68	1,223	37,424	34.27	3,488	101,780	66.95	4,711	70,366	315.07	3,507	11,131	434
Jun-12	49.27	1,816	36,858	36.47	3,710	101,727	85.07	5,526	64,958	296.18	3,480	11,750	439
Sep-12	53.37	1,903	35,657	36.70	4,264	116,185	90.07	6,167	68,469	290.42	3,345	11,518	452
Dec-12	55.80	1,987	35,611	38.08	4,498	118,121	93.88	6,485	69,080	290.55	3,372	11,606	487
Mar-13	57.36	2,028	35,355	38.89	4,645	119,447	96.25	6,673	69,330	291.27	3,377	11,594	488
Jun-13	71.93	2,604	36,202	30.01	3,349	111,596	101.94	5,953	58,400	298.00	3,542	11,887	492
Sep-13	70.51	2,515	35,667	29.05	3,240	111,523	99.56	5,754	57,801	293.58	3,496	11,908	472
Dec-13	68.22	2,494	36,560	29.02	3,398	117,073	97.24	5,892	60,592	292.11	3,455	11,828	459
Mar-14	72.82	2,480	34,058	29.76	3,525	118,473	102.57	6,005	58,547	295.49	3,474	11,757	443
Jun-14	70.35	2,527	35,928	24.74	2,537	102,561	95.09	5,065	53,265	266.65	3,422	12,833	457
Sep-14	69.41	2,614	37,655	23.09	2,799	121,210	92.50	5,412	58,513	258.39	3,248	12,570	462
Dec-14	68.73	2,664	38,760	23.09	2,870	124,281	91.83	5,534	60,268	265.56	3,313	12,474	459
Mar-15	71.13	2,856	40,155	23.23	2,993	128,868	94.36	5,850	61,992	262.93	3,253	12,374	463
Apr-15	68.35	2,680	39,201	22.47	3,088	137,382	90.83	5,767	63,495	257.00	3,274	12,740	458
May-15	70.76	2,776	39,232	21.02	3,013	143,328	91.78	5,789	63,075	250.67	3,189	12,722	465
Jun-15	71.30	2,896	40,625	22.02	3,254	147,777	93.32	6,150	65,909	250.74	3,144	12,541	440

Note:

The variance between the current total number of Looked After Children (440) and the total internal fostering and external placement numbers (344) is children with care orders, adoption placements etc. They are still classed as LAC but do not incur any commissioned costs.





Blackpool Council – Public Health

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2014/15 (UNDER)/OVER SPEND B/FWD £000
	2015/16					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUN £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
PUBLIC HEALTH						
NET EXPENDITURE						
MANAGEMENT AND OVERHEADS	1,808	659	1,149	1,808	-	
NHS HEALTH CHECKS - MANDATED	460	45	415	460	-	
CHILDREN (0-19) - NCMP MANDATED	2,688	302	2,386	2,688	-	
HEALTH PROTECTION - MANDATED	42	17	25	42	-	
TOBACCO CONTROL	634	114	520	634	-	
MENTAL HEALTH AND WELLBEING	423	117	306	423	-	
SEXUAL HEALTH SERVICES - MANDATED	2,885	629	2,256	2,885	-	
FALLS PREVENTION / ACCIDENTS	136	65	71	136	-	
SUBSTANCE MISUSE (DRUGS AND ALCOHOL)	4,541	1,929	2,612	4,541	-	
HEALTHY WEIGHT/WEIGHT MANAGEMENT	449	122	327	449	-	
OTHER PUBLIC HEALTH SERVICES	300	100	200	300	-	
MISCELLANEOUS PUBLIC HEALTH SERVICES	5,131	3,559	1,572	5,131	-	
GRANT	(19,497)	(4,487)	(15,010)	(19,497)	-	
TOTALS	-	3,171	(3,171)	-	-	-

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 budget. Forecast outturns are based upon actual financial performance for the first 3 months of 2015/16 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year, all of which have been agreed with the services leads

Public Health Grant

The Public Health Grant is a central government grant which is ring-fenced until March 2016 after which the grant will be based on a national formula. The allocation for 2015/16 is £19,496,700.

