



DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
CHIEF FINANCIAL OFFICER	EXECUTIVE COMMITTEE	23 MAY 2024	4
MEDIUM TERM FINANCIAL STRATEGY - FINANCIAL OUTTURN REPORT FOR 2023-24 - INCLUDING REVENUE, CAPITAL AND TREASURY MANAGEMENT			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

RELEVANT LEAD MEMBER

This item is within the remit of Lead Member for Finance and Resources (Councillor Gaunt).

PURPOSE OF THE REPORT

On 4th March 2024 the Council set its budget for 2024/25, also approving a revised budget for 2023/24. This report sets out for Members: the expected General Fund Revenue, Capital, and Treasury Management Outturn position for the financial year 2023/24; the major variations between the latest approved budget and the actual outturn expenditure; a summary of the impact on the Council's reserves; and includes a summary of the Council's Treasury Management operations for the financial year.

RECOVERABILITY

This decision is not recoverable because it relates to:

- A recommendation to the council or to any other committee or sub-committee of the council

RECOMMENDATIONS

The Executive Committee is recommended to:

1. approve the General Fund Revenue Outturn position as summarised in table 1 of the report;
2. approve the revenue slippage items and the transfer to general fund balances to fund these items as set out in paragraph 2.5 and Appendix C of the report;
3. approve the transfers to the Capital Investment Reserve as set out in paragraphs 2.6 and 2.8 and as summarised in table 1 of the report;
4. approve the closure of the ear-marked revenue reserves as detailed in paragraph 2.8 of the report.
5. approve the transfers out of the four reserves as detailed in paragraphs 1.4 to 1.7 of the report to allow the funds to be used in line with the grant conditions in 2024/25 as required;
6. approve the Capital Outturn position, including financing, as set out in sections 6 to 8 of the report;
7. approve the capital slippage items as set out in Appendix E of the report; and
8. approve the Treasury Management Annual Report as set out in sections 9 to 11 and the actual Prudential Indicators set out in Appendix F of the report.

REPORT

1. Introduction and Background

- 1.1 The Revenue Budget Forecast Update was reported to the Executive Committee in both December 2023 and January 2024 and to Council in December 2023 and February 2024, with the Medium Term Financial Strategy (MTFS) and budget decisions presented to full Council for approval in March 2024, following consideration by both the Executive Committee and the Internal Affairs Scrutiny Committee.
- 1.2 For 2023/24 the Government implemented a single-year financial settlement, which was the fourth year running that the funding settlement was for one-year only. The MTFS report presented to Council in March 2024 set out the full context of the financial landscape of the council and the wider local government sector as a whole, and can be found at this link: [MTFS Report March 2024](#).
- 1.3 This report sets out the outturn position for the financial year 2023/24, a year that was shaped by ongoing high, though reducing, inflation (and its impact on the 'cost of living') and the continuation of conflict in both Ukraine, and, throughout the second half of the year, also in the Middle East. Section 10 of this report provides further details regarding the economic environment for the year.

External Grant Funding to be Carried Forward into 2024/25

- 1.4 Fylde Council was allocated **general covid support grant funding** for 2021/22 totalling £392k. As at 31st March 2024, £41k of this funding remained unspent and following advice from the council's external auditors regarding the year end carry-over of this funding, this sum was transferred into the Covid-19 Unringfenced Grant Reserve at the balance sheet date. **It is now recommended that this sum be transferred out of the reserve to be available to spend in 2024/25 as required.**
- 1.5 Also, the government introduced the **Homes for Ukraine Scheme** in 2022. This scheme allows people living in the UK to sponsor a named Ukrainian national or family to come to live in the UK with them, providing they have suitable accommodation to offer. As part of the government's commitment to helping people flee the conflict in the Ukraine, district councils have been asked to help to support the Ukrainian families via integration events in the community and support if they become homeless.

Fylde was provided with an initial allocation of £155k via Lancashire County Council to deliver this part of the scheme to facilitate community integration events and financial provision in the event that the Ukrainian guest becomes homeless. In December 2022 the Council was provided with a further allocation of funding over the three financial years 2022/23 to 2024/25 to deliver an extended Homes for Ukraine Scheme as a consequence of the continuation of the conflict and a re-assessment of the level and length of the support required by Ukrainian families hosted by local families, and a further allocation was approved by this committee in September 2023.

Update reports outlining the amount of grant received, the projected spend and associated projects have been presented to members throughout that period, [with the most recent report available this link](#). As at 31st March 2024, £466k of this funding remained unspent and in line with proper accounting practice this sum was held in the Homes for Ukraine Reserve at the balance sheet date. **It is now recommended that this sum be transferred out of the reserve to be available to spend in 2024/25 as required.**

- 1.6 In addition to the above, in April 2022 the Government announced a new £2.6billion investment programme titled **UK Shared Prosperity Fund (UKSPF)**, to replace old EU structural funding. As part of the funding allocation process, the Council prepared and submitted an Investment Plan in August 2022 which was then approved by Government in December 2022. Fylde's allocation of UKSPF monies, split between capital and revenue, amounts to £2.6m to be defrayed over 3 financial years until the end of 2024/25. The Investment Plan details where the funding will be concentrated across the 3 investment themes as set out the Government's UKSPF guidance documents. The Investment Plan has been approved by the UKSPF Partnership Group, which brings together a cross section of key stakeholders including representatives from businesses, elected members, education and skills, and the community sectors. [More details can be found in the report to Council at this link](#).

The revenue budget for 2024/25 for Fylde was £511k. As at 31st March 2024, £77k of this funding remained unspent and in line with proper accounting practice this sum was transferred into the UK

Shared Prosperity Fund Reserve at the balance sheet date. **It is now recommended that this sum be transferred out of the reserve to be available to spend in 2024/25 as required.**

- 1.7 Also, since July 2022 Fylde Council has been receiving **Asylum Seeker Dispersal Grant** from the Home Office, intended to address concerns raised by Local Authorities in relation to pressure on local services associated with supporting Asylum Seekers with settled status leaving National Asylum Support Service (NASS) accommodation within their areas. The council currently has £67k Asylum Seeker Dispersal Funding received throughout 2023/24 which as at 31st March 2024 remained unspent. [More details can be found in the report at this link](#). In line with proper accounting practice this sum was transferred into a new Asylum Seeker Dispersal Grant at the balance sheet date. **It is now recommended that this sum be transferred out of the reserve to be available to spend in 2024/25 as required.**
- 1.8 Finally, since 2021/22 the government allocated funds to Fylde Council to assist with preparation for the introduction of **Biodiversity Net Gain (BNG)** legislation. From November 2023, all new major development will need to demonstrate that there has been at least 10% net gain in biodiversity (the requirement to demonstrate BNG for smaller scale projects has been deferred until April 2024). This grant was awarded to allow councils to prepare for the introduction of BNG, but detailed guidance was only received during 2023. As at 31st March 2024, £63k of this funding remained unspent and in line with proper accounting practice this sum held in the Biodiversity Net Gain Reserve at the balance sheet date. **It is now recommended that this sum be transferred out of the reserve to be available to spend in 2024/25 as required.**

2. **General Fund Revenue Outturn Position (including Collection Fund)**

- 2.1 On the 4th March 2024, Budget Council approved a revised Forecast Revenue Budget net requirement of £11.731m for 2023/24. The outturn position for 2023/24 is a net requirement of £10.982m resulting in a favourable variance (before financing and slippage) of £0.749m. In addition, Budget Council approved Forecast Financing totalling £12.156m for the year, and the outturn position was £12.156 which was a nil variance.
- 2.2 The financing figure of £12.156m above includes the net effect of transfers into and out of the Collection Fund Deficit Reserve which have been required as a result of additional grant funding received from the government in the years 2021/22 to 2023/24 which offset lost business rate income as a result of extended business rate reliefs (including to the retail, hospitality and leisure sectors and to small businesses) offered to businesses to support them during the pandemic and beyond. Because of timing differences between the flow of funds into and out of the collection fund it will be necessary to transfer this grant funding into the Collection Fund Deficit Reserve because this set aside will be required in 2024/25 and 2025/26 for release to offset the collection fund deficit which is spread across these years. Further details on the Collection Fund are included in section 3 below.
- 2.3 **The underlying outturn position**, after taking account of the transfers into and out of the Collection Fund Deficit Reserve, into the reserves set out in paragraphs 1.4 to 1.7 of the report and the budgeted transfer into the Capital Investment Reserve (as set out in the MTFs report to Budget Council in March 2024), **is therefore a total favourable variance of £0.749m.**
- 2.4 A more detailed analysis of the General Fund Revenue Account comparing actual expenditure against the revised approved estimate, analysed by portfolio, is set out in **Appendix A**. A detailed list of the significant variances within services which contribute to the outturn position is set out in **Appendix B**.
- 2.5 There are a number of budget variances arising which are recommended for operational effectiveness to be slipped into 2024/25 to allow the service areas to deliver these services/projects during the current year. These items are listed in **Appendix C** and total **£0.534m**. **It is recommended that this sum is transferred to general fund balances at year end such that this expenditure can be met in 2024/25.**
- 2.6 The remaining favourable variance after accounting for this transfer for slippage items is £0.215m. **It is recommended that the remaining underspend of £0.215m is transferred to the Capital Investment Reserve to fund future capital expenditure and minimise the need to borrow.** This approach is consistent with that adopted in recent years when a revenue underspend has been achieved. The

recommended transfer would result in a current forecast balance on the reserve as at 31st March 2024 in the sum of £5.650m. A number of schemes are already committed against this reserve in the years 2024/25 onwards.

2.7 The revenue budget outturn position is summarised in Table 1 below:

Table 1 – Summary Revenue Outturn Position 2023/24

	<u>Budget</u> £m	<u>Actual</u> £m	<u>Variance</u> £m	
Net expenditure for the year	11.731	10.982	(0.749)	(Fav)
Financing for the year	(12.156)	(12.156)	(0)	-
Surplus of resources for the year	(0.425)	(1.174)	(0.749)	(Fav)
LESS:				
Budgeted transfer to Capital Investment Reserve	0.595	0.595	0	-
Budgeted transfer from Funding Volatility Reserve	(0.170)	(0.170)	0	-
Balance – underlying outturn variance	0	(0.749)	0	(Fav)
<u>Recommended additional transfers to reserves</u>				
- Required transfer to GF balances re slippage items	0	(0.534)	(0.534)	(Fav)
- Further transfer to Capital Investment Reserve	0	(0.215)	(0.215)	(Fav)
Recommended further transfers to reserves	0	(0.749)	(0.749)	(Fav)

2.8 In addition to the above the Council has for a number of years held a small number of relatively modest ear-marked revenue reserves which have not been required to be drawn upon and which it is proposed may now be closed and the balance of each be transferred into the Capital Investment Reserve to provide additional funding for future capital expenditure. These are:

- The MMI Insurance Reserve: Created in 2011/12, this is a set aside to cover the likely liability in respect of the MMI scheme of arrangement. However, this has not been required since the reserve was created and any future costs in relation to this may be met from existing approved revenue budgets or from other reserves. Balance at 31st March 2024 £81k.
- EU Exit Funding Reserve: Created in 2018/19, this is a voluntary set-aside of government grant received to be used to enhance capacity and capability in making preparations for exiting the European Union. However, this has not been required since the reserve was created and any future costs in relation to this may be met from existing approved revenue budgets or from other reserves. Balance at 31st March 2024 £52k.

