

## DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	FINANCE AND DEMOCRACY COMMITTEE	29 JULY 2021	4
<b>MEDIUM TERM FINANCIAL STRATEGY (MTFS) – GENERAL FUND REVENUE, CAPITAL PROGRAMME &amp; TREASURY MANAGEMENT OUTTURN POSITION FOR 2020/21</b>			

### PUBLIC ITEM

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

### SUMMARY

On 4<sup>th</sup> March 2021 the Council set its budget for 2021/22, also approving a revised budget for 2020/21. This report sets out for Members: the expected General Fund Revenue, Capital, and Treasury Management Outturn position for the financial year 2020/21; 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.

### RECOMMENDATIONS

#### The Finance and Democracy 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 as set out in paragraph 2.5 and Appendix C of the report;
3. approve the transfers to earmarked reserves as set out in section 2 and as summarised in table 1 of the report;
4. approve the Capital Outturn position, including financing, as set out in sections 7 to 9 of the report;
5. approve the capital slippage items as set out in Appendix E of the report; and
6. approve the Treasury Management Annual Report as set out in sections 10 to 12 and the actual Prudential Indicators set out in Appendix F of the report.

### 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 2020/21 financial outturn.

### 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	✓

## REPORT

### 1. Introduction and Background

- 1.1 The Revenue Budget Forecast Update was reported to the Finance and Democracy Committee in both November 2020 and January 2021 and to Council in February 2021, with the Medium Term Financial Strategy (MTFS) and budget decisions presented to full Council for approval in March 2021.
- 1.2 As a consequence of the uncertainty about the impact of the Covid-19 pandemic on the national public finances, the Government implemented a one-year Spending Review for 2021/22 and the Council, as with all Local Authorities, received a one-year funding settlement for the year. This was the second year running that the funding settlement was for one-year only. The MTFS report presented to Council in March 2021 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 2021](#)
- 1.3 This update report sets out the outturn position for the financial year 2020/21, a year which was dominated by the impacts of the Covid-19 pandemic. In response the Council has played a significant role in delivering a range of support to the community during the year including the provision of a substantial package of grants to businesses on behalf of the government, support for clinically extremely vulnerable residents, support for Council Tax-payers (including the processing of payments to those required to self-isolate), the inspection of premises to ensure compliance with covid restriction measure, support to the Community Hub (including the provision and delivery of food parcels to residents forced to self-isolate or 'shield'), supporting the programme of track and trace and latterly support in the delivery of the vaccination programme. The majority of this work has been delivered by existing Council employees who have necessarily been diverted from the "day job" to prioritise the response to the pandemic, and as a result there has been consequential impacts on some of the planned work which would otherwise have been carried out. This is reflected in increased budget slippage requests in particular for capital budget items this year as detailed in the report.
- 1.4 The financial impact of the covid restriction measures on a number of service areas, and consequently on the Council's financial position for 2020/21, has been significant, and as a consequence a range of national funding measures have been introduced that assist in off-setting some of those negative financial effects. Fylde Council was allocated general covid support grant funding for 2020/21 totalling £1.151m which was followed by a range of further grant allocations for specific purposes, including a number of 'new burdens' grants in respect of the administration of the numerous grant support for businesses payment schemes.
- 1.5 In July 2020 the government announced a further funding package for councils in respect of reduced sales, fees and charges income. Under this scheme the government will reimburse councils a proportion of eligible income that has been lost as a consequence of the pandemic, such as car parking income and planning fee income. Where losses are more than 5% of the budgeted income from sales, fees and charges, the government will cover 75p in every pound lost for the remainder i.e. the council will stand the first 5% of the loss and will be reimbursed for 75% of the remaining 95% of the shortfall. Initial assessments of the estimated grant receivable for 2020/21 under this scheme were included in the March 2021 MTFS report and stood at £0.914m at that time. The actual grant ultimately received during 2020/21 under the scheme was £0.710m, which indicates that the actual adverse impact on income budgets for the year was less significant than initial estimates had predicted. It was announced as part of the 2021/22 Local Government Finance Settlement that there would be an extension of the Sales, Fees and Charges Compensation Scheme to include the first quarter of 2021/22. The estimated financial impact of this continues to be assessed and this will be reflected in future updates of the Medium Term Financial Strategy.
- 1.6 Each of the covid related funding streams referred to above have been reflected in the relevant revised budgets for 2020/21 against which the financial outturn for the year is compared within the remainder of this report.

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

2.1 On the 4th March 2021, Council approved a revised Revenue Budget net requirement of £10.449m for 2020/21. The outturn position for 2020/21 is a net requirement of £9.007m resulting in a favourable variance (before financing and slippage) of £1.442m. In addition, a £5.582m favourable variance against the budgeted total of financing received during the year has resulted in a Revenue Budget favourable outturn variance, before slippage requests, totalling £7.024m. However, £5.577m of this variance is as a result of additional grant funding received from the government during 2020/21 to 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. As a result of these reliefs, the business rate collection fund (administered by Fylde to collect business rates and then allocate the monies to central government and the major preceptors) is forecast to make a significant deficit in respect of 2020/21 when compared against the level of income expected before the year began. Because of timing differences between the flow of funds into and out of the collection fund it will be necessary to transfer this funding into the Collection Fund Deficit Reserve because this set aside will be required in 2021/22, 2022/23 and 2023/24 for release to offset the collection fund deficit which is spread across these years.

2.2 The underlying outturn position after taking account of the recommended transfer into the Collection Fund Deficit Reserve and the budgeted transfer into the Capital Investment Reserve (as set out in the MTFS report to Budget Council in March 2021) is therefore a favourable variance of £1.447m.

2.3 The outturn position is summarised in Table 1 below:

**Table 1 – Summary Revenue Outturn Position 2020/21**

	<u>Budget</u> £m	<u>Actual</u> £m	<u>Variance</u> £m	
Net expenditure for the year	10.449	9.007	(1.442)	(Fav)
Financing for the year	(12.262)	(17.844)	(5.582)	(Fav)
<b>Surplus of resources for the year</b>	<b>(1.813)</b>	<b>(8.837)</b>	<b>(7.024)</b>	(Fav)
<b>LESS:</b>				
Required transfer to Collection Fund Deficit Reserve	0	5.577	5.577	(Fav)
Budgeted transfer to Capital Investment Reserve	1.813	1.813	-	-
<b>Balance – underlying outturn variance</b>	<b>0</b>	<b>(1.447)</b>	<b>(1.447)</b>	(Fav)
<b>Recommended additional transfers to reserves</b>				
- Required transfer to GF balances re slippage	0	(0.299)	(0.299)	(Fav)
- Transfer to Funding Volatility Reserve	0	(1.148)	(1.148)	(Fav)
<b>Recommended further transfers to reserves</b>	<b>0</b>	<b>(1.447)</b>	<b>(1.447)</b>	(Fav)

2.4 A more detailed analysis of the General Fund Revenue Account comparing actual expenditure against the revised approved estimate, analysed by committee, 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 from slippage which are recommended for operational effectiveness. These items total £0.299m and are listed in **Appendix C**. **It is recommended that this sum is transferred to general fund balances at year end such that this expenditure can be met in 2021/22.**

2.6 The remaining favourable variance after accounting for this transfer for slippage is £1.148m. **It is therefore recommended that the sum of £1.148m is transferred to the Funding Volatility Reserve.** This reserve was established in 2013/14 from additional Business Rates received under the Business Rate Retention Scheme and is a voluntary set-aside established to provide a degree of protection to the Council's finances against future volatility in central government funding allocations and to fund

investment in activity to stimulate Economic Development in the Borough. This transfer would result in a current forecast balance on the reserve as at 31<sup>st</sup> March 2021 in the sum of £5.889m. Of this £4.031m is already committed to deliver existing approved schemes in the years 2021/22 to 2024/25, leaving a forecast unallocated balance on the reserve of £1.858m.

- 2.7 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 2020/21, there is a larger than normal deficit on the 2020/21 Collection Fund.

- 3.3 Early in 2021, as part of the Local Government Finance Settlement, a guarantee from central government was introduced to compensate local authorities for 75% of irrecoverable business rates and council tax lost income for 2020/21 as a result of the pandemic. The impact of this scheme is reflected in the outturn position for 2020/21 for both council tax and business rates below.

- 3.4 **For Council Tax only**, there was a deficit on the fund as at 31<sup>st</sup> March 2021 of £119k. This will be shared between Fylde Council, the County Council, the Police Authority and the Fire & Rescue Authority in 2021/22 to 2023/24. Fylde Council's share of the deficit is £15k, the impact of which will be reflected in future updates of the Council's financial forecast.

