

# DECISION ITEM



REPORT OF		MEETING	DATE	ITEM NO
CHIEF FINANCIAL OFFICER		FINANCE AND DEMOCRACY COMMITTEE	20 JUNE 2016	4
<b>MEDIUM TERM FINANCIAL STRATEGY (MTFS) – GENERAL FUND REVENUE, CAPITAL PROGRAMME &amp; TREASURY MANAGEMENT OUTTURN POSITION FOR 2015/16</b>				

## PUBLIC ITEM

This item is for consideration in the public part of the meeting.

### SUMMARY

On 2<sup>nd</sup> March 2016 the Council set its budget for 2016/17 and also set a revised budget for 2015/16. This report sets out for Members the expected General Fund Revenue, Capital, and Treasury Management Outturn position for the financial year 2015/16. The report outlines the major variations between the latest approved budget and the actual outturn expenditure and quantifies the impact on the Council's reserves. The report also includes a summary of the Council's Treasury Management operations for the financial year. Work is still ongoing and some minor variations may be identified which will be reported in future Medium Term Financial Strategy (MTFS) updates.

### RECOMMENDATIONS

**The Finance and Democracy Committee is recommended to:**

1. approve the General Fund Revenue Outturn Expenditure and slippage as set out in Sections 2 to 5, and Appendix C (revenue budget slippage items);
2. approve the transfers to earmarked reserves as set out in paragraphs 2.4, 2.7 & 2.9 and as summarised in Table 1;
3. approve the Capital Outturn as set out in sections 6 to 9, the capital slippage detailed in Appendix E, and the proposed capital financing as set out in Table 5;
4. approve the Treasury Management Annual Report as set out in sections 10 to 12 and the actual Prudential Indicators set out in Appendix F; and
5. approve the virement of £100,000 from the 2016/17 planning appeals budget to the planning enforcement budget to fund any required enforcement activity at Fairfield Road, Hardhorn.

### SUMMARY OF PREVIOUS DECISIONS

The outturn position for the prior financial year is considered by members annually. There are no previous decisions in respect of the 2015/16 financial outturn.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	✓
Working with all partners (Vibrant Economy)	✓
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	✓
Promoting Fylde as a great destination to visit (A Great Place to Visit)	✓

## REPORT

### 1. Introduction

- 1.1 The Revenue Budget Forecast Update was reported to the Finance and Democracy Committee in both November 2015 and January 2016 and to Council in December 2015 and February 2016, with the Medium Term Financial Strategy (MTFS) and budget decisions presented to full Council for approval in March 2016. This report sets out the outturn position at the end of the financial year to March 2016.

### 2. General Fund Revenue Outturn Position (including Collection Fund)

- 2.1 On the 2<sup>nd</sup> March 2016, Council approved a revised Revenue Budget net requirement of £8.673m for 2015/16. The outturn position for 2015/16 is a net requirement of £8.297m resulting in a favourable variance (before financing and slippage) of £0.376m. A £0.102m favourable variance against the budgeted total of financing received during the year has resulted in a Revenue Budget underspend, before slippage requests, of £0.478m.
- 2.2 The underspend position is summarised in Table 1 below:

**Table 1 – Estimated General Fund Revenue Outturn Position:**

	<u>Budget</u> <u>£m</u>	<u>Actual</u> <u>£m</u>	<u>Variance</u> <u>£m</u>	
Net expenditure for the year	8.673	8.297	(0.376)	(Fav)
Financing for the year	(9.966)	(10.068)	(0.102)	(Fav)
<b>Surplus of resources for the year</b>	<b>(1.293)</b>	<b>(1.771)</b>	<b>(0.478)</b>	(Fav)
Less:				
budgeted transfer to Accommodation Project Reserve	0.504	0.504	0	-
budgeted transfer to Capital Investment Reserve	0.032	0.032	0	-
budgeted transfer to Funding Volatility Reserve	3.000	3.000	0	-
budgeted transfer to/(from) General Fund balances	(2.243)	(2.243)	0	-
<b>Balance - further transfers to reserves</b>	<b>0</b>	<b>(0.478)</b>	<b>(0.478)</b>	(Fav)
<b>Analysis of further recommended transfers to reserves</b>				
- transfer to General Fund balances re slippage	0	(0.282)	(0.282)	(Fav)
- transfer Capital Investment Reserve	0	(0.196)	(0.196)	(Fav)
<b>Recommended further transfers to reserves</b>	<b>0</b>	<b>(0.478)</b>	<b>(0.478)</b>	(Fav)

- 2.3 A more detailed analysis of the General Fund Revenue Account comparing actual expenditure against the revised approved estimate, analysed by service, is set out in Appendix A. A

detailed list of the variances within services which contribute to the outturn position is set out in Appendix B.

- 2.4 There are a number of budget variances arising from slippage and other adjustments that are recommended for operational effectiveness. These items total £0.282m and are listed in Appendix C. **It is recommended that this sum is transferred to general fund balances at year end such that this expenditure can be met in 2016/17.** The underlying underspend after accounting for this slippage is therefore reduced from £0.478m to £0.196m.

