



Fylde Borough Council – Budget Proposal Consultation

This document outlines the proposed Fylde Council budget for 2022/23. Comment and feedback is welcome from all stakeholders. Feedback received before 17th February 2022 will be considered as part of the Budget setting process which culminates at Fylde’s Council meeting of 3rd March 2022. Feedback should be submitted by email using listening@fylde.gov.uk or by post to Budget Consultation Feedback, The Town Hall, Lytham St Annes, Lancashire, FY8 1LW.

The Financial Context

Throughout the last few years Fylde has been implementing plans to reduce spending, deal with falling levels of income, particularly from central government, and rising costs. The primary objectives are to maintain high levels of service delivery across the borough, attract inward investment wherever possible and enhance the quality of life for residents whilst maintaining a robust and balanced budget position over the medium term to support the delivery of the priorities set out in the Councils Corporate Plan, which can be found on the Council website at: [Corporate Plan 2020-24](#).

Each year the Council produces a five year rolling budget forecast which is included within the Council’s Medium Term Financial Strategy. In recent years much work has been done to ensure that the Council’s finances remain robust. The latest Medium Term Financial Strategy will be considered by the Council’s Finance and Democracy Committee on 8th February 2022 and the full Council on 3rd March 2022. This includes a summary financial forecast (See Appendix A) which shows an in-year revenue surplus for 2021/22 and 2022/23 followed by a period of uncertainty as the national framework for the financing of local government is subject to fundamental review. It is proposed that surpluses generated this year and next are transferred to the Council’s capital investment reserve to fund projects within the borough aligned to the Corporate Plan priorities. This approach has ensured that the Council spends within its means and is debt free, with no external borrowing.

The latest update to the Financial Forecast includes the impact of the 2022/23 Local Government Finance Settlement, details of which were announced on 16th December 2021. The government has yet to announce updated plans for the implementation of the delayed Fair Funding Review into the future of local government financing arrangement. Similarly, the planned reform of the Business Rates system has again been delayed. Consequently, the finance settlement for 2022/23 is a single-year only settlement.

The provisional settlement confirms that a review of the New Homes Bonus scheme is ongoing and that the 2022/23 grant allocation is for one year only (as it was for 2020/21 and 2021/22) and not a multi-year allocation as was the case for earlier years of the scheme.

The continuation of the option for a Lancashire-wide Business Rates Pool was confirmed for 2022/23 as part of the Settlement announcement, with all existing pool members in Lancashire opting to remain in the pool for 2022/23.

The financial year 2021/22 to date has been dominated by the impacts of the ongoing 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, 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.

In order to maintain the current financial position, the Council needs to continue with the approach to delivering savings and efficiencies and maximising income which have helped deliver balanced budgets and contribute to reserves over recent years. Through continued focus on the importance of financial stability the Council has delivered a savings programme in recent years and has continued to reduce senior management costs and other overheads. Ongoing modernisation work and business improvement will continue to make Council services more efficient, save money and maintain frontline services to customers. This work has yielded ongoing savings to help improve the Council's overall financial position over that period.

Although it is clear that further uncertainty and challenges lie ahead in the later years of the financial forecast, the finances of the Council remain robust, and the reserves and balances are at healthy levels as compared to earlier periods. Furthermore, Fylde Council has a past record of taking actions in order to meet and overcome financial challenges as they arise. The Council will continue to seek opportunities to maintain a robust financial position in the face of a changing financial environment. This approach will ensure that the Council continues to achieve and sustain a balanced budget position on an ongoing basis and is able to deliver the priorities set out in the Corporate Plan. External pressures outside the Council's control are being experienced by many local authorities and the full impact of the pandemic is still being understood and assessed. Instructions remain in place that budget-holders should remain prudent and not commit to any unnecessary expenditure. This approach saves money and may result in an under-spend again for this financial year.

The Budget Proposals for 2022/23

The latest budget forecast included as Appendix A, whilst reflecting the impact of reducing central government grants, low investment returns and increasing costs, remains robust. Savings and efficiencies will continue to be delivered where possible throughout the life of the forecast to reduce the call on reserves in the later years of the forecast.

The full Medium Term Financial Strategy, which is available on the Council's website [at this link](#) or by request from the Council, highlights a number of significant future risks including: the ongoing impacts of the Covid-19 pandemic, possible further central government grant reductions, particularly in respect of the New Homes Bonus, and the levels of Business Rates that Fylde Council will retain as a member of a Lancashire-wide pooling arrangement. As in previous years (and in common with many other Councils) the proposed budget includes the use of income from the New Homes Bonus to support general expenditure as other forms of central funding are reducing.

For 2022/23 there is a proposed overall average Council Tax increase of 1.99%, resulting in an average overall Band D charge for 2022/23 of £219.19. This will mean an average increase of less than 10p per week for a Band D property which will help to safeguard services.

