

North East Derbyshire District Council

Cabinet

8 July 2015

Financial Outturn 2014/15 Including Impact on the Medium Term Financial Plan 2015/16 Onwards

**Report No: PRK/04/15-16/BM of Councillor P R Kerry, Portfolio Holder
with Responsibility for Economy, Finance and Regeneration**

This report is public

Purpose of the Report

- To inform Cabinet of the financial outturn position of the Council in respect of the 2014/15 financial year.

1 Background Information

- 1.1 The Council has closed its financial accounts for 2014/15 in line with the required deadline of 30 June 2015. The draft Statement of Accounts 2014/15 as reported to the Audit and Corporate Governance Scrutiny Committee on 25 June is now subject to independent audit from the Council's external auditors, KPMG. Until the accounts have been agreed by our external auditors, which will take place before 30 September 2015, there remains the possibility that they will be subject to amendment.
- 1.2 Members should note that the Council's Draft Statement of Accounts in respect of 2014/15 was signed as complete by the Council's Chief Financial Officer (Executive Director – Operations) at the end of June 2015. The final audited accounts will be reported to and approved by the Audit and Corporate Governance Scrutiny Committee at its meeting of 24 September 2015.
- 1.3 International Financial Reporting Standards (IFRS) requires that the main focus of the Statement of Accounts is on reporting to the public in a format which is directly comparable with every country that has adopted IFRS i.e. not just UK or even other local authorities. In contrast the focus of this report is on providing management information to Members and other stakeholders to assist in the financial management of the Council.
- 1.4 The following sections of this report will consider the 2014/15 outturn position in respect of the General Fund Revenue Account, the Housing Revenue Account (HRA), the Council's Capital Investment Programme and Treasury Management activities. Within the report consideration is given to the level of

balances at the year end, to any impact on the Council's Medium Term Financial Plan of the outturn position, and an assessment of the impact which the closing position has upon the Council's budgets in respect of the current financial year.

Issues for Consideration

2 General Fund Revenue Account

2.1 The Council's original budget for 2014/15 approved by Council in February 2014 included an unidentified savings target amounting to some £0.371m. During 2014/15 the Council has worked to address this shortfall and the ongoing requirement to address its underlying budget position against the background of planned reductions in the level of central government funding. As a result of this programme of work the Council had reached a position whereby at the time of the Revised Budget in February 2015 an underspend of £0.147m was anticipated. The actual outturn position has further improved the underspend to one of £1.286m which has been transferred to the Invest to Save reserve. This funding is now available for Members to allocate to investments intended to enhance or protect service delivery during a period when the level of central government support to local government will continue to be reduced. While the following reports and attached appendices detail the outturn position the main reasons underlying the achievement of an underspend are outlined in the table below:

Issue	£000's
Utilisation of Invest to Save Grant to fund Transformation Programme, Growth Agenda, etc.	528
Increased Income from NNDR	384
Increased Housing Benefit Subsidy	299
Increased Planning Fee Income	93
Increased Income at Leisure Services – largely arising from better than anticipated performance during closure of Dronfield Sports Centre.	84
Savings on services provided by external partners (Building Control, Internal Audit	61
Increased Level of Government Grant	57

2.2 The figures above provide an overview of where the overall favourable variance of £1.286m has been achieved. Where possible officers will be bringing forward further reports intended to ensure that these budget underspends are captured and are used to reduce the planned level of

£2.7m which the Council is facing over the next three financial years. It needs to be recognised, however, that many of the savings identified in the 2014/15 outturn position do not reflect permanent changes in the Council's income and expenditure patterns. In particular:

- The levels of growth from business rates, the increase in planning income and the improvement in the performance of Building Control reflect the wider national economic recovery. There can be no certainty that these favourable trends will be continued and where appropriate these improvements have already been partially recognised in 2015/16 budgets.
- The Invest to Save reserve has prevented restructuring costs and investments in improving service efficiency from having an in year cost to the General Fund.
- The £0.356m increased income from Housing Benefit subsidy and Government Grant should be viewed as 'one off' income which is unlikely to be repeated.
- While there was a significant contribution from Leisure income much of this arose because performance was better during the refurbishment of the Dronfield Sports Centre than hadm been assumed **within** the Council's budgets.

2.3 In line with the position above an initial exercise by Officers indicates that there are relatively few additional reductions in expenditure, or increases in income where adjustments can be made to future years budgets as a result of the 2014/15 outturn position. Officers will now proceed to undertake the detailed work to identify where the evidence from the 2014/15 outturn indicates that it is appropriate to reduce budgets for both 2015/16 and future years in order to secure a contribution to the Council's savings targets. The results of that work will be reported to the September meeting of Cabinet for consideration. While this work will assist in balancing the current and future years budget the available evidence supports the view that there continue to be significant financial challenges ahead.

2.4 While part of the Council's success in addressing the reduction in the level of Government Grant can be attributed to higher than anticipated levels of income arising from national economic growth, it also needs to be recognised that the Council has agreed a range of policies which have ensured that we are well placed to take advantage of such growth, and are able to deliver improvements in service efficiency which have protected service delivery to local residents. In addition to the Growth and Transformation agenda, there is now an effective culture of financial management across the authority under which cost centre manager have worked hard to minimise expenditure and to optomise the level of income. While the impact at the level of individual cost centres is often relatively limited there is a more significant cumulative impact when overall income and expenditure trends are brought together which has helped secure the contribution to reserves at the year end.

- 2.5 Moving on to the detailed reporting of the outturn position in respect of the General Fund which is detailed in **Appendix A** attached. The appendix shows the Original Budget that was set in February 2014, the Revised Budget agreed in February 2015 together with the Current Budget. The Current Budget incorporates any committee approvals after the development of the Revised Budget and incorporates adjustments for virements and for a change in the use of specific resources such as grants or earmarked reserves. This ensures that this earmarked funding is only utilised in line with the actual expenditure incurred in the year. The actual expenditure for 2014/15 is then compared against this Adjusted Current Budget in order to highlight any variances. Executive should note that **Appendix B** (attached) provides detailed variances at a cost centre level. Where appropriate a summary explanation of these variances is provided within Appendix B.
- 2.6 As part of the close down process Officers have made appropriate adjustments to ensure that reserves and other amounts have been carried forward in order to enable the implementation of policies previously agreed by Members. To ensure that agreed policies can be implemented in 2015/16 some £1.6m of resources have been transferred into reserves at the year end. Of this some £1.286m consisted of the Transfer to the Invest to Save Reserve. This leaves an overall balance of earmarked reserves as at 31st March 2015 as one of £4.197m. Full details of the transfers are provided in **Appendix C** to this report. As previously agreed at February Council the level of General Fund reserves has been increased to one of £1.8m, which better reflects the level of financial risks faced by the Council.

