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Blackpool Council

2 June 2023

To: Councillors Benson, N Brookes, Burdess, Farrell, Hugo, M Smith, Taylor and Williams

The above members are requested to attend the:

EXECUTIVE

Monday, 12 June 2023 at 6.00 pm
in Committee Room A, Town Hall, Blackpool

A G E N D A

1 DECLARATIONS OF INTEREST

Members are asked to declare any interests in the items under consideration and in doing so state:

(1) the type of interest concerned either a

- (a) personal interest
- (b) prejudicial interest
- (c) disclosable pecuniary interest (DPI)

and

(2) the nature of the interest concerned

If any member requires advice on declarations of interests, they are advised to contact the Head of Democratic Governance in advance of the meeting.

2 ESTABLISHMENT OF A SHAREHOLDER COMMITTEE (Pages 1 - 12)

To consider the re-establishment of a Shareholder Committee as a committee of the Executive following the election and the annual meeting.

3 PROVISIONAL OUTTURN 2022/23 (Pages 13 - 60)

To consider the report of the Director of Resources on the Provisional Revenue Outturn for 2022/23 compared with the approved budget and the capital expenditure in the year ended 31 March 2023 with sources of funding.

4 TREASURY MANAGEMENT STRATEGY OUTTURN FOR THE YEAR ENDED 31 MARCH 2023

(Pages 61 - 80)

To consider the report of the Director of Resources on the Treasury Management Outturn Report for the year ended 31 March 2023.

Venue information:

First floor meeting room (lift available), accessible toilets (ground floor), no-smoking building.

Other information:

For queries regarding this agenda please contact Lennox Beattie, Executive and Regulatory Manager, Tel: (01253) 477157, e-mail lennox.beattie@blackpool.gov.uk

Copies of agendas and minutes of Council and committee meetings are available on the Council's website at www.blackpool.gov.uk.

Report to:	EXECUTIVE
Relevant Officer:	Mark Towers, Director of Governance and Partnerships
Relevant Cabinet Members:	Councillor Lynn Williams, Leader of the Council Councillor Ivan Taylor, Deputy Leader of the Council
Date of Meeting:	12 June 2023

ESTABLISHMENT OF A SHAREHOLDER COMMITTEE

1.0 Purpose of the report:

1.1 To consider the re-establishment of a Shareholder Committee as a committee of the Executive following the election and the annual meeting.

2.0 Recommendation(s):

2.1 To agree to re-constitute a committee of the Executive to be known as 'The Shareholder Committee'.

2.2 To agree that the Shareholder Committee will comprise of 3 members (the Deputy Leader of the Council (to be appointed as Chair), the Leader of the Council and a member of the Principal Opposition Group as a Co-opted member (the Director of Governance and Partnerships to be notified of the appointment by the Deputy Leader of the Council after consultation with the Leader of the Principal Opposition Group).

2.3 To agree the updated powers and duties attached at Appendix 2a to be those delegated to the committee.

2.4 To note that the Shareholder Committee will continue to function in the same manner as the Executive, including following the Executive Procedure Rules.

2.5 To agree the dates of the Shareholder Committee for Municipal Year 2023/24, as outlined in the attached calendar at Appendix 2b, as 29 June 2023, 13 July 2023, 21 September 2023, 12 October 2023, 9 November 2023, 14 December 2023, 18 January 2024, 22 February 2024, 21 March 2024 and 18 April 2024.

3.0 Reasons for recommendation(s):

3.1 Following the Annual Meeting on 24 May 2023 is recommended, that the Executive set up

a Shareholder Committee given that body worked well in the previous term of the Council. Following changes to the operating structures of the wholly-owned companies some minor amendments have been proposed to the terms of reference to include some partner organisations.

3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.3 Is the recommendation in accordance with the Council's approved budget? Yes

4.0 Other alternative options to be considered:

4.1 To not appoint a Shareholder Committee. However, the proposed governance structure is in accordance with good practice and does play to the strengths and roles of Executive, scrutiny and audit governance and has worked well in the past.

5.0 Council priority:

5.1 This proposal covers all council priorities.

6.0 Background information

6.1 Executive at its meeting in June 2021 considered the recommendations of the North West Employers Scrutiny review and the Housing Quality Network independent review of Blackpool Coastal Housing Limited and the Council meeting. It was therefore agreed that a committee of the Executive be appointed to act as the Shareholder Executive function and this committee then comprised of the Deputy Leader of the Council, Councillor Taylor, the Leader of the Council, Councillor L Williams and the then Deputy Leader of the Principal Opposition Group, Councillor Clapham as a co-opted member of this committee. It is clear that this Committee has worked well and provided clarity on the decision-making process involving the Council's wholly owned companies. This reports seeks to re-establish the Shareholder Committee on broadly the same terms of reference as previously.

6.2 This would also mean that any decisions of the Shareholder Committee would continue to be Executive decisions and there be no need for a meeting of the Executive for any further approvals. In line with the recommendations of the North West Employers review it had also been agreed that the Scrutiny Leadership Board would continue to take responsibility for any scrutiny work to be undertaken in relation to the Council's Wholly Owned Companies, liaising with this Committee.

6.3 The Executive at its meeting on the 8 October 2021 agreed terms of reference for the Shareholder Committee and it is proposed that these terms of reference continue subject to some minor amendments outlined in paragraph 6.5. The committee would therefore be governed by the Executive Procedure Rules outlined in part 4d of the Council's Constitution and

the Executive Decision Making criteria. This means that decisions of the Shareholder Committee are included on the Forward Plan if key decisions, Decision Notices are published and decisions subject to the call in process.

- 6.4 The operation of the Shareholder Committee would continue to be reviewed to ensure that it meets its objectives and good governance. This review would form part of the Council's Annual Governance Statement. If necessary the Director of Governance and Partnerships will request any required amendments to the Shareholder Committee's operation or terms of reference by way of a report to the Executive.
- 6.5 The attached terms of reference at Appendix 2a have been updated to include oversight of major significant Partnerships, these following consultation with the Deputy Leader of the Council have been identified for the time being as the arrangements in place for Blackpool Tower and other associated attractions run by Merlin and the Council/ Elaindi partnership managing Hounds Hill.
- 6.6 The details of the proposed meeting dates are included for approval at Appendix 2b. The dates agreed at Annual Council for other Committees and meetings are included on this calendar so that members of the Executive can judge the suitability of the proposed dates in context.
- 6.7 Does the information submitted include any exempt information? No

7.0 List of Appendices:

- 7.1 Appendix 2a: Powers and duties of the Shareholder Committee
Appendix 2b: Meeting calendar including proposed Shareholder Committee dates

8.0 Financial considerations:

- 8.1 There are no financial considerations with regard to forming this committee, although one role of the committee will be to monitor the financial performance of the Council's wholly owned companies.

9.0 Legal considerations:

- 9.1 There is no legal requirement to have a Shareholder Committee, although it is regarded as good practice and recommended good governance and builds on the work of the previous Shareholder Committee.

10.0 Risk management considerations:

- 10.1 There are no risk considerations with regard to setting up this committee.

11.0 Equalities considerations:

11.1 None.

12.0 Sustainability, climate change and environmental considerations:

12.1 There are no considerations in this area in constituting this committee, although, one of the roles of the committee will be to monitor all the wholly owned companies commitment to the climate change declaration and meeting the set targets and dates.

13.0 Internal/external consultation undertaken:

13.1 Consultation with the Leader and Deputy Leader of the Council.

14.0 Background papers:

14.1 None.

15.0 Key decision information:

15.1 Is this a key decision? No

15.2 If so, Forward Plan reference number:

15.3 If a key decision, is the decision required in less than five days? No

15.4 If **yes**, please describe the reason for urgency:

16.0 Call-in information:

16.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

16.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

17.0 Scrutiny Committee Chairman (where appropriate):

Date informed: N/A

Date approved:

18.0 Declarations of interest (if applicable):

18.1

19.0 Summary of Discussion:

19.1

20.0 Executive decision:

20.1

21.0 Date of Decision:

21.1

22.0 Reason(s) for decision:

22.1

23.0 Date Decision published:

23.1

24.0 Alternative Options Considered and Rejected:

24.1

25.0 Executive Members in attendance:

25.1

26.0 Call-in:

26.1

27.0 Notes:

27.1

Appendix 2a: Shareholder Committee

1.1.1 Purpose

To act as on behalf of the Executive as the shareholder in order to ensure that the duties and responsibilities of the Council as the sole shareholder of its wholly owned companies are exercised through each company and to manage overall relationships with the wholly owned companies.

1.1.2 Membership

Membership comprises of three elected members, two Executive Members and a co-opted member.

A senior/ Chief Officer/s of the Council would also be in attendance as the representative/s of the Chief Executive. If there are budget/ finance items on for discussion then the Council's Chief Finance Officer (or representative) may also be in attendance.

The Chairman of the Company and the Managing Director would attend the meetings along with the Company Secretary and where appropriate one or more other Non-Executive Directors may attend. Where a company has a Finance Director, this person may also be called upon to attend the meetings.

The quorum for this meeting is as per the Executive Procedure Rules, set out in the Council's constitution with two Executive members needing to be present.

The Shareholder Committee will always seek to make decisions via consensus with agreement from all members. In the event of a formal vote being required as a Committee of Executive only the Executive members will be able to vote.

1.1.3 Responsibilities

- To act as the Executive decision making body in line with the Executive Decision Making Criteria in relation to all shareholder matters relating to companies which are not otherwise delegated to the appropriate Cabinet Member (the Deputy Leader of the Council), Chief Officers or it be a matter for Council (where the matter is a Council decision then a recommendation should come from this committee)
- To provide an articulation of what success looks like in terms of achieving social outcomes and/or a return on investment in each of the companies
- To approve, following consideration by company Boards, the strategic business plan
- To evaluate the effectiveness of the company boards and the delivery of the company performance against strategic objectives and the business plan
- To provide financial oversight of companies
- To approve any borrowing or loans undertaken by companies in line with the Executive decision making criteria

- To provide the necessary oversight from a shareholder's perspective that the governance arrangements, policies and boundaries that the council has established are being adhered to
- To provide a holistic review of risk to the council offered by Council companies
- To approve the establishment or disestablishment of any companies or their subsidiaries
- To periodically review whether each entity provides the most effective vehicle to deliver the outcomes it requires and whether there are viable alternative models which might offer a more effective means of delivering its priorities
- To review and monitor (as appropriate) Shareholder/ Management Agreements and Articles of Associations, in particular where there are areas of concern.
- To have oversight of key significant partnerships.

1.1.4 **Frequency of meetings**

A minimum of two meetings per year with each company, with any others dependent on urgency of business. For significant partnerships a minimum of one meeting per year.

