

Public Document Pack

Dear Councillor

EXECUTIVE - MONDAY, 7 FEBRUARY, 2022

Please find attached updated the appendices related to the Financial Performance Monitoring Item Monday, 7 February, 2022 meeting of the Executive, forwarded to Members under separate cover.

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

2	<u>FINANCIAL PERFORMANCE MONITORING AS AT MONTH 9 2021/22 (Pages 1 - 48)</u>
---	---

Yours sincerely

This page is intentionally left blank

BLACKPOOL COUNCIL
REPORT
of the
DIRECTOR OF RESOURCES
to the
EXECUTIVE
7TH FEBRUARY 2022

FINANCIAL PERFORMANCE MONITORING AS AT MONTH 9 2021/22

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 9 months of 2021/22, ie. the period to 31st December 2021, 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. It also incorporates the impact of the Council's wholly-owned companies for which the Council is parent company and underwriter.
- 1.2 However, 2021/22 has continued to be unprecedented in the operational and consequential financial demands being placed upon the Council with continuing Government lockdown and restriction measures resulting from the Covid-19 pandemic. This has impacted in a variety of ways from increasing service demand and cost to curtailing income sources and not just for Council services but also its private sector providers, its wholly-owned companies and its partners, necessitating continuing budgetary overspends, supplier reliefs and subsidies, cashflow loans and other support measures.

2. Report Format

- 2.1 Separate reports have been prepared for each of the Council's core areas of responsibility:
- Appendix 2a - Chief Executive
 - Appendix 2b - Governance and Partnership Services
 - Appendix 2b/c - Ward Budgets
 - Appendix 2d - Resources
 - Appendix 2e - Communications and Regeneration
 - Appendix 2f - Strategic Leisure Assets
 - Appendix 2g - Growth and Prosperity
 - Appendix 2h - Community and Environmental Services
 - Appendix 2i - Adult Services

- Appendix 2j - Children's Services
- Appendix 2k - Public Health
- Appendix 2l - Budgets Outside the Cash Limit
- Appendix 2m - Wholly-owned companies

These incorporate summary financial statements which continue to be prepared on a full accruals basis and focus on the forecast revenue outturns for 2021/22. 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. The Covid monitoring return for December 2021 (Round 18), required by the Department for Levelling Up, Housing and Communities (DLUHC), is due for completion by 28th January 2022 and will be reconciled to these figures in due course

3. Directorates' Budget Performance

- 3.1 The Provisional Outturn Report 2020/21 was reported to the Executive on 14th June 2021. To allow services to enter the new financial year in a balanced position and give directorates a realistic chance of meeting their budget savings for what will be the 11th consecutive year of material budget cuts, the Executive agreed to write-off all 2020/21 service variances but carry forward the 2020/21 underspend of £63k on Ward Budgets.
- 3.2 The full-year forecast position at this stage of 2021/22 shows a deterioration in the Council's financial standing when compared with the draft 2020/21 unaudited statement of accounts which show the working balances as at the close of £6,293k. These balances are expected to fall by £5,616k (of which £3,678k is Covid-related) to a surplus of £677k by the end of 2021/22. However, plans are being developed to address the in-year pressures identified in this report besides progressing any outstanding budget savings that had been planned.
- 3.3 In line with the Chancellor of the Exchequer's Spending Review of November 2020 the Council's Budget for 2021/22 assumed a pay freeze for all staff other than those earning £24,000 or less for which a pay rise of £250 was factored in. Negotiations are still underway between local authority employers and the unions; with an employer offer of 1.75% being made in month 4. It is anticipated, though as yet indeterminable, that there will be some pay award pressure as the outcome.
- 3.4 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 9 forecast overspend of **£5,616k** for 2021/22 are summarised below:-

Directorate	Service	Forecast Variance £000
Children's Services	<p>An overspend of £4,707k is forecast including £420k net Covid costs. The Children's Social Care budget was increased by £8.173m in August 2020 following the approval of the refreshed Children's Services Medium Term Financial Strategy (CSMTFS). The additional investment was required to cover the increase in numbers and unit costs of Looked After Children (LAC) between 2020/21 budget setting and 31st May 2020 and also to develop the placements market and increase the capacity within internal fostering. The CSMTFS aims to reverse the current trend and this investment alongside other service improvements should ensure the service can pay back the budget increase by 2026/27. However, the Children's Social Care division had a worsening position since May 2020 of £4,196k, mainly due to the additional support required following the breakdown of high cost placements. £344k of this pressure (net of other Covid funding) relates to breakdowns due to Covid. By December 2021 LAC numbers stand at 604 which is an increase of 7 on October 2021. There is expected to be a net overspend in Education of £855k. This relates to £664k demand pressures in Transport Services and a historical savings target that was not achieved. There are also pressures on an income target and staffing of £115k within the service and the balance of £76k relates to the net Covid cost. The gross Covid pressure of £389k is due to £281k additional transport costs, £94k due to the requirement for school baseline assessments and £14k for an additional post in the Special Educational Needs Team. Early Help for Children is expected to underspend by £289k due to vacant posts across the service.</p>	4,707
Contingencies and Reserves	<p>There are savings from prior years that have not yet been met recurrently and these are currently showing a pressure of £1,412k, primarily corporate procurement savings (£662k) & non-essential spending (£750k). In addition there is an anticipated pressure of at least £1,500k relating to the pay award pressure. Funding of £5,545k has so far been received from DLUHC and a contribution of £1,754k is anticipated from Blackpool CCG for Enhanced Hospital Discharges. A DLUHC compensation scheme for non-commercial income lost due to Covid is estimated to provide an additional £1,189k in the full year. The impact of reallocating the Covid funding relating to sales, fees and charges compensation claims and other Covid funding plus the contribution from the CCG amounting to £7,004k has been shown in the services above. The residual Covid funding of £1,484k is yet to be allocated.</p>	1,428

Strategic Leisure Assets	<p>Strategic Leisure Assets is forecasting a pressure of £2,253k including £1,302k net Covid costs. This overspend consists of a Leisure Assets medium-term financial plan gap (excluding Covid costs) of £301k, a £350k income target, £91k shortfall on expected income from cultural exemption, an increased maintenance forecast of £99k and increased borrowing costs of £740k less increased Golden mile income of £30k and an improved attraction performance of £600k. There is a £1,302k net loss relating to Covid restrictions after assuming modest income from the Sales, Fees & Charges compensation scheme of £287k relating to quarter 1 and £460k of other Covid funding. This pressure has increased from period 8 due to a reduction in performance at Blackpool Entertainment Company Limited (BECL). In accordance with the original decision for this programme by the Executive on 7th February 2011 the projected overspend on Strategic Leisure Assets of £951k (excluding Covid costs) will be carried forward and transferred to Earmarked Reserves. The forecast cumulative deficit as at 31st March 2022 is £15,886k. The Leisure Assets medium-term financial plan now forecasts the service to break-even, in-year, during 2025/26. This has increased from 2024/25 due to a delay in the Conference Centre income generation.</p>	1,302
Communications and Regeneration	<p>An overspend of £572k is forecast including £340k net Covid costs. The Illuminations service is currently forecasting a pressure of £275k. This is made up of £100k additional cost of extending the Illuminations period till the end of December plus a net Covid pressure of £175k relating to £174k of additional staff costs and a £17k loss of income from business collections less £3k from the Covid Sales, Fees and Charges compensation scheme and £13k of other Covid grant funding. Visit Blackpool is expecting a pressure of £241k. A Covid pressure of £337k relates to £152k of lost advertising income on shelters, £95k of lost resort pass and ticket sale income, £27k of lost income from Switch on and Slimefest events due to reduced capacity (this figure has reduced from the previous month) and £63k of other lost event income after £34k of Sales, Fees & Charges compensation scheme income and £58k of other Covid funding has been applied. This pressure has been further offset this month by the reallocation of a Covid grant of £172k. There is a non-Covid pressure of £76k forecast which relates to sponsorship and increased rates costs on shelters offset by additional income generated by the Communications team. Welcome Back project expenditure of £75k has all been covered by grant funding. There is an expected pressure of £26k in Print Services due to a reduced income forecast.</p>	572

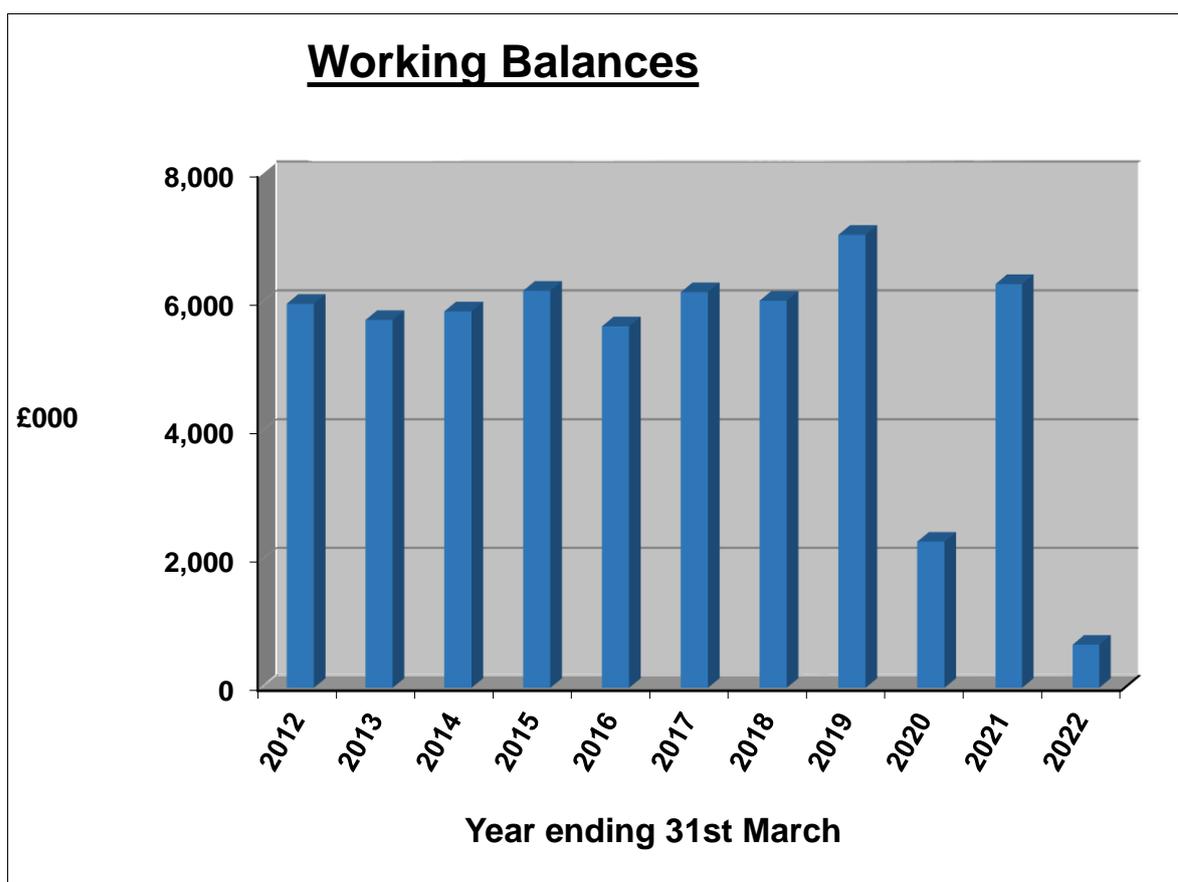
Adult Services	An overspend of £508k is forecast including nil net Covid costs. Adult Commissioning Placements is forecasting a £722k overspend. The total Covid cost of £9,132k is partially offset by the Infection Prevention Control grant (£1,979k), Lateral Flow Testing grant (£1,386k), Vaccine grant (£91k), Workforce Recruitment and Retention grant (£1,741k) and a contribution from the Blackpool Clinical Commissioning Group (£1,754k). The residual net Covid pressure of £2,181k has been fully offset when the Government grants relating to 2021/22 were allocated. The non-Covid overspend of £722k relates to increased demand within Complex Cases and Supported Living. Care and Support is forecasting an underspend of £201k due to staffing vacancies within the service. The Covid cost of £172k has been met by the Infection Prevention Control grant.	508
Governance and Partnership Services	An overspend of £307k is forecast including net nil Covid costs. Corporate Legal Services is expecting a £250k overspend in Children’s legal services due to the large number of complex cases. Life Events is forecasting a pressure of £50k after other Covid funding of £2k has been applied. This relates mainly to income pressures in cremations. Information Governance is forecasting an overspend of £7k due to staff costs. Ward budgets are expected to break-even.	307
Community and Environmental Services	An overspend of £75k is forecast of which £426k is attributable to net Covid costs. The Leisure service is forecasting lost income in relation to Covid of £772k, due to memberships and patronage at leisure centres not increasing as quickly as hoped after lockdown measures were eased. Other Covid funding of £114k has been applied and it is anticipated that a Sales, Fees and Charges compensation claim will be made for losses in quarter 1 of 2021/22, amounting to £232k. The service has identified savings of £226k helping to reduce the income loss. There is a non-Covid related pressure of £20k within Parks due to unpaid invoices. Highways and Traffic Management Services is forecasting an underspend of £75k due to staffing vacancies and Waste Services are reporting a surplus of £70k due to increased income within Trade Waste.	75
Growth & Prosperity	The pace of delivery of the Growth and Prosperity work programme has been significantly and adversely impacted by the recent consequences of Covid, therefore it appears unlikely that the budgetary targets set are likely to be met in-year. Many external factors beyond the Council’s control have conspired to delay progress and hence delivery of planned receipts including Covid-related delays	Nil