Due to the relative changes in the tax base for the Special Expense areas and for the borough as a whole, this equates to an increase in the two elements that make up that total charge and which residents will see on their bills (i.e. the borough-wide charge and the special expense charge) of 2.25%.

A number of growth items have been proposed for 2022/23 as the Council focuses investment in the borough and on delivering the priorities in the corporate plan. These include:

The revenue budget proposals for 2022/23 are:

- Drainage / flooding resource - following recommendations of the Flooding and Drainage Working Group
- Enforcement Team resources

The capital growth proposals for 2022/23 are:

- Replacement of Town Centre CCTV Systems
- North Beach Car Park Public Conveniences
- Stanner Bank Public Conveniences Refurbishment
- Mechanical Cleaning Sweeper Vehicle
- Carbon Neutral Vehicles
- Play Area - Blackpool Road North Playing Field
- Improvements to Children's Play Areas
- Petanque Court

Further details of these budget proposals are included in Appendix B.

Capital Expenditure is defined as expenditure on the acquisition of a fixed asset and/or expenditure which adds value (not merely maintains) to the value of an existing fixed asset. Examples of fixed assets are: land, building, plant and vehicles.

These proposals are now published for consultation, and feedback from all stakeholders will be considered as part of the Budget setting process which culminates at Fylde's Council meeting of 3rd March 2022.

Appendix B – Budget Growth Proposals

BUDGET PROPOSALS - REVENUE ITEMS

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Description
Drainage / flooding resource - following recommendations of the Flooding and Drainage Working Group	0	79	82	85	88	The Environment, Health and Housing Committee meeting on 4th January 2022 agreed support for a revenue bid increasing staffing resources following the recommendation of the flood risk and surface water management working group.
Enforcement Team resources	0	42	0	0	0	The Operational Management Committee meeting on 11th January 2022 agreed support for a revenue bid for the extension of staffing resource for environmental enforcement for a further 12 month period.
TOTAL OF REVENUE GROWTH PROPOSALS	0	121	82	85	88	

BUDGET PROPOSALS - CAPITAL ITEMS

(It is recommended that each of the schemes detailed below is funded from the Capital Investment Reserve)

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Description
Replacement of Town Centre CCTV Systems	0	79	0	0	0	The Environment, Health and Housing Committee meeting on 4th January 2022 agreed support for a capital bid for 'Replacement of Town Centre CCTV Systems' in the sum of £79k in 2022/23 for replacement of town centre CCTV systems.
North Beach Car Park Public Conveniences	0	150	0	0	0	The Operational Management Committee meeting on 11th January 2022 agreed support for a capital bid for 'North Beach Car Park Public Conveniences' in the sum of £150k in 2022/23. The Committee ranked this bid as priority 1 on the list of bids submitted for consideration.
Stanner Bank Public Conveniences Refurbishment	0	58	0	0	0	The Operational Management Committee meeting on 11th January 2022 agreed support for a capital bid for 'Stanner Bank Public Conveniences Refurbishment' in the sum of £58k in 2022/23. The Committee ranked this bid as priority 2 on the list of bids submitted for consideration.
Cleaning Mechanical Sweeper Vehicle	0	60	0	0	0	The Operational Management Committee meeting on 11th January 2022 agreed support for a capital bid for 'Cleaning Mechanical Sweeper Vehicle' in the sum of £60k in 2022/23. The Committee ranked this bid as priority 3 on the list of bids submitted for consideration.
Carbon Neutral Vehicles	0	34	27	0	0	The Operational Management Committee meeting on 11th January 2022 agreed support for a capital bid for 'Carbon Neutral Vehicles' in the sum of £34k in 2022/23 and £27k in 2023/24. The Committee ranked this bid as priority 4 on the list of bids submitted for consideration.

Appendix B (Cont'd.)– Budget Growth Proposals

BUDGET PROPOSALS - CAPITAL ITEMS - Cont'd

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Description
Play Area - Blackpool Road North Playing Field	0	125	0	0	0	The Tourism and Leisure Committee meeting of 6th January 2022 agreed to support a capital bid for 'Play Area - Blackpool Road North Playing Field' in the sum of £125k in 2022/23. The Committee ranked this bid as priority 1 on the list of bids submitted for consideration. It should be noted that the committee requested that external funding would also be sought to support this project.
Improvements to Children's Play Areas	0	100	0	0	0	The Tourism and Leisure Committee meeting of 6th January 2022 agreed to support a capital bid for 'Improvements to Children's Play Areas' in the sum of £100k in 2022/23. The Committee ranked this bid as priority 2 on the list of bids submitted for consideration.
Petanque Court	0	13	0	0	0	The Tourism and Leisure Committee meeting of 6th January 2022 agreed to support a capital bid for 'Petanque Court' in the sum of £13k in 2022/23. The Committee ranked this bid as priority 3 on the list of bids submitted for consideration.
TOTAL OF CAPITAL SCHEME PROPOSALS	0	619	27	0	0	