

# Public Document Pack

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Dear Councillor

## **EXECUTIVE - MONDAY, 21ST MARCH, 2022**

Please find attached updated the appendices related to the Financial Performance Monitoring Item Monday, 21st March, 2022 meeting of the Executive, forwarded to Members under separate cover.

| <b>Agenda No</b> | <b>Item</b> |
|------------------|-------------|
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| 2 | <b><u>FINANCIAL PERFORMANCE MONITORING AS AT MONTH 10 2021/22 (Pages 1 - 60)</u></b> |
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Yours sincerely

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**BLACKPOOL COUNCIL**  
**REPORT**  
**of the**  
**DIRECTOR OF RESOURCES**  
**to the**  
**EXECUTIVE**  
**21<sup>ST</sup> MARCH 2022**

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**FINANCIAL PERFORMANCE MONITORING AS AT MONTH 10 2021/22**

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**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 10 months of 2021/22, ie. the period to 31<sup>st</sup> January 2022, 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 January 2022 (Round 19), required by the Department for Levelling Up, Housing and Communities (DLUHC), is due for completion by 4<sup>th</sup> March 2022 and has been reconciled to these figures.

### 3. Directorates' Budget Performance

- 3.1 The Provisional Outturn Report 2020/21 was reported to the Executive on 14<sup>th</sup> 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 11<sup>th</sup> 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 £5,844k (of which £3,598k is Covid-related) to a surplus of £449k 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 10 forecast overspend of **£5,844k** for 2021/22 are summarised below:-

| Directorate                | Service  | Forecast Variance<br>£000 |
|----------------------------|--|---------------------------|
| Children's Services        | <p>An overspend of £5,022k 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 31<sup>st</sup> 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 £4,630k, 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 January 2022 LAC numbers stand at <b>604</b> which is the same as December 2021. There is expected to be a net overspend in Education of £847k. 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 £107k 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 £375k due to vacant posts across the service.</p> | 5,022                     |
| 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) &amp; 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 £1,679k 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 £6,929k 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 £2,516k including £1,275k 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 £124k, increased borrowing costs of £740k and increased insurance costs of £25k less increased Golden Mile income of £30k and an improved attraction performance of £360k. There is a £1,275k net loss relating to Covid restrictions after assuming modest income from the Sales, Fees &amp; Charges compensation scheme of £287k relating to quarter 1 and £460k of other Covid funding. This pressure has decreased from period 9 due to an improvement in performance. In accordance with the original decision for this programme by the Executive on 7<sup>th</sup> February 2011 the projected overspend on Strategic Leisure Assets of £1,241k (excluding Covid costs) will be carried forward and transferred to Earmarked Reserves. The forecast cumulative deficit as at 31<sup>st</sup> March 2022 is £16,176k. 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> | 1,275 |
| Communications and Regeneration | <p>An overspend of £554k is forecast including £328k net Covid costs. The Illuminations service is currently forecasting a pressure of £284k. This is made up of £100k additional cost of extending the Illuminations period till the end of December and a security cost of £32k plus a net Covid pressure of £152k relating to £151k 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 £274k. A net Covid pressure of £176k relates to £241k of lost advertising income on shelters, £110k of lost resort pass and ticket sale income, £27k of lost income from Switch on and Slimefest events due to reduced capacity and £63k of other lost event income after £34k of Sales, Fees &amp; Charges compensation scheme income and £231k of other Covid funding has been applied. There is a non-Covid pressure of £98k forecast which relates to sponsorship, event costs and increased rates costs on shelters offset by additional income generated by the Communications team. Welcome Back project expenditure of £180k has all been covered by grant funding. There is an expected pressure of £26k in Print Services due to a reduced income forecast.</p>                               | 554   |

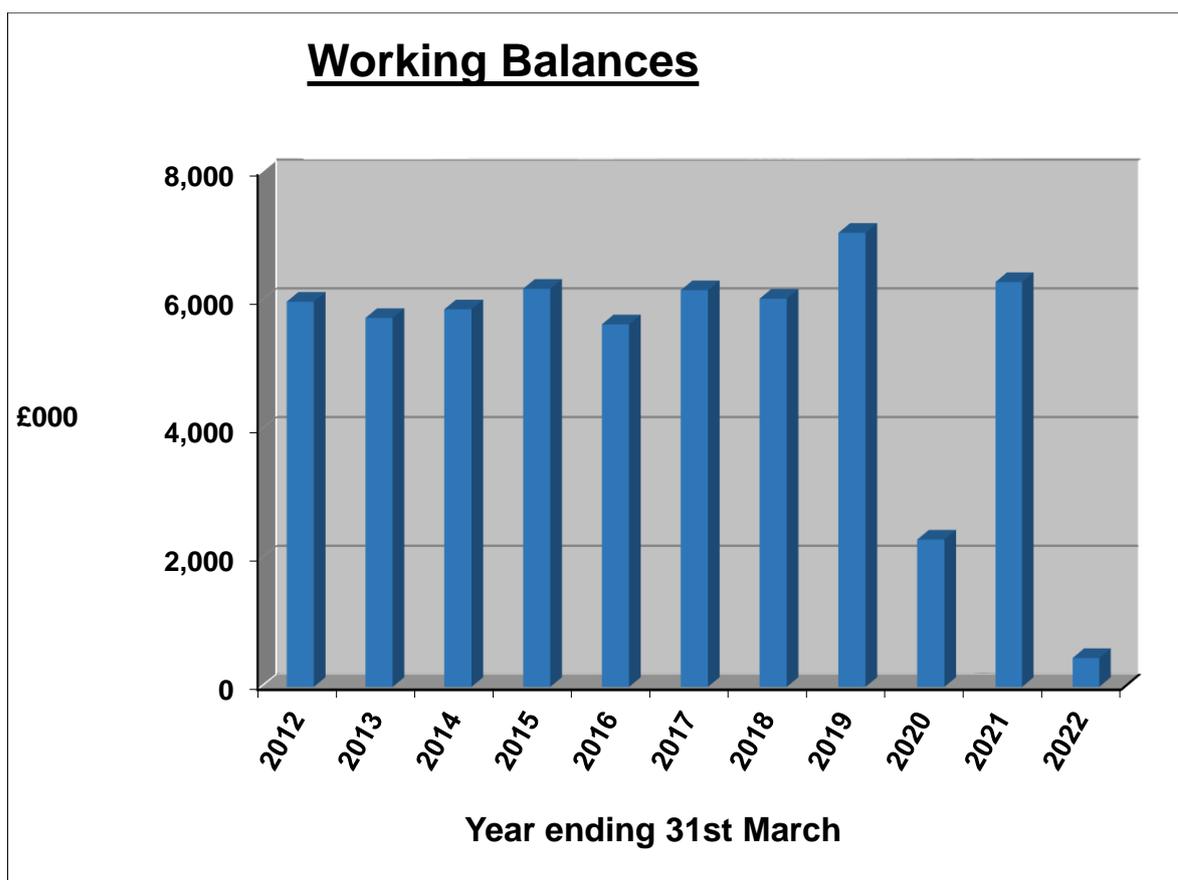
|                                      |   |     |
|--------------------------------------|---|-----|
| Adult Services                       | An overspend of £524k is forecast including net nil Covid costs. Adult Commissioning Placements is forecasting a £808k overspend. The total Covid cost of £9,025k is partially offset by the Infection Prevention Control grant (£1,947k), 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 (£1,679k). 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 £808k relates to increased demand within Complex Cases and Supported Living. Care and Support is forecasting an underspend of £249k due to staffing vacancies within the service. The Covid cost of £204k has been met by the Infection Prevention Control grant. | 524 |
| 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 £27k is forecast of which £385k is attributable to net Covid costs. The Leisure service is forecasting lost income in relation to Covid of £731k, due to memberships and patronage at leisure centres not increasing as quickly as hoped after re-opening. 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 £248k 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 £80k due to staffing vacancies and Waste Services are reporting a surplus of £70k due to increased income within Trade Waste.  | 27  |
| 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 in due diligence work, planning  | Nil |

|               |   |     |
|---------------|---|-----|
|               | <p>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. 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 8<sup>th</sup> 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 support the Government's NHS Test and Trace service by</p>   | Nil |

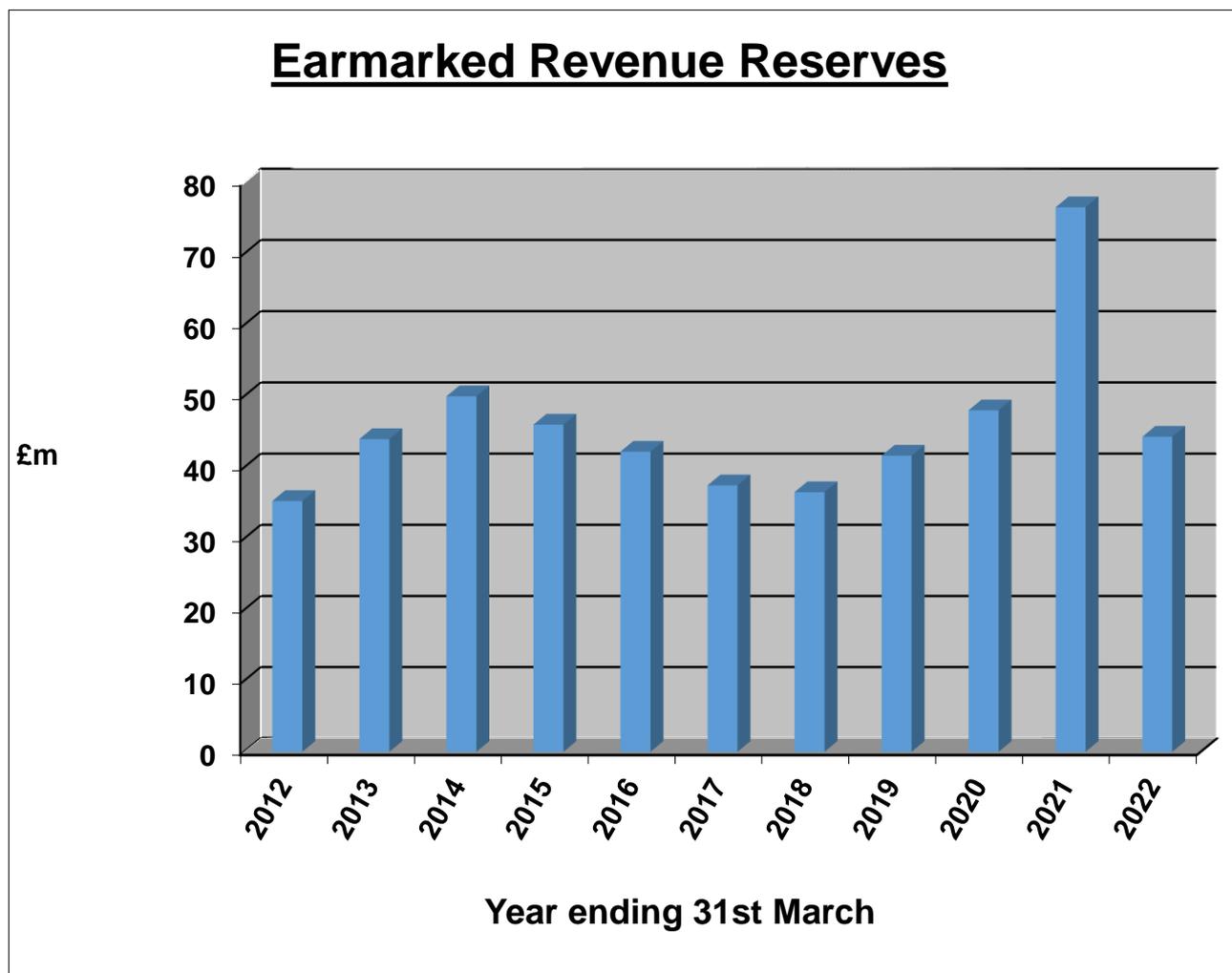
|                                |  |         |
|--------------------------------|--|---------|
|                                | <p>contact tracing and providing support for all positive cases in Blackpool. More recently the Public Health team have been supporting with the vaccination programme delivery, 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 £126k is forecast including a net Covid pressure of £73k assuming Sales, Fees &amp; 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>   | (126)   |
| Budgets Outside the Cash Limit | <p>An underspend of £3,067k 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 &amp; 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 &amp; 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 restrictions, the compensation scheme in use in 2020/21</p> | (3,067) |

|              |  |              |
|--------------|--|--------------|
|              | <p>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 £1,929k. 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 8<sup>th</sup> February 2021 a total of £6.7m of saving has been forecast to be achieved in 2021/22.</p> |              |
| <b>Total</b> |  | <b>5,844</b> |

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 31<sup>st</sup> March 2022, is shown below:



3.7 Earmarked Revenue Reserves (ERR)

|   | £m            |
|---|---------------|
| Provisional Earmarked Revenue Reserves as at 1 <sup>st</sup> 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            | (1.251)       |
| 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 10                                  | (0.458)       |
| Less 75% Income Tax Guarantee   | (1.100)       |
| Add Contingency Contribution to Insurance and NNDR reserve              | 1.850         |
| Add Contingency Transfer to ERR to cover SLA 2021/22 onwards            | <u>2.987</u>  |
| Forecast Earmarked Revenue Reserves as at 31 <sup>st</sup> January 2022 | <u>49.554</u> |
| Forecast Earmarked Revenue Reserves as at 31 <sup>st</sup> 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 £22,098k gross (**£3,598k net**) of which funding of £15,337k has been assumed from DLUHC Covid support funding (£14,148k) and the Sales, Fees & Charges compensation scheme (£1,189k). It is anticipated that a recharge of £1,679k of these costs will be made to Blackpool Clinical Commissioning Group for Enhanced Hospital Discharges. This leaves a residual pressure to the Council of £5,082k. A further £1,484k of Covid Grants relating to 2021/22 is yet to be allocated. The Council's January 2022 Covid financial monitoring return (Round 19) to DLUHC, is due on the 4<sup>th</sup> March 2022 and has been reconciled to the above figures.
- 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 January 2022.

#### 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 31<sup>st</sup> January 2022 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 10 the amount collected for Council Tax (excluding Police and Fire precepts) was £52.1m and the collection rate was **83.2%**. This compares to £50.0m and 83.1% at the same point in 2020/21. The amount collected has risen by £2.1m 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 29<sup>th</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> 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 7<sup>th</sup> 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 10 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 £2.60m and the collection rate was **57.7%**. This compares to £1.72m and 61.7% 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 1<sup>st</sup> 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 1<sup>st</sup> April 2013 to 31<sup>st</sup> 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 1<sup>st</sup> April 2019 the income relating to Blackpool is shared between central government (25%), the Council (73.5%) and the Fire Authority (1.5%).

From 1<sup>st</sup> 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 10 the amount collected for Business Rates was £26.5m and the collection rate was **79.0%**. This compares to £14.2m and 77.1% 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 10 months to the end of January 2022.

Subject to audit, the Business Rate cumulative deficit as at 31<sup>st</sup> 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 10 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 10 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 10 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.

