

## South Holland District Council

### Financial Report for the quarter ending December 2013

This report has four sections

- Section 1 – Revenue budget
- Section 2 – Council Tax and Business Rates
- Section 3 – Capital budget
- Section 4 – Treasury update

#### Section 1 - Revenue Budget

##### General Fund

The table below details the full year outturn against the approved budget for 2013-14. This is calculated by taking expenditure and income up to 31 December 2013 and budgeted income and expenditure for the remainder of the year. Significant variances to the approved budget are detailed in Table 2.

Two budget challenges have been held during 2013-14, (£127k of the £153k budget saving being reported in Quarter 2) and a further £260k identified in Quarter 3. Savings were also identified from future year budgets.

##### Table 1 –Revenue Outturn

Forecast outturn against budget = 96.48%

	Place & Governance	Commissioning	Other budget items (table 3)	Total
	£'000	£'000	£'000	£'000
Approved Budget Requirement – March Council	3,709	6,417	2,664	12,790
Budget Virements approved to 30 Sept 2013	127	(127)		-
Significant Variances identified to date (table 2)	(27)	(318)	(105)	(450)
<b>Full Year Outturn</b>	<b>3,809</b>	<b>5,972</b>	<b>2,559</b>	<b>12,340</b>

**Table 2 – Significant Variances 2013-14 Forecast outturn**

Significant Variances	(Under)/ Over Spend £'000	Comments
Environmental Health Licensing	10	Volumes reforecast for 13/14 and 14/15. £10k shortfall estimated
Taxi Plates refund of deposits	8	Refund of taxi plates deposits following a change in process. No reserve set aside, offset by additional scrap licencing income £2k
Personal search fees	30	Provisional further legal challenge, not funded from Government grant
Homelessness	(15)	Grants and contributions budget savings, identified after the budget setting process, offset by £5k Housing in Multiple Occupation income shortfall. Inspections not annual. Budget reviewed for 14/15
Assets and Property	25	Potential rent shortfall industrial properties. Stock condition survey expenditure
Additional second homes income	(23)	Received from Lincolnshire County Council
Building Control Fees	30	Shortfall in Building control income forecast £30k including budget challenge
Budget Challenge outcomes	(127)	Budget challenge incomes from CMT July
Budget Challenge outcomes	(100)	Budget challenge incomes from CMT Dec
Additional planning Income	(150)	Additional planning income including budget challenge
Environmental Services	9	Clinical Waste collection
Car Parks Income	29	shortfall forecast, being closely monitored
Markets Income	12	shortfall forecast, being closely monitored
Recycling Income	86	shortfall forecast, being closely monitored
Lincolnshire Legal Services	(35)	Redistribution of surplus 18k, forecast savings corporately 17k
Housing benefit overpayments	(218)	Being closely monitored with Q2 almost at budgeted level. Court income also being monitored.
Revs and Benefits caseload	84	Contract variation due to delay in universal credit-Funded by new burdens income
Movement in other budget items	(105)	<b>As detailed in table 3</b>
<b>Sub Total</b>	<b>(450)</b>	

### Salaries

The budgeted vacancy factor for 2013-14 is 2% and progress is estimated to be on target. The majority of vacant posts are currently being used to fund Agency, interim or casual staff or held vacant. The forecast savings are built into overall position shown above. The automatic pension enrolment impact since November 2013 has been built into the salary forecast.

### Other items

### Revenues

Housing benefit overpayments are being closely monitored and forecasting £218k additional income, including an impairment allowance. Court income is also being closely monitored. A prudent approach has been taken in the forecast.

## Recycling Income

There is some risk associated with the contract recycling income. Negotiations with the previous Contractor have concluded and a cost pressure of £86k built in, allowing for a new contractor at £10 per tonne, loss of previous income £35 per tonne and an element of compensation for the remaining life of the contract within 2013-14.

