

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 - DEC £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
BUDGETS OUTSIDE THE CASH LIMIT											
NET EXPENDITURE											
TREASURY MANAGEMENT	4,170	2,718	906	3,624	(546)	-	(546)	-	-	-	-
PARKING SERVICES	(5,687)	(4,319)	(1,329)	(5,648)	39	-	39	-	-	-	-
CORPORATE SUBSCRIPTIONS	135	116	19	135	-	-	-	-	-	-	-
HOUSING BENEFITS	1,458	1,095	363	1,458	-	-	-	-	-	-	-
COUNCIL TAX & NDR COST OF COLLECTION	1,105	829	276	1,105	-	-	-	-	-	-	-
SUBSIDIARY COMPANIES	(933)	(989)	36	(953)	(20)	-	(20)	-	-	-	-
LAND CHARGES	(51)	(68)	2	(66)	(15)	-	(15)	-	-	-	-
CONCESSIONARY FARES	3,734	1,735	1,834	3,569	(165)	-	(165)	-	-	-	-
EMPLOYERS PREVIOUS YEARS' PENSION LIABILITY	117	88	29	117	-	-	-	-	-	-	-
NEW HOMES BONUS	(211)	(158)	(53)	(211)	-	-	-	-	-	-	-
TOTALS	3,837	1,047	2,083	3,130	(707)	-	(707)	-	-	-	-

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 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 underspend of £546k. This figure includes £2,621k of prudential recharges to services and means that the £742k savings target will be met in 2022/23. The Council is currently using temporary and long-term borrowing to finance prudentially-funded capital expenditure. With interest rates currently rising and in order to mitigate the impacts of any future interest rate rises, the Council has taken out £125m of long-term borrowing from the Public Works Loan Board. This long-term borrowing will replace the temporary borrowing when it is repaid.

The Business Loans Fund has a savings target of £3,309k and is forecasting a pressure of £2,002k 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 8th 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 £39k 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 37 (w/e 11th December) parking income is at £4.8m with patronage at 957,729. Car Park patronage is down by 54,416 but up on income by £199k on 2021/22. On-Street Pay and Display patronage is down by 34,998 and income is down by £2k.

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 have a £20k saving due to reduction in charges, mainly relating to debt management.

Land Charges

This service is expected to have a £15k underspend due to increased income. This expected increased income has reduced from previous months.

Concessionary Fares

There is a £165k underspend expected in Concessionary Fares based on paying the compensation rate as per Department for Transport (DFT) guidance till March 2023. This has increased slightly due to some cost savings identified.

Summary of the revenue forecasts

After 9 months of the financial year, the Budgets Outside the Cash Limit services are forecasting a £707k underspend.

Car Parking Trends