3 Housing Revenue Account (HRA)

- 3.1 The Housing Revenue Account is set out in **Appendix D** to this report. The Appendix details the Original Budget (Column A), the Revised Budget (Column B), Actual Expenditure (Column C) and then provides Variance (Column D) between the Revised Budget and the Actual position at the year end.
- 3.2 The Housing Revenue Account position shows only small variances based on the level of expenditure and income moving through the HRA in the year. Income is a net £0.228m above Revised Budget and the overall expenditure position shows as £0.068m below the revised budget which gives a net cost of services under spend position of £0.296m. Within the net expenditure variance is a major transfer of funding away from Supervision and Management to Repairs and Maintenance which reflects the focus of work undertaken by Rykneld Homes during 2014/15; particularly on the refurbishment of void properties. This policy of refurbishing void properties has, however, result in an increase of costs of some £0.196m in respect of Rents, Rates and Taxes which has arisen due to the requirement to meet additional Council Tax costs on empty property.

- 3.3 Further net savings of £0.076m on interest contribute towards the net favourable variance on the account of £0.371m. The favourable variance is in addition to the planned surplus of £0.010m which gives a total surplus in the year of £0.381m. This sum has been transferred to the HRA balance at 31 March 2015 which has increased from the £2.427m projected in the Revised budget to a position of £2.798m. At a level of £2.798m HRA balances are considered to be at an adequate level based on the level of financial risks facing the HRA following the HRA reform.

4 Capital Investment Programme

- 4.1 The capital expenditure incurred by the Council in 2014/15 on a scheme by scheme basis is provided in **Appendix E**. It can be seen from the appendix that the Council's capital spending in the financial year was £30.250m. Overall capital expenditure was £3.448m (approximately 10%) below budget. The outturn position in the main two areas of the programme is outlined below:

4.2 HRA Schemes

Within the HRA the main variances arise from the fact that £1.132m of the Decent Homes work has not been completed during the year and therefore will slip into the early part of 2015/16. While the Tarran Replacement Programme is progressing well expenditure in the year is some £0.767m below the Approved Programme. In addition to a requirement to slip (transfer) this expenditure into 2015/16, current indications are that the overall cost of the scheme will increase by some £1.765m. The Capital Programme will need to be amended to reflect this anticipated outturn with the increase in net costs to be funded from an increased use of HRA capital reserves. The main factor driving the increase in costs has been the land conditions identified during the work on site and in particular former mine workings and unidentified mine workings (bell pits). A further detailed report on the project will be brought back to Cabinet to provide further detail on the increase in costs once the programme is completed. It is, however, necessary at this stage to agree an increase in the capital funding so as to acknowledge the additional costs that will be incurred prior to completion. The HRA Development schemes including work on rebuilding of units at Keats Way in Grassmoor are making good progress with completion anticipated in the early part of 2015/16, and again slippage of £0.584m is required into 2015/16.

4.4 General Fund

The General Fund element of the Capital Programme is mainly related to the remediation and refurbishment of land and premises at Mill Lane and the vehicle replacement scheme. The Mill Lane project is nearing its conclusion and the capital expenditure elements are anticipated to be completed in the first few months on 2015/16. Officers are continuing with work to secure the capital receipts necessary to reimburse the cost of this work at the earliest opportunity. The vehicle replacements scheme shows an under spend but a number of vehicles were on order but had not been delivered by the year end. It will be necessary to carry forward the balance on this budget to meet the committed expenditure. The ICT schemes consist of a number of individual

projects; the work undertaken to address the Windows 7 upgrade, telephony upgrade and network renewal schemes have dominated the year and delayed the progress other projects. This work will be concluded in 2015/16.

- 4.5 **Appendix E** details the proposed carry forwards amounts to 2015/16. This is for individual schemes that are still in progress, there are outstanding commitments or where the scheme has been delayed. The total amounts to £2.203m and the impact on the 2015/16 capital programme is also detailed in the appendix.
- 4.6 **Appendix E** also provides details of how the Capital Programme was funded in 2014/15. This was in line with the position previously agreed by Council within the Medium Term Financial Plan. The one area of Capital Financing where Officers are required to adjust financing plans is in relation to the utilisation of capital receipts where the amount and timing over which these resources will be secured cannot be accurately determined. The table below summarises the capital receipts received by the Council in the year together with the utilisation of such receipts at the year end:

Capital Receipt	Net Receipts in year £000	Available Capital Receipts £000
Available Receipts 1 April 2014		(1,589)
2014/15		
Sale of Council Houses (51 sales)	(2,172)	
Mortgage Receipts	(3)	
Land at Masefield Avenue, Holmewood	(400)	
Parkhouse Lodge	(195)	
26 Nottingham Drive, Wingerworth	(169)	
Other Sales (net)	(133)	
Less - Pooling Costs	575	
Less - Allowable Debt (used to repay HRA debt)	870	
Sub- Total		(3,216)
Used for Capital Financing in 2014/15 (Appendix E)		520
Used for Repayment of Debt (Mill Lane)		1,500
Total Available Receipts 31 March 2015		(1,196)

5 Treasury Management

- 5.1 **At Appendix E** is a brief report on the Treasury Management activity of the Council for 2014/15. In summary the Council operated throughout 2014/15

within the Authorised Limit and Operational Boundary limits approved in the Treasury Management strategy agreed by Council in February 2014.

5.2 The key points from the brief report are:

- The overall borrowing requirement of the Council is £174.459m at 31 March 2015.
- The PWLB debt is £159,057m
- The finance lease debt is £0.123m
- Effective internal borrowing is £15.279m
- No new PWLB borrowing was undertaken in 2014/15
- The HRA headroom at 31 March 2015 is £16.339m
- PWLB interest paid in 2014/15 was £5.723m
- Interest received on investments was £0.035m

6 Conclusions and Reasons for Recommendation

6.1 General Fund

The Council has successfully met its savings target in respect of 2014/15 and has effectively managed its financial position to allow a contribution to the Invest to Save Reserve of £1.286m. Officers will undertake a further programme of work to evaluate to what extent the 2014/15 financial outturn has identified areas where the budget can be reduced in respect of 2015/16 and future financial years. While it would be reasonable to anticipate that savings of up to £200k will be secured some of the income growth and expenditure reductions had already been built into budgets for 2015/16 and future years whilst other savings which arose in 2014/15 cannot be relied upon to occur in the current or future financial years. The contribution to the Invest to Save Reserve does, however, provide the Council with resources to progress its Growth and Transformation agendas in order to protect the level of services to local residents.