	<p>in due diligence work, planning permissions/objections/appeals, private sector risk appetite, central government decision-making, office and retail rental levels, sourcing of building labour and materials and project costs. In addition the retail industry has been decimated by the lockdown and the continued absence of a major tenant within the Houndshill has led to performance of that asset being compromised despite negotiations underway to address this situation. Since the lifting of lockdown, progress has been made with the Blackpool Central and Showtown schemes. The complexities of achieving regeneration in a complex environment are many but the Growth and Prosperity team is fully committed to overcoming any and all challenges and continuing to ensure that regeneration continues at pace in Blackpool and that this recovery will ensure that future budgetary targets are met. This pressure has increased in the period due to development delays. At its meeting on 8th November 2021, the Executive considered a report on the Medium-Term Financial Sustainability Strategy 2021/22 – 2026/27. As part of this, it was reported that since 2017 the Council has been making assumptions on yields and receipts from its Growth and Prosperity work programme in order to bridge its annual budget gaps and that it is now clear from experience that the pace and delivery of this programme is significantly and adversely impacted by the factors detailed above. In this context it is deemed prudent to remove this volatility and uncertainty from the revenue budget process. The Executive agreed to the approach to transition out the Growth and Prosperity net revenue budget target over a 2-year period, 2022/23-23/24, with any proceeds subsequently realised from the existing work programme being directed to bolstering reserves and any new proceeds being retained by Growth and Prosperity for their re-investment. Consequently, the predicted pressure of £9,312k has been transferred to Earmarked Reserves.</p>	
Public Health	<p>A break-even position is forecast. Since March 2020 Public Health has been responding to the outbreak of Covid to protect the population of Blackpool. A single point of contact has been established to respond to calls/emails actioned by appropriately qualified and informed Public Health staff. A Public Health Duty Desk has been set up to respond to incident and outbreaks offering specialist guidance, advice and support. During the pandemic, the team have developed Community Hubs, including supporting the homeless population, to ensure that those left vulnerable from Covid receive the support they need, for example food, welfare checks, medication, accommodation, etc. The Public Health team opted to</p>	Nil

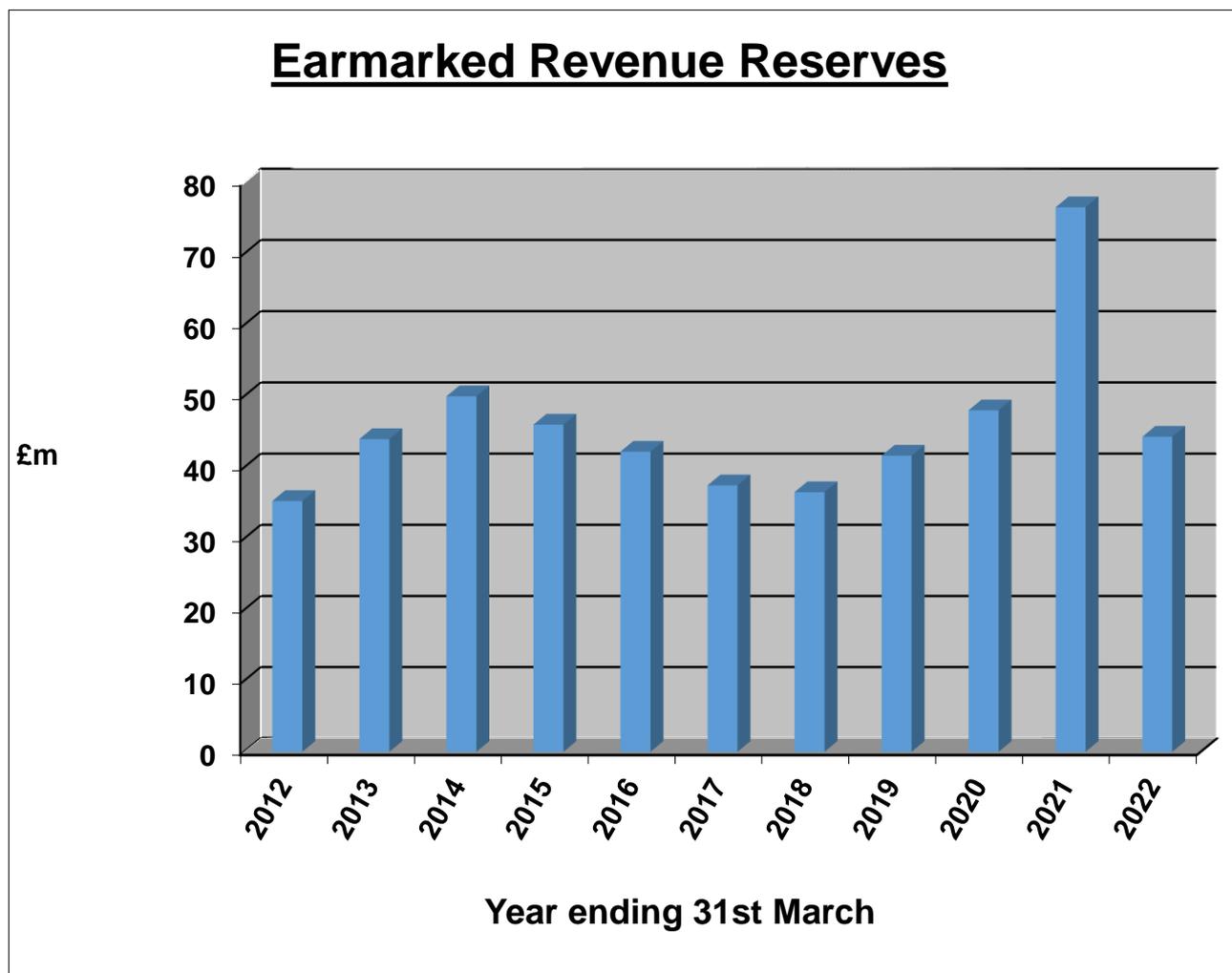
	<p>support the Government's NHS Test and Trace service by contact tracing and providing support for all positive cases in Blackpool. More recently the Public Health team have been supporting with the vaccination programme delivery, aiming to get the most vulnerable people in Blackpool fully vaccinated. The spend relating to this work is estimated to be £3,473k in 2021/22 and is being funded through a ring-fenced Test and Trace service support grant and Contain Outbreak Management Fund from the Department of Health and Social Care, and therefore has no financial impact on the budgetary position for the directorate. There has been reduced activity against some Payment By Results contracts as a result of Covid impacting our providers' ability to offer routine treatments and these savings have offset a shortfall in income generation for the directorate.</p>	
Chief Executive	<p>An underspend of £100k is forecast. Additional costs of £177k relating to the temporary accommodation of rough sleepers in line with the Government guidelines have been met by grant funding. The underspend is due to one-off savings from staffing and other general costs.</p>	(100)
Resources	<p>An underspend of £133k is forecast including a net Covid pressure of £73k assuming Sales, Fees & Charges compensation scheme income of £23k and other Covid grants of £164k. Income and utility pressures have been offset by vacancy and maintenance savings and a restructure in Accountancy.</p>	(133)
Budgets Outside the Cash Limit	<p>An underspend of £3,050k is forecast including £2,601k net Covid costs. Parking Services is forecasting a break-even position for 2021/22 mainly due to the pressure arising in quarter 1 due to Covid being offset by an increase in income expected in the last quarter of the year as well as assuming that £302k of income from the Sales, Fees & Charges compensation scheme is allocated to the service. There is a net underspend of £249k in subsidiary companies. A net Covid pressure of £998k remains after £245k is recovered from the Sales, Fees & Charges compensation scheme as well as £151k of other Covid funding. This has been offset by the additional funding provided in 2021/22 from the Medium Term Financial Plan as well as some expected reduction in charges, mainly relating to debt management. Concessionary Fares is forecasting an underspend of £889k. This includes £1,405k pressure due to the current restrictions relating to Covid after £501k of other Covid funding has been applied. The full year estimate is based on payments to the end of the financial year using an average of 4 specific periods in 2019/20. After the government announcement of further</p>	(3,050)

	<p>restrictions, the compensation scheme in use in 2020/21 has been extended until the end of the financial year 2022. A reduction in passenger numbers is also reflected. Treasury Management is forecasting a favourable variance of £1,912k. The Council is currently using temporary and long-term borrowing to finance Prudentially-funded capital expenditure. While temporary investment rates and temporary borrowing rates are low, the Treasury team will continue to use a mix of both temporary and long-term borrowing to fund planned capital expenditure. The Business Loans Fund now has a savings target of £3,309k and there is some slippage in the loans being made to date. Following a review of the Minimum Revenue Provision (MRP) which was approved by the Executive on 8th February 2021 a total of £6.7m of saving has been forecast to be achieved in 2021/22.</p>	
Total		5,616

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



3.6 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 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, including a projection to 31st March 2022, is shown below:



3.7 Earmarked Revenue Reserves (ERR)

	£m
Provisional Earmarked Revenue Reserves as at 1 st April 2021	76.548
Less s31 Grants used to offset NNDR deficit	(14.599)
Less Covid grant funding	(2.061)
Less Strategic Leisure Assets non-Covid element of overspend	(0.951)
Less Growth & Prosperity 2021/22 overspend	(9.312)
Less Recurrent Gap funding underwritten by ERR	(2.987)
Less Ward Budget underspend 2020/21	(0.063)
Less Transfers from ERR months 1 to 9	(0.315)
Less 75% Income Tax Guarantee	(1.100)
Add Contingency Transfer to ERR to cover SLA 2021/22 onwards	<u>2.987</u>
Forecast Earmarked Revenue Reserves as at 31 st December 2021	<u>(48.147)</u>
Forecast Earmarked Revenue Reserves as at 31 st March 2022	<u>(44.326)</u>

4. Covid-19

- 4.1 The current forecast effect on the Council's 2021/22 outturn due to the effects of Covid stands at £22,147k gross (**£3,678k net**) of which funding of £15,231k has been assumed from DLUHC Covid support funding (£14,042k) and the Sales, Fees & Charges compensation scheme (£1,189k). It is anticipated that a recharge of £1,754k of these costs will be made to Blackpool Clinical Commissioning Group for Enhanced Hospital Discharges. This leaves a residual pressure to the Council of £5,162k. A further £1,484k of Covid Grants relating to 2021/22 is yet to be allocated. The Council's December Covid financial monitoring return (Round 18) to DLUHC, is due on the 28th January 2022 and will be reconciled to the above figures in due course.
- 4.2 For completeness the table shown in Appendix 3 shows all the Government Covid-related funding support announcements totalling £12.82m as at 31 December 2021.

5. Budget Savings

- 5.1 Appendix 4 comprises a summary schedule showing the progress made by directorates in achieving their revenue budget savings targets for 2021/22 which total £20.285m. As at 31st December 2021 92% of the 2021/22 savings target has already been delivered. The full-year forecast, predicts that 99% will be achieved by the year end.

6. Collection Rates

6.1 Council Tax

At the end of month 9 the amount collected for Council Tax (excluding Police and Fire precepts) was £46.8m and the collection rate was **74.8%**. This compares to £45.1m and 75.0% at the same point in 2020/21. The amount collected has risen by £1.7m which is mainly due to increases in both the Council Tax rate and base being offset by the impact of Covid, primarily deferred payments and revised instalment arrangements.

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 29th January 2021 as part of the setting of the Council Tax Base for 2021/22.

6.2 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%. The scheme was also amended from 1st April 2018 to provide additional support for low income groups of claimants (in receipt of Income Support, Income-Based Jobseekers Allowance or Income Related Employment Support Allowance) by amending the percentage reduction applied to their award from 27.11% to 13.56%. From 1st April 2019 the scheme was further amended. The Executive approved the provision of additional support by amending the percentage from 27.11% to 13.56% for further low income groups of claimants

or partners (in receipt of Jobseeker's Allowance Contribution Based, Main Phase Employment and Support Allowance and are in the Work Related Activity Group, Maximum Universal Credit and neither employed, self-employed or in receipt of any other income which is taken into account when calculating their Universal Credit award such as an Occupational Pension or other unearned income and Universal Credit which includes either the limited capability for work and/or work-related activity). Other claimants will continue to have a 27.11% reduction applied to their award and all applicants who were protected and paid 13.56% under the previous scheme will continue to pay 13.56% when they move to Universal Credit. At its meeting on 7th December 2020, the Executive approved that the reduction applied to working-age claimants under the 2021/22 Scheme remained the same as the 2020/21 Scheme. These have the effect of reducing the amount to be collected.

