

South Holland District Council

Financial Report for the quarter ending December 2014

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 forecast outturn against the approved budget for 2014-15. This is calculated by taking expenditure and income up to 30th December 2014 and budgeted income and expenditure for the remainder of the year. Significant variances to the approved budget are detailed in Table 2. Overall the forecast estimates the General Fund to return budget savings of £578,000, which also includes the additional expenditure for town clean up operation (£100k) approved in Quarter one.

Budget Managers have been more engaged in forecasting anticipated variances during 2014-15 and are being more realistic reflecting budget savings and not just concentrating on reporting budget pressures as in previous years.

Table 1 –Revenue Outturn

Forecast outturn against budget = 95.56%

	Place & Governance	Commissioning	Other budget items (table 3)	Total
	£'000	£'000	£'000	£'000
Approved Budget Requirement – March Council	3,909	6,110	3,009	13,028
Approved budget reserve movements	103	414	(517)	0
Significant Variances identified to date (table 2)	(560)	(36)	18	(578)
Full Year Outturn	3,452	6,488	2,510	12,450

Table 2 – Significant Variances 2014-15 Forecast outturn

Significant Variances	(Under)/ Over Spend £'000	Comments
Corporate contingency from q2	(293)	Moved to the corporate contingency excluding £91k q2 funding and efficiency grant identified q2. £100k Clean up Spalding taken into account, including £20k moved to reserve commuted sums. Adjusted for further work on salary forecasting, completed during budget cycle
Counter Fraud additional income	(3)	Counter fraud funding received from central government
Refuse and recycling Commercial vehicle costs	86	Delay in supply of new refuse vehicles extending leasing and maintenance costs on old fleet vehicles. Includes insurance £5k and tyre savings £8k partially offsetting this cost pressure. The overall cost pressure is in addition to £35k reported in Q2.
Fuel	(38)	Environmental Services reduction in fuel price
Additional recycling credits	(12)	Forecast until year end. Forecast £336k and budget £324k
Supplies and services savings	(16)	£19k street sweeping equipment savings and other smaller savings offset cost pressure of £7k in car parking PCN notes
Electricity and gas	(17)	Council wide £13k electricity £4k gas forecast savings
Postage	(10)	Postage savings over a number of services
Housing Growth Project work	29	Technical advisor costs
Housing General Fund	(78)	(£6.5k) housing Strategy grants, £5k voids maintenance temporary accommodation, (£32k) homelessness grants budget saving, (£1.5k) B&B, £5k Houses in multiple occupation inspection income. (£10k) managed properties income, due to additional properties not budgeted for and (£38k) rental income
Additional Planning Income	(40)	Forecast additional income to be used to fund additional resources in 2015-16
Additional planning resources	40	Contribution to reserve, to fund investment in planning service
E Health income shortfall	10	Food safety course fees and fees and charges income. Street traders and Primary Authority work not implemented in 14-15. Service looking to cover this overspend
Building Control consultancy	10	Reduction in net income
External audit fee saving	(19)	Fee reduction passed on following dissolution of audit commission
Further legal fee saving	(23)	Legal fee saving forecast
Employee related Costs	7	PPP Private Healthcare (£5k) recruitment £3k, training £5k and other employee expenses £4k
Democratic budget savings	(82)	Forecast spend based on current levels expected to be in the region of £86k, but this will be closely monitored until year end. £23k Dems budget savings to be used to fund equipment update.
Revenues and Benefits	(62)	
Movement in other budget items	(4)	As detailed in table 3 revised efficiency grant
Sub Total	(515)	
Funding-forecast Q3	(63)	As detailed in table 2.1
Total Forecast budget savings	(578)	

Planning Income

Planning application income is forecast to be £40k additional to budget. Power station and Solar Farm income is not thought to be as significant as 2013-14 but the service remain optimistic. This is being reviewed monthly. It has been agreed that additional income now identified will be invested in Planning Service delivery.