6.2 HRA

The HRA continues to operate within the parameters established by the 30 year Business Plan and MTFP.

6.3 Capital Programme

The 2014/15 Capital Programme has seen an investment in excess of £30m into the service – and in particular the Housing Stock – provided by the District Council. With the exception of the work on the Tarran rebuild project at Eckington where a number of unforeseen issues have arisen as a result of former mine workings being identified on site the Programme has been delivered in line with the agreed level of capital resources. On a number of projects within the Approved Programme it will be necessary to carry forward expenditure and resourcing approvals into 2015/16 in order to meet contractual and other commitments entered into by the Council.

6.4 Treasury Management
During 2014/15 the Council has continued to operate within the framework established by the Treasury Management Strategy as approved in February 2014.

7 Consultation and Equality Impact

7.1 The report has no direct implications for Consultation or Equality issues.

8 Alternative Options and Reasons for Rejection

8.1 The financial outturn report for 2014/15 is primarily a factual report which details the outcome of previously approved budgets therefore there are no alternative options to consider.

8.2 The allocation of resources to earmarked reserve accounts has been determined in the light of the previously agreed policies of the Council. If the issues and risks currently anticipated do not materialise or are settled at a lower cost than anticipated then the earmarked reserve **will** be reassessed and returned to general balances.

9 Implications

9.1 Finance and Risk Implications

9.2 The financial implications are set out within the body of the report.

9.3 Members should note that the budgets against which we have monitored the 2014/15 outturn were those agreed within the Council's Medium Term Financial Plan. The Medium Term Financial Plan gave careful consideration to both the affordability of the budgets that were approved, and to ensuring that the level of balances remained adequate for purposes of enabling sound financial management. The fact that the outturn position for 2014/15 indicates that these financial targets have been achieved, gives the Council a firm foundation from which to achieve the service delivery and financial targets approved within the current Medium Term Financial Plan.

9.4 The issue of Financial Risk is covered throughout the report. The risk of not achieving a balanced budget, together with the risk that the Council's level of financial balances will be further eroded are currently key corporate risks identified on the Council's Strategic Risk Register. The outturn report shows that the Council's approach to mitigating these risks during 2014/15 has been successful, with our budgets balanced and the level of financial reserves improved.

9.5 While the Council has effectively addressed its Strategic Financial Risks during 2014/15 it needs to be recognised that the Council will need to continue to meet a range of challenging savings targets if it is to operate effectively within the financial environment established by the Comprehensive Spending Review.

10 Legal Implications including Data Protection

- 10.1 The Statement of Accounts is required to be prepared by the 30 June each year. The Council has now completed the accounts and they have been signed off by the Chief Financial Officer as at the 30 June 2015 which secures compliance with the Council's legal obligations. There are no legal issues arising directly from this report.

11 Human Resources Implications

- 11.1 There are no Human Resources issues arising directly from this report.

12 Recommendations

- 12.1 That Members note the report and in particular the financial outturn position in respect of 2014/15 which shows an underspend of £1.286m in respect of the General Fund, together with a net favourable variance on the HRA of £0.371m.

General Fund

- 12.2 That Members note the outturn position on the General Fund and the level of General Fund balances at 31 March 2015 of £1.8m.
- 12.3 That Cabinet notes the transfers to Earmarked Reserves as outlined in Appendix C to the report.
- 12.4 That Members request the Accountancy Section to undertake a review of the under spend position of 2014/15 with a review to determine where budget changes may be made to the 2015/16 and future budgets. The review is requested to be reported back to Cabinet by September 2015.

Housing Revenue Account

- 12.5 That Members note the outturn position of the HRA and the level of HRA general balance at 31 March 2015 of £2,797,816.

Capital Programme

- 12.6 That Members approve the proposed carry forward of capital budgets detailed in Appendix D totalling £2.203m and approve the increase in costs of the TARRAN scheme of some £1.765m.
- 12.7 That Members request a detailed report on the outturn of the Tarran Scheme once the programme has been completed.

Further Reporting

- 12.8 That this report is forwarded to the Audit and Corporate Governance Scrutiny Committee for its consideration.

13 Decision Information

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	Yes
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	Ensure residents have confidence in the Council Provide good value, high performing services

14 Document Information

Appendix No	Title
A	General Fund Summary 2014/15
B	General Fund Outturn 2014/15
C	General Fund Earmarked Reserves
D	Housing Revenue Income and Expenditure Account 2014/15
E	Capital Programme 2014/15 to 2015/16
F	Treasury Management Outturn 2014/15
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Held in Finance – Room 024	
Report Author	Contact Number
Dawn Clarke – Assistant Director – Finance, Revenues and Benefits	(01246) 217658

GENERAL FUND ACCOUNT SUMMARY OUTTURN 2014/15

APPENDIX A

	A Original Budget 2014/15 £	B Revised Budget 2014/15 £	C Current Budget 2014/15 £	D Actual 2014/15	E Variance
Growth	3,134,962	3,102,283	3,094,373	2,765,092	(328,281)
Transformation	2,263,550	3,092,754	3,036,909	2,850,793	(186,116)
Operations	6,054,462	6,303,232	6,288,925	5,505,677	(783,248)
Bad Debt Provisions	40,000	40,000	40,000	56,106	16,106
Recharges to Capital and HRA	(527,500)	(527,500)	(527,500)	(527,500)	0
Provision for pay award	117,667	117,667	117,667	0	(117,667)
Savings Target	(370,561)	0	0	0	0
Net Cost of Services	10,744,138	12,121,103	12,043,041	10,686,563	(1,456,478)
Investment Properties	(355,821)	(395,863)	(395,863)	(429,263)	(33,400)
Interest Charges	86,379	132,530	132,530	109,668	(22,872)
Debt Repayment-Minimum Revenue Provision	256,000	256,000	256,000	256,000	0
	10,699,138	12,121,103	12,043,041	10,686,563	(1,456,478)
Appropriations to/(from) Reserves & Balances					
Transfer to Grant Accounts	0	102,213	102,213	132,198	29,985
Transfer to Budget Carry Forward Reserve	0	0	0	28,000	28,000
Transfer to Invest to Save Reserve	0	147,657	147,657	1,285,699	1,138,042
Transfer to Other Earmarked Reserves	45,000	81,787	81,787	186,824	105,037
Total Transfer to Reserves	45,000	331,657	331,657	1,632,721	1,301,064
Transfer from Grant Accounts	0	(20,509)	(20,509)	(53,697)	(33,188)
Transfer from Leisure Centre Reserve	0	(100,800)	(613,056)	(613,056)	0
Transfer from Invest to Save Reserve	0	(521,041)	(523,865)	(523,865)	0
Transfer from Other Earmarked Reserves	0	(766,272)	(173,130)	(103,155)	69,975
Total Transfer from Reserves	0	(1,408,622)	(1,330,560)	(1,293,773)	36,787
Transfer to General Fund Balance	0	0	0	259,283	259,283
Total Expenditure	10,744,138	11,044,138	11,044,138	11,184,794	140,656
Parish Precepts	2,780,237	2,780,237	2,780,237	2,780,237	0
Parish Council Tax Support Grant	347,561	347,561	347,561	347,561	0
Total Spending Requirements	11,171,936	11,171,936	11,171,936	11,171,936	140,656
Business Rate Retention	(2,802,735)	(2,902,735)	(2,902,735)	(2,986,703)	(83,968)
Revenue Support Grant	(2,812,495)	(2,812,495)	(2,812,495)	(2,860,850)	(48,355)
Use of New Homes Bonus	(584,725)	(584,725)	(584,725)	(593,058)	(8,333)
Collection Fund (Surplus)/Deficit	(31,500)	(31,500)	(31,500)	(31,500)	0
NEDDC Council Tax Requirement	(5,060,244)	(5,060,244)	(5,060,244)	(5,060,244)	0
Parish Council Council Tax Requirement	(2,780,237)	(2,780,237)	(2,780,237)	(2,780,237)	0
Council Tax Requirement	(11,031,936)	(11,031,936)	(11,031,936)	(11,031,936)	(140,656)
Opening General Fund Reserve	(1,540,717)	(1,540,717)	(1,540,717)	(1,540,717)	
Transfer (to)/from Balances	0	0	0	(259,283)	
Closing General Fund Balance	(1,540,717)	(1,540,717)	(1,540,717)	(1,800,000)	

