

Blackpool Council – Budgets Outside the Cash Limit

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2019/20 (UNDER)/OVER SPEND B/FWD £000	VARIANCE	
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUL £000	2020/21		F/CAST FULL YEAR VAR. (UNDER) / OVER £000		COVID-19	NON-COVID
			PROJECTED SPEND £000	FORECAST OUTTURN £000			£000	£000
BUDGETS OUTSIDE THE CASH LIMIT								
NET EXPENDITURE								
TREASURY MANAGEMENT	10,361	3,394	6,788	10,182	(179)	-	-	(179)
PARKING SERVICES	(4,806)	333	(3,038)	(2,705)	2,101	-	2,136	(35)
CORPORATE SUBSCRIPTIONS	137	84	53	137	-	-	-	-
HOUSING BENEFITS	1,570	762	1,047	1,809	239	-	239	-
COUNCIL TAX & NNDR COST OF COLLECTION	1,104	375	729	1,104	-	-	-	-
SUBSIDIARY COMPANIES	(1,170)	265	(99)	166	1,336	-	1,377	(41)
LAND CHARGES	(51)	(15)	(36)	(51)	-	-	-	-
CONCESSIONARY FARES	4,433	(2,245)	6,509	4,264	(169)	-	(169)	-
EMPLOYERS PREVIOUS YEARS' PENSION LIABILITY	1,297	432	865	1,297	-	-	-	-
NEW HOMES BONUS	(266)	(133)	(133)	(266)	-	-	-	-
TOTALS	12,609	3,252	12,685	15,937	3,328	-	3,583	(255)

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 2020/21 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 £179k. 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.

Parking Services

Parking Services is forecasting a shortfall on income of £2,101k for 2020/21. £2,136k of this shortfall relates to the expected loss of income due to Covid-19 restrictions against budget. A small saving has been generated due to savings in staffing.

As at Week 20 (w/e 16th August) parking income is at £1.08m with patronage at 218,716. Car park patronage is down by 175,151 and income is down by £913k on 2019/20. On-Street Pay and Display patronage is down by 131,618 and income is down by £137k.

Housing Benefit

This service is forecasting an overspend of £239k due to Covid-19. This relates to a reduction in the amount of overpayments recovered during the pandemic.

Council Tax and NNDR Cost of Collection

This service is forecasting a break-even position.

Subsidiary Companies

There is a pressure of £1,336k in subsidiary companies. £1,377k of this pressure is due to the current restrictions relating to Covid-19. The current forecast assumes no dividend is received from Blackpool Transport Services (BTS) or Blackpool Operating Company Limited (BOCL). There is, however, expected to be a saving of £41k due to an expected reduction in charges, mainly relating to debt management.

Land Charges

This service is expected to break-even.

Concessionary Fares

Concessionary Fares is forecasting an underspend of £169k. This is a saving expected from Covid-19 and is based on paying an average of four periods' costs for the full year rather than actual costs.

Summary of the revenue forecasts

After 4 months of the financial year, the Budgets Outside the Cash Limit services are forecasting a £3,328k overspend. This includes £3,583k Covid-19 related costs.

Car Parking Trends