One of the slippage items is in relation to Planning Appeal costs, the total slippage requested being £177k. **It is recommended that, if the slippage amount be approved, a part of the slippage for Planning Appeal costs, in the sum of £100k, be vired to the Planning Enforcement budget to fund any enforcement activity at Fairfield Road, Hardhorn should that be required.**

- 2.5 Work continues to be undertaken to interrogate and verify the nature of any budget variances in order to continue the budget rightsizing work carried out during the last financial year. The outcome of this work will be reflected in future updates of the MTFs.

#### **Business Rates Income (National Non-Domestic Rates – NNDR)**

- 2.6 As a consequence of the revised arrangements in respect of business rates, which came into effect from 2013/14, local authorities became liable for a share of the cost of the settlement of appeals in respect of the valuation of properties by Valuation Office Agency (VOA), that being the body which determines business rates liability. All rateable values are supposed to be reassessed every five years at a general revaluation, although the next one, which was due in 2015, has been postponed. The current rating list is based on a revaluation which took place in 2010. Many businesses within the borough, and indeed nationwide, have lodged appeals against the level of their business rating valuations. These appeals are often supported by specialist rating agents and the outcome can be backdated to the date of the appeal or the last revaluation (i.e. 2010). This scenario can result in significant in-year business rate refunds being made to businesses whose appeals are successful. The VOA have committed to reducing the backlog of appeals within the system although at 31<sup>st</sup> March 2016 most if not all of the higher value appeals remain unresolved.

The Council is required to make adequate provision to meet the estimated cost of rating appeals. As a result of the continuing scale of the potential cost to the Council arising from historic appeals it has been necessary to significantly increase the business rate appeal provision from £3.560m at 31<sup>st</sup> March 2015 to £9.613m at 31<sup>st</sup> March 2016. This judgement is based upon information held on outstanding appeals and after having taken specialist advice.

The effect of this has been to significantly reduce the amount of business rates income receivable by the Council in 2015/16. The financial forecast which was approved by Council in March 2016 assumes that for 2015/16 business rate income will be at the 'Safety Net' level (92.5% of the 'baseline' funding level as determined by central government calculated by an authority's spending need). The cost to Fylde Council of the need to increase the provision for appeals during 2015/16 puts the Council below the safety net level and receiving a grant from DCLG of £0.953m to bring the Council back to the safety net funding level.

If the cost of appeals from 2016/17 onwards is less than the amounts set-aside in the provision for this purpose it may be possible to release these sums and consequently the Council's business rates income in that year would increase accordingly.

- 2.7 The Council accounts for the Business Rates income that it collects through a 'Collection Fund'. As a result of the increase in the appeals provision, as described in paragraph 2.6 above, the total deficit on the NNDR Collection Fund at the end of 2015/16 is £5.286m. This deficit is the difference between the total amounts estimated to be paid into the Collection Fund and the actual amounts collected, net of changes in the amount of the appeals provision. This deficit is split between the Government, Lancashire County Council, the Fire Authority, and Fylde Council, with Fylde Council's share being £2.114m. The accounting arrangements mean that there are significant timing differences between when a deficit or surplus on the collection fund occurs and when the relevant payments or receipts are made to or from the relevant parties to the collection fund. In line with the guidance **it is recommended that a net contribution to the Collection Fund Deficit Reserve of £1.485m is made.** This comprises a contribution of £1.609m to cover the 15/16 deficit less a release of £0.124m relating to the 14/15 deficit, and will ensure that FBC's share of the collection fund deficit can be met when it is due.
- 2.8 The analysis of the 2015/16 financing at Appendix A includes a favourable variance of £102k in relation to government grants and council tax and business rate income. This is a separate issue to that described above and arises from the timing differences in the required accounting transactions between the Council's General Fund and the Collection Fund which is required to account separately for business rate and council tax income.
- 2.9 After allowing for slippage of £0.282 and the proposed transfer to the Collection Fund Deficit Reserve of £1.485m there remains a favourable outturn variance of £0.196m. **It is recommended that this sum of £0.196m is transferred to the Capital Investment Reserve. This will be in addition to the budgeted transfer to the reserve of £0.032m approved by Budget Council on 2<sup>nd</sup> March 2016.**

### **3. Collection Fund Outturn Position**

- 3.1 As a Council Tax and Non-Domestic Rates (NDR) Billing Authority, the Council is required by legislation to calculate the surplus or deficit for each financial year on the Collection Fund. Prior to 2013/14 the requirement was to maintain this for Council Tax only, however, as part of the Local Government Finance Act 2012 the Government implemented a Business Rates Retention Scheme from April 2013, whereby the collection and distribution of NDR is collected and distributed via the Collection Fund (distribution of NDR had previously been managed nationally).
- 3.2 For Council Tax only, there was a cumulative surplus on the fund as at 31<sup>st</sup> March 2016 of £513k. This will be shared between the Borough Council, the County Council, the Police Authority and the Fire & Rescue Authority in 2016/17 & 2017/18. The Borough Council's share of the surplus is £70k.
- 3.3 For Non-Domestic Rates only, there was a deficit on the fund as at 31<sup>st</sup> March 2016 of £5.286m. This will be shared between Central Government, the Borough Council, the County Council and the Fire & Rescue Authority in 2016/17 & 2017/18. The Borough Council's share of the deficit is 2.114m.