GENERAL FUND ACCOUNT OUTTURN 2014/15

APPENDIX B

	Original Budget 2014/15 £	Revised Budget 2014/15 £	Current Budget 2014/15 £	Actual 2014/15 £	Variance £	Transfer to Reserve £	Adjusted Variance £	Main Variance
Growth Directorate								
Chief Executive								
1142 Chief Executive's Office	123,393	110,348	110,348	154,093	43,745		43,745	Accrued termination payments
1331 Strategic Partnerships	76,104	87,886	87,886	84,135	(3,751)		(3,751)	
1332 Strategic Partnership Projects	0	3,000	4,000	4,000	0		0	
4362 LEADER	199	8,411	8,411	0	(8,411)		(8,411)	Grant funding
4443 Elderly Peoples Clubs	7,000	4,090	4,090	3,376	(714)		(714)	
5785 Contributions	131,312	131,312	131,312	96,312	(35,000)	35,000	0	
Assistant Director Economic Growth								
3165 Housing Options Team	157,220	157,406	161,406	162,187	781		781	
3727 PRJ Project SYHA	0	(8,263)	(8,263)	(8,263)	0		0	Recruitment drag on Empty Property Officer
3740 Strategic Housing	138,766	151,107	151,107	140,010	(11,097)		(11,097)	
3747 Homeless Units	0	2,750	2,750	162	(2,588)		(2,588)	
3748 Homelessness Grant	36,150	48,150	44,150	15,654	(28,496)	21,000	(7,496)	
3751 Care Call System	(48,000)	(20,000)	(20,000)	(16,572)	3,428		3,428	
4211 Tourism Promotion	28,148	28,342	28,342	25,678	(2,664)		(2,664)	
4238 Working Communities	70,856	71,325	71,325	73,065	1,740		1,740	
4239 Arbitration	0	0	0	0	0		0	
4351 Alliance	3,250	3,350	3,350	3,250	(100)		(100)	
4512 Growth Agenda	8,000	8,200	11,890	11,665	(225)		(225)	
4517 Economic Development	98,211	120,807	120,758	117,707	(3,051)		(3,051)	
4528 Sheffield City Region	18,959	19,173	19,173	58,956	39,783		39,783	Loan write off
5750 AD Economic Growth	34,165	33,772	33,772	34,237	465		465	
Assistant Director Planning & Environmental Health								
3400 Environment Protection	62,149	69,909	88,779	76,259	(12,520)		(12,520)	Vacant posts
3401 Food, Health & Safety	134,326	128,800	121,530	122,680	1,150		1,150	
3402 Environmental Enforcement	99,883	94,748	85,348	86,576	1,228		1,228	
3403 Neighbourhood Management	890	0	0	0	0		0	
3404 Licensing	(82,634)	(86,954)	(71,864)	(55,436)	16,428		16,428	Licensing income
3405 Housing & Pollution	84,264	80,682	85,442	81,822	(3,620)		(3,620)	
3406 Handy Van Scheme	(3,227)	(4,739)	(4,739)	(12,027)	(7,288)	7,000	(288)	
3407 Pest Control	34,097	27,762	25,282	22,519	(2,744)		(2,744)	
3408 Affordable Warmth	28,392	27,600	28,140	25,308	(2,832)		(2,832)	
3409 EH Technical Support & Management	162,994	208,778	195,188	176,998	(18,190)		(18,190)	Vacant posts and training
3410 Private Sector Housing	52,383	50,932	50,932	51,882	950		950	
3726 Works In Default	160	(15)	(15)	6,041	6,056		6,056	Increase in Planning Fees
4111 Planning Applications & Advice	(317,400)	(452,315)	(534,210)	(702,800)	(168,390)	75,000	(93,390)	Actual amount of claim lower than anticipated
4113 Planning Appeals	0	0	0	(20,974)	(20,974)		(20,974)	
4116 Planning Policy	56,300	219,960	219,960	187,157	(32,803)		(32,803)	Consultancy work on local plan