## 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 10. 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 10-month period there has been an increase in Property, Plant and Equipment of £50.9m 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 £17.6m and an increase in Cash and Cash Equivalents of £6.3m 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 £3.60m 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 10 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 £5,844k including an overspend of **£3,598k** 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 2 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  
24<sup>th</sup> February 2022

## 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 | VARIANCE     |                 |                       |                           |                       |                |                |
|  |  | ADJUSTED CASH LIMITED BUDGET £000 | EXPENDITURE APR-JAN £000 | PROJECTED SPEND 2021/22 £000 | FORECAST OUTTURN £000 | F/CAST FULL YEAR VAR. (UNDER) / OVER £000 |                                  | NON-COVID    | GROSS           | DIRECT SERVICE GRANTS | COVID-19 CCG CONTRIBUTION | SALES, FEES & CHARGES | NET            |                |
| £000   |  |                                   |                          |                              |                       |   |                                  |              |                 |                       |                           |                       |                |                |
| 2(a)   | CHIEF EXECUTIVE  | 1,059                             | (298)                    | 1,257                        | 959                   | (100)                                     | -                                | (100)        | 177             | (177)                 | -                         | -                     | -              |                |
| 2(b)   | GOVERNANCE & PARTNERSHIP SERVICES                        | 1,805                             | 2,280                    | (168)                        | 2,112                 | 307                                       | -                                | 307          | 5               | (5)                   | -                         | -                     | -              |                |
| 2(b/c)   | WARD BUDGETS   | 353                               | 26                       | 327                          | 353                   | -   | (63)                             | -            | -               | -                     | -                         | -                     | -              |                |
| 2(d)   | RESOURCES  | 3,108                             | 7,017                    | (4,035)                      | 2,982                 | (126)                                     | -                                | (199)        | 260             | (164)                 | -                         | (23)                  | 73             |                |
| 2(e)   | COMMUNICATIONS AND REGENERATION                          | 3,845                             | 2,802                    | 1,597                        | 4,399                 | 554                                       | -                                | 226          | 789             | (424)                 | -                         | (37)                  | 328            |                |
| 2(f)   | STRATEGIC LEISURE ASSETS                                 | 968                               | 4,064                    | (580)                        | 3,484                 | 2,516                                     | -                                | 1,241        | 2,022           | (460)                 | -                         | (287)                 | 1,275          |                |
|  | STRATEGIC LEISURE ASSETS - TRANSFER FROM RESERVES        | -                                 | -                        | (1,241)                      | (1,241)               | (1,241)                                   | -                                | (1,241)      | -               | -                     | -                         | -                     | -              |                |
| 2(g)   | GROWTH & PROSPERITY                                      | (7,638)                           | (10,365)                 | 12,039                       | 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                       | 44,201                            | 32,954                   | 11,274                       | 44,228                | 27  | -                                | (358)        | 731             | (114)                 | -                         | (232)                 | 385            |                |
| 2(i)   | ADULT SERVICES   | 61,737                            | 47,254                   | 15,007                       | 62,261                | 524                                       | -                                | 524          | 9,229           | (7,550)               | (1,679)                   | -                     | -              |                |
| 2(j)   | CHILDREN'S SERVICES                                      | 62,001                            | 48,106                   | 18,917                       | 67,023                | 5,022                                     | -                                | 4,602        | 1,511           | (1,091)               | -                         | -                     | 420            |                |
| 2(k)   | PUBLIC HEALTH  | 27                                | (13,602)                 | 13,629                       | 27                    | -   | -                                | -            | 3,473           | (3,473)               | -                         | -                     | -              |                |
| 2(l)   | BUDGETS OUTSIDE THE CASH LIMIT                           | 7,781                             | 1,990                    | 2,724                        | 4,714                 | (3,067)                                   | -                                | (5,668)      | 3,801           | (653)                 | -                         | (547)                 | 2,601          |                |
|  | CAPITAL CHARGES  | (29,589)                          | (24,658)                 | (4,931)                      | (29,589)              | -   | -                                | -            | -               | -                     | -                         | -                     | -              |                |
|  | <b>NET COST OF SERVICES:</b>                             | <b>149,658</b>                    | <b>97,570</b>            | <b>56,504</b>                | <b>154,074</b>        | <b>4,416</b>                              | <b>(63)</b>                      | <b>(666)</b> | <b>22,098</b>   | <b>(14,148)</b>       | <b>(1,679)</b>            | <b>(1,189)</b>        | <b>5,082</b>   |                |
|  | 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                           | -                                 | -                        | -                            | -                     | -   | -                                | (1,679)      | -               | 1,679                 | -                         | -                     | -              |                |
|  | - SALES, FEES & CHARGES - COVID COMPENSATION             | -                                 | -                        | -                            | -                     | -   | -                                | (1,189)      | -               | -                     | -                         | 1,189                 | -              |                |
|  | CONTINGENCIES  | 1,698                             | -                        | 3,126                        | 3,126                 | 1,428                                     | -                                | 2,912        | (5,545)         | 4,061                 | -                         | -                     | (1,484)        |                |
|  | LEVIES   | 456                               | -                        | 456                          | 456                   | -   | -                                | -            | -               | -                     | -                         | -                     | -              |                |
|  | <b>CONTRIBUTIONS, etc.</b>                               | <b>(596)</b>                      | <b>-</b>                 | <b>832</b>                   | <b>832</b>            | <b>1,428</b>                              | <b>-</b>                         | <b>2,912</b> | <b>(8,413)</b>  | <b>4,061</b>          | <b>1,679</b>              | <b>1,189</b>          | <b>(1,484)</b> |                |
|  | <b>TOTAL NET EXPENDITURE TO BE MET FROM PUBLIC FUNDS</b> | <b>149,062</b>                    | <b>97,570</b>            | <b>57,336</b>                | <b>154,906</b>        | <b>5,844</b>                              | <b>-</b>                         | <b>2,246</b> | <b>13,685</b>   | <b>(10,087)</b>       | <b>-</b>                  | <b>-</b>              | <b>3,598</b>   |                |
|  | ADDED TO/(TAKEN FROM) BALANCES                           | -                                 | -                        | (5,844)                      | (5,844)               | (5,844)                                   | -                                | (2,246)      | (13,685)        | 10,087                | -                         | -                     | (3,598)        |                |
|  | <b>NET REQUIREMENT AFTER WORKING BALANCES</b>            | <b>149,062</b>                    | <b>97,570</b>            | <b>51,492</b>                | <b>149,062</b>        | <b>-</b>                                  | <b>-</b>                         | <b>-</b>     | <b>-</b>        | <b>-</b>              | <b>-</b>                  | <b>-</b>              | <b>-</b>       |                |
| <b>GENERAL BALANCES AS AT 1st APRIL 2021 PER UNAUDITED STATEMENT OF ACCOUNTS 2020/21</b> |  |                                   |                          |                              |                       |   | <b>6,293</b>                     | <b>6,293</b> | <b>-</b>        | <b>-</b>              | <b>-</b>                  | <b>-</b>              | <b>-</b>       |                |
| In-year (reduction in) / addition to General Fund Working Balances                       |  |                                   |                          |                              |                       |   | (5,844)                          | (2,246)      | (13,685)        | 10,087                | -                         | -                     | -              | (3,598)        |
| <b>ESTIMATED UNMARKED WORKING BALANCES AS AT 31st MARCH 2022</b>                         |  |                                   |                          |                              |                       |   | <b>449</b>                       | <b>4,047</b> | <b>(13,685)</b> | <b>10,087</b>         | <b>-</b>                  | <b>-</b>              | <b>-</b>       | <b>(3,598)</b> |

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## Blackpool Council - Chief Executive

### Revenue summary - budget, actual and forecast:

| FUNCTIONS OF THE SERVICE                                   | BUDGET                                     | EXPENDITURE                      |                            |                             | VARIANCE   | 2020/21<br>(UNDER)/OVER<br>SPEND B/FWD<br>£000 | VARIANCE          |               |                                  |                             |                                  |             |
|--|--|----------------------------------|----------------------------|-----------------------------|--|--|-------------------|---------------|----------------------------------|-----------------------------|----------------------------------|-------------|
|  | ADJUSTED<br>CASH LIMITED<br>BUDGET<br>£000 | EXPENDITURE<br>APR - JAN<br>£000 | 2021/22                    |                             | F/CAST FULL<br>YEAR VAR.<br>(UNDER) / OVER<br>£000 |  | NON-COVID<br>£000 | COVID-19      |                                  |                             |                                  |             |
|  |  |                                  | PROJECTED<br>SPEND<br>£000 | FORECAST<br>OUTTURN<br>£000 |  |  |                   | GROSS<br>£000 | DIRECT SERVICE<br>GRANTS<br>£000 | CCG<br>CONTRIBUTION<br>£000 | SALES, FEES<br>& CHARGES<br>£000 | NET<br>£000 |
| CHIEF EXECUTIVE  |  |                                  |                            |                             |  |  |                   |               |                                  |                             |                                  |             |
| NET EXPENDITURE  |  |                                  |                            |                             |  |  |                   |               |                                  |                             |                                  |             |
| CHIEF EXECUTIVE  | 572  | 473                              | 99                         | 572                         | -  | -  | -                 | -             | -                                | -                           | -                                | -           |
| HUMAN RESOURCES, ORGANISATION<br>AND WORKFORCE DEVELOPMENT | (48)                                       | (474)                            | 426                        | (48)                        | -  | -  | -                 | -             | -                                | -                           | -                                | -           |
| CHIEF EXECUTIVE TOTAL                                      | 524  | (1)                              | 525                        | 524                         | -  | -  | -                 | -             | -                                | -                           | -                                | -           |
| CORPORATE DELIVERY UNIT                                    | (22)                                       | (320)                            | 263                        | (57)                        | (35)   | (35)   | -                 | -             | -                                | -                           | -                                | -           |
| HOUSING  | 557  | 23                               | 469                        | 492                         | (65)   | (65)   | 177               | (177)         | -                                | -                           | -                                | -           |
| ASSISTANT CHIEF EXECUTIVE                                  | 535  | (297)                            | 732                        | 435                         | (100)  | -  | (100)             | 177           | (177)                            | -                           | -                                | -           |
| TOTALS   | 1,059                                      | (298)                            | 1,257                      | 959                         | (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 10 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.

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## Blackpool Council – Governance and Partnership Services

### Revenue summary - budget, actual and forecast:

| FUNCTIONS OF THE SERVICE                     | BUDGET                                     | EXPENDITURE                     |                            |                             | VARIANCE   | 2020/21<br>(UNDER)/OVER<br>SPEND B/FWD<br>£000 | VARIANCE          |               |                                  |                             |                                  |
|--|--|---------------------------------|----------------------------|-----------------------------|--|--|-------------------|---------------|----------------------------------|-----------------------------|----------------------------------|
|  | ADJUSTED<br>CASH LIMITED<br>BUDGET<br>£000 | EXPENDITURE<br>APR -JAN<br>£000 | PROJECTED<br>SPEND<br>£000 | FORECAST<br>OUTTURN<br>£000 | F/CAST FULL<br>YEAR VAR.<br>(UNDER) / OVER<br>£000 |  | NON-COVID<br>£000 | COVID-19      |                                  |                             |                                  |
|  |  |                                 |                            |                             |  |  |                   | GROSS<br>£000 | DIRECT SERVICE<br>GRANTS<br>£000 | CCG<br>CONTRIBUTION<br>£000 | SALES, FEES<br>& CHARGES<br>£000 |
| <b>GOVERNANCE &amp; PARTNERSHIP SERVICES</b> |  |                                 |                            |                             |  |  |                   |               |                                  |                             |                                  |
| <b>NET EXPENDITURE</b>                       |  |                                 |                            |                             |  |  |                   |               |                                  |                             |                                  |
| DEMOCRATIC GOVERNANCE                        | 2,188                                      | 2,176                           | 12                         | 2,188                       | -  | -  | 3                 | (3)           | -                                | -                           | -                                |
| CORPORATE LEGAL SERVICES                     | -  | (40)                            | 290                        | 250                         | 250  | -  | 250               | -             | -                                | -                           | -                                |
| INFORMATION GOVERNANCE                       | 3  | 35                              | (25)                       | 10                          | 7  | -  | 7                 | -             | -                                | -                           | -                                |
| LIFE EVENTS & CUSTOMER CARE                  | (386)                                      | 109                             | (445)                      | (336)                       | 50   | -  | 50                | 2             | (2)                              | -                           | -                                |
| <b>GOVERNANCE &amp; PARTNERSHIP SERVICES</b> | <b>1,805</b>                               | <b>2,280</b>                    | <b>(168)</b>               | <b>2,112</b>                | <b>307</b>   | <b>-</b>                                       | <b>307</b>        | <b>5</b>      | <b>(5)</b>                       | <b>-</b>                    | <b>-</b>                         |
| WARDS  | 353  | 26                              | 327                        | 353                         | -  | (63)   | -                 | -             | -                                | -                           | -                                |
| <b>TOTALS</b>                                | <b>2,158</b>                               | <b>2,306</b>                    | <b>159</b>                 | <b>2,465</b>                | <b>307</b>   | <b>(63)</b>                                    | <b>307</b>        | <b>5</b>      | <b>(5)</b>                       | <b>-</b>                    | <b>-</b>                         |