At the end of month 9 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 £2.37m and the collection rate was **52.4%**. This compares to £1.63m and 56.6% at the same point in 2020/21.

The likely impact for 2021/22 is that the underlying rate of collection of Council Tax Reduction Scheme will be under greater pressure than 2020/21 due to accumulated arrears, limits on the amount that can be recovered from Attachment of Benefits, the impact of Covid and the ending of furlough payments in September and the temporary £20 uplift to Universal Credit in the autumn.

6.3 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 to 31st March 2019 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.

On 13th December 2018 the Ministry of Housing, Communities and Local Government (MHCLG) approved the establishment of a Lancashire-wide 75% Business Rate Pilot Pool (including Blackpool) in 2019/20 to share risk and reward. As part of this, the 50% rate retention scheme increased to 75% and authorities in the pool forego Revenue Support Grant. The value of the Revenue Support Grant was taken into account when revised business rate tariffs and top-ups for the pilot authorities were set. The Government also increased the Safety Net from 92.5% to 95% for the new pilot pools. Consequently, from 1st April 2019 the income relating to Blackpool is shared between central government (25%), the Council (73.5%) and the Fire Authority (1.5%).

From 1st April 2020 the Pilot scheme ceased and the percentage shares and Safety Net reverted back to the previous original shares. Revenue Support Grant was also reinstated.

At the end of month 9 the amount collected for Business Rates was £23.1m and the collection rate was **68.4%**. This compares to £12.8m and 69.2% at the same point in 2020/21. Both years exclude the significant s31 'Extended Retail/Nurseries etc.' relief provided by central government. In 2020/21 100% relief was provided. In 2021/22 a new relief scheme has been introduced which provides 3 months' relief (April 2021 to June 2021) at 100% and 9 months' relief (July 2021 to March 2022) at 66%. This will impact on future collection rates.

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. In the current circumstances only 29 business rate summonses were issued in the 9 months to the end of December 2021.

Subject to audit, the Business Rate cumulative deficit as at 31st March 2021 was £28,578k. The Council's share of this deficit is £13,687k (£1,293k surplus @ 73.5% + £29,871k deficit @ 49%). The 2020/21 deficit will be offset by the s31 'Extended Retail/Nurseries etc.' relief provided by central government.

In 2020/21, s31 grants for Business Rate Reliefs totalling £14.599m were received which are to be applied in 2021/22 to the Collection Fund. This causes Earmarked Revenue Reserves to be overstated at year-end.

7. Capital Monitoring Performance

7.1 All active capital schemes have been included within Appendix 5. 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.

7.2 The report includes the capital programme as approved by the Executive in February 2021. The month 9 report includes this data for comparative purposes. Future reports may show further changes in the capital programme, representing schemes that were approved after submission of the 2021/22 capital programme.

7.3 As at month 9 an overspend of £1.8m on capital schemes is anticipated. Following the announcement that Marcus Worthington and Company Limited and its subsidiary company, Hollinwood Homes Limited, have gone into administration, the Council is working with the appointed administrators, PwC, and partners to develop options for the Foxhall Village scheme. The reported overspend of £1.8m reflects the current optimistic estimate which is subject to ongoing negotiations with the administrators and partners including Homes England.

8. Summary Cash Flow Statement

8.1 As part of the reporting format for this financial year a summary cash flow statement is included at Appendix 6. This provides a comparison of the actual cash receipts and payments compared to forecast for 2021/22.

8.2 During the first 9 months of the year, the Council's net cashflow has resulted in fluctuations in short-term net investment/borrowing balances. The Council is predominantly using temporary borrowing to finance Prudentially-funded capital expenditure, though is switching to fixed Public Works Loan Board loans as and when opportune to do so.

8.3 The uptake from the Business Loans Fund is expected to continue steadily during 2021/22.

9. Summary Balance Sheet

9.1 In order to provide a complete picture of the Council's financial performance Appendix 7 provides a snapshot of the General Fund balance sheet as at the end of month 9. 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.

9.2 Over the 9-month period there has been an increase in Property, Plant and Equipment of £42.5m due to capital expenditure which is in line with the Council's approved capital programme for 2021/22. There has been a decrease in Temporary Borrowing of £9.6m and an increase in Cash and Cash Equivalents of £5.7m due to the timing of capital and revenue grants.

10. Conclusions and Recommendations

10.1 Over the 11-year period 2011/12 – 2021/22 cumulative Revenue Budget savings amounting to £186m have been required to be made by Blackpool Council. This is greater than the Council's current annual Net Requirement Budget of £149m and even more starkly the compound effect over the same period amounts to £1.2bn of resource that has been removed from the Blackpool economy. 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 befalling an authority with such recognised pockets of significant deprivation.

10.2 The principles of the Medium-Term Financial Sustainability Strategies 2016/17-21/22 and 2021/22-26/27 are being used to successfully keep pace with and deliver budget savings plans year after year. However, in tandem the soaring demand for child protection services and adult social care provision plus the rising costs of providing care are still creating a burden that current levels of local taxation and Government funding struggle to meet. In addition, the financial consequences of Covid have been immense (£3.16m in 2020/21 and £3.68m forecast in 2021/22) with little prospect now of any further Government financial support.

10.3 Over the last 11 years of Government funding cuts Blackpool Council has consistently:

- delivered its annual budget in line with statutory requirements
- maintained its reserves and balances at stable and appropriate levels that reflect the risk environment, indeed increasing them further in 2020/21 by £28.5m despite the unprecedented financial pressures faced in that year.

Most importantly and despite this backdrop it has consistently funded and delivered the ambitions of successive administrations.

- 10.4 The full-year forecast position at the end of month 9 of 2021/22 shows a deterioration in the Council's financial standing when compared with the draft unaudited position as at the close of 2020/21. Working balances are expected to reduce by the current forecast overspend of £5,616k including an overspend of **£3,678k** which is Covid-related.
- 10.5 The Council's Revenue Budget for 2021/22 set a target level of General Fund working balances of around £6m. Despite the circumstances it is still deemed appropriate to maintain this target level of £6m for working balances for the medium term and every endeavour has been made to deliver this and more. Earmarked revenue reserves at the start of the financial year stood at a record high of £76,548k, though with known in-year commitments against this the balance will fall to an estimated £44,326k by the end of the year. This should still be sufficient to underwrite the current year's financial risks with a separate financial plan in place for the Council's wholly-owned companies (ref. appendix 2m).
- 10.6 If the 2021/22 forecast position became the actual outturn, then in accordance with the Council's Financial Procedure Rules within its Constitution the forecast revenue outturn 2021/22 within this report contravenes both of the two specific conditions that excess spending does not:
1. exceed 1% (= £5m) 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 (= £3m).

But these are still unprecedented times for the whole of local government and in the context of relatively healthy levels of Earmarked Revenue Reserves per CIPFA's Financial Resilience Index and with 3 months of the financial year still remaining officers are working continuously to maintain the position - revised service and financial plans are still underway, including the review of technical accounting treatments, freezing of non-essential spend, use of earmarked reserves and delays to filling non-front line vacancies.

- 10.7 The Executive is asked:
- i) to note the report;
 - ii) to require the respective directors and Director of Resources to continue to closely monitor and manage service financial and operational performances, specifically Growth & Prosperity, Children's Services, Strategic Leisure Assets, Communications and Regeneration and Adult Services;
 - iii) to prompt the Scrutiny Leadership Board to continue to independently review the financial and operational performances of the services listed in ii); and
 - iv) to continue to lobby central government (HM Treasury, Department for Levelling Up, Housing and Communities, Department for Health and Social Care, Department for Transport, Department for Digital, Culture, Media and Sport, Department for Business, Energy and Industrial Strategy and Department for Education in particular) along with local authority peers and networks and the Local Government Association for the funding necessary to cope with the demands and new burdens presenting as a result of both Covid and within Children's Services

Steve Thompson
Director of Resources
20th January 2022

This page is intentionally left blank

Blackpool Council

Revenue summary - budget, actual and forecast:

BLACKPOOL COUNCIL														
FORECAST GENERAL FUND POSITION AS AT 31 MARCH 2022														
SUMMARY														
APP.	GENERAL FUND NET REQUIREMENTS	BUDGET	EXPENDITURE			VARIANCE	2020/21 (UNDER)/OVER SPEND B/FWD £000	VARIANCE						
		ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR-DEC £000	2021/22 PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000		NON-COVID £000	GROSS £000	DIRECT SERVICE GRANTS £000	COVID-19 CCG CONTRIBUTION £000	SALES, FEES & CHARGES £000	NET £000	
2(a)	CHIEF EXECUTIVE	1,068	1,196	(228)	968	(100)	-	(100)	177	(177)	-	-	-	
2(b)	GOVERNANCE & PARTNERSHIP SERVICES	1,795	2,045	57	2,102	307	-	307	5	(5)	-	-	-	
2(b/c)	WARD BUDGETS	353	26	327	353	-	(63)	-	-	-	-	-	-	
2(d)	RESOURCES	2,830	6,930	(4,233)	2,697	(133)	-	(206)	260	(164)	-	(23)	73	
2(e)	COMMUNICATIONS AND REGENERATION	3,661	2,202	2,031	4,233	572	-	232	695	(318)	-	(37)	340	
2(f)	STRATEGIC LEISURE ASSETS	968	3,972	(751)	3,221	2,253	-	951	2,049	(460)	-	(287)	1,302	
	STRATEGIC LEISURE ASSETS - TRANSFER FROM RESERVES	-	-	(951)	(951)	(951)	-	(951)	-	-	-	-	-	
2(g)	GROWTH & PROSPERITY	(7,638)	(9,760)	11,434	1,674	9,312	-	9,312	100	(37)	-	(63)	-	
	GROWTH & PROSPERITY - TRANSFER FROM RESERVES	-	-	(9,312)	(9,312)	(9,312)	-	(9,312)	-	-	-	-	-	
2(h)	COMMUNITY & ENVIRONMENTAL SERVICES	44,371	32,050	12,396	44,446	75	-	(351)	772	(114)	-	(232)	426	
2(i)	ADULT SERVICES	61,751	38,195	24,064	62,259	508	-	508	9,304	(7,550)	(1,754)	-	-	
2(j)	CHILDREN'S SERVICES	61,987	40,431	26,263	66,694	4,707	-	4,287	1,511	(1,091)	-	-	420	
2(k)	PUBLIC HEALTH	27	(10,044)	10,071	27	-	-	-	3,473	(3,473)	-	-	-	
2(l)	BUDGETS OUTSIDE THE CASH LIMIT	7,982	1,744	3,188	4,932	(3,050)	-	(5,651)	3,801	(653)	-	(547)	2,601	
	CAPITAL CHARGES	(29,589)	(22,192)	(7,397)	(29,589)	-	-	-	-	-	-	-	-	
	NET COST OF SERVICES:	149,566	86,795	66,959	153,754	4,188	(63)	(974)	22,147	(14,042)	(1,754)	(1,189)	5,162	
	CONTRIBUTIONS:													
	- TO / (FROM) RESERVES	(2,987)	-	(2,987)	(2,987)	-	-	-	-	-	-	-	-	
	- 2020/21 SERVICE OVER/(UNDERSPENDS)	(63)	-	(63)	(63)	-	-	-	-	-	-	-	-	
	- REVENUE CONSEQUENCES OF CAPITAL OUTLAY	300	-	300	300	-	-	-	-	-	-	-	-	
	- CLINICAL COMMISSIONING GROUP	-	-	-	-	-	-	(1,754)	-	1,754	-	-	-	
	- SALES, FEES & CHARGES - COVID COMPENSATION	-	-	-	-	-	-	(1,189)	-	-	-	1,189	-	
	CONTINGENCIES	1,790	-	3,218	3,218	1,428	-	2,912	(5,545)	4,061	-	-	(1,484)	
	LEVIES	456	-	456	456	-	-	-	-	-	-	-	-	
	CONTRIBUTIONS, etc.	(504)	-	924	924	1,428	-	2,912	(8,488)	4,061	1,754	1,189	(1,484)	
	TOTAL NET EXPENDITURE TO BE MET FROM PUBLIC FUNDS	149,062	86,795	67,883	154,678	5,616	-	1,938	13,659	(9,981)	-	-	3,678	
	ADDED TO/(TAKEN FROM) BALANCES	-	-	(5,616)	(5,616)	(5,616)	-	(1,938)	(13,659)	9,981	-	-	(3,678)	
	NET REQUIREMENT AFTER WORKING BALANCES	149,062	86,795	62,267	149,062	-	-	-	-	-	-	-	-	
GENERAL BALANCES AS AT 1st APRIL 2021 PER UNAUDITED STATEMENT OF ACCOUNTS 2020/21							6,293	6,293	-	-	-	-	-	
In-year (reduction in) / addition to General Fund Working Balances							(5,616)	(1,938)	(13,659)	9,981	-	-	-	(3,678)
ESTIMATED UNEARMARKED WORKING BALANCES AS AT 31st MARCH 2022							677	4,355	(13,659)	9,981	-	-	-	(3,678)

This page is intentionally left blank

Blackpool Council - Chief Executive

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2020/21 (UNDER)/OVER SPEND B/FWD	VARIANCE				
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - DEC £000	2021/22		F/CAST FULL YEAR VAR. (UNDER) / OVER £000		NON-COVID £000	COVID-19			
			PROJECTED SPEND £000	FORECAST OUTTURN £000				GROSS £000	DIRECT SERVICE GRANTS £000	CCG CONTRIBUTION £000	SALES, FEES & CHARGES £000
CHIEF EXECUTIVE											
NET EXPENDITURE											
CHIEF EXECUTIVE	572	489	83	572	-	-	-	-	-	-	-
HUMAN RESOURCES, ORGANISATION AND WORKFORCE DEVELOPMENT	(36)	(535)	499	(36)	-	-	-	-	-	-	-
CHIEF EXECUTIVE TOTAL	536	(46)	582	536	-	-	-	-	-	-	-
CORPORATE DELIVERY UNIT	(24)	(575)	516	(59)	(35)	(35)	-	-	-	-	-
HOUSING	556	1,817	(1,326)	491	(65)	(65)	177	(177)	-	-	-
ASSISTANT CHIEF EXECUTIVE	532	1,242	(810)	432	(100)	(100)	177	(177)	-	-	-
TOTALS	1,068	1,196	(228)	968	(100)	(100)	177	(177)	-	-	-

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 9 months of 2021/22 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year.