- 3.5 **For Non-Domestic Rates only**, there was a deficit on the fund as at 31<sup>st</sup> March 2021 of £11.156m. A large proportion of this arises from the decision from Government due to the impact of Covid-19 to increase business rate reliefs during 2020/21 to support businesses during the pandemic. The deficit will be shared between Central Government, Fylde Council, the County Council, and the Fire & Rescue Authority in 2021/22 to 2023/24. Fylde Council's share of the deficit is £3.907m, the negative impact of which will be funded in 2021/22 from the specific government grant allocated for this purpose and set aside into the Collection Fund Deficit Reserve in 2020/21 as detailed in section 2 of this report. The remaining balance on the collection fund deficit reserve is likely to be required to offset collection fund deficits in 2021/22 and later years.

- 3.6 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 2021/22 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 31<sup>st</sup> March 2021:

**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 01/04/2020	4.272	4.272	-	
In-year surplus transferred to reserves re slippage	-	0.299	0.299	(Fav)
<b>Closing Balance 31/03/2021</b>	<b>4.272</b>	<b>4.571</b>	<b>0.299</b>	<b>(Fav)</b>

4.2 The first call on revenue balances in 2021/22 is the recommended slippage of £0.299m as set out in **Appendix C** leaving general fund balances after allowing for these items at £4.272m.

## 5. Covid Business Support Grants

5.1 The Council received a range of grants from central government in 2020/21 to support the overall response to the COVID-19 pandemic. The financial impact of these grants is included within the outturn position and the council's Statement of Accounts. Included within the support provided was a range of business support grant funding which were administered by the Council in line within the guidance received from the Department for Business, Energy & Industrial Strategy (BEIS). Following the receipt of a grant the Council had to determine whether in administering the grant it was acting as an "agent" for the government or as "principal". Where the Council was **acting as agent** the following conditions applied:

- It was acting as an intermediary between the recipient and the Government Department; and
- It did not have "control" of the grant conditions and there was no flexibility in determining the level of grant payable.

Where the Council was able to use its own discretion when allocating the amount of grant payable, it was **acting as principal**. For each grant scheme the government provided funding based upon its own estimates of local need, and a reconciliation process is in place for each of the grant schemes, with any remaining funds repaid to BEIS.

5.2 The first major grant round announced was the Small Business Grant Fund (SBGF) and Retail, Leisure and Hospitality Grant Fund (RLHGF). The grant details were issued in late March 2020, and as the grants sums payable were either £10K or £25K for each eligible business with eligibility criteria specified by BEIS, the Council acted as an agent in administering these grants and the total paid to Fylde businesses during 2020/21 was £18.375m. A further grant regime, the Discretionary Grant Fund was then introduced, with £1.011m distributed in the borough in 2020/21. The Council determined eligibility for these grants and therefore acted as a principal for this source of funding.

5.3 The Government then introduced a range of grants under the general heading of Local Restrictions Support Grant (LRSB), covering the period from August 2020 to 31st March 2021. In total the Council received grant across eleven separate allocations. Each separate tranche of LRSB had its own eligibility criteria. All except one tranche of grant funding (the Christmas Support Payments for Wet Led Pubs) remained open for final payments beyond 31st March 2021. Three rounds of the LRSB had a discretionary element and for these the Council determined eligibility and therefore acted as principal. Eight tranches of LRSB were received to support schemes without a discretionary element and for these the Council acted as the agent of Central Government.

5.4 In addition to the LRSB, the Government introduced a further discretionary grant scheme, the Additional Restrictions Grant. The Council introduced specific eligibility criteria for grant support to businesses based on knowledge of the Fylde economy and the local business community. During 2020/21, two rounds of grant were received totalling £2.333m for which the Council acted as principal. As a result of successfully fully allocating these funds to businesses by 30<sup>th</sup> June 2021, the Council will be in receipt of a further

allocation of £0.583m during 2021/22. A separate report on this agenda sets out more details in respect of the Additional Restrictions Grant scheme.

- 5.5 From 1st April 2021, the Council began administering a new round of business support grants known as Restart Grants on behalf of BEIS and it will continue to administer this grant regime until the closing date for final payments on 31st July 2021.
- 5.6 Appendix G of this report sets out the total grant receipts and payments made during 2020/21 under each of the above grant schemes.

## 6. General Fund Revenue Outturn Conclusions

- 6.1 The favourable outturn position for revenue allows for a contribution to be made to the Funding Volatility Reserve in the sum of £1.148m. 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 2021/22.
- 6.2 In light of the potential for future general reductions in central government funding from 2022/23 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.
- 6.3 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.

## 7. Capital Outturn 2020/21

- 7.1 The summary outturn position for capital is set out in table 3 below. The latest expenditure budget in the capital programme for 2020/21 was £6.505m, and outturn expenditure was £4.893m leaving a net underspend of £1.612 for the year.

After adjusting for slippage of £1.546m the overall outturn position for 2020/21 is an in-year £66k favourable variance against the latest updated estimate. Capital programme expenditure for 2020/21 and details of variances for all capital schemes are shown in **Appendix D**.

**Table 3 - Latest Estimate Compared with Outturn 2020/21**

	Notes	£m	
Per MTFS report Budget Council 04/03/2021:			
<i>Approved Capital Programme:</i>		<b>6.922</b>	
<i>Changes since 04/03/2021</i>		<b>(417)</b>	
<i>Latest Budget</i>		<b>6.505</b>	
Less Outturn Expenditure		<b>(4.893)</b>	
<i>Net Underspend for Year</i>		<b>1.612</b>	(Fav)
Less Slippage (as per Note 1 below)	<b>1</b>	<b>(1.546)</b>	
<b>Underlying Variance at Outturn</b>		<b>0.066</b>	(Fav)

**Note 1: Capital Schemes Slippage Requests** (Full slippage explanations are contained in **Appendix E**)

	£'000
Purchase of Land Adjacent to Squires Gate Station	5
Fairhaven Lake & Promenade Gardens Restoration	408
Staining Playing Fields Development Scheme	43
Coastal Signage Improvements	68
Fylde Sand Dunes Improvement Scheme	46
Blackpool Road North Playing Fields Drainage	55
Replacement Vehicles	39
Public Transport Improvements	90
Fairhaven and Church Scar Coast Protection	10
Accomm facilities at Snowdon Rd Depot (accelerated spend)	(144)
Charging Infrastructure for Electric Taxis	150
Outdoor Digital Signage	30
Disabled Facilities Grants (DFG) Programme	106
Housing Needs Grant	27
Progress Housing Buy Backs	58
Cemetery and Crematorium - Infrastructure Works	35
Affordable Housing Scheme, Lytham Road, Warton	130
St Annes Regeneration Schemes	24
Kirkham Public Realm Improvements	3
M55 Link Road	122
Kirkham and Wesham Station	15
Future High Street Fund: Kirkham	17
Wesham Community Centre	32
Kirkham Heritage Action Zone	<u>177</u>
<b>Total Slippage requested</b>	<b><u>1,546</u></b>

- 7.2 The first periodic update of the Five Year Capital Programme for 2021/22 will be amended to reflect the outturn results and any other changes approved to date.

## Usable Capital Receipts 2020/21

- 7.3 Capital Receipts are a component of the Council's capital financing strategy. Details of usable receipts received during 2020/21 are set out in table 4 below:

**Table 4 - Useable Capital Receipts 2020/21**

	Latest Estimate	Outturn	Variance +/-	
	£'000	£'000	£'000	
Opening Balance at 01/04/2020	0	0	0	
Capital Receipts received in year	25	206	181	Fav
<b>Sub Total</b>	<b>25</b>	<b>206</b>	<b>181</b>	Fav
Capital Receipts applied in year		(45)		
<b>Closing Balance at 31/03/2021</b>		<b>161</b>		

- 7.4 The favourable variance of £181k arises mainly from 'Right to Buy' receipts and vehicle sales being greater than budgeted for.

## 8. Capital Financing 2020/21

- 8.1 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 2020/21**

	£'000
<b>EXPENDITURE:</b>	<b>4,893</b>
<b>FINANCING:</b>	
Grants & Contributions	2,208
Internal Borrowing	440
Capital Receipts	45
Revenue Contribution	44
Funding Volatility Reserve	400
Capital Investment Reserve	1,756
<b>Total Capital Financing</b>	<b>4,893</b>

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

## 9. Capital Outturn – Conclusions

- 9.1 After allowing for slippage the outturn position has produced an underlying programme favourable variance of £66k compared to the latest forecast reported to Members.
- 9.2 The outturn position will be reflected in future capital programme updates.



