

Blackpool Council – Strategic Leisure Assets

Revenue summary - budget, actual and forecast:

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2020/21 (UNDER)/OVER SPEND B/FWD £000	VARIANCE					
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUN £000	2021/22		F/CAST FULL YEAR VAR. (UNDER) / OVER £000		NON-COVID	COVID-19				
			PROJECTED SPEND £000	FORECAST OUTTURN £000			GROSS £000	DIRECT SERVICE GRANTS £000	CCG CONTRIBUTION £000	SALES, FEES & CHARGES £000	NET £000	
STRATEGIC LEISURE ASSETS												
NET EXPENDITURE												
STRATEGIC LEISURE ASSETS	509	(302)	4,935	4,633	4,124	-	742	3,521	-	-	(139)	3,382
TOTALS	509	(302)	4,935	4,633	4,124	-	742	3,521	-	-	(139)	3,382

Commentary on the key issues:

Directorate Summary - basis

The Revenue summary (above) lists the outturn projection for the Service against its respective, currently approved, revenue budget. The forecast outturn is based upon actual financial performance for the first 3 months of 2021/22 together with predictions of performance, anticipated pressures and efficiencies in the remainder of the financial year, all of which have been agreed with the head of service.

Key Issues

The reallocation of Covid funding relating to Sales, Fees and Charges compensation claims reduces the overspend to £4,124k, of which Covid net costs are £3,382k.

This overspend consists of a Leisure Assets medium-term financial plan gap (excluding Covid costs) of £301k, a £350k income target not in Leisure Assets medium-term financial plan, £91k shortfall on expected income from VAT cultural exemption and £3,382k net loss relating to Covid restrictions after assuming modest income from the Sales, Fees & Charges compensation scheme of £139k.

In accordance with the original decision for this programme by the Executive on 7th February 2011 the projected overspend on Strategic Leisure Assets of £742k (excluding Covid costs) will be carried forward and transferred to Earmarked Reserves. This brings the expected cumulative deficit as at 2021/22 to £15,677.

The Leisure Assets medium-term financial plan now forecasts the service to break-even, in-year, during 2025/26. This has increased from 2024/25 due to a delay in the Conference Centre income generation.

Covid

Strategic Leisure Assets has a gross pressure of £3,521k relating to Covid. Following the reallocation of Covid funding relating to Sales, Fees and Charges compensation claims amounting to £139k, the net Covid pressure is £3,382k, which is included in the above table.