

**North East Derbyshire District Council****Cabinet****4 March 2021****Medium Term Financial Plan – Budget Monitoring Oct – Dec 2020****Report of Councillor P Parkin, Portfolio Holder for Finance**

This report is for publication

**Purpose of the Report**

To update Cabinet on the financial position of the Council following the third quarter's budget monitoring exercise for the General Fund, the Housing Revenue Account and the Capital Programme.

**1 Report Details****General Fund**

- 1.1 The Covid19 pandemic is inevitably having a detrimental impact on the Council's 2020/21 budget. The main concern is income lost from fees and charges, predominantly within Leisure Services but also within other services such as MOT testing and commercial waste:

<b>Service</b>	<b>Lost income to 31 Dec 2020 (£000)</b>
Leisure	1,268
Taxi MOT's	84
Commercial Waste	24

- 1.2 To date, the Council has received £1.44m in grants from the government to aid the continued delivery of council services. This is being held in the Resilience Reserve and will be utilised to fund the additional expenditure incurred as well as lost income detailed above.
- 1.3 The Government's income compensation scheme is compensating the Council for 75% of the income lost from fees and charges. Claims are made retrospectively and are based on actual losses compared to pre pandemic budgets. We are required to demonstrate the measures we have put in place to

reduce expenditure during the pandemic period and claims must be net of these savings. Claims to the end of November have been submitted totalling £0.797m.

- 1.4 The Government has also announced additional support to protect the year end position on the Collection Fund. Where there is a shortfall in income collected, compared to expected levels, this leads to a deficit on the collection fund. Preceptors are usually required to meet their share of any deficit in the following year. The Government is therefore proposing two schemes to assist:
- Immediate pressures on the collection fund as a result of non-collection of council tax and business rates will be spread over three years.
  - Reductions to the level that can be billed for council tax and business rates as a result of increased levels of council tax support or business rates appeals (when compared to the original position at the start of the year) will be compensated by 75%.
- 1.6 The pandemic also has the potential to impact negatively on our daily cash flow position as monthly receipts from council tax, business rates and fees and charges are lower than we normally receive.
- 1.7 Council tax income collection is currently higher than originally expected. The current estimate at 95.8% is 2.2% lower than the pre pandemic rate of 98%.
- 1.8 However, the current estimate of the collection rate for business rates is 88%, considerably lower than the pre pandemic rate of 98%.
- 1.9 Fees and charges remain almost non-existent for leisure services as centres remain closed due to national restrictions. However, income from planning fees up to quarter 3 is in excess of the budget and the number of suspensions received for the trade waste service has been lower than originally expected. Income from industrial units has also remained at pre pandemic levels with businesses who received business support grants continuing, in the main, to pay their rent.
- 1.10 Taking account of all income and expenditure, cash flow has remained relatively static throughout the year and is currently at a healthy level. Advance receipt of government grants and deferred payment of government business rates payments has aided the position considerably. The balances held are forecast to be sufficient to protect the Council's cash flow position throughout this year.
- 1.11 Appendix 1 shows the General Fund Summary. At the end of quarter three, net cost of services expenditure is £0.345m lower than budget. This is largely as a result of income from planning fees which have remained at pre pandemic levels throughout this year and are also higher than forecast.
- 1.12 All anticipated vacancy savings were removed from the revised budget but they have now begun to accrue again and currently total £0.173m. There are minor variances within the premises (£0.036m), transport (£0.086m) and supplies and services budgets (£0.171m) but there is nothing of note or concern at this point.

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

- 1.16 Appendix 3 shows the HRA position at quarter three. To date the HRA has remained relatively stable throughout the pandemic and net income at the end of December is £0.034m. This is mainly because large expenditure items are in the main fixed, and rent collection levels to date are only slightly lower than forecast.

## **Capital Programme**

- 1.17 Appendix 4 shows the capital position at quarter three. Expenditure is currently £8.7m lower than forecast largely as a result of the pandemic limiting HRA capital works in the first half of the year.
- 1.18 The Council has sufficient capital resources in place to finance the actual expenditure and commitments of the capital programme at the end of the third quarter.

## **Treasury Management**

- 1.19 The treasury management function covers the borrowing and investment of Council funds. All transactions are conducted in accordance with the Council's approved strategy and the CIPFA Code of Practice. Good treasury management plays an important role in the sound financial management of the Council's resources.
- 1.20 The Council approved the 2020/21 Treasury Management Strategy at its meeting on 1 February 2021. Appendix 5 identifies the Treasury Management activity undertaken up to the third quarter of 2021/22.