## 10. Treasury Management Annual Report

### 10.1 Summary

The Chartered Institute of Public Finance and Accountancy's 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 31<sup>st</sup> March 2021.

The Prudential Indicators and Treasury Management Strategy for 2020/21 were originally approved in the Medium Term Financial Strategy 2020/21 Report to Council on 4th March 2020. 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 7th December 2020 and the Medium Term Financial Strategy Report to Council on 4<sup>th</sup> March 2021. The Prudential Indicators and the outturn position for 2020/21 are shown at **Appendix F**.

## 11. Implications

### 11.1 Economic Background

The Coronavirus pandemic dominated 2020/21, leading to almost every country in the world being in some form of lockdown during the year. The start of the financial year saw many of the central banks cutting interest rates as lockdowns caused economic activity to grind to a halt. The Bank of England cut the Bank Rate to 0.1% and the UK government provided a range of fiscal stimulus measures.

Government initiatives supported the economy and the furlough (Coronavirus Job Retention) scheme was extended until September 2021. Despite the furlough scheme, unemployment still rose, and it is thought likely to increase again as the various government job support schemes are scheduled to come to an end during 2021.

The Consumer Price Index (CPI) rose by 0.7% in the 12 months to March 2021 well below the Bank of England's 2% target. UK gross domestic product (GDP) is now 8.7% below where it was prior to the pandemic at the end of 2019.

### 11.2 Borrowing

In line with advice from treasury advisors the 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 and counter-party risk is high. Such a strategy minimises treasury risk by reducing both external debt and in-house investments. Therefore, no new long term borrowing has been taken during the year, **and the Council remains debt-free**.

**Table 6 – Analysis of Borrowing**

Type of Loan	Balance 31/03/21 £m
Public Works Loan Board (PWLB)	Nil
<b>Gross Borrowing</b>	<b>Nil</b>
<b>Operational Boundary</b>	<b>Nil</b>

### 11.3 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 4<sup>th</sup> March 2020 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.

### 11.4 Internally Managed Funds

During the year the Council held an average cash balance of £30m 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 overall performance was a gross return of 0.25%, compared with a benchmark return of 0.056%. Interest earned was £66.6k compared to a revised budget of £65.6k. The level of interest from investments was slightly in excess of the revised budget as the actual level of external investments was higher than anticipated due to the Council benefitting from a more favourable cash-flow position.

## 12. Prudential Indicators

12.1 The Council complied with all of its Prudential Indicator limits for 2020/21, details of which can be found in Appendix F.

## 13. Overall Outturn Conclusions 2020/21

13.1 The favourable outturn position for revenue allows for a contribution to be made to the Funding Volatility Reserve in the sum of £1.148m. This additional contribution is beneficial to the overall position of the Council and is thus to be welcomed. As a result, the financial position of the Council has improved since the revised 2020/21 budget was set in March 2021, the Council remains debt-free and the financial position remains robust.

13.2 Whilst challenges remain, 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.

13.3 As a consequence of the uncertainty about the impact of the pandemic on national public finances, the Government implemented a one-year Spending Review for 2021/22 and the Council, as with all Local Authorities, received a one-year funding settlement for the year. This was the second year running that the funding settlement was for one-year only. The MTFS report presented to Council in March 2021 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 2021](#)

13.4 The impact of the pandemic on the financial position of the Council for 2020/21 and beyond, together with the potential for future general reductions in central government funding from 2022/23 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 budget position to continue into the future and to provide on-going contributions to reserves.

- 13.5 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.

IMPLICATIONS	
Finance	Detailed financial implications are included within the body of the report
Legal	For 2020/21 there is a statutory requirement for the Chief Financial Officer to sign off a completed Annual Statement of Accounts for the Council by 31 <sup>st</sup> July 2021, in preparation for the Council's external auditors Deloitte to carry out an annual audit. This work remains on track.
Community Safety	Not applicable
Human Rights and Equalities	Not applicable
Sustainability and Environmental Impact	Not applicable
Health & Safety and Risk Management	Not applicable

LEAD AUTHOR	CONTACT DETAILS	DATE
Paul O'Donoghue, Chief Financial Officer	01253 658566	July 2021

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Medium Term Financial Strategy 2020/21 to 2024/25	4 <sup>th</sup> March 2021	<a href="#">Report to Budget Council March 2021</a>

#### Attached documents

- Appendix A** – General Fund Summary Revenue Expenditure & Income Account
- Appendix B** – General Fund Outturn 2020/21 – Variations from Revised Estimates
- Appendix C** – Revenue Budget Slippage Items requested
- Appendix D** – Capital Outturn 2020/21
- Appendix E** – Capital Outturn Slippage Items requested
- Appendix F** – Prudential Indicators
- Appendix G** – Business Support Grant Payment 2020/21

**GENERAL FUND OUTTURN 2020/21****Summary Revenue Account**

	<b>Outturn 2020/21</b>			
	<b>Latest Estimate</b>	<b>Outturn</b>	<b>Variance + Over / (Under)</b>	<b>Favourable / Adverse</b>
<b>Net Service Expenditure</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Tourism and Leisure Committee	2,849	2,529	(320)	Fav
Operational Management Committee	4,264	3,990	(274)	Fav
Environment, Health and Housing Committee	(613)	477	1,090	Adv
Planning Committee	1,371	875	(496)	Fav
Finance and Democracy Committee	4,168	3,208	(960)	Fav
Contingency	(300)	0	300	Adv
<b>Net Cost of Services</b>	<b>11,740</b>	<b>11,079</b>	<b>(660)</b>	Fav
Use of Earmarked Reserves	(2,566)	(2,256)	310	Adv
Capital Accounting Adjustments	597	205	(392)	Fav
Interest payable and similar charges	0	1	1	Adv
Interest and investment income	(66)	(67)	(2)	Fav
Minimum Revenue Provision	744	744	0	-
Pension accounting adjustment	0	(700)	(700)	Fav
Accumulated Absences Adjustment	0	1	1	Adv
<b>Sub-Total of Appropriations</b>	<b>(1,291)</b>	<b>(2,072)</b>	<b>(781)</b>	Fav
<b>Total Net Requirement (See App B, part 1 for variance details)</b>	<b>10,449</b>	<b>9,007</b>	<b>(1,442)</b>	Fav
<b>Financing</b>				
General Government Grants:				
- New Homes Bonus	(1,746)	(1,747)	(1)	Fav
- Other Government Grants	0	(10)	(10)	Fav
Council Tax Outturn (incl previous years surplus/deficit)	(6,565)	(6,567)	(2)	Fav
Business Rates Outturn (incl previous years surplus/deficit)	(3,951)	(9,520)	(5,569)	Fav
<b>Total Net Requirement</b>	<b>(12,262)</b>	<b>(17,844)</b>	<b>(5,582)</b>	Fav
<b>Surplus of resources for the year</b>	<b>(1,813)</b>	<b>(8,837)</b>	<b>(7,024)</b>	Fav
<b>Analysis of recommended Transfers to Reserves:</b>				
- original budgeted transfer to Capital Investment Reserve	(1,813)	(1,813)	0	-
- transfer to general fund revenue balances re slippage	0	(299)	(299)	Fav
- transfer to Collection Fund Deficit Reserve	0	(5,577)	(5,577)	Fav
- transfer to Funding Volatility Reserve	0	(1,148)	(1,148)	Fav
<b>Recommended transfers to reserves</b>	<b>(1,813)</b>	<b>(8,837)</b>	<b>(7,024)</b>	Fav
<b>Statement of General Fund Revenue Balances</b>				
<b>General Fund Revenue Balances b/f</b>	<b>(4,272)</b>	<b>(4,272)</b>	0	-
Recommended transfer to general fund revenue balances	0	(299)	(299)	Fav
<b>General Fund Revenue Balances c/f</b>	<b>(4,272)</b>	<b>(4,571)</b>	<b>(299)</b>	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.