Chief Executive

This service is currently forecasting a break-even position.

Human Resources, Organisation and Workforce Development

This service is also currently forecasting a break-even position.

Corporate Delivery Unit

This service is forecasting an underspend of £35k. This is due to one-off staffing and general cost savings.

Housing

It has been assumed that a Covid pressure of £177k will be fully met from the additional funding provided in the Rough Sleepers grant. One-off savings from staffing and other general costs mean that the service is now forecasting an underspend of £65k.

Covid

The Chief Executive's Directorate has a gross pressure of £177k relating to Covid. It is assumed that this pressure will be met from the Rough Sleepers grant; the net Covid pressure therefore is nil.

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	2020/21 (UNDER)/OVER SPEND B/FWD £000	VARIANCE				
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR -DEC £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000		NON-COVID	COVID-19			
							£000	GROSS £000	DIRECT SERVICE GRANTS £000	CCG CONTRIBUTION £000	SALES, FEES & CHARGES £000
GOVERNANCE & PARTNERSHIP SERVICES											
NET EXPENDITURE											
DEMOCRATIC GOVERNANCE	2,186	2,038	148	2,186	-	-	3	(3)	-	-	-
CORPORATE LEGAL SERVICES	(2)	(16)	264	248	250	-	250	-	-	-	-
INFORMATION GOVERNANCE	-	15	(8)	7	7	-	7	-	-	-	-
LIFE EVENTS & CUSTOMER CARE	(389)	8	(347)	(339)	50	-	50	2	(2)	-	-
GOVERNANCE & PARTNERSHIP SERVICES	1,795	2,045	57	2,102	307	-	307	5	(5)	-	-
WARDS	353	26	327	353	-	(63)	-	-	-	-	-
TOTALS	2,148	2,071	384	2,455	307	(63)	307	5	(5)	-	-

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 9 months of 2021/22 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 currently forecasting a break-even position. A Covid grant of £3k has been received to cover the extra costs relating to running Covid-secure elections.

Corporate Legal Services

This service is forecasting an overspend of £250k. This figure relates to an expected overspend in Children's legal services due to the large number of complex cases.

Information Governance

This service is now forecasting an overspend of £7k due to staff costs.

Life Events & Customer Care

This service is forecasting a pressure of £50k after other Covid funding of £2k has been applied. This cost relates mainly to income pressures in cremations.

Ward Budgets

Ward budgets are expected to break-even in 2021/22.

Covid

Governance and Partnership Services has a gross pressure of £5k relating to Covid. Direct Service Grants and other grants reduce this to nil.

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

Blackpool Council
Ward Budgets
2021/22
Month 9

Wards

Ward	Councillors	Total No. of Requisitions Submitted	No. of Requisitions Approved	No. Awaiting Approval	Total No. of Requisitions Completed	Total 2021-22 Budget	2021-22 Budget Committed to Approved Schemes	Remaining 2021-22 Budget
Anchorsholme Ward BC1001/BC1101	Cllr. Galley Cllr. A Williams	0 0	0 0	0 0	0 0	£7,602.07 £7,602.08	£0.00 £0.00	£7,602.07 £7,602.08
Bispham Ward BC1002/BC1102	Cllr. Clapham Cllr. Wilshaw	1 1	1 1	0 0	1 1	£8,814.88 £8,814.88	£558.00 £558.00	£8,256.88 £8,256.88
Bloomfield Ward BC1003/BC1103	Cllr. Cain Cllr. Hobson	3 6	3 6	0 0	3 5	£8,445.95 £8,445.95	£360.20 £2,411.12	£8,085.75 £6,034.83
Brunswick Ward BC1004/BC1104	Cllr. Blackburn Cllr. G Coleman	0 0	0 0	0 0	0 0	£8,823.68 £8,823.68	£0.00 £0.00	£8,823.68 £8,823.68
Claremont Ward BC1005/BC1105	Cllr. Taylor Cllr. L Williams	7 6	7 6	0 0	6 5	£9,073.45 £9,073.44	£3,221.62 £2,717.66	£5,851.83 £6,355.78
Clifton Ward BC1006/BC1106	Cllr. Burdess Cllr. Hutton	3 2	3 2	0 0	3 2	£8,061.11 £8,061.11	£4,906.90 £3,906.90	£3,154.21 £4,154.21
Greenlands Ward BC1007/BC1107	Cllr. R Scott Cllr. Wing	4 4	4 4	0 0	4 4	£9,457.38 £9,457.37	£1,068.92 £1,068.92	£8,388.46 £8,388.45
Hawes Side Ward BC1008/BC1108	Cllr. Brookes Cllr. Critchley	3 3	3 3	0 0	3 3	£9,042.70 £9,042.69	£1,060.15 £1,060.15	£7,982.55 £7,982.54
Highfield Ward BC1009/BC1109	Cllr. Hunter Cllr. B Mitchell	3 1	3 1	0 0	3 1	£7,500.40 £7,500.40	£-244.00 £-2,270.00	£7,744.40 £9,770.40
Ingthorpe Ward BC1010/BC1110	Cllr. Cross Cllr. Farrell	1 0	1 0	0 0	1 0	£9,967.96 £9,967.96	£39.90 £0.00	£9,928.06 £9,967.96
Layton Ward BC1011/BC1111	Cllr. Mrs Benson Cllr. M Mitchell	4 4	4 4	0 0	4 4	£9,234.36 £9,234.36	£933.00 £1,993.00	£8,301.36 £7,241.36
Marton Ward BC1012/BC1112	Cllr. D Coleman Cllr. Stansfield	0 0	0 0	0 0	0 0	£9,984.93 £9,984.93	£0.00 £0.00	£9,984.93 £9,984.93
Norbreck Ward BC1013/BC1113	Cllr. Mrs Callow Cllr. Sloman	3 3	3 3	0 0	2 1	£9,360.40 £9,360.40	£2,204.87 £2,204.87	£7,155.53 £7,155.53
Park Ward BC1014/BC1114	Cllr. Campbell Cllr. Kirkland	4 4	4 4	0 0	4 4	£9,182.42 £9,182.42	£6,003.70 £6,003.70	£3,178.72 £3,178.72
Squires Gate Ward BC1015/BC1115	Cllr. Cox Cllr. Walsh	0 0	0 0	0 0	0 0	£7,500.00 £7,500.00	£0.00 £0.00	£7,500.00 £7,500.00
Stanley Ward BC1016/BC1116	Cllr. Baker Cllr. Roberts	1 1	1 1	0 0	0 0	£10,000.00 £10,000.00	£1,100.00 £1,100.00	£8,900.00 £8,900.00
Talbot Ward BC1017/BC1117	Cllr. Hugo Cllr. Smith	2 2	2 2	0 0	2 2	£9,130.14 £9,130.13	£4,263.42 £4,263.42	£4,866.72 £4,866.71
Tyldesley Ward BC1018/BC1118	Cllr. Collett Cllr. Matthews	2 2	2 2	0 0	2 2	£10,000.00 £10,000.00	£225.25 £225.25	£9,774.75 £9,774.75
Victoria Ward BC1019/BC1119	Cllr. Jackson Cllr. Owen	2 1	2 1	0 0	2 1	£9,664.44 £9,664.43	£265.20 £85.20	£9,399.24 £9,579.23
Warbreck Ward BC1020/BC1120	Cllr. D Scott Cllr. Mrs M Scott	4 4	4 4	0 0	4 4	£8,178.71 £8,178.71	£904.91 £904.91	£7,273.80 £7,273.80
Waterloo Ward BC1021/BC1121	Cllr. O'Hara Cllr. Robertson BEM	2 1	2 1	0 0	2 1	£10,000.00 £10,000.00	£1,352.00 £892.23	£8,648.00 £9,107.77

Ward Totals	94	94	0	86	£378,049.92	£55,349.37	£322,700.55
Unallocated Budget	-	-	-	-	(£25,000.00)	£0.00	(£25,000.00)
Income Budget	-	-	-	-	£0.00	£0.00	£0.00
Area Ward Totals	94	94	0	86	£353,049.92	£55,349.37	£297,700.55

This page is intentionally left blank

Blackpool Council - Resources

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2020/21 (UNDER)/OVER SPEND B/FWD £000	VARIANCE					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - DEC £000	2021/22		F/CAST FULL YEAR VAR. (UNDER) / OVER £000		NON-COVID £000	COVID-19				
			PROJECTED SPEND £000	FORECAST OUTTURN £000				GROSS £000	DIRECT SERVICE GRANTS £000	CCG CONTRIBUTION £000	SALES, FEES & CHARGES £000	NET £000
RESOURCES												
NET EXPENDITURE												
PROCUREMENT, PROJECTS & EXCHEQUER SERVICES	80	1,320	(1,310)	10	(70)	-	(70)	50	(34)	-	(16)	-
BENEFITS	(1,033)	2,077	(3,110)	(1,033)	-	-	-	2	(2)	-	-	-
REVENUES SERVICES	1,581	1,504	77	1,581	-	-	-	43	(43)	-	-	-
CUSTOMER FIRST	(13)	(193)	199	6	19	-	19	-	-	-	-	-
ICT SERVICES	795	454	341	795	-	-	-	-	-	-	-	-
ACCOUNTANCY	42	(1)	24	23	(19)	-	(19)	6	(6)	-	-	-
RISK SERVICES	113	(166)	225	59	(54)	-	(54)	61	(61)	-	-	-
PROPERTY SERVICES (Incl. INVESTMENT PORTFOLIO)	1,320	1,946	(652)	1,294	(26)	-	(99)	98	(18)	-	(7)	73
EQUALITY AND DIVERSITY	(55)	(11)	(27)	(38)	17	-	17	-	-	-	-	-
TOTALS	2,830	6,930	(4,233)	2,697	(133)	-	(206)	260	(164)	-	(23)	73

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 9 months of 2021/22 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, Projects and Exchequer Services

Procurement, Projects and Exchequer Services are forecasting an underspend of £70k. Procurement and Projects are forecasting an underspend of £37k, assuming £16k Covid Sales, Fees and Charges compensation scheme claim. Exchequer Services are forecasting an underspend of £33k mainly due to additional Covid New Burdens admin funding and additional SLA income

Benefits

The Benefits Service is forecasting a break-even position. Monthly Housing Benefit new claims processing figures for December was 12 days. The cumulative processing time to date for new claims for Housing Benefit, new claims for Council Tax Reduction and changes in circumstances notifications was 7 days.

Revenue Services

Revenue Services are forecasting a break-even position on a gross budget of £2.25m.

Customer First

Customer First is forecasting an overspend of £19k against a gross budget of £1.08m. This is due to unachieved vacancy savings within the service and a reduction in forecast income re Blue Badges

ICT Services

ICT is forecasting a break-even position on a gross budget of £5.2m.

Accountancy

Accountancy is forecasting an underspend of £19k. Savings have been achieved through vacancy savings, a restructure of the service and additional £6k Covid New Burdens admin funding

Risk Services

Risk Services are forecasting an underspend of £54k against a gross budget of £1.15m. This is due in the main to staffing vacancies, delays in recruitment, additional Covid monies and £47k Covid New Burdens admin funding in Audit.

Property Services (incl. Investment Portfolio)

Property Services are forecasting an underspend of £26k against a gross budget of £13.4m, including a net Covid pressure of £73k. Pressures against income generation and an increase in utility forecasts have been offset by vacancy savings and maintenance savings as a result of under-occupancy of some Council buildings. A decision has been made to continue to invoice tenants in line with their rental agreement, whilst offering deferred payment terms to businesses where appropriate.

Equality and Diversity Services

Equality and Diversity services are forecasting an overspend of £17k, this is due to unachieved savings within the service.