**Table 3 – Other Budget Items**

Other budget items are shown in the table below:

	Approved Budget £'000	Full Year Outturn £'000	Variance £'000
Parish Precepts	562	562	0
Internal Drainage Board Levies	2,185	2,170	(15)
Investment Income	(50)	(100)	(50)
Interest Payable Item 8 calculation		70	70
Capital Expenditure Financed from Revenue Resources	465	465	0
			0
Non – Ringfenced Government Grant			0
Council Tax Freeze Grant	(39)	(46)	(7)
Transitional Scheme grant	(18)	(18)	0
Efficiency Support Grant	(16)	(16)	0
Statutory Accounting Adjustments**	(767)	(767)	0
New Burdens –Community Right to Bid	-	(8)	(8)
New Burdens –Community Right to Challenge	-	(8)	(8)
DWP -additional grant funding Revs and Bens		(34)	(34)
Additional New Homes Bonus*	-	(25)	(25)
Localising Council Tax Support and Council Tax		(51)	(51)
Transfers to Earmarked Reserves	1,007	1210	203
Transfers from Earmarked Reserves	(665)	(845)	(180)
<b>Total</b>	<b>2,664</b>	<b>2,559</b>	<b>(105)</b>

### Please note

Items marked with an asterix

\*New Homes Bonus to be transferred to the Council Tax reserve as per the 2013/14 budget setting report, as this does not support the base budget.

The additional £25k New Homes Bonus relates to additional distribution notified after Council had approved the budget and is part of the transfer shown to reserves.

\*\* includes the reversal of depreciation charges for Council owned assets which are included within the directorate structure and the corporate provision for the repayment of debt.

### Actions/Decisions

- To note the forecast outturn position on the 2013-14 revenue budget.

### Recommendations

- The recommendation is shown under general fund balances.

#### Table 4 – Virement Decisions Required

The table below shows the budget virements which have taken place during Quarter Three. The effect of these budget journals is zero on the budget.

Supplementary Budget virements for approval:	£'000
Creation of Grants4Growth Budgets	296
Creation of Grants4Growth Budgets Income	(296)
Viring Central legal services budget to service legal spend	33
Viring Central legal services budget to service legal spend	(33)
<b>Net effect</b>	<b>0</b>

#### Actions/Decisions

It is recommended that the budget virements in the table 4 above are approved, with zero effect on the overall Council budget.

#### Recommendations

- To recommend the budget virements in the table 4 above are approved as at Quarter Three.

#### Table 5 – General Fund Reserve Balances

The table below shows the estimated General Fund reserve balance as at 31<sup>st</sup> December. The balances within the table are funds that can be used to finance both revenue and capital expenditure, for example, one-off invest to save projects and to meet expenditure arising from unexpected events.

General Fund Reserves	Reserve Amount £'000
Affordable Housing Reserve	118
Capital Reserve	562
Climate Change Reserve	24
Council Tax Reserve*	2,819
Emergency Planning Reserve	10
Insurance Reserve	237
Organisational Development Reserve	960
Planning Reserve	232
Replacement and Refurbishment Reserve	263
Community Cohesion	44
Section 106 earmarked reserve	11
<b>Sub total</b>	<b>5,280</b>
Cumulative GF Working Balance	2,034
<b>Total General Fund reserves</b>	<b>7,978</b>

- The table above includes the transfer of New Homes Bonus Grant to the Council Tax reserve, which does not support the base budget\*
- The table above also accounts for the transfer out of Revenues and benefits additional income, previously transferred to reserve In Quarter two.
- The table above does not yet reflect the budget challenge or the recycling compensation transfer recommendations shown below.

### **Actions/Decisions**

- It is recommended that the amount of £84,000 is transferred back from reserve for revenues and benefits case load, funded from new burdens additional grant income transferred to reserve in Quarter two. This is due the delay in Government welfare reforms.
- It is recommended that the compensation for the cessation of the recycling contract is transferred to reserve and released over the remaining life of the contract, to offset the loss of recycling income, estimated at £254k.
- It is recommended that £410,000 from budget challenges during Q2 and Q3 and remainder of the budget savings reported in Q2 is transferred to the organisational development reserve.