## 2020/21 Revenue Outturn 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, and overtime, plus agency costs	9,486	9,260	-226	FAV	There has been a favourable outturn variance against the latest budget for employee costs across the organisation (including the impact of 'turnover savings' i.e. natural delays in the recruitment to vacant posts).
Covid Support Funding	Government Grant Funding	-1,344	-1,748	-404	FAV	Throughout 2020/21 the government provided various tranches of funding to support councils in responding to the impacts of the 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 £167k of unbudgeted grant funding for the administration of BEIS business support grants (which was delivered from existing staffing resources) and £237k of unbudgeted grant funding from LCC in respect of support for Clinically Extremely Vulnerable residents, which again was delivered from existing staffing resources.
Authority Wide	Repairs and maintenance of buildings	206	185	-21	FAV	The authority-wide budget for the ongoing repair and maintenance of council owned assets is underspent during 2020/21. £18k of the underspend relates to scheduled works at Snowdon Road depot which were delayed due to covid restrictions. A slippage request has been submitted for this element of the underspend so these works can be carried out during 2021/22.
Organisational Improvement Costs	Organisational Improvement Costs	20	11	-9	FAV	A number of events and activities to support staff development and organisational improvement were planned for 2020/21 but have been delayed due to the pandemic. A slippage request has been made to re-phase this work into 2021/22.
<b>Sub total</b>		<b>8,368</b>	<b>7,708</b>	<b>-660</b>	<b>Favourable</b>	

### TOURISM AND LEISURE COMMITTEE

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Reason for Variance
Tourism & Leisure	Games site fee income	-34	-11	23	ADV	Income projections from game sites were reduced to reflect the closure of facilities due to covid restrictions. Outturn income was less than expected resulting in this adverse variance.
Fylde Tourism	Events and Attraction Costs	8	1	-7	FAV	Due to the reduced number of events as a result of covid restrictions, this budget was little used, but a slippage request is made to allocate the funds to 2021/22 for potential additional events as we hopefully emerge from covid restrictions.
Parks Mobile & Arbor Team	Computer - Program / Licence Charges	6	0	-6	FAV	This favourable outturn variance has arisen as a result of unspent budget allocation for Tree Inspection Software to be originally procured in 2020. Due to the impacts of Covid-19 the supplier was not in operation. Slippage is required to allow for this action to be completed in line with audit recommendations for tree management.
Parks Development - Lytham & St Annes	Drives and paths	20	14	-6	FAV	This budget was earmarked as a match contribution for works associated with the Fairhaven HLF Project - but it was later confirmed it was no longer required so could be reinvested back into general park improvements. A slippage request has been submitted for the unspent amount.
Parks Development - Lytham & St Annes	Comm Projects & Initiatives	15	8	-7	FAV	A number of community projects scheduled to be delivered in 2020/21 financial year were delayed due to covid restrictions and are now planned to be delivered during 2021/22 including community park landscaping projects, improved community and recreational facilities, Green Flag Award applications and associated site improvements. A slippage request has been made for this budget.
Coast and Countryside	Purchase of Equipment	16	6	-10	FAV	Planned expenditure on beach wheelchairs was delayed due to covid restrictions resulting in this favourable variance. A slippage request has been made to deliver this in 2021/22.
Coast and Countryside	Consultants fees	70	84	14	ADV	There has been some accelerated spend against the budget which is profiled over 2020/21 and 2021/22 for consultants fees in relation to sand extraction development studies on St Annes foreshore, which has resulted in this adverse variance.
Persimmon Conservation Project	Environmental Projects	5	0	-5	FAV	Due to Covid-19 measures delays have been experienced on this project. The first element of the scheme to re-grade the dunes has been completed. The signage and access elements are yet to be completed once manufacturers are fully operational and are to provide the necessary services to provide the signage and materials. Slippage is requested in respect of the balance of funding to ensure the successful continuation and completion of the project.
<b>Sub total</b>		<b>106</b>	<b>102</b>	<b>-4</b>	<b>Favourable</b>	

## FINANCE &amp; DEMOCRACY COMMITTEE

Appendix B (cont'd)

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Reason for Variance
ICT	Purchase of Computer Equipment / Improvements to ICT resilience and recovery arrangements.	427	293	-134	FAV	A number of planned improvements have been delayed due to the pandemic. The increased requirement for remote working by staff and for enhanced communications services has led to an ongoing review of planned ICT developments and a range of additional improvements are now scheduled for 2021/22, including: unification and continual improvement work of network security resources including firewall and remote authentication to mitigate against ongoing cyber threats; and the replacement and migration of major line of business ICT systems. A slippage request from the computer equipment purchase costs budget is now being made to allow this work to be delivered in 2021/22.
Corporate	Bank Charges	93	103	10	ADV	There have been additional bank charges for card transactions across the organisation during the year as there has been increased online payment activity, including as a result of the pandemic.
Housing Benefits	Rent Allowances (net), including subsidy from govt, Discretionary Housing Payments and Overpayment recovery	63	107	44	ADV	Demand-led Housing Benefit expenditure, net of government funding to support this via Housing Benefit Subsidy, was higher than the budgeted level, and overpayment recoveries were less than forecast leading to this adverse outturn variance.
Finance Administration	Computer - Program / Licence Charges	93	62	-31	FAV	Planned development of the corporate financial ledger system during 2020/21 to provide a fully hosted cloud based cash receipting and bank reconciliation system to reduce reliance on complex spreadsheet reconciliations was delayed because of the pandemic. A slippage request has been made to deliver this improvement in 2021/22.
<b>Sub total</b>		<b>676</b>	<b>565</b>	<b>-111</b>	<b>Favourable</b>	

## OPERATIONAL MANAGEMENT COMMITTEE

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Reason for Variance
Public Conveniences	Income	-23	-36	-13	FAV	Additional income due to increased usage of the public conveniences due to higher than expected levels of visitors and local holiday makers during pandemic.
Trade Waste Service	Income, net of tipping charges	-201	-169	32	ADV	The trade waste service was suspended due to premises closures and reduced operations during lockdowns; customer accounts adjusted accordingly with impact on income - collection & waste disposal budgets resulting in this adverse variance.
Land charges	Fees and charges income	-28	-46	-18	FAV	The property market has been buoyant during the pandemic which has led to the generation of additional income.
Cemetery and Crematorium	Income	1,300	1,260	-40	FAV	Income estimates have been adjusted during the year to reflect anticipated income levels, which at outturn have been slightly below those estimated, resulting in this adverse variance.
Highways Cleansing	Weed Control	22	9	-13	FAV	Budget underspend due to suspension of contractor service during pandemic.
Waste Management	Fleet Costs	601	411	-190	FAV	There are several favourable variances in respect of vehicle costs. Some are due to the fact that a number of vehicles have been acquired in the past few years and are covered under warranty, replacing older and more expensive to maintain vehicles. Additionally fuel costs have been lower than anticipated resulting in this favourable outturn variance.
<b>Sub total</b>		<b>1,671</b>	<b>1,429</b>	<b>-242</b>	<b>Favourable</b>	

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Reason for Variance
Homelessness	Bed and breakfast expenditure, void loss costs, net of housing benefit and universal credit repayments	130	55	-75	FAV	In response to the pandemic additional funding has been received from MHCLG under the "Everyone In" Policy, with funding being awarded via Next Steps Framework. Accordingly there has been reduced demand on standing budgets.
Mortgage reposessions	Mortgage repossession grants	20	0	-20	FAV	In 2009/10 DCLG allocated £23.5k to Fylde Council to assist in preventing homelessness as a result of mortgage repossession or landlord repossession and in 2012 provided a further £30k for the same purpose. A policy is in place such that the unspent balance of funding is carried forward as slippage to be used the following year.
Licensing	Hackney Carriage Driver and Premises Licenses	-105	-83	22	ADV	There have been fewer annual licence renewals during the year due to the impact of Covid-19, resulting in this adverse variance.
Housing Standards	Care and repair service	30	0	-30	FAV	The Care and Repair service was not carried out during 2020/21 while a review was carried out, resulting in this favourable variance. A trial scheme with Preston Care and Repair has recently been approved for 2021/22.
Housing Standards	Disabled Facilities Grant Fees	-118	-145	-27	FAV	Additional fee income has been received from additional DFG capital spend during the year as the programme of DFG programme of works which initially stalled at the start of the pandemic picked up significantly during the latter parts of the financial year.
<b>Sub total</b>		<b>-43</b>	<b>-173</b>	<b>-130</b>	<b>Favourable</b>	

PLANNING COMMITTEE

Appendix B (cont'd)

