

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
	2020/21					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JAN £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	1,717	344	2,061	(8,363)	-
PARKING SERVICES	(4,783)	(1,523)	(2,116)	(3,639)	1,144	-
CORPORATE SUBSCRIPTIONS	137	127	10	137	-	-
HOUSING BENEFITS	1,570	1,547	262	1,809	239	-
COUNCIL TAX & NNDR COST OF COLLECTION	1,104	925	179	1,104	-	-
SUBSIDIARY COMPANIES	(904)	(300)	(516)	(816)	88	-
LAND CHARGES	(51)	(61)	10	(51)	-	-
CONCESSIONARY FARES	4,433	2,667	(1,468)	1,199	(3,234)	-
EMPLOYERS PREVIOUS YEARS' PENSION LIABILITY	1,297	1,081	216	1,297	-	-
NEW HOMES BONUS	(266)	(200)	(66)	(266)	-	-
TOTALS	12,961	5,980	(3,145)	2,835	(10,126)	

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 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 £8,363k. 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 8th February 2021, a total of £6.7m of saving has been realised in 2020/21.

Parking Services

Parking Services is forecasting a shortfall on income of £1,144k for 2020/21 after the reallocation of Covid funding relating to government grants tranches 1-4 and sales, fees and charges compensation claims. Once this has been taken into account the net Covid pressure is £1,195k. The small saving has been generated due to savings in staffing and other services.

As at Week 45 (w/e 7th February) parking income is at £2.5m with patronage at 665,419. Car park patronage is down by 325,363 and income is down by £1,618k on 2019/20. On-Street Pay and display patronage is down by 118,480 and income is down by £224k.

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 £88k in subsidiary companies after the reallocation of Covid funding relating to government sales, fees and charges compensation claims. Once this has been taken into account the net Covid pressure is £399k. There is, however, expected to be savings of £311k 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 £3,234k after the reallocation of Covid funding relating to government grants tranches 1-4. This is due to reduced passenger numbers from those budgeted.

Covid

Services falling Outside the Cash Limit have a gross pressure of £8,154k relating to Covid. Following the reallocation of Covid funding relating to government grants tranches 1-4, and sales, fees and charges compensation claims amounting to £6,321k, the net Covid pressure is £1,833k, 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 £10,126k underspend. This still includes £1,833k Covid related costs.

Car Parking Trends