If approved the closure of these reserves would provide for the transfer of the remaining balances in the total sum of £0.133m to the Capital Investment Reserve. **It is recommended that the balances on the above reserves in the sum of £0.133m are transferred to the Capital Investment Reserve to fund future capital expenditure and minimise the need to borrow.**

2.9 Work continues to be undertaken to interrogate and verify the nature of any budget variances in order to continue the budget rightsizing work carried out during the last financial year. The outcome of this work will be reflected in future updates of the MTFS.

3 Council Tax and Business Rates Income – The Collection Fund

- 3.1 As a Council Tax and Non-Domestic Rates (NDR) Billing Authority, Fylde Council is required by legislation to collect council tax and business rates within the borough on behalf of central government, Town and Parish Councils and major preceptors (being Lancashire County Council, and the Fire and Police Authorities), and to account for that income through a 'Collection Fund'. Under the Collection Fund accounting arrangements any surplus or deficit on the fund each year, which occur as a result of actual income being higher or lower than that budgeted for, is split between the Government and the other precepting bodies in proportion to their shares.
- 3.2 In July 2020 the Government announced that local authorities would be allowed to spread the estimated deficit on the 2020/21 Collection Fund over three years – from 2021/22 to 2023/24. The normal process of sharing surpluses and deficits is that they are spread over two years. As a result of Covid-19 and the extra reliefs awarded during the years 2021/22 to 2023/24, there were larger than normal deficits on the Collection Fund for these years.
- 3.3 For Council Tax only, there was a surplus on the fund as at 31st March 2024 of £17k. This will be shared between Fylde Council, the County Council, the Police Authority and the Fire & Rescue Authority in 2024/25. Fylde Council's share of the surplus is £2k, the impact of which will be reflected in future updates of the Council's financial forecast.
- 3.4 For Non-Domestic Rates only, there was a surplus on the fund as at 31st March 2024 of £23k. The surplus will be shared between Central Government, Fylde Council, the County Council, and the Fire & Rescue Authority in 2024/25. Fylde Council's share of the surplus is £9k. The remaining balance on the Collection Fund Deficit Reserve will be required to offset collection fund deficits in future years.
- 3.5 The Collection Fund accounting processes mean that there are significant timing differences between when a deficit or surplus on the collection fund occurs and when the relevant payments or receipts are made to or from the relevant parties to the collection fund. The Council's Financial Forecast will be updated during 2024/25 to reflect the anticipated timing of cash flows to and from the collection fund.

4. Statement of General Fund Revenue Balances

- 4.1 Table 2 details the Council's General Fund Balances position, as a result of the estimated Outturn at 31st March 2024:

Table 2 – Statement of General Fund Revenue Balances

	<u>Budget</u>	<u>Actual</u>	<u>Variation</u>	
	<u>£m</u>	<u>£m</u>	<u>£m</u>	
Opening Balance 01/04/2023	4.571	4.571	-	
In-year surplus transferred to reserves re slippage	-	0.534	0.534	(Fav)
Closing Balance 31/03/2024	4.571	5.105	0.534	(Fav)

- 4.2 The first call on revenue balances in 2024/25 is the recommended slippage of £0.534m as set out in **Appendix C** leaving general fund balances after allowing for these items at £4.571m.

5. General Fund Revenue Outturn Conclusions

- 5.1 The favourable outturn position for revenue allows for additional contributions to be made to the Capital Investment Reserve in the sum of £0.348m (comprising the underlying favourable outturn position of £0.215m and £0.133m from the closure of the reserves outlined in paragraph 2.8 of the report). This favourable revenue outturn represents an improvement to the overall financial position of the Council which will be reflected in future updates to the Financial Forecast during 2024/25.
- 5.2 In light of the potential for future general reductions in central government funding from 2025/26 onwards, the Council needs to continue with the approach to delivering savings and efficiencies which have helped deliver balanced budgets and provided contributions to reserves over recent years.
- 5.3 Through continued focus on the importance of financial stability the Council has delivered a significant savings programme in recent years and has continued to reduce overheads wherever possible. Ongoing modernisation work and business improvement will continue to make Council services more efficient, save money and maintain high quality frontline services to customers. For Fylde Council to continue to successfully meet the new challenges that it faces it is vital that this approach continues and that all reasonable opportunities for further cost-reduction measures and for the generation of additional income are seriously considered. Prudent financial management in previous years has provided a level of reserves which allows the necessary time to determine how this council can best respond to the challenges ahead.

6. Capital Outturn 2023/24

- 6.1 The summary outturn position for capital is set out in table 3 below. The latest expenditure budget in the capital programme for 2023/24 was £12.150m, and outturn expenditure was £8.520m leaving a net underspend of £3.630m for the year.

After adjusting for slippage items totalling £3.522m, the overall outturn position for 2023/24 is an in-year £108k favourable variance against the latest updated estimate.

Table 3 - Latest Estimate Compared with Outturn 2023/24

	Notes	£m	
Per MTFs report Budget Council 04/03/2024:			
<i>Approved Capital Programme:</i>	1	12.881	
<i>Changes since 04/03/2024</i>		<u>(0.731)</u>	
<i>Latest Budget</i> (see Note 1 below)		12.150	
Less Outturn Expenditure (see Note 2 below)	2	<u>(8.520)</u>	
<i>Net Underspend for Year</i>		3.630	(Fav)
Less Slippage (see Note 3 below)	3	(3.522)	
Underlying Variance at Outturn		<u>0.108</u>	(Fav)

Note 1: The £0.731m change in the Capital Programme was from the decision to wind down the St Annes Sea Wall scheme and the resulting reduction in budgeted expenditure.

Note 2: Further details of capital programme expenditure for 2023/24 on a scheme by scheme basis and details of variances are shown in **Appendix D**.

Note 3: The following list sets out a summary of capital scheme slippage requests. Full details of slippage requests and explanations are contained in **Appendix E**.

Capital Slippage Summary: see Appendix E for more details

	£'000
Fairhaven Lake & Promenade Gardens Restoration	172
Coastal Signage Improvements	54
Outdoor Digital Signage	20
Fairhaven Kiosk / Ice Cream Bar Project	16
Boating Pool Safety Improvements	24
Lytham St Annes Art Collection Display Options	56
Improvements To Children's Play Areas - 23/24	120
Replacement Vehicles (accelerated spend)	(82)
Stanner Bank Public Conveniences Refurbishment	38
Changing Places	122
St Annes Sea Wall	100
Carbon Neutral Vehicles	61
Fylde Sand Dunes Improvement Scheme	11
Replacement ICT System for Environmental Health and Housing	40
Disabled Facilities Grants (DFG) Programme	65
Housing Needs Grant	46
Empty Homes Strategy	75
Local Authority Housing Fund - Phase 2	1,854
CCTV Replacement Schemes	30
Cremator Engineering Repairs	29
Cemetery Lodge Refurbishment	20
Purchase of Land Adjacent to Squires Gate Station	6
Public Transport Improvements	60
St Annes Event Square (accelerated spend)	(149)
Lytham Regeneration Schemes (accelerated spend)	(2)
Future High Street Fund: Kirkham (accelerated spend)	(45)
Kirkham Heritage Action Zone	<u>781</u>
Total Net Slippage requested	<u><u>3,522</u></u>

- 6.2 The next periodic update of the Five Year Capital Programme for 2024/25 will be amended to reflect the outturn results and any other changes approved to date.
- 6.3 Capital Receipts are a component of the Council's capital financing strategy. Details of usable receipts received and applied during 2023/24 are set out in table 4 below:

Table 4 - Useable Capital Receipts 2023/24

	Latest Estimate	Outturn	Variance +/-
	£'000	£'000	£'000
Opening Balance at 01/04/2023	306	306	-
Capital Receipts received in year	87	87	-
<i>Sub Total</i>	393	393	-
Capital Receipts applied in year		<u>(393)</u>	
Closing Balance at 31/03/2024		<u>0</u>	

6.4 The capital receipts arise mainly from in year vehicle sales and 'Right to Buy' receipts receivable by the council as former council housing stock is sold by the current registered provider. The balance of £393k capital receipts has been fully applied against capital expenditure in 2023/24 to reduce future borrowing costs.

7. Capital Financing 2023/24

7.1 The proposed financing of capital expenditure is set out in table 5 below. The financing proposals represent the most cost-effective financing to the Council and leaves it with the greatest flexibility in respect of future years.

Table 5 - Capital Financing 2023/24

	£'000
EXPENDITURE:	<u>8,520</u>
FINANCING:	£'000
External Grants & Contributions	7,316
Capital Receipts	393
Funding Volatility Reserve	22
Capital Investment Reserve	751
Internal Borrowing	<u>38</u>
Total Capital Financing	<u>8,520</u>

7.2 Should any minor changes be identified in capital expenditure as a result of final closure work, capital financing will be adjusted as appropriate.

8. Capital Outturn – Conclusions

8.1 After allowing for slippage the outturn position has produced an underlying programme favourable variance of £108k compared to the latest forecast reported to Members.

8.2 The outturn position will be reflected in future capital programme updates.

9. Treasury Management Annual Report

9.1 Introduction

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management Code requires authorities to report on the performance of the treasury management function at year end.

The Council is exposed to financial risks such as the loss of invested funds and the effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of treasury risks.

Background

This section of the report covers Treasury Management operations for the financial year to 31st March 2024. The Prudential Indicators and Treasury Management Strategy for 2023/24 were originally approved in the Medium Term Financial Strategy 2023/24 Report to Council on 2nd March 2023. The Prudential Indicators are updated as required and changes have been approved by Council in the Mid-Year Prudential Indicators & Treasury Management Monitoring Report to Council on 18th December 2023 and the Medium Term Financial Strategy Report to Council on 4th March 2024. The Prudential Indicators and the outturn position for 2023/24 are shown at **Appendix F**.