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Reason for Variance
Development Management	Consultants and Archaeology Fees	37	27	-10	FAV	Due to the nature of applications received during the year, the requirement to appoint external consultants to provide specialist advice to assist in the determination of planning applications was lower than expected in total, resulting in this favourable outturn variance.
Development Management	Planning application fee income, including pre-planning advice	-330	-359	-29	FAV	Planning fee income is closely monitored through the MTFS. The reduction in the number of major planning applications and associated fees resulted in the expected fee income being revised from £665,000 to £330,000 during 2020/21. Although the fee income has recovered over the revised expectation, it remains significantly below the original estimate. Government has recognised the impact of the pandemic on local authority fee income and measures have been put in place to allow the council to be compensated for part of this loss of income.
Planning Appeals	Planning Appeal Hearing Costs	54	0	-54	FAV	There have been no major planning appeals during the year. The recent adoption of the local plan and the council's ability to demonstrate a 5 year supply of housing land is likely to have reduced the number of appeals over previous years.
Planning Enforcement	Enforcement Costs	30	0	-30	FAV	This money has been identified to address breaches of planning control at a specific site. In accordance with national guidance and restrictions imposed during the coronavirus pandemic it has not been possible to pursue this case. Accordingly a slippage request has been submitted for consideration.
Development Management	Consultants Fees	30	0	-30	FAV	Fewer major applications were received during the year that required external specialist advice to assist in their determination. It is presumed that the reduction on major applications was a direct result of the coronavirus pandemic and that applications will return to normal levels as the economic recovery continues.
Planning Policy	Local Development Framework Costs	15	0	-15	FAV	The review of the local plan is progressing, but was delayed due to coronavirus pandemic. It is intended that the plan review will progress through this year and so a slippage request has been submitted.
Economic Regeneration	Consultants Fees	150	0	-150	FAV	This budget is allocated as funding towards the St Annes Town Centre/Island Strategy and master plan. The work is currently out to tender and will be completed during 2021/22 and a slippage request has been submitted for consideration in order deliver this work.
Economic Regeneration	Contribution from Funding Volatility Reserve to fund the consultants fees above	-150	0	150	ADV	The above works are being funded from the Funding Volatility Reserve, and the transfer from the reserve will be slipped along with the expenditure budget above.
Building control	Income from fees and charges	-85	-158	-73	FAV	The service has seen an increase in workload from small scale domestic developments during the pandemic, most likely due to residents having increased time and resource to invest in their property over the various periods of travel restrictions, which has resulted in this favourable outturn variance.
<b>Sub total</b>		<b>-249</b>	<b>-490</b>	<b>-241</b>	<b>Favourable</b>	

<b>Other minor variances</b>	<b>-54</b>	<b>Favourable</b>
<b>Total Variances - Net Budget Requirement</b>	<b>-1,442</b>	<b>Favourable</b>



## Requests to transfer 2020/21 budget to 2021/22




Service Area	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if not approved
<b>AUTHORITY-WIDE BUDGETS</b>				
Authority Wide	Repairs and maintenance of buildings	18	The authority-wide budget for the ongoing repair and maintenance of council owned assets is underspent during 2020/21. £18k of the underspend relates to scheduled works at Snowdon Road depot which were delayed due to covid restrictions.	Without the relevant slippage the planned maintenance budget for 2021/22 across the whole estate would need to be reviewed due to shortfall in budget.
Organisational Improvement	Organisational Improvement Costs	6	Events and activities not possible due to COVID regs to be delivered in 2021/22	No significant risk the activities are civic / mayoral / staff recognition & reward / Leaders events.
<b>Sub-total</b>		<b>24</b>		
<b>OPERATIONAL MANAGEMENT COMMITTEE</b>				
Recycling Project	Purchase of hessian sacks / printing	21	The council received grant income from LCC during 2019/20 for the delivery of a recycling project involving the purchase of hessian sacks. The project was delayed as a result of the pandemic, and this slippage request has been made to deliver this project.	The requested slippage is in order to be able to deliver the scheme funded by the grant. If the slippage is not approved, then the grant will become repayable to LCC.
<b>Sub-total</b>		<b>21</b>		
<b>FINANCE &amp; DEMOCRACY COMMITTEE</b>				
Revenues and Benefits Service - Central Costs	Council Tax Reduction Scheme (CTRS) - Hardship Fund	4	This represents the balance of the original £10k allocation of funding for this purpose which is carried forward to next financial year to provide some 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.
Computer Services	Purchase of Computer Equipment / Improvements to ICT resilience and recovery arrangements.	134	A number of planned improvements have been delayed due to the pandemic. The increased requirement for remote working by staff and for enhanced communications services has led to an ongoing review of planned ICT developments and a range of additional improvements are now scheduled for 2021/22, including: unification and continual improvement work of network security resources including firewall, offline/ cloud backups, and virtual desktop infrastructure capacity to mitigate against ongoing cyber threats and meet increased demand; the replacement and migration of major line of business ICT systems and legacy server infrastructure to support dynamic working and additional remote connectivity. A slippage request from the computer equipment purchase costs budget is now being made to allow this work to be delivered in 2021/22.	Without the requested slippage the planned ICT improvements would not be deliverable.
Finance Admin Team	Computer - Program Licence Charge	31	Civica Hosted Distribution - Provides a fully hosted cloud based cash receipting and bank reconciliation system.	Delivers greater efficiencies, reduces reliance on complex and error prone spreadsheet reconciliations and creates a stronger foundation for new technologies and innovation.
<b>Sub-total</b>		<b>169</b>		

Service Area	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if not approved
<b>ENVIRONMENT, HEALTH &amp; HOUSING COMMITTEE</b>				
Environmental Protection Team	LCC Covid-19 Support Grant	16 -16	Funding has been awarded from Lancashire County Council to appoint a Protection Practitioner to work within the Environmental Protection Team. The resource is to supplement the Council's own resources to help respond to the current COVID-19 response	If the slippage were not to be approved this additional resource would have to cease and the funding be returned to Lancashire County Council.
Community Safety	Community Safety Initiatives	12 -12	Community Safety funding is now significantly diminished due to the fact that external grants are no longer being received, other than for smaller amounts of funding, for example, from the Police and Crime Commissioner. The intention is to manage the limited resources prudently and when such usage is most effective. As a result of Covid, there has been a delay in the delivery of activities and consequently a slippage request has been made to transfer the remaining resource into 2021/22. It is possible that not all of this will be used in 2021/22 and a future request to transfer funding beyond 2021/22 may be made. The Grant monies are specifically for Community Safety Initiatives as stipulated by the LSP until such time as the money is fully spent.	If the slippage were not to be approved this would have a detrimental effect on the funding local community safety initiatives. The initiatives are aimed at addressing particular crime or anti-social behaviour issues within Fylde and the monies would have to be repaid to Lancashire County Council. At the cessation of the LSP an undertaking was given to utilise the funding for the agreed purposes. It is unclear what would be the consequence if that undertaking were not honoured.
Housing, Homelessness and Housing Advice	Mortgage Repossessions - Grants & Loans	20 -20	In 2009/10 DCLG allocated £23.5k to Fylde Council to assist in preventing homelessness as a result of mortgage repossession or landlord repossession and in 2012 provided a further £30k for the same purpose. A policy is in place such that the unspent balance of funding is carried forward to be used the following year, subject to general budget pressures permitting. Funding for project as described above.	If the slippage were not to be approved the mortgage repossession prevention work could not continue. As this is grant funding that can only be used for mortgage repossession prevention work the funding would need to be returned to central government if not used for the intended purpose.
Housing, Homelessness and Housing Advice	Community Housing Fund	10 -10	Complete building survey of all blocks on the development. Tendering exercise undertaken by CASS associates and preferred contractor has been chosen. Funding includes element for Peter Hamilton Associates to engage with community group to assist in process for undertaking the survey and understanding results. Funding for project as described above.	Without the requested slippage the commitments made under Phase 2 to undertake building survey and community engagement work would not progress.
Housing, Homelessness and Housing Advice	Homeless Reduction Act Initiatives	28 -28	Funding specifically for HRA initiatives to support LA housing services. Latest report to committee for spend 05/01/21 committed spend up to 2020/21 for Rapid Rehousing Officer post continuation and customer service role. Remaining funding to go into HRA initiatives. Funding for project as described above.	Without the requested slippage initiatives to support vulnerable households as a result of the Homeless Reduction Act would not be able to be taken forward.
Housing, Homelessness and Housing Advice	16 / 17 Year old homelessness Grant	4 -4	The grant has been used to deliver an E-learning course developed by YMCA to be to run for 3 years from 01/04/2019. The 2019/20 funding established a mobile application and annual license fee commitment for next 3 years. Funding for project as described above.	This grant funding can only be used for projects associated with preventing homelessness for 16/17 year olds. Without the requested slippage the full 3 year initiative could not be delivered.
Rapid Re-housing Project	Rapid Re-housing Project	1 -1	The final element of MHCLG Rough Sleeping Pathway Funding for the Navigator/Supported Officer (Rapid Rehousing Officer) includes funding to support individuals into accommodation. No restrictions covers a range of support needs from carpets to Aldi vouchers. Funding for project as described above.	This grant funding can only be used for projects associated with rough sleeping pathway. Without the requested slippage the personal budgeting support would be removed and the funding returned.
Trailblazer Funding	Trailblazer remaining funding to be used for No Second Night Out	3 -3	Govt announced <b>Everyone In</b> as a response to Covid 19 and funding has been provided by Cold Weather Fund, next Steps and Protect Plus to assist to offset additional B&B costs. Requirement for budget for 20/21 for NSNO was minimal. Funding for project as described above.	Without the requested slippage the Council would incur the costs of No Second Night Out and the funding would be returned.
Housing, Homelessness and Housing Advice	Landlord Incentive Scheme	4	This budget is set up with DFG management fee income to incentivise Landlords to accept clients with rent in advance and rent bond payments and energy efficiency measures to support homeless prevention and housing	Without the requested slippage opportunities to deliver initiatives to support collaborative working with private landlords would be lost.
<b>Sub-total</b>		<b>4</b>		