### 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 10 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 10**

## 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<br>BC1001/BC1101 | Cllr. Galley<br>Cllr. A Williams     | 0<br>0                              | 0<br>0                       | 0<br>0                | 0<br>0                              | £7,602.07<br>£7,602.08   | £0.00<br>£0.00                               | £7,602.07<br>£7,602.08   |
| Bispham Ward<br>BC1002/BC1102      | Cllr. Clapham<br>Cllr. Wilshaw       | 3<br>3                              | 3<br>3                       | 0<br>0                | 1<br>1                              | £8,814.88<br>£8,814.88   | £1,348.00<br>£1,348.00                       | £7,466.88<br>£7,466.88   |
| Bloomfield Ward<br>BC1003/BC1103   | Cllr. Cain<br>Cllr. Hobson           | 3<br>8                              | 3<br>8                       | 0<br>0                | 3<br>5                              | £8,445.95<br>£8,445.95   | £360.20<br>£3,108.38                         | £8,085.75<br>£5,337.57   |
| Brunswick Ward<br>BC1004/BC1104    | Cllr. Blackburn<br>Cllr. G Coleman   | 0<br>0                              | 0<br>0                       | 0<br>0                | 0<br>0                              | £8,823.68<br>£8,823.68   | £0.00<br>£0.00                               | £8,823.68<br>£8,823.68   |
| Claremont Ward<br>BC1005/BC1105    | Cllr. Taylor<br>Cllr. L Williams     | 8<br>6                              | 7<br>6                       | 1<br>0                | 7<br>6                              | £9,073.45<br>£9,073.44   | £4,191.62<br>£2,727.66                       | £4,881.83<br>£6,345.78   |
| Clifton Ward<br>BC1006/BC1106      | Cllr. Burdess<br>Cllr. Hutton        | 5<br>4                              | 5<br>4                       | 0<br>0                | 2<br>2                              | £8,061.11<br>£8,061.11   | £7,504.35<br>£6,504.35                       | £556.76<br>£1,556.76     |
| Greenlands Ward<br>BC1007/BC1107   | Cllr. R Scott<br>Cllr. Wing          | 4<br>4                              | 4<br>4                       | 0<br>0                | 4<br>4                              | £9,457.38<br>£9,457.37   | £1,068.92<br>£1,068.92                       | £8,388.46<br>£8,388.45   |
| Hawes Side Ward<br>BC1008/BC1108   | Cllr. Brookes<br>Cllr. Critchley     | 3<br>3                              | 3<br>3                       | 0<br>0                | 3<br>3                              | £9,042.70<br>£9,042.69   | £1,060.15<br>£1,060.15                       | £7,982.55<br>£7,982.54   |
| Highfield Ward<br>BC1009/BC1109    | Cllr. Hunter<br>Cllr. B Mitchell     | 4<br>1                              | 4<br>1                       | 0<br>0                | 3<br>1                              | £7,500.40<br>£7,500.40   | £945.89<br>-£2,270.00                        | £6,554.51<br>£9,770.40   |
| Inghorpe Ward<br>BC1010/BC1110     | Cllr. Cross<br>Cllr. Farrell         | 1<br>0                              | 1<br>0                       | 0<br>0                | 1<br>0                              | £9,967.96<br>£9,967.96   | £39.90<br>£0.00                              | £9,928.06<br>£9,967.96   |
| Layton Ward<br>BC1011/BC1111       | Cllr. Mrs Benson<br>Cllr. M Mitchell | 4<br>4                              | 4<br>4                       | 0<br>0                | 4<br>4                              | £9,234.36<br>£9,234.36   | £1,213.00<br>£1,993.00                       | £8,021.36<br>£7,241.36   |
| Marton Ward<br>BC1012/BC1112       | Cllr. D Coleman<br>Cllr. Stansfield  | 0<br>0                              | 0<br>0                       | 0<br>0                | 0<br>0                              | £9,984.93<br>£9,984.93   | £0.00<br>£0.00                               | £9,984.93<br>£9,984.93   |
| Norbreck Ward<br>BC1013/BC1113     | Cllr. Mrs Callow<br>Cllr. Sloman     | 5<br>5                              | 5<br>5                       | 0<br>0                | 2<br>2                              | £9,360.40<br>£9,360.40   | £3,244.86<br>£3,244.86                       | £6,115.54<br>£6,115.54   |
| Park Ward<br>BC1014/BC1114         | Cllr. Campbell<br>Cllr. Kirkland     | 4<br>4                              | 4<br>4                       | 0<br>0                | 4<br>4                              | £9,182.42<br>£9,182.42   | £6,003.70<br>£6,003.70                       | £3,178.72<br>£3,178.72   |
| Squires Gate Ward<br>BC1015/BC1115 | Cllr. Cox<br>Cllr. Walsh             | 0<br>0                              | 0<br>0                       | 0<br>0                | 0<br>0                              | £7,500.00<br>£7,500.00   | £0.00<br>£0.00                               | £7,500.00<br>£7,500.00   |
| Stanley Ward<br>BC1016/BC1116      | Cllr. Baker<br>Cllr. Roberts         | 1<br>1                              | 1<br>1                       | 0<br>0                | 0<br>0                              | £10,000.00<br>£10,000.00 | £1,100.00<br>£1,100.00                       | £8,900.00<br>£8,900.00   |
| Talbot Ward<br>BC1017/BC1117       | Cllr. Hugo<br>Cllr. Smith            | 2<br>2                              | 2<br>2                       | 0<br>0                | 2<br>2                              | £9,130.14<br>£9,130.13   | £4,263.42<br>£4,263.42                       | £4,866.72<br>£4,866.71   |
| Tyldesley Ward<br>BC1018/BC1118    | Cllr. Collett<br>Cllr. Matthews      | 2<br>2                              | 2<br>2                       | 0<br>0                | 2<br>2                              | £10,000.00<br>£10,000.00 | £225.25<br>£225.25                           | £9,774.75<br>£9,774.75   |
| Victoria Ward<br>BC1019/BC1119     | Cllr. Jackson<br>Cllr. Owen          | 2<br>1                              | 2<br>1                       | 0<br>0                | 2<br>1                              | £9,664.44<br>£9,664.43   | £265.20<br>£85.20                            | £9,399.24<br>£9,579.23   |
| Warbreck Ward<br>BC1020/BC1120     | Cllr. D Scott<br>Cllr. Mrs M Scott   | 4<br>4                              | 4<br>4                       | 0<br>0                | 4<br>4                              | £8,178.71<br>£8,178.71   | £904.91<br>£904.91                           | £7,273.80<br>£7,273.80   |
| Waterloo Ward<br>BC1021/BC1121     | Cllr. O'Hara<br>Cllr. Robertson BEM  | 3<br>2                              | 3<br>2                       | 0<br>0                | 2<br>1                              | £10,000.00<br>£10,000.00 | £4,352.00<br>£2,045.67                       | £5,648.00<br>£7,954.33   |

|                           |            |            |          |           |                     |                   |                     |
|---------------------------|------------|------------|----------|-----------|---------------------|-------------------|---------------------|
| <b>Ward Totals</b>        | <b>112</b> | <b>111</b> | <b>1</b> | <b>88</b> | <b>£378,049.92</b>  | <b>£71,504.84</b> | <b>£306,545.08</b>  |
| <b>Unallocated Budget</b> | <b>-</b>   | <b>-</b>   | <b>-</b> | <b>-</b>  | <b>(£25,000.00)</b> | <b>£0.00</b>      | <b>(£25,000.00)</b> |
| <b>Income Budget</b>      | <b>-</b>   | <b>-</b>   | <b>-</b> | <b>-</b>  | <b>£0.00</b>        | <b>£0.00</b>      | <b>£0.00</b>        |
| <b>Area Ward Totals</b>   | <b>112</b> | <b>111</b> | <b>1</b> | <b>88</b> | <b>£353,049.92</b>  | <b>£71,504.84</b> | <b>£281,545.08</b>  |

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## Blackpool Council - Resources

### Revenue summary - budget, actual and forecast:

| FUNCTIONS OF THE SERVICE                       | BUDGET                                     | EXPENDITURE                      |                            |                             | VARIANCE   | 2020/21<br>(UNDER)/OVER<br>SPEND B/FWD<br>£000 | VARIANCE          |               |                                  |                             |                                  |             |
|--|--|----------------------------------|----------------------------|-----------------------------|--|--|-------------------|---------------|----------------------------------|-----------------------------|----------------------------------|-------------|
|  | ADJUSTED<br>CASH LIMITED<br>BUDGET<br>£000 | EXPENDITURE<br>APR - JAN<br>£000 | 2021/22                    |                             | F/CAST FULL<br>YEAR VAR.<br>(UNDER) / OVER<br>£000 |  | NON-COVID<br>£000 | COVID-19      |                                  |                             |                                  |             |
|  |  |                                  | PROJECTED<br>SPEND<br>£000 | FORECAST<br>OUTTURN<br>£000 |  |  |                   | GROSS<br>£000 | DIRECT SERVICE<br>GRANTS<br>£000 | CCG<br>CONTRIBUTION<br>£000 | SALES, FEES<br>& CHARGES<br>£000 | NET<br>£000 |
| <b>RESOURCES</b>                               |  |                                  |                            |                             |  |  |                   |               |                                  |                             |                                  |             |
| <b>NET EXPENDITURE</b>                         |  |                                  |                            |                             |  |  |                   |               |                                  |                             |                                  |             |
| PROCUREMENT, PROJECTS & EXCHEQUER SERVICES     | 105  | 932                              | (894)                      | 38                          | (67)   | -  | (67)              | 50            | (34)                             | -                           | (16)                             | -           |
| BENEFITS                                       | (995)                                      | 2,337                            | (3,332)                    | (995)                       | -  | -  | -                 | 2             | (2)                              | -                           | -                                | -           |
| REVENUES SERVICES                              | 1,581                                      | 1,604                            | (23)                       | 1,581                       | -  | -  | -                 | 43            | (43)                             | -                           | -                                | -           |
| CUSTOMER FIRST                                 | (2)  | (118)                            | 136                        | 18                          | 20   | -  | 20                | -             | -                                | -                           | -                                | -           |
| ICT SERVICES                                   | 797  | 520                              | 277                        | 797                         | -  | -  | -                 | -             | -                                | -                           | -                                | -           |
| ACCOUNTANCY                                    | 53   | 101                              | (66)                       | 35                          | (18)   | -  | (18)              | 6             | (6)                              | -                           | -                                | -           |
| RISK SERVICES                                  | 114  | (87)                             | 146                        | 59                          | (55)   | -  | (55)              | 61            | (61)                             | -                           | -                                | -           |
| PROPERTY SERVICES (Incl. INVESTMENT PORTFOLIO) | 1,510                                      | 1,741                            | (243)                      | 1,498                       | (12)   | -  | (85)              | 98            | (18)                             | -                           | (7)                              | 73          |
| EQUALITY AND DIVERSITY                         | (55)                                       | (13)                             | (36)                       | (49)                        | 6  | -  | 6                 | -             | -                                | -                           | -                                | -           |
| <b>TOTALS</b>                                  | <b>3,108</b>                               | <b>7,017</b>                     | <b>(4,035)</b>             | <b>2,982</b>                | <b>(126)</b>                                       | <b>-</b>                                       | <b>(199)</b>      | <b>260</b>    | <b>(164)</b>                     | <b>-</b>                    | <b>(23)</b>                      | <b>73</b>   |

### 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 10 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 £67k. Procurement and Projects are forecasting an underspend of £36k, assuming £16k Covid Sales, Fees and Charges compensation scheme claim. Exchequer Services are forecasting an underspend of £31k 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 January was 13 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 £20k 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 £18k. 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 £55k against a gross budget of £1.15m. This is due in the main to staffing vacancies, delays in recruitment and additional Covid monies including £47k Covid New Burdens admin funding in Audit.

### **Property Services (incl. Investment Portfolio)**

Property Services are forecasting an underspend of £12k 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**

Equality and Diversity are forecasting an overspend of £6k. This is due to unachieved savings within the service of £17k, offset in part by £11k income from schools re union reps.

### **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 10 months of the financial year Resources are forecasting a £126k 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<br>(UNDER)/OVER<br>SPEND<br>£000 | VARIANCE  |                                  |                             |                                  |      |
|--|--|----------------------------------|----------------------------|-----------------------------|--|--|-----------|----------------------------------|-----------------------------|----------------------------------|------|
|  | ADJUSTED<br>CASH LIMITED<br>BUDGET<br>£000 | 2021/22                          |                            |                             | F/CAST FULL<br>YEAR VAR.<br>(UNDER) / OVER<br>£000 |  | NON-COVID | COVID-19                         |                             |                                  |      |
|  |  | EXPENDITURE<br>APR - JAN<br>£000 | PROJECTED<br>SPEND<br>£000 | FORECAST<br>OUTTURN<br>£000 |  |  | GROSS     | DIRECT SERVICE<br>GRANTS<br>£000 | CCG<br>CONTRIBUTION<br>£000 | SALES, FEES<br>& CHARGES<br>£000 | NET  |
| COMMUNICATIONS & REGENERATION            |  |                                  |                            |                             |  |  |           |                                  |                             |                                  |      |
| NET EXPENDITURE                          |  |                                  |                            |                             |  |  |           |                                  |                             |                                  |      |
| ECONOMIC DEVELOPMENT & CULTURAL SERVICES | 288  | (1,625)                          | 1,943                      | 318                         | 30   | -  | 30        | -                                | -                           | -                                | -    |
| PLANNING                                 | 517  | 42                               | 415                        | 457                         | (60)   | -  | (60)      | -                                | -                           | -                                | -    |
| TOURISM AND COMMUNICATIONS               | 3,040                                      | 4,385                            | (761)                      | 3,624                       | 584  | -  | 256       | 789                              | (424)                       | -                                | (37) |
| TOTALS                                   | 3,845                                      | 2,802                            | 1,597                      | 4,399                       | 554  | -  | 226       | 789                              | (424)                       | -                                | (37) |

### 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 £554k overspend is based upon actual financial performance for the first 10 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 £554k overspend, £328k 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 an underspend of £60k in 2021/22 due to increased income.

#### Tourism & Communications

There is an expected pressure in this area of £584k including a net Covid pressure of £328k.

The Illuminations service is currently forecasting a pressure of £284k. This is made up of £100k additional cost of extending the Illuminations period till the end of December and a security cost of £32k plus a net Covid pressure of £152k relating to £151k 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 £274k. A net Covid pressure of £176k relates to £241k of lost advertising income on shelters, £110k of lost resort pass and ticket sale income, £27k of lost income from Switch on and Slimefest events due to reduced capacity and £63k of other lost event income after £34k of Sales, Fees & Charges compensation scheme income and £231k of other Covid funding has been applied. There is a non-Covid pressure of £98k forecast which relates to sponsorship, event costs and increased rates costs on shelters, offset by additional income generated by the Communications team. Welcome Back project expenditure of £180k 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 £789k relating to Covid. £424k 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 £180k has all been covered by grant funding. The net Covid pressure is £328k which is included in the above table.

**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<br>(UNDER)/OVER<br>SPEND B/FWD<br>£000 | VARIANCE                         |                             |                                  |              |              |
|--------------------------|--|----------------------------------|----------------------------|-----------------------------|--|---------------|--|----------------------------------|-----------------------------|----------------------------------|--------------|--------------|
|                          | ADJUSTED<br>CASH LIMITED<br>BUDGET<br>£000 | EXPENDITURE<br>APR - JAN<br>£000 | 2021/22                    |                             | F/CAST FULL<br>YEAR VAR.<br>(UNDER) / OVER<br>£000 | NON-COVID     |  | COVID-19                         |                             |                                  |              |              |
|                          |  |                                  | PROJECTED<br>SPEND<br>£000 | FORECAST<br>OUTTURN<br>£000 |  | GROSS<br>£000 |  | DIRECT SERVICE<br>GRANTS<br>£000 | CCG<br>CONTRIBUTION<br>£000 | SALES, FEES<br>& CHARGES<br>£000 | NET<br>£000  |              |
| STRATEGIC LEISURE ASSETS |  |                                  |                            |                             |  |               |  |                                  |                             |                                  |              |              |
| NET EXPENDITURE          |  |                                  |                            |                             |  |               |  |                                  |                             |                                  |              |              |
| STRATEGIC LEISURE ASSETS | 968  | 4,064                            | (580)                      | 3,484                       | 2,516  | -             | 1,241  | 2,022                            | (460)                       | -                                | (287)        | 1,275        |
| <b>TOTALS</b>            | <b>968</b>                                 | <b>4,064</b>                     | <b>(580)</b>               | <b>3,484</b>                | <b>2,516</b>                                       | <b>-</b>      | <b>1,241</b>                                   | <b>2,022</b>                     | <b>(460)</b>                | <b>-</b>                         | <b>(287)</b> | <b>1,275</b> |

### 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 10 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 (excluding Covid costs) 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 £124k (increased from period 9), increased borrowing costs of £740k and increased insurance costs of £25k less increased Golden Mile income of £30k and an improved attraction performance of £360k (reduced from £600 last period). There is a £1,275k 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 decreased from period 9 due to an improvement in performance.

In accordance with the original decision for this programme by the Executive on 7<sup>th</sup> February 2011, the projected overspend on Strategic Leisure Assets of £1,241k (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 £16,176k.

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 £2,022k relating to Covid. This figure has improved 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 £1,275k which is included in the above table.