Covid

Resources has a gross pressure of £260k relating to Covid. Covid funding relating to Sales, Fees and Charges compensation claims of £23k and other Direct service Covid grants of £164k reduce the net Covid pressure to £73k, which is included in the above table. Covid costs include a loss/reduction in income streams within Risk Services, room hire income in Property Services and dividend payments in Procurement Services.

Summary of the revenue forecast

After 9 months of the financial year Resources are forecasting a £133k underspend including a net Covid cost of £73k. 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 – Communications & Regeneration

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2020/21 (UNDER)/OVER SPEND £000	VARIANCE					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - DEC £000	2021/22		F/CAST FULL YEAR VAR. (UNDER) / OVER £000		NON-COVID	COVID-19				
			PROJECTED SPEND £000	FORECAST OUTTURN £000			GROSS	DIRECT SERVICE GRANTS	CCG CONTRIBUTION	SALES, FEES & CHARGES	NET	
COMMUNICATIONS & REGENERATION												
NET EXPENDITURE												
ECONOMIC DEVELOPMENT & CULTURAL SERVICES	285	(1,994)	2,309	315	30	-	30	-	-	-	-	-
PLANNING	516	(23)	539	516	-	-	-	-	-	-	-	-
TOURISM AND COMMUNICATIONS	2,860	4,219	(817)	3,402	542	-	202	695	(318)	-	(37)	340
TOTALS	3,661	2,202	2,031	4,233	572	-	232	695	(318)	-	(37)	340

Commentary on the key issues:

Directorate Summary – basis

The Revenue summary (above) lists the outturn projection for each individual service area within the Directorate against their respective, currently approved, revenue budget. The forecast outturn of £572k overspend is based upon actual financial performance for the first 9 months of 2021/22 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. Of the £572k overspend, £340k is attributable to Covid.

Economic Development and Cultural Services

This service is expecting an overspend of £30k in 2021/22. This is due to repair work to Revoe Library roof.

Planning

This service is expecting a break-even position in 2021/22.

Tourism & Communications

There is an expected pressure in this area of £542k including a net Covid pressure of £340k.

The Illuminations service is currently forecasting a pressure of £275k. This is made up of £100k additional cost of extending the Illuminations period till the end of December plus a net Covid pressure of £175k relating to £174k of additional staff costs and a £17k loss of income from business collections, less £3k from the Covid Sales, Fees and Charges compensation scheme and £13k of other Covid grant funding.

Visit Blackpool is expecting a pressure of £241k. A Covid pressure of £337k relates to £152k of lost advertising income on shelters, £95k of lost resort pass and ticket sale income, £27k of lost income from Switch on and Slimefest events due to reduced capacity (this figure has reduced from the previous month) and £63k of other lost event income after £34k of Sales, Fees & Charges compensation scheme income and £58k of other Covid funding has been applied. This pressure has been further offset this month by the reallocation of a Covid grant of £172k.

There is a non-Covid pressure of £76k forecast which relates to sponsorship and increased rates costs on shelters, offset by additional income generated by the Communications team. Welcome Back project expenditure of £75k has all been covered by Covid grant funding.

There is an expected pressure of £26k this month in Print Services due to a reduced income forecast.

Covid

The Communications & Regeneration Directorate has a gross pressure of £695k relating to Covid. £243k of other Covid grant funding has been allocated and it is expected that Sales, Fees and Charges compensation claims amounting to £37k will be received. Welcome Back project expenditure of £75k has all been covered by grant funding. The net Covid pressure is £340k which is included in the above table. This figure has decreased mainly due the reallocation of £172k Covid grant to Visit Blackpool.

Budget Holder – Mr A Cavill, Director of Communications & Regeneration

Blackpool Council – Strategic Leisure Assets

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE				VARIANCE	2020/21 (UNDER)/OVER SPEND B/FWD £000	VARIANCE					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - DEC £000	2021/22		F/CAST FULL YEAR VAR. (UNDER) / OVER £000	NON-COVID		COVID-19					
			PROJECTED SPEND £000	FORECAST OUTTURN £000				GROSS £000	DIRECT SERVICE GRANTS £000	CCG CONTRIBUTION £000	SALES, FEES & CHARGES £000	NET £000	
STRATEGIC LEISURE ASSETS													
NET EXPENDITURE													
STRATEGIC LEISURE ASSETS	968	3,972	(751)	3,221	2,253	-	951	2,049	(460)	-	(287)	1,302	
TOTALS	968	3,972	(751)	3,221	2,253	-	951	2,049	(460)	-	(287)	1,302	

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 9 months of 2021/22 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

This overspend consists of a Leisure Assets medium-term financial plan gap (exc. Covid) of £301k, a £350k income target not in Leisure Assets medium-term financial plan, £91k shortfall on expected income from cultural exemption, an increased maintenance forecast of £99k and increased borrowing costs of £740k less increased Golden Mile income of £30k and an improved attraction performance of £600k. A previously reported reduction in marketing costs of £150k is now not likely to occur. There is a £1,302k net loss relating to Covid restrictions after assuming modest income from the Sales, Fees & Charges compensation scheme of £287k relating to quarter 1 and £460k of other Covid funding. This pressure has increased from period 8 due to a reduction in performance at Blackpool Entertainment Company Limited (BECL).

In accordance with the original decision for this programme by the Executive on 7th February 2011, the projected overspend on Strategic Leisure Assets of £951k (i.e. excluding Covid costs) will be carried forward and transferred to Earmarked Reserves. This brings the expected cumulative deficit as at 2021/22 to £15,886k.

The Leisure Assets medium-term financial plan now forecasts the service to break-even, in-year, during 2025/26. This has increased from 2024/25 due to a delay in the conference centre income generation.

Covid

Strategic Leisure Assets is now reporting a gross pressure of £2,049k relating to Covid. This figure has improve from previous periods due to improved attraction performance. Following the reallocation of Covid funding relating to Sales, Fees and Charges compensation claims amounting to £287k, and other Covid funding of £460k the net Covid pressure is £1,302k, which is included in the above table.

This page is intentionally left blank

Blackpool Council – Growth & Prosperity

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2020/21 (UNDER)/OVER SPEND B/FWD £000	VARIANCE					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - DEC £000	2021/22		F/CAST FULL YEAR VAR. (UNDER) / OVER £000		NON-COVID	COVID-19				
			PROJECTED SPEND £000	FORECAST OUTTURN £000			GROSS £000	DIRECT SERVICE GRANTS £000	CCG CONTRIBUTION £000	SALES, FEES & CHARGES £000	NET £000	
GROWTH & PROSPERITY												
NET EXPENDITURE												
GROWTH & PROSPERITY	(7,638)	(9,760)	11,434	1,674	9,312	-	9,312	100	(37)	-	(63)	-
TOTALS	(7,638)	(9,760)	11,434	1,674	9,312	-	9,312	100	(37)	-	(63)	-

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 9 months of 2021/22 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. The financial target for Growth and Prosperity is predicated on losses from previous years being carried forward.

Key Issues

The pace of delivery of the Growth and Prosperity work programme has been significantly and adversely impacted by the recent consequences of Covid, therefore it appears unlikely that the budgetary targets set are likely to be met in-year.

Many external factors beyond the Council's control have conspired to delay progress and hence delivery of planned receipts including Covid-related delays in due diligence work, planning permissions/objections/appeals, private sector risk appetite, central government decision-making, office and retail rental levels, sourcing of building labour and materials and project costs. In addition the retail industry has been decimated by the lockdown and the continued absence of a major tenant within the Houndshell has led to performance of that asset being compromised despite negotiations underway to address this situation.

Nevertheless despite these issues the Growth and Prosperity team has worked diligently throughout the lockdown period to ensure that Blackpool is in the best possible position to bounce back from the pandemic. For example:

- The recent announcement of the agreement for lease being signed for the 200,000 sq ft c.£100m office block in Talbot Gateway Phase 3 was negotiated entirely within lockdown and will bring 3,000 jobs into the Town Centre as well as increasing the Council's rateable income. This transformational investment supports an increasingly strengthened narrative to businesses both locally and nationally that Blackpool is open for business and can provide exemplary office accommodation and investment opportunities.
- Meanwhile substantial progress is being made on the construction of Talbot Gateway Phase 2 and the Council was always well aware that during the development phase of these assets there would be periods when income was reduced.
- The Growth and Prosperity Team has also secured over £50m of Government investment including:

- £8.6m Getting Building Fund to bring forward the development of
 - Abingdon Street Market – refurbishment to modernise this key asset in the town centre
 - Houndshill Phase 2 – a £20m extension to the shopping centre to include a Wilko, a state of the art Imax-ready cinema, and a restaurant offer.
- £39.5m Town Deal Funding (the largest in the country) where business cases for all 7 major projects have now been appraised and approved for final submission to Government so that work can start next year on:
 - Illuminations Modernisation
 - Blackpool Airport Enterprise Zone infrastructure
 - Blackpool Youth Hub
 - Blackpool Central Courts Relocation
 - Revoe Community Sports Village
 - The EDGE (Stanley Buildings)
 - Land Acquisition for Multiversity.

Since the lifting of lockdown, the Growth and Prosperity team has also made progress with the following schemes:-

- Blackpool Central – with planning permission now granted in outline for the whole of this £300m investment and detailed permission for the enabling phase and first phase an agreement for lease is shortly to be signed for the delivery of the Multi-Storey Car Park
- Showtown – work has commenced on the new Museum on the seafront. This multi-million pound scheme offers a cultural offer to the town and offers the opportunity to show Blackpool to a wider audience.

The complexities of achieving regeneration in a complex environment are many but the Growth and Prosperity team is fully committed to overcoming any and all challenges and continuing to ensure that regeneration continues at pace in Blackpool and that this recovery will ensure that future budgetary targets are met.

The predicted pressure of £9,312k this financial year is not something to celebrate but the constraints and consequences of Covid have been far reaching and unavoidable. This pressure has increased in the period due to development delays. This income is still expected to be achieved in future years. Businesses across the UK have suffered as a result and Growth and Prosperity is no different. As in previous years the team will do all it can to ensure that losses are recovered in future years and reserves replenished.

Budget Holder – Mr A Cavill, Director of Communications & Regeneration

Blackpool Council – Community and Environmental Services

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2020/21 (UNDER)/OVER SPEND B/FWD	VARIANCE					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - DEC £000	2021/22		F/CAST FULL YEAR VAR. (UNDER) / OVER £000		NON-COVID £000	COVID-19				
			PROJECTED SPEND £000	FORECAST OUTTURN £000				GROSS £000	DIRECT SERVICE GRANTS £000	CCG CONTRIBUTION £000	SALES, FEES & CHARGES £000	NET £000
COMMUNITY & ENVIRONMENTAL SERVICES												
NET EXPENDITURE												
BUSINESS SERVICES	(60)	1,252	(1,312)	(60)	-	-	-	-	-	-	-	-
LEISURE AND CATERING	4,072	3,073	1,219	4,292	220	-	(206)	772	(114)	-	(232)	426
PUBLIC PROTECTION	672	(748)	1,420	672	-	-	-	-	-	-	-	-
HIGHWAYS AND TRAFFIC MANAGEMENT SERVICES	17,479	12,260	5,144	17,404	(75)	-	(75)	-	-	-	-	-
STREET CLEANSING AND WASTE	16,486	10,818	5,598	16,416	(70)	-	(70)	-	-	-	-	-
COASTAL AND ENVIRONMENTAL PARTNERSHIPS	4,627	4,518	109	4,627	-	-	-	-	-	-	-	-
INTEGRATED TRANSPORT	1,095	877	218	1,095	-	-	-	-	-	-	-	-
TOTALS	44,371	32,050	12,396	44,446	75	-	(351)	772	(114)	-	(232)	426

Commentary on the key issues:

Directorate Summary - basis

The Revenue summary (above) lists the outturn projection for each individual service area within the Directorate against their respective, currently approved, revenue budget. The forecast outturn of £75k overspend is based upon actual financial performance for the first 9 months of 2021/22 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. There is a £200k overspend that is attributable to the after effects of the Covid-19 pandemic, a non-Covid pressure of £20k and savings have been identified totalling £145k.

Business Services

This service is currently forecasting a break-even position.

Leisure and Catering

Leisure and Catering is currently forecasting a pressure of £220k. The Leisure service is forecasting lost income in relation to Covid of £772k, due to memberships and patronage at leisure centres not increasing as quickly as hoped after lockdown measures were eased. Other Covid funding of £114k has been applied and a Sales, Fees and Charges compensation claim has been made for losses in quarter 1 of 2021/22, amounting to £232k. The service has identified savings of £226k helping to reduce the income loss. Within Parks, there is a non-Covid related pressure of £20k, due to unpaid invoices.

Public Protection

This service is currently forecasting a break-even position.

Highways and Traffic Management Services

This service is currently forecasting an underspend of £75k due to staffing vacancies within Highways & Engineering.

Street Cleansing and Waste

Waste Services are reporting a surplus of £70k due to increased income within Trade Waste.

Coastal and Environmental Partnerships

This service is currently forecasting a break-even position.

Integrated Transport

This service is currently forecasting a break-even position.