Service Area	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if not approved
PLANNING COMMITTEE				
Planning Enforcement	Enforcement Costs	30	The proposed enforcement action was not taken having regard to national guidance regarding such matters during the coronavirus pandemic	This funding has been set aside to address a particular site were breaches of planning control are ongoing. Funds have been set aside in order to ensure that these breaches can be addressed.
Planning Policy	Local Development Framework Costs	15	The review of the local plan has been delayed as a result of the coronavirus pandemic	The review of the local plan is ongoing and costs will be incurred as the process continues. Failure to continue with the review will mean that the local plan will be deemed to be out of date with potential for unallocated sites to be put forward for development which will lead to additional costs in defending planning appeals.
Economic Regeneration	Consultants Fees	150	This funding has been set aside to complete the St Annes Town Centre and Island Strategy and Masterplan which will now be completed during 2021/22	The St Annes Town Centre/Island Strategy and Masterplan is a key objective in the Corporate Plan. The strategy and masterplan will be a key piece of work that will guide future investment in the town centre and will be used to support bids for external funding to help secure the future of the town centre.
Economic Regeneration	Contribution from Funding Volatility Reserve	-150	The above work is being funded from the Funding Volatility Reserve, so it is necessary to slip the contribution from the reserve along with the expenditure budget.	See above.
<b>Sub-total</b>		<b>45</b>		

Service Area	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if not approved
<b>TOURISM AND LEISURE COMMITTEE</b>				
Coast and Countryside	Environmental Projects - Persimmon Project	5	Due to Covid-19 measures delays have been experienced on this project. The first element of the scheme to re-grade the dunes has been completed. The signage and access elements are yet to be completed once manufacturers are fully operational and are to provide the necessary services to provide the signage and materials. Slippage is requested in respect of the balance of funding to ensure the successful continuation and completion of the project.	It is necessary to slip the revenue budget to ensure the successful continuation and completion of the project.
		-5	£106 contributions approved to fund the project.	
Coast and Countryside	Purchase of Equipment	10	Due to Covid-19 restrictions there has been an underspend on beach equipment and beach wheelchairs	The slippage request would fund additional equipment associated with beach wheelchairs and would be based out of the wind sports centre / Trax facility once brought back into the Council. We have two chairs that have unfortunately not been able to be used due to covid restrictions, but would hope to implement and extend this project wider with this slippage request.
Parks Mobile & Arbor Team	Computer - Program Licence Charges	6	Due to Covid-19 delays have been experienced in procuring the tree inspection software due to impact on the suppliers	Unable to fulfil the audit action of improving inspections and associated records through the procurement of new Arbortrek Tree Inspection software / hardware.
Fylde Tourism	Events & Attraction Costs	7	Due to Covid-19 restrictions the budgets weren't used in 20/21 but would be able to support additional events in 21/22	There is a potential opportunity to support additional events should covid conditions allow for these to take place in 2021 / 22, especially out of season events. The budget code had not been used as much as hoped due to covid restrictions, but should there be an opportunity to further support 3rd party events if covid allows, this funding could be made available to attract in additional events.
Parks Development - Lytham & St. Annes	Community Projects & Initiatives	7	Cessation of community projects during 20/21 due to Covid-19 pandemic.	Community projects still pending from 20/21 financial year to be delivered during 21/22 including community park landscaping projects, improved community and recreational facilities, Green Flag Award applications and associated site improvements. The risk to the slippage request will be the reduction of site improvements and reduction in our capacity to design and deliver community based projects.
	Drives & Paths Maintenance	6	Budget was earmarked as a match contribution for works associated with the Fairhaven HLF Project - but it was later confirmed it was no longer required so could be reinvested back into general park improvements.	The £6,000 is required for reinvestment into park and open space pathway improvements - this includes reducing public risk by filling tarmac potholes, playground access path resurfacing and formal gardens path resurfacing. The risk is that identified path hazards will take longer to repair and the scope of what we are able to achieve will reduce.
<b>Sub-total</b>		<b>36</b>		
<b>Total Revenue Slippage</b>		<b>299</b>		

**CAPITAL OUTTURN 2020/21**

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

APPROVED SCHEMES	Head of Service / Budget Holder	Latest Budget 2020/21 £000	Actual Outturn £000	Variance £000	Variance	See key	Slippage £000	Comments
<b>FINANCE &amp; DEMOCRACY COMMITTEE</b>								
Purchase of Land Adjacent to Squires Gate Station	Darren Bell	5		5	Underspent	▲	-5	A report is being considered by Finance and Democracy Committee on 28 June seeking authority to proceed with a compulsory purchase order to acquire the site. Slippage of £5k is requested.
Lytham Hall Driveway	Paul Walker	52	52	0	On target	😊		The scheme has been completed within the approved budget during the year.
<b>Sub total</b>		<b>57</b>	<b>52</b>	<b>5</b>			<b>-5</b>	
<b>TOURISM &amp; LEISURE COMMITTEE</b>								
Fairhaven Lake & Promenade Gardens Restoration	Mark Wilde	1,199	791	408	Underspent	▲	-408	Building / landscaping works and the lake works project are scheduled to be completed during 2021/22. Slippage of £408k is requested.
Fairhaven Adventure Golf	Mark Wilde	491	489	2	Underspent	▲		The scheme has been completed within the approved budget during the year.
Staining Playing Fields Development Scheme	Mark Wilde	94	51	43	Underspent	▲	-43	The drainage contract has now been completed and plans for landscaping works are currently being developed with project completion anticipated during 2021/22. Slippage of £43k is requested.
Coastal Signage Improvements	Darren Bell	97	29	68	Underspent	▲	-68	Phases 1 and 2 (Consolidation / Rationalisation and Digital Beach Signs) are currently in progress. Internal construction works for the selected locations are being prepared. Phases 3-5 (Beach Safety, Waymarking & Directional and Heritage and Interpretation) are currently being implemented and will be completed in 2021/22. Slippage of £68k is requested.
Open Space access control measures	Mark Wilde	15	13	2	Underspent	▲		The scheme has been completed within the approved budget during the year.
Fylde Sand Dunes Improvement Scheme	Mark Wilde	46		46	Underspent	▲	-46	The first phase of the scheme to regrade the dunes opposite the Persimmon Homes development has now been successfully completed. Works are expected to be completed for the second and third phases of the scheme - which include new dune entrance ways and signage during 2021/22. Slippage of £46k is requested.
Improvements to Children's Play Areas	Mark Wilde	50	49	1	Underspent	▲		The scheme has been completed within the approved budget during the year.
Blackpool Road North Playing Fields Drainage	Darren Bell	75	20	55	Underspent	▲	-55	Works started in March 2021 and will be completed during 2021/22. Slippage of £55k is requested.
<b>Sub total</b>		<b>2,067</b>	<b>1,442</b>	<b>625</b>			<b>-620</b>	