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

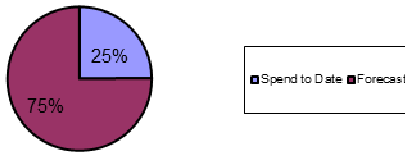
A number of Public Health schemes' payments are linked to activity. The aim of Payment by Results (PbR) is to provide a transparent, rules-based system for payment. It rewards outputs, outcomes and supports patient choice and diversity. Payment will be linked to activity. This does, however, raise a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

Summary of the Public Health Directorate financial position

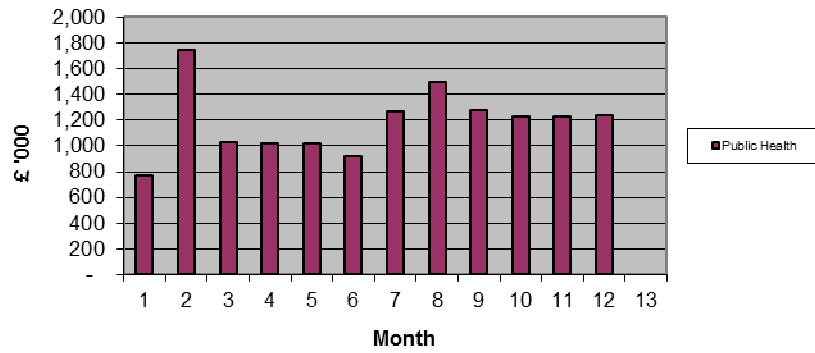
As at the end of June 2015, the Public Health Directorate is forecasting an overall spend of the full grant, £19,496,700, for the financial year to March 2016.

Budget Holder – Dr Arif Rajpura, Director of Public Health

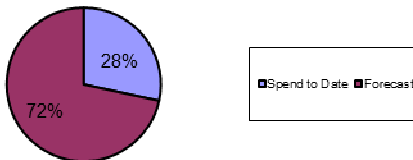
Public Health (Excluding PLB savings)



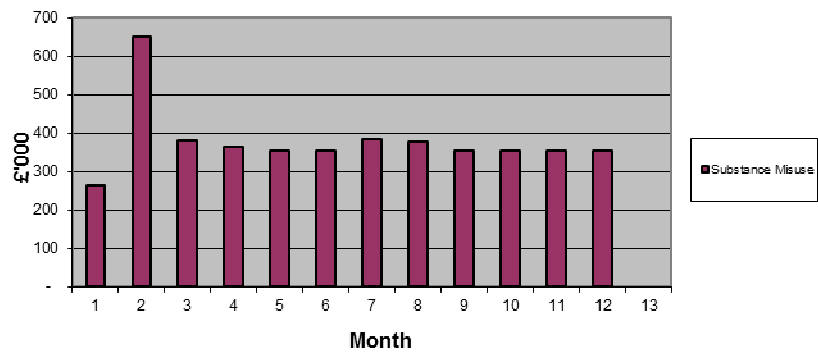
Public Health (Excluding PLB savings)