### **Recommendations**

It is recommended that the above amounts are transferred to and from reserves for future use

### **Spalding Special Expenses**

Expenditure relating to Spalding Special expenses forms part of the Council's General Fund budget and is included in Table 1 above. The approved budget for 2013-14 is £209,830 and is funded by Spalding Taxpayers, the Band D charge for the financial year being £23.28. The forecast outturn for 2013-14 shows in the table below

**Table 6 – Forecast Revenue Outturn**

<b>Spalding Special Expenses 2013/14</b>	<b>2013/14 Estimates £</b>	<b>2013/14 Forecast Outturn (rounded) £</b>
Spalding Cemetery	45,800	45,800
Spalding Allotments	1,860	1,860
Playing Fields at:-		
Ayscoughfee (excluding gardens)	11,640	11,640
Halley Stewart	28,770	28,770
Thames Road	13,470	13,470
Fulney Road	10,320	10,320
Monkshouse Lane	35,030	35,030
Contribution to Voluntary Car Scheme	8,500	8,500
Christmas Decorations	13,220	13,220
Contrib to mt of churchyard St Mary & St Nicolas Parish Church	750	750
Administrative Support	4,640	4,640
Bus Shelter maintenance	370	370
Contribution to play areas	1,000	1,000
Spalding Town Centre Promotion	2,930	2,930
Crime prevention	7,700	7,700
Contribution to Spalding Special Reserve	23,080	23,080
Chairmans contingency	750	750
<b>Total Expenditure</b>	<b>209,830</b>	<b>209,830</b>
<b>Balance Brought Forward</b>	<b>(93,737)</b>	<b>(93,740)</b>
<b>Contribution to SSE reserve (earmarked Capital Expenditure)</b>	<b>(23,080)</b>	<b>(23,080)</b>
<b>Underspend 2012/13</b>		
<b>Balance Carried Forward</b>	<b>(116,817)</b>	<b>(116,820)</b>
<b>Earmarked crime prevention</b>	<b>4,381</b>	<b>4,380</b>
<b>Earmarked Christmas Lights forecast spend</b>		<b>20,400</b>
<b>Remaining Earmarked Christmas lights</b>		<b>1,060</b>
<b>Agreed minimum balance 5% expenditure for contingency</b>	<b>9,340</b>	<b>9,340</b>
<b>Earmarked for Capital Expenditure</b>		<b>23,080</b>
<b>Balance Carried Forward</b>	<b>(103,096)</b>	<b>(58,560)</b>

The Council maintains an earmarked reserve relating to Spalding Special Expenses. The unspent budget at the year end is transferred into the reserve which can then used to meet expenditure arising from unexpected events and to cover any future deficit which may arise.

### **Christmas Decorations**

The current reserve balance is estimated at £58,560, after earmarking funds for Crime Prevention and Christmas decorations and future capital expenditure. It is estimated that there will be £20,400 spend on Christmas lights by year end, leaving £1,060 of the existing 3 year SLA amount remaining as earmarked in reserves.

The balance also includes aside a contingency equal to 5% of 2013-14 budgeted expenditure. Any variations from the budget or use of the Spalding Special Expenses Reserve recommended from the Spalding Town Forum would need to be approved by Cabinet/Council.

## Actions/Decisions

To note the forecast outturn on Spalding Special Expenses for 2013-14

## **Recommendations**

There are no recommendations as at Quarter 3

## **Housing Revenue Account (HRA)**

The HRA is on target to deliver the budget, with a forecast surplus due to investment income. The table below details the full year forecast outturn against the approved budget for 2013-14 .

**Table 7 –Forecast Revenue Outturn**

	2013-14 £'000	Comments
<b>Approved HRA net expenditure</b>	<b>737</b>	
Rental Income	-	Rent arrears are being closely monitored with regard to the economic climate and changes to the welfare system. No significant variances are forecast at this stage
Investment Income	(23)	Share of additional investment income
<b>Forecast Outturn</b>	<b>715</b>	
<b>Forecast Underspend</b>	<b>(23)</b>	

There is some risk associated to potential downward revaluations on HRA non dwellings, such as community centres and garages. If the valuation at year end produces a downward valuation, then it would be an actual hit on reserves, as per 2012-13. The property market will be closely monitored, but final values will not be known until the valuation carried out at year end.

## **Table 7a-Key performance Indicators (HRA)**

Rents are being closely monitored with regard to welfare reforms and the economic climate. The following table shows the percentage of income collected at week 36. Indications show future weeks exceeding the target.