## Appendix D (Cont'd)

APPROVED SCHEMES		Latest Budget 2020/21 £000	Actual Outturn £000	Variance £000			Slippage £000	Comments
<b>OPERATIONAL MANAGEMENT COMMITTEE</b>								
Replacement Vehicles	Kathy Winstanley	529	490	39	Underspent	▲	-39	A number of operational vehicles of a bespoke specification have been commissioned but were not delivered to the Council by the year-end. Slippage of £39k is requested in this regard and the vehicles are now expected to be received in the early part of the financial year 2021/22.
Car Park Improvements	Darren Bell	20	20	0	On target	😊		The scheme has been completed within the approved budget during the year.
Public Transport Improvements	Darren Bell	108	18	90	Underspent	▲	-90	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 of £90k is requested in order that the full amount may be paid to LCC in later years at the appropriate point in time.
Fairhaven and Church Scar Coast Protection including Public Realm Works and Stanner Bank car park - barrier scheme	Darren Bell	330	307	23	Underspent	▲	-10	Slippage of £10k relates to some Sand Dune improvement works on the Dunes North of Fairhaven Lake. This was an outstanding condition of the Fairhaven Coastal Defence scheme which Environment Agency Grant in Aid can be claimed.
St Anne's Sea Wall	Darren Bell	300	300	0	On target	😊		The scheme has been completed within the approved budget during the year.
Accommodation/ facilities at Snowdon Road Depot - Welfare Improvements	Darren Bell	64	208	-144	Overspent	🚫	144	There has been an accelerated spend on Accommodation/ facilities at Snowdon Road Depot - Welfare Improvements during 2020/21. The remaining budget for 2021/22 will be reduced by £144k to offset the additional spend for 2020/21.
Toilet facilities and perimeter fencing at the Splash Park facility	Darren Bell	185	120	65	Underspent	▲		The scheme has been completed within the approved budget during the year with a scheme underspend of £65k. This is mainly attributed to relatively easy service connections to the main sewer.
Charging Infrastructure for Electric Taxis	Darren Bell	150		150	Underspent	▲	-150	Contractors are liaising with Electricity Northwest regarding technical issues for each site. Timescales have been delayed by covid restrictions and the current revised timescale anticipates full project completion during 2021/22. Slippage of £150k is requested.
Pleasant Street Car Park Toilet Refurbishment	Darren Bell	82	82	0	On target	😊		The scheme has been completed within the approved budget during the year.
Cemetery and Crematorium - Infrastructure Phase 3a	Darren Bell	76	76	0	On target	😊		The scheme has been completed within the approved budget during the year.
Cemetery and Crematorium - Infrastructure Phase 3b	Darren Bell	220	185	35	Underspent	▲	-35	The main project is now complete. Additional landscaping, surfacing and drainage works will be completed during 2021/22. Slippage of £35k is requested.
Outdoor Digital Signage	Mark Evans	32	2	30	Underspent	▲	-30	The outdoor digital signage proposal has been referred to the Town Centres Working Group in order to consider alternative siting proposals that will be more suitable in the conservation area location in which they are proposed. Various options are currently being examined and it is expected that the projects will be delivered within 2021/22. Slippage of £30k is requested.
<b>Sub total</b>		<b>2,096</b>	<b>1,808</b>	<b>288</b>			<b>-210</b>	

## Appendix D (Cont'd)

APPROVED SCHEMES		Latest Budget 2020/21 £000	Actual Outturn £000	Variance £000			Slippage £000	Comments
<b>ENVIRONMENT, HEALTH &amp; HOUSING COMMITTEE</b>								
Disabled Facilities Grants (DFG) Programme	Mark Evans	1,276	1,170	106	Underspent	▲	-106	Following earlier delays in activity due to covid restrictions the grant programme is now progressing as normal and all of the original funding has been fully spent by the end of 2020/21. A further top up grant was provided in December 2020 amounting to £146k which has resulted in a request for £106k to be slipped into 2021/22.
Housing Needs Grant	Mark Evans	27		27	0	▲	-27	This money relates to repayment of DFG previously made by the council in the event that a property is subsequently sold. The repayments are utilised to offset any abortive professional costs related to proposed DFG awards that do not go ahead. Slippage of £27k is requested.
Progress Housing Buy Backs	Mark Evans	58		58	Underspent	▲	-58	Finance & Democracy Committee in November 2020 approved a fully funded addition to the Capital Programme – ‘Progress Housing Buy Backs’ in 2020/21 for £57,500 to be met from a portion of S106 developer contributions for affordable housing currently held by the Council for this purpose and authorised the required expenditure for the capital grant payment in 2020/21 to Progress Housing Association, totalling £57,500. Delays to the scheme have resulted in this slippage request of £58k.
Affordable Housing Scheme, Lytham Road, Warton	Mark Evans	130		130	Underspent	▲	-130	Council (19/10/20) approved a scheme for affordable housing on Lytham Road Warton, utilising S106 funding. phased equally over two financial years (2020/21 and 2021/22), the sum of £260,000 to be fully funded from a portion of the balance of S106 developer contributions for affordable housing currently held by the Council for this purpose (from Agreement ref: 12/0717 - Moss Farm, Cropper Road, Westby). Delays to the scheme have resulted in this slippage request of £130k.
<b>Sub total</b>		<b>1,491</b>	<b>1,170</b>	<b>321</b>			<b>-321</b>	

## Appendix D (Cont'd)

APPROVED SCHEMES		Latest Budget 2020/21 £000	Actual Outturn £000	Variance £000			Slippage £000	Comments
<b>PLANNING COMMITTEE</b>								
St Annes Regeneration Schemes	Mark Evans	97	73	24	Underspent	▲	-24	The funding is specifically aimed at delivering the Wood Street (Phase 3) Scheme. Any residual amounts unspent will be directed towards the implementation of the next phase of the regeneration scheme. Slippage of £24k is requested.
Kirkham Public Realm Improvements	Mark Evans	5	2	3	Underspent	▲	-3	This is a residual amount from the last phase of regeneration works allocated for signage which will now be delivered in 2021/22. Slippage of £3k is requested.
M55 Link Road (Inc. S106 monies for design work)	Mark Evans	208	86	122	Underspent	▲	-122	The accelerated delivery of the M55 Link Road is subject to a funding package made up from a number of sources. Due to issues with securing a commitment to the project from all partners, it was not possible to progress the road project in 2020/21. Negotiations have now been concluded and work is programmed to commence in June 2021. As the project progresses, further work to refine the design will be necessary and so slippage of £122k is requested.
Ansdell / Fairhaven - Public Realm Scheme	Mark Evans	10	27	-17	Overspent	⊘		During the course of construction of this scheme unexpected issues relating to a cellar at an adjacent property requiring additional work and a requirement to provide additional bollards to ensure pedestrian safety were identified resulting in an increase in costs associated with this scheme and a subsequent overspend which exceeded the identified contingencies.
Kirkham and Wesham Station	Mark Evans	15		15	Underspent	▲	-15	This funding was identified to allow a feasibility study to be carried out which would examine the alternative proposals available to deliver off street parking at Kirkham and Wesham Station. This has been delayed as a result of changes to the rail franchise operating on the Preston-Blackpool Line, but the project is now progressing. Slippage of £15k is requested.
Future High Street Fund: Kirkham	Mark Evans	100	83	17	Underspent	▲	-17	This is a government-funded scheme with delivery phased over a number of years. Funding is being utilised on a staged basis in connection with consultant requirements to deliver the detailed business case. Slippage of £17k is requested.
Wesham Community Centre	Mark Evans	59	27	32	Underspent	▲	-32	This scheme was programmed to commence in early October 2020, Whilst preliminary ground works have commenced a national shortage of building materials had meant that there was a 6 - 8 week lead in for delivery of some of the required materials which had led to a delay. The project will be completed during 2021/22. Slippage of £32k is requested.
Kirkham Heritage Action Zone	Mark Evans	300	123	177	Underspent	▲	-177	This is a 4 year programme with spending being spread across the programme period. Delays of approx 6 months have resulted from the Coronavirus pandemic and officers are currently working with Historic Engalnd to agree a reprofiling of the spend. Slippage of £177k is requested.
<b>Sub total</b>		<b>794</b>	<b>421</b>	<b>373</b>			<b>-390</b>	
<b>Total Expenditure</b>		<b>6,505</b>	<b>4,893</b>	<b>1,612</b>			<b>-1,546</b>	



## Capital Slippage 2020/21

Appendix E

### Requests to transfer 2020/21 Budget to 2021/22

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
<b>FINANCE &amp; DEMOCRACY COMMITTEE</b>				
Purchase of Land Adjacent to Squires Gate Station	Purchase of Land	5	A report is being considered by Finance and Democracy Committee on 28 June seeking authority to proceed with a compulsory purchase order to acquire the site.	If the slippage were not to be approved there would be insufficient approved funding in 2021/22 to complete the land purchase.
	<b>Sub-total</b>	<b>5</b>		
<b>TOURISM &amp; LEISURE COMMITTEE</b>				
Fairhaven Lake & Promenade Gardens Restoration	Building Works and Improvements	408	Building / landscaping works and the lake works project are scheduled to be completed during 2021/22.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Staining Playing Fields Development Scheme	Building Works and Improvements	43	The drainage contract has now been completed and plans for landscaping works are currently being developed with project completion anticipated during 2021/22.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Coastal Signage Improvements	Building Works and Improvements	68	Phases 1 and 2 (Consolidation / Rationalisation and Digital Beach Signs) are currently in progress. Internal construction works for the selected locations are being prepared. Phases 3-5 (Beach Safety, Waymarking & Directional and Heritage and Interpretation) are currently being implemented and will be completed in 2021/22.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Fylde Sand Dunes Improvement Scheme	Building Works and Improvements	46	The first phase of the scheme to regrade the dunes opposite the Persimmon Homes development has now been successfully completed. Works are expected to be completed for the second and third phases of the scheme - which include new dune entrance ways and signage during 2021/22.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Blackpool Road North Playing Fields Drainage	Building Works and Improvements	55	Works started in March 2021 and will be completed during 2021/22.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
	<b>Sub-total</b>	<b>620</b>		