Covid

Community and Environmental Services has a gross pressure of £772k relating to Covid. Following the allocation of £114k of other Covid funding and a Sales, Fees and Charges compensation claim of £232k, the net Covid pressure is £426k, which is included in the above table.

Conclusion – Community and Environmental Services financial position

At the end of December 2021, the Community and Environmental Services Directorate is forecasting a £75k pressure. The pressure directly relating to Covid is £426k, with non-Covid pressures of £20k. There are, however, non-Covid savings identified totalling £301k and an increase in income of £70k.

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		2020/21 (UNDER)/OVER SPEND B/FWD £000	VARIANCE						
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - DEC £000	2021/22		F/CAST FULL YEAR VAR. (UNDER) / OVER £000	NON-COVID £000		GROSS £000	DIRECT SERVICE GRANTS £000	COVID-19				
			PROJECTED SPEND £000	FORECAST OUTTURN £000						CCG CONTRIBUTION £000	SALES, FEES & CHARGES £000	NET £000		
ADULT SERVICES														
NET EXPENDITURE														
ADULT SOCIAL CARE	7,018	5,101	1,917	7,018	-	-	-	-	-	-	-	-	-	-
CARE & SUPPORT	5,011	3,468	1,342	4,810	(201)	(201)	172	(172)	-	-	-	-	-	-
ADULT COMMISSIONING PLACEMENTS	49,056	29,284	20,494	49,778	722	722	9,132	(7,378)	(1,754)	-	-	-	-	-
ADULT SAFEGUARDING	666	342	311	653	(13)	(13)	-	-	-	-	-	-	-	-
TOTALS	61,751	38,195	24,064	62,259	508	-	508	9,304	(7,550)	(1,754)	-	-	-	-

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 9 months of 2021/22 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)

The Adult Commissioning Placements budget is forecasting a £722k overspend on a £66m gross expenditure budget. The total Covid costs of £9,132k have been offset by the Infection Prevention Control grant (£1,979k), Lateral Flow Testing grant (£1,386k), Vaccine grant (£91k), Workforce Recruitment and Retention grant (£1,741k) and a contribution from the Blackpool Clinical Commissioning Group (£1,754k). The residual net Covid pressure of £2,181k has been fully offset when the Government grants relating to 2021/22 were allocated. The non-Covid overspend of £722k relates to increased demand within Complex Cases and Supported Living.

Care and Support

Care and Support is forecasting an underspend of £201k due to staffing vacancies within the service. The Covid costs of £172k have been met by the Infection Prevention Control grant.

Covid

Adult Services have incurred significant costs in relation to Covid of £9,304k. Providers have been supported through a number of schemes including the Emergency Workforce provision, a 10% Covid premium applied to fee rates and access to free Personal Protective Equipment (PPE). There have been increased Covid related hospital discharges with these costs being reclaimed from Blackpool Clinical Commissioning Group. Direct Service grants have also been allocated to providers in relation to Infection Prevention Control, Lateral Flow Testing, Vaccines and Workforce Recruitment and Retention.

Summary of the Adult Services financial position

As at the end of December 2021 the Adult Services Directorate is forecasting an overall overspend of £508k for the financial year to March 2022 on a gross budget of £90m.

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	2020/21 (UNDER)/OVER SPEND B/FWD £000	VARIANCE					
	ADJUSTED CASH LIMITED BUDGET £000	2021/22					NON-COVID £000	COVID-19				NET £000
		EXPENDITURE APR - DEC £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000			GROSS £000	DIRECT SERVICE GRANTS £000	CCG CONTRIBUTION £000	SALES, FEES & CHARGES £000	
CHILDREN'S SERVICES												
NET EXPENDITURE												
LOCAL SCHOOLS BUDGET - ISB	20,456	16,557	3,938	20,495	39	-	39	-	-	-	-	
LOCAL SCHOOLS BUDGET - NON DELEGATED	701	325	551	876	175	-	175	-	-	-	-	
EDUCATION	22,619	13,221	10,011	23,232	613	-	613	-	-	-	-	
EARLY HELP FOR CHILDREN AND FAMILIES	182	137	45	182	-	-	-	-	-	-	-	
BUSINESS SUPPORT AND RESOURCES	8,895	6,077	2,609	8,686	(209)	-	(209)	-	-	-	-	
DEDICATED SCHOOL GRANT	(52,525)	(41,218)	(11,235)	(52,453)	72	-	72	-	-	-	-	
CARRY FORWARD OF DSG UNDER/(OVER) SPEND	(328)	-	(1,018)	(1,018)	(690)	-	(690)	-	-	-	-	
TOTAL DSG FUNDED SERVICES	-	(4,901)	4,901	-	-	-	-	-	-	-	-	
CHILDREN'S SERVICES DEPRECIATION	2,203	2,203	-	2,203	-	-	-	-	-	-	-	
EDUCATION	3,093	2,145	1,803	3,948	855	-	779	389	(313)	-	76	
EARLY HELP FOR CHILDREN AND FAMILIES	5,296	2,510	2,497	5,007	(289)	-	(289)	663	(663)	-	-	
CHILDREN'S SOCIAL CARE	50,159	37,189	17,166	54,355	4,196	-	3,852	459	(115)	-	344	
BUSINESS SUPPORT AND RESOURCES	1,418	1,303	60	1,363	(55)	-	(55)	-	-	-	-	
LOCAL SERVICES SUPPORT GRANT	(18)	(18)	-	(18)	-	-	-	-	-	-	-	
SCHOOL IMPROVEMENT GRANT	(164)	-	(164)	(164)	-	-	-	-	-	-	-	
TOTAL COUNCIL FUNDED SERVICES	61,987	45,332	21,362	66,694	4,707	-	4,287	1,511	(1,091)	-	420	
TOTALS	61,987	40,431	26,263	66,694	4,707	-	4,287	1,511	(1,091)	-	420	

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 9 months of 2021/22 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

The Children’s Social Care budget was increased by £8.173m in August 2020 following the approval of the refreshed Children’s Services Medium Term Financial Strategy (CSMTFS). The additional investment was required to cover the increase in numbers and unit costs of Looked After Children (LAC) between 2020/21 budget setting and 31st May 2020 and also to develop the placements market and increase the capacity within internal fostering. The CSMTFS aims to reverse the current trend and this investment alongside other service improvements should ensure the service can pay back the budget increase by 2026/27.

However, the Children’s Social Care division had a worsening position since May 2020 of £4,196k, mainly due to the additional support required following the break-down of high cost placements. £344k of this pressure (net of other Covid funding) relates to breakdowns due to Covid.

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 2022/23 and, in the case of overspends, become the first call on the grant in that year.

Education

There is expected to be an overspend of £855k against the Education Service line relating to a £664k Transport Services demand pressures and a historical savings target that wasn't achieved. There are also pressures on an income target and staffing of £115k within the service. The balance of £76k relates to the net Covid cost.

The gross Covid cost of £389k relates to £281k additional transport costs, £94k due to the requirement for school baseline assessments and an additional post in the Special Educational Needs Team of £14k.

Early Help

The Early Help Service is expected to underspend by £289k mainly due to vacant posts across the service.

Covid

The Children's Services Directorate has a gross pressure of £1,511k relating to Covid. This will be reduced by Direct Service Grants totalling £1,091k. The net Covid pressure is £420k which is included in the above table.

Summary of the Children's Services financial position

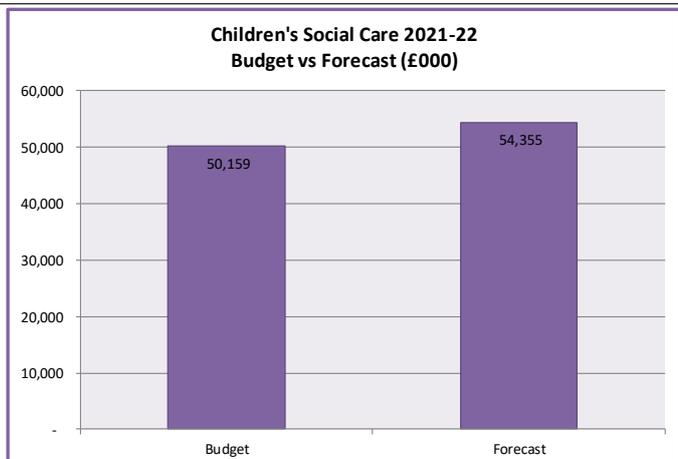
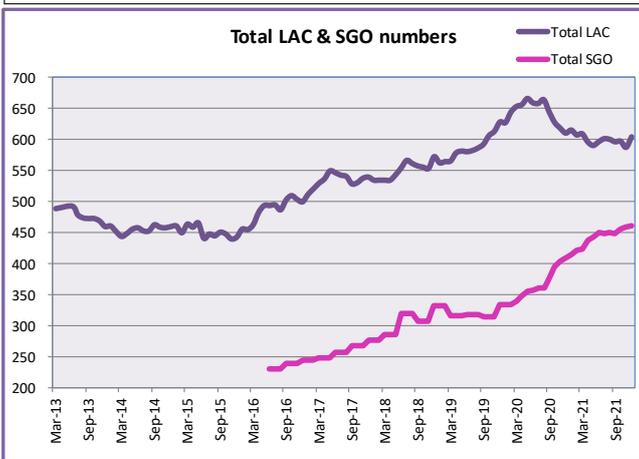
As at the end of December 2021 the Children's Services Directorate is forecasting an overspend of £4,707k for the financial year to March 2022, including £420k of net Covid costs.

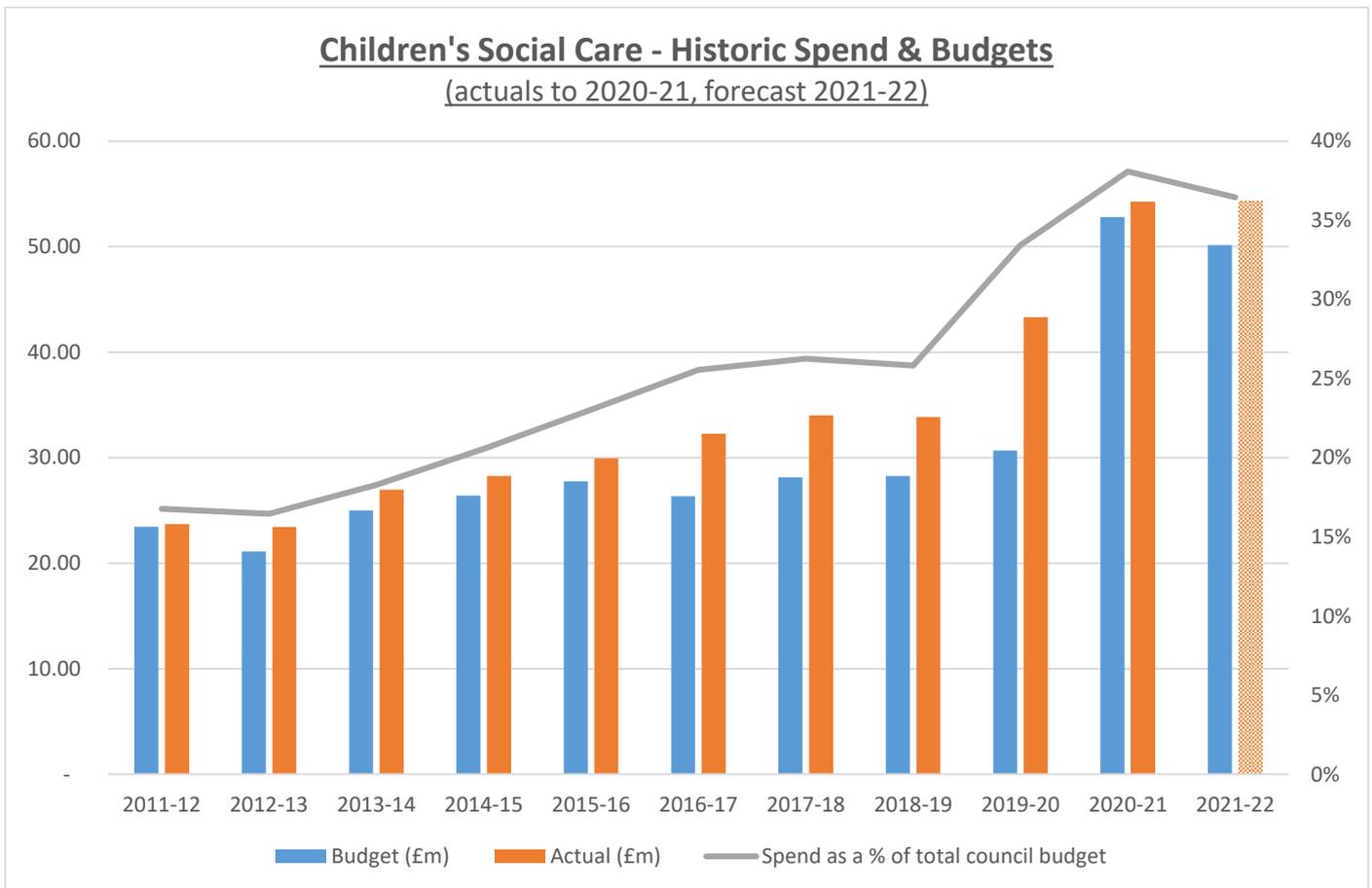
Budget Holder – Victoria Gent, Director of Children's Services