GENERAL FUND ACCOUNT OUTTURN 2014/15

APPENDIX B

	Original Budget 2014/15 £	Revised Budget 2014/15 £	Current Budget 2014/15 £	Actual 2014/15 £	Variance £	Transfer to Reserve £	Adjusted Variance £	Main Variance
4311 Environmental Conservation	21,800	19,830	19,830	19,231	(599)		(599)	
4511 AD Planning and Environmental Health	30,837	31,175	31,175	31,344	169		169	
4513 Planning Section	820,332	480,088	583,930	587,034	23,104		23,104	Termination payments Unanticipated distribution of reserves by CBC
4515 Building Control	154,500	154,500	154,500	112,882	(41,618)		(41,618)	
4522 Section 106 Agreement	0	0	0	0	0		0	
Assistant Director Governance & Monitoring Officer								
1121 Members Services	454,983	455,267	454,867	451,326	(3,641)		(3,641)	
1123 Chair's Expenses	9,780	10,280	10,280	8,453	(1,827)		(1,827)	
1131 District Elections	0	5,115	5,115	4,624	(491)		(491)	
1133 Parish Elections	0	0	0	0	0		0	
1135 European Elections	0	170	170	0	(170)		(170)	
1137 Parliamentary Elections	0	(30)	(30)	0	30		30	
1139 County Council Elections	0	70	70	0	(70)		(70)	
5219 Corporate Support Unit	39,632	33,804	33,804	36,139	4,335		4,335	
5249 Twinning Expenses	7,100	7,100	7,100	0	(7,100)		(7,100)	
5273 Brass Band Concert	3,600	3,600	3,600	2,909	(691)		(691)	
5313 Register Of Electors	189,800	194,078	194,078	149,134	(44,844)		(44,844)	
5321 Monitoring	39,980	36,147	36,147	37,831	(316)		(316)	
5353 Legal Section	180,569	174,107	174,107	167,801	(6,306)		(6,306)	
5392 Scrutiny	62,016	44,902	44,902	44,848	346		346	
5711 Democratic Services	102,833	103,068	103,368	103,578	210		210	
Operations Directorate								
Executive Director								
5700 Director of Operations	51,064	48,617	46,617	49,321	704		704	
5720 Supporting PA's	74,166	74,188	74,188	74,858	670		670	
Assistant Director Community Safety								
1218 Community Safety	58,523	63,913	63,913	61,785	(2,128)		(2,128)	
1220 AD Community Safety	0	3,114	3,114	2,002	(1,112)		(1,112)	
Assistant Director Finance, Revenues & Benefits								
3176 Pool Car Suspense	1,700	1,700	1,700	1,165	(535)		(535)	
3512 CBC Crematorium	0	(31,000)	(31,000)	(31,000)	0		0	
5113 Union Duties	13,130	13,465	13,465	13,740	275		275	
5611 External Audit	80,000	73,000	73,000	66,988	(6,012)		(6,012)	
5615 Bank Charges	84,500	68,500	68,500	65,247	(3,253)		(3,253)	
5621 Contributions - HRA	(187,300)	(187,300)	(187,300)	(185,450)	1,850		1,850	
5705 AD Finance, Revenues & Benefits	32,711	31,674	31,674	38,461	6,777		6,777	
5713 Internal Audit Service	106,310	109,310	109,310	89,448	(19,862)		(19,862)	Vacant post

ER costs lower than expected

APPENDIX B

	Original Budget 2014/15 £	Revised Budget 2014/15 £	Current Budget 2014/15 £	Actual 2014/15 £	Variance £	Transfer to Reserve £	Adjusted Variance £	Main Variance
5714 Financial Support Services								
5721 Accountancy	201,781	163,195	163,195	198,216	35,021		35,021	Accrued termination payments
5723 Housing Act Advances	301,154	335,763	298,763	270,968	(27,795)		(27,795)	Vacant post
5724 Insurances	2,355	2,475	2,475	2,142	(333)		(333)	
5727 Cost Of Ex-Employees	17,000	(1,985)	(1,985)	8,416	10,401		10,401	Increased excess costs
	1,032,484	947,000	947,000	893,922	(53,078)		(53,078)	Reduced costs from DCC
								Increase in Government
5741 Housing Benefit Service	(233,358)	89,375	588,138	279,692	(318,446)	19,089	(299,357)	subsidy
5747 Debtors	0	22,863	21,283	22,224	941		941	
5751 NDR Collection	(82,445)	(82,000)	(36,630)	(69,288)	(32,658)	10,886	(21,762)	Additional new burdens grant
5759 Council Tax Administration	848,255	586,443	66,255	9,832	(55,423)		(55,423)	Additional income from costs
5781 Village Hall Grants	26,490	26,490	26,490	26,485	(5)		(5)	
5782 Playing Field Grant	415	415	415	412	(3)		(3)	
<u>Assistant Director Property & Estates</u>								
3135 Drainage	(3,906)	11,917	11,917	6,279	(5,638)		(5,638)	
3172 Engineers	87,956	76,139	73,694	67,967	(5,727)		(5,727)	
3241 Car Parks	38,490	34,590	34,590	30,596	(3,994)	3,824	(170)	
3247 Street Names/Lights	10,000	6,650	6,650	6,754	104		104	
3249 Footpath Orders	(800)	5,200	5,200	4,819	(281)		(281)	
3265 Dams & Fishing Ponds	550	6,140	6,140	5,305	(835)		(835)	
3281 Clay Cross Depot	12,780	(1,245)	(1,245)	(8,382)	(7,137)		(7,137)	
3811 Closed Circuit TV	37,610	0	0	768	768		768	
4412 Midway Business Centre	8,230	3,780	3,780	1,256	(2,524)		(2,524)	
4425 Coney Green Business Centre	(81,088)	(26,403)	(26,403)	(33,946)	(7,543)		(7,543)	
4523 Estates Administration	226,797	236,413	232,868	233,032	64		64	
5204 AD Property & Estates	0	14,440	19,485	20,139	674		674	
5205 Mill Lane Redevelopment	260,609	702,875	694,375	649,390	(44,985)		(44,985)	Interest charges
5206 Mill Lane Land	0	0	3,013	2,823	(190)		(190)	Efficiencies from pooling
								budgets and slippage between
5209 Facilities Management	92,388	106,840	109,010	66,224	(42,787)	15,000	(27,787)	years
5210 Pioneer House	38,880	37,840	37,540	32,888	(4,652)		(4,652)	
5211 Council House Offices	203,900	184,150	191,780	151,791	(39,989)	13,000	(26,989)	Building maintenance costs
5212 Tea Trolley Service	20,225	21,451	21,451	23,312	1,861		1,861	
<u>Assistant Director Street Scene</u>								
3174 Outside Services Client	260,366	266,528	266,528	229,396	(37,132)		(37,132)	
3223 Bring Sites (Recycling)	0	0	(32,900)	(84,914)	(2,014)		(2,014)	
3227 Material Recycling	(32,900)	(32,900)	0	(1,881)	(1,881)		(1,881)	
3244 Parks DCC Agency	(359,166)	(359,166)	(359,166)	(358,781)	385		385	
3282 Eckington Depot	91,073	94,483	94,483	82,370	(12,113)		(12,113)	
3285 Dronfield Bulk Depot	2,790	2,740	2,740	2,732	(8)		(8)	
3511 Hasland Cemetery	(46,150)	(45,960)	(45,960)	(44,063)	1,917		1,917	
3513 Temple Normanton Cemetery	(6,270)	(8,290)	(8,290)	(11,704)	(3,414)		(3,414)	
3514 Clay Cross Cemetery	(43,685)	(43,656)	(43,656)	(43,449)	206		206	