Recycling and Refuse Fleet

In Quarter two it was reported there had been a delay in the delivery of the new vehicles. This has still not been completely resolved. Budgets were estimated on the provision of new vehicles and cessation of the old contracts, which included leased costs and maintenance savings. There are ongoing negotiations with the supplier to see if compensation will be made for late supply. The service were forecasting a cost pressure of £35k in Q2 which has been increased to £65k following continued delays. Maintenance costs are also forcing a cost pressure of £56k. This situation is being closely monitored.

Funding

Table 2.1 shows the funding side of the General Fund and the forecast variance against the 2014-15 budget, which includes Business Rates and additional funding from the various Government departments. The funding, collection fund and NNDR is being monitored in year. It was expected a more accurate position would be available at Quarter Three following the outcome from the power companies' valuation appeals. However the final decision has yet to be announced.

The forecast shows renewable energy disregard (£193k) released into the general fund from 2013-14, now that the accounting treatment has been clarified. This is offset by reduced s31 grant £61k and new homes bonus adjustment grant £30k. Additional funding has come from the 2013-14 Lincolnshire Business Rates Pool closure payment £24k and additional council tax freeze grant £8k. This giving net budget savings of £63k. At quarter two we reported savings of £91k, the difference being mainly due to reduced s31 grant forecast.

Table 2.1

Funding	2014-15 Budget	2014-15 Forecast	Variance
	£	£	£
Business Rates Retained Gov baseline	(2,980)	(2,980)	0
Revenue Support Grant	(3,392)	(3,392)	0
2013-14 Lincolnshire NNDR Pool closure		(24)	(24)
Retained NNDR income and S31 Grant	(762)	(823)	(61)
Other Government Funding			
New Homes Bonus (Including adjustment grant)	(1,114)	(1,084)	30
Council Tax Income	(3,980)	(3,980)	0
Council Tax Freeze Grant	(39)	(47)	(8)
New Burdens Grant	(16)	(16)	0
Total Funding (Exc Spalding Special and Parishes)	(12,283)	(12,346)	(63)
Parish Precepts	(603)	(603)	0
Spalding Special Expenses	(193)	(193)	0
Collection Fund surplus/deficit	51	51	0
	(13,028)	(13,091)	(63)
Reported Quarter two forecast		(91)	(91)
Decrease in Forecast from q2 to q3			28

New Homes Bonus

The New Homes bonus does not support the base budget and the movement to reserves will be £30K lower than the original budget because of the reduction in the adjustment grant.

Revenue and Benefits

The table below reflects the effect of the welfare reforms against the Revenues and Benefits budgets, showing forecast against a revised budget. Recovery of Housing benefits overpayments and court income has risen over the last two years and has been monitored throughout the year. An assessment has been made at Quarter three and the court income forecast has been reduced by £20k and an additional £100k for overpayments. As a result of increasing court income, the bad debt allowance has been increased by £36k. Additional new burdens grants not estimated for at budget setting result in an additional (£10k) which may be called upon by the Revenues and Benefits department for additional case load and ICT. In addition to £32k reported in Q2, a further £8k has been received for the old scheme council tax benefit adjustment. This gives net budget savings of £62k above savings reported in Quarter Two.

Table 2.2

Revenues and Benefits	2014-15 Revised Budget	2014-15 Forecast	Variance
	£	£	£
Court Income NNDR and C Tax	(262)	(242)	20
Housing Benefit overpayments	(364)	(464)	(100)
Impairment for bad debts	130	166	36
Council Tax Benefit adjustment	(32)	(40)	(8)
Additional new burdens (not in funding)	(90)	(100)	(10)
Rent allowances and rebates net of subsidy-HRA	49	49	0
Rent allowances and rebates net of subsidy-GF	65	65	0
Total	(504)	(566)	(62)

Table 3 – Other Budget Items

Other budget items are shown in the table below:

	Original Budget £'000	Revised Budget £'000	Forecast Outturn £'000	Variance to revised budget £'000
Parish Precepts	603	603	603	0
Internal Drainage Board Levies	2,243	2,243	2,243	0
Investment Income	(95)	(112)	(112)	0
Capital Expenditure Financed from Revenue Resources	269	269	269	0
Statutory Accounting Adjustments	(1,142)	(1,142)	(1,142)	0
Efficiency Support Grant	0	0	(4)	(4)
Transfers to Earmarked Reserves	1,929	2,907	2,907	0
Transfers from Earmarked Reserves	(798)	(2,293)	(2,293)	0
Total	3,009	2,475	2,471	(4)

Efficiency grant reported as an additional £22k in quarter two was actually rolled up into the RSG settlement and therefore only £4k is shown as additional income, correcting a forecast shown in Table 3 at Quarter Two for other budget items.

