

Blackpool Council – Budgets Outside the Cash Limit

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2018/19 (UNDER)/OVER SPEND B/FWD £000
	2019/20					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUL £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000	
BUDGETS OUTSIDE THE CASH LIMIT						
NET EXPENDITURE						
TREASURY MANAGEMENT	9,679	2,964	5,991	8,955	(724)	-
PARKING SERVICES	(4,730)	(1,238)	(2,806)	(4,044)	686	-
CORPORATE SUBSCRIPTIONS	137	116	21	137	-	-
HOUSING BENEFITS	1,497	489	1,008	1,497	-	-
COUNCIL TAX & NNDR COST OF COLLECTION	1,103	269	834	1,103	-	-
SUBSIDIARY COMPANIES	(1,172)	-	(1,203)	(1,203)	(31)	-
LAND CHARGES	(51)	(8)	(46)	(54)	(3)	-
CONCESSIONARY FARES	3,929	616	3,988	4,604	675	-
EMPLOYERS PREVIOUS YEARS' PENSION LIABILITY	2,890	963	1,927	2,890	-	-
NEW HOMES BONUS	(454)	(227)	(227)	(454)	-	-
TOTALS	12,828	3,944	9,487	13,431	603	-

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 4 months of 2019/20 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 £724k. 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 £2,700k and there is some slippage in the loans being made to date.

Parking Services

This service is forecasting a pressure of £686k; this pressure is mainly due to 'on-street parking' schemes not being feasible, loss of parking spaces, prudential borrowing costs, increased business rates and reduced income from staff parking. As at Week 19 (w/e 11th August) parking income is at £1.99m with patronage at 492,227. Car park patronage is down by 3,764 however income is up by £5,102 on 2018/19. On-Street Pay and Display is up on patronage by 3,046 and income is up by £18,934.

Council Tax and NNDR Cost of Collection

This service is forecasting a break-even position.

Subsidiary Companies

This service is now forecasting a favourable variance of £31k. This is due to an expected reduction in charges mainly relating to debt management.

Land Charges

This service is forecasting a slight underspend due to lower costs.

Concessionary Fares

This service is forecasting a pressure of £675k due to the level of demand for bus and tram usage by NoW cardholders unexpectedly increasing at the end of 2018/19 after the budgets were set. This has meant that the expected £340k saving based on forecasts last October is now not likely to materialise. This has further been compounded by assumptions made at the end of last year not materialising and so adding to this year's pressure.

Summary of the revenue forecasts

After 4 months of the financial year, the Budgets Outside the Cash Limit services are forecasting a £603k overspend.

Car Parking Trends