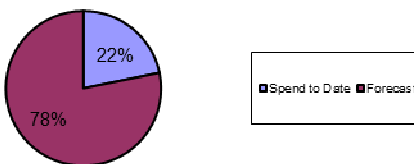
Substance Misuse



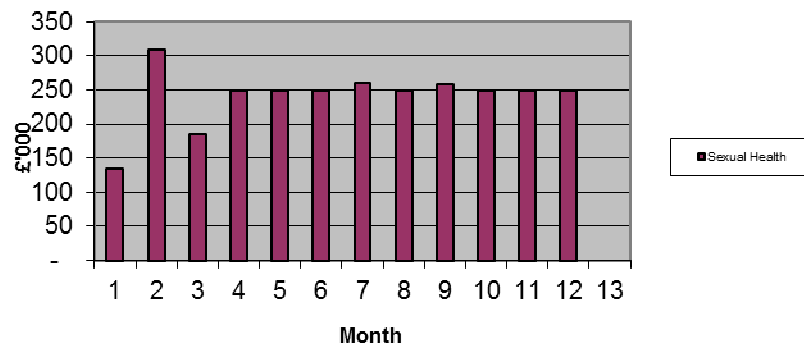
Substance Misuse



Sexual Health



Sexual Health



Blackpool Council – Budgets Outside the Cash Limit

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2014/15 (UNDER)/OVER SPEND B/FWD £000
	2015/16					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUNE £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
BUDGETS OUTSIDE THE CASH LIMIT						
NET EXPENDITURE						
TREASURY MANAGEMENT	14,503	3,318	9,954	13,272	(1,231)	-
PARKING	(3,638)	(374)	(2,768)	(3,142)	496	-
CORPORATE SUBSCRIPTIONS	193	88	105	193	-	-
HOUSING BENEFITS	1,653	410	1,237	1,647	(6)	-
COUNCIL TAX & NNDR COST OF COLLECTION	349	88	264	352	3	-
SUBSIDIARY COMPANIES	(1,130)	(109)	(1,096)	(1,205)	(75)	-
CONCESSIONARY FARES	3,850	6	4,520	4,526	676	-
LAND CHARGES	(42)	(27)	(15)	(42)	-	-
PREVIOUS YEARS' PENSION LIABILITY	2,821	705	2,116	2,821	-	-
NEWHOMES BONUS	(1,440)	(141)	(1,441)	(1,582)	(142)	-
TOTALS	17,119	3,964	12,876	16,840	(279)	-

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 3 months of 2015/2016 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

- This revenue account is forecast to achieve a favourable variance of £1,231k for the year. This reflects the ongoing temporary windfall from the short-term interest rates currently being paid to finance recent capital expenditure and a lower interest charge by Lancashire County Council on the Local Government Reorganisation debt.

Parking Services

- As at Week 14 (w/e 5th July) Parking income is at £1,416k with patronage at 411,603. Car park patronage is up by 3,937, with income down by £2,925 on 14/15. On Street Pay and Display is down on patronage by 12,377, and down on income by £20,654. However, the extremely challenging income target the service has means that it is £496k down on its income budget year-to-date.

Subsidiary Companies

- The cost to the Council of supporting the subsidiary companies is expecting to be £75k less than budget due to the reducing balance payback of prudentially borrowed schemes.

Concessionary Fares

- This service is forecasting a pressure of £676k, which mainly relates to the ongoing pressure arising from increased bus patronage.

Land Charges

- This service is forecasting to breakeven during 2015/16.