Appendix 2b: Calendar of meetings – May 2023 to May 2024

	Monday	Tuesday	Wednesday	Thursday	Friday
May	22	23	24 Annual Council	25	26
May/June	29 Bank holiday	30	31	1	2
June	5	6 Licensing Public Protection Sub	7	8	9
	12 Appeals Executive	13 Planning	14	15 Audit	16
	19 Standards	20 Informal Scrutiny Leadership Board	21 Health and Wellbeing Board Levelling Up Scrutiny	22 Children and Young People's Scrutiny	23
	26	27 Health and Wellbeing Board Corporate Parent Panel	28 Council	29 Economic Prosperity Board Shareholder Committee	30
July	3	4	5 Climate Change and the Environment Scrutiny	6 Adult Social Care and Health Scrutiny	7
	10 Executive	11 Scrutiny Leadership Board	12 Shareholder Committee	13	14
	17 Appeals	18 Public Protection Sub	19	20	21
	24	25 Planning	26	27 Audit	28
July / Aug	31	1	2	3	4
Aug	7	8	9	10	11
	14	15	16	17	18
	21	22	23	24	25
Aug/ Sep	28 Bank holiday	29	30	31	1
Sep	4	5 Planning	6 Public Protection Sub	7	8
	11 Executive	12 Informal Scrutiny Leadership Board	13	14 Audit	15
	18 Appeals	19 Corporate Parent Panel	20 Council	21 Shareholder Committee Children and Young People's Scrutiny	22
	25	26	27 Climate Change and the Environment Scrutiny	28 Adult Social Care and Health Scrutiny	29
Oct	2	3 Public Protection Sub	4 Levelling Up Scrutiny	5	6
	9	10 Planning	11	12 Shareholder Committee	13

	Monday	Tuesday	Wednesday	Thursday	Friday
	16 Executive	17 Scrutiny Leadership Board	18 Health and Wellbeing Board	19 Audit	20
	23	24	25	26	27
Oct / Nov	30 Appeals	31 Public Protection Sub	1	2	3
Nov	6 Executive	7 Licensing	8 Levelling Up Scrutiny	9 Shareholder Committee Children and Young People's Scrutiny	10
	13 Standards	14 Planning	15 Climate Change and the Environment Scrutiny	16 Adult Social Care and Health Scrutiny	17
	20	21	22	23 Audit	24
Nov / Dec	27	28 Corporate Parent Panel	29 Council	30	1
Dec	4	5 Licensing Public Protection Sub	6 Informal Scrutiny Leadership Board	7	8
	11 Appeals Executive	12 Planning	13 Health and Wellbeing Board	14 Shareholder Committee	15
	18	19	20	21	22
	25 Bank holiday	26 Bank holiday	27	28	29
Jan	1 Bank holiday	2	3	4	5
	8	9	10	11	12
	15	16 Public Protection Sub	17 Informal Scrutiny Leadership Board (Budget)	18 Shareholder Committee Audit	19
	22 Executive	23	24 Levelling Up Scrutiny	25 Children and Young People's Scrutiny	26
Jan / Feb	29 Appeals	30 Planning	31 Council	1	2
Feb	5 Executive (budget)	6	7 Climate Change and the Environment Scrutiny	8 Adult Social Care and Health Scrutiny	9
	12	13	14	15	16
	19	20 Public Protection Sub	21 Council (budget)	22 Shareholder Committee	23
Feb / March	26	27 Planning	28	29 Audit	1
March	4	5 Scrutiny Leadership Board	6	7	8

	Monday	Tuesday	Wednesday	Thursday	Friday
	11 Appeals	12	13 Health and Wellbeing Board Levelling Up Scrutiny	14 Children and Young People's Scrutiny	15
	18 Executive	19	20 Climate Change and the Environment Scrutiny	21 Shareholder Committee Adult Social Care and Health Scrutiny	22
	25	26 Public Protection Sub	27 Council	28	29 Bank holiday
April	1 Bank holiday	2	3	4	5
	8	9 Planning	10	11 Audit	12
	15	16	17	18 Shareholder Committee	19
	22 Executive	23 Public Protection Sub	24 Climate Change and the Environment Scrutiny	25 Adult Social Care and Health Scrutiny	26
April / May	29 Appeals	30	1 Levelling Up Scrutiny	2 Children and Young People's Scrutiny	3
May	6 Bank holiday	7 Informal Scrutiny Leadership Board	8	9	10
	13	14	15 Annual Council	16	17
	20 Executive	21	22	23	24

Timing of meetings

The following are day meetings due to the nature and length of their business:

- Appeals: start time 10.00am
- Annual Council: start time 2.00pm
- Health and Wellbeing Board: start time 3.00pm

These meetings listed below start at 6.00pm:

- Council
- Budget Council
- Executive
- Audit
- Planning
- Licensing
- Standards
- Scrutiny Leadership Board
- Adult Social Care and Health Scrutiny
- Children and Young People's Scrutiny
- Levelling Up Scrutiny Committee
- Climate Change and the Environment Scrutiny

The Chief Officers Employment Committee would meet as and when required. It is recommended that the Public Protection Sub-Committee determines the appropriate start time based upon membership.

Provisional calendar of meetings – May to July 2024

This may be subject to change, as the calendar will be considered at the Annual Council meeting in 2024

May	27 Bank holiday	28	29	30	31
June	3 Licensing Public Protection Sub	4 Planning	5	6	7
	10 Appeals Executive	11	12 Health and Wellbeing Board	13 Audit	14
	17 Standards	18	19 Climate Change and the Environment Scrutiny	20	21
	24	25	26 Council	27	28
July	1	2	3 Levelling Up Scrutiny	4 Children and Young People's Scrutiny	5
	8 Executive	9 Scrutiny Leadership Board	10	11 Adult Social Care and Health Scrutiny	12
	15 Appeals	16 Public Protection Sub	17	18 Audit	19
	22	23 Planning	24	25	26
July / Aug	29	30	31	1	2

Report to:

EXECUTIVE

Relevant Officer:

Steve Thompson, Director of Resources

Relevant Cabinet Member:

Councillor Lynn Williams, Leader of the Council

Date of Meeting:

12 June 2023

PROVISIONAL OUTTURN 2022/23

1.0 Purpose of the report:

1.1 To consider the report of the Director of Resources on the Provisional Revenue Outturn for 2022/23 compared with the approved budget and the capital expenditure in the year ended 31 March 2023 with sources of funding.

2.0 Recommendation(s):

2.1 To approve the provisional revenue outturn for 2022/23 and in so doing to note that the figures are subject to external audit and final accounting adjustments (ref. paragraph 2.1 of Appendix 3a).

2.2 To approve the recommendations regarding the treatment of specific service under / overspends as outlined (ref. paragraph 3.3 of Appendix 3a).

2.3 To approve the provisional capital outturn for 2022/23 and methods of scheme funding as outlined (ref. paragraphs 4.2 and 4.5 of Appendix 3a).

2.4 To note the Prudential Indicator (ref. paragraph 4.3 of Appendix 3a).

2.5 To note the levels of the earmarked reserves including those for the Housing Revenue Account and maintained schools (ref. paragraphs 6.1, 6.3 and 6.4 of Appendix 3a).

2.6 To note the revised dates and process for the draft, final audited accounts and the public inspection of accounts (ref. paragraph 8.1, 8.2 and 8.3 of Appendix 3a).

3.0 Reasons for recommendation(s):

3.1 To bring the Provisional and Capital outturn figures to Members' attention at the earliest opportunity in accordance with good financial practice and to seek approval of the treatment of carry forward underspend as outlined in paragraph 3.3 of the report at Appendix 3a.

3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.3 Is the recommendation in accordance with the Council's approved budget? Yes

4.0 Other alternative options to be considered:
None.

5.0 Council Priority:

5.1 The relevant Council Priority is: "The economy: Maximising growth and opportunity across Blackpool".

6.0 Background Information

6.1 The report of the Director of Resources attached at Appendix 3a to this report outlines the Provisional Revenue Outturn for 2022/23 compared with the approved budget and the capital expenditure in the year ended 31 March 2023 with sources of funding.

6.2 Does the information submitted include any exempt information? No

7.0 List of Appendices:

- Appendix 3a - Report of the Director of Resources
- Appendix 3b - Outturn Summary
- Appendix 3c - Chief Executive Summary
- Appendix 3d - Governance and Partnership Summary
- Appendix 3e - Ward Budgets Summary
- Appendix 3f - Resources Summary
- Appendix 3g - Communications and Regeneration Summary
- Appendix 3h - Strategic Leisure Assets Summary
- Appendix 3i- Growth and Prosperity Summary
- Appendix 3j - Community and Environmental Services Summary
- Appendix 3k - Adult Services Summary
- Appendix 3l - Children's Services Summary
- Appendix 3m - Public Health Summary
- Appendix 3n - Budgets Outside the Cash Limit Summary
- Appendix 3o - Capital Outturn Summary

8.0 Financial considerations:

8.1 See reports and appendices.

9.0 Legal considerations:

9.1 None.

10.0 Risk management considerations:

10.1 Impact of financial performance on Council reserves and balances.

11.0 Equalities considerations:

11.1 The Equality Analysis completed when the General Revenue budget was approved by Council on 8 March 2022 and 22 February 2023 remain relevant.

12.0 Sustainability, climate change and environmental considerations:

12.1 None.

13.0 Internal/ External Consultation undertaken:

13.1 None.

14.0 Background papers:

14.1 None.

15.0 Key decision information:

15.1 Is this a key decision? No

15.2 If so, Forward Plan reference number:

15.3 If a key decision, is the decision required in less than five days? N/A

15.4 If **yes**, please describe the reason for urgency:

16.0 Call-in information:

16.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process?

No

16.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

17.0 Scrutiny Committee Chairman (where appropriate):

Date informed: N/A

Date approved: N/A

18.0 Declarations of interest (if applicable):

18.1

19.0 Summary of Discussion:

19.1

20.0 Executive decision:

20.1

21.0 Date of Decision:

21.1

22.0 Reason(s) for decision:

22.1

23.0 Date Decision published:

23.1

24.0 Alternative Options Considered and Rejected:

24.1

25.0 Executive Members present:

25.1

26.0 Call-in:

26.1

27.0 Notes:

27.1

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Appendix 3a: REPORT
of the
DIRECTOR OF RESOURCES
to the
EXECUTIVE
on
12 June 2023

PROVISIONAL OUTTURN 2022/23

1. Introduction

1.1 The purposes of this report are to show i) a comparison of General Fund Revenue Account expenditure in the year ended 31 March 2023 with the approved budget and ii) a statement of Capital Expenditure in the year ended 31 March 2023 with sources of funding. The figures are provisional in that they are subject to external audit and any final accounting adjustments. The final figures will be incorporated within the Statement of Accounts for 2022/23, which is the subject of a separate report to the Audit Committee.

2. Provisional Revenue Outturn 2022/23

2.1 The Provisional Revenue Outturn for 2022/23 (before allowing for changes to working balances) is £163,892,000 compared with the approved budget of £154,138,000 – a net increase of £9,754,000. The summary figures are shown at Appendix 3b.