Actions/Decisions

- To note the forecast outturn position on the 2014-15 revenue budget.

Recommendations

- There are no recommendations at quarter 3

Table 4 – Virement Decisions Required

Supplementary Budget virements for approval	£'000
	0
Net total	0

Actions/Decisions

- There are no actions/decisions at Quarter Three

Recommendations

- There are no recommendations at Quarter Three

Table 5 – General Fund Reserve Balances

The table below shows the unallocated reserve balance as at March 2015. 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.

Budget Managers have been asked to confirm their intended use of earmarked reserve during 2014-15 so that budget virements can be made to revise the budget in

year. If Managers do not estimate to use the reserve during the financial year, the funds will not be released into budget. This is monitored in year by the S151 Officer and Finance Manager.

Reserve Description	Forecast Balance 31.3.15 £'000
Affordable Housing Reserve	118
Capital Reserve	762
Climate Change Reserve	47
Council Tax Reserve	4,062
Emergency Planning Reserve	10
Insurance Reserve	237
Organisational Development Reserve	1,632
Planning Reserve	217
Replacement and Refurbishment Reserve	208
Community Cohesion	19
Property Aquisition Reserve	1,000
Section 106 earmarked reserve	40
Sub total	8,352
General Fund	2,034
Total estimated reserves	10,386

The council tax reserve balance of £4.062m in the table above, includes the transfer of new homes bonus grant £2.831m, which has accumulated in this reserve since the new homes bonus scheme was introduced in 2011.

Actions/Decisions

- To note the forecast unallocated reserve balances at March 2015
- The above table includes a transfer of £31k to the capital programme for the contribution to CCTV, from the council tax reserve approved at Cabinet February 2014

Recommendations

- There are no recommendations at Quarter three

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 2014-15 is £206,405 of which £193,100 is funded by Spalding Taxpayers and the remainder by council tax support grant. The Band D charge for the financial year being £23.22. This is detailed in table 6 below.

The forecast outturn for 2014-15 shows a £5.8k over spend to the revised budget in the table below, which includes Christmas lights expenditure approved to drawn from reserve. This is expected to decrease if further budget savings can be made in other Spalding Special Expense areas.

Table 6 – Forecast Revenue Outturn

Spalding Special Expenses 2014/15	2014/15 Estimates	2014/15 Revised estimate	2014/15 Forecast As at Q3	2014/15 forecast to revised budget Variance £
Spalding Cemetery	45,900	45,900	50,526	4,626
Spalding Allotments	1,800	1,800	2,216	416
Playing Fields at:-				0
Ayscoughfee (excluding gardens)	11,710	11,710	10,237	(1,473)
Halley Stewart	30,200	30,200	32,218	2,018
Thames Road	13,470	13,470	13,470	0
Fulney Road	10,320	10,320	10,320	0
Monkshouse Lane	37,310	37,310	37,521	211
Contribution to Voluntary Car Scheme	8,500	8,500	8,500	0
Christmas Decorations	13,200	22,660	22,660	0
Contrib to mt of churchyard St Mary & St Nicolas Parish Church	750	750	750	0
Administrative Support	4,690	4,690	4,690	0
Bus Shelter maintenance	370	370	370	0
Contribution to play areas	1,000	1,000	1,000	0
Spalding Town Centre Promotion	2,930	2,930	2,930	0
Crime prevention	7,700	7,700	7,700	0
Contribution to Spalding Special Reserve earmarked capital	15,805	15,805	15,805	0
Chairmans contingency	750	750	750	0
Total Expenditure	206,405	215,865	221,663	5,798
Funding				
Total Expenditure	206,405	215,865	221,663	
use of reserve		(9,460)	(9,460)	
forecast overspend-funded from reserve			(5,798)	
Share of Council Tax Support Grant	(13,305)	(13,305)	(13,305)	
Charged	193,100	193,100	193,100	
Tax Base	8,316	8,316	8,316	
Band D equivalent	23.22	23.22	23.22	
Actual Balances				
Balance Brought Forward 1from 2013-14	(128,195)	(128,195)	(128,195)	
forecast over or underspend		10,000	5,798	
christmas lights approved		9,460	9,460	
Contribution to SSE reserve (Capital Expenditure)	(15,805)	(33,805)	(33,805)	
Balance Carried Forward	(144,000)	(142,540)	(146,742)	
Earmarked crime prevention	4,381	4,381	4,381	
Earmarked Christmas Decorations-underspend to approved	5,710	0	0	
Agreed minimum balance 5% expenditure for contingency	10,320	10,320	10,320	
Earmarked capital expenditure	41,130	74,935	74,935	
Earmarked for capital expenditure				
Uncommitted balance	(62,459)	(52,904)	(57,106)	