## **2 Conclusions and Reasons for Recommendations**

- 2.1 The report summarises the financial position of the Council following the third quarter's budget monitoring exercise for the General Fund, the Housing Revenue Account, Capital Programme and Treasury management activity taking account of the Council's response to the impact of the Covid-19 pandemic.

## **3 Consultation and Equality Impact**

- 3.1 There are no consultation and equality impact implications from this report.

## **4 Alternative Options and Reasons for Rejection**

- 4.1 This report is concerned with monitoring the position against the Council's previously approved budget. Accordingly the report does not set out any options where a decision is required by Members.

## **5 Implications**

### **5.1 Finance and Risk Implications**

- 5.1.1 Measures have been put in place to minimise the impact of lost income in 2020/21 and ensure that the cash flow position remains protected as a result of the pandemic.
- 5.1.2 The impact on the annual budget is continually reviewed during this period of uncertainty to ensure it remains robust and that reserves remain adequate should they need to be utilised.
- 5.1.3 The Financial Resilience reserve was created as part of the Medium Term Financial Plan refresh for 2020, reflecting the CIPFA Financial Management Code recommendations to effectively manage reserves. The government grant has been moved to this reserve and will be utilised for the purposes of Covid-19.

## **5.2 Legal Implications including Data Protection**

- 5.2.1 There are no legal issues arising directly from this report.

## **5.3 Human Resources Implications**

- 5.3.1 All human resource implications arising as a result of this report will be addressed through current policies and procedures.

## **6 Recommendations**

- 6.1 That Cabinet notes the budget monitoring position outlined in this report and detailed in Appendices 1-5.

## **7 Decision Information**

<b>Is the decision a Key Decision?</b>  A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000 <input type="checkbox"/></i>  <i>Capital - £150,000 <input type="checkbox"/></i> <i>NEDDC: Revenue - £100,000 <input type="checkbox"/></i>  <i>Capital - £250,000 <input type="checkbox"/></i> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
<b>Is the decision subject to Call-In?(Only Key Decisions are subject to Call-In)</b>	No
<b>Has the relevant Portfolio Holder been informed</b>	Yes
<b>District Wards Affected</b>	All
<b>Links to Corporate Plan priorities or</b>	All

<b>Policy Framework</b>	
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**8 Document Information**

<b>Appendix No</b>	<b>Title</b>
1	General Fund Summary
2	Housing Revenue Account
3	Capital Programme
4	Treasury Management Activity
<b>Background Papers</b>	
<b>Report Author</b>	<b>Contact Number</b>
Jayne Dethick – Head of Finance and Resources	01246 217078

# GENERAL FUND SUMMARY Revised 2020/2 Appendix 1

	Revised Budget 2020/21 £	Revised Budget Q3	Actual Q3	Variance Q3
Environment & Enforcement	4,634,770	2,811,131	2,354,155	-456,976
Corporate Resources	5,536,414	4,506,989	4,590,800	83,811
Growth and Economic Development	1,359,415	405,067	433,084	28,017
Bad Debt Provision	40,000	30,000	30,000	0
Recharges to Capital and HRA	(527,500)	0	0	0
Savings Target	0	0	0	0
<b>Net Cost of Services</b>	<b>11,043,099</b>	<b>7,753,187</b>	<b>7,408,039</b>	<b>-345,148</b>
Investment Properties	(469,270)	351,982	397,125	45,143
Interest	(162,766)	(81,383)	(48,845)	32,538
Debt Repayment Minimum Revenue Provision	56,000	56,000	56,000	0
Parish Precepts	3,295,048	3,295,048	3,295,048	0
Parish Council Tax Support Grant	70,382	70,382	70,382	0
Transfer from NNDR Reserve	0	0	0	0
Transfer To Earmarked Reserves	1,418,566	1,063,925	1,063,925	0
Transfer From Earmarked Reserves	(1,904,399)	(1,428,299)	(1,428,299)	0
<b>Total Spending Requirement</b>	<b>13,346,660</b>	<b>11,080,841</b>	<b>10,813,374</b>	<b>-267,467</b>
Business Rates	(3,200,000)	(2,400,000)	(2,400,000)	0
New Homes Bonus	(823,860)	(617,895)	(617,895)	0
Collection Fund (Surplus)/Deficit - Council Tax	(98,661)	0	0	0
Collection Fund (Surplus)/Deficit - NNDR	0	0	0	0
NEDDC Council Tax Requirement	(5,929,091)	(5,929,091)	(5,929,091)	0
Parish Council Council Tax Requirement	(3,295,048)	(3,295,048)	(3,295,048)	0
<b>Council Tax Requirement</b>	<b>(13,346,660)</b>	<b>(12,242,034)</b>	<b>(12,242,034)</b>	<b>0</b>

