

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	
	2020/21						COVID-19 £000	NON-COVID £000
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - DEC £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000			
BUDGETS OUTSIDE THE CASH LIMIT								
NET EXPENDITURE								
TREASURY MANAGEMENT	10,424	6,999	2,333	9,332	(1,092)	-	-	(1,092)
PARKING SERVICES	(4,783)	(1,642)	566	(1,076)	3,707	-	3,758	(51)
CORPORATE SUBSCRIPTIONS	137	120	17	137	-	-	-	-
HOUSING BENEFITS	1,570	1,416	393	1,809	239	-	239	-
COUNCIL TAX & NNDR COST OF COLLECTION	1,104	828	276	1,104	-	-	-	-
SUBSIDIARY COMPANIES	(904)	(327)	491	164	1,068	-	1,377	(309)
LAND CHARGES	(51)	(53)	2	(51)	-	-	-	-
CONCESSIONARY FARES	4,433	2,345	1,634	3,979	(454)	-	2,780	(3,234)
EMPLOYERS PREVIOUS YEARS' PENSION LIABILITY	1,297	973	324	1,297	-	-	-	-
NEW HOMES BONUS	(266)	(200)	(66)	(266)	-	-	-	-
TOTALS	12,961	10,459	5,970	16,429	3,468	-	8,154	(4,686)

Commentary on the key issues:

Directorate Summary - basis

The Revenue summary (above) lists the latest outturn projection for each individual service categorised as falling 'outside the cash limit' and thereby exempt from the cash limited budget regime. Forecast outturns are based upon actual financial performance for the first 9 months of 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 £1,092k. 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 £3,707k for 2020/21. £3,758k of this shortfall relates to the expected loss of income due to Covid restrictions against budget. A small saving has been generated due to savings in staffing and other services.

As at Week 40 (w/e 3rd January) parking income is at £2.5m with patronage at 651,234. Car park patronage is down by 287,860 and income is down by £1,455k on 2019/20. On-Street Pay and display patronage is down by 101,597 and income is down by £197k.

Housing Benefit

This service is forecasting an overspend of £239k due to Covid. 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 £1,068k in subsidiary companies. £1,377k of this pressure is due to the current restrictions relating to Covid. 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 savings of £309k (an additional £268k from month 7) 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 £454k. This includes £2,780k pressure due to the current restrictions relating to Covid. 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 till October has been extended until the end of the financial year and the effect of this is shown in the revised figure.

Summary of the revenue forecasts

After 9 months of the financial year, the Budgets Outside the Cash Limit services are forecasting a £3,468k overspend. This includes £8,154k Covid related costs.

Car Parking Trends

