

## Blackpool Council – Budgets Outside the Cash Limit

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

FUNCTIONS OF THE SERVICE	BUDGET	EXPENDITURE			VARIANCE	2021/22 (UNDER)/OVER SPEND B/FWD £000	VARIANCE				
	ADJUSTED CASH LIMITED BUDGET £000	EXPENDITURE APR - JUL £000	PROJECTED SPEND £000	FORECAST OUTTURN £000	F/CAST FULL YEAR VAR. (UNDER) / OVER £000		NON-COVID £000	COVID-19			
								GROSS £000	DIRECT SERVICE GRANTS £000	CCG CONTRIBUTION £000	SALES, FEES & CHARGES £000
<b>BUDGETS OUTSIDE THE CASH LIMIT</b>											
<b>NET EXPENDITURE</b>											
TREASURY MANAGEMENT	2,564	1,559	3,119	4,678	2,114	-	2,114	-	-	-	-
PARKING SERVICES	(5,974)	(1,902)	(3,938)	(5,840)	134	-	134	-	-	-	-
CORPORATE SUBSCRIPTIONS	135	85	50	135	-	-	-	-	-	-	-
HOUSING BENEFITS	1,458	480	978	1,458	-	-	-	-	-	-	-
COUNCIL TAX & NDR COST OF COLLECTION	1,105	366	739	1,105	-	-	-	-	-	-	-
SUBSIDIARY COMPANIES	(954)	(418)	(536)	(954)	-	-	-	-	-	-	-
LAND CHARGES	(51)	(27)	(24)	(51)	-	-	-	-	-	-	-
CONCESSIONARY FARES	3,734	8	3,586	3,594	(140)	-	(140)	-	-	-	-
EMPLOYERS PREVIOUS YEARS' PENSION LIABILITY	117	39	78	117	-	-	-	-	-	-	-
NEW HOMES BONUS	(211)	(106)	(105)	(211)	-	-	-	-	-	-	-
<b>TOTALS</b>	<b>1,923</b>	<b>84</b>	<b>3,947</b>	<b>4,031</b>	<b>2,108</b>	<b>-</b>	<b>2,108</b>	<b>-</b>	<b>-</b>	<b>-</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 4 months of 2022/23 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 an overspend of £2,114k including £742k savings target that will not be met in 2022/23. The Council is currently using temporary and long-term borrowing to finance prudentially-funded capital expenditure. With increasing borrowing rates the treasury management panel decided to fix £125m of temporary borrowing in order to mitigate the impacts of further interest rate rises.

The Business Loans Fund has a savings target of £3,309k and is forecasting a pressure of £1,446k due to increases in interest rates and slippage in business loans awarded.

Following a review of the Minimum Revenue Provision (MRP), which was approved by the Executive on 8<sup>th</sup> February 2021, a total of £6.7m of saving has been forecast to be achieved in 2022/23.

#### Parking Services

Parking Services is forecasting a shortfall of income of £134k for 2022/23. This is as a consequence of lost parking spaces due to regeneration projects, with the effect reduced by an increase in charges.

As at Week 20 (w/e 14<sup>th</sup> August) parking income is at £2.49m with patronage at 494,268. Car Park patronage is down by 4,688 but up on income by £227k on 2021/22. On-Street Pay and Display patronage is down by 18,640 and income is down by £19k.

The graphs below show, for comparison, the patronage and income figures for 2019/20, 2021/22 and 2022/23. 2020/21 is excluded as figures distorted due to Covid.

**Housing Benefit**

This service is forecasting a break-even position.

**Council Tax and NNDR Cost of Collection**

This service is forecasting a break-even position.

**Subsidiary Companies**

This service is expected to break-even.

**Land Charges**

This service is expected to break-even.

**Concessionary Fares**

There is a £140k underspend expected in Concessionary Fares based on paying the compensation rate as per Department for Transport (DFT) guidance till March 2023.

**Summary of the revenue forecasts**

After 4 months of the financial year, the Budgets Outside the Cash Limit services are forecasting a £2,108k overspend.

**Car Parking Trends**