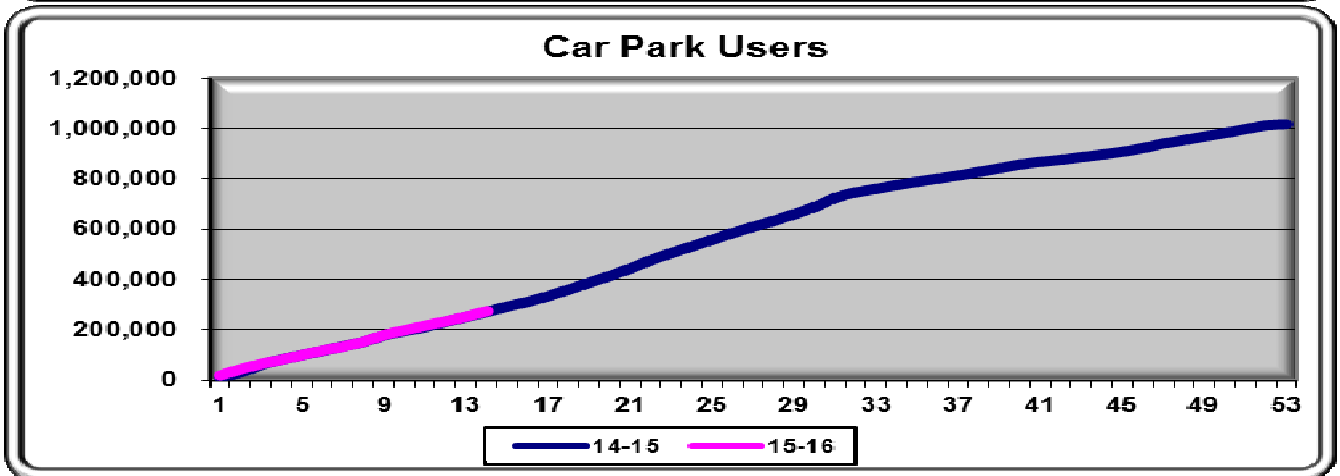
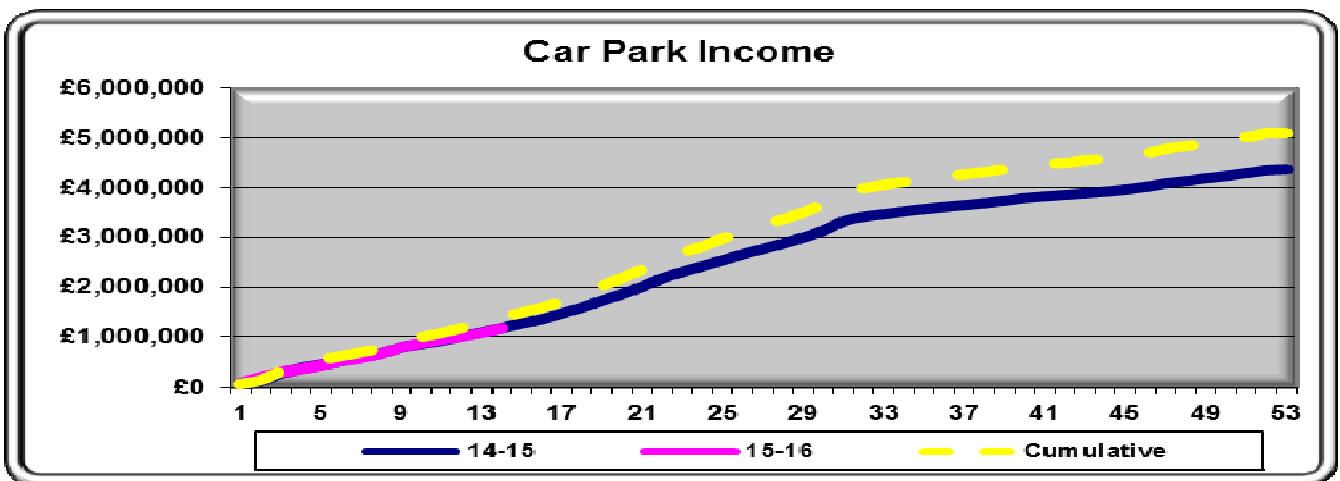
New Homes Bonus