Reserves

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 be used to meet expenditure arising from unexpected events and to cover any future deficit which may arise.

Notional depreciation is shown in the above relevant Spalding Special accounts, which is then earmarked in reserve for future capital expenditure. The earmarked capital reserve is set up to fund future capital expenditure. Depreciation is notionally charged to Spalding Special against the relevant service headings and then as part of the accounting treatment is transferred to the capital reserve. £33,805 from the individual budget headings will transfer to the earmarked reserve at the end of the year.

Cemetery

Cemetery Income is forecast to be £4k over spend at year end with hardwiring testing expenditure has been forecast at £2k. Budget savings are forecast in premises to partly offset this. £2,500 notional depreciation will transfer to reserve, shown in the Cemetery budget, but forecast within the contribution to reserves (£33,805).

Ayscoughfee Playing Field

Additional Income from putting, bowls and tennis are forecast to be £1k over the income budget due to a higher footfall than expected.

Halley Stewart

Health and safety works to the Halley Stewart playing field reported as a £10k additional works in Quarter two, is now forecast to be contained within existing budgets, from utilities savings and additional income from floodlights.

Monkshouse Playing Field

Response maintenance at Monks house playing field has forecast additional expenditure due to vandalism, including roller shutters £1.9k. £2,300 notional depreciation will transfer to reserve, shown in the Monkshouse budget, but forecast within the contribution to reserves (£33,805).

Christmas Decorations

An element of the reserve £5,710 has been set aside for the instalment removal and storage of the Christmas Decorations for Spalding town centre. An additional £3,750 was approved in Quarter one, shown in the revised budget above. £13,200 notional depreciation will transfer to reserve, shown in the Christmas Decorations budget, but forecast within the contribution to reserves (£33,805).

Contingency

The reserve balance also includes a contingency equal to 5% of 2014-15 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 2014-15

Recommendations

- There are no recommendations at this stage

Housing Revenue Account (HRA)

The HRA is on target to deliver a budget surplus. The table below details the full year forecast outturn against the approved budget for 2014-15.

Table 7 –Forecast Revenue Outturn

	£'000	Comments
Approved HRA net expenditure	830	
C/F of capital budgets from 13-14	2,315	Capital programme c/f into 14-15
Revised budget	3,145	
Investment Income	(18)	HRA share of additional investment income
Rental income		Rent arrears are being closely monitored with regard to the economic climate and changes to the welfare system. No significant variances to forecast at this stage
capital programme	(4,180)	Reprofiling of capital programme, re-roofing, asbestos removal and council house development (includes the 2.253m rollover approved c/f into 14-15)
Quarter Three		
Tenants participation	(46)	Tenants participation group not now in operation
Footway lighting	38	Proportion of charge to Hra Housing sites from General Fund
Professional and contractors fees	(15)	Uncommitted budget not earmarked for use in 14-15, housing strategy £19k, allocations £4k over
Computer Hardware maintenance	(36)	Uncommitted budget not earmarked for use in 14-15 Housing allocations £22k, strategy £14k
Other misc expenses	(51)	Housing strategy budget not required after commitments for project resources
Forecast Outturn	(1,163)	
Forecast Variance to revised budget	(4,308)	