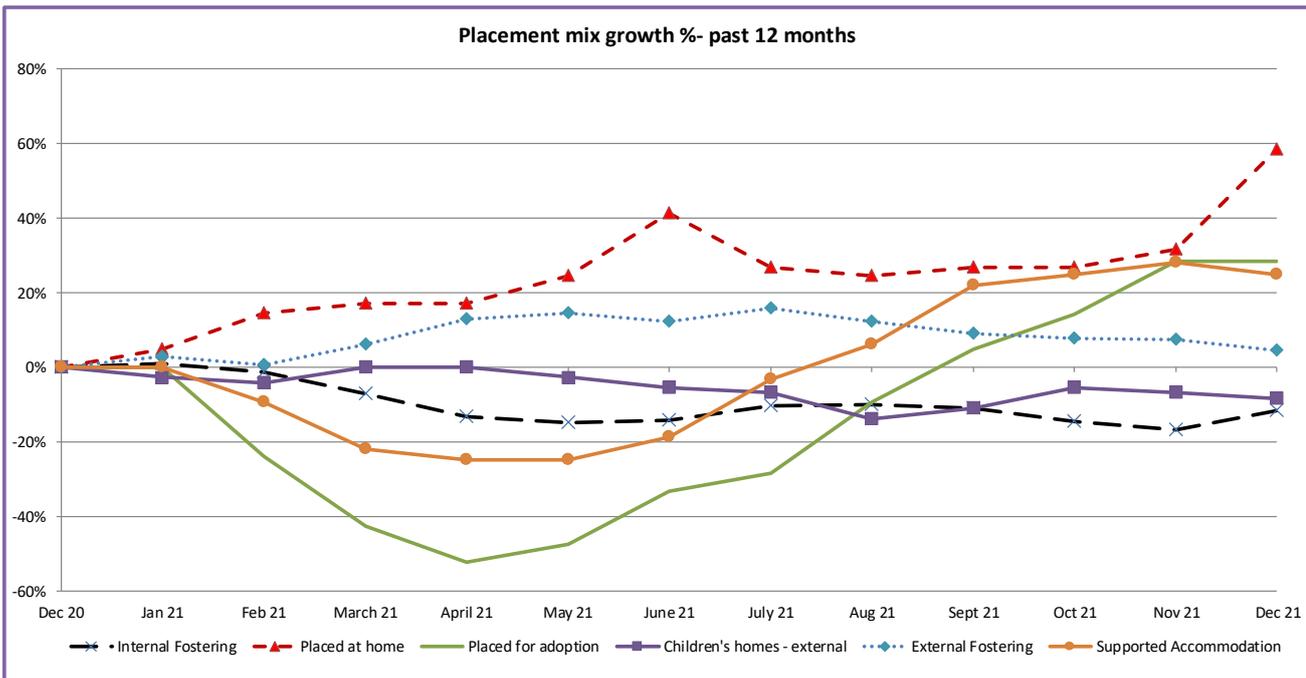
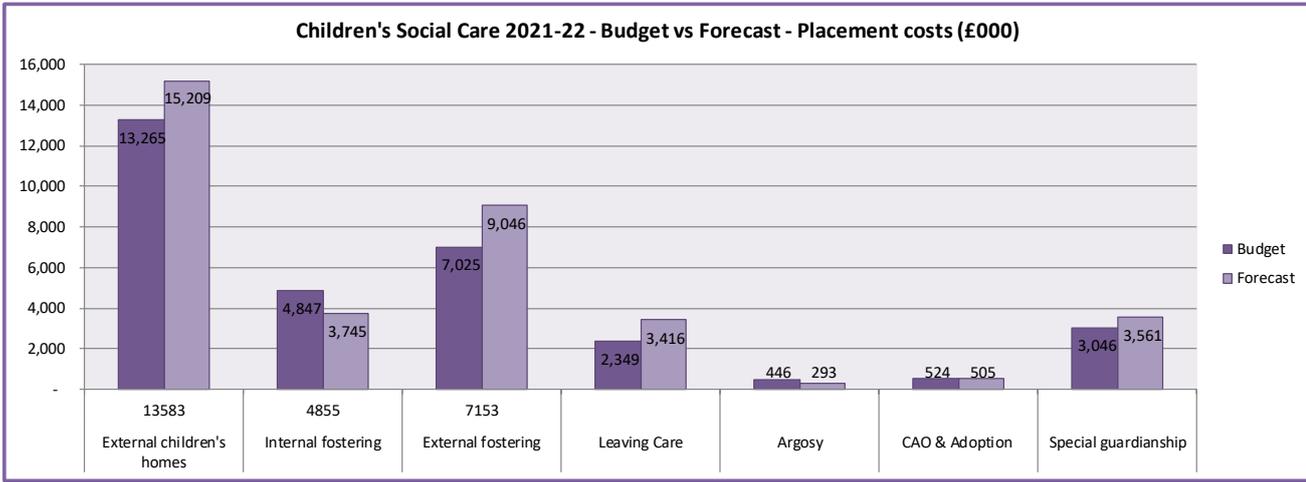
Children's Social Care Trends

Date	External Placements Projection						Supported Accommodation			Internal Fostering			LAC number	SGO	
	Fostering inc M&B			Residential			Number	% of LAC	£ per placement	Number	% of LAC	£ per placement	No.	Number	£ per placement
	Number	% of LAC	£ per placement	Number	% of LAC	£ per placement									
Jun-13	72	15%	36,202	41	8%	111,596	16	3%	no data	263	53%	11,887	492	no data	
Sep-13	66	14%	35,667	33	7%	111,523	17	4%	no data	272	58%	11,908	472	no data	
Dec-13	69	15%	36,560	30	7%	117,073	17	4%	no data	260	57%	11,828	459	no data	
Mar-14	64	14%	34,058	27	6%	118,473	15	3%	no data	248	56%	11,757	443	no data	
Jun-14	74	16%	35,928	25	5%	102,561	18	4%	no data	250	55%	12,833	457	no data	
Sep-14	75	16%	37,655	21	5%	121,210	27	6%	no data	237	51%	12,570	462	no data	
Dec-14	70	15%	38,760	18	4%	124,281	23	5%	no data	243	53%	12,474	459	no data	
Mar-15	73	16%	40,155	23	5%	128,868	19	4%	no data	244	53%	12,374	463	no data	
Jun-15	74	17%	40,625	25	6%	147,777	20	5%	no data	219	50%	12,541	440	no data	
Sep-15	73	16%	40,040	25	6%	142,934	16	4%	no data	225	50%	12,549	450	no data	
Dec-15	70	16%	41,243	27	6%	145,196	17	4%	no data	217	49%	12,428	442	no data	
Mar-16	69	15%	42,215	29	6%	146,120	22	5%	no data	257	56%	12,453	462	no data	
Jun-16	77	16%	42,145	34	7%	157,136	28	6%	38,608	259	53%	12,630	493	230	5,472
Sep-16	84	17%	42,750	32	6%	169,996	27	5%	41,376	254	51%	12,688	502	240	5,582
Dec-16	89	18%	43,038	36	7%	175,954	28	6%	41,037	258	52%	12,857	499	245	5,562
Mar-17	103	19%	43,502	44	8%	179,669	26	5%	42,416	269	51%	12,872	529	249	5,555
Jun-17	100	18%	40,933	49	9%	151,450	26	5%	60,946	272	50%	13,227	546	258	5,576
Sep-17	95	18%	40,991	35	7%	161,487	36	7%	57,928	270	51%	13,213	528	267	5,383
Dec-17	103	19%	41,277	43	8%	162,623	36	7%	58,358	272	50%	13,169	539	277	5,281
Mar-18	98	18%	41,099	44	8%	165,935	30	6%	55,728	273	51%	13,116	534	286	5,109
Jun-18	97	18%	40,083	45	8%	164,794	24	4%	48,006	297	54%	13,403	554	320	5,512
Sep-18	97	17%	40,425	45	8%	159,388	28	5%	46,073	302	54%	13,441	557	308	5,294
Dec-18	99	17%	40,227	47	8%	169,287	33	6%	46,167	305	53%	13,430	572	332	5,175
Mar-19	94	17%	39,536	53	9%	177,477	23	4%	45,845	306	54%	13,289	565	317	5,238
Jun-19	107	18%	42,426	53	9%	172,929	26	4%	68,367	305	53%	13,014	580	318	5,988
Sep-19	116	20%	43,981	58	10%	180,014	32	5%	56,148	294	50%	12,649	592	315	5,693
Dec-19	145	23%	45,812	62	10%	184,396	31	5%	60,289	300	48%	12,854	628	334	5,670
Mar-20	167	26%	45,201	65	10%	183,892	33	5%	61,076	292	45%	13,166	653	339	5,624
Jun-20	175	27%	47,565	69	10%	207,288	32	5%	92,575	284	43%	12,877	659	357	5,882
Sep-20	173	27%	47,125	75	12%	211,328	30	5%	97,225	277	43%	12,979	644	376	6,056
Dec-20	178	29%	47,361	72	12%	209,062	32	5%	105,274	248	41%	14,343	610	410	6,551
Mar-21	189	31%	47,883	72	12%	209,953	25	4%	107,561	230	38%	14,234	609	424	6,685
Jun-21	200	34%	45,809	68	11%	225,246	26	4%	78,324	213	36%	16,619	596	450	7,650
Sep-21	194	33%	47,303	64	11%	229,272	39	7%	70,834	221	37%	17,059	596	448	7,752
Dec-21	186	31%	47,535	66	11%	238,266	40	7%	68,328	219	36%	17,064	604	461	7,884

Note:
The variance between the current total number of Looked After Children (604) and the total internal fostering and external placement numbers (511) is children with care orders, adoption placements etc. They are still classed as LAC but do not incur any commissioned costs. SGO = Special Guardianship Order.







This page is intentionally left blank

Blackpool Council – Public Health

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET		EXPENDITURE		VARIANCE		2020/21 (UNDER)/OVER SPEND B/FWD £000	VARIANCE						
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - DEC £000	2021/22		F/CAST FULL YEAR VAR. (UNDER)/ OVER £000	NON-COVID		COVID-19						
			PROJECTED SPEND £000	FORECAST OUTTURN £000				GROSS	DIRECT SERVICE GRANTS	CCG CONTRIBUTION	SALES, FEES & CHARGES	NET		
PUBLIC HEALTH														
NET EXPENDITURE														
PUBLIC HEALTH DIRECTORATE & CORPORATE SUPPORT	934	632	428	1,060	126	-	126	-	-	-	-	-	-	-
NHS HEALTH CHECKS - MANDATED	100	29	9	38	(62)	-	(62)	-	-	-	-	-	-	-
CHILDREN (5-19) - PUBLIC HEALTH PROGRAMMES	600	450	150	600	-	-	-	-	-	-	-	-	-	-
CHILDREN'S 0-5 SERVICES	2,534	1,788	746	2,534	-	-	-	-	-	-	-	-	-	-
TOBACCO CONTROL	354	80	86	166	(188)	-	(188)	-	-	-	-	-	-	-
MENTAL HEALTH AND WELLBEING	15	(196)	211	15	-	-	-	-	-	-	-	-	-	-
SEXUAL HEALTH SERVICES - MANDATED	1,861	1,172	472	1,644	(217)	-	(217)	-	-	-	-	-	-	-
SUBSTANCE MISUSE (DRUGS AND ALCOHOL)	2,675	1,912	763	2,675	-	-	-	-	-	-	-	-	-	-
HARM REDUCTION (SEXUAL HEALTH, DRUGS AND ALCOHOL)	824	377	447	824	-	-	-	-	-	-	-	-	-	-
HEALTHY WEIGHT/WEIGHT MANAGEMENT	117	117	-	117	-	-	-	-	-	-	-	-	-	-
MISCELLANEOUS PUBLIC HEALTH SERVICES	8,497	(2,405)	11,420	9,015	518	-	518	3,473	(3,473)	-	-	-	-	-
COMMUNITY ENGAGEMENT & CORPORATE ENGAGEMENT	28	29	16	45	17	-	17	-	-	-	-	-	-	-
GRANT	(18,512)	(14,029)	(4,677)	(18,706)	(194)	-	(194)	-	-	-	-	-	-	-
TOTALS	27	(10,044)	10,071	27	-	-	-	3,473	(3,473)	-	-	-	-	-

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 9 months of 2021/22 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.

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.

The Public Health Directorate are forecasting an overall spend of the full grant, £18,705,648, for the financial year to March 2022.

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 December 2021, the Public Health Directorate are forecasting a break-even position for the financial year to March 2022.