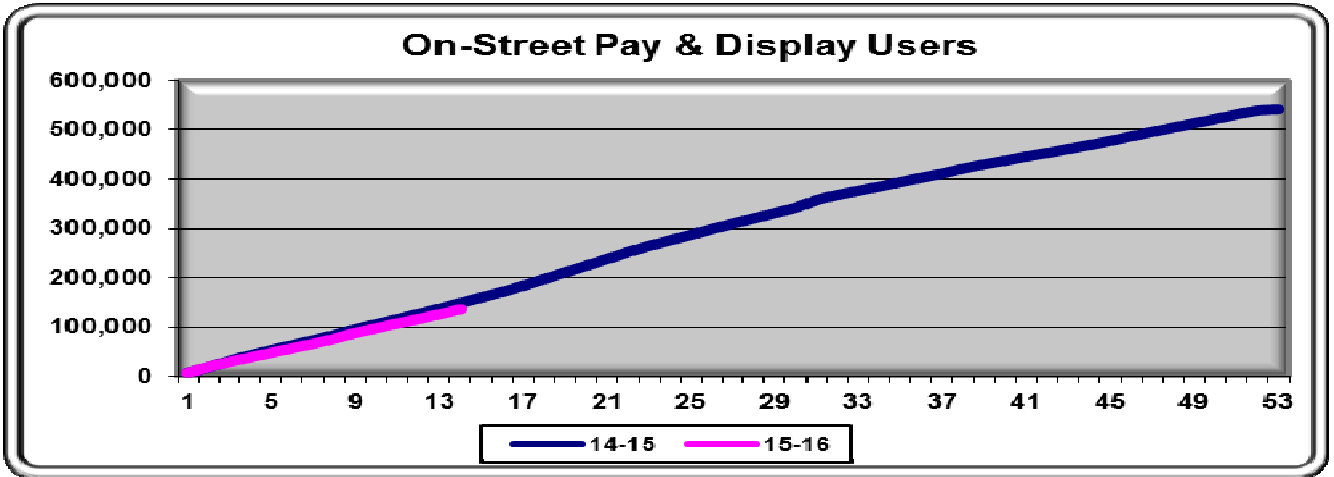
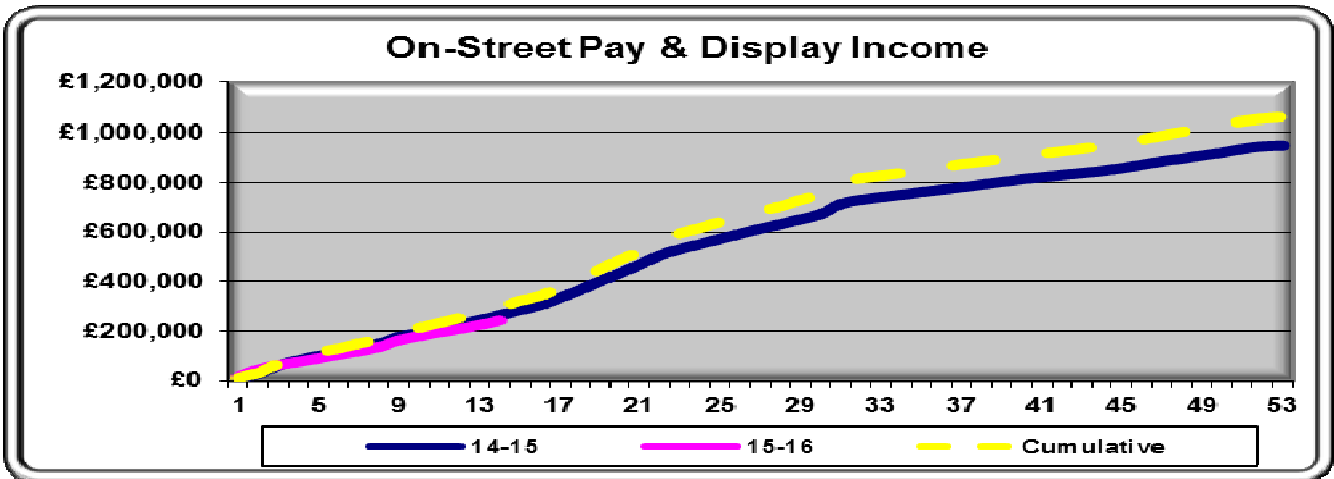
- The underspend of £142k is due to the Council’s pro-rata share of the unused national funding from the 2014/15 New Homes Bonus. This is based on the Start-Up Funding Allocation.

Summary of the revenue forecasts

After 3 months of the financial year the Budgets Outside the Cash Limit services are forecasting a £279k underspend.

Car Parking Trends





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**2015/16 CAPITAL MONITORING
MONTH 3**

Capital Schemes	Total Scheme Budget	Spend as at 31/3/15	Budget Brought Forward 2014/15	Capital Programme 2015/16	Total Available Budget 2015/16	Spend to Date April - June	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	37,576	3,256	-	3,256	(409)	1,665		
Office Accommodation Strategy	1,408	1,408	-	-	-	-	-		
Central Business District Phase 2	4,500	12	(12)	4,500	4,488	-	4,488		
Syndicate	1,300	1,321	(21)	-	(21)	87	200		
Other Resources Schemes	236	60	176	-	176	23	153		
Total Resources	48,276	40,377	3,399	4,500	7,899	(299)	6,506		
Director Responsible for Adult Services									
Langdale Learning Disability Centre	1,900	1,634	266	-	266	-	266		
Support to Vulnerable Adults - Grants	1,464	-	318	1,146	1,464	39	1,425		
Other Adult Services Schemes	2,545	1,462	643	440	1,083	116	967		
Total Adult Services	5,909	3,096	1,227	1,586	2,813	155	2,658		
Director Responsible for Deputy Chief Executive									
ICT Refresh	-	-	(288)	-	(288)	23	489		
Total Deputy Chief Executive	-	-	(288)	-	(288)	23	489	-	