# Budget Monitoring @ 31 December 2020

		Actuals £	Budget £	Variance £
	<b><u>Environment &amp; Enforcement</u></b>			
	<b>Director Environment &amp; Enforcement</b>			
5700	Strategic Director - Environment & Enforcement	41,005	41,175	(170)
5706	HS2	(3,546)	(2,664)	(882)
1218	Community Safety	17,137	13,105	4,032
1283	Emergency Planning	16,447	15,753	694
	<b>Head of Service Environmental Health</b>			
3400	Environmental Protection	114,569	53,931	60,638
3401	Food, Health & Safety	138,968	113,357	25,611
3402	Environmental Enforcement	58,430	70,052	(11,622)
3403	Community Outreach	(869)	4	(873)
3404	Licensing	(21,080)	(8,998)	(12,082)
3405	Pollution	80,816	80,026	790
3407	Pest Control	24,039	36,893	(12,854)
3408	Home Improvement	15,342	15,365	(23)
3409	EH Technical Support & Management	183,800	178,298	5,502
3410	Private Sector Housing	50,492	52,515	(2,023)
3419	Destitute Funerals	2,015	1,126	889
3420	Fly Tipping	0	0	0
3422	Building Resilience Programme (Shirebrook)	(2,064)	0	(2,064)
3423	Air Quality Feasibility Study	89,826	89,826	0
3426	Covid Enforcement Team	(89,755)	(89,755)	0
3716	Disabled Facilities	(722,417)	(722,417)	0
3726	Works in Default	18,548	20,000	(1,452)
	<b>Head of Service Street Scene</b>			
3174	Street Scene	243,049	233,943	9,106
3227	Materials Recycling	264,962	214,865	50,097
3231	Recycling Promotional Work	0	0	0
3244	Parks Derbyshire County Council Agency	(268,699)	(270,036)	1,337
3282	Eckington Depot	76,322	74,308	2,014
3285	Dronfield Bulk Depot	3,493	2,627	866
3511	Hasland Cemetery	(21,921)	(23,959)	2,038
3513	Temple Normanton Cemetery	(3,134)	(5,968)	2,834
3514	Clay Cross Cemetery	(51,801)	(47,405)	(4,396)
3516	Killamarsh Cemetery	(11,966)	(11,630)	(336)
3918	Dog Fouling Bins	(31,196)	(32,145)	949
3921	Street Cleaning Service	406,405	436,744	(30,339)
3943	Transport	280,088	347,519	(67,432)
3944	Grounds Maintenance	333,511	396,190	(62,679)
3945	Domestic Waste Collection	1,146,357	1,173,483	(27,126)
3946	Commercial Waste Collection	(114,103)	(111,898)	(2,205)
4436	The Avenue - Dowry			0
	<b>Head of Service Planning</b>			
4111	Applications And Advice	(707,514)	(415,556)	(291,958)
4113	Planning Appeals	65,201	65,201	(0)
4116	Planning Policy	228,434	241,506	(13,072)
4119	Neighbourhood Planning Grant	0	0	0
4311	Environmental Conservation	13,920	16,063	(2,143)
4511	Hos Planning	39,570	41,021	(1,451)
4513	Planning	407,966	485,159	(77,193)
4515	Building Control	43,507	43,507	0
<b>Total for Environment &amp; Enforcement Directorate</b>		<b>2,354,155</b>	<b>2,811,131 -</b>	<b>456,976</b>
	<b><u>Corporate Resources</u></b>			
	<b>Director Corporate Resources</b>			
1141	Chief Executive	300	225	75
1142	Chief Executive	29,475	29,014	461
4500	Strategic Director - Corporate Resources	41,769	42,848	(1,079)
5720	Supporting PA's	63,578	63,753	(175)
	<b>Head of Service Partnerships and Transformation</b>			
1331	Strategic Partnerships	117,277	116,748	529
1332	Strategic Partnership Projects	1,772	0	1,772
1333	Healthy North East Derbyshire	18,281	18,281	0
1334	NE Derbyshire Business Growth Fund	4,000	3,001	999
1335	Big Local	0	0	0

