

## Blackpool Council – Budgets Outside the Cash Limit

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

| FUNCTIONS OF THE SERVICE                       | BUDGET                                     | EXPENDITURE                      |                            |                             | VARIANCE  | 2018/19<br>(UNDER)/OVER<br>SPEND B/FWD<br>£000 |
|--|--|----------------------------------|----------------------------|-----------------------------|---|--|
|  | 2019/20                                    |                                  |                            |                             |   |  |
|  | ADJUSTED<br>CASH LIMITED<br>BUDGET<br>£000 | EXPENDITURE<br>APR - OCT<br>£000 | PROJECTED<br>SPEND<br>£000 | FORECAST<br>OUTTURN<br>£000 | F/CAST FULL<br>YEAR VAR.<br>(UNDER)/ OVER<br>£000 |  |
| <b>BUDGETS OUTSIDE THE CASH LIMIT</b>          |  |                                  |                            |                             |   |  |
| <b>NET EXPENDITURE</b>                         |  |                                  |                            |                             |   |  |
| TREASURY MANAGEMENT                            | 9,679                                      | 5,100                            | 3,719                      | 8,819                       | (860)   | -  |
| PARKING SERVICES                               | (4,850)                                    | (3,020)                          | (1,071)                    | (4,091)                     | 759   | -  |
| CORPORATE SUBSCRIPTIONS                        | 137  | 125                              | 12                         | 137                         | -   | -  |
| HOUSING BENEFITS                               | 1,497                                      | 825                              | 672                        | 1,497                       | -   | -  |
| COUNCIL TAX & NNDR COST OF<br>COLLECTION       | 1,103                                      | 640                              | 463                        | 1,103                       | -   | -  |
| SUBSIDIARY COMPANIES                           | (1,172)                                    | 579                              | (1,782)                    | (1,203)                     | (31)  | -  |
| LAND CHARGES                                   | (51)                                       | (46)                             | (8)                        | (54)                        | (3)   | -  |
| CONCESSIONARY FARES                            | 3,929                                      | 1,321                            | 3,308                      | 4,629                       | 700   | -  |
| EMPLOYERS PREVIOUS YEARS' PENSION<br>LIABILITY | 2,890                                      | 1,686                            | 1,204                      | 2,890                       | -   | -  |
| NEW HOMES BONUS                                | (454)                                      | (340)                            | (114)                      | (454)                       | -   | -  |
| <b>TOTALS</b>                                  | <b>12,708</b>                              | <b>6,870</b>                     | <b>6,403</b>               | <b>13,273</b>               | <b>565</b>  | <b>-</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 7 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 £860k. 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 £759k; 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 33 (w/e 17th November) parking income is at £3.82m with patronage at 922,244. Car park patronage is down by 18,735 and income is down by £74,336 on 2018/19. On-Street Pay and Display patronage is down by 7,791 and income is down by £1,691.

**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**

Whilst the overall level of demand on the buses and trams has started to fall, an under provision in 2018/19 (based on external forecasts) has led to a pressure of £700k.

**Summary of the revenue forecasts**

After 7 months of the financial year, the Budgets Outside the Cash Limit services are forecasting a £565k overspend.

Car Parking Trends