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## Blackpool Council – Growth & Prosperity

### Revenue summary - budget, actual and forecast:

| FUNCTIONS OF THE SERVICE | BUDGET                                     | EXPENDITURE                      |                            |                             | VARIANCE   | 2020/21<br>(UNDER)/OVER<br>SPEND B/FWD<br>£000 | VARIANCE      |                                  |                             |                                  |             |   |
|--------------------------|--|----------------------------------|----------------------------|-----------------------------|--|--|---------------|----------------------------------|-----------------------------|----------------------------------|-------------|---|
|                          | ADJUSTED<br>CASH LIMITED<br>BUDGET<br>£000 | EXPENDITURE<br>APR - JAN<br>£000 | 2021/22                    |                             | F/CAST FULL<br>YEAR VAR.<br>(UNDER) / OVER<br>£000 |  | NON-COVID     | COVID-19                         |                             |                                  |             |   |
|                          |  |                                  | PROJECTED<br>SPEND<br>£000 | FORECAST<br>OUTTURN<br>£000 |  |  | GROSS<br>£000 | DIRECT SERVICE<br>GRANTS<br>£000 | CCG<br>CONTRIBUTION<br>£000 | SALES, FEES<br>& CHARGES<br>£000 | NET<br>£000 |   |
| GROWTH & PROSPERITY      |  |                                  |                            |                             |  |  |               |                                  |                             |                                  |             |   |
| NET EXPENDITURE          |  |                                  |                            |                             |  |  |               |                                  |                             |                                  |             |   |
| GROWTH & PROSPERITY      | (7,638)                                    | (10,365)                         | 12,039                     | 1,674                       | 9,312  | -  | 9,312         | 100                              | (37)                        | -                                | (63)        | - |
| TOTALS                   | (7,638)                                    | (10,365)                         | 12,039                     | 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 10 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 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 heritage phase an agreement for lease for the delivery of the Multi-Storey Car Park has now been signed.
- 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<br>(UNDER)/OVER<br>SPEND B/FWD | VARIANCE          |               |                                  |                             |                                  |             |
|---|--|----------------------------------|----------------------------|-----------------------------|--|--|-------------------|---------------|----------------------------------|-----------------------------|----------------------------------|-------------|
|   | ADJUSTED<br>CASH LIMITED<br>BUDGET<br>£000 | EXPENDITURE<br>APR - JAN<br>£000 | 2021/22                    |                             | F/CAST FULL<br>YEAR VAR.<br>(UNDER) / OVER<br>£000 |  | NON-COVID<br>£000 | COVID-19      |                                  |                             |                                  |             |
|   |  |                                  | PROJECTED<br>SPEND<br>£000 | FORECAST<br>OUTTURN<br>£000 |  |  |                   | GROSS<br>£000 | DIRECT SERVICE<br>GRANTS<br>£000 | CCG<br>CONTRIBUTION<br>£000 | SALES, FEES<br>& CHARGES<br>£000 | NET<br>£000 |
| <b>COMMUNITY &amp; ENVIRONMENTAL SERVICES</b> |  |                                  |                            |                             |  |  |                   |               |                                  |                             |                                  |             |
| <b>NET EXPENDITURE</b>                        |  |                                  |                            |                             |  |  |                   |               |                                  |                             |                                  |             |
| BUSINESS SERVICES                             | (90)                                       | 1,550                            | (1,640)                    | (90)                        | -  | -                                      | -                 | -             | -                                | -                           | -                                | -           |
| LEISURE AND CATERING                          | 3,911                                      | 2,673                            | 1,395                      | 4,068                       | 157  | -                                      | (228)             | 731           | (114)                            | -                           | (232)                            | 385         |
| PUBLIC PROTECTION                             | 688  | (682)                            | 1,390                      | 708                         | 20   | -                                      | 20                | -             | -                                | -                           | -                                | -           |
| HIGHWAYS AND TRAFFIC MANAGEMENT SERVICES      | 17,483                                     | 12,299                           | 5,104                      | 17,403                      | (80)   | -                                      | (80)              | -             | -                                | -                           | -                                | -           |
| STREET CLEANSING AND WASTE                    | 16,487                                     | 11,410                           | 5,007                      | 16,417                      | (70)   | -                                      | (70)              | -             | -                                | -                           | -                                | -           |
| COASTAL AND ENVIRONMENTAL PARTNERSHIPS        | 4,627                                      | 5,370                            | (743)                      | 4,627                       | -  | -                                      | -                 | -             | -                                | -                           | -                                | -           |
| INTEGRATED TRANSPORT                          | 1,095                                      | 334                              | 761                        | 1,095                       | -  | -                                      | -                 | -             | -                                | -                           | -                                | -           |
| <b>TOTALS</b>                                 | <b>44,201</b>                              | <b>32,954</b>                    | <b>11,274</b>              | <b>44,228</b>               | <b>27</b>  | -                                      | <b>(358)</b>      | <b>731</b>    | <b>(114)</b>                     | -                           | <b>(232)</b>                     | <b>385</b>  |

### 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 £27k overspend is based upon actual financial performance for the first 10 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 £385k overspend that is attributable to the after effects of the Covid-19 pandemic, a non-Covid pressure of £40k and savings and additional income has been identified totalling £398k.

#### Business Services

This service is currently forecasting a break-even position.

#### Leisure and Catering

Leisure and Catering is currently forecasting a pressure of £157k. The Leisure service is forecasting lost income in relation to Covid of £731k. Leisure income was reduced due to centres being unable to operate in the early part of the year and, after re-opening, memberships and patronage did not increase as quickly as hoped. 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 £248k helping to reduce the income loss. Within Parks, there is a non-Covid related pressure of £20k, due to unpaid invoices.

#### Public Protection

The service is currently forecasting a pressure of £20k. CCTV is showing an income pressure of £75k, but this is reduced by £55k of savings within Public Protection due to staffing vacancies.

#### Highways and Traffic Management Services

This service is currently forecasting an underspend of £80k 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 £731k 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 £385k, which is included in the above table.

### **Conclusion – Community and Environmental Services financial position**

At the end of January 2022, the Community and Environmental Services Directorate is forecasting a £27k pressure. The pressure directly relating to Covid is £385k, with non-Covid pressures of £40k. There are, however, non-Covid savings identified totalling £328k 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<br>(UNDER)/OVER<br>SPEND B/FWD<br>£000 | VARIANCE      |                                  |                             |                                  |             |   |   |   |
|--------------------------------|--|----------------------------------|----------------------------|-----------------------------|--|-------------------|--|---------------|----------------------------------|-----------------------------|----------------------------------|-------------|---|---|---|
|                                | ADJUSTED<br>CASH LIMITED<br>BUDGET<br>£000 | EXPENDITURE<br>APR - JAN<br>£000 | 2021/22                    |                             | F/CAST FULL<br>YEAR VAR.<br>(UNDER) / OVER<br>£000 | NON-COVID<br>£000 |  | GROSS<br>£000 | DIRECT SERVICE<br>GRANTS<br>£000 | COVID-19                    |                                  |             |   |   |   |
|                                |  |                                  | PROJECTED<br>SPEND<br>£000 | FORECAST<br>OUTTURN<br>£000 |  |                   |  |               |                                  | CCG<br>CONTRIBUTION<br>£000 | SALES, FEES<br>& CHARGES<br>£000 | NET<br>£000 |   |   |   |
| ADULT SERVICES                 |  |                                  |                            |                             |  |                   |  |               |                                  |                             |                                  |             |   |   |   |
| NET EXPENDITURE                |  |                                  |                            |                             |  |                   |  |               |                                  |                             |                                  |             |   |   |   |
| ADULT SOCIAL CARE              | 7,195                                      | 6,380                            | 803                        | 7,183                       | (12)   | -                 | (12)   | -             | -                                | -                           | -                                | -           | - | - | - |
| CARE & SUPPORT                 | 5,125                                      | 3,869                            | 1,007                      | 4,876                       | (249)  | -                 | (249)  | 204           | (204)                            | -                           | -                                | -           | - | - | - |
| ADULT COMMISSIONING PLACEMENTS | 48,751                                     | 36,583                           | 12,976                     | 49,559                      | 808  | -                 | 808  | 9,025         | (7,346)                          | (1,679)                     | -                                | -           | - | - | - |
| ADULT SAFEGUARDING             | 666  | 422                              | 221                        | 643                         | (23)   | -                 | (23)   | -             | -                                | -                           | -                                | -           | - | - | - |
| TOTALS                         | 61,737                                     | 47,254                           | 15,007                     | 62,261                      | 524  | -                 | 524  | 9,229         | (7,550)                          | (1,679)                     | -                                | -           | - | - | - |

### 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 10 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 £808k overspend on a £66m gross expenditure budget. The total Covid costs of £9,025k have been offset by the Infection Prevention Control grant (£1,947k), 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 (£1,679k). 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 £808k relates to increased demand within Complex Cases and Supported Living.

#### Care and Support

Care and Support is forecasting an underspend of £249k due to staffing vacancies within the service. The Covid costs of £204k have been met by the Infection Prevention Control grant.

#### Covid

Adult Services have incurred significant costs in relation to Covid of £9,229k. 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 January 2022 the Adult Services Directorate is forecasting an overall overspend of £524k 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<br>(UNDER)/OVER<br>SPEND B/FWD<br>£000 | VARIANCE          |                                  |   |   |            |             |
|---|--|----------------------------------|----------------------------|-----------------------------|-----------------------------|---|--|-------------------|----------------------------------|---|---|------------|-------------|
|   | ADJUSTED<br>CASH LIMITED<br>BUDGET<br>£000 | 2021/22                          |                            |                             |                             | F/CAST FULL<br>YEAR VAR.<br>(UNDER)/ OVER<br>£000 |  | NON-COVID<br>£000 | COVID-19                         |   |   |            | NET<br>£000 |
|   |  | EXPENDITURE<br>APR - JAN<br>£000 | PROJECTED<br>SPEND<br>£000 | FORECAST<br>OUTTURN<br>£000 | CCG<br>CONTRIBUTION<br>£000 |   |  |                   | SALES, FEES<br>& CHARGES<br>£000 |   |   |            |             |
| <b>CHILDREN'S SERVICES</b>              |  |                                  |                            |                             |                             |   |  |                   |                                  |   |   |            |             |
| <b>NET EXPENDITURE</b>                  |  |                                  |                            |                             |                             |   |  |                   |                                  |   |   |            |             |
| LOCAL SCHOOLS BUDGET - ISB              | 20,456                                     | 17,954                           | 2,541                      | 20,495                      | 39                          | -   | 39   | -                 | -                                | - | - | -          |             |
| LOCAL SCHOOLS BUDGET - NON DELEGATED    | 701  | 325                              | 551                        | 876                         | 175                         | -   | 175  | -                 | -                                | - | - | -          |             |
| EDUCATION                               | 22,619                                     | 15,778                           | 7,464                      | 23,242                      | 623                         | -   | 623  | -                 | -                                | - | - | -          |             |
| EARLY HELP FOR CHILDREN AND FAMILIES    | 182  | 152                              | 30                         | 182                         | -                           | -   | -  | -                 | -                                | - | - | -          |             |
| BUSINESS SUPPORT AND RESOURCES          | 8,529                                      | 6,763                            | 1,558                      | 8,321                       | (208)                       | -   | (208)  | -                 | -                                | - | - | -          |             |
| DEDICATED SCHOOL GRANT                  | (52,159)                                   | (43,714)                         | (8,373)                    | (52,087)                    | 72                          | -   | 72   | -                 | -                                | - | - | -          |             |
| CARRY FORWARD OF DSG UNDER/(OVER) SPEND | (328)                                      | -                                | (1,029)                    | (1,029)                     | (701)                       | -   | (701)  | -                 | -                                | - | - | -          |             |
| <b>TOTAL DSG FUNDED SERVICES</b>        | -  | <b>(2,742)</b>                   | <b>2,742</b>               | -                           | -                           | -   | -  | -                 | -                                | - | - | -          |             |
| CHILDREN'S SERVICES DEPRECIATION        | 2,203                                      | 2,203                            | -                          | 2,203                       | -                           | -   | -  | -                 | -                                | - | - | -          |             |
| EDUCATION                               | 3,093                                      | 2,669                            | 1,271                      | 3,940                       | 847                         | -   | 771  | 389               | (313)                            | - | - | 76         |             |
| EARLY HELP FOR CHILDREN AND FAMILIES    | 5,283                                      | 3,424                            | 1,484                      | 4,908                       | (375)                       | -   | (375)  | 663               | (663)                            | - | - | -          |             |
| CHILDREN'S SOCIAL CARE                  | 50,159                                     | 41,179                           | 13,610                     | 54,789                      | 4,630                       | -   | 4,286  | 459               | (115)                            | - | - | 344        |             |
| BUSINESS SUPPORT AND RESOURCES          | 1,445                                      | 1,391                            | (26)                       | 1,365                       | (80)                        | -   | (80)   | -                 | -                                | - | - | -          |             |
| LOCAL SERVICES SUPPORT GRANT            | (18)                                       | (18)                             | -                          | (18)                        | -                           | -   | -  | -                 | -                                | - | - | -          |             |
| SCHOOL IMPROVEMENT GRANT                | (164)                                      | -                                | (164)                      | (164)                       | -                           | -   | -  | -                 | -                                | - | - | -          |             |
| <b>TOTAL COUNCIL FUNDED SERVICES</b>    | <b>62,001</b>                              | <b>50,848</b>                    | <b>16,175</b>              | <b>67,023</b>               | <b>5,022</b>                | -   | <b>4,602</b>                                   | <b>1,511</b>      | <b>(1,091)</b>                   | - | - | <b>420</b> |             |
| <b>TOTALS</b>                           | <b>62,001</b>                              | <b>48,106</b>                    | <b>18,917</b>              | <b>67,023</b>               | <b>5,022</b>                | -   | <b>4,602</b>                                   | <b>1,511</b>      | <b>(1,091)</b>                   | - | - | <b>420</b> |             |

### 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 10 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 31<sup>st</sup> 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 £4,630k, 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 £847k 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 £107k 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 £375k 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

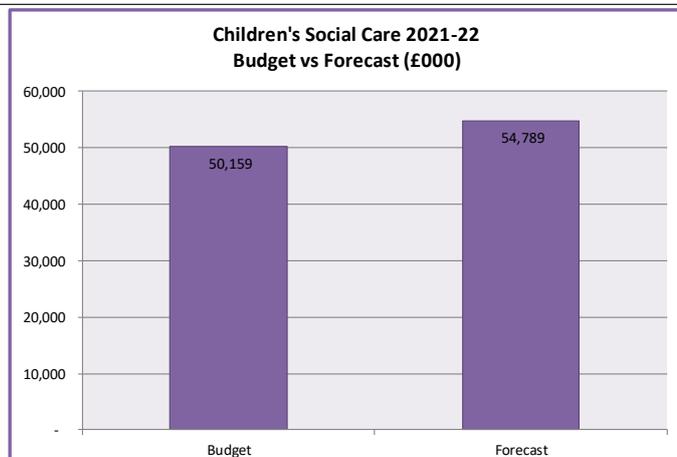
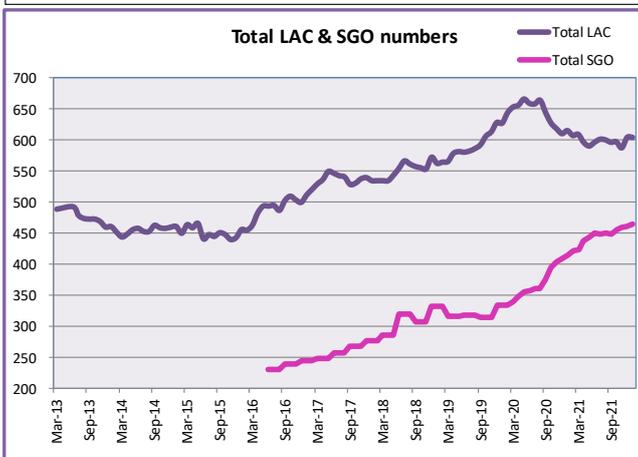
As at the end of January 2022 the Children's Services Directorate is forecasting an overspend of £5,022k for the financial year to March 2022, including £420k of net Covid costs.