General variances

At Quarter three the HRA has a forecast surplus outturn of £1.163 m. Set against the original budget deficit of £830k and approved capital rollover of £2.253m and £62k additions in year, this represents a variance of £4.308 m. There is some risk associated to potential downward revaluations on HRA non dwelling properties, such as community centres and garages. If the valuation at year end produces a downward valuation (which occurred in 2012-13) this would have an actual impact on the HRA. The property market will be closely monitored, but final values will not be known until the valuation carried out at year end.

Housing Rents

At this stage it is estimated housing rents are on target. A summary of performance is shown in table 7a.

Sheltered Housing

2014-15 is the first year of the new sheltered housing service, no longer being financed by supporting people grant. This is being closely monitored to ensure service charges are set appropriately.

Housing Strategy

Housing strategy budgets are being monitored in year and are being used to support the housing growth initiative. It is forecast that this budget will under spend by £51k other miscellaneous expenses, £14k computer hardware maintenance and £19k professional fees, shown above in Table 7.

Construction Services Unit

The Construction Services Unit are reporting an increase in kitchen and bathroom upgrade work on void properties. This forms part of the expenditure in the capital programme. Gas servicing is also forecast to overspend by £20k, but this is to be contained within existing budgets.

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 40. Indications show future weeks exceeding the target, which shows continuous improvement compared to last year.

Key performance Indicator	Year end 2013-14	Current months target	Collection performance 2013-14 Week 40	Collection performance 2014-15 Week 40
% of income collected	98.31% (March 2014) 95.71% average	97%	98.21%	99.79%
Bad Debt write off	£25,940		£16,940	£9,510

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 1st April 2014, 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.

Housing Revenue Account Reserves	Unallocated Amount Available
Insurance Reserve	200
Sub total	200
Cumulative Working Balance	5,213
Outturn	2,860
Adjustments between accounting basis and funding basis under statute	(1,238)
Balance on the HRA at 31.3.14	6,835
Total HRA unallocated reserves at 31.3.14	7,035
Approved HRA budget 2014-15	(830)
Rollover of capital programme from 2013-14 approved and revisions to 14-15 (DRF)	(2,315)
Forecast Surplus (investment income)	18
Quarter 3 forecast net budget savings	110
Revision to capital programme Q3	4,180
Total HRA unallocated reserves forecast at 31.3.15	8,198

Actions/Decisions

To note the forecast outturn position on the 2014-15 Housing Revenue Account.

Recommendations

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

Section 2- Council Tax and Business Rates

Council Tax

2014-15 In-Year Collection

The anticipated impact on in-year collection rate due to changes to the Council Tax Support scheme is not currently showing in the collection rates, compared to previous years.

At the end of December 2014, the collection rate was 86.29%, against a collectable debit of £37.8m.

Table 3 below, compares the collection rate against last financial year

Table 9 – December 2014 in-year collection position against 2013

	Oct	Nov	Dec
Year	% Collected	% Collected	% Collected
2013-14	67.95%	77.08%	86.14%
2014-15	67.74%	77.02%	86.29%

Business Rates

2014-15 In-Year Collection

At the end of December 2014, as shown in Table 3 below, the collection rate was 85.03% against a collectable debit of £26.5m.

This is the first year businesses have been able to choose to pay their business rates over 12 monthly instalments, rather than the usual statutory 10 months. Due to a number of ratepayers, with large rateable assessments, opting to do this it will impact on the cash flow and monthly collection rates compared to the previous year. This is reflected in the performance in the following table.