2.2 The year-end variance position is summarised as follows:-

Summary	2022/23 Variance £000
Directorates	13,231
Budgets Outside the Cash Limit	(2,375)
Leisure Assets (Appendix 3h)	(28)
Leisure Assets – financed from Earmarked Reserves (Para 6.2)	28
Contributions and Contingencies, Levies and Capital Charges	(1,102)
Total	9,754

2.3 The main reasons for the net service overspend / (underspends) are:-

Service	Reasons	£000
Growth and Prosperity (Appendix 3i)	The primary reason for the overspend is the delayed delivery of income on a number of projects. This income is likely to be obtained in 2023/24. The overspend was further increased as a result of increased borrowing costs (£1,510k).	5,955
Children's Services (Appendix 3l)	<p>The Children's Social Care Placements Budget overspent by £5,056k, mainly due to the additional support required following the breakdown of high cost placements and New to Care Placements offsetting the work to step Children down coming in at a greater pace than expected. There was also an additional target to bring savings forward of £500k and agency overspend of £149k.</p> <p>Other budget lines show a saving of (489k), mainly due to vacant posts within the Early Help Service.</p>	5,216
Adult Services (Appendix 3k)	<p>Adult Social Care had an underspend of £479k due to a significant number of staffing vacancies throughout the year in the service. The Care and Support division had an income shortfall of £13k within Nibbles Café and a staffing pressure of £12k against the Langdale day service, however, these were offset by £58k of staffing savings in other areas.</p> <p>The Adults Commissioning Placement budget had an overall overspend of £2,352k. Additional Short Term packages of care was the major cause of this with pressures of £1,819k partly offset by additional income from the Integrated Care Board (ICB) and government grants of £1,270k. Further pressures arose in Direct Payments (£182k), Residential and Nursing placements (£414k), Supported Living (£402k), Complex Cases (£796k) and day services (£73k). These pressures were somewhat mitigated by underspends in Homecare (£851k) and Transport Services (£67k). There were also increases in bad debt provisions (£812k) and deferred payments (£42k)</p>	1,840
Community and Environmental Services (Appendix 3j)	<p>Leisure and Catering is showing an underspend of £92k. Leisure had increased income of £215k through School Swimming and the Learn to Swim scheme. There was an overspend of £23k within the Parks service due to projects carried out. Catering reported a £99k pressure due to the increased cost of provisions.</p> <p>Highways and Traffic underspent by £346k due to staff vacancies and additional scheme income being received.</p> <p>Business Services overspent by £1,799k due to it holding the majority of the Directorate's savings targets. This was partly offset by planned savings delivered by Street Cleansing and</p>	604

	<p>Waste Services and Coastal and Environmental Partnerships.</p> <p>Street Cleansing and Waste Services made savings of £352k due to a combination of reduced waste disposal costs and additional Trade Waste Income offsetting other waste pressures.</p> <p>Coastal and Environmental Partnerships achieved a £936k saving from a combination of additional grant income and contributions from Streetlighting and Coastal income.</p> <p>Integrated Transport reported an overspend of £564k due to cost pressures within Children’s Transport Services, which were transferred into Community and Environmental Services with an expected overspend.</p> <p>Within other services, there were staff savings of £33k within Public Protection.</p>	
Communications and Regeneration (Appendix 3g)	<p>The majority of this overspend (£408k) lies within the Tourism and Communications division.</p> <p>The Illuminations service had an overspend of £96k mainly relating to increased security, staffing and materials.</p> <p>Visit Blackpool had an overspend of £281k of which £30k related to sponsorship, £83k to reduced income and increased costs relating to bus shelter advertising, £137k to increased event costs and £31k increased marketing costs.</p> <p>There was a £30k overspend in Print Services mainly relating to reduced income.</p> <p>The Beach Patrol service had a £1k overspend.</p> <p>Economic Development and Cultural Services had a £3k underspend. A £130k savings target was offset by one-off savings in staffing in the Library and Economic Development services.</p> <p>There was also a £4k underspend in the Planning department.</p>	401
Ward Budgets (Appendix 3e)	As per Executive Decision EX54/2020 any underspend in an election year will not be carried over.	(11)
Governance and Partnerships (Appendix 3d)	There was an overspend in Customer Care and Life Events of £46k. The majority of the overspend related to one-off staffing and coroner’s costs.	(44)

	Democratic Governance generated a saving of £78k due to one-off income and staffing savings. Savings of £6k were made in both Legal and Information Governance.	
Chief Executive (Appendix 3c)	One-off savings from staffing and increased income meant that the HR, Organisation and Workforce Development Service had an underspend of £135k, Corporate Delivery Unit an underspend of £48k and the Chief Executive Service an underspend of £1k.	(184)
Resources (Appendix 3f)	An underspend was achieved in the Directorate as a result of staffing vacancies and income receipts generation across most areas. Additional one-off commercial rental income of £338k was received within Property Services and Investment Portfolio.	(546)
Total		13,231

2.4 The financial outturn for budgets 'outside the cash limit' is detailed at Appendix 3n and shows an aggregate underspending of £2,375,000. The main reasons for this are:-

Service	Reasons	£000
Treasury Management	Blackpool Council took out significant amounts of PWLB borrowing during the year in advance of interest rates rising to their highest rate for nearly 15 years. Also increased interest rates on cash balances have contributed to the underspend.	(1,890)
Employers Previous Year Pension Liability	The underspend of £624k is due to savings achieved by paying 3 years employers pension and deficit contributions up front in April 2020. This is the final year of the up-front payment.	(624)
Concessionary Fares	This service has an underspend of £189k due to passenger numbers continuing to be lower than pre-Covid.	(189)
Council Tax and NNDR Cost of Collection	This underspend of £102k is due to increased recovery of court costs back to pre-Covid levels.	(102)
Subsidiary Companies	This relates to savings in employer pension contributions to retired employees and debt management costs.	(35)
Corporate Subscriptions	The £8k underspend is due to subscriptions being reduced due to early payment.	(8)
Housing Benefits	This overspend is due to £47k reduction in overpayments debt partly offset by reduced bad debt provision, £29k overspend on bank charges and £11k reduction in administration subsidy grant.	87

Parking Services	The overspend in Parking Services was due to a combination of lower than budgeted income (£165k), increased maintenance and rates costs (£141k) and some one off safety costs relating to fencing and provision of video badge technology (£80k).	386
Total		(2,375)

2.5 Contributions to Reserves, Contingencies, Levies and Capital Charges had a favourable variation of £1,102,000. This is mainly due to the Council's share of the Government's NNDR Levy Account surplus, increased funding for New Burdens and a reduction in contributions to earmarked reserves.

3. Treatment of Revenue Budget Variances

3.1 In previous years as part of the year-end process an analysis of budget variances is undertaken in order to determine the treatment of under/overspendings on service budgets. The conventional Cash Limited Budgeting approach required that:-

- underspendings are carried forward in full and are then available to supplement the following year's service budget;
- overspendings are similarly carried forward but must as far as possible be recovered in the following financial year; and
- any windfall gains, as determined by the Director of Resources and arising from events outside the control of the service, are added to the Council's general working balances.

3.2 At its meeting on 8 November 2021 the Executive approved the Medium Term Financial Sustainability Strategy for 2021/22 to 2026/27. As part of the Strategy it was agreed that due to the current level of financial risk and volatility the roll forward of the service budget under and overspends is suspended in order that finances can be managed more strategically at corporate level.

3.3 Having considered the Provisional Revenue Outturn 2022/23 and financial outlook in detail and consulted Corporate Leadership Team colleagues, it is recommended that:-

- the following under and overspendings are to be written off:

Directorate	£000
Chief Executive	(184)
Governance and Partnership Services	(44)
Ward Budgets	(11)
Resources	(546)
Communications and Regeneration	401
Growth and Prosperity	5,955
Community and Environmental Services	604

Adult Services	1,840
Children's Services	5,216
Total	13,231

This will allow services to enter the new financial year in a balanced position and give directorates a realistic chance of meeting their budget savings for 2023/24.

4. Provisional Capital Outturn 2022/23

- 4.1. This section sets out the level of expenditure incurred by the Council on its 2022/23 Capital Programme. It provides a breakdown of expenditure by service in addition to providing a proposal on how the Capital Programme for 2022/23 should be financed.
- 4.2. The total capital expenditure for the year was £80,262,426. This is summarised below with an analysis of spend by individual scheme available at Appendix 3o:-

Directorate	£
Communications and Regeneration	48,478,513
Community and Environmental Services	2,790,549
Children's Services	1,629,331
Resources	4,216,038
Adult Services	3,776,811
Housing Revenue Account	19,371,184
Total	80,262,426

- 4.3 CIPFA's Prudential Code of Practice requires the Council to set a range of indicators each year, one of which is to separately account for non-Housing Revenue Account (HRA) and Housing Revenue Account expenditure incurred in the financial year. Total capital spend in 2022/23 of £80,262,426 is split between non-Housing Revenue Account of £60,891,242 and Housing Revenue Account of £19,371,184.
- 4.4 The original Capital Programme for 2022/23 was set at £81,071,000 whilst the amount actually spent in-year was marginally less, mainly due to slippage.
- 4.5 It is recommended that this expenditure is funded from the following sources:-

Source	£
Prudential Borrowing	43,072,807
Government and Other Grants	22,346,352
Capital Receipts	64,691
Housing Revenue Account	7,169,586
Other Sources:	
- Revenue	3,880,339
- Leaseholder Contributions	828,618
- CoolSilk ShowTown	1,051,701

- Schools contributions	297,777
- Commuted Sums Common Edge Road	100,000
- Self Insurance Fund	1,165,592
- Rent Abingdon Market	101,420
-Other	183,543
Total	80,262,426

The Council has maximised all capital resources available to it during 2022/23 and arrangements have been made to ensure that funding for re-profiled schemes is carried forward into 2023/24.

5. Collection Rates

5.1 Council Tax (CT)

At the end of month 12 the amount collected for Council Tax (excluding Police and Fire precepts) was £57.76m and the collection rate was 88.88%. This compares to £55.1m and 88% at the same point in 2021/22. The amount collected has risen by £2.66m which is mainly due to increases in both the Council Tax rate and base offset by the impact of Covid-19, primarily deferred payments and revised instalment arrangements.

In the light of the reductions in discount and the introduction of the Local Council Tax Reduction Scheme the target collection rate is still 97.5% over a 4-year collection period as approved on 28th January 2022 as part of the setting of the Council Tax Base for 2022/23.

The level of Council Tax income is also affected by movements in the actual Council Tax Base compared to that used for the purposes of the 2022/23 Budget. The base is affected by the Council Tax Reduction Scheme which is effectively applied as a discount and therefore subsequently reduces the tax base. Movements in the Council Tax Reduction Scheme impact on the income due.

As at 31st March 2023 the level of arrears has increased to £25.2m (compared to £24m in 2021/22) and the provision for bad debts has increased to £10.3m (compared to £9.9m in 2021/22). These reflect the current economic climate and the risks associated with the Council Tax Reduction Scheme. If the actual collection rate is higher than 97.5% then the excess will be available to reduce the Council Tax in future years. If it is lower than 97.5% then an increase in Council Tax will be required in future years to cover the shortfall. This would be in addition to any changes arising from the actual collection rates in previous years.

The Local Authorities (Funds) (England) Regulations 1992 as amended by the Local Authority (Collection Fund: Surplus and Deficit) (Coronavirus) (England) Regulations 2020 make provision for the phasing of the in-year deficit for 2020/21 net of any prior year elements. The Council must discharge the liability over the 3 financial years 2021/22, 2022/23 and 2023/24. The Council has spread the 2020/21 Council Tax deficit of £374,478 over the 3 years (£124,826 per year).

5.2 Council Tax Reduction Scheme (CTRS)

The Council Tax Reduction Scheme ensures that support to pensioners continues at existing levels. Working-age claimants are means-tested to establish entitlement and a percentage reduction (currently 27.11%) is applied at the end of the assessment to establish the level of support provided. In recent years the scheme has been amended so that certain vulnerable groups would have the 27.11% reduced to 13.56%. In addition, amendments have been made to provide additional support for certain low income groups of claimants or partners so that they would also have the 27.11% reduced to 13.56%. Other claimants will continue to have a 27.11% reduction applied to their award and all applicants who were protected and paid 13.56% under the previous scheme will continue to pay 13.56% when they move to Universal Credit. These have the effect of reducing the amount to be collected.

At the end of month 12 the amount collected (excluding Police and Fire precepts) in respect of the Council Tax Reduction Scheme and Council Tax for those who have to pay Council Tax Reduction Scheme, either for the first time or in addition to a proportion of their Council Tax, was £2.97m and the collection rate was 71.43%. This compares to £2.89m and 63.26% at the same point in 2021/22.

The collection rate is significantly higher in 2022/23 due to a number of Council Tax Reduction Scheme accounts being credited with the non-recurring Energy Rebate and Discretionary Energy Rebate. If these rebates are excluded from the figures the in-year collection rate is 66%.

5.3 National Non-Domestic Rate (NNDR)

Prior to 1 April 2013 Business Rate income was collected by billing authorities on behalf of central government and then redistributed among all local authorities and police authorities as part of Formula Grant. From 1 April 2013 the income relating to Blackpool was shared between central government (50%), the Council (49%) and the Fire Authority (1%). Consequential adjustments were made to the Formula Grant equivalent.