10. Report

10.1 Economic Background

The economic backdrop during the period continued to be characterised by ongoing high, though reducing, inflation - and its impact on consumer's cost of living - and no imminent end in sight to the conflict in Ukraine, along with the additional conflict in the Middle East.

Inflation eased during the second half of 2023 but remains significantly above the Bank of England target of below 2%. Consequently, the economic outlook for UK and world growth remains weak. From a peak of an 11.1% annual increase in October 2022 the annual rate of inflation has fallen to the latest published figure at the time of writing of 3.2% for March 2024, down from 3.4% for February 2024, and is forecast to reduce further during the course of 2024.

Initially driven by energy price effects and by inflation in sectors such as retail and hospitality which were re-opening after the pandemic lockdowns, inflation then was initially expected to be temporary. Thereafter price rises slowly became more widespread during 2023/24, as a combination of rising global costs and strong demand which was exacerbated by supply shortages as a consequence of the ongoing conflict in Ukraine. The surge in wholesale gas and electricity prices during 2023/24 contributed significantly to overall cost pressures.

Whilst the rate of increase may have slowed during the year to date, prices continue to rise month by month. Price increases represent a significant cost pressure to the council and increase the risk that existing budget provision is insufficient to cover the cost of service delivery. This is particularly pertinent with respect to the financial risks associated with the delivery of the capital programme with building costs and materials continuing to rise.

During the year the Bank of England has incrementally increased the official Bank Base Rate from 4.25% to 5.25%, this from a historic low of 0.1% during much of 2019/20 and 2020/21 in the immediate covid and post-covid recovery period. As a result of the current higher rate, the council has benefited from increased investment yields which are reflected in the council's medium term financial forecast. That said, the council's Treasury Management Strategy prioritises the security of any investment over the return achieved. The council has complied with all aspects of the 2023/24 Treasury Management Strategy and Prudential Indicators as approved by Council in March and will continue to conduct all treasury management activities prudently and in line with those approvals.

10.2 Borrowing

In line with advice from treasury advisors the council's borrowing strategy is to postpone new borrowing and to utilise in-house cash balances instead (also known as internal borrowing). This is the most prudent strategy, particularly in periods when investment returns are low as compared to the cost of borrowing and counter-party risk is high. Such a strategy minimises treasury risk by reducing both external debt and in-house investments. Therefore, as in the previous few years, no new borrowing has been taken during the year, **and the Council remains debt-free.**

Table 6 – Analysis of Borrowing

Type of Loan	Balance 31/03/24 £m
Public Works Loan Board (PWLB)	Nil
Gross Borrowing	Nil
Operational Boundary	Nil

10.3 Investments

The security of investments is the Council's main investment objective. This is achieved by adhering to the Treasury Management Strategy approved by Council on 2nd March 2023 by investing with organisations with high credit quality. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

10.4 Internally Managed Funds

During the year the Council held an average cash balance of £27.2m of internally managed funds, which were invested with approved banks, money market funds, Lancashire County Council and a number of other Local Authorities in line with the approved Treasury Management Strategy.

The increases in bank base rate during the year has resulted in higher returns on investments as compared to the original budget.

The overall performance was a gross return of 5.15%, compared with a benchmark return of 4.96%. The benchmark is the SONIA (the Sterling Over-Night Index Average rate) which is based on actual transactions and reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions and other institutional investors.

Interest earned was £1.268m compared to a revised budget of £1.220m. The level of interest from investments was higher than the revised budget due to higher in-house cash balances during the year and reduced capital expenditure, combined with increases in the bank base rate during the year.

11. Prudential Indicators

11.1 The Council complied with all of its Prudential Indicator limits for 2023/24, details of which can be found in **Appendix F.**

12. Overall Financial Outturn Conclusions 2023/24

- 12.1 The favourable outturn position for revenue allows for additional contributions to be made to the Capital Investment Reserve in the sum of £0.348m (comprising the underlying favourable outturn position of £0.215m and £0.133m from the closure of the reserves outlined in paragraph 2.8 of the report). These further contributions are beneficial to the overall position of the Council and are thus to be welcomed. As a result, the financial position of the Council has improved since the revised 2023/24 budget was set in March 2024, the Council remains debt-free, and the financial position remains robust.
- 12.2 Whilst challenges exist, and will no doubt continue to be present, prudent financial management has provided a relatively stable financial environment which allows the necessary time for the Council to assess and respond to the challenges it faces.
- 12.3 For the fourth consecutive year the Government announced a single year financial settlement for councils in 2023/24. The MTFS report presented to Council in March 2024 sets out the full context of the financial landscape of the council, including an assessment of the key financial risks which primarily relate to uncertainties around reviews of the future funding regime for local government. The report can be found at this link: [MTFS Report March 2024](#).
- 12.4 The potential for future general reductions in central government funding from 2025/26 onwards requires that the Council continues the approach to continually seek opportunities to achieve savings and efficiencies and to generate additional income to enable a balanced revenue budget position to continue into the future and to provide on-going contributions to reserves.
- 12.5 The high levels of inflation during the last financial year exerted significant upward pressure on prices for utilities and on supplies and services across all sectors of the economy, which in turn increases the base costs for both revenue and capital budget items. The situation is particularly acute in the construction sector where supply chain issues and price increases are combining to put increased risks on the delivery of capital programme schemes. This is likely to be a continuing issue for the council during 2024/25, albeit the rate of inflation has eased from its 2023 peak.
- 12.6 At a strategic level, activity and resources are focussed on the delivery of the key objectives of the Council as set out within the approved Corporate Plan. Given the level of reserves that has been generated in recent years, the budget deficits currently projected in the final years of the most recent financial forecast appear to be at manageable levels. However, in an uncertain financial environment the position can change in unexpected ways. It is important that the Council continues to operate in a sound and prudent manner in order to maintain a stable financial position and to explore all opportunities by which the financial position can be further strengthened, whilst continuing to provide high quality services to residents and to deliver the priorities set out in the Corporate Plan.

CORPORATE PRIORITIES	
Economy - To create a vibrant and healthy economy	✓
Environment - To deliver services customers expect	✓
Efficiency - By spending money in the most efficient way	✓
Tourism - To create a great place to live and visit	✓

IMPLICATIONS	
Finance	Financial implications are included within the body of the report.
Legal	For 2023/24 there is a statutory requirement for the Chief Financial Officer to sign off a completed draft Annual Statement of Accounts for the Council by 31 st May 2024. This work remains on track. Following this the Council's external auditors KMPG will carry out an annual audit of the financial statements. The annual audit for the previous year ended 31 st March 2023, and the year prior to that which ended 31 st March 2022 have yet to be concluded as a result of resourcing challenges being experienced by the council's previous external auditors, Deloitte. Regular updates are provided to the council's Audit and Governance Committee.
Community Safety	Not applicable
Human Rights and Equalities	Not applicable
Sustainability and Environmental Impact	Not applicable
Health & Safety and Risk Management	Not applicable

SUMMARY OF PREVIOUS DECISIONS
The outturn position for the prior financial year is considered by members annually. There are no previous decisions in respect of the 2023/24 financial outturn.

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Medium Term Financial Strategy - 2023/24 to 2027/28	4 th March 2024	Report to Budget Council meeting March 2024

LEAD AUTHOR	CONTACT DETAILS	DATE
Paul O'Donoghue, Chief Financial Officer	paul.odonoghue@fylde.gov.uk	May 2024

Attached documents:

- Appendix A** – General Fund - Summary Revenue Expenditure & Income Account
- Appendix B** – General Fund Outturn 2023/24 – Variations from Revised Estimates
- Appendix C** – Revenue Budget Slippage Items requested
- Appendix D** – Capital Outturn 2023/24
- Appendix E** – Capital Outturn Slippage Items requested
- Appendix F** – Prudential Indicators 2023/24

GENERAL FUND OUTTURN 2023/24

Summary Revenue Account				
Outturn 2023/24				
Latest Estimate	Outturn	Variance + Over / (Under)	Favourable / Adverse	
Net Service Expenditure	£'000	£'000	£'000	
Corporate and Economic Development	2,168	2,106	(62)	Fav
Customer and Operational Services	3,776	3,598	(178)	Fav
Environment	1,798	1,600	(198)	Fav
Finance and Resources	4,167	4,081	(86)	Fav
Social Wellbeing	406	622	216	Adv
Tourism Leisure and Culture	2,825	2,952	127	Adv
Contingency	(300)	0	300	Adv
Net Cost of Services	14,840	14,959	119	Adv
Net use of Earmarked Reserves	(424)	(833)	(409)	Fav
Use of General Fund Balances re Slippage from 2022/23	(435)	(435)	0	-
Capital Accounting Adjustments	(1,668)	(1,322)	346	Adv
Interest payable and similar charges	0	0	0	-
Interest and investment income	(1,220)	(1,268)	(48)	Fav
Minimum Revenue Provision	638	639	1	Adv
Pension accounting adjustment	0	(754)	(754)	Fav
Accumulated Absences Adjustment	0	(4)	(4)	Fav
Sub-Total of Appropriations	(3,109)	(3,977)	(868)	Fav
Total Net Requirement (See App B for variance details)	11,731	10,982	(749)	Fav
Financing				
General Government Grants:				
- New Homes Bonus	(490)	(490)	0	-
- Revenue Support Grant	(98)	(98)	0	-
- Services Grant	(75)	(78)	(3)	Fav
- Funding Guarantee Grant	(871)	(868)	3	Adv
Council Tax Outturn (incl previous years surplus/deficit)	(7,042)	(7,042)	0	-
Business Rates Outturn (incl previous years surplus/deficit)	(3,580)	(3,580)	0	-
Total Net Requirement	(12,156)	(12,156)	0	-
Surplus of resources for the year	(425)	(1,174)	(749)	Fav
Analysis of recommended Transfers to Reserves:				
- original budgeted transfer to Capital Investment Reserve	(595)	(595)	0	-
- original budgeted transfer from Funding Volatility Reserve	170	170	0	-
- transfer to general fund revenue balances re slippage	0	(534)	(534)	Fav
- additional transfer to Capital Investment Reserve	0	(215)	(215)	Fav
- transfer from EU Exit Funding Reserve into Capital Inv Reserve	0	52	52	Adv
- transfer from MMI Insurance Reserve into Capital Inv Reserve	0	81	81	Adv
- transfer to Capital Investment Reserve from above 2 reserves	0	(133)	(133)	Fav
Recommended transfers to reserves	(425)	(1,174)	(749)	Fav
Statement of General Fund Revenue Balances				
General Fund Revenue Balances b/f	(5,006)	(5,006)	0	-
Approved use of GF Balances re Slippage from 2022/23	435	435	0	-
Recommended transfer to GF Balances re Slippage in to 2024/25	0	(534)	(534)	Fav
General Fund Revenue Balances c/f	(4,571)	(5,105)	(534)	Fav
Note - this table has been provided to assist Members in understanding the outturn position. The Statutory Statement of Accounts will be in a different format to comply with the latest Code of Practice on Local Authority Accounting.				