4352	LEADER	13,414	13,414	0
4443	Elderly Peoples Clubs	589	1,502	(913)
4561	Leisure Centre Management	97,078	101,247	(4,169)
4600	Hos Partnerships & Transformation	26,714	26,714	0
4720	Sportivate	(22,032)	(22,032)	(0)
4722	Physical Inactivity Fund	(30,563)	(30,563)	0
4723	Generation Games	301	4	297
4724	Walking into Communities	(34,147)	(34,147)	0
4726	Walking for Health	(20,269)	(20,269)	(0)
4727	Five 60	(20,575)	(20,575)	0
4731	Promotion Of Recreation And Leisure	22,277	22,437	(160)
4732	Schools Promotion	10,766	10,766	0
4736	Derbyshire Sports Forum	10,840	10,840	0
4742	Arts Development	2,524	1,899	625
5215	Telephones	17,664	21,918	(4,254)
5216	Mobile Phones and Ipads	13,521	14,346	(825)
5221	Customer Services	240,660	265,018	(24,358)
5223	Franking Machine	29,498	35,778	(6,280)
5701	Joint ICT Service	70,193	70,193	(0)
5734	NEDDC ICT Service	393,503	316,172	77,331
5735	Cyber Security	(3,410)	(4,500)	1,090
5736	Business Development	42,845	38,319	4,526
5737	Corporate Printing Costs	15,389	11,843	3,546
5785	Contributions	123,018	130,852	(7,835)
5825	Concessionary Bus Passes	(10,049)	(7,200)	(2,849)
8441	Eckington Swimming Pool	293,209	293,209	0
8445	Eckington Pool Cafe	26,236	26,236	(0)
8451	Dronfield Sports Centre	334,371	334,371	0
8455	Dronfield Café	5,264	5,264	(0)
8461	Sharley Park Sports Centre	426,850	426,850	0
8465	Sharley Park Sports Centre Outdoor	109	109	(0)

#### Head of Service Corporate Governance

1121	Member's Services	315,985	321,423	(5,438)
1123	Chair's Expenses	4,377	5,043	(666)
1231	Corporate Training	21,530	20,630	900
1255	Strategy and Performance	76,347	79,801	(3,454)
1256	Corporate Consultation	12,827	9,872	2,955
1259	Corporate Groups	0	751	(751)
1311	Human Resources	137,232	138,466	(1,234)
1312	Payroll	46,138	41,668	4,470
1313	Work Well Team	0	0	0
1315	Design & Print	86,812	90,481	(3,669)
1321	Communications & Marketing	45,677	45,406	271
1323	NEDDC News	26,173	28,000	(1,827)
1329	Corporate Web Site	846	1,253	(407)
3121	Health & Safety Advisor	50,573	54,796	(4,224)
5273	Brass Band Concert	500	377	123
5313	Register Of Electors	125,938	127,863	(1,925)
5321	HoS Corporate Governance	29,874	30,266	(392)
5353	Legal Section	127,235	127,534	(299)
5354	Land Charges	(6,087)	(4,984)	(1,103)
5392	Scrutiny	38,485	38,540	(55)
5711	Democratic Services	164,690	165,372	(682)

#### Head of Service Finance and Resources

3176	Pool Car	78	377	(299)
3512	CBC Crematorium	(129,767)	(129,767)	0
5113	Unison Duties	12439.2	12238	201
5611	External Audit	50,640	50,640	0
5615	Bank Charges	73,515	55,882	17,633
5621	Contribution to/from HRA	(139,220)	(139,220)	0
5705	HoS Finance & Resources	0	0	0
5713	Audit	73,777	80,286	(6,509)
5714	Financial Support Services	1,109	1,602	(493)
5715	Procurement	37,133	34,683	2,450
5721	Financial Services	248,041	244,370	3,671
5723	Housing Act Advances	0	0	0
5724	Insurance	269,432	219,656	49,776
5725	Apprenticeship Levy	30,279	33,753	(3,474)
5727	Cost Of Ex-Employees	702,093	702,093	0
5741	Housing Benefit Service	(516,417)	(516,417)	0
5747	Debtors	37,683	37,696	(13)
5751	`NNDR Collection	17,416	15,052	2,364
5759	Council Tax Administration	150,312	152,752	(2,440)
5781	Village Hall Grants	14,867	14,870	(3)