At the end of month 12 the amount collected for Business Rates was £40.51m and the collection rate was 95.05%. This compares to £29.17m and 92.27% at the same point in 2021/22. Both years exclude the significant s31 'Extended Retail/Nurseries etc.' relief provided by central government which provided 3 months' relief (April 2021 to June 2021) at 100% and 9 months' relief (July 2021 to March 2022) at 66%. This relief reduced to 50% in 2022/23. This will impact on future collection rates.

In 2022/23 the S31 extended retail, hospitality and leisure business rate relief scheme provided eligible, occupied, retail, hospitality and leisure properties with a 50% relief up to a cash cap limit of £110,000 per business.

As at 31 March 2022 the level of business rate arrears has decreased slightly to £9.5m (compared to £9.6m in 2021/22). The appeals provision has decreased to £9.1m in 2022/23 (compared to £16.3m in 2021/22) and is deemed necessary due to the volume of appeals still to be determined by the Valuation Office.

The NNDR 2020/21 in-year deficit is also spread over 3 years in the same way as Council Tax (paragraph 5.1). The Council has spread the 2020/21 NNDR deficit, which was estimated in the NNDR 1 return, of £600,378 over the 3 years (£200,126 per year).

6. Reserves and Provisions

6.1 In accordance with CIPFA Bulletin 13 the Council's reserves and provisions are continuously reviewed for relevance, appropriateness and materiality. The establishment, use and closure of reserves and provisions require the specific authorisation of the Director of Resources and auditable records are maintained to that effect. Members are asked to note that the level of available earmarked reserves has decreased by £20.871m from £65.382m to £44.511m during 2022/23 with those reserves summarised and shown in the following table:-

Earmarked Reserves	2022/23	2021/22
	£000	£000
Support for Adult Social Care	(5,722)	(6,747)
Collection Fund Deficit Reserve (Council Tax and NNDR)	(5,626)	(11,868)
Potential Pay Liabilities	(3,531)	(3,063)
Insurances	(9,100)	(8,465)
Museum Reserve	(836)	(2,393)
Vehicle, Plant and Equipment Replacement Reserve	(1,242)	(1,669)
Treasury Management – Prudential borrowing	(1,108)	(797)
Transformation Reserve	0	(582)
Other Reserves	(17,346)	(29,798)
Total Available Earmarked Reserves	(44,511)	(65,382)
S31 Extended Retail Relief for Hospitality, Retail and Nurseries to offset NNDR Deficit in 2022/23	0	(8,400)
Total Reserves	(44,511)	(73,782)

6.2 In 2021/22 the Government provided additional business rate reliefs for retail, hospitality and nurseries due to the Covid-19 pandemic. These reliefs were funded by S31 grants. The S31 grant must be used to offset against the NNDR

deficit but this did not happen until 2022/23. Therefore, the S31 grants of £8.4m were held in an earmarked reserve and used in 2022/23. The reserve is shown separate from the other earmarked reserves as it did not represent additional spending power taken forward to 2022/23.

6.3 The year-end balances of the Housing Revenue Account (HRA) are £1,721,000 which is £21,000 more than originally forecast for 2022/23.

6.4 Maintained schools' balances (which lie outside the control of the Council) decreased by £0.479m in 2022/23 to £3.649m. £2,785,000 is also held in an unusable reserve in relation to overspent Dedicated Schools Grant.

7. General Fund Working Balances

7.1 The Council's Revenue Budget for 2022/23 set a target level of General Fund working balances of around £6m. The level of working balances as at 31st March 2023 is lower at £2.459m.

7.2 The 2023/24 Revenue Budget report to Executive on 6 February 2023 made provision for the working balances to be £6m from 1 April 2023 rising to £8m by 31st March 2024.

8. Statutory Audit Deadlines for 2022/23

8.1 In March 2021 The Accounts and Audit (Amendment) Regulations 2021 amended the requirements for when the Statement of Accounts must be made available for public inspection for the 2020/21 and 2021/22 accounts, and set out that the period for the exercise of public rights for those two years needed to commence on or before the first working day in August in the following financial year.

8.2 For 2022/23, the statutory requirement for category 1 authorities reverts back to the original requirement in the 2015 regulations, i.e. to make the unaudited accounts available for public inspection for a period that includes the first 10 working days of June (i.e. publication of the unaudited accounts by 31 May at the latest).

8.3 This means that draft accounts must be signed by the Section 151 Officer and published by 31 May 2023. The draft accounts include a confirmation by the Section 151 Officer that they are satisfied the accounts present a true and fair view of the financial position of the Council at the end of the financial year. It is likely that there will be unresolved audit issues for the 2020/21 and 2021/22 accounts therefore the Section 151 Officer is unable to give that confirmation.

8.4 There are currently outstanding audit issues in the 2020/21 accounts with the main ones relating to accounting for infrastructure assets. This is a national issue raised by the Financial Reporting Council regarding de-recognition of parts of infrastructure assets. This has also delayed the audit of the 2021/22 accounts. It is likely that the 2020/21 accounts will be considered at Audit Committee in July 2023.

8.5 As the 2022/23 accounts are unable to be published until the 2020/21 and 2021/22 accounts have been audited, the Council must therefore publish a notice on its website stating that the Council has not been able to publish the accounts and has not been able to commence the period for the public inspection.

9. Conclusion

9.1 The Provisional Outturn for 2022/23 shows the financial performance culminating with the Council's General Fund working balances standing at £2.459m.

9.2 As the Council continues to manage the financial constraints placed upon it, the measures proposed within this report will reinstate some cushion for managing the risks that lie ahead in the next financial year.

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GENERAL FUND PROVISIONAL OUTTURN YEAR ENDING 31 MARCH 2023

SUMMARY

	2022/23 ADJUSTED CASH LIMIT £ '000	2022/23 ACTUALS £ '000	2022/23 VARIATION £ '000
GENERAL FUND NET REQUIREMENTS			
<u>CASH LIMITED BOTTOM LINE BUDGETS</u>			
CHIEF EXECUTIVE	1,934	1,750	(184)
GOVERNANCE & PARTNERSHIP SERVICES	2,435	2,391	(44)
WARD BUDGETS	361	350	(11)
RESOURCES	3,525	2,979	(546)
COMMUNICATIONS AND REGENERATION	4,120	4,521	401
STRATEGIC LEISURE ASSETS	2,195	2,167	(28)
STRATEGIC LEISURE ASSETS - CONTRIBUTION TO RESERVES	-	28	28
GROWTH AND PROSPERITY	(7,517)	(1,562)	5,955
COMMUNITY & ENVIRONMENTAL SERVICES	50,266	50,870	604
ADULT SERVICES	65,735	67,575	1,840
CHILDRENS SERVICES	64,239	69,455	5,216
PUBLIC HEALTH	5	5	-
BUDGETS OUTSIDE THE CASH LIMIT	3,913	1,538	(2,375)
CAPITAL CHARGES	(29,777)	(29,777)	-
SUB TOTAL - NET COST OF SERVICES	161,434	172,290	10,856
<u>CONTRIBUTIONS AND CONTINGENCIES</u>			
CONTRIBUTION TO/FROM EARMARKED REVENUE RESERVES	(3,614)	(3,710)	(96)
2021/22 SERVICE UNDERSPENDS	(71)	(71)	-
TRANSFER TO SCHOOLS BALANCES	-	265	265
REVENUE CONSEQUENCES OF CAPITAL OUTLAY	250	250	-
CONTINGENCIES	(4,318)	(5,581)	(1,263)
SUB TOTAL - CONTRIBUTIONS & CONTINGENCIES	(7,753)	(8,847)	(1,094)
<u>LEVIES</u>			
NORTH WEST REGIONAL FLOOD DEFENCE COMMITTEE	72	72	-
APPRENTICESHIP LEVY	385	377	(8)
SUB TOTAL - LEVIES	457	449	(8)
TOTAL NET EXPENDITURE TO BE MET FROM PUBLIC FUNDS	154,138	163,892	9,754
LESS: AMOUNT (TAKEN FROM)/ADDED TO WORKING BALANCES	6,138	(3,616)	(9,754)
NET REQUIREMENT AFTER WORKING BALANCES	160,276	160,276	0

Balance at 1st April 2022
 Movement in Balances
General Balances at 31 March 2023

6,075
 (3,616)
2,459

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CHIEF EXECUTIVE SUMMARY

GENERAL FUND OUTTURN YEAR ENDING 31 MARCH 2023

SUMMARY

FUNCTIONS OF SERVICE	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUAL	2022/23 VARIATION
	£000	£000	£000
CHIEF EXECUTIVE	669	668	(1)
HR, ORGANISATION AND WORKFORCE DEVELOPMENT	149	15	(134)
CORPORATE DELIVERY UNIT	305	257	(48)
HOUSING	811	810	(1)
NET COST OF SERVICES	1,934	1,750	(184)

Budget Holder: Neil Jack- Chief Executive

Finance Manager: Kirsten Whyatt

SUBJECTIVE ANALYSIS	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUAL	2022/23 VARIATION
	£000	£000	£000
<u>EXPENDITURE</u>			
EMPLOYEES	5,600	5,333	(267)
PREMISES	214	1,426	1,212
TRANSPORT	11	5	(6)
SUPPLIES AND SERVICES	357	2,688	2,331
THIRD PARTY PAYMENTS	114	144	30
TRANSFER PAYMENTS	143	35	(108)
SUPPORT SERVICES	1,030	1,104	74
CAPITAL CHARGES	20	20	0
CORPORATE SAVINGS TARGET	(46)	-	46
TOTAL EXPENDITURE	7,443	10,755	3,312
<u>INCOME</u>			
CUSTOMER & CLIENT RECEIPTS	212	319	(107)
GOVERNMENT GRANTS	599	2,608	(2,009)
RECHARGES	3,175	3,138	37
OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	1,523	2,940	(1,417)
TOTAL INCOME	5,509	9,005	(3,496)
NET EXPENDITURE	1,934	1,750	(184)

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GOVERNANCE AND PARTNERSHIP SERVICES

GENERAL FUND OUTTURN YEAR ENDING 31 MARCH 2023

SUMMARY

	FUNCTIONS OF SERVICE	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUAL	2022/23 VARIATION
		£000	£000	£000
	DEMOCRATIC GOVERNANCE	2,315	2,237	(78)
	CUSTOMER CARE & LIFE EVENTS	(31)	15	46
	CORPORATE LEGAL SERVICES	121	115	(6)
	INFORMATION GOVERNANCE	30	24	(6)
	NET COST OF SERVICES	2,435	2,391	(44)

Budget Holder: Mark Towers - Director of Governance and Partnership Services

Finance Manager: Kirsten Whyatt

	SUBJECTIVE ANALYSIS	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUAL	2022/23 VARIATION
		£000	£000	£000
	<u>EXPENDITURE</u>			
	EMPLOYEES	5,503	5,467	(36)
	PREMISES	315	379	64
	TRANSPORT	113	47	(66)
	SUPPLIES AND SERVICES	654	1,062	408
	THIRD PARTY PAYMENTS	614	628	14
	TRANSFER PAYMENTS	-	-	-
	SUPPORT SERVICES	1,024	1,036	12
	CAPITAL CHARGES	58	72	14
	CORPORATE SAVINGS TARGET	(24)	-	24
	TOTAL EXPENDITURE	8,257	8,691	434
	<u>INCOME</u>			
	CUSTOMER & CLIENT RECEIPTS	2,461	2,646	(185)
	GOVERNMENT GRANTS	-	(258)	258
	RECHARGES	2,404	2,553	(149)
	OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	957	1,359	(402)
	TOTAL INCOME	5,822	6,300	(478)
	NET EXPENDITURE	2,435	2,391	(44)