Key Performance Indicator	Year end 2012/13	Target	Performance	Performance
			2012/13	2013/2014
			Week 36	Week 36
% of income collected	99.5% actual	98%	98.18%	97.57%
Bad Debt write off (£000)	£59,500		40,400	£16,950
Void Turn around (days)	17.5	17	12.5	8

The HRA Capital Programme is reported in Table 11 within the Approved Capital Programme.

## **Table 8 – Unallocated HRA Revenue Reserves**

The table below shows the unallocated reserve balance as at 1<sup>st</sup> April 2013, forecast until the end of the financial year. The balances within the table are funds that can be used to finance both revenue and capital expenditure, for example, one- off invest to save projects and to meet expenditure arising from unexpected events.

<b>Housing Revenue Account Reserves</b>	<b>Unallocated Amount Available £'000</b>
Insurance Reserve	200
<b>Sub total</b>	<b>200</b>
Cumulative Working Balance 1 April 2012	1,955
Outturn 2012-13	3,123
Adjustments between accounting basis and funding basis under statute	135
<b>Balance on the HRA 31<sup>st</sup> March 2013</b>	<b>5,213</b>
<b>Forecast outturn 2013-14</b>	<b>(715)</b>
<b>Capital Programme Rolled over 2012-13</b>	<b>(618)</b>
<b>New Build Capital programme Slippage</b>	<b>260</b>
<b>Total HRA unallocated reserves</b>	<b>4,341</b>

### **Actions/Decisions**

To note the forecast outturn position on the 2013-14 Housing Revenue Account.

### **Recommendations**

Please see the HRA recommendations under the Capital Programme (Section 3)

## **Section 2- Council Tax and Business Rates**

### **Council Tax**

#### **2013/14 In-Year Collection**

The anticipated impact on in-year collection rate due to the introduction of Council Tax Support and the Council Tax Technical changes introduced in April 2013 is showing in the collection rates compared to previous years.

At the end of December 2012, the collection rate was 86.75%, against a collectable debit of £36.6m.

At the end of December 2013, as shown in Table 3 below, the collection rate was 86.27%.

**Table 9 – December 2013 in-year collection position against 2012**

	<b>June</b>	<b>September</b>	<b>December</b>
<b>Year</b>	<b>% Collected</b>	<b>% Collected</b>	<b>% Collected</b>
<b>2012-13</b>	<b>30.55%</b>	<b>58.97%</b>	<b>86.75%</b>
<b>2013-14</b>	<b>30.22%</b>	<b>58.56%</b>	<b>86.27%</b>

## **Business Rates**

### **Changes introduced in 2013/14**

The business rates retention scheme was introduced on 1<sup>st</sup> April 2013 and the previous system of pooling the business rates has ceased. The new system provides a direct link between business rates growth and the amount of money councils have to spend on local people and local services. Councils will be able to keep a proportion of the business rates revenue as well as growth on the revenue that is generated in their area. This will provide a strong financial incentive for councils to promote economic growth.

### **2013/14 In-Year Collection**

At the end of December 2013, as shown in Table 3 below, the collection rate was 88.29% against a collectable debit of £24.8m.

Recovery timescales are on track and pro-active telephone debt chasing has been introduced.

**Table 10- December 2013 in-year collection position against 2012**

	<b>June</b>	<b>September</b>	<b>December</b>
<b>Year</b>	<b>% Collected</b>	<b>% Collected</b>	<b>% Collected</b>
<b>2012-13</b>	<b>33.28%</b>	<b>60.69%</b>	<b>88.05%</b>
<b>2013-14</b>	<b>33.20%</b>	<b>60.57%</b>	<b>88.29%</b>

### **Actions/Decisions required**

That the position at Quarter 3 for the Council's 2013-14 Council Tax and Business Rates to be noted.