### **4. Statement of General Fund Revenue Balances**

- 4.1 Table 2 details the Council's General Fund Balances position, as a result of the estimated Outturn at 31<sup>st</sup> March 2016:

**Table 2 – Statement of General Fund Revenue Balances**

	<u>Budget</u>	<u>Actual</u>	<u>Variation</u>	
	<u>£m</u>	<u>£m</u>	<u>£m</u>	
Opening Balance 01/04/2015	5.443	5.443	-	
In-year surplus transferred to balances	0.757	1.039	0.282	(Fav)
Transfer to Funding Volatility Reserve	(3.000)	(3.000)	-	
<b>Closing Balance 31/03/2016</b>	<b>3.200</b>	<b>3.482</b>	<b>0.282</b>	<b>(Fav)</b>

- 4.2 The first call on revenue balances in 2016/17 is the proposed slippage of £0.282m as set out in Appendix C leaving general fund balances after allowing for these items at £3.200m.

## **5. General Fund Revenue Outturn Conclusions**

- 5.1 The favourable outturn position for revenue allows for a contribution to be made to the Capital Investment Reserve in the sum of £0.196m (as shown in table 1) and is to be welcomed.
- 5.2 The scale of outstanding Business Rate appeals has increased year-on-year and the Council is required to make suitable provision for the possibility of the repayment of business rates in the event that an appeal by a business within the borough is successful. This has had the effect of keeping business rate income below the safety net level.
- 5.3 Earlier updates of the Financial Forecast over recent years have made reference to the risks and uncertainties to which all local government has become increasingly accustomed as we remain within a period of financial austerity following the financial crisis of 2008. In response the government has continued with its policy of reducing the quantum of public sector expenditure. Fylde Council has seen the effects of this in the form of significant reductions in central government funding allocations. The greater than anticipated funding reductions that were announced as part of the 2016/17 Local Government Finance Settlement have presented the Council with a challenging financial outlook over the medium term.
- 5.4 However, over the last few years the Council has delivered efficiencies and savings which have seen general fund reserves grow to a level which allows the Council to deal with future challenges and pressures in a planned and effective way. The Council faces a number of uncertainties in the future in respect of its finances, and the current forecast has a number of high risk financial assumptions which are outside the Council's control.
- 5.5 A number of risks are significant, in particular the future of central government grant funding including income from Business Rate retention and New Homes Bonus.
- 5.6 The gap between in-year income and expenditure in the final years of the forecast will need to be addressed. However with balances at the current level and with the main risk not arising until 2018/19 the Council is well-placed to take action in the intervening period to minimise the scale of this issue. Officers and Members will be continuously monitoring all areas of concern through established budget setting procedures and will work to ensure that the Council's Revenue Budget remains robust and sustainable.

## **6. Capital Outturn 2015/16**

- 6.1 The latest approved expenditure budget in the capital programme for 2015/16 was £3.380m. After adjusting for slippage of £0.410m, the overall outturn position for 2015/16 is an in-year balanced position against the latest updated estimate (as shown in table 5).

The capital receipts surplus for the year, after taking into account of slippage, totals £13k which leaves a total underlying favourable variance at outturn of £14k.

- 6.2 The first periodic update of the Five Year Capital Programme for 2016/17 will be amended to reflect the outturn results and any other changes approved to date.
- 6.3 The financing proposals represent the most cost-effective financing to the Council and leave it with the greatest flexibility in respect of future years.

Capital expenditure for 2015/16 is detailed in table 3:

**Table 3 - Latest Estimate Compared with Outturn 2015/16**

	Notes	£m	
MTFS 03/03/16 Approved Capital Programme		3.380	
<b><i>Latest Estimate</i></b>		<b>3.380</b>	
Less Outturn Expenditure		(2.969)	
<b><i>Net Underspend for Year</i></b>		<b>0.411</b>	(Fav)
Less Slippage (as per Note 1)	1	(0.410)	
Add Capital Receipts Surplus Applied		0.013	
<b>Underlying Variance at Outturn</b>		<b>0.014</b>	<b>(Fav)</b>

**Note 1: Capital Schemes Slippage Requests to 2015/16** (Full slippage explanations contained in Appendix E)

	£'000
Accommodation Project – Phases 3 & 4	19
Footway Improvements	7
Lowther Pavilion Roof	3
Sand Dunes re-modelling	2
Replacement Vehicles	60
Fylde Headlands Preliminary Work	38
Repair & Renewal Flood Defences	33
Disabled Facilities Programme	46
93 St Albans Road – Compulsory Purchase Order	105
Rapid Deployment CCTV Replacement Projects	38
Woodlands Road - Ansdell – Regeneration Phase 3	19
Staining Regeneration Schemes	40
<b>Total Slippage requested</b>	<b>410</b>

Details of variances for all capital schemes are shown in Appendix D.

## **7. Usable Capital Receipts 2015/16**

- 7.1 Capital Receipts are a major component of the Council's capital financing strategy. Details of usable receipts are set out in table 4:

**Table 4 - Useable Capital Receipts 2015/16**

	Latest Estimate	Outturn	Variance +/-	
	£'000	£'000	£'000	
Opening Balance at 01/04/2015	918	918	0	
Capital Receipts received in year	177	190	(13)	(Fav)
<b>Sub Total</b>	<b>1,095</b>	<b>1,108</b>	<b>(13)</b>	<b>(Fav)</b>
Capital Receipts used in year to finance expenditure on the Accommodation Project		(746)		
<b>Closing Balance at 31/03/2016</b>		<b>362</b>		

- 7.2 The closing balance of £362k includes slippage of £19k leaving residual receipts regarding assets sold to fund the accommodation project of £343k. The balance of receipts have been set aside into a capital receipts unapplied fund in order to finance future programmed expenditure on the Accommodation Project.