Table 10- December 2014 in-year collection position against 2013

	Oct	Nov	Dec
Year	% Collected	% Collected	% Collected
2013-14	70.19%	79.37%	88.29%
2014-15	67.70%	75.75%	85.03%

Actions/Decisions required

That the position at Quarter 3 for the Council's 2014-15 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:

- Quarter 3 actuals against 2014-15 approved capital programme

- Risks, issues and key messages

Table 11 – Quarter 3 expenditure against 2014-15 approved capital programme

	Original Budget	Latest Approved Budget	Quarter 3	Forecast Outturn	Variance (Under)/over Spend
	2014-15 £'000	2014-15 £'000	Actuals £'000	£'000	£'000
Commissioning					
Priory Road	0	40	0	20	20
Assets and Property - Other	0	20	0	0	20
ICT Schemes	80	207	172	262	-55
Housing - Gypsy and Travellers Sites	0	635	84	84	551
Private Sector Housing	441	640	221	371	269
Environmental Services	2,112	2,177	1,840	2,122	55
Environmental Health	0	54	1	54	0
Planning	0	24	22	22	2
Total Commissioning	2,633	3,797	2,342	2,935	862
Place and Governance					
Community Development - Leisure	49	172	81	255	-83
Economic Development	0	60	0	60	0
Corporate Finance	0	50	10	50	0
Total Place and Governance	49	282	91	365	-83
HRA					
Public Sector Housing					
Improvements & Enhancements of Council Dw	7,153	9,237	4,188	5,299	3,938
Improvements to Waste water Treatments	60	70	1	42	28
Other	0	18	0	18	0
Disabled Adaptations - Public	385	525	172	324	201
ICT Schemes	125	206	90	194	12
Total HRA	7,723	10,056	4,450	5,877	4,179
Grand Total	10,405	14,135	6,884	9,177	4,958

This is to be resourced by:

Source of Financing	Latest Approved £'000	Forecast Outturn £'000
Use of Capital Receipts	224	220
Capital Grants and Contributions	1,780	1,137
Direct Revenue Funding/Use of Reserves	10,619	6,279
Borrowing	1,512	1,541
Total	14,135	9,177

The original budget was approved at Council in February 2014. Further amendments have subsequently been made to the revised budget (Latest Approved), reflecting previous year incomplete schemes brought forward and changes to schemes during quarter 1.

Spend against latest approved 48.7%

Forecast Outturn £9,177,000

Spend against forecast outturn 75.0%

Explanation of changes to the latest approved budget

A full review of the Capital Programme has been undertaken by managers in conjunction with the Section 151 Officer, with the objective of reflecting a level of expenditure that will be delivered given the resources, both internal and external, available to the Council. The priority of our capital programme will be deliverability, to ensure the best use of the Council's limited resources.

In addition to the review, Members are asked to note the following

- A budget of £108,000 has been added for CCTV which was approved by Cabinet in February 2014. This is financed from the Council Tax Reserve and by external funding.
- A budget of £51,000 has been added for perpetual licences for the AIM system. This is to be financed from revenue resources.
- £30,000 has been transferred from the Housing Site Enhancement budget to finance floor remedial works within the HRA.

Actions/Decisions

To note the re-profiled capital programme

Recommendations

- There are no recommendations at Quarter Three

Section 4 – Treasury

This section reports on:

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

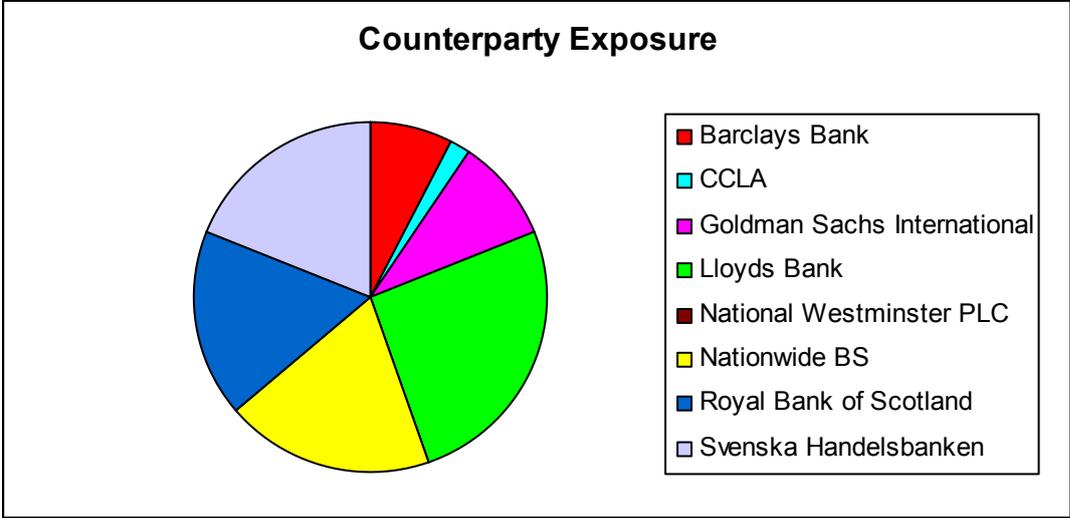
Security

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.

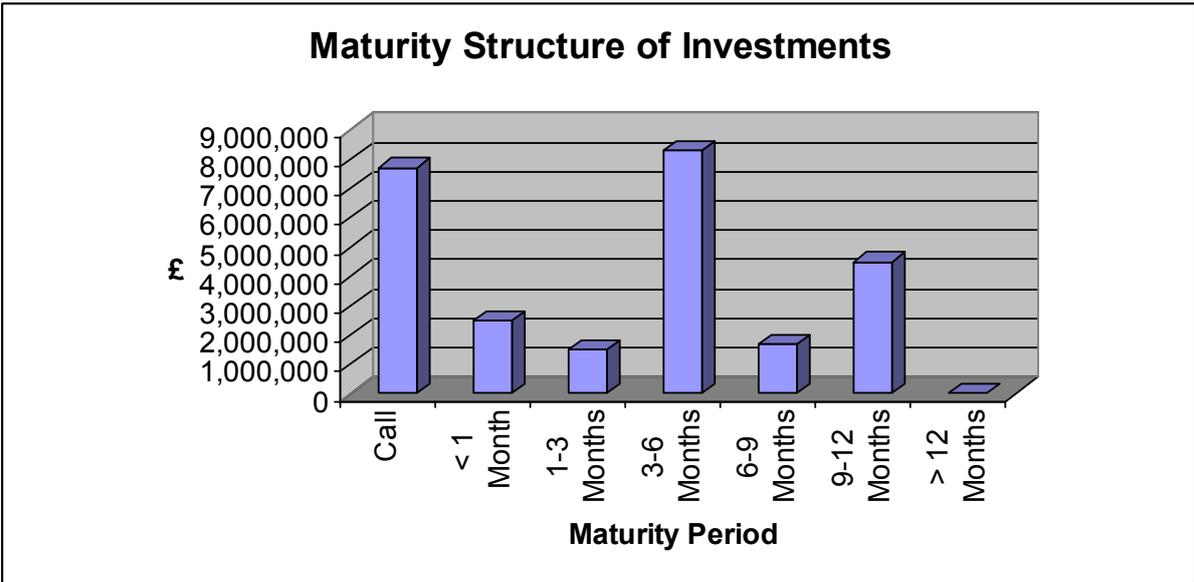
The instant access funds previously held with National Westminster Bank have now been withdrawn as the rate of interest payable on the account has been reduced from 0.50% to 0.25%. A small amount of interest (£1,912.57) remains in the account to keep the account open.



Liquidity

Cash

The Council’s average level of deposits during the first half of the financial year was £25.8m. As at 30 December the Council had £7.72m instant access cash available to meet cash flow requirements. The table below shows the amounts held in relation to the remaining period to maturity.



Yield

Budgeted Interest 2014-15	£114,300
Actual Interest as at Q3 2014-15	79,800
Forecast interest 2014-15	£150,000

*Interest is apportioned between the General Fund and HRA. The forecast at Quarter 3 is estimated at General Fund £112k and Housing Revenue Account £38k.

Target yield (Average 3 month LIBID)	0.42%
Actual Yield as at Q3 2014-15	0.663%

External Borrowing

The Council borrowed £67.456m from the PWLB on 28th 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 2014-15 Treasury outturn be noted.

Recommendations

There are no recommendations as at Quarter 3.