GENERAL FUND ACCOUNT OUTTURN 2014/15

APPENDIX B

	Original Budget 2014/15	Revised Budget 2014/15	Current Budget 2014/15	Actual 2014/15	Variance	Transfer to Reserve	Adjusted Variance	Main Variance
	£	£	£	£	£	£	£	£
3516 Killamarsh Cemetery	(14,480)	(14,430)	(14,430)	(12,341)	2,089		2,089	
3918 Dog Fouling Bins	(42,450)	(42,450)	(42,800)	(46,877)	(4,077)		(4,077)	
3921 Street Cleaning Service	840,878	811,703	810,383	531,230	(79,153)		(79,153)	
3943 Transport	126,430	7,016	7,016	87,675	80,659		80,659	
3944 Grounds Maintenance	674,576	654,472	654,472	611,376	(43,096)		(43,096)	
3945 Domestic Waste Collection	1,712,175	1,691,308	1,692,776	1,708,682	15,906		15,906	
3948 Commercial Waste Collection	(119,214)	(124,357)	(124,357)	(168,193)	(43,836)		(43,836)	
3951 Playing Fields General	(174,055)	(145,800)	(145,800)	(156,489)	(10,689)		(10,689)	
Total for Operating Divisions	9,054,452	8,303,332	8,288,925	6,309,577	(1,983,245)	81,905	(721,439)	
Investment Properties								
4411 Stonebroom Industrial Estate	(45,620)	(41,700)	(41,700)	(40,721)	979		979	
4413 Clay Cross Industrial Estate	(79,680)	(68,085)	(68,085)	(67,652)	433		433	
4414 Midway Workshops	(14,570)	(40,170)	(40,170)	(43,886)	(3,726)		(3,726)	
4415 Norwood Industrial Estate	(192,290)	(194,465)	(194,465)	(192,979)	1,486		1,486	
4417 Eckington Business Park	(25,000)	(16,000)	(16,000)	(22,015)	(6,015)		(6,015)	
4418 Rotherside Court	(32,791)	(23,473)	(23,473)	(1,976)	21,497		21,497	Allowance for EMDA provision
4419 Ridgeway Craft Centre	3,307	5,760	5,760	4,765	(995)		(995)	
4423 Pavilion Workshops Holmewood	(33,957)	(46,480)	(46,480)	(52,667)	(6,187)		(6,187)	
4432 Misc Properties	64,780	28,750	28,750	(12,122)	(40,872)		(40,872)	£10k additional income, £22k running costs, & 8k NDR
Transformation Directorate								
Executive Director								
4500 Director of Transformation	49,809	49,437	49,302	49,102	(200)		(200)	
5215 Telephony	29,000	29,000	29,000	31,765	2,765		2,765	
5222 Firmstep	0	52,530	37,930	37,938	8		8	
5701 Joint ICT Service	(958,096)	(939,482)	(939,937)	(958,966)	(19,029)		(19,029)	
5702 ICT Infrastructure	419,887	423,306	423,306	426,143	2,837		2,837	
5733 Service Desk	351,318	345,824	345,824	350,983	5,139		5,139	
5736 Business Development	182,388	179,470	178,786	179,884	1,098		1,098	Software & hardware funded in Mill Lane move
5734 NEDDC ICT Services	507,531	519,071	520,210	466,498	(53,712)		(53,712)	
5737 Corporate Printing	24,000	24,000	24,000	21,683	(2,317)		(2,317)	
Assistant Director Customer Services, Strategy & Performance								
1250 AD Customer Services, Performance & Strategy	30,987	31,271	31,271	31,317	46		46	
1255 Performance & Improvement	108,322	116,096	116,096	149,204	33,108		33,108	Accrued termination payments
1266 Corporate Consultation	31,531	31,795	31,795	29,890	(1,905)		(1,905)	
1315 Design & Print	45,318	47,849	46,849	20,600	(26,249)		(26,249)	Sale of equipment
1321 Communications & Marketing	82,510	74,619	74,619	76,244	1,625		1,625	

APPENDIX C

TRANSFER TO RESERVES AS AT 31st MARCH 2015.

Earmarked Reserve	Comments	Contribution £
Grants Reserve	The Council has received Government grants totalling £132,198 in relation to Council Tax, Housing Benefits and National Non-Domestic Rates that will be used in future years for service improvements.	132,198
Budget Carry Forward Reserve	To set aside the under spent budgets from 2014/15 to meet ongoing financial commitments within the Council.	28,000
Investment properties	To set aside resources to meet any planned developments/improvements on the Council's Investment Properties. This reserve is necessary in order to maintain income from what are a range of ageing properties.	25,000
Insurance Reserve	To maintain a reserve to meet insurance claim costs that are not covered through the Council's current insurance arrangements.	10,000
Planning Capacity	This is to transfer some of the increase in fees during 2014/15 to a reserve to fund work being undertaken during 2015/16.	75,000
Legacy	The set aside money left to the council from a deceased resident for the general benefit of the residents of NEDDC.	35,000
Other Earmarked Reserves	Amounts set aside for specific areas of work/cover where expenditure will be incurred in 2015/16. Vehicle Replacement £10,000	41,824

	Housing Options £21,000 Handy Van £7,000 Car Parks £3,824	
Invest to Save Reserve	The balance of available resources is set aside to meet the Invest to Save / Transformation agenda costs and to meet the costs of restructuring the Council to adjust to the ongoing reductions in the level of Government funding.	1,285,699
Total		1,632,721

APPENDIX D

HOUSING REVENUE INCOME & EXPENDITURE ACCOUNT 2014/15

	A	B	C	D
	Original	Revised	Actual	Variance
	Budget	Budget	2014/15	2014/15
	2014/15	2014/15	£000's	£000's
	£000's	£000's		
Income				
Dwelling Rents	(32,076)	(31,764)	(32,012)	(248)
Non-Dwelling Rents	(380)	(355)	(340)	15
Charges for Services and Facilities	(296)	(504)	(535)	(31)
Contributions Towards Expenditure	(439)	(570)	(534)	36
Total income	(33,191)	(33,193)	(33,421)	(228)
Expenditure				
Repairs & Maintenance	4,766	4,834	6,318	1,484
Supervision and Management	7,157	7,186	5,510	(1,676)
Rents, Rates & Taxes	40	130	326	196
Capital Charges - Depreciation	8,370	6,573	6,573	0
Increase in Provision for Bad Debts	300	300	228	(72)
Debt Management Expenses	12	12	12	0
Total Expenditure	20,645	19,035	18,967	(68)
Net Cost of Services	(12,546)	(14,158)	(14,454)	(296)
Corporate & Democratic Core	185	185	186	1
Net Cost of all HRA services	(12,361)	(13,973)	(14,268)	(295)
Interest Payable	5,628	5,556	5,476	(80)
Interest Receivable	(125)	(30)	(26)	4
(Surplus)/Deficit on HRA Services	(6,858)	(8,447)	(8,818)	(371)
Debt Repayment	4,300	4,300	4,300	0
Capital Exp Funded by the HRA	0	0	0	0
Transfer to HRA Reserves - Insurance	50	50	50	0
Transfer to HRA Reserves - New Build /Refurbishment	2,500	2,290	2,290	0
Transfers to/from Major Repairs Reserve		1,797	1,797	0
Transfer to HRA Balances	(8)	(10)	(381)	(371)
Housing Revenue Account Balances				
HRA Opening Balance	(2,417)	(2,417)	(2,417)	0
Transfer fm Balances 2014/15	0	0	0	0
Transfer to Balances 2014/15	(8)	(10)	(381)	(371)
HRA Closing Balances	(2,425)	(2,427)	(2,798)	(371)