## **8. Capital Financing 2015/16**

- 8.1 The proposed financing of capital expenditure is set out in table 5:

**Table 5 - Proposed Capital Financing 2015/16**

	£'000
<b>EXPENDITURE:</b>	<b>2,969</b>
<b>FINANCING:</b>	
Grants & Contributions	1,194
Capital Receipts	746
Borrowing (internal)	224
Revenue Contribution	805
<b>Total Capital Financing</b>	<b>2,969</b>

- 8.2 It should be noted that whilst £224k of expenditure incurred during the year will be financed from borrowing, no actual additional borrowing has taken place during the financial year. This expenditure has been financed by internal borrowing in the interim in line with the advice of the Council's Treasury Advisors as this is currently the most cost effective approach available to the Council as opposed to incurring additional costs associated with external borrowing.
- 8.3 Should any minor changes be identified in capital expenditure as a result of final closure work, capital financing will be adjusted as appropriate.
- ## **9. Capital Outturn – Conclusions**
- 9.1 After allowing for slippage, the outturn position has produced an underlying programme surplus of £14k compared to the latest forecast reported to Members.
- 9.2 This surplus arises from an increase in budgeted capital receipts received from New Fylde Housing – Right to Buy Receipts.

- 9.3 The outturn position will be reflected in future capital programme updates.
- 9.4 Full details of the capital outturn position on a scheme-by-scheme basis have been presented to each of the programme committees during the current meetings cycle.

## **10. Treasury Management Annual Report**

### **10.1 Summary**

This section of the report covers Treasury Management operations for the financial year to 31<sup>st</sup> March 2016.

The Local Government Act 2003 requires the Council to adopt the CIPFA (the Chartered Institute of Public Finance and Accountancy) Prudential Code and produce Prudential Indicators.

The Council's treasury activities are regulated by statutory requirements and a professional code of practice (the CIPFA Code of Practice on Treasury Management). The Code of Practice requires authorities to report on the performance of the treasury management function.

The Prudential Indicators and Treasury Management Strategy for 2015/16 were originally approved in the Medium Term Financial Strategy 2015/16 Report to Council on 3<sup>rd</sup> March 2015. The Prudential Indicators are updated as required and changes have been approved by Council in the Mid-Year Prudential Indicators & Treasury Management Monitoring Report to Council on 14<sup>th</sup> December 2015 and the Medium Term Financial Strategy Report to Council on 2<sup>nd</sup> March 2016. The Prudential Indicators and the out-turn position for 2015/16 are shown at Appendix F.

## **11. Implications**

### **11.1 Economic Background**

The rate of growth in the UK economy slowed during 2015 with annual growth falling to 2.3% from 3% in the previous year.

CPI inflation hovered around 0.0%. The low inflation was attributed to the fall in the price of oil, the increase in sterling pushing down import prices and weaker than anticipated wage growth.

The Bank of England maintained interest rates at 0.5% and reiterated that when interest rates do begin to rise it will be gradually and limited, and below historic levels.

### **11.2 Borrowing**

In line with advice from treasury advisors the borrowing strategy is to postpone new borrowing and to utilise in-house cash balances instead (also known as internal borrowing). This is the most prudent strategy, particularly in periods when investment returns are low and counter-party risk is high. Such a strategy minimises treasury risk by reducing both external debt and in-house investments. Therefore, no new long term borrowing has been taken during the year.

Existing long term borrowing has only been undertaken for a capital purpose and the statutory borrowing limit (the Authorised Limit) of £8.3m was not breached.

The Council's borrowings at 31<sup>st</sup> March, 2016 were all at a fixed interest rate (average rate 2.93%) and are set out in Table 6.



**Table 6 – Analysis of Borrowing**

Type of Loan	Balance 31.03.16 £m
Public Works Loan Board (PWLB)	2.3
<b>Gross Borrowing</b>	<b>2.3</b>
<b>Operational Boundary</b>	<b>2.3</b>

The figures in this report are based on the actual amounts borrowed and invested and so may differ from those in the final statutory annual accounts by items such as accrued interest and other statutory accounting adjustments.

### 11.3 Investments

The security of investments is the Council's main investment objective. This is achieved by adhering to the Treasury Management Strategy approved by Council on 3<sup>rd</sup> March 2015. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

### 11.4 Internally Managed Funds

During the year, cash sums managed internally by the Council have been invested with approved banks, money market funds, Lancashire County Council and a number of other Local Authorities. The Council held an average cash balance of £18.6m of internally managed funds. The overall performance was a gross return of 0.38%, compared with a benchmark return of 0.36%. Interest earned was £70.3k compared to a revised budget of £62.7k. The level of interest from investments was in excess of the revised budget as the actual level of external investments was higher than was anticipated due to the Council benefitting from a more favourable cash-flow position.