### **Recommendations**

There are no recommendations as at Quarter 3

### Section 3 – Capital Budget

This section reports on:

- Outturn against 2013-14 approved capital programme
- Risks, issues and key messages

**Table 11 – Outturn against 2013-14 approved capital programme**

	Original Budget 2013-14 £'000	Latest Approved Budget 2013-14 £'000	Quarter 3 Actuals £'000	Forecast Outturn £'000	Variance (under)/over Spend £'000
<b>Commissioning</b>					
Priority Road	20	57	17	57	0
Assets and Property – Other	24	55	20	55	0
ICT schemes	67	72	2	88	16
Housing – Gypsy and Traveller Sites	660	660	14	660	0
Private Sector Housing	427	555	439	615	60
Environmental Services	559	571	33	571	0
Environmental Health	91	111	47	111	0
Planning	-	5	66	96	91
<b>Total Commissioning</b>	<b>1,848</b>	<b>2,086</b>	<b>638</b>	<b>2,253</b>	<b>167</b>
<b>Place and Governance</b>					
Community Development - South Holland Centre	-	-	1	1	1
Community Development - Leisure	89	182	30	182	0
Economic Development	-	-	-	20	20
<b>Total Place and Governance</b>	<b>89</b>	<b>182</b>	<b>31</b>	<b>203</b>	<b>21</b>
<b>HRA</b>					
<b>Public Sector Housing</b>					
Improvements & Enhancements of Council Dwellings	6,575	7,069	2272	6,809	(260)
Improvements to Waste Water Treatments	60	165	116	165	0
Other	-	18	-	18	0
Disabled Adaptations - Public	376	487	298	537	50
ICT schemes	20	21	-	21	0
<b>Total HRA</b>	<b>7,031</b>	<b>7,760</b>	<b>2,686</b>	<b>7,550</b>	<b>(210)</b>
<b>TOTAL</b>	<b>8,968</b>	<b>10,028</b>	<b>3,355</b>	<b>10,006</b>	<b>(22)</b>

**This is to be resourced by:**

Source of Financing	Latest Approved £'000	Forecast Outturn £'000
Use of Capital Receipts	313	314
Capital Grants and Contributions	1,512	1,663
Direct Revenue Funding/Use of Reserves	8,203	8,029
<b>Total</b>	<b>10,028</b>	<b>10,006</b>

The original budget was approved at Council on 27 February 2013. Further amendments have subsequently been made to the revised budget (Latest Approved), reflecting previous year incomplete schemes brought forward and additional DFG grant of £4,717.

Spend against budget                    33.5%  
Forecast Outturn                            £10,006,000

## **Explanation of variances**

- PSICA (Partnership in Scheme in Conversation Areas)-Planning grants funded by English Heritage estimated outturn £91,000
- £1,000 for retention money for the South Holland Centre main roof renewal
- £20,400 for Christmas Lights to be funded by the Spalding Special reserve as previously agreed Cabinet 4<sup>th</sup> September 2012.
- To agree the slippage from the HRA New Builds £260,000 is rolled forward into the capital programme for 2014/15
- ICT funding of £15,900 is required to enable procurement of new Remote Desktop Services Licences to access Microsoft Office products through a Citrix environment. The decision to purchase these licenses out right was made as the anticipated life of these licenses meant that this was the most cost effective route. This will be funded from revenue budget.
- £50,000 additional budget is sought to service demand for statutory disabled adaptations to council-owned housing stock. This is following a significant increase in demand for adaptations within council-owned stock over the past six months, compared with previous levels of demand. The situation mirrors that with Disabled Facilities Grants within private accommodation, which has also seen a marked increase in demand over the previous six months, funded from HRA balances.
- Decent Homes budget requires to be increased by £60,000 due to increase in demand to be funded by the Regional Housing Grant fund.

## **Capital Financing Requirement (CFR)**

The Council's underlying need to borrow is called the Capital Financing Requirement (CFR). The Council has taken on debt of £67.456m as a result of HRA Self Financing from 1 April 2012. The CFR increases when additional borrowing is undertaken and is reduced by the statutory requirement to make a minimum revenue provision (MRP) for debt repayment and any contributions from the HRA resulting from impairment and valuation losses.