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WARD BUDGETS

GENERAL FUND OUTTURN YEAR ENDING 31 MARCH 2023

SUMMARY

	SUBJECTIVE ANALYSIS	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUAL	2022/23 VARIATION
		£000	£000	£000
	<u>EXPENDITURE</u>			
	EMPLOYEES	-	-	-
	PREMISES	-	-	-
	TRANSPORT	-	-	-
	SUPPLIES AND SERVICES	361	350	(11)
	THIRD PARTY PAYMENTS	-	-	-
	TRANSFER PAYMENTS	-	-	-
	SUPPORT SERVICES	-	-	-
	CAPITAL CHARGES	-	-	-
	TOTAL EXPENDITURE	361	350	(11)
	<u>INCOME</u>			
	CUSTOMER & CLIENT RECEIPTS	-	-	-
	GOVERNMENT GRANTS	-	-	-
	RECHARGES	-	-	-
	OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	-	-	-
	TOTAL INCOME	-	-	-
	NET EXPENDITURE	361	350	(11)

Budget Holder: Lorraine Hurst - Head of Democratic Governance

Finance Manager: Kirsten Whyatt

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RESOURCES

GENERAL FUND OUTTURN YEAR ENDING 31 MARCH 2023

SUMMARY

	FUNCTIONS OF SERVICE	2022/23	2022/23	2022/23
		ADJUSTED CASH LIMIT	ACTUAL	VARIATION
		£000	£000	£000
	PROCUREMENT, ENERGY AND PROJECTS	160	7	(153)
	REVENUES	1,698	1,716	18
	BENEFITS	(1,133)	(1,151)	(18)
	ICT SERVICES	59	58	(1)
	CUSTOMER FIRST	52	19	(33)
	ACCOUNTANCY	305	182	(123)
	RISK SERVICES	28	(55)	(83)
	PROPERTY SERVICES & INVESTMENT PORTFOLIO	2,273	2,105	(168)
	EQUALITY AND DIVERSITY	83	98	15
	NET COST OF SERVICES	3,525	2,979	(546)

Budget Holder: Steve Thompson - Director of Resources

Head of Accountancy: Mark Golden

	SUBJECTIVE ANALYSIS	2022/23	2022/23	2022/23
		ADJUSTED CASH LIMIT	ACTUAL	VARIATION
		£000	£000	£000
	<u>EXPENDITURE</u>			
	EMPLOYEES	14,113	13,776	(337)
	PREMISES	5,984	7,274	1,290
	TRANSPORT	94	75	(19)
	SUPPLIES AND SERVICES	4,468	5,889	1,421
	THIRD PARTY PAYMENTS	231	225	(6)
	TRANSFER PAYMENTS	218	342	124
	SUPPORT SERVICES	3,135	3,135	-
	CAPITAL CHARGES	5,700	5,664	(36)
	TOTAL EXPENDITURE	33,943	36,380	2,437
	<u>INCOME</u>			
	CUSTOMER & CLIENT RECEIPTS	4,516	5,625	(1,109)
	GOVERNMENT GRANTS	565	847	(282)
	RECHARGES	21,983	22,168	(185)
	OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	3,354	4,761	(1,407)
	TOTAL INCOME	30,418	33,401	(2,983)
	NET EXPENDITURE	3,525	2,979	(546)

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COMMUNICATIONS AND REGENERATION
GENERAL FUND OUTTURN YEAR ENDING 31 MARCH 2023
SUMMARY

	FUNCTIONS OF SERVICE	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUAL	2022/23 VARIATION
		£000	£000	£000
	ECONOMIC DEVELOPMENT & CULTURAL SERVICES	273	270	(3)
	PLANNING	601	597	(4)
	TOURISM & COMMUNICATIONS	3,246	3,654	408
	NET COST OF SERVICES	4,120	4,521	401

Budget Holder: Alan Cavill- Director of Communications and Regeneration

Finance Manager: Kirsten Whyatt

	SUBJECTIVE ANALYSIS	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUAL	2022/23 VARIATION
		£000	£000	£000
	<u>EXPENDITURE</u>			
	EMPLOYEES	6,068	8,405	2,337
	PREMISES	1,185	1,764	579
	TRANSPORT	201	188	(13)
	SUPPLIES AND SERVICES	2,472	5,178	2,706
	THIRD PARTY PAYMENTS	3	1,163	1,160
	TRANSFER PAYMENTS	-	-	-
	SUPPORT SERVICES	2,195	2,407	212
	CAPITAL CHARGES	488	549	61
	CORPORATE SAVINGS TARGET	(141)	-	141
	TOTAL EXPENDITURE	12,471	19,654	7,183
	<u>INCOME</u>			
	CUSTOMER & CLIENT RECEIPTS	1,405	1,281	124
	GOVERNMENT GRANTS	108	1,762	(1,654)
	RECHARGES	5,502	5,597	(95)
	OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	1,336	6,493	(5,157)
	TOTAL INCOME	8,351	15,133	(6,782)
	NET EXPENDITURE	4,120	4,521	401

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COMMUNICATIONS AND REGENERATION
GENERAL FUND OUTTURN YEAR ENDING 31 MARCH 2023
STRATEGIC LEISURE ASSETS

	SUBJECTIVE ANALYSIS	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUALS	2022/23 VARIATION
		£000	£000	£000
	<u>EXPENDITURE</u>			
	EMPLOYEES	63	131	68
	PREMISES	-	1,169	1,169
	TRANSPORT	-	-	-
	SUPPLIES AND SERVICES	2,864	1,964	(900)
	THIRD PARTY PAYMENTS	-	-	-
	TRANSFER PAYMENTS	-	50	50
	SUPPORT SERVICES	49	49	-
	CAPITAL CHARGES	1,238	3,210	1,972
	TOTAL EXPENDITURE	4,214	6,573	2,359
	<u>INCOME</u>			
	CUSTOMER & CLIENT RECEIPTS	500	3,538	(3,038)
	GOVERNMENT GRANTS	-	-	-
	RECHARGES	-	-	-
	OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	1,519	868	651
	TOTAL INCOME	2,019	4,406	(2,387)
	NET EXPENDITURE	2,195	2,167	(28)

Budget Holder: Lee Frudd - Head of Strategic Leisure Assets

Finance Manager: Kirsten Whyatt

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COMMUNICATIONS AND REGENERATION
GENERAL FUND OUTTURN YEAR ENDING 31 MARCH 2023
GROWTH AND PROSPERITY

	SUBJECTIVE ANALYSIS	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUALS	2022/23 VARIATION
		£000	£000	£000
	<u>EXPENDITURE</u>			
	EMPLOYEES	889	775	(114)
	PREMISES	48	879	831
	TRANSPORT	-	(2)	(2)
	SUPPLIES AND SERVICES	8	3,393	3,385
	THIRD PARTY PAYMENTS	-	-	-
	TRANSFER PAYMENTS	-	-	-
	SUPPORT SERVICES	292	349	57
	CAPITAL CHARGES	(3,737)	1,859	5,596
	CORPORATE SAVINGS TARGET	(65)	-	65
	TOTAL EXPENDITURE	(2,565)	7,253	9,818
	<u>INCOME</u>			
	CUSTOMER & CLIENT RECEIPTS	486	5,904	(5,418)
	GOVERNMENT GRANTS	-	1,111	(1,111)
	RECHARGES	-	6	(6)
	OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	4,466	1,794	2,672
	TOTAL INCOME	4,952	8,815	(3,863)
	NET EXPENDITURE	(7,517)	(1,562)	5,955

Budget Holder: Nick Gerrard Growth & Prosperity Programme Director

Finance Manager: Kirsten Whyatt

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COMMUNITY AND ENVIRONMENTAL SERVICES

Appendix 3j

GENERAL FUND OUTTURN YEAR ENDING 31 MARCH 2023

SUMMARY

FUNCTIONS OF SERVICE	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUAL	2022/23 VARIATION
	£000	£000	£000
BUSINESS SERVICES	(807)	992	1,799
LEISURE AND CATERING	5,279	5,187	(92)
PUBLIC PROTECTION	1,274	1,241	(33)
COASTAL AND ENVIRONMENTAL PARTNERSHIPS	5,664	4,728	(936)
HIGHWAYS AND TRAFFIC MANAGEMENT SERVICES	18,005	17,659	(346)
STREET CLEANSING AND WASTE	18,240	17,888	(352)
INTEGRATED TRANSPORT	2,611	3,175	564
NET COST OF SERVICES	50,266	50,870	604

Budget Holder: John Blackledge - Director of Community and Environmental Services

Finance Manager: Kirsten Whyatt

SUBJECTIVE ANALYSIS	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUAL	2022/23 VARIATION
	£000	£000	£000
<u>EXPENDITURE</u>			
EMPLOYEES	15,348	15,049	(299)
PREMISES	3,603	4,927	1,324
TRANSPORT	2,768	1,728	(1,040)
SUPPLIES AND SERVICES	3,854	8,859	5,005
THIRD PARTY PAYMENTS	30,204	30,085	(119)
TRANSFER PAYMENTS	204	240	36
SUPPORT SERVICES	4,554	4,541	(13)
CAPITAL CHARGES	19,116	20,092	976
TOTAL EXPENDITURE	79,651	85,521	5,870
<u>INCOME</u>			
CUSTOMER & CLIENT RECEIPTS	10,153	11,748	(1,595)
GOVERNMENT GRANTS	2,864	3,669	(805)
RECHARGES	8,712	7,023	1,689
OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	7,656	12,211	(4,555)
TOTAL INCOME	29,385	34,651	(5,266)
NET EXPENDITURE	50,266	50,870	604

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ADULT SERVICES

GENERAL FUND OUTTURN YEAR ENDING 31 MARCH 2023

SUMMARY

	FUNCTIONS OF SERVICE	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUAL	2022/23 VARIATION
		£000	£000	£000
	ADULT SOCIAL CARE	9,002	8,523	(479)
	CARE & SUPPORT	5,390	5,357	(33)
	ADULTS COMMISSIONING PLACEMENTS	51,188	53,540	2,352
	ADULTS SAFEGUARDING	155	155	-
	NET COST OF SERVICES	65,735	67,575	1,840

Budget Holder: Karen Smith - Director of Adult Social Services

Finance Manager: Mark Golden

	SUBJECTIVE ANALYSIS	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUAL	2022/23 VARIATION
		£000	£000	£000
	<u>EXPENDITURE</u>			
	EMPLOYEES	24,818	23,547	(1,271)
	PREMISES	65	208	143
	TRANSPORT	1,028	1,014	(14)
	SUPPLIES AND SERVICES	2,177	4,012	1,835
	THIRD PARTY PAYMENTS	65,769	70,496	4,727
	TRANSFER PAYMENTS	4,327	5,906	1,579
	SUPPORT SERVICES	2,966	2,966	-
	CAPITAL CHARGES	410	410	-
	TOTAL EXPENDITURE	101,560	108,559	6,999
	<u>INCOME</u>			
	CUSTOMER & CLIENT RECEIPTS	16,647	18,834	(2,187)
	GOVERNMENT GRANTS	387	1,999	(1,612)
	RECHARGES	27	29	(2)
	OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	18,764	20,122	(1,358)
	TOTAL INCOME	35,825	40,984	(5,159)
	NET EXPENDITURE	65,735	67,575	1,840

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CHILDREN'S SERVICES

GENERAL FUND OUTTURN YEAR ENDING 31 MARCH 2023

SUMMARY

FUNCTIONS OF SERVICE	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUAL	2022/23 VARIATION
	£000	£000	£000
LOCAL SCHOOLS BUDGET	21,852	21,852	-
BUSINESS SUPPORT AND RESOURCES	9,895	9,787	(108)
EDUCATION	27,407	27,495	88
EARLY HELP FOR CHILDREN & FAMILIES	5,978	5,519	(459)
CHILDREN'S SOCIAL CARE	54,027	59,732	5,705
GRANTS	(54,920)	(54,930)	(10)
NET COST OF SERVICES	64,239	69,455	5,216