## 12. Prudential Indicators

- 12.1 The Council complied with all of its Prudential Indicator limits for 2015/16. Details can be found in Appendix F.

## 13. Overall Conclusions

- 13.1 The favourable outturn position for revenue allows for a contribution of £0.196m to be made to the Capital Investment Reserve and is to be welcomed
- 13.2 As has been detailed within previous updates to the Financial Forecast, the Council was already facing a number of uncertainties in the future in respect of its finances and was already anticipating reductions in central government funding for future years. The greater than anticipated funding reductions that were announced as part of the 2016/17 Local Government Finance Settlement have presented the Council with a challenging financial outlook over the medium term.
- 13.3 In light of the additional challenges that are presented by the recent Finance Settlement the Council needs to continue with the approach to delivering savings and efficiencies which have helped deliver balanced budgets and contribute to reserves over recent years. Through continued focus on the importance of financial stability the Council has delivered a significant

savings programme since 2007 and has continued to significantly reduce senior management costs and other overheads. Ongoing modernisation work and business improvement will continue to make Council services more efficient, save money and maintain frontline services to customers. This work has yielded ongoing savings to help improve the Council's overall financial position over that period. For Fylde Council to continue to successfully meet the new challenges that it faces it is vital that this approach is re-doubled and that all reasonable opportunities for further cost-reduction measures and for the generation of additional income are seriously considered. Prudent financial management in previous years has provided a level of reserves which allows the necessary time to determine how this Council can best respond to the increased challenges that the future will bring.

IMPLICATIONS	
Finance	Detailed financial implications are included within the body of the report
Legal	There is a statutory requirement for the Chief Financial Officer to sign off a completed Annual Statement of Accounts for the Council by 30 <sup>th</sup> June each year, in preparation for the Council's external auditors KPMG to carry out an annual audit.
Community Safety	Not applicable
Human Rights and Equalities	Not applicable
Sustainability and Environmental Impact	Not applicable
Health & Safety and Risk Management	Not applicable

LEAD AUTHOR	TEL	DATE	DOC ID
Paul O'Donoghue, Chief Financial Officer	01253 658566	June 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Medium Term Financial Strategy 2015/16 to 2019/20	2nd March 2016	<a href="https://fylde.cmis.uk.com/fylde/MeetingsCalendar.aspx">https://fylde.cmis.uk.com/fylde/MeetingsCalendar.aspx</a>

#### Attached documents

Appendix A – General Fund Summary Revenue Expenditure & Income Account  
Appendix B – General Fund Outturn 2015/16 – Variations from Revised Estimates  
Appendix C – Revenue Budget Slippage Items requested  
Appendix D – Capital Outturn 2015/16  
Appendix E – Capital Outturn Slippage Items requested  
Appendix F – Prudential Indicators




**GENERAL FUND OUTTURN 2015/16**











Summary Revenue Account				
Outturn 2015/16				
	Latest Estimate	Outturn	Variance + Over / (Under)	Favourable / Adverse
<b>Net Service Expenditure</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Tourism and Leisure Committee	2,070	2,005	(65)	Fav
Operational Management Committee	3,056	2,598	(458)	Fav
Environment, Health and Housing Committee	580	524	(56)	Fav
Development Management Committee	1,196	753	(443)	Fav
Finance and Democracy Committee	2,730	3,063	333	Adv
Contingency	(284)	0	284	Adv
<b>Net Cost of Services</b>	<b>9,348</b>	<b>8,943</b>	<b>(405)</b>	Fav
Contributions to / (from) other Funds	(1,021)	(918)	103	Adv
Capital Accounting Adjustments	(355)	(409)	(54)	Fav
Interest payable and similar charges	67	67	0	-
Interest and investment income	(63)	(70)	(7)	Fav
Minimum Revenue Provision	697	697	0	-
Pension accounting adjustment	0	(13)	(13)	Fav
<b>Sub-Total of Appropriations</b>	<b>(675)</b>	<b>(646)</b>	<b>29</b>	Adv
<b>Total Net Requirement (See App B, part 1 for variance details)</b>	<b>8,673</b>	<b>8,297</b>	<b>(376)</b>	Fav
<b>Financing</b>				
General Government Grants:				
- New Homes Bonus	(1,660)	(1,660)	0	-
- Other Government Grants	10	(5)	(15)	Fav
Revenue Support Grant	(1,443)	(1,443)	0	-
Council Tax Outturn (incl previous years surplus/deficit)	(5,248)	(5,211)	37	Adv
Business Rates Outturn (incl previous years surplus/deficit)	(1,625)	(1,606)	19	Adv
Business Rates - s31 Grants	0	(675)	(675)	Fav
Business Rates - Safety Net Payments Receivable	0	(953)	(953)	Fav
Recommended Transfer to Collection Fund Deficit Reserve to fully provide for the Council's share of Deficit as at 31st March 2016	0	1,485	1,485	Adv
<b>Total Net Requirement</b>	<b>(9,966)</b>	<b>(10,068)</b>	<b>(102)</b>	Fav
<b>Surplus of resources for the year</b>	<b>(1,293)</b>	<b>(1,771)</b>	<b>(478)</b>	Fav
<b>Approved Transfer to/from Reserves</b>				
Transfer to Capital Investment Reserve	32	32	0	-
Transfer to Funding Volatility Reserve	3,000	3,000	0	-
Transfer to Accommodation Project Reserve	504	504	0	-
<b>Recommended transfers to reserves</b>	<b>2,243</b>	<b>1,765</b>	<b>(478)</b>	Fav
<b>Analysis of recommended Transfers to/from Reserves:</b>				
Recommended transfer from general fund revenue balances	2,243	2,243	0	-
- transfer to general fund revenue balances re slippage	0	(282)	(282)	Fav
- transfer to Capital Investment Reserve	0	(196)	(196)	Fav
<b>Recommended transfers to reserves</b>	<b>2,243</b>	<b>1,765</b>	<b>(478)</b>	Fav
<b>Statement of General Fund Revenue Balances</b>				
<b>General Fund Revenue Balances b/f</b>	<b>(5,443)</b>	<b>(5,443)</b>	<b>0</b>	-
Recommended transfer to general fund revenue balances	2,243	1,961	(282)	Fav
<b>General Fund Revenue Balances c/f</b>	<b>(3,200)</b>	<b>(3,482)</b>	<b>(282)</b>	Fav