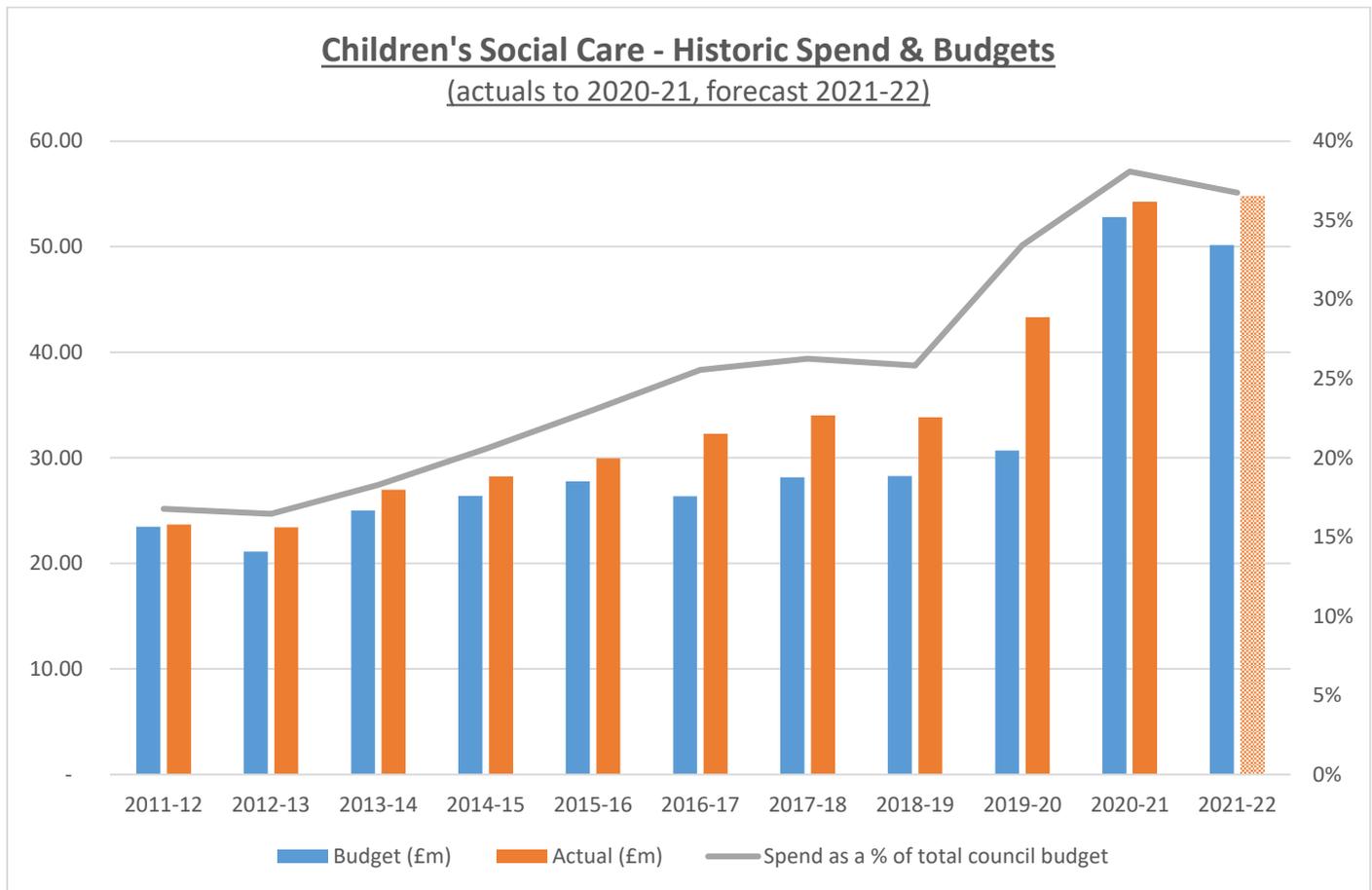
**Budget Holder – Victoria Gent, Director of Children's Services**

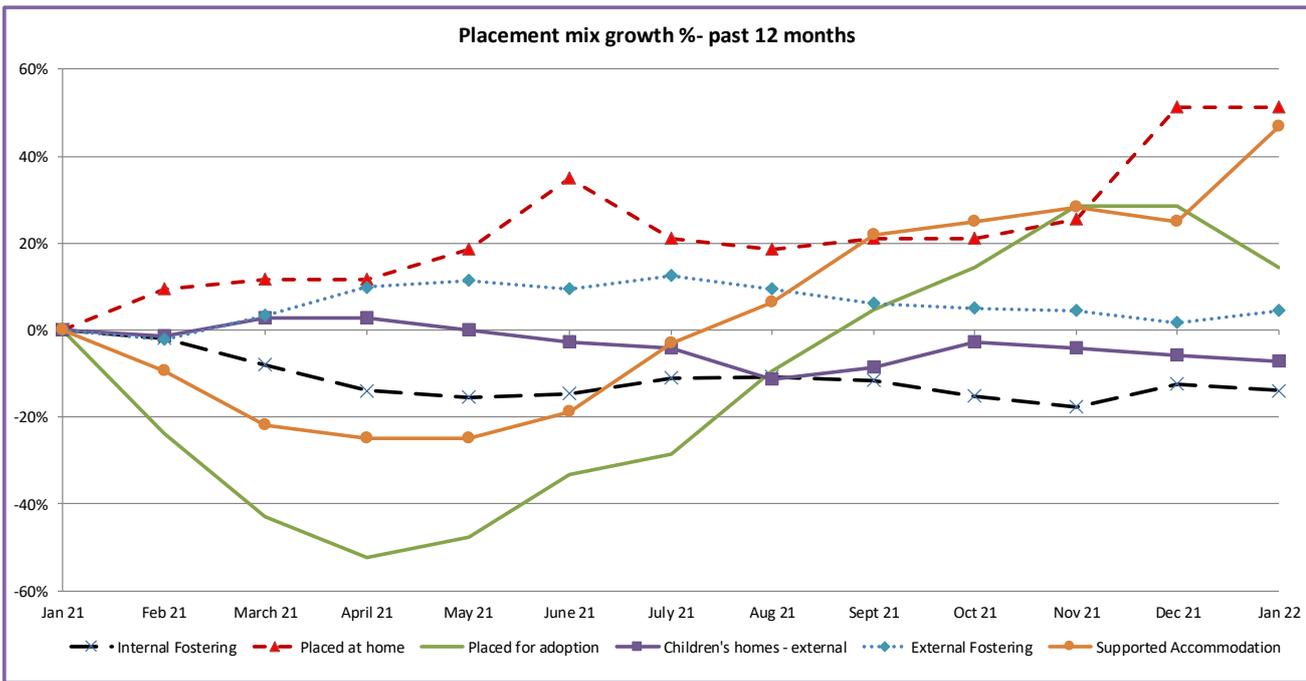
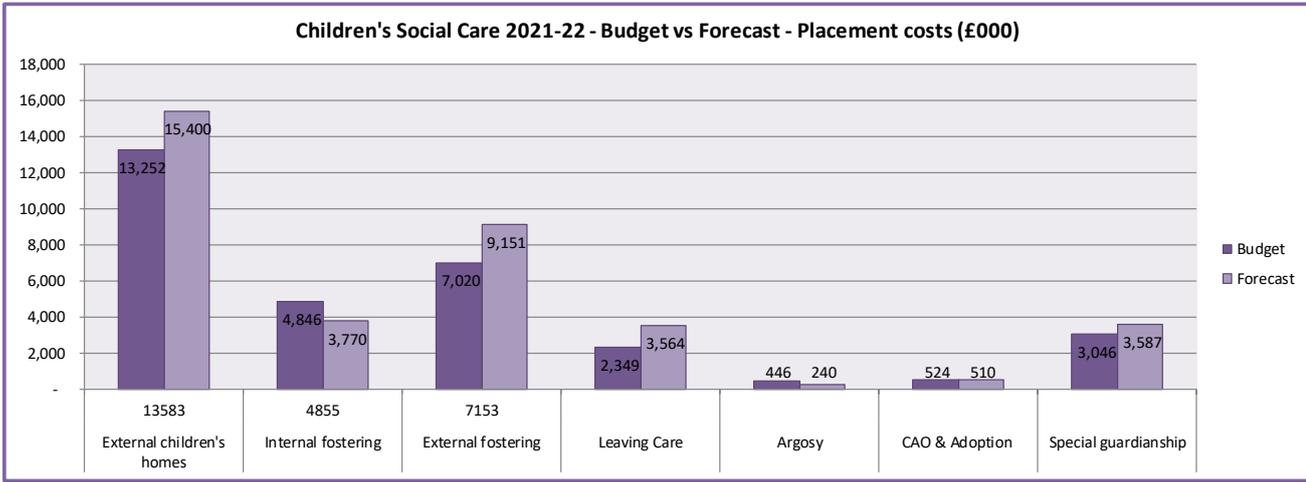
Children's Social Care Trends

| 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     |                 |
| Sep-16 | 84                             | 17%      | 42,750          | 32          | 6%       | 169,996         | 27                      | 5%       | 41,376          | 254                | 51%      | 12,688          | 502        | 240     |                 |
| Dec-16 | 89                             | 18%      | 43,038          | 36          | 7%       | 175,954         | 28                      | 6%       | 41,037          | 258                | 52%      | 12,857          | 499        | 245     |                 |
| Mar-17 | 103                            | 19%      | 43,502          | 44          | 8%       | 179,669         | 26                      | 5%       | 42,416          | 269                | 51%      | 12,872          | 529        | 249     |                 |
| Jun-17 | 100                            | 18%      | 40,933          | 49          | 9%       | 151,450         | 26                      | 5%       | 60,946          | 272                | 50%      | 13,227          | 546        | 258     |                 |
| Sep-17 | 95                             | 18%      | 40,991          | 35          | 7%       | 161,487         | 36                      | 7%       | 57,928          | 270                | 51%      | 13,213          | 528        | 267     |                 |
| Dec-17 | 103                            | 19%      | 41,277          | 43          | 8%       | 162,623         | 36                      | 7%       | 58,358          | 272                | 50%      | 13,169          | 539        | 277     |                 |
| Mar-18 | 98                             | 18%      | 41,099          | 44          | 8%       | 165,935         | 30                      | 6%       | 55,728          | 273                | 51%      | 13,116          | 534        | 286     |                 |
| Jun-18 | 97                             | 18%      | 40,083          | 45          | 8%       | 164,794         | 24                      | 4%       | 48,006          | 297                | 54%      | 13,403          | 554        | 320     |                 |
| Sep-18 | 97                             | 17%      | 40,425          | 45          | 8%       | 159,388         | 28                      | 5%       | 46,073          | 302                | 54%      | 13,441          | 557        | 308     |                 |
| Dec-18 | 99                             | 17%      | 40,227          | 47          | 8%       | 169,287         | 33                      | 6%       | 46,167          | 305                | 53%      | 13,430          | 572        | 332     |                 |
| Mar-19 | 94                             | 17%      | 39,536          | 53          | 9%       | 177,477         | 23                      | 4%       | 45,845          | 306                | 54%      | 13,289          | 565        | 317     |                 |
| Jun-19 | 107                            | 18%      | 42,426          | 53          | 9%       | 172,929         | 26                      | 4%       | 68,367          | 305                | 53%      | 13,014          | 580        | 318     |                 |
| Sep-19 | 116                            | 20%      | 43,981          | 58          | 10%      | 180,014         | 32                      | 5%       | 56,148          | 294                | 50%      | 12,649          | 592        | 315     |                 |
| Dec-19 | 145                            | 23%      | 45,812          | 62          | 10%      | 184,396         | 31                      | 5%       | 60,289          | 300                | 48%      | 12,854          | 628        | 334     |                 |
| Mar-20 | 167                            | 26%      | 45,201          | 65          | 10%      | 183,892         | 33                      | 5%       | 61,076          | 292                | 45%      | 13,166          | 653        | 339     |                 |
| Jun-20 | 175                            | 27%      | 47,565          | 69          | 10%      | 207,288         | 32                      | 5%       | 92,575          | 284                | 43%      | 12,877          | 659        | 357     |                 |
| Sep-20 | 173                            | 27%      | 47,125          | 75          | 12%      | 211,328         | 30                      | 5%       | 97,225          | 277                | 43%      | 12,979          | 644        | 376     |                 |
| Dec-20 | 178                            | 29%      | 47,361          | 72          | 12%      | 209,062         | 32                      | 5%       | 105,274         | 248                | 41%      | 14,343          | 610        | 410     |                 |
| Mar-21 | 189                            | 31%      | 47,883          | 72          | 12%      | 209,953         | 25                      | 4%       | 107,561         | 230                | 38%      | 14,234          | 609        | 424     |                 |
| Jun-21 | 200                            | 34%      | 45,809          | 68          | 11%      | 225,246         | 26                      | 4%       | 78,324          | 213                | 36%      | 16,619          | 596        | 450     |                 |
| Sep-21 | 194                            | 33%      | 47,303          | 64          | 11%      | 229,272         | 39                      | 7%       | 70,834          | 221                | 37%      | 17,059          | 596        | 448     |                 |
| Dec-21 | 186                            | 31%      | 47,535          | 66          | 11%      | 238,266         | 40                      | 7%       | 68,328          | 219                | 36%      | 17,064          | 604        | 461     |                 |
| Jan-22 | 191                            | 32%      | 48,022          | 65          | 11%      | 241,002         | 47                      | 8%       | 68,939          | 215                | 36%      | 17,153          | 604        | 465     |                 |

**Note:**  
The variance between the current total number of Looked After Children (604) and the total internal fostering and external placement numbers (518) 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.







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## Blackpool Council – Public Health

### Revenue summary - budget, actual and forecast:

| FUNCTIONS OF THE SERVICE                          | BUDGET                                     |                                  | EXPENDITURE                |                             |   | VARIANCE  | 2020/21<br>(UNDER)/OVER<br>SPEND B/FWD<br>£000 | VARIANCE     |                          |                     |                          |          |          |          |          |
|---|--|----------------------------------|----------------------------|-----------------------------|---|-----------|--|--------------|--------------------------|---------------------|--------------------------|----------|----------|----------|----------|
|   | ADJUSTED<br>CASH LIMITED<br>BUDGET<br>£000 | EXPENDITURE<br>APR - JAN<br>£000 | 2021/22                    |                             | F/CAST FULL<br>YEAR VAR.<br>(UNDER)/ OVER<br>£000 | NON-COVID |  | COVID-19     |                          |                     |                          |          |          |          |          |
|   |  |                                  | PROJECTED<br>SPEND<br>£000 | FORECAST<br>OUTTURN<br>£000 |   |           |  | GROSS        | DIRECT SERVICE<br>GRANTS | CCG<br>CONTRIBUTION | SALES, FEES<br>& CHARGES | NET      |          |          |          |
| PUBLIC HEALTH                                     |  |                                  |                            |                             |   |           |  |              |                          |                     |                          |          |          |          |          |
| <b>NET EXPENDITURE</b>                            |  |                                  |                            |                             |   |           |  |              |                          |                     |                          |          |          |          |          |
| PUBLIC HEALTH DIRECTORATE & CORPORATE SUPPORT     | 934  | 720                              | 367                        | 1,087                       | 153   | -         | 153  | -            | -                        | -                   | -                        | -        | -        | -        | -        |
| NHS HEALTH CHECKS - MANDATED                      | 100  | 80                               | 20                         | 100                         | -   | -         | -  | -            | -                        | -                   | -                        | -        | -        | -        | -        |
| CHILDREN (5-19) - PUBLIC HEALTH PROGRAMMES        | 600  | 500                              | 100                        | 600                         | -   | -         | -  | -            | -                        | -                   | -                        | -        | -        | -        | -        |
| CHILDREN'S 0-5 SERVICES                           | 2,534                                      | 1,994                            | 540                        | 2,534                       | -   | -         | -  | -            | -                        | -                   | -                        | -        | -        | -        | -        |
| TOBACCO CONTROL                                   | 354  | 85                               | 84                         | 169                         | (185)   | -         | (185)  | -            | -                        | -                   | -                        | -        | -        | -        | -        |
| MENTAL HEALTH AND WELLBEING                       | 15   | (129)                            | 144                        | 15                          | -   | -         | -  | -            | -                        | -                   | -                        | -        | -        | -        | -        |
| SEXUAL HEALTH SERVICES - MANDATED                 | 1,861                                      | 1,305                            | 315                        | 1,620                       | (241)   | -         | (241)  | -            | -                        | -                   | -                        | -        | -        | -        | -        |
| SUBSTANCE MISUSE (DRUGS AND ALCOHOL)              | 2,675                                      | 2,136                            | 539                        | 2,675                       | -   | -         | -  | -            | -                        | -                   | -                        | -        | -        | -        | -        |
| HARM REDUCTION (SEXUAL HEALTH, DRUGS AND ALCOHOL) | 824  | 421                              | 403                        | 824                         | -   | -         | -  | -            | -                        | -                   | -                        | -        | -        | -        | -        |
| HEALTHY WEIGHT/WEIGHT MANAGEMENT                  | 117  | 117                              | -                          | 117                         | -   | -         | -  | -            | -                        | -                   | -                        | -        | -        | -        | -        |
| MISCELLANEOUS PUBLIC HEALTH SERVICES              | 8,497                                      | (2,139)                          | 11,107                     | 8,968                       | 471   | -         | 471  | 3,473        | (3,473)                  | -                   | -                        | -        | -        | -        | -        |
| COMMUNITY ENGAGEMENT & CORPORATE ENGAGEMENT       | 28   | 14                               | 10                         | 24                          | (4)   | -         | (4)  | -            | -                        | -                   | -                        | -        | -        | -        | -        |
| GRANT   | (18,512)                                   | (18,706)                         | -                          | (18,706)                    | (194)   | -         | (194)  | -            | -                        | -                   | -                        | -        | -        | -        | -        |
| <b>TOTALS</b>                                     | <b>27</b>                                  | <b>(13,602)</b>                  | <b>13,629</b>              | <b>27</b>                   | <b>-</b>  | <b>-</b>  | <b>-</b>                                       | <b>3,473</b> | <b>(3,473)</b>           | <b>-</b>            | <b>-</b>                 | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |

### 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 10 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 January 2022, 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<br>(UNDER)/OVER<br>SPEND B/FWD<br>£000 | VARIANCE          |               |                                  |                             |                                  |
|--|--|----------------------------------|----------------------------|-----------------------------|--|--|-------------------|---------------|----------------------------------|-----------------------------|----------------------------------|
|  | ADJUSTED<br>CASH LIMITED<br>BUDGET<br>£000 | EXPENDITURE<br>APR - JAN<br>£000 | PROJECTED<br>SPEND<br>£000 | FORECAST<br>OUTTURN<br>£000 | F/CAST FULL<br>YEAR VAR.<br>(UNDER) / OVER<br>£000 |  | NON-COVID<br>£000 | COVID-19      |                                  |                             |                                  |
|  |  |                                  |                            |                             |  |  |                   | GROSS<br>£000 | DIRECT SERVICE<br>GRANTS<br>£000 | CCG<br>CONTRIBUTION<br>£000 | SALES, FEES<br>& CHARGES<br>£000 |
| <b>BUDGETS OUTSIDE THE CASH LIMIT</b>          |  |                                  |                            |                             |  |  |                   |               |                                  |                             |                                  |
| <b>NET EXPENDITURE</b>                         |  |                                  |                            |                             |  |  |                   |               |                                  |                             |                                  |
| TREASURY MANAGEMENT                            | 3,710                                      | 1,484                            | 297                        | 1,781                       | (1,929)  | -  | (1,929)           | -             | -                                | -                           | -                                |
| PARKING SERVICES                               | (4,724)                                    | (4,170)                          | (554)                      | (4,724)                     | -  | -  | (198)             | 501           | (1)                              | -                           | 198                              |
| CORPORATE SUBSCRIPTIONS                        | 134  | 111                              | 23                         | 134                         | -  | -  | -                 | -             | -                                | -                           | -                                |
| HOUSING BENEFITS                               | 1,472                                      | 1,228                            | 244                        | 1,472                       | -  | -  | -                 | -             | -                                | -                           | -                                |
| COUNCIL TAX & NDR COST OF<br>COLLECTION        | 1,073                                      | 950                              | 123                        | 1,073                       | -  | -  | -                 | -             | -                                | -                           | -                                |
| SUBSIDIARY COMPANIES                           | (37)                                       | (73)                             | (213)                      | (286)                       | (249)  | -  | (1,247)           | 1,394         | (151)                            | -                           | 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<br>LIABILITY | 1,317                                      | 1,098                            | 219                        | 1,317                       | -  | -  | -                 | -             | -                                | -                           | -                                |
| NEW HOMES BONUS                                | (45)                                       | (45)                             | -                          | (45)                        | -  | -  | -                 | -             | -                                | -                           | -                                |
| <b>TOTALS</b>                                  | <b>7,781</b>                               | <b>1,990</b>                     | <b>2,724</b>               | <b>4,714</b>                | <b>(3,067)</b>                                     | <b>-</b>                                       | <b>(5,668)</b>    | <b>3,801</b>  | <b>(653)</b>                     | <b>-</b>                    | <b>(547)</b>                     |

### 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 10 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 £1,929k. 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 8<sup>th</sup> 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.

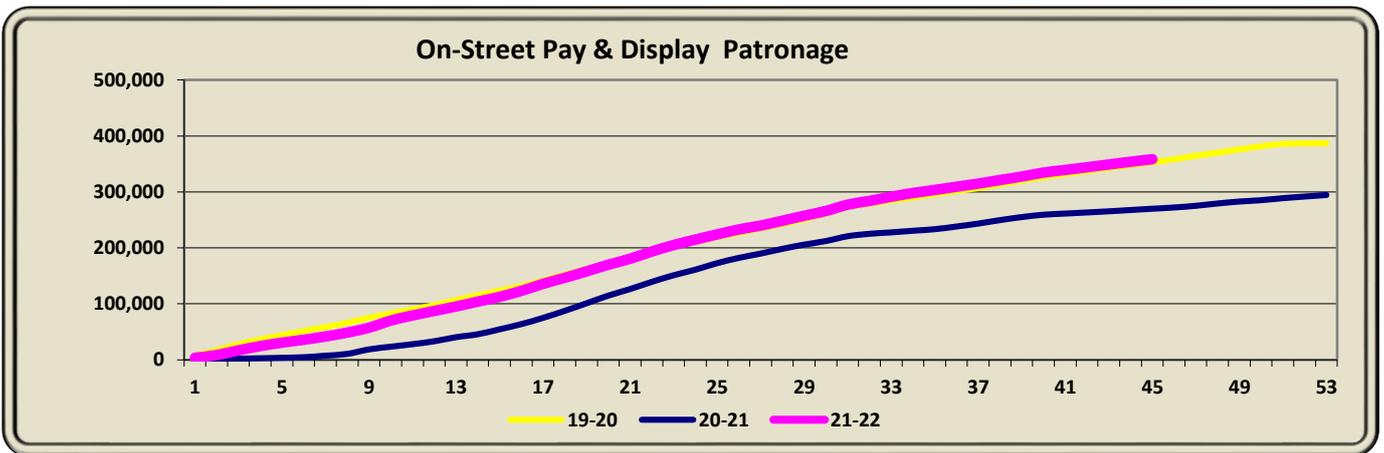
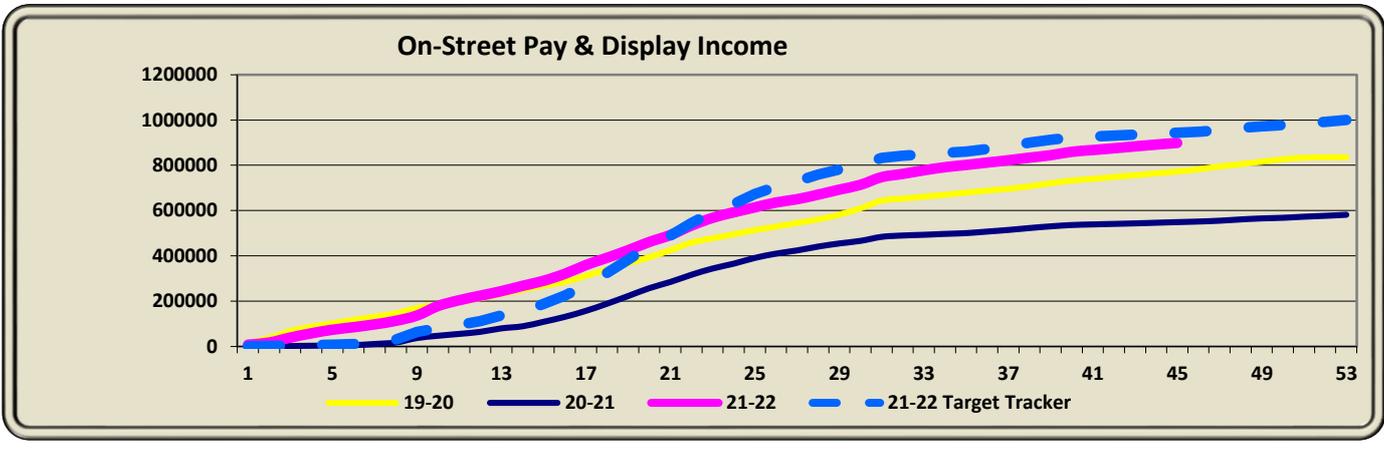
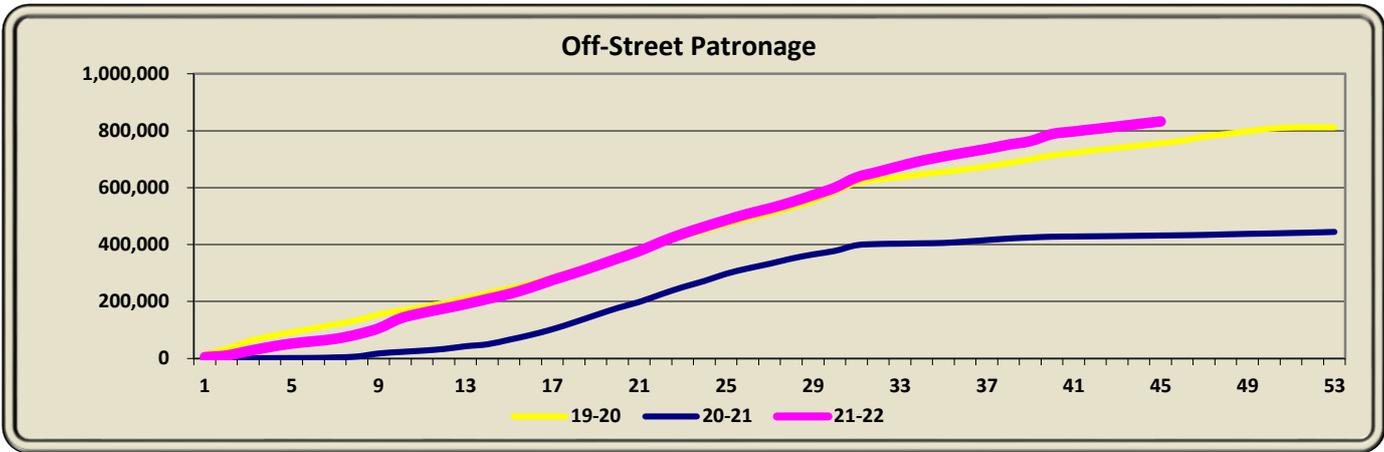
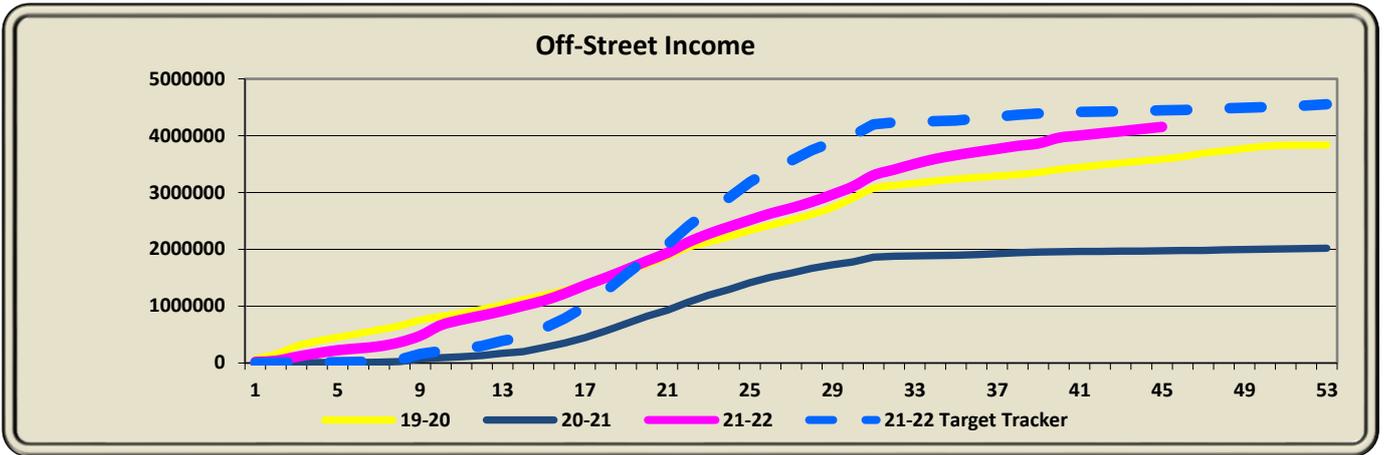
**Covid**

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 10 months of the financial year, the Budgets Outside the Cash Limit services are forecasting a £3,067k underspend. This still includes £2,601k net Covid related costs.

**Car Parking Trends**



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## Blackpool Council

### Wholly-Owned Companies

#### Covid Support to Council Wholly-Owned Companies

The Coronavirus pandemic led to a number of Council Wholly-Owned Companies (WOCs) facing significant income losses as a result of lockdown and subsequent social distancing restrictions. This impacted both company profitability and cashflow. It looked likely that without Council support some would not be able to recover within a reasonable timeframe, which could leave the Council without an operator for assets of significant financial value and importance to the town and its tourist economy.

In November 2020 the Executive approved the establishment of a £24m Covid Recovery Fund (PH46/2020), £20m plus a 20% contingency, ringfenced for WOCs only, from within the existing Business Loans Fund.

To be eligible to access the Covid Recovery Fund facility companies needed to produce a 5-year Covid recovery plan (2020/21 year + 4) and to demonstrate a cumulative break-even income and expenditure position by the end of year 5 of their recovery plan, or as close as possible to this term.

Loans were offered at a fixed rate over 5 years, thereby providing the WOCs with certainty over future repayments requirements and were tailored to the individual circumstances of the company and its recovery plan, offers being made on either an interest-only basis with balloon principal repayment or with monthly repayments of interest and principal.