Budget Holder: Victoria Gent - Director of Children's Services

Head of Accountancy: Mark Golden

SUBJECTIVE ANALYSIS	2022/23 ACTUAL	2022/23 ADJUSTED CASH LIMIT	2022/23 FORECAST OUTTURN
	£000	£000	£000
<u>EXPENDITURE</u>			
EMPLOYEES	51,336	56,814	5,478
PREMISES	128	2,641	2,513
TRANSPORT	1,779	857	(922)
SUPPLIES AND SERVICES	16,175	21,880	5,705
THIRD PARTY PAYMENTS	47,629	53,937	6,308
TRANSFER PAYMENTS	12,457	17,175	4,718
SUPPORT SERVICES	5,392	8,399	3,007
CAPITAL CHARGES	1,750	3,470	1,720
CORPORATE SAVINGS TARGET	(3,105)	-	3,105
TOTAL EXPENDITURE	133,541	165,173	31,632
<u>INCOME</u>			
CUSTOMER & CLIENT RECEIPTS	1,063	2,178	(1,115)
GOVERNMENT GRANTS	60,967	73,541	(12,574)
RECHARGES	1,236	8,715	(7,479)
OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	6,036	11,284	(5,248)
TOTAL INCOME	69,302	95,718	(26,416)
NET EXPENDITURE	64,239	69,455	5,216

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PUBLIC HEALTH
GENERAL FUND OUTTURN YEAR ENDING 31 MARCH 2023
PUBLIC HEALTH

	SUBJECTIVE ANALYSIS	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUALS	2022/23 VARIATION
		£000	£000	£000
	<u>EXPENDITURE</u>			
	EMPLOYEES	1,352	1,588	236
	PREMISES	-	1	1
	TRANSPORT	5	41	36
	SUPPLIES AND SERVICES	26	118	92
	THIRD PARTY PAYMENTS	18,731	39,468	20,737
	TRANSFER PAYMENTS	-	-	-
	SUPPORT SERVICES	245	269	24
	CAPITAL CHARGES	-	-	-
	TOTAL EXPENDITURE	20,359	41,485	21,126
	<u>INCOME</u>			
	CUSTOMER & CLIENT RECEIPTS	-	-	-
	GOVERNMENT GRANTS	19,231	21,742	(2,511)
	RECHARGES	51	8	43
	OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	1,072	19,730	(18,658)
	TOTAL INCOME	20,354	41,480	(21,126)
	NET EXPENDITURE	5	5	-

Budget Holder: Dr Arif Rajpura - Director of Public Health

Head of Accountancy: Mark Golden

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BUDGETS OUTSIDE THE CASH LIMIT
GENERAL FUND OUTTURN YEAR ENDING 31 MARCH 2023

SUMMARY

FUNCTIONS OF SERVICE	2022/23 ADJUSTED CASH LIMIT	2022/23 ACTUALS	2022/23 VARIATION
	£000	£000	£000
TREASURY MANAGEMENT	4,395	2,505	(1,890)
PARKING SERVICES	(5,850)	(5,464)	386
CORPORATE SUBSCRIPTIONS	135	127	(8)
HOUSING BENEFITS	1,458	1,545	87
COUNCIL TAX AND NNDR COST OF COLLECTION	1,105	1,003	(102)
SUBSIDIARY COMPANIES	(933)	(968)	(35)
LAND CHARGES	(51)	(51)	-
CONCESSIONARY FARES	3,734	3,545	(189)
EMPLOYERS PREVIOUS YEARS PENSION LIABILITY	131	(493)	(624)
NEW HOMES BONUS	(211)	(211)	-
NET COST OF SERVICES	3,913	1,538	(2,375)

SUBJECTIVE ANALYSIS	2022/23 ACTUAL	2022/23 ADJUSTED CASH LIMIT	2022/23 FORECAST OUTTURN
	£000	£000	£000
<u>EXPENDITURE</u>			
EMPLOYEES	505	(96)	(601)
PREMISES	1,473	1,545	72
TRANSPORT	20	41	21
SUPPLIES AND SERVICES	4,542	4,392	(150)
THIRD PARTY PAYMENTS	4	54	50
TRANSFER PAYMENTS	39,743	44,904	5,161
SUPPORT SERVICES	4,257	4,331	74
CAPITAL CHARGES	16,512	15,932	(580)
TOTAL EXPENDITURE	67,056	71,103	4,047
<u>INCOME</u>			
CUSTOMER & CLIENT RECEIPTS	5,858	5,191	667
GOVERNMENT GRANTS	40,130	45,226	(5,096)
RECHARGES	2,058	2,445	(387)
OTHER GRANTS, REIMBURSEMENTS & CONTRIBUTIONS	15,097	16,703	(1,606)
TOTAL INCOME	63,143	69,565	(6,422)
NET EXPENDITURE	3,913	1,538	(2,375)

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PROVISIONAL CAPITAL OUTTURN STATEMENT 2022/23

Appendix 3o

Expenditure for Capital Purposes

2022/23

Director Responsible for Resources

Capital Renewals, Repairs & Maintenance 2022/23
 Information Computer Technology Refresh
 Finance & Human Resources Payroll System
 Kent Road 12,14 & 16
 Grange Park Energy Efficiency
 Grundy Roofing Works 2022/23
 Core CCTV System Replacement

Total Resources

PAYMENTS IN 2022/23	CAPITAL RECEIPTS	GOVERNMENT AND OTHER GRANTS	OTHER SOURCES	PRUDENTIAL BORROWING	TOTAL
£	£	£	£	£	£
266,457	0	83,006	183,451	0	266,457
966,353	0	42,353	924,000	0	966,353
1,065,410	0	0	1,065,410	0	1,065,410
30,926	30,926	0	0	0	30,926
538,482	33,765	504,717	0	0	538,482
182,818	0	182,818	0	0	182,818
1,165,592	0	0	1,165,592	0	1,165,592
4,216,038	64,691	812,894	3,338,453	0	4,216,038

Director Responsible for Adult Services

I-Switch Scheme
 Adult Services Schemes
 Regeneration - Renovation Grant
 Care & Repair
 Winter warmth

Total Adult Services

204,914	0	151,664	53,250	0	204,914
1,209,154	0	852,367	356,787	0	1,209,154
2,262,038	0	2,262,038	0	0	2,262,038
1,908	0	1,908	0	0	1,908
98,797	0	98,797	0	0	98,797
3,776,811	0	3,366,774	410,037	0	3,776,811

Director Responsible for Children's Services

Primary Schools

Bispham Endowed
 Boundary
 Holy Family
 Kinncraig
 Layton
 Marton
 St. Bernadette's
 Stanley
 Moor Park
 Stanley

Other Schemes

Aspire
 Highfurlong Special
 Park
 Woodlands
 Westbury
 Pegasus
 Athena
 Oracle

TOTAL Children's Services

108,922	0	99,602	9,320	0	108,922
129,672	0	23,444	106,228	0	129,672
53,558	0	1,900	51,658	0	53,558
18,699	0	18,699	0	0	18,699
17,346	0	17,346	0	0	17,346
90,000	0	90,000	0	0	90,000
70,240	0	0	70,240	0	70,240
337,686	0	304,035	33,651	0	337,686
21,373	0	20,373	1,000	0	21,373
94,791	0	94,791	0	0	94,791
45,961	0	45,961	0	0	45,961
439,195	0	415,414	23,781	0	439,195
125,358	0	125,358	0	0	125,358
1,350	0	1,350	0	0	1,350
3,555	0	3,555	0	0	3,555
30,761	0	28,861	1,900	0	30,761
8,198	0	8,198	0	0	8,198
32,666	0	32,666	0	0	32,666
1,629,331	0	1,331,553	297,778	0	1,629,331

PROVISIONAL CAPITAL OUTTURN STATEMENT 2022/23

Appendix 3o

Expenditure for Capital Purposes

Director Responsible for Community & Environment

Other Schemes Vehicle & Plant Equipment Renewals
Anchorsholme Seawall Scheme
Sand Dunes
Bispham Coast Protection
Anchorholme & Bispham Study
Beach Nourishment
Fisher Fields Changing Facilities
Stanley Park Athletics Arena
Stanley Park Skate Park
Refuse Vehicles

Total Other schemes

Transport Blackpool/Fleetwood Tramway Upgrade & Sintropher

Total Transport

Total Community and Environment

	PAYMENTS	CAPITAL	GOVERNMENT	OTHER	PRUDENTIAL	TOTAL
	557,342	0	557,342	0	0	557,342
	129,590	0	129,590	0	0	129,590
	984,625	0	984,625	0	0	984,625
	17,814	0	17,814	0	0	17,814
	227,427	0	227,427	0	0	227,427
	106,720	0	106,720	0	0	106,720
	152,471	0	2,471	150,000	0	152,471
	238,983	0	142,500	96,483	0	238,983
	1,354	0	0	0	1,354	1,354
	2,416,326	0	2,168,489	246,483	1,354	2,416,326
	374,223	0	0	0	374,223	374,223
	374,223	0	0	0	374,223	374,223
	2,790,549	0	2,168,489	246,483	375,577	2,790,549

Chief Executives

Housing HRA Adaptation Work for the Elderly & Disabled
Work towards Decent Homes Standard
Foxhall Village
Troutbeck Redevelopment
Grange Park Development
Dunsop Court
Feasibility/ Infill Sites
Acquisitions/Refurbishments
Garstang Road West

Total Chief Executive

	536,336	0	0	536,336	0	536,336
	5,308,554	0	0	5,308,554	0	5,308,554
	18,937	0	0	0	18,937	18,937
	749,411	0	245,252	504,159	0	749,411
	10,462,177	0	3,031,631	0	7,430,546	10,462,177
	471,747	0	0	471,747	0	471,747
	41,875	0	0	41,875	0	41,875
	833,557	0	95,500	256,923	481,134	833,557
	948,590	0	48,931	899,659	0	948,590
	19,371,184	0	3,421,314	8,019,253	7,930,617	19,371,184

Director Responsible for Communication & Regeneration

Transport Local Transport Policy - Maintenance
Local Transport Policy - Parking Management
Local Transport Policy - Traffic Management and Accessibility
Local Transport Policy - Walking and Cycling
Quality Corridor
Tramway Refurbishment

Total Transport Schemes

Other Schemes

Multi-Ply Development & Lease
Leisure Assets
Show Town (Museum)
Land Release Schemes
Airport
Sports Village

	842,520	0	842,520	0	0	842,520
	1,015	0	1,015	0	0	1,015
	531,790	0	531,790	0	0	531,790
	12,800	0	12,800	0	0	12,800
	6,096	0	6,096	0	0	6,096
	0	0	0	236,350	-236,350	0
	1,394,221	0	1,394,221	236,350	-236,350	1,394,221
	11,370	0	0	0	11,370	11,370
	1,252,491	0	0	0	1,252,491	1,252,491
	4,657,419	0	2,898,384	1,759,035	0	4,657,419
	75,755	0	75,755	0	0	75,755
	716,534	0	0	2,102	714,432	716,534
	1,220,774	0	0	100,000	1,120,774	1,220,774