Since March 2020 Public Health has been responding to the outbreak of Covid to protect the population of Blackpool. A single point of contact has been established to respond to calls/e-mails actioned by appropriately qualified and informed Public Health staff. A Public Health Duty Desk has been set up to respond to incident and outbreaks offering specialist guidance, advice and support. During the pandemic, the team have developed Community Hubs, including supporting the homeless population, to ensure that those left vulnerable from Covid receive the support they need, for example food, welfare checks, medication, accommodation, etc.

The Public Health team opted to support the Government's NHS Test and Trace service by contact tracing and providing support for all positive cases in Blackpool. More recently the Public Health team are supporting with the vaccination programme delivery, aiming to get the most vulnerable people in Blackpool fully vaccinated.

The spend relating to this work is estimated to be £3.473m in 2021/22 and is being funded through a ring-fenced Test and Trace service support grant and Contain Outbreak Management Fund from the Department of Health and Social Care, and therefore has no financial impact on the budgetary position for the directorate.

There has been reduced activity against some of our PbR contracts as a result of COVID impacting our provider's ability to offer routine treatments. These savings have offset a shortfall in income generation for the directorate.

Budget Holder – Dr Arif Rajpura, Director of Public Health

Blackpool Council – Budgets Outside the Cash Limit

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2020/21 (UNDER)/OVER SPEND B/FWD £000	VARIANCE					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - DEC £000	2021/22		F/CAST FULL YEAR VAR. (UNDER) / OVER £000		NON-COVID	COVID-19				
			PROJECTED SPEND £000	FORECAST OUTTURN £000			£000	GROSS £000	DIRECT SERVICE GRANTS £000	CCG CONTRIBUTION £000	SALES, FEES & CHARGES £000	NET £000
BUDGETS OUTSIDE THE CASH LIMIT												
NET EXPENDITURE												
TREASURY MANAGEMENT	3,710	1,348	450	1,798	(1,912)	-	(1,912)	-	-	-	-	-
PARKING SERVICES	(4,554)	(3,927)	(627)	(4,554)	-	-	(198)	501	(1)	-	(302)	198
CORPORATE SUBSCRIPTIONS	134	111	23	134	-	-	-	-	-	-	-	-
HOUSING BENEFITS	1,472	1,099	373	1,472	-	-	-	-	-	-	-	-
COUNCIL TAX & NDR COST OF COLLECTION	1,104	825	279	1,104	-	-	-	-	-	-	-	-
SUBSIDIARY COMPANIES	(37)	(73)	(213)	(286)	(249)	-	(1,247)	1,394	(151)	-	(245)	998
LAND CHARGES	(51)	(87)	36	(51)	-	-	-	-	-	-	-	-
CONCESSIONARY FARES	4,932	1,494	2,549	4,043	(889)	-	(2,294)	1,906	(501)	-	-	1,405
EMPLOYERS PREVIOUS YEARS' PENSION LIABILITY	1,317	988	329	1,317	-	-	-	-	-	-	-	-
NEW HOMES BONUS	(45)	(34)	(11)	(45)	-	-	-	-	-	-	-	-
TOTALS	7,982	1,744	3,188	4,932	(3,050)	-	(5,651)	3,801	(653)	-	(547)	2,601

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 9 months of 2021/22 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 a favourable variance of £1,912k. The Council is currently using temporary and long-term borrowing to finance Prudentially-funded capital expenditure. While temporary investment rates and temporary borrowing rates are low, the Treasury team will continue to use a mix of both temporary and long-term borrowing to fund planned capital expenditure. The Business Loans Fund now has a savings target of £3,309k and there is some slippage in the loans being made to date.

Following a review of the Minimum Revenue Provision (MRP), which was approved by the Executive on 8th February 2021, a total of £6.7m of saving has been forecast to be achieved in 2021/22.

Parking Services

Parking Services is expecting a break-even position in year. There is an expected pressure relating to reduced parking income in the first quarter due to Covid. An increase in income expected in the last quarter of the year as well as assuming that £302k of income from the Sales, Fees & Charges compensation scheme is allocated to the service, means the service is now able to report a break-even position.

The graphs below show, for comparison, the patronage and income figures for 2019/20, 2020/21 and 2021/22.

Housing Benefit

This service is forecasting a break-even position.

Council Tax and NNDR Cost of Collection

This service is forecasting a break-even position.

Subsidiary Companies

A favourable variance of £249k is forecast for subsidiary companies. A net pressure of £998k relating to Covid remains after £245k is recovered from the Sales, Fees & Charges compensation scheme as well as £151k of other Covid funding. This is offset by the additional funding provided in 2021/22 from the Medium Term Financial Plan as well as some expected reduction in charges, mainly relating to debt management.

Land Charges

This service is expected to break-even.

Concessionary Fares

This service is expected show an underspend of £889k. This includes £1,405k pressure due to the current restrictions relating to Covid after £501k of other Covid funding has been applied. The full year estimate is based on payments to the end of the financial year using an average of 4 specific periods in 2019/20. After the government announcement of further restrictions, the compensation scheme in use in 2020/21 has been extended until the end of the financial year 2022. A reduction in passenger numbers is also reflected.

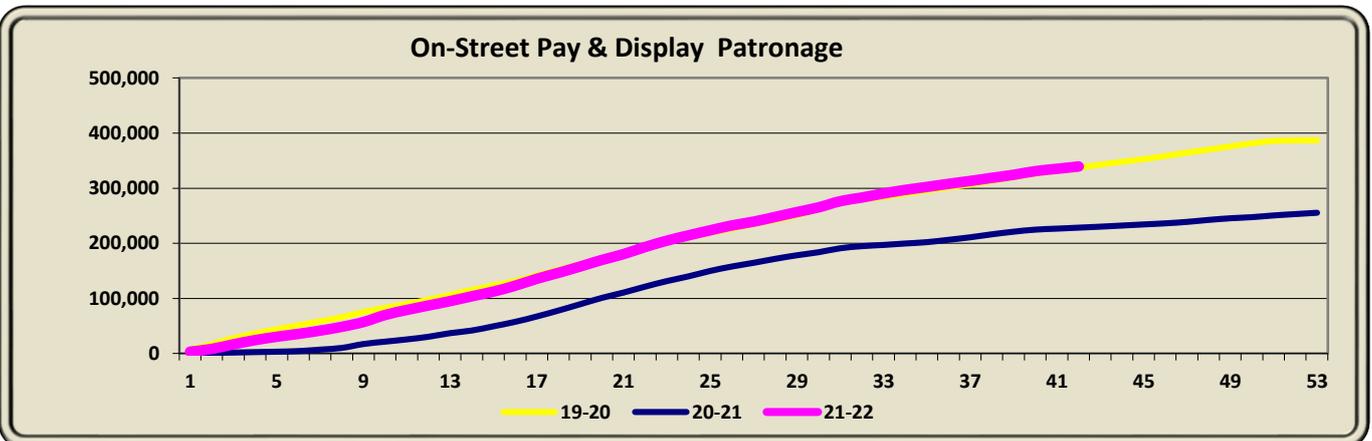
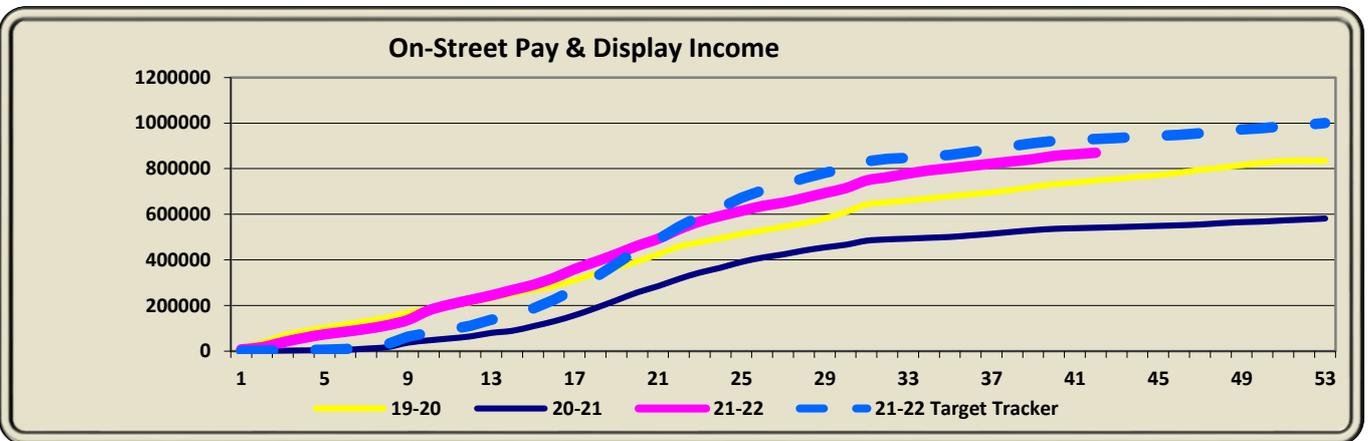
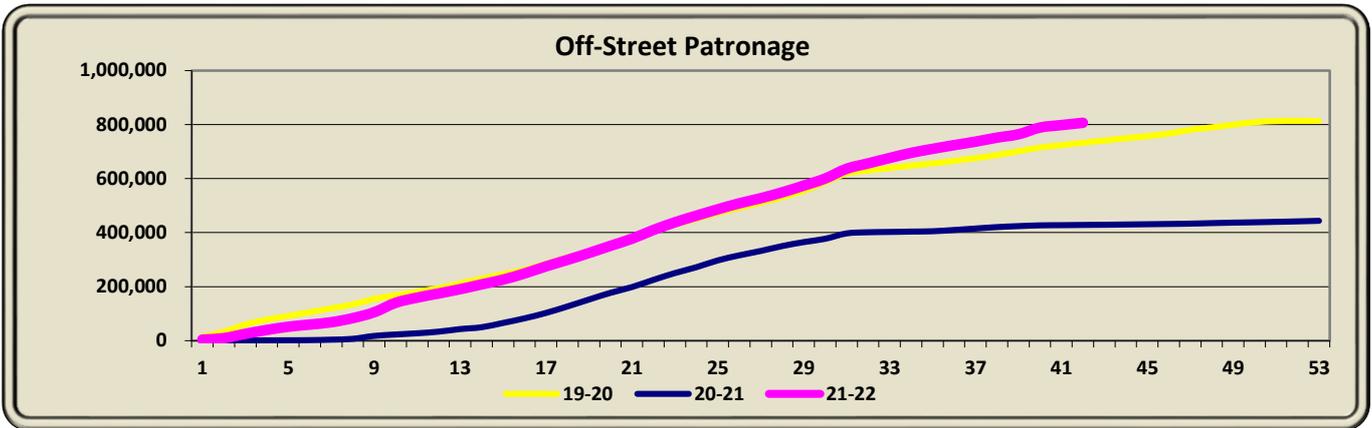
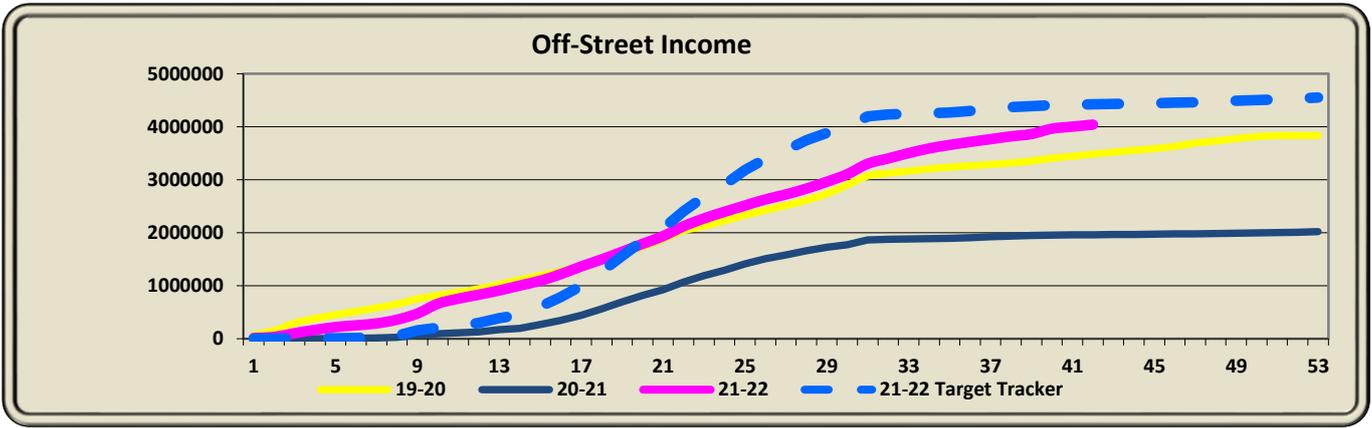
Covid

Services falling Outside the Cash Limit have a gross pressure of £3,801k relating to Covid. Following the reallocation of Covid funding relating to the Sales, Fees and Charges compensation claims amounting to £547k and other Covid funding of £653k, the net Covid pressure is £2,601k, which is included in the above table.

Summary of the revenue forecasts

After 9 months of the financial year, the Budgets Outside the Cash Limit services are forecasting a £3,050k underspend. This still includes £2,601k net Covid related costs.

Car Parking Trends



This page is intentionally left blank