**Note** - this table has been provided to assist Members in understanding the outturn position. The Statutory Statement of Accounts will be in a different format to comply with the latest Code of Practice on Local Authority Accounting.

## 2015 / 16 Revenue Outturn Variance from Latest Estimates




## Appendix B











KEY:		SLIPPAGE REQUEST - UNDERSPENT AGAINST BUDGET
		UNDERSPENT AGAINST BUDGET
		OVERSPENT AGAINST BUDGET

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Key	Reason for Variance
<b>STAFFING COSTS AND AUTHORITY WIDE BUDGETS</b>							
Authority Wide	Staffing budgets, including oncosts and Recruitment costs	7,804	7,737	-67	Favourable	 	This favourable variance is as a result of a higher than anticipated level of in-year savings from staffing vacancies, net of associated recruitment costs. Of this total, slippage in the sum of £19k is requested to provide for the continuation of a post in the Development Management Team which is tasked with bringing forward development on stalled sites (see Appendix C for further details).
Authority Wide	Supplies and Services (General)	2,070	2,004	-66	Favourable		This favourable variance is as a result of cost reductions across a range of supplies and services and reflects a positive response by budget-holders to financial resource challenges.
Authority Wide	Printing and Photocopier Costs	67	38	-29	Favourable		This favourable variance is as a result of cost savings and reduced consumption of printing and copying across the Council and is a reflection of both a shift to paper-less working and a response to budget restrictions.
Utilities Costs	Utilities and Business Rates	455	446	-9	Favourable		Business rate costs have been in line with the budget and with a relatively mild winter (in temperature terms), as well as the improvements to energy-efficiency that have resulted from the Town Hall accommodation works, expenditure on heating has been lower than average and a favourable outturn variance is the consequence.
Miscellaneous Repairs & Maintenance	Miscellaneous Repairs & Maintenance	239	248	9	Adverse		Expenditure on repairs and maintenance is in excess of the budget which is an indication of the continued focus in dealing with previous under-investment in property maintenance. Given the scale of the overall maintenance budget, this variance is within reasonable tolerances for budgets of this nature. However, this is an adverse variance.
Fleet Costs	Fleet costs, incl. fuel, tyres and vehicle hire costs	625	610	-15	Favourable		This favourable outturn variance arises largely as a result of the reduction in the cost of fuel during 2015/16, offset by cost increases in vehicle repair costs and the requirement to hire additional vehicles.
<b>Sub total</b>		<b>11,260</b>	<b>11,083</b>	<b>-177</b>	<b>Favourable</b>		
<b>TOURISM AND LEISURE COMMITTEE</b>							
Coast and Countryside	Sale of Sand (sandwinning)	-165	-179	-14	Favourable		For 2014/15 the income budget for Sandwinning was increased from £75,000 to £175,000 but achieved just over £163k and the budget was consequently reduced for 2015/16. However for 2015/16 income did manage to achieve the higher estimate and the result is a favourable outturn variance. The income estimate for future years will be reviewed as part of the budget right-sizing exercise later in the year.
Grounds Maintenance External Contracts	Contribution to Overheads on External Contracts	-125	-130	-5	Favourable		Effective management of costs during the year has led to an improved outturn position across all contracts. This is a favourable outturn variance.
Lytham Library	LCC Lytham Library Contribution	-30	-40	-10	Favourable		During 2015/16 it has been necessary to carry out essential external repairs to this grade II listed building, resulting in additional contribution from LCC for their share of the cost which has led to this favourable outturn variance.
<b>Sub total</b>		<b>-320</b>	<b>-349</b>	<b>-29</b>	<b>Favourable</b>		