PROVISIONAL CAPITAL OUTTURN STATEMENT 2022/23

Appendix 3o

Expenditure for Capital Purposes

	PAYMENTS	CAPITAL	GOVERNMENT	OTHER	PRUDENTIAL	TOTAL
Marketing And Public Relations	33,374	0	0	25,000	8,374	33,374
Direct Development	190,842	0	0	0	190,842	190,842
Highways & Enabling Works - In Enterprise Zone	56,598	0	0	0	56,598	56,598
Highways & Enabling Works - Outside Enterprise Zone	-181,452	0	0	0	-181,452	-181,452
Delivery Management	376,248	0	0	2,102	374,146	376,248
Sports Pavilion And Changing Facilities	2,307,999	0	0	0	2,307,999	2,307,999
Enterprise Zone - Solar Pv	2,225	0	0	0	2,225	2,225
Town Centre Investment	2,500	0	0	0	2,500	2,500
Houndshill Capital Contribution 5 Years	135,000	0	0	0	135,000	135,000
Houndshill Capital Contribution 5 Years	200,000	0	0	0	200,000	200,000
Town Centre Car Park Strategy	-1,139,794	0	0	0	-1,139,794	-1,139,794
Town Centre Investments	423,879	0	0	0	423,879	423,879
Devonshire Road Hospital Land	195,088	0	1,000,000	30,040	-834,952	195,088
Houndshill Phase 2	7,528,646	0	965,187	0	6,563,459	7,528,646
Edward Street Acquisitions	11,799	0	0	0	11,799	11,799
Abingdon Street Market	933,150	0	765,991	167,159	0	933,150
Town Deal	3,586,293	0	3,586,293	0	0	3,586,293
Acquisition Of Land At Leopold Grove, Adelaide St & Alfred St	1,706,823	0	0	0	1,706,823	1,706,823
Conference Centre	339,940	0	0	0	339,940	339,940
Central Business District Phase 2	9,311,696	0	0	0	9,311,696	9,311,696
Central Business District Phase 3	7,322,501	0	0	0	7,322,501	7,322,501
Heritage Action Zone	704,281	0	559,497	144,784	0	704,281
Blackpool Central - Multi Storey Car Park Tenant Fit Out	94,368	0	0	0	94,368	94,368
Marks & Spencer'S Acquisition	4,687,405	0	0	0	4,687,405	4,687,405
South King Street	320,540	0	0	0	320,540	320,540
Total Other Schemes	47,084,292	-	9,851,107	2,230,222	35,002,963	47,084,292
Total Communication and Regeneration	48,478,513	0	11,245,328	2,466,572	34,766,613	48,478,513

TOTAL EXPENDITURE	80,262,426	64,691	22,346,352	14,778,576	43,072,807	80,262,426
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Other Sources	£
Revenue	3,880,339
HRA Revenue	7,169,586
School Contributions	297,777
CoolSilk ShowTown	1,051,701
Comm Sum Commn Edg Rd	100,000
Survey fee contribution	4,203
Fylde Council	25,000
Rent Devonshire Road	30,040
Rent Abingdon Market	101,420
Self Insurance fund	1,165,592
Suez Contribution	50,000
Lancashire County Council	53,250
Leaseholder	828,618
Ward Funding	14,997
FIT	6,053
	14,778,576

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Report to:	EXECUTIVE
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member	Councillor Lynn Williams, Leader of the Council
Date of Meeting	12 June 2023

TREASURY MANAGEMENT STRATEGY OUTTURN FOR THE YEAR ENDED 31 MARCH 2023

1.0 Purpose of the report:

1.1 To consider the report of the Director of Resources on the Treasury Management Outturn Report for the year ended 31 March 2023.

2.0 Recommendation(s):

2.1 To note the report on treasury management activities for the financial year ending 31 March 2023.

3.0 Reasons for recommendation(s):

3.1 One of the requirements of CIPFA's (Chartered Institute of Public Finance and Accountancy) 2021 Prudential Code and Treasury Management Codes of Practice is that periodic reports on the Council's treasury management activities are submitted to the Executive.

3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.3 Is the recommendation in accordance with the Council's approved budget? Yes

4.0 Other alternative options to be considered:

4.1 None.

5.0 Council priority:

5.1 The relevant Council priority is: "The economy: Maximising growth and opportunity across Blackpool".

6.0 Background information

6.1 One of the requirements of CIPFA's (Chartered Institute of Public Finance and Accountancy) 2021 Prudential Code and Treasury Management Codes of Practice is that periodic reports on the Council's treasury management activities are submitted to the Executive. This annual report on performance is for the 2022/23 financial year.

The Council manages its cashflow and long-term financing of capital investments in accordance with its annual Treasury Management Strategy. The 2023/24 Strategy was approved by the Council on 6 February 2023 and its objectives were as follows:

- to set the framework for managing the Council's investments and cashflows and controlling its banking, money market and capital market transactions
- to plan and secure appropriate borrowing in order to finance the Capital Programme for 2023/24 and the next two years, at the lowest cost to the Council
- to achieve the best rates of return from the investment of temporary surplus cash balances commensurate with risk, subject to the overriding principle of maintaining an acceptable level of security
- to control effectively the risks associated with these transactions
- to comply with appropriate codes and regulations including the International Financial Reporting Standards as they apply to Treasury Management
- to have regard for appropriate guidance where applicable, including 2017 Investment Guidance issued by the former Ministry for Treasury Management.

In delivering the above objectives the Council would:

- decide its own borrowing limits taking into account its financial situation, long-term plans and in particular what it thinks is affordable now and sustainable in the future.
- monitor these limits using performance measures called Prudential Indicators. Local authorities must use the same system of performance measurement and risk control. The borrowing limits have been set in accordance with the Council's Medium-term Financial Plan.

6.2 **Borrowing Transactions 2022/23**

6.3 **Loans Raised**

The Council's Total Borrowing Powers As At 1 April 2022 (The Authorised Limit) Stood At £586m. As A Result Of Uncertainty During This Financial Year Due To Ever Increasing Interest Rates, A Decision Was Taken By Treasury Management Panel To Increase Long-Term Borrowing Via Public Works Loan Board By £125m. This Equated To Approximately 50% Of The Capital Funded Debt At The Time.

The 2022/23 Borrowing Requirement For The Remainder Of The Capital Programme Was Deferred Until Such Time That Interest Rates Are (Or Were) Judged To Be Favourable To The Council. This Action Reduces The Council's Exposure To Counterparty Risk Whilst Enabling Savings To Be Made In Long-Term Borrowing Costs.

Temporary borrowing has been required to deal with the normal peaks and troughs of the cashflow, including creditor payments, grant receipts, etc. It has also been required to cover troughs in cashflow due to the delay in taking new long-term borrowing.

6.4 **Loans Repaid**

In addition to the temporary borrowing referred to in 6.3 above, a total of £4.0m of long-term borrowing was repaid.

6.5 **Loans Refinanced**

From time to time opportunities arise to repay existing loans and replace them with lower cost alternative loans. Where this arises, savings in annual interest costs can be achieved which keep the Council's overall borrowing costs as low as possible.

6.6 **Summary**

The Council's overall pooled borrowing rate on its long-term debt is now 3.55% from 4.58% in 2021/22. This change occurred as a result of the movement in loans referred to in 2.1 and 2.2 above.

When the Housing Revenue Account Subsidy buy-out took place in March 2012, the Council adopted a two-pool approach to managing its long-term loans with separate loan pools for the General Fund (GF) and the Housing Revenue Account (HRA). At that time the interest rate on both pools was approximately 4.9%. Since that date the maturity of loans from both pools has resulted in a change in interest rates such that the overall pooled borrowing rate is made up of the GF average pooled rate (4.53%) and the Housing Revenue Account average pooled rate (5.05%).

With regard the Housing Revenue Account, the Council has approved a Council Housing Investment Programme (CHIP). This utilises borrowing capacity to build new Council homes and enhance existing stock, so the Housing Revenue Account will be taking out additional loans in the short to medium term.

The revised maturity profile for the total external long-term loans outstanding as at 31 March 2023 is shown in Appendix 4a to this report.

	<i>Loan financing</i> <i>at 1 Apr 2022</i>	<u>Additions</u>	<u>(Repayments)</u>	<i>Loan financing</i> <i>at 31 Mar 2023</i>
	£M	£M	£M	£M
PWLB	53.2	125.0	(4.0)	174.2
Market Loans	26.0	-	-	26.0
Temporary Loans	279.0	246.0	(329.0)	196.0
Total Loans	358.2	371.0	(333.0)	396.2
Temporary Investment	(40.7)	(676.7)	702.3	(15.1)
Net External Loans	317.5	(305.7)	369.3	381.1

6.7 Investment Transactions 2022/23

6.8 Overview

The Bank of England Official Bank Rate - the 'Base Rate', i.e. the general level to which all short-term interest rates are related started the year at 0.75%. Throughout the year the base rate was continually increased in both 0.25% and 0.5% increments and by 0.75% in November 2022. The final meeting of the Monetary Policy Committee (MPC) in March 2023 saw rates rise to 4.25%.

Appendix 4b shows this interest rate graphically from 1 September 2008 to 31 March 2023.

6.9 Receipts and Payments during the Year

Appendix 4c to this Report summarises the Council's cashflows during the year, short-term interest receivable and payable, year-end loans outstanding and investment balances.

6.10 Investment Earnings

Interest which has been earned from temporary investments is included in Appendix 4c, together with a comparison with the budgeted income for the financial year. Actual investment earnings, included within the short-term net receivable/payable figure, are £1.5m and these are referred to in Appendix 4d.

6.11 Approved Institutions for Investments

The Treasury Management Panel will continue to manage the Council's treasury and investment affairs in a cautious and prudent manner taking account of changes in the economic climate. The Council's Treasury Management Policy restricts investments to a list of approved institutions. Each institution has its own maximum investment limit and timeframe and the security of funds is the overriding factor.

The list comprises UK-registered banks along with their subsidiaries, the Nationwide Building Society, local authorities and certain other public sector bodies plus short-term gilts and UK treasury bills. The list continues to be reviewed regularly in the light of changes in credit ratings and market intelligence.

6.12 Revenue Outturn 2022/23

The Treasury Management revenue account for 2022/23 had net expenditure of £2,605k, an improvement of £1,790k over the budget of £4,395k.

A comparison of the Treasury Management revenue account with the budget for 2022/23 is set out in Appendix 4d.

Following a review of the Council's Minimum Revenue Provision Policy by Link Asset Services in 2020, £23,808k of savings were identified which could be taken over a number of financial years. £6,700k of this saving was realised during 2022/23.

The debt servicing costs for 2022/23 increased due to the unprecedented increase in interest rates as demonstrated at Appendix 4b. After years of interest barely being applicable to borrowings the rates of around 4% at the end of the financial year are significant.

Low levels of interest available on temporary cash balances coupled with fewer opportunities to restructure the long-term loan portfolio mean that further savings are unlikely in future years.

6.13 Prudential Indicators

The Prudential Indicators and Limits for 2022/23 are set out within Appendix 4e to this Report.