## Appendix E (Cont.)

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
<b>OPERATIONAL MANAGEMENT COMMITTEE</b>				
Replacement Vehicles	Purchase of Vehicles	39	A number of operational vehicles of a bespoke specification and with long build times have been commissioned but were not delivered to the Council by the year-end. Slippage is requested in this regard and the vehicles are now expected to be received in the early part of the financial year 2020/21.	If the slippage were not to be approved the vehicles would have to be funded from the 2021/22 budget for vehicle replacements which would impact on the delivery of future years of the vehicle replacement schedule.
Public Transport Improvements	Payment of S106 Developer Contributions to Lancashire County Council for enhanced public transport provision	90	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 of the unspent amount of £90k is requested in order that the full amount may be paid to LCC in later years at the appropriate point in time.	If the slippage were not to be approved the payments to LCC under the agreement would have to be funded from other resources.
Fairhaven and Church Scar Coast Protection	Building Works and Improvements	10	Slippage of £10k relates to some Sand Dune improvement works on the Dunes North of Fairhaven Lake. This was an outstanding condition of the Fairhaven Coastal Defence scheme which Environment Agency Grant in Aid can be claimed.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Accommodation facilities at Snowdon Road Depot	Building Works and Improvements	-144	There has been an accelerated spend on Accommodation facilities at Snowdon Road Depot in 2020/21. The budget for 2021/22 will be reduced by £144k to offset the additional spend for 2020/21.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Charging Infrastructure for Electric Taxis	Building Works and Improvements	150	Contractors are liaising with Electricity Northwest regarding technical issues for each site. Timescales have been delayed by covid restrictions and the current revised timescale anticipates full project completion during 2021/22.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Cemetery and Crematorium - Infrastructure Works	Building Works and Improvements	35	The main project is now complete. Additional landscaping, surfacing and drainage works will be completed during 2021/22.	If the slippage were not to be approved there would be insufficient funding in 2020/21 to deliver the full scheme as specified.
Outdoor Digital Signage	Building Works and Improvements	30	The outdoor digital signage proposal has been referred to the Town Centres Working Group in order to consider alternative siting proposals that will be more suitable in the conservation area location in which they are proposed. Various options are currently being examined and it is expected that the projects will be delivered within 2021/22.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
<b>Sub-total</b>		<b>210</b>		

## Appendix E (Cont.)

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
<b>ENVIRONMENT, HEALTH &amp; HOUSING COMMITTEE</b>				
Disabled Facilities Grants (DFG) Programme		106	Following earlier delays in activity due to covid restrictions the grant programme is now progressing as normal and all of the original funding has been fully spent by the end of 2020/21. A further top up grant was provided in December 2020 amounting to £146k which has resulted in a request for £106k to be slipped into 2021/22.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Housing Needs Grant		27	Housing Needs grant awards are dependent on the repayments received by the sale of properties where DFG grant has previously been provided. The funding to be used where professional services been provided, such as architectural fees, but the DFG grant has not gone ahead.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Progress Housing Buy Backs		58	Finance & Democracy Committee in November 2020 approved a a fully funded addition to the Capital Programme – ‘Progress Housing Buy Backs’ in 2020/21 for £57,500 to be met from a portion of S106 developer contributions for affordable housing currently held by the Council for this purpose and authorised the required expenditure for the capital grant payment in 2020/21 to Progress Housing Association, totalling £57,500. Delays to the scheme have resulted in this slippage request.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Affordable Housing Scheme, Lytham Road, Warton		130	Council (19/10/20) approved a scheme for affordable housing on Lytham Road Warton, utilising S106 funding. phased equally over two financial years (2020/21 and 2021/22), the sum of £260,000 to be fully funded from a portion of the balance of S106 developer contributions for affordable housing currently held by the Council for this purpose. Delays to the scheme have resulted in this slippage	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
<b>Sub-total</b>		<b>321</b>		

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
<b>PLANNING COMMITTEE</b>				
St Annes Regeneration Schemes	Regeneration Scheme	24	The funding is specifically aimed at delivering the Wood Street (Phase 3) Scheme. Any residual amounts unspent will be redirected towards the implementation of the next phase of the regeneration scheme.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Kirkham Public Realm Improvements	Regeneration Scheme	3	This is a residual amount from the last phase of regeneration works allocated for signage which will now be delivered in 2021/22.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
M55 Link Road - Design Fees	Design fees	122	The accelerated delivery of the M55 Link Road is subject to a funding package made up from a number of sources. Due to issues with securing a commitment to the project from all partners, it was not possible to progress the road project in 2020/21. Negotiations have now been concluded and work is programmed to commence in June 2021. As the project progresses, further work to refine the design will be necessary and so slippage of £122k is requested.	If the slippage were not to be approved the delivery of the M55-Heyhouses link road would be further delayed as funding would only be provided based on the original development 'triggers' set out in the planning permission for the residential development at Queensway. Facilitation of the M55 Link Road is a key action within the Council's approved Corporate Plan.
Kirkham and Wesham Station	Building Works and Improvements	15	This funding was identified to allow a feasibility study to be carried out which would examine the alternative proposals available to deliver off-street parking at Kirkham and Wesham railway station. This has been delayed as a result of changes to the rail franchise operating on the Preston to Blackpool line, but the project is now progressing.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Future High Street Fund: Kirkham	Building Works and Improvements	17	This is a government-funded scheme with delivery phased over a number of years. Funding is being utilised on a staged basis in connection with consultant requirements to deliver the detailed business case.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Wesham Community Centre	Building Works and Improvements	32	This scheme was programmed to commence in early October 2020, whilst preliminary ground works have commenced a national shortage of building materials had meant that there was a 6 - 8 week lead in for delivery of some of the required materials which had led to a delay.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
Kirkham Heritage Action Zone	Building Works and Improvements	177	This is a 4 year programme with spending being spread across the programme period. Delays of approx 6 months have resulted from the Coronavirus pandemic and officers are currently working with Historic England to agree a reprofiling of the spend.	If the slippage were not to be approved there would be insufficient funding in 2021/22 to deliver the full scheme as specified.
	<b>Sub-total</b>	<b>390</b>		
<b>Total Capital Slippage</b>		<b>1,546</b>		

## Prudential Indicators

Prudential Indicator	Revised Indicator 2020/21 £m	Actual 2020/21 £m	Note
Authorised limit for external debt	6.0	0	1
Operational boundary for external debt	0	0	2
Principal sums invested > 364 days	5.0	0	
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	2
Investments	20.0	20.0	3
Capital Expenditure	6.9	4.9	
Capital Financing Requirement	5.1	5.0	
Ratio of Financing Costs to Net Revenue Stream	5.6%	3.8%	

Notes

1. The Authorised Limit indicator of £6.0m 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 actual investments held at 31<sup>st</sup> March 2021.

## Covid Business Support Grants

	Grant Received in the year 2020/21	Amounts paid to businesses in the year 2020/21
<b>Covid Business Support Grant</b>		
Small Business Grants Fund (SBGF) and Retail, Hospitality and Leisure Grant Fund (RHLGF)	(18,375,000)	18,375,000
Local Authority Discretionary Grant Fund (LADGF)	(1,011,250)	1,011,250
Local Restrictions Support Grant - Closed (09 September to 05 November)	(84,332)	40,724
Local Restrictions Support Grant - Closed (Addendum) (05 November to 02 December)	(1,608,516)	1,091,688
Local Restrictions Support Grant - Closed (02 December to 04 January)	(793,928)	654,414
Local Restrictions Support Grant - Closed (Addendum) (05 January to 15 February)	(2,412,774)	1,611,024
Local Restrictions Support Grant - Closed (Addendum) (16 February to 31 March)	(2,527,668)	1,655,637
Closed Business Lockdown Payments (CBLP)	(4,824,000)	3,225,000
Christmas Support Payments - Wet Led Pubs	(32,000)	28,000
Local Restrictions Support Grant - Open	(586,340)	436,216
Additional Restrictions Grant	(2,333,173)	1,679,600
<b>Total</b>	<b>(34,588,981)</b>	<b>29,808,553</b>