## 2015 / 16 Revenue Outturn Variance from Latest Estimates




## Appendix B









KEY:		SLIPPAGE REQUEST - UNDERSPENT AGAINST BUDGET
		UNDERSPENT AGAINST BUDGET
		OVERSPENT AGAINST BUDGET

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Key	Reason for Variance
<b>OPERATIONAL MANAGEMENT COMMITTEE</b>							
Fylde Waste Schemes	Replacement Waste Containers	40	52	12	Adverse		During the year it has been necessary to purchase replacement grey and green bins as existing stocks have reduced accompanied by an increased demand for full set of bins for new build properties. The result is an adverse outturn variance.
	Other Sales and Reimbursements	-35	-55	-20	Favourable		Income has been received from LCC as a contribution to the costs of the recent green bin/food waste advertising campaign and for income from the provision of replacement and new wheeled bins, for which there was no income budget. This has resulted in a favourable outturn variance.
	Household Refuse Special Collections	-25	-33	-8	Favourable		There has been additional unbudgeted income during 2015/16 resulting from increased demand for the bulky waste collection service which has produced this favourable variance.
Trade Waste Service	Grey Sacks - Sack Collection	-31	-38	-7	Favourable		There has been additional income during the year from the sale of grey trade waste sacks, resulting in a favourable outturn variance.
Land Charges	Local Land Charge Searches	-75	-70	5	Adverse		Land Charges income has been lower than the budget, largely due to the effect of competition from private search companies who also offer this service, resulting in an adverse outturn variance.
Corporate Improvement	Computer - Program Licence Charges	10	5	-5	Favourable		It was anticipated that this resource would be spent on IDOX EGRMS document imaging developments. This would include data migration, system integration, staff end user training, and corporate rollout. Unfortunately there has been several delays in key milestones being delivered for this ICT project and consequently completion dates have been pushed back by six months into the 2016/17 financial year. This item is therefore included as a slippage request.
Computer Services	Various	232	167	-65	Favourable		Slippage of this sum, which is linked to the accommodation project, is requested. The remaining funds will be spent on the integration of the network and Wi-Fi with the existing infrastructure in the Town Hall, as well as hardware and software for the new offices that were only occupied in the new financial year.
Computer Services	ICT improvement Projects	60	31	-29	Favourable		These funds were specifically allocated for three projects, one has been completed (Public Sector Network Investment - to ensure the Council remains compliant with the protocols on data sharing between central and local government) and the other two (Investment in Mobile Working Solutions & Investment in Website / Forms Integration) have made significant progress but were always going to extend beyond April 1st 2016, though it was not possible to forecast to what degree. The two remaining projects will be completed in the first half of 2016/17 financial year and slippage of this budget is requested.
Car Parks	Car Parking Fees	-562	-575	-13	Favourable		Increased patronage throughout the year has led to additional car parking income. Future years income budgets will be reviewed. This is a favourable outturn variance.
Coast Protection	Other General Repairs and Maintenance, Consultants fees	19	4	-15	Favourable		Repair works have been delayed pending the start of major works at Fairhaven and Church Scar, resulting in this favourable outturn variance, offset by the requirement to incur additional consultancy costs on coastal monitoring.

# 2015 / 16 Revenue Outturn Variance from Latest Estimates




# Appendix B










KEY:		SLIPPAGE REQUEST - UNDERSPENT AGAINST BUDGET
		UNDERSPENT AGAINST BUDGET
		OVERSPENT AGAINST BUDGET

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Key	Reason for Variance
Footway Lighting	Other General Repairs and Maintenance	20	25	5	Adverse		During the year footway lighting features have required additional essential maintenance and repair resulting in this adverse outturn variance.
Pumping Stations	Other General Repairs and Maintenance	17	10	-7	Favourable		During the year the cost of essential maintenance and repair of pumping stations has been lower than anticipated, resulting in this favourable outturn variance.
<b>Sub total</b>		<b>-330</b>	<b>-477</b>	<b>-147</b>	<b>Favourable</b>		
<b>ENVIRONMENT, HEALTH &amp; HOUSING COMMITTEE (cont.)</b>							
Homelessness	Bed and Breakfast Accommodation	25	42	17	Adverse		Due to changes in the definition of 'vulnerability' the number of single homeless households presenting themselves, and for whom the Council have a duty to house, has increased. This has resulted in an increase in the provision of bed and breakfast accommodation and consequently an adverse outturn variance.
	Homelessness Prevention Project	109	73	-36	Favourable		These variances arise due to timing differences in the receipt of central government grant directed towards the prevention of homelessness and the incurring of costs in the delivery of those activities across a number of financial years. It is proposed that these balances are transferred into 2016/17 when the remaining balance of the grant will be used as required in accordance with the principles of the scheme. Slippage is requested in this regard.
	Lancashire Single Homelessness Project	-120	-84	36	Adverse		
	Housing Benefit/Universal Credit Repayment	-10	-17	-7	Favourable		The number of single persons claiming Housing Benefit/Universal Credit in Bed & Breakfast accommodation has increased due to changes in vulnerability definition. This also increases the contribution that the Council receives in relation to those costs, creating a favourable outturn variance.
Mortgage Repossessions	Mortgage Repossession Prevention-grants	19	1	-18	Favourable		These variances arise due to timing differences in the receipt of central government grant directed towards the prevention of mortgage repossessions and the incurring of costs in the delivery of those activities across a number of financial years. It is proposed that these balances are transferred into 2016/17 when the remaining balance of the grant will be used as required in accordance with the principles of the scheme. A slippage request has been made in this regard.
	Mortgage Repossession Prevention-loans	19	0	-19	Favourable		
	Mortgage Repossession Prevention Grant	-38	-1	37	Adverse		
Housing Standards	Disabled Facilities - Grant Fee income	-40	-48	-8	Favourable		An increase in the total value of Disabled Facilities Grants that have been awarded creates a corresponding increase in the monies that Fylde Council retains for grant administration costs, creating this favourable outturn variance.
Community Safety Initiatives	Community Safety Initiatives	74	43	-31	Favourable		Community Safety funding is now significantly diminished due to the fact that external grants are no longer being received, other than for smaller amounts of funding, for example, from the Police and Crime Commissioner. As a result the Community Safety Partnership uses the legacy funding that was passed to it by the former Local Strategic Partnership, sparingly. During 2015/16 a relatively small amount of funding has been granted to support a number of partnership projects. The intention is to utilise resources sparingly and when such usage is most effective. Consequently a slippage request has been made to transfer the remaining resource into 2016/17. It is possible that not all of this will be used in 2016/17 and a future request to transfer funding beyond 2016/17 may be made.
	Other Reimbursements	-74	-43	31	Adverse		