6.7 Does the information submitted include any exempt information? No

7.0 List of Appendices:

- 7.1 Appendix 4a: External debt fallout chart, maturity values as at 31st March 2023
- Appendix 4b :Official Bank (Base) Rate movements September 2008 to 31st March 2023
- Appendix 4c: Treasury Management Summary Statistics for the year 2022/23
- Appendix 4d: Comparison of Budget to Actuals 2022/23
- Appendix 4e: Treasury Management Prudential Indicators 2022/23

8.0 Financial considerations:

8.1 As outlined in this report and Appendices 4a to 4e.

9.0 Legal considerations:

9.1 None.

10.0 Risk management considerations:

- 10.1
 - Liquidity Risk (accessibility and/or running out of cash)
 - Market Risk (movements in interest rates – yield)
 - Credit Risk (investment counterparties might default – security)
 - Legal Risk (transactions and actions legal/within regulatory limits)
 - Operational Risk (adequacy of internal processes)

11.0 Equalities considerations:

11.1 None.

12.0 Sustainability, climate change and environmental considerations:

12.1 None

13.0 Internal/external consultation undertaken:

13.1 With the Council's Treasury Management Panel

14.0 Background papers:

14.1 None.

15.0 Key decision information:

15.1 Is this a key decision? No

15.2 If so, Forward Plan reference number:

15.3 If a key decision, is the decision required in less than five days? N/A

15.4 If **yes**, please describe the reason for urgency:

16.0 Call-in information:

16.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

16.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

17.0 Scrutiny Committee Chairman (where appropriate):

Date informed: N/A

Date approved:

18.0 Declarations of interest (if applicable):

18.1

19.0 Summary of Discussion:

19.1

20.0 Executive decision:

20.1

21.0 Date of Decision:

21.1

22.0 Reason(s) for decision:

22.1

23.0 Date Decision published:

23.1

24.0 Alternative Options Considered and Rejected:

24.1

25.0 Executive Members in attendance:

25.1

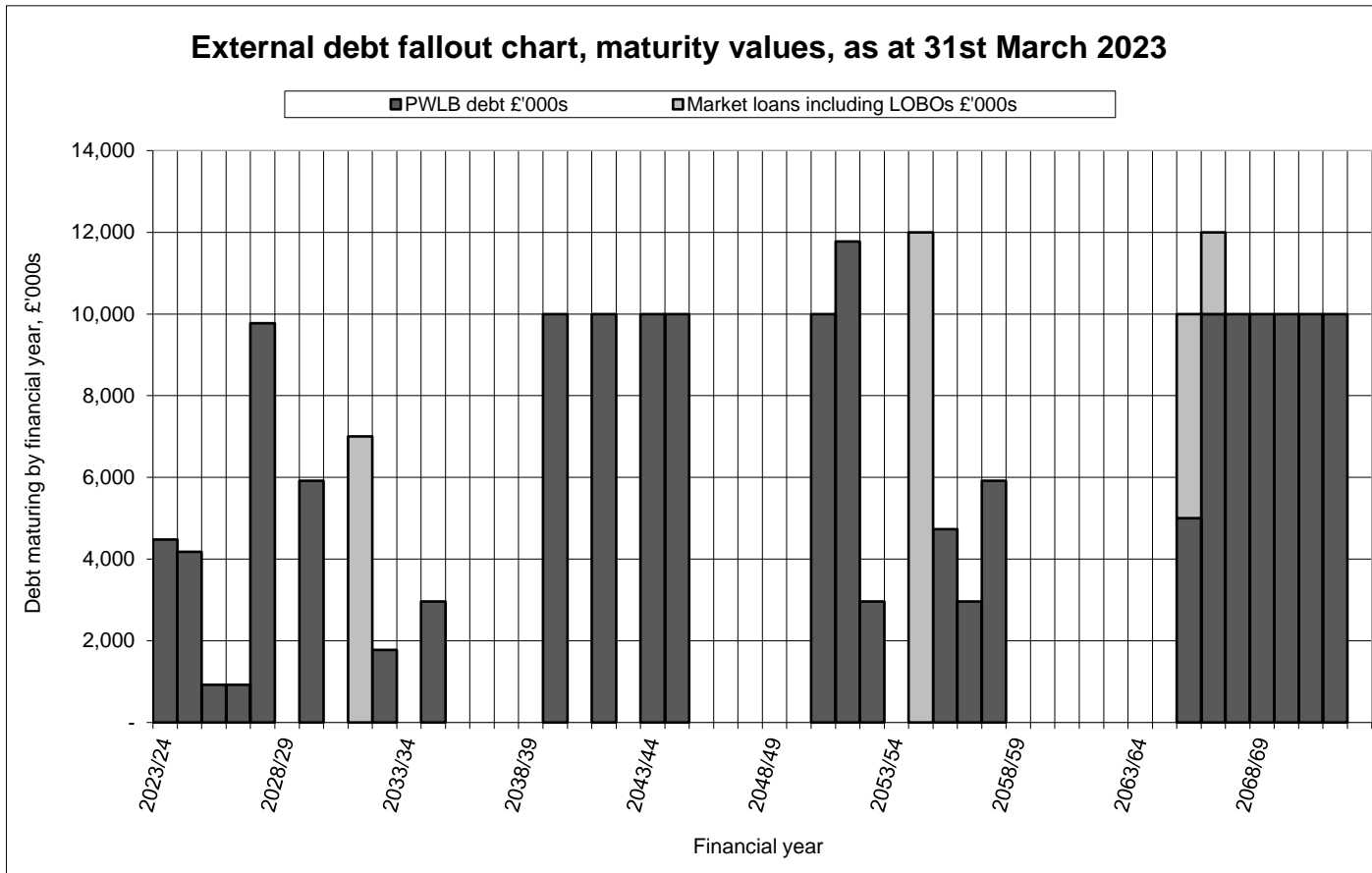
26.0 Call-in:

26.1

27.0 Notes:

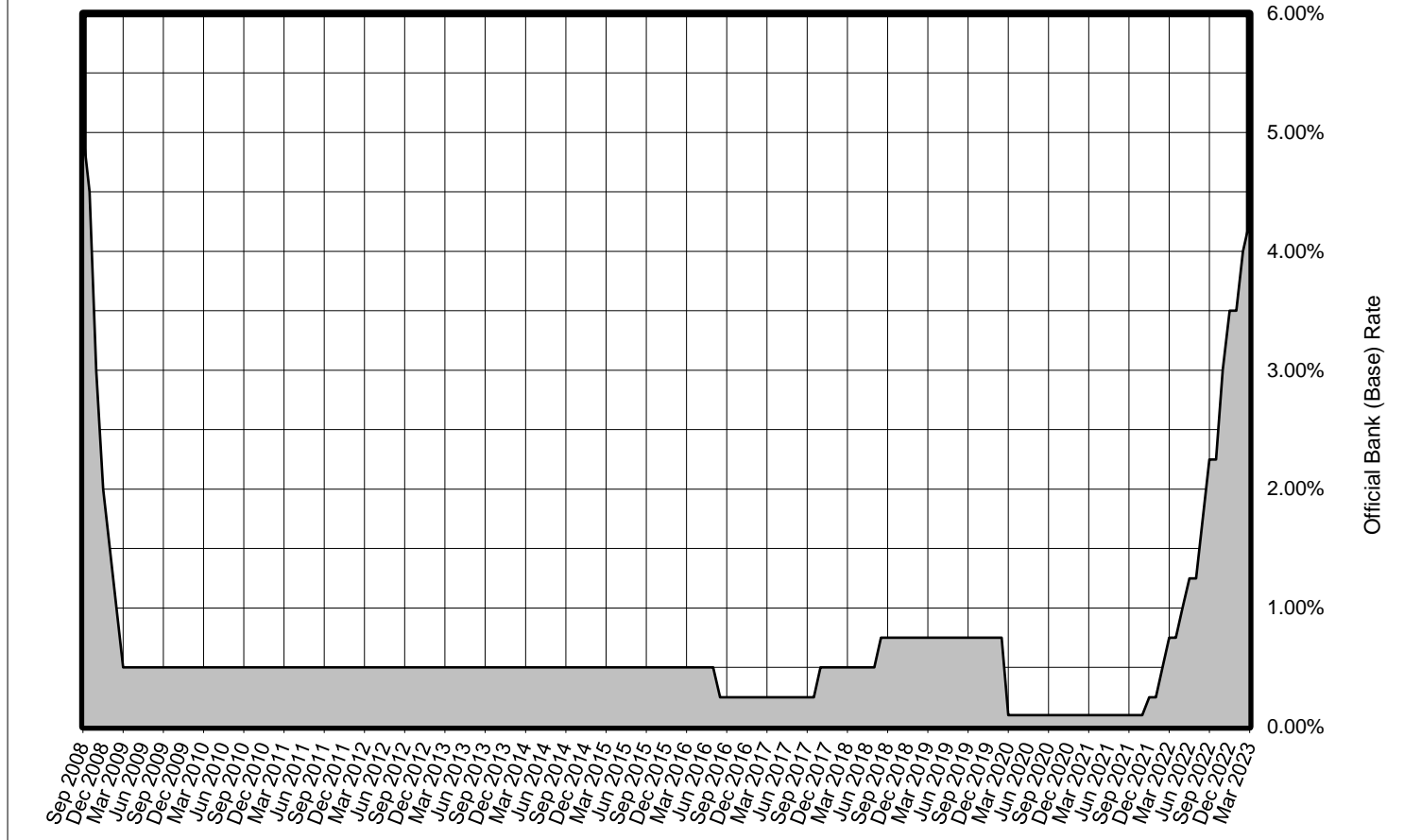
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Official Bank (Base) Rate movements September 2008 - March 2023



TREASURY MANAGEMENT REPORT

SUMMARY STATISTICS FOR THE YEAR 2022/23

SHORT TERM INTEREST NET (RECEIVABLE)/PAYABLE	
	£'000s
Budgeted for year	2,226
Actual for year	1,551

SHORT TERM INVESTMENTS MADE	
<small>Call Accounts & Money Market</small>	
Number in the year	123
Total value of those transactions in and out (£)	676.65m
Average interest rate earned	1.849%

SHORT TERM LOANS TAKEN	
Number in year	52
Total value of those transactions in and out (£)	246m
Average interest rate paid	2.45%

YEAR END LOANS OUTSTANDING		
01/04/22 £'000s	SOURCE	31/03/23 £'000s
53,234	Public Works Loan Board	174,246
26,000	Market Loans	26,000
279,000	Temporary Loans	196,000
358,234	TOTAL LOANS OUTSTANDING	396,246

YEAR END INVESTMENT BALANCES		
01/04/22 £'000s	CHANGE	31/03/23 £'000s
38,650	Investments (Call accounts)	15,050
2,000	Investments (Money Market)	-
40,650	Total	15,050

CASH FLOWS DURING THE YEAR	
RECEIPTS	£'000s
Loans & Investments, total movements <i>(The transaction totals, NOT the balance) (A)</i>	1,073,250
Council Tax & NNDR	92,670
Government Grants/Rate Support Grant	245,232
Housing Benefit	41,705
Other income, VAT reclaimed	211,145
TOTAL OF ALL AMOUNTS RECEIVED INTO THE BANK ACCOUNTS	1,664,002

PAYMENTS	£'000s
Loans & Investments, total movements <i>(The transaction totals, NOT the balance) (B)</i>	1,009,638
General Creditors	496,186
Salaries & Wages	110,466
Housing Benefits	34,392
Precepts, Police & Fire	11,810
TOTAL OF ALL AMOUNTS PAID OUT OF THE BANK ACCOUNTS	1,662,492

The difference between total amounts received and paid equals the movement on the current account balances during the year and not solely the movement on Loan and Investment balances which is shown in the table below.

RECONCILIATION OF CASH FLOWS WITH THE LOAN & INVESTMENT PORTFOLIOS £'000s		
Receipts	(A)	1,073,250
Payments	(B)	(1,009,638)
Net (payment)/receipt into current a/cs		63,612
Total loans at end of year	396,246	
Total loans at start of year	(358,234)	
Net loans taken out		38,013
Investments at end of year	(15,050)	
Investments at start of year	40,650	
Net decrease in investments		25,600
Net (payment)/receipt into current a/cs		63,613

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Comparison of Budget to Actuals 2022/23

The annual budget monitoring information for 2022/23 shows a (£1,890k) full-year (favourable) variance on the £4,395k Treasury Management Budget.

The components of this variance are as follows:

	2022/23 Full Year Variance (Fav)/Adv £'000s
The use of temporary borrowing and internal financing have enabled borrowing to be delayed, thus achieving savings against interest payable	(2,004)
Shortfall of Interest Received on Business Loans Fund	1,859
Interest on higher than expected cash balances for 2022/23 (Actual £803k minus Budget £9k)	(794)
Other miscellaneous items including recharges, brokerage and SORP premia costs	(951)
Unapplied Minimum Revenue Provision Policy review saving	0
2022/23 full-year (favourable)/adverse position	(1,890)

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