2023/24 Revenue Outturn - Significant Variances

Appendix B

Note: Shaded areas relate to items for which a slippage request has been made

STAFFING COSTS AND AUTHORITY WIDE BUDGETS

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Reason for Variance
Authority Wide	Employee costs including basic pay, pension, NI, car mileage and overtime, plus agency costs	11,029	10,632	-397	FAV	There has been a favourable outturn variance against the latest budget for revenue employee costs across the organisation as a result of an increased number of vacant posts during the year resulting in increased 'turnover savings'. Slippage requests have been made in a number of service areas which total £85k. These are included within Appendix C.
Authority Wide	Organisational Improvement Costs	25	18	-7	FAV	There has been an underspend on this budget for 2023/24 as a result of delays in planned event and project delivery. A slippage request has been submitted in respect of this budget to allow the work to continue to be implemented during 2024/25.
Authority Wide	Miscellaneous property and asset repairs and maintenance	295	302	7	ADV	The costs of essential repairs and maintenance of the council's assets has increased during the year as a result of inflation, which has resulted in this adverse variance.
Authority Wide	Utility Costs	515	492	-23	FAV	Despite significant increases in the cost of energy in recent years the council has been successful in managing the scale of that increase and has also benefitted from being able to recover some historic expenditure on the un-metered electricity supplies resulting in this favourable outturn variance.
Authority Wide	Rental and licence income from council owned assets	-129	-178	-49	FAV	The level of rental and licence income in respect of Council-owned assets has been higher than the budgeted amount due to the impact of a number of rent reviews that have taken place during the year, resulting in this favourable outturn variance.
Covid Support Funding	Government Grant Funding	141	100	-41	FAV	Throughout 2021/22 the government provided various tranches of funding to support councils in responding to the impacts of the Covid19 pandemic. As these funding streams were announced and confirmed for Fylde, funded budget increases were approved in order to deliver the requirements of the funding. The favourable variance relates to £41k of Unringfenced Covid support grant funding from the government which remained unspent at year end, and the adverse variance represents the transfer of the unspent sum into the Covid-19 Unringfenced Grant Reserve at year end for subsequent use in 2024/25.
	Remaining Grant Funding - transfer to reserve	0	41	41	ADV	
Sub total		11,876	11,407	-469	Favourable	

TOURISM LEISURE AND CULTURE PORTFOLIO SERVICES

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Reason for Variance
Fylde Tourism and Events	1940`s Lytham Wartime Festival & St Annes Kite Festival	65	84	19	ADV	Increased costs relating to health and safety for these events have been incurred during the year resulting in these adverse outturn variances. A review of the events is to be undertaken for 2024/25.
	Income - Kite Festival	-20	-10	10	ADV	A lower than expected level of income was generated for the event in 2023/25 resulting in this adverse outturn variance. A review of income opportunities for the 2024 event is underway including the development of a sponsorship pack for 2025 onwards.
Swimming Provision	Consultants Fees	71	35	-36	FAV	This budget relates to the costs associated with exploring the options to assess swimming provision in the borough which spans two financial years. Slippage is requested to provide for the remaining work to be undertaken in 2024/25.
Parks Development - Lytham & St Annes	Drives and Paths	18	0	-18	FAV	It has not been possible to carry out the planned works before 31st March 2024 due to inclement weather. Slippage is requested to provide the funding to meet the costs of the scheduled works during 2024/25.
Parks External Contracts	Net contribution	-54	-71	-17	FAV	The net contribution on parks external contracts is higher than budgeted due to the surplus on additional works delivered by the contract team.
Sub total		80	38	-42	Favourable	

CORPORATE AND ECONOMIC DEVELOPMENT PORTFOLIO SERVICES

Appendix B (cont'd)

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Reason for Variance
UK Shared Prosperity Fund	UKSPF Investment Plan Support Fees	511	434	-77	FAV	The favourable variance relates to an underspend on the council's allocation of UK Shared Prosperity Fund Grant. The latest guidance allows these costs to be slipped to Year 3 of the scheme. The adverse variance represents the transfer of the unspent sum into the UK Shared Prosperity Fund Reserve at year end for subsequent use in 2024/25.
	Remaining Grant Funding - transfer to reserve	0	77	77	ADV	
Development Management	Planning application fee income, including pre-planning advice	-492	-387	105	ADV	Planning application fees are set nationally, with income being dependant on the number and nature of planning applications received by the council, which has been lower than forecast this year. Application fees were increased significantly by Government in December 2023 and the implications of these fee increases will be monitored in the forthcoming financial year.
Development Management	Computer - Program Licence Charges	28	17	-11	FAV	The roll out of the upgrades to the planning IT systems is continuing. The modular basis of the packages is not aligned with previous software and so additional modules are being rolled out as the project progresses. The slippage is requested to secure ongoing work that will now be completed in 2024/25.
Planning Enforcement	Enforcement Costs	5	0	-5	FAV	There are a number of ongoing enforcement cases that are likely to be challenged and so funds are set aside to defend these challenges. As the action has been taken late in the year these challenges will be heard in 2024/25.
Biodiversity Net Gain Grant	Biodiversity Net Gain Grant	36	-27	-63	FAV	This council has been in receipt of government grant in respect of Biodiversity Net Gain assessment which was not budgeted for. The favourable variances reflect the cumulative grant received and the adverse variance represents the transfer of the unspent sums into the Biodiversity Net Gain Grant Reserve at year end for subsequent use in 2024/25.
	Remaining Grant Funding - transfer to reserve	-36	27	63	ADV	
Local Plan	Consultants Fees	38	18	-20	FAV	Work has commenced on commissioning updated evidence to support the review of the Fylde Local Plan, in particular the production of an update Economic Needs Assessment, Gypsy and Traveller Accommodation Assessment (GTAA) and Strategic Flood Risk Assessment. However the work has not yet been completed and a slippage requested has been submitted to enable this work to be completed in 2024/25.
Planning Policy	Local Development Framework Costs	30	0	-30	FAV	
Planning Development	Purchase of Equipment	75	68	-7	FAV	This relates to the unspent contingency budget allocated to the play area project that is funded by S106 agreements. Officers are considering the commissioning of various surveys to inform the next phase of works on the Warton Village Centre masterplan to be funded from this budget. A slippage request is submitted in this regard.
Economic Regeneration	Grant recharge income to offset staffing costs	0	-51	-51	FAV	The council has been able to recharge management and administration costs towards externally funded schemes and programmes, including UKSPF, which resulted in this favourable outturn variance.
48 Preston Street (Hillside)	Other Fees	7	0	-7	FAV	These anticipated fees were not required during 2023/24, resulting in this favourable outturn variance. However the fees will be required during 2024/25 when a new tenant will be sought for the building, so a slippage request has been made.
Sub total		202	176	-26	Favourable	

CUSTOMER AND OPERATIONAL PORTFOLIO SERVICES

Appendix B (cont'd)

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Reason for Variance
Car Parking	Fylde Residents Parking Permits	-3	-16	-13	FAV	Demand for this service has been higher than expected, resulting in this favourable outturn variance.
	Car parking fees	-720	-703	17	ADV	Poor weather during the mid June to August 2023 peak visitor period resulted in a reduction of visitor numbers and consequently in parking income, resulting in this adverse variance.
	Cash Collection - Pay and Display	37	29	-8	FAV	Due to the increase in costs since October 2022 officers have tried to reduce the number of collections. In addition in recent years there has been a steady reduction in income from cash which further reduces the cost of this service.
Cemetery and Crematorium	Income from interments, cremations and memorials, net of the direct cost of memorials	-1,478	-1,391	87	ADV	Income estimates have been adjusted during the year to reflect anticipated income levels, which at outturn have been below those estimated, resulting in this adverse variance.
Cemetery and Crematorium	Urns	5	0	-5	FAV	Projected expenditure did not occur during the year and a slippage request is submitted to provide for these costs in 2024/25.
	Drives and pathway improvements	26	2	-24	FAV	A reduced level of repairs and maintenance to drives and footpaths was undertaken during the year. It is proposed that the underspend in 2023/24 be combined with the 2024/25 budget to enable better value for money to be achieved in the contracting of these works during 2024/25. Consequently a slippage request has been submitted to facilitate this.
ICT	Purchase of Computer Equipment / Improvements to ICT resilience and recovery arrangements.	482	380	-102	FAV	There are a number of on-going IT improvement projects that are scheduled to continue into 2024, including the rollout of fully-managed devices across council officers, the replacement of our core server infrastructure, progression to cloud hosted application platform infrastructure and the continued development of next generation technology in cyber security. Slippage requests totalling £102k in respect of ICT budgets have been made to allow this work to be delivered in 2024/25, to also include a review of current budgets given the significant sum now consumed by licence charges which is expected to increase further in the coming years.
Bus Shelters	Advertising contract income	-16	0	16	ADV	The new bus shelter advertising contract was only signed in April 2024 and consequently there was no income during 2023/24.
Environmental Enforcement	Enforcement Costs	10	0	-10	FAV	It has not been possible to deliver planned enforcement initiatives during 2023/24. Slippage is requested to provide the funding to meet those costs during 2024/25.
Footway Lighting	Electricity costs	29	21	-8	FAV	Despite significant increases in the cost of electricity in recent years the council has been successful in managing the scale of that increase to within the budget, resulting in this favourable outturn variance.
Waste Management	Fleet Costs	754	702	-52	FAV	Operational fleet costs, including repairs, licences and the hire of plant and transport costs were in excess of the budget, whilst there were savings in other areas such as materials and fuel costs. The net result is an favourable outturn variance across the various fleet costs.
Operational Services Team	Computer - Program Licence Charges	9	29	20	ADV	These additional costs were incurred as 2023/24 was the final year for the current Civica flare system, whilst the new charge for implementation of IDOX system, as per contract award, was also incurred during the year.
Fylde Waste Schemes	Miscellaneous Receipts & Sales	-75	-89	-14	FAV	Usage of the miscellaneous waste services during the year has been higher than expected, resulting in both increased income. Additionally further income was received for water meter reading units fitted to waste collection vehicles.
Trade Waste Service	LCC-Landfill Levy/Tipping Charges	130	124	-6	FAV	There was a reduction in the total collected tonnage during the year, reflected in reduced commercial waste disposal charges.
Sub total		-810	-912	-102	Favourable	