**2015/16 CAPITAL MONITORING
MONTH 3**

Capital Schemes	Total Scheme Budget	Spend as at 31/3/15	Budget Brought Forward 2014/15	Capital Programme 2015/16	Total Available Budget 2015/16	Spend to Date April - June	Forecast to Year End	Forecast Variance	Notes
	£000	£000	£000	£000	£000	£000	£000	£000	
Director Responsible for Community and Environmental Services									
Anchorsholme Seawall	22,363	8,467	11,696	2,200	13,896	1,709	12,187		
Coast Protection Studies	1,451	1,114	337	-	337	25	312		
Marton Mere Pumping Station & Spillway	418	-	418	-	418	313	105		
Marton Mere HLF	360	125	235	-	235	54	181		
Other Environmental Services	320	246	74	-	74	74	-		
Transport									
Blackpool/Fleetwood Tramway	99,990	89,495	10,495	-	10,495	(1,010)	11,505		
Sintropher	1,690	2,780	(1,090)	-	(1,090)	-	-		
Tramway Emergency Works	10,589	11,040	(451)	-	(451)	(295)	-		
Bus and Tram Shelter Upgrade	1,077	320	757	-	757	-	-		
Yeadon Way	2,520	2,584	(64)	-	(64)	(10)	-		
Other Transport Schemes	53	-	53	-	53	308	245		
Total Community and Environmental Services	140,831	116,171	22,460	2,200	24,660	1,168	24,535	-	
Director Responsible for Governance and Regulatory Services									
Carleton Crem Building Works	1,991	1,854	137	-	137	(2)	139		
Total Governance and Regulatory Services	1,991	1,854	137	-	137	(2)	139	-	

**2015/16 CAPITAL MONITORING
MONTH 3**

Capital Schemes	Total Scheme Budget	Spend as at 31/3/15	Budget Brought Forward 2014/15	Capital Programme 2015/16	Total Available Budget 2015/16	Spend to Date April - June	Forecast to Year End	Forecast Variance	Notes
	£000	£000	£000	£000	£000	£000	£000	£000	
Director Responsible for Place									
Housing									
Cluster of Empty Homes	1,615	1,129	486	-	486	60	426		
Tyldesley / Rigby Rd	12,500	8,778	3,722	-	3,722	113	3,609		
Work towards Decent Homes Standard	5,069	2,005	220	2,844	3,064	(56)	3,120		
Queens Park Redevelopment Ph1	11,750	11,112	-	638	638	503	135		
Queens Park Redevelopment Ph2	1,320	-	-	1,320	1,320	-	1,320		
Other HRA	2,112	87	-	2,024	2,024	183	1,841		
College Relocation/Illumination Depot	12,705	13,924		100	100	-	-		
Blackpool Leisure Assets Purchase	59,699	60,287	(588)		(588)	157	-		
Other						25			
Transport									
Local Transport Plan 2014/15	1,984	1,252	732	-	732	199	533		
Local Transport Plan Project 30 2014/15	1,050	1,050	-	-	-	-	-		
Local Transport Plan 2015/16	1,923	-	-	1,923	1,923	143	1,780		
Local Transport Plan Project 30 2015/16	633	-	-	633	633	-	633		
Total Place	112,360	99,624	4,572	9,482	14,054	1,327	13,397	-	

**2015/16 CAPITAL MONITORING
MONTH 3**

Capital Schemes	Total Scheme Budget £000	Spend as at 31/3/15 £000	Budget Brought Forward 2014/15 £000	Capital Programme 2015/16 £000	Total Available Budget 2015/16 £000	Spend to Date April - June £000	Forecast to Year End £000	Forecast Variance £000	Notes
Director Responsible for Childrens Services									
Devolved Capital to Schools	388	-	388	-	388	7	381		
Christ The King	5,160	4,830	330		330	83	247		
Christ the King PRU Refurbishment	210	6	204		204	50	154		
Westbury Feasibility Plan	101	-	-	101	101	2	99		
Basic Need	2,940	-	-	2,940	2,940	-	2,940		
Other Children's Schemes	552	469	83	-	83	20	63		
Total Childrens Services	9,351	5,305	1,005	3,041	4,046	162	3,884	-	
Top- Slice 2015/16									
Available Top-Slice 2015/16	762	-	-	762	762	-	762		
Total Available Top-Slice 2015/16	762	-	-	762	762	-	762	-	
CAPITAL TOTAL	319,480	266,427	32,512	21,571	54,083	2,534	52,370	-	