<b>Total for Corporate Resources Directorate</b>	<b>4,590,800</b>	<b>4,506,989</b>	<b>83,811</b>
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### **Growth & Economic Development**

#### **Director Growth & Economic Development**

1143	Director of Growth & Economic Development	76,258	47,643	28,615
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#### **Head of Service Property & Estates**

3135	Drainage	22,384	28,877	(6,493)
3172	Engineers	61,708	60,067	1,641
3241	Car Parks	35,779	31,426	4,353
3247	Street Names/Lights	2,766	3,174	(408)
3249	Footpath Orders	(1,026)	(900)	(126)
3265	Dams And Fishing Ponds	1,521	12,937	(11,416)
3281	Clay Cross Depot	3,495	(803)	4,298
3283	Northwood	0	0	0
3811	Closed Circuit Television	(620)	0	(620)
4412	Midway Business Centre	(46,778)	(47,288)	510
4425	Coney Green Business Centre	(119,348)	(118,537)	(811)
4523	Estates Administration	205,528	215,360	(9,832)
5205	Mill Lane	176,305	183,001	(6,696)
5206	Mill Lane Land	(5,156)	(3,863)	(1,293)
5209	Facilities Management	47,235	38,434	8,801
5210	Pioneer House	(38,875)	(38,682)	(193)

#### **Head of Service Housing & Economic Development**

3165	Housing Options Team	149,943	146,551	3,392
3740	Strategic Housing	46,981	41,995	4,986
3741	Housing Ambition Project	0	0	0
3743	Manufacturing Zone Bid	15,960	11,973	3,987
3747	Homeless Temp Accomodation	(8,077)	12,505	(20,582)
3748	Homelessness Grant	(134,178)	(134,178)	(0)
3749	Empty Properties	4,301	1,951	2,350
3750	Housing Growth	15,296	11,125	4,171
3751	Care Call System	0	0	0
3752	Homeless Bond Scheme	3,420	1,246	2,174
3754	Rough Sleepers	(27,704)	(23,086)	(4,618)
3755	PRS Access Fund	28,128	28,128	0
3759	Emergency Welfare Assistance Grant	(25,000)	(25,000)	0
4211	Tourism Promotions	16,502	16,502	0
4238	Working Communities Strategy	52,413	53,208	(795)
4240	Project X	0	0	0
4351	Alliance	0	0	0
4512	Growth Agenda	5,869	10,076	(4,207)
4516	Clay Cross OPE	0	0	0
4517	Economic Development	140,367	117,545	22,822
4519	The Avenue, Wingerworth	4,750	0	4,750
4520	Killamarsh/Eckington OPE	53,381	53,381	0
4524	New Towns Fund	(368,666)	(368,666)	(0)
4526	Sheffield City Region	0	3,001	(3,001)
4527	Dronfield Civic Centre	1,960	1,960	0
5750	HoS Economic Development & Housing	36,263	34,004	2,259

<b>Total for Growth &amp; Economic Development Directorate</b>	<b>433,084</b>	<b>405,067</b>	<b>28,017</b>
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#### **Investment Properties**

4411	Stonebroom Industrial Estate	(49,936)	(44,778)	(5,158)
4413	Clay Cross Industrial Estate	(67,179)	(63,456)	(3,723)
4415	Norwood Industrial Estate	(192,887)	(169,069)	(23,818)
4417	Eckington Business Park	(13,261)	(4,652)	(8,609)
4418	Rothside Court Eckington Business Unit	(14,538)	(17,786)	3,248
4423	Pavillion Workshops Holmewood	(71,474)	(67,357)	(4,117)
4432	Miscellaneous Properties	12,149	15,116	(2,967)

<b>Total for Investment Properties</b>	<b>(397,125)</b>	<b>(351,982)</b>	<b>(45,143)</b>
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## HOUSING REVENUE ACCOUNT: SUMMARY 2020/21 - Quarter 3