FINANCE & RESOURCES PORTFOLIO SERVICES
Appendix B (cont'd)

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Reason for Variance
Electoral Registration	Elections Act 2022	35	2	-33	FAV	This budget is funded from a government grant to provide support to local authorities in the implementation of the Elections Act 2022. The work spans several years and the next phase is to write out to EU nationals in the summer of 2024. A slippage request is made to provide for the continuation of this programme.
Council Tax	Council Tax Collection Costs	467	392	-75	FAV	The council was in receipt of un-budgeted new burdens grant income during the year, which led to this favourable outturn variance.
Bank Charges	Bank Charges	71	34	-37	FAV	The council was in receipt of an un-budgeted refund of merchant card fees following participation in a group legal action co-ordinated by the LGA which, combined with the benefits of a re-tendering exercise for card charges, has led to this favourable outturn variance.
Legal Services	Legal Fees	10	24	14	ADV	The council incurred legal fees during the year which were in excess of the available budget, resulting in this adverse outturn variance.
Treasury Management Income	Interest and Investment Income Receivable	-1,220	-1,268	-48	FAV	Favourable fluctuations within the cash flow during the year has enabled additional short-term investments to be made, resulting in this favourable outturn variance.
Council Tax Reduction Scheme (CTRS)	Hardship Fund	6	1	-5	FAV	The budget is the £6K balance of the original £10k allocation of funding for this purpose and a £5K top up agreed at the Finance and Democracy Committee in 2021/22, which is carried forward to the following financial year to provide budget provision for potential claimants during the new year - as per the management of the CTRS scheme as approved and adopted.
Housing Benefits	Rent Allowances (net), including subsidy from govt, Discretionary Housing Payments, overpayment recovery, and administration costs and grant	158	226	68	ADV	Demand-led Housing Benefit expenditure (which was £12.7m for the 2023/24 year), is offset by government funding via Housing Benefit Subsidy, and the net position, also reflecting Housing Benefit Admin Grant, was higher than the budgeted level leading to this adverse outturn variance.
Sub total		-473	-589	-116	Favourable	

ENVIRONMENT PORTFOLIO SERVICES

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Reason for Variance
Surface Water Management	General Maintenance of Grounds	8	0	-8	FAV	This budget was ear-marked to fund drainage improvements to Ballam Road Allotments which will now be undertaken in 2024/25. Slippage is requested to provide the funding to meet the costs of the scheduled works during 2024/25.
St Annes Square (Maintenance)	Reps & Mtce of Capital Schemes	45	19	-26	FAV	There has been an underspend on this budget 2023/24. It is proposed that this underspend be used to fund a liaison officer post throughout the works period to align the works with the delivery of the main events space project. A slippage request is requested to provide for that in 2024/25.
Highways and Footways	Promenade Motorhome Parking	30	0	-30	FAV	This budget relates to a Fylde contribution towards the costs of various on-street parking restrictions work being carried out by Lancashire County Council. This work has not been completed and slippage is requested to provide for this work in 2024/25.
Land Charges	Land Charges Fees - LCC	14	8	-6	FAV	The reduction in costs for the service reflects the currently depressed state of the housing market and property conveyancing.
Sub total		97	27	-70	Favourable	

SOCIAL WELLBEING PORTFOLIO SERVICES

Appendix B (cont'd)

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/Favourable	Reason for Variance
Homes for Ukraine Scheme	Ukraine Scheme Initiatives	0	119	119	ADV	This scheme is directed towards assisting Ukrainian guests, particularly focussing on homeless prevention and support in the community. The Council is re-imbursed all costs in respect of the scheme by Lancashire County Council. The favourable variance reflects the in-year funding and the adverse variances represents the expenditure and the transfer of the unspent sums into the Homes for Ukraine Scheme Reserve at year end for subsequent use in 2024/25.
	Government Grant Funding	0	-160	-160	FAV	
	Remaining Grant Funding - transfer to reserve	0	41	41	ADV	
Asylum Seeker Dispersal Grant	Government Grant Funding	0	-67	-67	FAV	The council was in receipt of un-budgeted grant income from the government in respect of Asylum Seeker Dispersal. The funding will be used to match fund a full time Tenancy Support Officer for the Moving On Service from temporary accommodation. The adverse variance represents the transfer of the unspent grant into a new Asylum Seeker Dispersal Reserve for use in future years.
	Remaining Grant Funding - transfer to reserve	0	67	67	ADV	
Housing, Homelessness and Housing Advice	Storage and Removal Costs	5	18	13	ADV	The usage and consequent cost of providing these services is demand-led and is a statutory function of the Council under the Homeless Reduction Act. The cost has exceeded the budget during the year due to an increase in relief homeless presentations during 2023/24.
	Bed & Breakfast Accommodation	370	455	85	ADV	
	Repossessions prevention	30	3	-27	FAV	This budget supports clients to remain in their current accommodation or top up in new accommodation. Costs have been contained during 2023/24. Slippage is requested to provide the funding for the continuation of this service during 2024/25.
	Void Loss/Recharge Costs	14	5	-9	FAV	There have been minimal void levels in temporary homeless stock due to the significant increase in the demand for this accommodation.
	Changing Futures Programme	21	14	-7	FAV	This budget relates to the Changing Future programme for the Fylde Coast which is to run until December 2024. Funding has been received from the Lancashire wide project for this purpose and funds support provided to clients under this programme. Slippage is requested to provide the funding to meet that committed cost during 2024/25.
	Miscellaneous Income	-25	-39	-14	FAV	For 2023/24 the Housing Service has been pro-active in invoicing for an affordable contribution to B&B costs where clients are in employment, recharges for damage in temporary accommodation and contributions towards storage and removal costs, resulting in a significant increase in income during the year and consequently this favourable outturn variance.
Housing Standards	Contribution to Wyre Council - Care & Repair Service	30	18	-12	FAV	This project is still at a pilot stage and the agreed Fylde Council contribution for the year was lower than the total budget resulting in this favourable outturn variance.
Community Safety Initiatives	Community Safety Initiatives	25	0	-25	FAV	This budget relates to historical funding from Community Safety partnership. The Grant monies are specifically for Community Safety Initiatives as stipulated by the LSP until such time as the money is fully spent. As such slippage of the balance of funding is requested.
Sub total		470	474	4	Adverse	

Other minor variances	72	Adverse
Total Variances - Net Budget Requirement	-749	Favourable

Requests to transfer 2023/24 budget to 2024/25

Service Area	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if not approved
AUTHORITY-WIDE SERVICES				
Corporate Employee Savings	Employee Costs Outturn Savings	51	To create a temporary role to provide administrative support to the Corporate Support Manager and Head of Service that would enable the continuation of the sports and leisure priorities to be delivered over the next 12 months. The role will also build capacity within the service area to undertake core Corporate Services projects that have previously been set aside due to sports and leisure key deliverables taking priority.	Without additional resource, Corporate Services would not be able to carry out the work entailed to deliver the sports and leisure key deliverables including the Contract Procurement of St Annes Pool and The Future of Kirkham Pool. St Annes Pool building condition has also been added to the Strategic Risk Register and without the resource to project manage the work required to improve the site, both financial and reputational significant risks could occur. The current resources within Corporate Support is not sufficient to carry out both core Corporate Support work and sports and leisure without a reduction in service output.
Sub-total		51		
FINANCE & RESOURCES PORTFOLIO				
Electoral Registration	Elections Act 2022	33	This budget is funded from government 'New Burdens' grant received in 2023/24 for additional activity relating to the Electoral Integrity Programme. The purpose of the grant is to provide support to local authorities to implement the Elections Act 2022, including Voter ID processes, Online Absent Vote & Overseas portal support and write out to EU nationals in summer 2024. A slippage request has been submitted in respect of this budget to allow the work to continue during 2024/25.	This work is a requirement of the Elections Act 2023 and the costs are unavoidable. Approval of the slippage would provide the necessary funding for those costs in 2024/25.
Revenues and Benefits Service - Central Costs	Council Tax Reduction Scheme (CTRS) - Hardship Fund	5	This represents the £5K balance of the original £10k allocation of funding for this purpose and a £5K top up agreed at the Finance and Democracy Committee 22/11/2021, which is carried forward to the following financial year to provide budget provision for potential claimants during the new year - as per the management of the CTRS scheme as approved and adopted.	The Council has a legal obligation to provide a Hardship Fund for CTRS recipients - the requested slippage is to provide the resource to meet that obligation during 2024/25.
Sub-total		38		

CORPORATE AND ECONOMIC DEVELOPMENT PORTFOLIO				
Organisational Improvement	Organisational Improvement Costs	4	There has been an underspend on this budget for 2023/24 as a result of delays in planned event and project delivery. A slippage request has been submitted in respect of this budget to allow the work to continue to be implemented during 2024/25.	Approval of the slippage would provide the necessary funding for the activities already agreed, and committed to, but that have slipped beyond 31st March 2024, to be delivered during 2024/25.
Planning Development	Warton Public Ream S106 Funded Scheme	7	This relates to the unspent contingency budget allocated to the play area project that is funded by S106 agreements. Officers are considering the commissioning of various surveys to inform the next phase of works on the Warton Village Centre masterplan to be funded from this budget. A slippage request is submitted in this regard.	If the slippage were not to be approved the planned work on the Warton Village Centre masterplan could not be completed.
	S106 Contribution	-7		
Planning Development	Wrea Green Pedestrian Improvements S106 Funded Scheme	37	This scheme was approved in July 2023. The Parish Council are having issue with signing the indemnity and are currently in dialogue with officers which has delayed the monies being transferred to the Parish Council.	If the slippage were not to be approved the Parish Council would be unable to deliver the Wrea Green Pedestrian Improvements project.
	S106 Contribution	-37		
Development Management	Computer - Program License Charge	11	The roll out of the upgrades to the planning IT systems is continuing. The modular basis of the packages is not aligned with previous software and so additional modules are being rolled out as the project progresses. The slippage is requested to secure ongoing work that will now be completed in 2024/25.	If the slippage were not to be approved the service improvements identified in the PAS Action Plan would not be delivered in full.
Local Plan	Consultants Fees	20	Work has been commissioned to update the evidence base that will inform updates to the Local Plan. The work has still to be completed and invoices received and so this slippage request seeks to ensure sufficient funding is available to meet the committed spend during 2024/25.	If approved, this slippage would provide sufficient funding to meet the committed spend on the Local Plan during 2024/25.
Planning Enforcement	Enforcement Costs	5	There are a number of ongoing enforcement cases that are likely to be challenged and so funds are set aside to defend these challenges. As the action has been taken late in the year these challenges will be heard in 2024/25.	If approved, this slippage would provide sufficient funding during 2024/25 to ensure a robust defence of the council's decision to take enforcement action in respect of ongoing cases.
Planning Policy	Local Development Framework	30	Work has been commissioned to update the evidence base that will inform updates to the Local Plan. The work has still to be completed and invoices received and so this slippage request seeks to ensure sufficient funding is available to meet the committed spend during 2024/25.	If approved, this slippage would provide sufficient funding to meet the committed spend on the Local Plan during 2024/25.
Planning Policy	Computer - Program License Charge	4	The roll-out of the upgrades to the planning IT systems is continuing. The modular basis of the packages is not aligned with previous software and so additional modules are being rolled out as the project progresses. The slippage is requested to secure ongoing work that will now be completed in 2024/25.	If the slippage were not to be approved the service improvements identified in the PAS Action Plan would not be delivered in full.
48 Preston Street (Hillside)	Other Fees	7	These anticipated fees were not required during 2023/24, resulting in this favourable outturn variance. However the fees will be required during 2024/25 when a new tenant will be sought for the building, so a slippage request has been made.	If approved, this slippage would provide sufficient funding to meet the expected costs of this scheme during 2024/25.
Development Management Team	Books And Periodicals	3	The council subscribes to a technical publication to ensure that its decisions are in line with up to date planning legislation and guidance. There is an outstanding invoice is for a subscription to a technical publication that will now be issued in the next financial year. Slippage is requested to provide the funding to meet that committed cost during 2024/25.	If the slippage were not to be approved the lack of access to this guidance may place the council at risk of challenges to its decisions.
Sub-total		84		