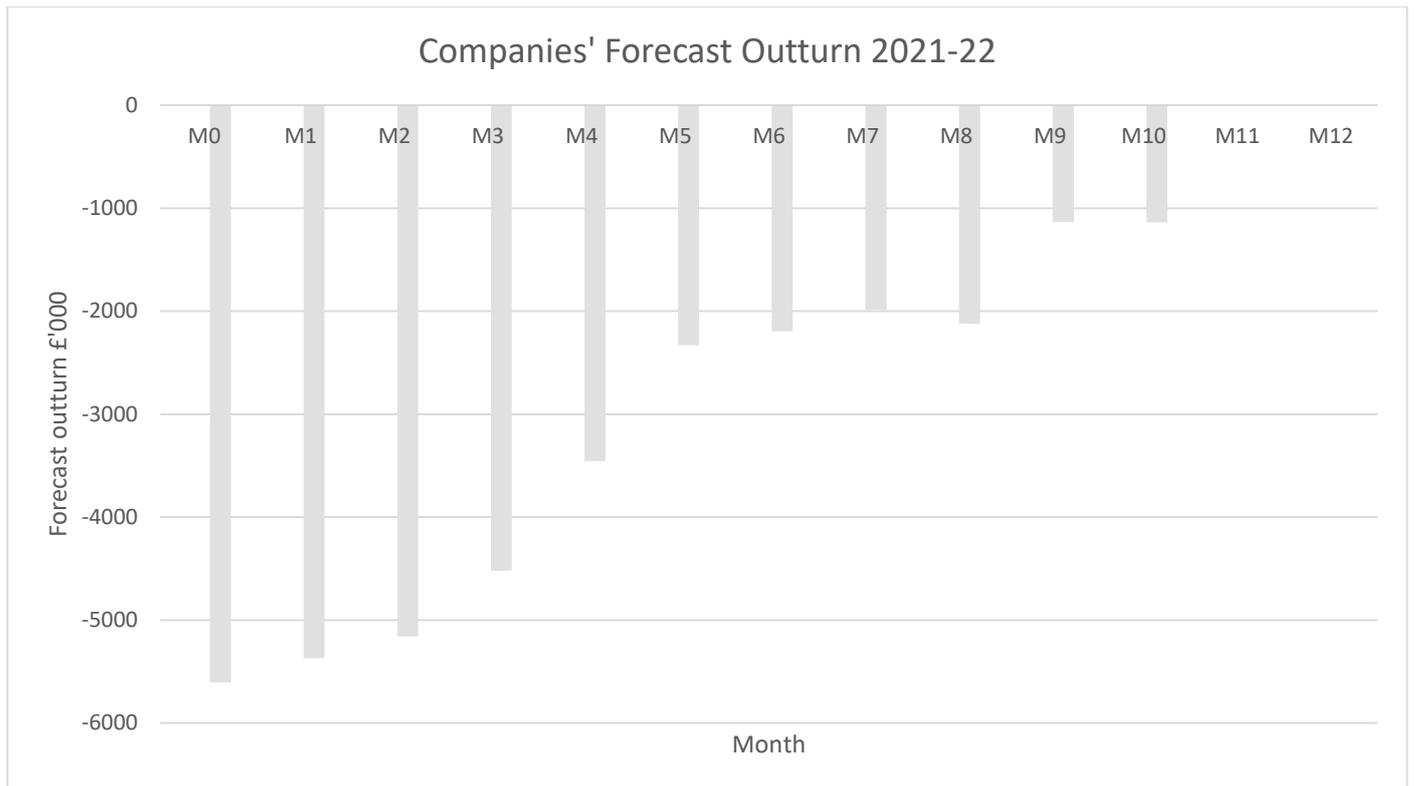
To date there have been loan approvals of £13.3m against that facility of which £7.32m has been drawn down. £1.1m of this has subsequently been repaid. The Council's Business Loans Fund Panel monitors progress against the WOCs' respective recovery plans on a regular basis.

#### Non Covid-related loan support to WOCs

The Council also supports its WOCs' capital spending (capex) requirements where there is a robust business case demonstrating either a valid 'Spend to Save' initiative or an opportunity to spend to generate income. The Council's exposure to principal and capitalised interest in respect of such WOC capex loans is currently £41.23m.

#### Wholly-owned companies financial performance as at Month 10 2021/22

The consolidated forecast financial position of the Council's wholly-owned subsidiary companies is a loss of £1.14m based on their individual Month 10 financial monitoring reports. This represents very little change from the Month 9 position and reflects that there has been very little change in the individual companies' forecast outturns this month.



The forecast loss in respect of Blackpool Entertainment Company Limited (BECL) is included within Strategic Leisure Assets in the forecast directorates' financial performances per convention and the Council is currently awaiting confirmation from CIPFA and from its external auditors, Deloitte, regarding the proper accounting treatment in respect of such forecast losses.

## Blackpool Council

### Covid -19 Funding 2021/22

|  | 2021/22           |  |
|--|-------------------|--|
|  | £                 |  |
| COVID-19 Additional Funding for 2021/22 - Additional Unringfenced Funding for 2021/22                                    | 5,544,757         |  |
| Contain Outbreak Management Fund (including Test and Trace Support Grant) for 2021/22 / Additional Surge Funding 2021/22 | 1,430,905         |  |
| ASC Infection Control and Testing Fund 2021/22 (including Extension)   | 2,201,455         |  |
| Welcome Back Fund 2021/22 (formerly Reopening High Streets Fund)   | 222,771           |  |
| Additional Home to School Transport 2021/22  | 133,534           |  |
| DWP Covid Winter Grant Scheme 2021/22  | 410,805           |  |
| Local Council Tax Support Scheme 2021/22   | 2,570,905         |  |
| Clinically Extremely Vulnerable (CEV) Support Funding 2021/22  | 308,266           |  |
| <b>Total Funding for Local Authorities for 2021/22</b>   | <b>12,823,398</b> |  |

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## Blackpool Council

**Budget Savings Target 2021/22**

|                                    | Target        | Achieved      | Not yet achieved | To be achieved before year-end | Not able to be achieved |
|------------------------------------|---------------|---------------|------------------|--------------------------------|-------------------------|
|                                    | £000          | £000          | £000             | £000                           | £000                    |
| Corporate Services                 | 7,314         | 7,314         | 0                | 0                              | 0                       |
| Adult Services                     | 410           | 110           | 300              | 300                            | 0                       |
| Chief Executive                    | 600           | 600           | 0                | 0                              | 0                       |
| Children's Services                | 582           | 246           | 336              | 336                            | 0                       |
| Governance & Partnership Services  | 114           | 114           | 0                | 0                              | 0                       |
| Community & Environmental Services | 2,400         | 1,450         | 950              | 950                            | 0                       |
| Outside Cash Limit                 | 7,306         | 7,306         | 0                | 0                              | 0                       |
| Public Health                      | 0             | 0             | 0                | 0                              | 0                       |
| Communications & Regeneration      | 425           | 380           | 45               | 0                              | 45                      |
| Growth & Prosperity                | 0             | 0             | 0                | 0                              | 0                       |
| Strategic Leisure Assets           | 50            | 0             | 50               | 0                              | 50                      |
| Resources                          | 1,084         | 1,059         | 25               | 25                             | 0                       |
| <b>Per Appendices</b>              | <b>20,285</b> | <b>18,579</b> | <b>1,706</b>     | <b>1,611</b>                   | <b>95</b>               |

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**2021/22 CAPITAL MONITORING  
MONTH 10**

|  | Total Scheme Budget | Spend as at 31/3/21 | Budget Brought Forward 2020/21 | Capital Programme 2021/22 | Total Available Budget 2021/22 | Spend to Date April -January | Forecast to Year End | Forecast Variance | Notes |
|--|---------------------|---------------------|--------------------------------|---------------------------|--------------------------------|------------------------------|----------------------|-------------------|-------|
|  | £000                | £000                | £000                           | £000                      | £000                           | £000                         | £000                 | £000              |       |
| <b>Director Responsible for Resources</b>                            |                     |                     |                                |                           |                                |                              |                      |                   |       |
| <b>Property and Asset Management</b>                                 |                     |                     |                                |                           |                                |                              |                      |                   |       |
| Central Business District Phase 1                                    | 40,432              | 38,142              | 2,290                          | -                         | 2,290                          | -                            | -                    | -                 |       |
| ICT Refresh  | 4,617               | 3,713               | -                              | 904                       | 904                            | 490                          | 414                  | -                 |       |
| Local Full Fibre Network   | 3,434               | 3,434               | -                              | -                         | -                              | (87)                         | 87                   | -                 |       |
| Finance, HR, Payroll System  | 1,200               | 174                 | (174)                          | 1,200                     | 1,026                          | 848                          | 178                  | -                 |       |
| Other Resources Schemes  | 1,334               | 401                 | 373                            | 560                       | 933                            | 784                          | 149                  | -                 |       |
| <b>Total Resources</b>   | <b>51,017</b>       | <b>45,864</b>       | <b>2,489</b>                   | <b>2,664</b>              | <b>5,153</b>                   | <b>2,035</b>                 | <b>828</b>           | <b>-</b>          |       |
| <b>Director Responsible for Adult Services</b>                       |                     |                     |                                |                           |                                |                              |                      |                   |       |
| Support to Vulnerable Adults - Grants                                | 9,709               | 7,959               | -                              | 1,750                     | 1,750                          | 1,428                        | 322                  | -                 |       |
| LD Respite Centre - Colton House                                     | 1,744               | 518                 | (353)                          | 1,579                     | 1,226                          | 1,130                        | 96                   | -                 |       |
| I-Switch   | 3,154               | 2,737               | (111)                          | 528                       | 417                            | 94                           | 323                  | -                 |       |
| Other Adult Services Schemes   | 1,071               | 382                 | 658                            | 30                        | 688                            | 68                           | 620                  | -                 |       |
| <b>Total Adult Services</b>  | <b>15,678</b>       | <b>11,596</b>       | <b>194</b>                     | <b>3,887</b>              | <b>4,081</b>                   | <b>2,720</b>                 | <b>1,361</b>         | <b>-</b>          |       |
| <b>Director Responsible for Community and Environmental Services</b> |                     |                     |                                |                           |                                |                              |                      |                   |       |
| Anchorsholme Seawall   | 27,515              | 25,632              | 1,883                          | -                         | 1,883                          | 360                          | 523                  | -                 |       |
| Coastal Protection Strategy 2021-2025                                | 569                 | -                   | -                              | 569                       | 569                            | -                            | 569                  | -                 |       |
| Coastal Protection Studies   | 2,212               | 1,777               | 80                             | 355                       | 435                            | 382                          | 53                   | -                 |       |
| Refuse Vehicles  | 4,054               | 2,986               | 1,068                          | -                         | 1,068                          | 1                            | -                    | -                 |       |
| Other  | 50                  | -                   | -                              | 50                        | 50                             | 43                           | 7                    | -                 |       |
| <b>Total Community and Environmental Services</b>                    | <b>34,400</b>       | <b>30,395</b>       | <b>3,031</b>                   | <b>974</b>                | <b>4,005</b>                   | <b>786</b>                   | <b>1,152</b>         | <b>-</b>          |       |

**2021/22 CAPITAL MONITORING  
MONTH 10**

|   | <b>Total Scheme Budget</b> | <b>Spend as at 31/3/21</b> | <b>Budget Brought Forward 2020/21</b> | <b>Capital Programme 2021/22</b> | <b>Total Available Budget 2021/22</b> | <b>Spend to Date April -January</b> | <b>Forecast to Year End</b> | <b>Forecast Variance</b> | <b>Notes</b> |
|---|----------------------------|----------------------------|---------------------------------------|----------------------------------|---------------------------------------|-------------------------------------|-----------------------------|--------------------------|--------------|
|   | <b>£000</b>                | <b>£000</b>                | <b>£000</b>                           | <b>£000</b>                      | <b>£000</b>                           | <b>£000</b>                         | <b>£000</b>                 | <b>£000</b>              |              |
| <b>Director Responsible for Governance &amp; Partnership Services</b> |                            |                            |                                       |                                  |                                       |                                     |                             |                          |              |
| Carleton Crematorium Works 2018-20                                    | 2,990                      | 2,990                      | -                                     | -                                | -                                     | -                                   | -                           | -                        |              |
| Carleton Burial Plots   | 1,161                      | 31                         | 1,130                                 | -                                | 1,130                                 | -                                   | -                           | -                        |              |
| Others  | 146                        | -                          | -                                     | 146                              | 146                                   | 146                                 | -                           | -                        |              |
| <b>Total Governance &amp; Partnership Services</b>                    | <b>4,297</b>               | <b>3,021</b>               | <b>1,130</b>                          | <b>146</b>                       | <b>1,276</b>                          | <b>146</b>                          | <b>-</b>                    | <b>-</b>                 |              |
| <b>Chief Executive</b>  |                            |                            |                                       |                                  |                                       |                                     |                             |                          |              |
| <b>Housing</b>  |                            |                            |                                       |                                  |                                       |                                     |                             |                          |              |
| Foxhall Village   | 12,798                     | 13,423                     | (625)                                 | -                                | (625)                                 | 20                                  | (645)                       | 1,800                    |              |
| Work towards Decent Homes Standard                                    | 4,887                      | -                          | -                                     | 4,887                            | 4,887                                 | 3,085                               | 1,802                       | -                        |              |
| Queens Park Redevelopment Ph2   | 13,241                     | 13,422                     | (181)                                 | -                                | (181)                                 | (19)                                | (162)                       | -                        |              |
| Troutbeck Redevelopment   | 10,819                     | 6,169                      | -                                     | 4,650                            | 4,650                                 | 3,676                               | 974                         | -                        |              |
| Grange Park   | 1,130                      | 176                        | -                                     | 954                              | 954                                   | 694                                 | 260                         | -                        |              |
| Dunsop Court  | 764                        | 361                        | -                                     | 403                              | 403                                   | 262                                 | 141                         | -                        |              |
| Feasibility/ Infill site  | 2,490                      | 135                        | 2,215                                 | 140                              | 2,355                                 | 40                                  | 126                         | -                        |              |
| Haweside Masterplan   | 562                        | -                          | -                                     | 562                              | 562                                   | 22                                  | 540                         | -                        |              |
| Garstang Road West  | 2,048                      | 302                        | -                                     | 1,746                            | 1,746                                 | 1,698                               | 48                          | -                        |              |
| Acquisition and Refurbishment   | 2,441                      | 1                          | -                                     | 2,440                            | 2,440                                 | 731                                 | 277                         | -                        |              |
| Others  | 1,559                      | -                          | -                                     | 1,559                            | 1,559                                 | -                                   | -                           | -                        |              |
| <b>Total Chief Executive</b>  | <b>52,739</b>              | <b>33,989</b>              | <b>1,409</b>                          | <b>17,341</b>                    | <b>18,750</b>                         | <b>10,209</b>                       | <b>3,361</b>                | <b>1,800</b>             |              |