Project/Scheme	Revised	Actual	Variance	Amount	Original	Revised
	Programme	Outturn		Carried		
	2014/15	2014/15		Forward to		
	£000	£000	2015/16	2015/16	2015/16	£000
Housing Investment						
Decent Homes Funded						
Decent Homes Programme	19,781	18,649	(1,132)	108	12,500	12,608
External Wall Insulation	0	0	0	0	5,318	5,318
HRA Development Schemes	2,246	1,597	(649)	584	0	584
TARRAN's Project	6,413	5,646	(767)	767	0	767
	28,440	25,892	(2,548)	1,459	17,818	19,277
Private Sector Spending	300	179	(121)	0	393	393
Total Housing Investment	28,740	25,071	(2,669)	1,459	18,211	19,670
Other Capital Projects						
Asset Refurbishment - Coney Green B/C	187	158	(11)	11	0	11
Asset Refurbishment - Council House Lift Replacement	14	14	0	0	0	0
Asset Refurbishment - Eckington Depot	30	8	(22)	22	0	22
Asset Refurbishment - Eckington Pool Boiler	57	57	0	0	0	0
Asset Refurbishment - General	36	0	(36)	0	150	150
Contaminated Land	64	22	(42)	42	0	42
Mill Lane Land Remediation	447	448	1	0	275	275
Mill Lane Refurbishment of Offices	1,412	1,133	(279)	279	0	279
Demolition Costs (Holmswood Depot)	0	0	0	0	50	50
DSC Pool Refurbishment	530	493	(37)	37	0	37
ICT Schemes	196	128	(68)	68	130	198
Lottery Funded Schemes	19	4	(15)	15	0	15
Replacement Vehicles	1,845	1,676	(169)	169	2,025	2,194
Sharley Park Refurbishment	141	40	(101)	101	0	101
Total Other Capital Projects	4,988	4,179	(779)	744	2,630	3,374
Total Capital Expenditure	33,698	30,250	(3,448)	2,203	20,841	23,044
Capital Resources						
	2014/15	2014/15		2015/16	2015/16	
	£000	£000		£000	£000	
Housing Investment Funding						
Decent Homes Funding						
Decent Homes Grant	(18,781)	(16,781)		0	0	
External Grants	(826)	(826)		(1,020)	(1,020)	
HRA Capital Investment Reserve	(1,288)	(1,133)		(2,248)	(2,832)	
Major Repairs Reserve	(3,000)	(1,868)		(14,550)	(14,658)	
Prudential Borrowing - HRA	(6,413)	(5,150)		0	(767)	
Section 108 Contributions	(122)	(122)		0	0	
Useable Capital Receipts	(12)	(12)		0	0	
	(28,440)	(25,892)		(17,818)	(19,277)	
Disabled Facilities Grant	(284)	(202)		(373)	(373)	
Useable Capital Receipts	(16)	23		(20)	(20)	
Total Housing Investment Funding	(28,740)	(26,071)		(18,211)	(19,670)	
Other Capital Projects Funding						
Useable Capital Receipts	(758)	(532)		(582)	(784)	
Prudential Borrowing	(2,947)	(2,430)		(2,025)	(2,473)	
Invest to Save	(450)	(450)		0	0	
RCCO - General Fund	(720)	(741)		(23)	(60)	
External Grant	(83)	(28)		0	(57)	
Other Capital Project Funding	(4,958)	(4,179)		(2,630)	(3,374)	
Total Capital Financing	(33,698)	(30,250)		(20,841)	(23,044)	
HRA Development Reserve						
Opening Balance	0	0		(1,157)	(1,157)	
Amount due in year	(2,290)	(2,290)		(1,770)	(1,770)	
Amount used in year	1,286	1,133		2,248	2,832	
Closing Balance	(1,004)	(1,157)		(679)	(95)	
MRA Reserves						
Opening Balance	(786)	(786)		(7,288)	(7,288)	
Amount due in year	(8,370)	(8,370)		(8,909)	(8,909)	
Amount used in year	3,000	1,868		14,550	14,658	
Closing Balance	(6,156)	(7,288)		(1,647)	(1,539)	
Capital Receipts Reserves						
Opening Balance	(1,589)	(1,589)		(1,195)	(1,129)	
Income expected in year	(200)	(3,072)		(1,670)	(1,670)	
Debt Repayment/Other Expenses	0	2,846		1,134	1,134	
Amount used in year	774	520		602	804	
Closing Balance	(1,015)	(1,195)		(1,129)	(881)	

Capital Financing Requirement

The key area of Treasury Management is the measurement and control of the overall debt position of the Council. This is calculated through the Capital Financing Requirement (CFR). The CFR calculates the Council's underlying need to borrow in order to finance its capital expenditure. The revised estimate of the CFR for 2014/15 and the actual outturn CFR are shown in the table below: -

	Revised Budget 2014/15 £000's	Actual Outturn 2014/15 £000's
Capital Financing Requirement 1 April	172,455	172,455
Prudential Borrowing Gen Fund – Vehicle Replacement	1,845	1,606
Prudential Borrowing Gen Fund – Land/Buildings, Mill Lane	1,102	824
Prudential Borrowing HRA– Tarran Regeneration Scheme	6,413	5,150
Leasing Repayments	(298)	(298)
Minimum Revenue Provision (MRP)	(541)	(553)
Net repayment of other debt	(1,183)	(1,663)
Prudential Borrowing Gen Fund - Financing of Loan to Rykneld Homes	2,624	2,117
HRA Debt Repayment per business plan	(4,300)	(4,300)
Repayment of Allowable Debt	(200)	(870)
Removal of Crematorium from Accounts	0	(9)
Capital Financing Requirement 31 March 2015	177,917	174,459

The overall position shows a net increase of outstanding debt of £2.004m during the year compared to the anticipated increase in debt of £5.462m in the Revised Budget. The increase reflects the prudential borrowing was undertaken for the replacement vehicles in the year, the phased planned expenditure on the land and buildings at Mill Lane and the planned expenditure on the Housing scheme for the replacement of TARRAN houses at Eckington and Killamarsh.