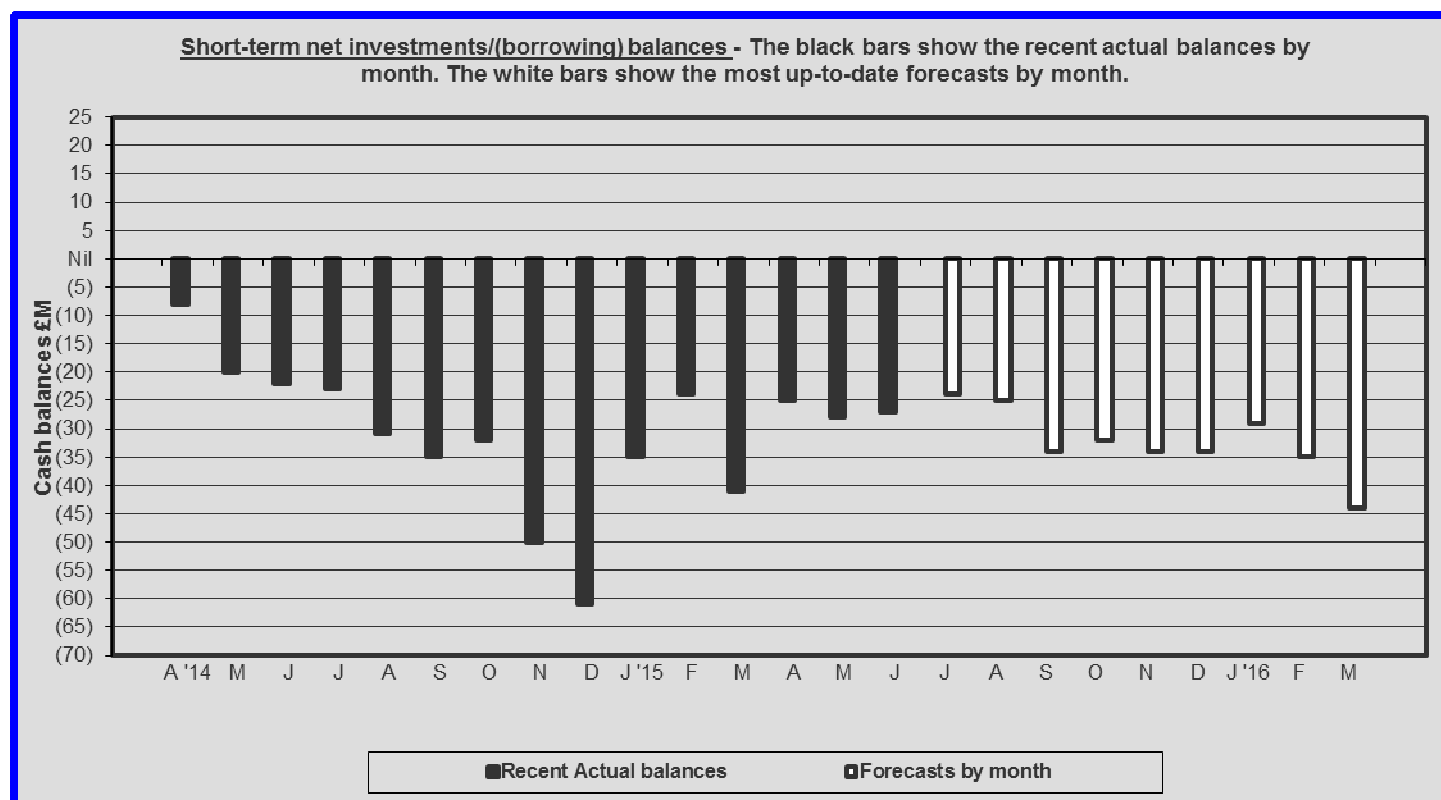
Please note that the report above includes the capital programme as approved by the Executive in February 2015. The Month 3 report has traditionally included this data for comparative purposes. The month 4 report is expected to show some significant changes in the capital programme, representing schemes that were not finalised or funding confirmed at the time of capital programme publication.