**2021/22 CAPITAL MONITORING  
MONTH 10**

|   | Total Scheme Budget | Spend as at 31/3/21 | Budget Brought Forward 2020/21 | Capital Programme 2021/22 | Total Available Budget 2021/22 | Spend to Date April -January | Forecast to Year End | Forecast Variance | Notes |
|---|---------------------|---------------------|--------------------------------|---------------------------|--------------------------------|------------------------------|----------------------|-------------------|-------|
|   | £000                | £000                | £000                           | £000                      | £000                           | £000                         | £000                 | £000              |       |
| <b>Director Responsible for Communications and Regeneration</b> |                     |                     |                                |                           |                                |                              |                      |                   |       |
| <b>Regeneration</b>   |                     |                     |                                |                           |                                |                              |                      |                   |       |
| College Relocation/Illumination Depot                           | 13,305              | 13,924              | (719)                          | 100                       | (619)                          | -                            | -                    | -                 |       |
| Leisure Assets  | 66,279              | 63,883              | 1,752                          | 644                       | 2,396                          | 806                          | 1,590                | -                 |       |
| Conference Centre   | 30,562              | 20,343              | 10,219                         | -                         | 10,219                         | 10,147                       | 72                   | -                 |       |
| Spanish Hall roof & façade                                      | 1,995               | 1,691               | 304                            | -                         | 304                            | -                            | 304                  | -                 |       |
| CBD Phase 2 - Hotel   | 24,500              | 6,723               | 17,777                         | -                         | 17,777                         | 8,541                        | 3,236                | -                 |       |
| Land Release Fund   | 3,150               | 364                 | 2,786                          | -                         | 2,786                          | 58                           | 2,728                | -                 |       |
| Town Centre Investment  | 3,200               | 3,001               | 199                            | -                         | 199                            | -                            | 199                  | -                 |       |
| Enterprise Zone   | 13,000              | 8,905               | 4,095                          | -                         | 4,095                          | 2,412                        | 1,683                | -                 |       |
| Town Centre Parking Strategy                                    | 16,000              | 2,345               | 13,655                         | -                         | 13,655                         | 2,925                        | 1,250                | -                 |       |
| Town Centre Investments   | 50,770              | 50,770              | -                              | -                         | -                              | 14                           | (14)                 | -                 |       |
| Museum  | 7,894               | 412                 | 7,482                          | -                         | 7,482                          | 1,258                        | 1,824                | -                 |       |
| Abingdon Street Market  | 3,600               | 1,286               | 2,314                          | -                         | 2,314                          | 121                          | 193                  | -                 |       |
| HoundsHill Ph2  | 20,190              | 1,965               | 18,225                         | -                         | 18,225                         | 3,362                        | 4,863                | -                 |       |
| Heritage Action Zone  | 1,091               | -                   | -                              | 1,091                     | 1,091                          | 83                           | 208                  | -                 |       |
| Other   | 382                 | 368                 | 14                             | -                         | 14                             | 32                           | (18)                 | -                 |       |
| <b>Transport</b>  |                     |                     |                                |                           |                                |                              |                      |                   |       |
| Local Transport Plan 2019/20                                    | 1,842               | 1,748               | 94                             | -                         | 94                             | 94                           | -                    | -                 |       |
| Local Transport Plan Project 30 2019/20                         | 403                 | 403                 | -                              | -                         | -                              | -                            | -                    | -                 |       |
| Local Transport Plan Quality Corridor 2019/20                   | 283                 | 283                 | -                              | -                         | -                              | -                            | -                    | -                 |       |
| Local Transport Plan 2020/21                                    | 2,183               | 1,214               | 969                            | -                         | 969                            | 969                          | -                    | -                 |       |
| Local Transport Plan Project 30 2020/21                         | 343                 | 343                 | -                              | -                         | -                              | -                            | -                    | -                 |       |
| Local Transport Plan 2021/22                                    | 2,630               | -                   | -                              | 2,630                     | 2,630                          | 1,460                        | 1,043                | -                 |       |
| Local Transport Plan Project 30 2021/22                         | 283                 | -                   | -                              | 283                       | 283                            | 283                          | -                    | -                 |       |
| Quality Corridor  | 7,050               | 6,225               | 825                            | -                         | 825                            | 825                          | -                    | -                 |       |
| Blackpool/Fleetwood Tramway                                     | 99,990              | 99,990              | -                              | -                         | -                              | -                            | -                    | -                 |       |
| Tramway Extension   | 16,400              | 15,542              | 858                            | -                         | 858                            | 858                          | -                    | -                 |       |
| Tramway Refurbishment   | 1,052               | 701                 | 351                            | -                         | 351                            | 12                           | 339                  | -                 |       |
| Sintropher  | 1,903               | 2,780               | (877)                          | -                         | (877)                          | -                            | -                    | -                 |       |
| <b>Total Communications and Regeneration</b>                    | <b>390,280</b>      | <b>305,209</b>      | <b>80,323</b>                  | <b>4,748</b>              | <b>85,071</b>                  | <b>34,260</b>                | <b>19,500</b>        | <b>-</b>          |       |

**2021/22 CAPITAL MONITORING  
MONTH 10**

|   | Total Scheme Budget | Spend as at 31/3/21 | Budget Brought Forward 2020/21 | Capital Programme 2021/22 | Total Available Budget 2021/22 | Spend to Date April -January | Forecast to Year End | Forecast Variance | Notes |
|---|---------------------|---------------------|--------------------------------|---------------------------|--------------------------------|------------------------------|----------------------|-------------------|-------|
|   | £000                | £000                | £000                           | £000                      | £000                           | £000                         | £000                 | £000              |       |
| <b>Director Responsible for Children's Services</b> |                     |                     |                                |                           |                                |                              |                      |                   |       |
| Devolved Capital to Schools                         | 731                 | 516                 | 129                            | 86                        | 215                            | 31                           | 184                  | -                 |       |
| Park Expansion                                      | 610                 | 412                 | 198                            | -                         | 198                            | -                            | 198                  | -                 |       |
| Basic Need  | 1,053               | 3                   | 1,050                          | -                         | 1,050                          | -                            | -                    | -                 |       |
| Condition   | 891                 | -                   | 578                            | 313                       | 891                            | 304                          | 587                  | -                 |       |
| Others  | 565                 | -                   | -                              | 565                       | 565                            | 450                          | 115                  | -                 |       |
| <b>Total Children's Services</b>                    | <b>3,850</b>        | <b>931</b>          | <b>1,955</b>                   | <b>964</b>                | <b>2,919</b>                   | <b>785</b>                   | <b>1,084</b>         | <b>-</b>          |       |
| <b>CAPITAL TOTAL</b>                                | <b>552,261</b>      | <b>431,005</b>      | <b>90,531</b>                  | <b>30,724</b>             | <b>121,255</b>                 | <b>50,941</b>                | <b>27,286</b>        | <b>1,800</b>      |       |

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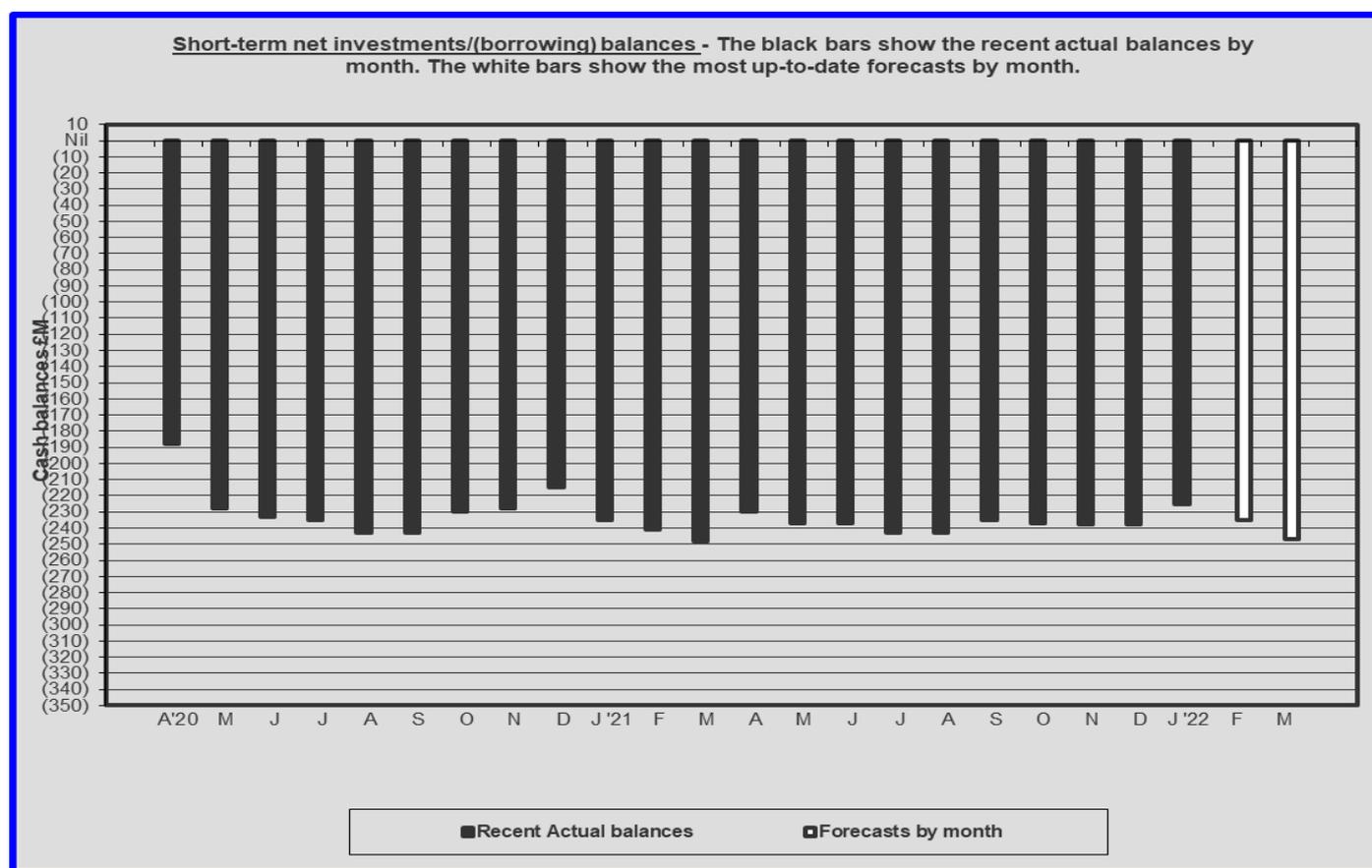
Notes

- (1) 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 subject to ongoing negotiations with the administrators and partners including Homes England.
- (2) Other Resources Schemes. Budget reduced by £1.3m due to completed scheme being removed from reporting.
- (3) Other Adult Social Schemes. Budget reduced by £1.9m due to completed scheme being removed from reporting.

## Blackpool Council

Cash summary - budget, actual and forecast:

| CASH FLOW - SUMMARY - 21/22                      |  |                                  |                                    |   |   |   |   |
|--|--|----------------------------------|------------------------------------|---|---|---|---|
| FULL YEAR<br>CASH FLOW<br>ORIGINAL<br>BUDGET (*) | APR - JAN<br>CASH FLOW<br>ORIGINAL<br>BUDGET (*) | APR - JAN<br>CASH FLOW<br>ACTUAL | FEB - MAR<br>CASH FLOW<br>FORECAST | (* ) THE CASH FLOW BUDGET IS<br>CONSISTENT WITH THE REVENUE<br>BUDGET AND THE CAPITAL PROGRAMME<br>IN TOTAL. THE BUDGETED CASH FLOW<br>PHASING IS BASED ON DETAILED<br>EXPECTATIONS AND PAST EXPERIENCE | APR - JAN<br>MORE / (LESS)<br>CASH<br>ACTUAL<br>vs ORIGINAL<br>BUDGET | FEB - MAR<br>MORE / (LESS)<br>CASH<br>FORECAST<br>vs ORIGINAL<br>BUDGET | FULL YEAR<br>MORE / (LESS)<br>AS NOW<br>FORECAST<br>vs ORIGINAL<br>BUDGET |
| £M   | £M   | £M                               | £M                                 |   | £M  | £M  | £M  |
| 50   | 42   | 40                               | 8                                  | <b>RECEIPTS</b>   |   |   |   |
| 115  | 102  | 76                               | 10                                 | Housing Benefit & Subsidy   | (2)   | -   | (2)   |
| 16   | 13   | 17                               | 1                                  | Council tax and NNDR  | (26)  | (3)   | (29)  |
| 33   | 28   | 48                               | 8                                  | VAT   | 4   | (2)   | 2   |
| 110  | 95   | 179                              | 18                                 | RSG & BRR   | 20  | 3   | 23  |
| 121  | 100  | 133                              | 20                                 | Other Grants  | 84  | 3   | 87  |
| -  | -  | 214                              | 18                                 | Other Income  | 33  | (1)   | 32  |
| 10   | 10   | 223                              | 39                                 | Money Market Transactions Received  | 214   | 18  | 232   |
|  |  |                                  |                                    | Receipt of Loans  | 213   | 39  | 252   |
| 455  | 390  | 930                              | 122                                | <b>RECEIPTS - NORMAL ACTIVITIES</b>   | 540   | 57  | 597   |
| 11   | 9  | 9                                | 2                                  | <b>PAYMENTS</b>   |   |   |   |
| 354  | 295  | 341                              | 89                                 | Police & Fire   | -   | -   | -   |
| -  | -  | -                                | -                                  | General Creditors   | (46)  | (30)  | (76)  |
| 100  | 84   | 86                               | 16                                 | RSG & BRR   | -   | -   | -   |
| 44   | 36   | 33                               | 7                                  | Salaries & wages  | (2)   | -   | (2)   |
| 258  | 253  | 459                              | 10                                 | Housing Benefits  | 3   | 1   | 4   |
| 767  | 677  | 928                              | 124                                | Money Market Transactions Paid Out  | (206)   | (5)   | (211)   |
|  |  |                                  |                                    | <b>PAYMENTS - NORMAL ACTIVITIES</b>   | (251)   | (34)  | (285)   |
| <b>(312)</b>                                     | <b>(287)</b>                                     | <b>2</b>                         | <b>(2)</b>                         | <b>NET CASH FLOW IN/(OUT)</b>   | <b>289</b>  | <b>23</b>   | <b>312</b>  |
| A  | B  | C                                | D                                  |   | = C less B  | = D less (A-B)  |   |

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

**Commentary on Cash Movements during the year:**

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

During the first ten 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.

The chart of actual and forecast month-end balances shows temporary investment and borrowing levels throughout the year. The forecast shows the level of borrowing that may be required to cover planned capital expenditure up to 31<sup>st</sup> March 2022.

## Blackpool Council

Balance Sheet / Working capital:

| BALANCE SHEET 2021/22 |  |                     |                             |                       |
|-----------------------|--|---------------------|-----------------------------|-----------------------|
| LAST Y/END            |  | CURRENT             | CHANGE                      | NEXT Y/END            |
| Draft<br>31 Mar 21    |  | 31 Jan 22<br>Actual | Movement since<br>31 Mar 21 | 31 Mar 22<br>Forecast |
| £000s                 |  | £000s               | £000s                       | £000s                 |
| 825,963               | Property, Plant and Equipment              | 876,904             | 50,941                      | 904,466               |
| 112,022               | Long-term Assets                           | 112,744             | 722                         | 115,000               |
| Current Assets        |  |                     |                             |                       |
| 63,921                | Debtors                                    | 55,765              | (8,156)                     | 60,000                |
| 774                   | Inventories                                | 826                 | 52                          | 800                   |
| 1,235                 | Short-term loans                           | 700                 | (535)                       | -                     |
| 3,352                 | Cash and cash equivalents                  | 9,623               | 6,271                       | 5,000                 |
| <b>1,007,267</b>      | <b>Total Assets</b>                        | <b>1,056,562</b>    | <b>49,295</b>               | <b>1,085,266</b>      |
| Current Liabilities   |  |                     |                             |                       |
| (259,607)             | Borrowing Repayable within 12 months       | (242,000)           | 17,607                      | (300,000)             |
| (93,538)              | Creditors                                  | (91,550)            | 1,988                       | (86,000)              |
| Long-term Liabilities |  |                     |                             |                       |
| (79,487)              | Borrowing Repayable in excess of 12 months | (79,487)            | -                           | (78,500)              |
| (93,359)              | Long Term Creditors                        | (93,359)            | -                           | (90,259)              |
| (15,724)              | Capital Grants in Advance                  | (15,724)            | -                           | (14,000)              |
| (9,363)               | Provisions                                 | (9,363)             | -                           | (9,200)               |
| (275,968)             | Other Long-term Liabilities                | (275,968)           | -                           | (320,000)             |
| <b>180,221</b>        | <b>Total Assets less Liabilities</b>       | <b>249,111</b>      | <b>68,890</b>               | <b>187,307</b>        |
| (106,338)             | Usable Reserves                            | (73,499)            | 32,839                      | (70,790)              |
| (73,883)              | Unusable Reserves                          | (175,612)           | (101,729)                   | (116,517)             |
| <b>(180,221)</b>      | <b>Total Reserves</b>                      | <b>(249,111)</b>    | <b>(68,890)</b>             | <b>(187,307)</b>      |

Commentary on the key issues:

In order to provide a complete picture of the Council's financial performance, the above table provides a snapshot of the General Fund balance sheet as at the end of month 10. The key areas of focus are any significant movements in debtors, cash and cash equivalents, bank overdraft and creditors as these impact upon the Council's performance in the critical areas of debt recovery, treasury management and Public Sector Payment Policy.

The balance sheet has been prepared under International Financial Reporting Standards (IFRSs). Temporary investments are included within cash and cash equivalents along with bank balance and cash in hand. Usable reserves include unallocated General Fund reserves and revenue reserves. Unusable reserves are those that the Council is not able to use to provide services. This category includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets were sold.

Over the 10-month period there has been an increase in Property, Plant and Equipment of £50.9m 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 £17.6m and an increase in Cash and Cash Equivalents of £6.3m due to the timing of capital and revenue grants.

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