The actual CFR position also reflects the Council's financing of the approved General Fund loan to Rykneld Homes (£2.117m), repayment of debt on the Mill Lane land and offices and repayment of Allowable Debt. The repayment of allowable debt relates to the Sale of Council Houses. Under the new HRA reforms when a Council dwelling is sold the Council is allowed to retain some of the capital receipts because it is carrying debt on each property following the HRA reforms settlement. It is called the Allowable Debt calculation. It is advisable that the retained receipt element for Allowable Debt is actually utilised to repay the debt outstanding on the sold houses otherwise the Council is carrying debt where it has no asset.

The Capital Financing requirement is split between the HRA and General Fund the balance of each is shown below:

Capital Financing Requirement at 31 March 2015	£000
General Fund	11,814
Housing Revenue Account	162,645
Total CFR	174,459

From the HRA CFR the Council is able to calculate the "headroom" available which is the gap between the HRA debt ceiling set by the Government when the HRA reforms were introduced. This is shown in the table below:

HRA "Headroom" calculation	£000
Housing Revenue Account – Debt Ceiling	178,984
Housing Revenue Account CFR 31 March	162,645
Headroom at 31 March 2015 =	16,339

The above table shows that the Council's HRA has a headroom figure of £16.339m at 31 March 2015. The forecast position of the headroom for 2015/16 is as follows:

HRA "Headroom" projected calculation	£000
Housing Revenue Account – Debt Ceiling	178,984
Housing Revenue Account CFR 31 March	162,645
Debt Repayment HRA business plan	(4,300)
Allowable Debt Repayment	(200)
HRA CFR 31 March 2016	158,145
Estimated Headroom at 31 March 2016 =	20,839

The HRA business plan carefully manages the debt position of the HRA and it can be seen that the Council is able to maintain a good headroom level in which to operate and deliver HRA capital schemes. While the HRA headroom provides significant scope for further investment such investment needs to meet the requirements of the Prudential Code, namely that it is affordable within the context of the 30 year HRA business plan.

How the CFR is financed by the Council

As mentioned above the CFR is the Council's underlying need to borrow to finance capital expenditure. To finance the CFR the Council has external borrowing, finance leases and the use of its own reserves and balances. The position as at 31 March 2014 is as follows:

	£000
Capital Financing Requirement 31 March 2015	174,459
Financed from	
External Borrowing via PWLB	159,057
External Borrowing via Leasing arrangements	123
Use of internal balances and reserves	15,279
Total Financing of CFR	174,459

The table above shows that the Council is effectively under borrowing by £15.279m at 31 March 2015. This means that no debt charges are being incurred on £15.279m of borrowing but also means that the £15.279m is not invested in the money market.

However, the cost of borrowing from the PWLB would incur interest charges that are higher than the investment interest foregone. This position is regularly monitored and reviewed in line with forecast interest rates.

PWLB Borrowing

The Council's total outstanding PWLB debt amounted to £162,381,406.90 at 1 April 2014. During 2014/15 an amount of £3,324,871.79 was repaid leaving a balance at 31 March 2015 of £159,056,535.11. During the current financial year no new loans have been taken out with the PWLB. The profile of the outstanding debt is analysed as follows: -

PWLB BORROWING	Maturity Profile 31 March 2014 £	Maturity Profile 31 March 2015 £
Term		
12 Months	3,324,871.79	2,303,759.85
1 - 2 years	2,303,759.85	1,301,675.28
2 - 5 years	5,907,122.61	5,909,727.07
5 - 10 years	8,036,895.08	12,841,120.67
10 - 15 years	25,392,964.27	23,377,417.41
Over 15 years	117,415,993.30	113,322,834.83
Total PWLB Debt	162,381,406.90	159,056,535.11

PWLB Interest

The interest cost to the Council of the PWLB debt for 2014/15 is shown in the table below. The cost is split between the HRA and General Fund based on the level of debt outstanding within the CFR.

Date	Amount Paid to PWLB £
Less Accrued Interest re 2013/14	(101,834.68)
Interest Paid during 2014/15	5,746,361.69
Plus Accrued Interest re 2014/15	78,276.24
Total Paid	5,722,803.25

Temporary Borrowing

Cash flow monitoring and management serves to identify the need for short term borrowing to cover delays in the receipt of income during the course of the year. During the current year to date short term borrowing from the Council's own bank incurred interest charges of £42.94. At the 31 March 2015 the Council had no temporary borrowing.

Temporary Investments

The tables below detail the short term investments made at various times during the financial year 2014/15: -

Bank Name	B/Fwd 01/04/14 £,000	Amount Invested 2014/15 £,000	Amount Returned 2014/15 £,000	Balance Invested 31/03/15 £,000
Natwest	1	25,467	(25,450)	18
Bank of Scotland	616	45,727	(46,343)	0
Santander	15	17,905	(17,900)	20
Ignis	0	10,307	(10,307)	0
Total	632	99,406	(100,000)	38

From the table above it can be seen that the balance invested by the Council at 31 March 2015 is £0.038m. Interest earned from temporary investments (included in the amount invested column in the above table) during 2014/15 amounted to £35,406.98 and is detailed in the table below.

Below is a table showing the interest received during 2014/15:-

Bank Name	Amount Received £
Nat West Bank	(17,014.97)
Bank of Scotland	(6,398.09)
Santander	(5,267.53)
IGNIS	(6,726.39)
Total	(35,406.98)

Overnight Investments

Towards the end of the financial year, the Council's main banking provider was changed from the Co-operative Bank to Lloyds Bank.

Prior to the Lloyds Bank account being opened, we were advised by our Treasury advisers, Capita Asset Services, not to retain any funds in the Co-operative Bank and hence any daily surplus funds were invested with one of the providers listed above instead.

On opening the new Lloyds Bank account, which is an interest bearing account, the option is now available for the daily surplus funds to be retained in the account.

The maximum amount invested with Lloyds Bank in the financial year was £3.962m. There has been no breach of the £5m limit set in the Treasury Management Strategy.

Compliance with Treasury Limits

During the financial year the Council continued to operate within the treasury limits set out in the Council's Borrowing and Investment Strategy.

	Actual 2014/15	Set Limits 2014/15
Authorised Limit (total Council external borrowing limit)	174,458,711	185,543,000
Operational Boundary	159,056,535	180,543,000