CUSTOMER AND OPERATIONAL SERVICES PORTFOLIO				
Computer Services	Computer Development Costs	102	There are a number of on-going IT improvement projects that are scheduled to continue into 2024, including the rollout of fully-managed devices across council officers, the replacement of our core server infrastructure, progression to cloud hosted application platform infrastructure and the continued development of next generation technology in cyber security. Slippage requests totalling £102k in respect of ICT budgets have been made to allow this work to be delivered in 2024/25, to also include a review of current budgets given the significant sum now consumed by licence charges which is expected to increase further in the coming years.	If the slippage were not to be approved the it would not be possible to complete mandatory projects and upgrades.
Environmental Enforcement	Enforcement Costs	10	It has not been possible to deliver planned enforcement initiatives during 2023/24. Slippage is requested to provide the funding to meet those costs during 2024/25.	If the slippage were not to be approved further actions around Community Safety Partnership priorities, antisocial behaviour (ASB) and partnership working may not be able to be funded from this budget. ASB and community safety is a priority in the corporate plan.
Environmental Enforcement	Operation Centurion	9	This budget relates to Police and Crime Commissioner (PCC) funding for Operation Centurion to combat anti-social behaviour in St. Annes town centre which has not yet been completed. Slippage is requested	If the slippage were not to be approved the continuation of Operation Centurion would cease to be delivered in St. Annes town centre and funding would need
		-9		
Customer Service Specialists	Green Waste Agency	6	It has not been possible to deliver the green waste project during 2023/24 due to staff resource issues within the customer services team Slippage is requested to provide the funding to meet these costs during 2024/25.	If the slippage were not to be approved the it would not be possible to deliver the planned green waste project.
Sub-total		118		

SOCIAL WELLBEING PORTFOLIO				
Community Safety Initiatives	Community Safety Initiatives	25	This budget relates to historical funding from Community Safety partnership. The Grant monies are specifically for Community Safety Initiatives as stipulated by the LSP until such time as the money is fully spent. As such slippage of the balance of funding is requested.	At the cessation of the LSP an undertaking was given to utilise the funding for the agreed purpose. It is unclear what would be the consequence if that undertaking was not honoured.
Housing, Homelessness and Housing Advice	Changing Futures	7	This budget relates to the Changing Future programme for the Fylde Coast which is to run till December 2024. Funding has been received from the Lancashire wide project for this purpose and is to support clients under this programme. Slippage is requested to provide the funding to meet that committed cost during 2024/25.	If the slippage were not to be approved the funding would need to be returned to the Changing Futures programme.
Housing, Homelessness and Housing Advice	Homeless Reduction Act	4	This budget is the balance of the Homelessness Prevention Grant (HPG) funding from 2021/22 to top up the annual HPG grant used for initiatives such as No Second Night Out, Interpretation Services, Hardship removal costs, skip hire. It is a fund that deals with a range of service requirements that support clients to engage with the homelessness journey into permanent accommodation. Slippage is requested to provide the funding for the continuation of this service during 2024/25.	If the slippage were not to be approved the service would have limited capacity to support other statutory bodies such as adult social care, home office refugee and asylum programmes and drug/alcohol services.
Housing, Homelessness and Housing Advice	Rapid Rehousing	2	This budget is the balance of the Rapid Rehousing Programme which is intended to support unexpected funding requirements from clients with multiple complex needs and with rough sleeping reduction. Funding tends to be used for mobile phones, clothing and birth certificates and other small scale interventions to assist clients with multiple complex needs to be able to engage with statutory services such as Homelessness Service and the Department for Work and Pensions.	If the slippage were not to be approved the service would seek to secure funding from other Homeless Reduction Act initiatives.
Housing, Homelessness and Housing Advice	Repossession Prevention	27	This funding was combined with Ex Offenders Funding 5270-46723 to create a accommodation finding service for rough sleepers and ex-offenders. Empowerment were not delivering on the project so the contract was ended. The Homeless Service were providing the support for the clients direct and the requirements of the funding have been met. The funding was moved into the Repossession Prevention Funding aimed at saving tenancies of single people in rent arrears or use this money for top up payment of Rent in Advance for 6 months where clients financial situation is expected at the end of 6 months to be able to afford current tenancy. This budget supports clients to remain in their current accommodation or top up in new accommodation. Slippage is requested to provide the funding for the continuation of this service during 2024/25.	If the slippage were not to be approved the ability to clear rent arrears or set tenancies up where the rent is above LHA rates would be limited.
Cemetery & Crematorium	Alarm Maintenance	4	Installation of the alarm system has commenced and is due to be completed in April 2024. Slippage is requested to provide the funding to meet that committed cost during 2024/25.	If approved, this slippage would provide sufficient funding to meet the committed spend on the alarm system during 2024/25.
Cemetery & Crematorium	Drives & Paths	24	Work has over-run on a number of areas of the scheme and slippage is requested to provide the funding to meet that committed cost during 2024/25.	If approved, this slippage would provide sufficient funding to meet the committed costs during 2024/25.
Cemetery & Crematorium	Crematorium Furnace Repairs	5	The 2023/24 underspend relates to the additional cost of replacement engineering etc. not covered within the capital programme scheme. Unfortunately the work was not completed by 31st March 2024. Slippage is requested to provide for the final costs of the scheme to be met in 2024/25.	If the slippage is not approved there will be an overspend on the revenue budget in 2024/25 as the outstanding payments are unavoidable.
Sub-total		98		




TOURISM, LEISURE AND CULTURE PORTFOLIO				
Swimming Provision	Consultants Fees	36	This budget relates to a project spanning two financial years. Slippage is requested to provide for the remaining work to be undertaken in 2024/25.	The project has been Member driven, as per a Notice of Motion served in October 2023. If the slippage were not to be approved the work would cease mid-way through the project and the objectives of the Notice of Motion would not be met.
Parks Development - Lytham & St. Annes	Drives & Paths	18	It has not been possible to carry out the planned works before 31st March 2024 due to inclement weather. Slippage is requested to provide the funding to meet the costs of the scheduled works during 2024/25.	If the slippage were not to be approved the scheduled footpaths repair and re-surfacing works could not be carried out which may lead to health and safety risks.
Management of the Arts & Heritage Assets	Art Collections Management	9	Over the last two years, Fylde has attempted to resolve conservation concerns with Lancashire Conservation Studios (LCS) but has been unsuccessful due to lack of response and cooperation from LCS. The decision to work with a different, highly regarded regional conservator was made and appraisals of three priority works were carried out at the Town Hall in March 2024. Quotes were provided that are favourable and a purchase order for On the Road to Seville, the priority work, was raised at the earliest opportunity. This work has been requested for loan in June 2025 for a high profile show that also contains works from Tate and V&A; the work can only be loaned once it has been conserved and is stable. The work has been the highest priority on the conservation list for 20 years and is a key work in the collection, having been painted by Ansdell. 2025 is also the 150 year anniversary of the collection and the conservation work will be completed in time for this anniversary, highlighting Fylde's commitment to the Collection. Utilising this year's budget will keep the next annual budget allocation free for further improvement of the collection. This portion of the budget has been earmarked for conservation all year, unfortunately, the difficulties in communication with LCS have meant that we have not been able to utilise the budget in the timeframe we initially intended. The conservation will, however, be completed in the subsequent financial year so requires a slippage request.	If the slippage were not to be approved the planned conservation work could not be undertaken.
Sub-total		63		

ENVIRONMENT PORTFOLIO				
Environmental Protection Team	Agency Staff	19	There has been an underspend on agency staffing costs within the Environmental Protection Team in 2023/24. It is proposed that this underspend be used for additional support in 2024/25 to meet the increased statutory obligations around fly tipping and from an increased incidence of anti-social behaviour.	The Environmental Protection Act 1990 states that all nuisance complaints must be investigated by the Local Authority. This slippage will ensure the statutory functions of the service are met in 2024/25.
St. Annes Square (Maintenance)	Repairs & Maintenance of Capital Schemes	25	There has been an underspend on this budget 2023/24. It is proposed that this underspend be used to fund a liaison officer post throughout the works period to align the works with the delivery of the main events space project. A slippage request is requested to provide for that in 2024/25.	The appointment of a liaison officer post in respect of the scheme will reduce the impacts on the service and the wider central communications core in dealing with business and resident enquiries throughout the period of the works and will ensure that other projects and corporate plan initiatives are delivered alongside our commitments in St Annes. If the slippage were not to be approved this element of the scheme could not be delivered.
Surface Water Management	General Maintenance of Grounds	8	This budget was ear-marked to fund drainage improvements to Ballam Rd Allotments which will now be undertaken in 2024/25. Slippage is requested to provide the funding to meet the costs of the scheduled works during 2024/25.	If the slippage were not to be approved the scheduled drainage improvements to Ballam Rd Allotments could not be undertaken.
Highways and Footways	Promenade Motorhome Parking	30	This budget relates to a Fylde contribution towards the costs of various on-street parking restrictions work being carried out by Lancashire County Council. This work has not been completed and slippage is requested to provide for this work in 2024/25.	If the slippage were not to be approved the scheduled work to be carried out by LCC to introduce the on street motorhome parking restrictions could not be delivered.
Sub-total		82		