## APPENDIX 2

	Current Budget 2020/21 £	Profiled Qtr 3 Budget £	Actuals with Accruals £	Variance £
<b>INCOME</b>				
Dwelling Rents	(30,743,726)	(23,060,867)	(23,046,873)	13,994
Non-Dwelling Rents	(420,817)	(315,670)	(332,498)	(16,828)
Charges for Services and Facilities	(137,700)	(103,287)	(95,955)	7,332
Contributions Towards Expenditure	(50,000)	(37,500)	(37,500)	0
<b>INCOME TOTAL</b>	<b>(31,352,243)</b>	<b>(23,517,324)</b>	<b>(23,512,826)</b>	<b>4,498</b>
<b>EXPENDITURE</b>				
Repairs & Maintenance	5,182,329	3,861,016	3,853,482	(7,534)
Supervision and Management	6,256,160	4,692,767	4,661,904	(30,863)
Rents, Rates & Taxes	110,000	82,511	82,511	0
Capital Charges - Depreciation	7,764,937	5,823,713	5,823,713	0
Provision for Bad Debts	250,000	187,500	187,500	0
Debt Management Expenses	11,500	8,625	8,625	0
<b>EXPENDITURE TOTAL</b>	<b>19,574,926</b>	<b>14,656,132</b>	<b>14,617,734</b>	<b>(38,397)</b>
<b>NET COST OF SERVICES</b>	<b>(11,777,317)</b>	<b>(8,861,192)</b>	<b>(8,895,092)</b>	<b>(33,900)</b>
Corporate & Democratic Core	185,450	139,087	139,087	0
<b>NET COST OF HRA SERVICES</b>	<b>(11,591,867)</b>	<b>(8,722,105)</b>	<b>(8,756,005)</b>	<b>(33,900)</b>
Interest Payable	5,081,477	3,811,616	3,811,616	0
Interest Receivable	(61,206)	(45,911)	(45,911)	0
Revenue Contribution to Capital	3,554,064	2,665,548	2,665,548	0
Contribution to Development Reserve	3,883,211	2,912,408	2,912,408	0
Contribution to/(from) Debt Repayment	(1,968,305)	(1,476,229)	(1,476,229)	0
Transfer to Insurance/Litigation Reserve	1,102,626	826,970	826,970	0
<b>(Surplus)/Deficit on HRA Services</b>	<b>0</b>	<b>(27,704)</b>	<b>(61,603)</b>	<b>(33,900)</b>

Project/Scheme	Current Programme 2020/21 £000	Profiled Budget Quarter 3 £000	Actual and Commitments Quarter 3 £000	Variance at Quarter 3 £000
<b>Housing Investment</b>				
HRA Capital Works	9,164	6,873	3,513	(3,360)
EWI Scheme	520	390	13	(377)
Pine View Danesmoor	1,071	803	26	(777)
Acquisitions and Disposals (RHL)	500	375	89	(286)
North Wingfield New Build	2,081	1,561	0	(1,561)
Green Homes EWI - Mickley	2,725	2,044	0	(2,044)
Garage Demolitions	23	17	2	(15)
Concrete Balconies	115	86	1	(85)
Parking Solutions	288	216	0	(216)
				0
Private Sector Spending	630	307	307	0
<b>Total Housing Investment</b>	<b>17,117</b>	<b>12,672</b>	<b>3,951</b>	<b>(8,721)</b>
<b>Other Capital Projects</b>				
Asset Refurbishment - General	667	200	200	0
Roller Shutter Door Replacements	42	1	1	0
Eckington Pool Roof Replacement	77	53	53	0
Clay Cross Football Pitch	10	1	1	0
Replacement Vehicles	1,126	735	735	0
Contaminated Land	42	0	0	0
ICT Schemes	214	33	33	0
Northwood Group Grant	510	510	510	0
<b>Total Other Capital Projects</b>	<b>2,688</b>	<b>1,533</b>	<b>1,533</b>	<b>0</b>
<b>Total Capital Expenditure</b>	<b>19,805</b>	<b>14,205</b>	<b>5,484</b>	<b>(8,721)</b>
<b>Housing Investment Funding</b>				
Major Repairs Allowance	(11,319)	(8,489)	(3,513)	4,976
HRA Capital Investment Reserve	(1,957)	(1,468)	(43)	1,425
Usable Capital Receipts	(1,165)	(874)	(88)	786
External Grants	(570)	(427)	0	427
Prudential Borrowing	(1,476)	(1,107)	0	1,107
	(16,487)	(12,365)	(3,644)	8,721
<u>Private Sector Spending</u>				
Disabled Facilities Grant	(610)	(292)	(292)	0
Usable Capital Receipts	(20)	(15)	(15)	0
<b>Total Housing Investment Funding</b>	<b>(17,117)</b>	<b>(12,672)</b>	<b>(3,951)</b>	<b>8,721</b>
<b>Other Capital Projects Funding</b>				
Prudential Borrowing	(3,155)	(788)	(788)	0
RCCO - GF	(42)	(1)	(1)	0
Grants	(52)	(1)	(1)	0
Useable Capital Receipts	(1,391)	(743)	(743)	0
<b>Other Capital Project Funding</b>	<b>(4,640)</b>	<b>(1,533)</b>	<b>(1,533)</b>	<b>0</b>
<b>Total Capital Financing</b>	<b>(21,757)</b>	<b>(14,205)</b>	<b>(5,484)</b>	<b>8,721</b>