A negative change to the CFR equates to debt being repaid. A positive change to the CFR equates to a need to undertake additional borrowing

**Table 12 – Capital Financing Requirement**

CAPITAL FINANCING REQUIREMENT					
	2013/14	2014/15	2015/16	2016/17	2017/18
	£'000	£'000	£'000	£'000	£'000
<b>Total CFR at beginning of the year</b>	<b>70,904</b>	<b>70,421</b>	<b>71,682</b>	<b>71,223</b>	<b>70,862</b>
<i>Planned Capital Investment</i>					
Commissioning	2,086	2,619	537	507	777
Place and Governance	182	49	39	29	19
HRA	7,760	7,236	6,880	7,228	7,379
<b>Sub Total - Capital Investment</b>	<b>10,028</b>	<b>9,904</b>	<b>7,456</b>	<b>7,764</b>	<b>8,175</b>
<i>Sources of Finance</i>					
Capital Receipts	-313	-312	-336	-234	-132
Major Repairs Reserve (HRA)	-7,471	-7,114	-6,754	-7,099	-7,247
Other Reserves	-180	0	0	0	0
Direct Revenue Funding	-553	-79	-49	-29	-159
Government Grants and other contributions	-1,512	-887	-317	-317	-317
<b>Sub Total Funding</b>	<b>-10,028</b>	<b>-8,392</b>	<b>-7,456</b>	<b>-7,679</b>	<b>-7,855</b>
<i>Reductions</i>					
MRP	-267	-37	-244	-231	-230
Impairments & Valuation Losses on HRA non dwellings	-215	-215	-215	-215	-215
<b>Sub Total Reductions</b>	<b>-482</b>	<b>-252</b>	<b>-459</b>	<b>-446</b>	<b>-445</b>
<b>Total CFR at end of the year</b>	<b>70,421</b>	<b>71,682</b>	<b>71,223</b>	<b>70,862</b>	<b>70,736</b>
<b>Change in CFR</b>	<b>-483</b>	<b>1,260</b>	<b>-459</b>	<b>-361</b>	<b>-125</b>
<b>Budgeted Borrowing</b>	<b>0</b>	<b>1,512</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Unfunded</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>85</b>	<b>320</b>

## **Actions/Decisions**

### **To note the 2013-14 Capital Programme forecast outturn**

### **Recommendations**

- To agree the slippage from the HRA New Builds £260,000 is rolled forward into the capital programme for 2014-15
- To recommend a revenue contribution from the ICT budget is made to the value of £15,900 to fund the RDS licences, funded by revenue.
- To recommend the PSICA (Partnership Scheme In Conservation Areas) Planning grants budget of £91,000 funded by English Heritage to be added to the capital programme.
- To recommend the £1,000 budget for retention money for the South Holland Centre main roof renewal to be added to the capital programme.
- To recommend the £20,400 budget for Christmas Lights to be funded by the Spalding Special reserve as previously agreed Cabinet 4<sup>th</sup> September 2012 to be added to the capital programme.
- To recommend the £50,000 additional budget for statutory disabled adaptations to council-owned housing stock to be added to the capital programme, funded by HRA balances.
- To recommend that the Decent Homes budget is increased by £60,000 due to increase in demand to be funded by the Regional Housing Grant fund.

## Section 4 – Treasury

This section reports on:

- Security, Liquidity and Yield of Investment portfolio
- Current Debt Position
- Risks, issues and key messages

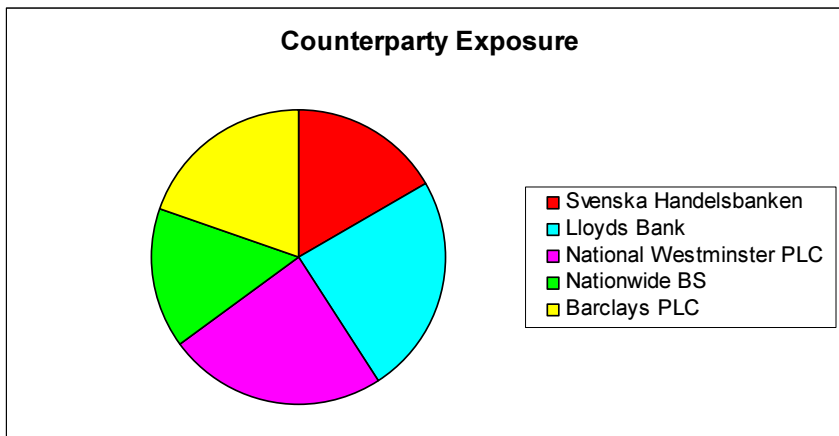
### Security

The Council has not adopted any formal benchmarks for the management of risk as Officers believe that decisions on counterparties and maximum investment levels are adequate to monitor the current and trend positions and amend the operational strategy to manage risk as conditions change.