Blackpool Council

Cash summary - budget, actual and forecast:

CASH FLOW - SUMMARY - 15/16							
FULL YEAR CASH FLOW BUDGET (*)	APR-JUN CASH FLOW BUDGET (*)	APR -JUN CASH FLOW ACTUAL	JUL - 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 - JUN MORE / (LESS) CASH ACTUAL vs BUDGET	JUL - MAR MORE / (LESS) CASH FORECAST vs BUDGET	FULL YEAR MORE / (LESS) AS NOW FORECAST vs BUDGET
£M	£M	£M	£M		£M	£M	£M
				RECEIPTS			
88	22	20	66	Housing Benefit & Subsidy	(2)	-	(2)
102	27	24	74	Council tax and NNDR	(3)	(1)	(4)
15	4	4	13	VAT	-	2	2
36	17	19	19	RSG & BRR	2	-	2
98	26	29	73	Other Grants	3	1	4
83	20	24	87	Other Income	4	24	28
-	-	54	29	MM Transactions Received	54	29	83
-	-	10	8	Receipt of Loans	10	8	18
422	116	184	369	RECEIPTS - NORMAL ACTIVITIES	68	63	131
				PAYMENTS			
9	2	2	7	Police & Fire	-	-	-
236	55	60	181	General Creditors	(5)	-	(5)
-	-	-	-	RSG & BRR	-	-	-
110	27	26	82	Salaries & wages	1	1	2
74	18	18	56	Housing Benefits	-	-	-
33	33	105	41	MM Transactions Paid Out	(72)	(41)	(113)
462	135	211	367	PAYMENTS - NORMAL ACTIVITIES	(76)	(40)	(116)
(40)	(19)	(27)	2	NET CASH FLOW IN/(OUT)	(8)	23	15
A	B	C	D		= 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 3 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 reduced due to the accelerated receipt of grant income in the first three months of the year. The Council uses temporary borrowing to finance prudentially funded capital expenditure. While temporary investment rates and temporary borrowing rates are low the treasury team will delay taking any new long-term borrowing to fund planned capital expenditure. The interest charged by Lancashire County Council on the Local Government Reorganisation Debt is lower than anticipated. As a result, the delay in taking new long-term borrowing and the lower interest charge from Lancashire County Council mean that a favourable credit variance is once again forecast for 2015/16.

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 2016.

Blackpool Council

Balance Sheet / Working capital:

BALANCE SHEET 2015/2016				
LAST Y/END		CURRENT	CHANGE	NEXT Y/END
Draft				
31 Mar 15		30 Jun 15	Movement since	31 Mar 16
Actual		Actual	31 Mar 15	Forecast
£000s		£000s	£000s	£000s
781,767	Property, Plant and Equipment	784,301	2,534	800,000
97	Intangible Assets	97	-	65
20,462	Long-term Assets	19,678	(784)	20,000
	Current Assets			
37,014	Debtors	35,400	(1,614)	45,000
550	Short Term Assets Held for Sale	550	-	550
449	Inventories and Work in Progress	394	(55)	250
3,574	Cash and cash equivalents	8,737	5,163	5,000
843,913	Total Assets	849,157	5,244	870,865
	Current Liabilities			
(52,815)	Borrowing Repayable within 12 months	(33,300)	19,515	(50,000)
(54,813)	Creditors	(52,500)	2,313	(60,000)
	Long-term Liabilities			
(88,023)	Borrowing Repayable in excess of 12 months	(88,023)	-	(95,000)
(11,347)	Capital Grants in Advance	(11,347)	-	(9,000)
(17,834)	Provisions	(17,178)	656	(15,000)
(335,926)	Other Long Term Liabilities	(335,926)	-	(310,000)
283,155	Total Assets less Liabilities	310,883	27,728	331,865
	Usable Reserves			
(70,702)	Usable Reserves	(66,021)	4,681	(59,341)
(212,453)	Unusable Reserves	(244,862)	(32,409)	(272,524)
(283,155)	Total Reserves	(310,883)	(27,728)	(331,865)

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 3. 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 Payments 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 are sold.

Over the 3-month period there has been an increase in Property, Plant and Equipment of £2.5m and an increase in cash and cash equivalents of £5.2m, which in the main reflects the timing of the receipt of capital grants and the phasing of the capital programme.

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