Total Revenue Slippage	534			
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CAPITAL OUTTURN 2023/24

Key:

	SCHEME DELIVERED TO BUDGET DURING THE YEAR
	SCHEME UNDERSPENT AGAINST BUDGET
	SCHEME OVERSPENT AGAINST BUDGET

APPROVED SCHEMES	Head of Service / Budget Holder	Financing Source	Latest Budget 2023/24 £000	Actual Outturn £000	Variance £000	Variance	See key	Slippage required into 2024/25 £000	Budget Holder Comments
TOURISM, LEISURE & CULTURE PORTFOLIO SCHEMES									
Fairhaven Lake & Promenade Gardens Restoration	Mark Wilde	Specific Grant (Heritage Lottery Fund)	240	68	172	Underspent	▲	172	The building works are complete and John Turners (main contractor) has now been paid. The lake works are ongoing, except for the desilting element. A competent methodology to desilt the lake has now been agreed but estimates to undertake the work are very high. Officers are working with environmental partners to explore all additional external funding options to desilt the lake. Slippage is requested.
Staining Playing Fields Development Scheme	Mark Wilde	S106 Developer Contributions / Capital Investment Reserve	13	0	13	Underspent	▲	0	Scheme completed within budget.
Coastal Signage Improvements	Darren Bell	Capital Investment Reserve	54	0	54	Underspent	▲	54	Phases 1, 2 and 3 of the scheme (Consolidation / Rationalisation, Digital Beach Signs and Beach Safety Signs) have been completed. Phases 4 and 5 (Waymarking & Directional and Heritage & Interpretation) are currently being modelled. Completion of the remaining phases is anticipated to be during 2024/25. Slippage is requested.
Outdoor Digital Signage	Mark Evans	Capital Investment Reserve	20	0	20	Underspent	▲	20	This project was placed on hold pending the announcement of the Levelling-up Fund bid to allow town centre improvements to be considered as comprehensive scheme. Following the announcement that the bid has not been successful, options to deliver the proposed signage scheme will be completed in 2024/25. Slippage is requested.
Fairhaven Boathouse - Remodelling and Refurbishment Scheme	Charlie Richards	Capital Investment Reserve	5	5	0	On target	😊	0	An architect has been engaged to work up the package of roof works. The Changing Places accessible toilet and changing facilities and roof works will be scheduled for commencement during 2024/25.
Fairhaven Kiosk / Ice Cream Bar Project	Charlie Richards	Funding Volatility Reserve	38	22	16	Underspent	▲	16	Stage 4 design work has progressed and the latest projected scheme costs will be reviewed. Slippage is requested.
Boating Pool Safety Improvements	Mark Wilde	Capital Investment Reserve	25	1	24	Underspent	▲	24	The works are substantially complete. The Remaining funding is for the completion of the facility safety sign and fencing. The project will be completed during 2024/25. Slippage is requested.
Pétanque Court	Mark Wilde	Capital Investment Reserve	7	1	6	Underspent	▲	0	Scheme completed within budget.
Improvements to Children's Play Areas - 22/23	Mark Wilde	Capital Investment Reserve	100	95	5	Underspent	▲	0	Scheme completed within budget.
Lytham St Annes Art Collection Display Options	Mark Wilde	Capital Investment Reserve	65	9	56	Underspent	▲	56	Commencement of the project was delayed due to waiting for structural ceiling works above the gallery space by Heritage Trust North West who manage Lytham Hall. That work is complete and the project is now underway to be delivered during 2024/25. Slippage is requested.
St Annes Paddling Pool Water Quality Improvements	Mark Wilde	Capital Investment Reserve	35	38	-3	Overspent	⊘	0	Scheme completed with a minor overspend.
Improvements To Children's Play Areas - 23/24	Mark Wilde	Capital Investment Reserve	120	0	120	Underspent	▲	120	This project has been tendered and awarded. The works will be undertaken during 2024/25. Slippage is requested.
St Annes Beach Hub Facility	Charlie Richards	Capital Investment Reserve	10	10	0	On target	😊	0	Scheme on target and will be completed in 2024/25.
Sub total			732	249	483			462	

APPROVED SCHEMES	Head of Service / Budget Holder	Financing Source	Latest Budget 2023/24	Actual Outturn	Variance			Slippage	Budget Holder Comments
			£000	£000	£000			£000	
CUSTOMER & OPERATIONAL SERVICES PORTFOLIO SCHEMES									
Replacement Vehicles	Mark Wilde	Borrowing / Capital Receipts	349	431	-82	Accelerated Spend	☺	-82	Accelerated spend in 2023/24.
North Beach Car Park Public Conveniences	Darren Bell	Capital Investment Reserve	17	0	17	Underspent	▲	0	Scheme completed within budget.
Stanner Bank Public Conveniences Refurbishment	Darren Bell	Capital Investment Reserve	38	0	38	Underspent	▲	38	The public conveniences element of the scheme was completed in January 2023. Footpath access to the rear of the building is scheduled to be completed during 2024/25. Slippage is requested.
Changing Places	Darren Bell	Capital Investment Reserve / Specific Grant	127	5	122	Underspent	▲	122	The total funding to deliver 3 changing places facilities by June 2024 is £120,000. The first facility at North Beach Windsports Centre is complete with an initial £45k of external funding having been received. Fairhaven Lake and Kirkham sites to be delivered in 2024/25. Slippage is requested.
Sub total			531	436	95			78	
ENVIRONMENT PORTFOLIO SCHEMES									
St Annes Sea Wall	Charlie Richards	Specific Government Grant (Environment Agency)	219	119	100	Underspent	▲	100	The project is now closed due to cost overruns and significant risks regarding obtaining stakeholder approvals. Executive Committee approved the decision not to proceed with the project on 17th October 2023. We have been advised to continue to prepare and obtain the marine licences as this is still funded from the Environment Agency so slippage is requested for this purpose. The Council will return to deliver the scheme before 2033 as per the Strategic Appraisal Report and concentrate on delivery of the Island Masterplan.
Carbon Neutral Vehicles	Mark Wilde	Capital Investment Reserve	61	0	61	Underspent	▲	61	Budget Council approved a new scheme for Carbon Neutral vehicles and it is recommended that two operational vehicles are replaced with electric vehicles in 2024/25. Slippage is requested.
Hydration Points	Darren Bell	Capital Investment Reserve	44	7	37	Underspent	▲	0	Scheme completed within budget.
Staining Drainage Improvement Scheme	Darren Bell	Capital Investment Reserve / Staining Parish Council	65	19	46	Underspent	▲	0	Staining Village Drainage Remedial project works have been completed with an underspend due to the discovery that detention basins had been installed previously which has reduced the scheme cost considerably. The saving will be split between Fylde Council and Staining Parish Council in proportion to the relative funding contributions.
Fylde Sand Dunes Improvement Scheme	Mark Wilde	S106 Developer Contributions / Specific Grants	11	0	11	Underspent	▲	11	The majority of these works have been successfully completed. We are currently awaiting contractor completion of bespoke way markers. The remaining elements of the scheme are due for completion in 2024/25. Slippage is requested.
Tree Planting Scheme	Mark Evans	Capital Investment Reserve	36	35	1	Underspent	▲	0	Scheme completed within budget.
Replacement ICT System for Statutory Environmental Health and Housing Services	Ian Williamson	ICT Investment Reserve / Capital Investment Reserve	85	45	40	Underspent	▲	40	This scheme was approved at Executive Committee in September 2023. The information system software used by the Council's Environmental Health & Housing Services, as well the waste and customer service departments is used to manage all statutory inspections, investigations, service requests, licences and grants undertaken by the Environmental Health & Housing Service. The existing software known as Civica Authority Public Protection (APP) will be upgraded to Idox Cloud during 2024/25. Slippage is requested.
Sub total			521	225	296			212	

APPROVED SCHEMES	Head of Service / Budget Holder	Financing Source	Latest Budget 2023/24 £000	Actual Outturn £000	Variance £000			Slippage £000	Budget Holder Comments
SOCIAL WELLBEING PORTFOLIO SCHEMES									
Disabled Facilities Grants (DFG) Programme	Ian Williamson	Specific Grant (Better Care Fund) / External Contributions / Grant repayments	1,638	1,573	65	Underspent	▲	65	An additional allocation of £107,960 was received during 2023/24 and part of this will be spent in 2024/25. Slippage is requested.
Affordable Warmth Scheme - Housing	Ian Williamson	Specific Grant (Lancashire County Council)	77	82	-5	Overspent	⊘	0	Scheme completed with a minor overspend.
Housing Needs Grant	Ian Williamson	DFG Grant Repayments	51	5	46	Underspent	▲	46	Housing Needs grant awards are dependent on the repayments received from the sale of properties where DFG grant has previously been provided. The funding is to be used where professional services have been provided, such as architectural fees, but the DFG grant has not gone ahead. Slippage is requested.
Empty Homes Strategy	Ian Williamson	S106 Developer Contributions	75	0	75	Underspent	▲	75	This scheme was approved at the Executive Committee meeting of December 2023 and will be completed in 2024/25. Slippage is requested.
Local Authority Housing Fund - Phase 2	Ian Williamson	Local Authority Housing Fund / S106 Developer Contributions	2,784	930	1,854	Underspent	▲	1,854	This scheme was approved at the Council meeting of December 2023 and will be completed during 2024/25. Slippage is requested.
CCTV Replacement Schemes	Ian Curtis	Specific Grant (LSP Performance Reward Grant)	105	75	30	Underspent	▲	30	This project is up and running and expected to be completed during 2024/25. Slippage is requested.
Cremator Engineering Repairs	Ian Williamson	Capital Investment Reserve	55	26	29	Underspent	▲	29	This scheme was approved at the Executive Committee meeting of December 2023 and will be completed in 2024/25. Slippage is requested.
Cemetery Lodge Refurbishment	Darren Bell	Capital Investment Reserve	55	35	20	Underspent	▲	20	A drawdown report was presented to Executive Committee in September 2023. The scheme is to be completed during 2024/25. Slippage is requested.
	Sub total		4,840	2,726	2,114			2,119	
CORPORATE AND ECONOMIC DEVELOPMENT PORTFOLIO SCHEMES									
Purchase of Land Adjacent to Squires Gate Station	Darren Bell	Capital Investment Reserve	6	0	6	Underspent	▲	6	This project is ongoing. As agreed at Full Council, the compulsory purchase of the land has been completed. When LCC progress the project to create the access to the train station the ownership of this land will be offered to them. Slippage is requested.
Public Transport Improvements	Darren Bell	S106 Developer Contributions	90	30	60	Underspent	▲	60	This scheme relates to developer contributions (s106) funding that is paid to Lancashire County Council (LCC). The funding will contribute to the delivery of improved public transport services where an enhanced public transport requirement is identified as a result of increased housing development. These payments may be made over a period of several years and in this instance the s106 agreement allows for payments to be made up until 2028. Slippage is requested.
Charging Infrastructure for Electric Taxis	Darren Bell	Specific Government Grant	8	0	8	Underspent	▲	0	Scheme completed within budget.
St Annes Regeneration Schemes	Charlie Richards	S106 Developer Contributions / Capital Investment Reserve	0	18	-18	Overspent	⊘	0	The budget for this scheme was vired to St Annes Square Event project and further invoices have been required to be paid on the original scheme.
St Annes Event Square	Charlie Richards	Capital Investment Reserve	100	249	-149	Accelerated Spend	☺	-149	Accelerated spend in 2023/24.
Lytham Regeneration Schemes	Charlie Richards	S106 Developer Contributions / Capital Investment Reserve	27	29	-2	Accelerated Spend	☺	-2	Accelerated spend in 2023/24.
Kirkham Public Realm Improvements	Charlie Richards	S106 Developer Contributions / Capital Investment Reserve	2	0	2	Underspent	▲	0	Scheme completed within budget.
Future High Street Fund: Kirkham	Charlie Richards	Specific Grant	3,372	3,417	-45	Accelerated Spend	☺	-45	Accelerated spend in 2023/24.
Kirkham Heritage Action Zone	Charlie Richards	Capital Investment Reserve / S106 Developer Contributions / Specific Grant	1,785	1,004	781	Underspent	▲	781	This is a 4 year programme (2020-2024) with spending being spread across the programme period. Slippage is requested into 2024/25.
Public Transport Facilities, Clifton Drive	Charlie Richards	S106 Developer Contributions	36	36	0	On target	☺	0	Scheme completed within budget.
St Annes Levelling Up Round 3 Funding Application	Charlie Richards	Capital Investment Reserve	100	101	-1	Overspent	⊘	0	Scheme completed with a minor overspend.
	Sub total		5,526	4,884	642			651	
	Total Expenditure		12,150	8,520	3,630			3,522	