**Treasury Management Activity April – December 2020/21****PWLB Borrowing**

The Council's total outstanding PWLB debt amounted to £149.541m at 1<sup>st</sup> April 2020. During the three quarters of 2020/21 £0.152m has been repaid to the PWLB so the balance at 31<sup>st</sup> December 2020 is £149.389m. 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: -

<b>PWLB Borrowing</b>	<b>Maturity Profile 31 March 2020 £'000</b>	<b>Maturity Profile 30 December 2020 £'000</b>
<b>Term</b>		
12 Months	304	152
1 - 2 years	2,205	2,205
2 - 5 years	10,332	10,332
5 - 10 years	23,377	23,377
10 - 15 years	32,233	32,233
Over 15 years	81,090	81,090
<b>Total PWLB Debt</b>	<b>149,541</b>	<b>149,389</b>

**PWLB Interest**

The interest cost to the Council of the PWLB debt for 2020/21 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.

<b>Date</b>	<b>Amount Paid to PWLB £'000</b>
Accrued Interest re 2019/20	(46)
22 <sup>nd</sup> September 2020	108
23 <sup>rd</sup> September 2020	33
28 <sup>th</sup> September 2020	2,135
29 <sup>th</sup> September 2020	363
Accrued Interest re 2020/21	1,363
<b>Total Paid</b>	<b>3,956</b>

**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 hasn't incurred any interest charges. At the 31<sup>st</sup> December 2020 the Council had no temporary borrowing in place.

## Temporary Investments

The tables below detail the short term investments made during the first three quarters of 2020/21: -

Bank Name	Duration of Loan	B/Fwd 01/04/20 £000's	Amount Invested 2020/21 £000's	Amount Returned 2020/21 £000's	Balance Invested 31/12/20 £000's	Interest Received 31/12/20 £000's
Santander	Call	3,000	2,003	(5,003)	0	(3)
Handelsbanken	Call	5,000	3	(5,003)	0	(3)
Barclays	Call	0	5,000	(5,000)	0	(0)
NatWest	Call	0	5,001	(5,001)	0	(1)
Federated Fund 3	Call	3,000	3	(3)	3,000	(3)
Federated GBP 3	Call	2,000	5	(5)	2,000	(5)
Aberdeen Standard	Call	5,000	6	(6)	5,000	(6)
CCLA Public Sector Deposit Fund	1 Day Call	5,000	7	(7)	5,000	(7)
Aviva	Call	0	5,003	(3)	5,000	(3)
Invesco	Call	0	5,002	(2)	5,000	(2)
JP Morgan	Call	0	8,000	(3,000)	5,000	(0)
Goldman Sachs	Call	0	10,000	(5,000)	5,000	(0)
SSGA	Call	0	4,500	(2,500)	2,000	(0)
Debt Management Account Deposit Facility	Various	0	22,000	(19,000)	3,000	(0)
Gosport Borough Council	12 Months	1,000	5	(1,005)	0	(5)
Slough Borough Council	1 Year	2,000	9	(2,009)	0	(9)
London Borough of Croydon Council	1 Year	0	3,001	(1)	3,000	(1)
<b>Total</b>		<b>26,000</b>	<b>69,548</b>	<b>(52,548)</b>	<b>43,000</b>	<b>(48)</b>

## Overnight Investments

The balance of the daily surplus funds can be placed as overnight investments with the Councils bank which is Lloyds. The maximum amount invested with Lloyds in the first quarter of the financial year was £4.964m. There has been no breach of the £5m limit set in the Treasury Management Strategy. For clarity, this limit relates to the amount invested and doesn't include interest accruing as a result.

## 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 2020/21 £'000	Set Limits 2020/21 £'000
Authorised Limit (total Council external borrowing limit)	191,699	199,485
Operational Boundary	186,699	194,485