The Council uses the creditworthiness service provided by Capita Asset Services which provides a maximum duration for investments depending on the colour rating calculated for each financial institution.

All investments held by the Council are within the recommended maximum duration with the exception of Barclays Bank which has had its colour rating removed by Capita Asset Services since the investment was made. Following discussions with the Section 151 Officer these loans will be held to their maturity dates but no new loans are to be made with Barclays Bank until their credit rating improves to the Council's investment counterparty criteria.

During the third quarter a new instant access account has been opened with Svenska Handelsbanken paying 0.55%. The Capita Asset Services counterparty matrix recommends a maximum investment duration of 12 months for this bank.



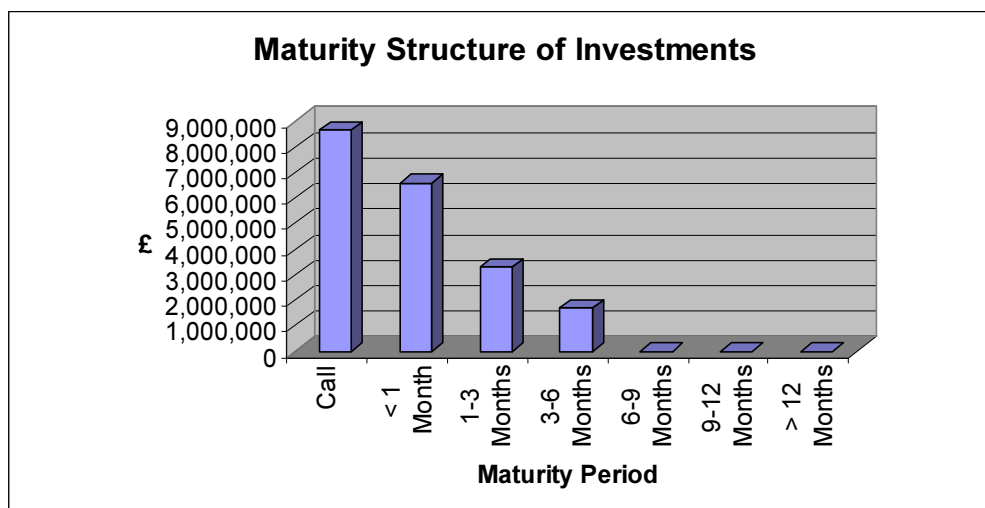
Because of the limited number of counterparties available, deposits are mainly spread amongst five institutions.

There is a small balance held with Clydesdale Bank which stands at £11,526. This account is being closed in January 2014 as it is unlikely that they will meet the Council's investment counterparty criteria in the medium term. Clydesdale Bank does not show on the above pie chart due to being such a minimal amount.

## Liquidity

### Cash

The Council's average level of deposits during the first three quarters of the financial year was £21.5m. As at 31 December the Council had £8.65m instant access cash available to meet cash flow requirements. The table below shows the amounts held in relation to the remaining period to maturity.



The percentage maturity structure of investments is:

Call = 43%  
< 1 mth = 33%  
< 3 mths = 16%  
< 6 mths = 8%  
< 9 mths = Nil  
< 12 mths = Nil  
> 12 mths = Nil

### Yield

Budgeted Interest 2013-14	£ 62,500
Actual Interest as at Q3 2013-14	£109,266
Forecast interest 2013-14	£135,000

\*Interest is apportioned between the General Fund and HRA. The forecast at Quarter 3 is estimated at General Fund £100k and Housing Revenue Account £35k.

Target yield (Average 3 month LIBID)	0.39%
Actual Yield as at Q3 2013-14	0.67%

### External Borrowing

The Council borrowed £67.456m from the PWLB on 28<sup>th</sup> March 2012 to meet its obligations under the Housing Revenue Finance Reforms. This was borrowed for a period of 50 years on a maturity basis at a rate of 3.48%. No new borrowing has been undertaken during quarter 3.

### Actions/Decisions required

That the forecast position for the Council's 2013-14 Treasury outturn be noted.

### Recommendations

There are no recommendations as at Quarter 3.