Requests to transfer 2023/24 Budget to 2024/25

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
TOURISM, LEISURE & CULTURE PORTFOLIO SCHEMES				
Fairhaven Lake & Promenade Gardens Restoration	Building Works and Improvements	172	The building works are complete and John Turners (main contractor) has now been paid. The lake works are ongoing, except for the desilting element. A competent methodology to desilt the lake has now been agreed but estimates to undertake the work are very high. Officers are working with environmental partners to explore all additional external funding options to desilt the lake. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Coastal Signage Improvements	Building Works and Improvements	54	Phases 1, 2 and 3 of the scheme (Consolidation / Rationalisation, Digital Beach Signs and Beach Safety Signs) have been completed. Phases 4 and 5 (Waymarking & Directional and Heritage & Interpretation) are currently being modelled. Completion of the remaining phases is anticipated to be during 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Outdoor Digital Signage	Building Works and Improvements	20	This project was placed on hold pending the announcement of the Levelling-up Fund bid to allow town centre improvements to be considered as comprehensive scheme. Following the announcement that the bid has not been successful, options to deliver the proposed signage scheme will be completed in 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Fairhaven Kiosk / Ice Cream Bar Project	Building Works and Improvements	16	Stage 4 design work has progressed and the latest projected scheme costs will be reviewed. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Boating Pool Safety Improvements	Building Works and Improvements	24	The works are substantially complete. The Remaining funding is for the completion of the facility safety sign and fencing. The project will be completed during 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Lytham St Annes Art Collection Display Options	Building Works and Improvements	56	Commencement of the project was delayed due to waiting for structural ceiling works above the gallery space by Heritage Trust North West who manage Lytham Hall. That work is complete and the project is now underway to be delivered during 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Improvements To Children's Play Areas - 23/24	Building Works and Improvements	120	This project has been tendered and awarded. The works will be undertaken during 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
	Sub-total	462		

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
CUSTOMER & OPERATIONAL SERVICES PORTFOLIO SCHEMES				
Replacement Vehicles	Purchase of Vehicles	-82	Accelerated spend in 2023/24.	If the slippage were not to be approved the vehicles would have to be funded from the 2023/24 budget for vehicle replacements which would impact on the delivery of future years of the vehicle replacement schedule.
Stanner Bank Public Conveniences Refurbishment	Building Works and Improvements	38	The public conveniences element of the scheme was completed in January 2023. Footpath access to the rear of the building is scheduled to be completed during 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Changing Places	Building Works and Improvements	122	The total funding to deliver 3 changing places facilities by June 2024 is £120,000. The first facility at North Beach Windsports Centre is complete with an initial £45k of external funding having been received. Fairhaven Lake and Kirkham sites to be delivered in 2024. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
	Sub-total	78		

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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ENVIRONMENT PORTFOLIO SCHEMES

St Annes Sea Wall	Building Works and Improvements	100	The project is now closed due to cost overruns and significant risks regarding obtaining stakeholder approvals. Executive Committee approved the decision not to proceed with the project on 17th October 2023. We have been advised to continue to prepare and obtain the marine licences as this is still funded from the Environment Agency so slippage is requested for this purpose. The Council will return to deliver the scheme before 2033 as per the Strategic Appraisal Report and concentrate on delivery of the Island Masterplan.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Carbon Neutral Vehicles	Purchase of Vehicles	61	Budget Council approved a new scheme for Carbon Neutral vehicles and it is recommended that two operational vehicles are replaced with electric vehicles in 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Fylde Sand Dunes Improvement Scheme	Building Works and Improvements	11	The majority of these works have been successfully completed. We are currently awaiting contractor completion of bespoke way markers. The remaining elements of the scheme are due for completion in 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Replacement ICT System for Statutory Environmental Health and Housing Services	Purchase of Equipment	40	This scheme was approved at Executive Committee in September 2023. The information system software used by the Council's Environmental Health & Housing Services, as well the waste and customer service departments is used to manage all statutory inspections, investigations, service requests, licences and grants undertaken by the Environmental Health & Housing Service. The existing software known as Civica Authority Public Protection (APP) will be upgraded to Idox Cloud during 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Sub-total		212		

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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SOCIAL WELLBEING PORTFOLIO SCHEMES

Disabled Facilities Grants (DFG) Programme	Grant Payments	65	An additional allocation of £107,960 was received in 2023/24 and part of this will be spent in 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Housing Needs Grant	Grant Payments	46	Housing Needs grant awards are dependent on the repayments received from the sale of properties where DFG grant has previously been provided. The funding is to be used where professional services have been provided, such as architectural fees, but the DFG grant has not gone ahead. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Empty Homes Strategy	Building Works and Improvements	75	This scheme was approved at the Executive Committee meeting of December 2023 and will be completed in 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Local Authority Housing Fund - Phase 2	Building Works and Improvements	1,854	This scheme was approved at the Council meeting of December 2023 and will be completed during 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
CCTV Replacement Schemes	Purchase of Equipment	30	This project is up and running and expected to be completed during 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Cremator Engineering Repairs	Purchase of Equipment	29	This scheme was approved at the Executive Committee meeting of December 2023 and will be completed in 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Cemetery Lodge Refurbishment	Building Works and Improvements	20	A drawdown report was presented to Executive Committee in September 2023. The scheme is to be completed during 2024/25. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Sub-total		2,119		

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
CORPORATE AND ECONOMIC DEVELOPMENT PORTFOLIO SCHEMES				
Purchase of Land Adjacent to Squires Gate Station	Regeneration Scheme	6	This project is ongoing. As agreed at Full Council, the compulsory purchase of the land has been completed. When LCC progress the project to create the access to the train station the ownership of this land will be offered to them. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
Public Transport Improvements	Regeneration Scheme	60	This scheme relates to developer contributions (s106) funding that is paid to Lancashire County Council (LCC). The funding will contribute to the delivery of improved public transport services where an enhanced public transport requirement is identified as a result of increased housing development. These payments may be made over a period of several years and in this instance the s106 agreement allows for payments to be made up until 2028. Slippage is requested.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
St Annes Event Square	Regeneration Scheme	-149	Accelerated spend in 2023/24.	If the accelerated spend / budget rephasing were not to be approved there would be insufficient funding in 2023/24 to meet the scheme expenditure incurred.
Lytham Regeneration Schemes	Regeneration Scheme	-2	Accelerated spend in 2023/24.	If the accelerated spend / budget rephasing were not to be approved there would be insufficient funding in 2023/24 to meet the scheme expenditure incurred.
Future High Street Fund: Kirkham	Building Works and Improvements	-45	Accelerated spend in 2023/24.	If the accelerated spend / budget rephasing were not to be approved there would be insufficient funding in 2023/24 to meet the scheme expenditure incurred.
Kirkham Heritage Action Zone	Building Works and Improvements	781	This is a 4 year programme (2020-2024) with spending being spread across the programme period. There has been accelerated spend on the planning stage during 2022/23 which will be met by a re-phasing of the funding.	If the slippage were not to be approved there would be insufficient funding in 2024/25 to deliver the full scheme as specified.
	Sub-total	651		
Total Capital Slippage		3,522		

Prudential Indicators

Prudential Indicator	Revised Indicator	Actual	Note
	2023/24	2023/24	
	£m	£m	
Authorised limit for external debt	8	0	1
Operational boundary for external debt	2	0	2
Principal sums invested > 364 days	4	2	
Maturity structure of borrowing (Upper limits):-			
Under 12 months	100%	0%	
12 months – 2 years	100%	0%	
2 years – 5 years	100%	0%	
5 years – 10 years	100%	0%	
10 years and above	100%	0%	
External Debt – Gross Borrowing	0	0	
Investments	14	14	3
Capital Expenditure	12.9	8.5	
Capital Financing Requirement	4.3	2.8	4
Ratio of Financing Costs to Net Revenue Stream	5.30%	5.30%	

Notes

- 1 The Authorised Limit indicator of £8.0m is set deliberately higher than the actual forecasted borrowing amount as it needs to take into account any unexpected cash movements and becomes the Authority's statutory limit.
- 2 The Operational Boundary is the expected borrowing position of the Council during the year. It is not a limit and can be breached.
- 3 This is the value of actual investments held by the council at 31st March 2024.
- 4 The Capital Financing Requirement has reduced as at the year end due to the impact of slippage on the capital programme.