## 2015 / 16 Revenue Outturn Variance from Latest Estimates




## Appendix B






KEY:		SLIPPAGE REQUEST - UNDERSPENT AGAINST BUDGET
		UNDERSPENT AGAINST BUDGET
		OVERSPENT AGAINST BUDGET

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Key	Reason for Variance
Cemetery and Crematorium	Operational Running Costs, Repairs & Maintenance	176	163	-13	Favourable		Operational and maintenance costs have been lower in the year as the number of cremations undertaken has been lower than anticipated. This has resulted in a favourable outturn variance.
	Income - including Cremations and Interments	-1,235	-1,133	102	Adverse		Income budgets for this service have increased considerably in recent years as the number of burials and cremations has exceeded estimates. However, the number of both burials and cremations that were carried out during 2015/16 have been lower than that for the previous year, and lower than the increased budgets for 2015/16, resulting in an adverse outturn variance for each of these services.
Residential Park Homes Licensing	Mobile Homes - Licence Fee	0	-6	-6	Favourable		This is a new Licence fee that was introduced in 2015/16 for which no income budget was established. An income budget will be set for future years as part of the budget right-sizing exercise. This is a favourable outturn variance.
<b>Sub total</b>		<b>-1,095</b>	<b>-1,010</b>	<b>85</b>	<b>Adverse</b>		
<b>DEVELOPMENT MANAGEMENT COMMITTEE</b>							
Development Management	Advertising	16	23	7	Adverse		Applications for 'major' development are required to be advertised in the local press. As a result of the considerable number of such applications received during the year there has been a corresponding increase in the number of applications that have needed to be advertised, leading to this adverse outturn variance.
	Planning Application Fees	-903	-883	20	Adverse		Last year saw an unprecedented number of major applications for planning permission being submitted to the Council. However a number of these will be processed in 2016/17 and, as is usual, this income has been transferred to 2016/17 to meet these costs in that year. The net result is an adverse variance for 2015/16.
Planning Appeals	Planning Appeal Hearing Costs	238	61	-177	Favourable		A number of planning appeals that were expected to be heard during 2015/16 have been postponed and will now be heard during 2016/17. A slippage request in this regard has been submitted to ensure that these costs can be met in 2016/17.
Local Plan	Sustainability Appraisal	7	12	5	Adverse		Additional work to demonstrate the sustainability credentials of the Local Plan has been required as a result of consultation responses received from Natural England. This has resulted in an adverse outturn variance.
	Core Strategy Studies	10	27	17	Adverse		Additional work in regard to the need for public open space and leisure facilities has been identified following a review of recent local plan examinations elsewhere in the country. This has resulted in an adverse outturn variance.
Planning Policy	Neighbourhood Planning Costs	8	0	-8	Favourable		The work that was anticipated to be undertaken in 2015/16 has not taken place and consequently the majority of the cost has not been incurred and will now fall in 2016/17. A slippage request has been made in regard.

## 2015 / 16 Revenue Outturn Variance from Latest Estimates

## Appendix B

KEY:		SLIPPAGE REQUEST - UNDERSPENT AGAINST BUDGET
		UNDERSPENT AGAINST BUDGET
		OVERSPENT AGAINST BUDGET

Service Area	Detailed Description	Latest Full Year Budget £'000	Actual Outturn £'000	Variance £'000	Adverse/ Favourable	Key	Reason for Variance
Planning Policy	Advertising	15	1	-14	Favourable		Due to the delay in progressing a number of Neighbourhood Plans there has been a reduction in the need to incur expenditure in advertising costs. Costs in 2016/17 can be contained in the approved budget and therefore no request for slippage is being made. This is a favourable outturn variance.
<b>Sub total</b>		<b>-609</b>	<b>-759</b>	<b>-150</b>	<b>Favourable</b>		
<b>FINANCE AND DEMOCRACY COMMITTEE</b>							
Revenues & Benefits	Council Tax, Business Rates and Benefits costs & Allowances	-329	-251	78	Adverse		This adverse variance is a consequence of a range of factors relating to the shared revenues and benefits service, including a reduction in the scale of the housing benefits administration grant that the Council receives and a reduction in court costs recovered due to fewer cases for recovery of council tax and business rates being referred to the courts for determination.
	Council Tax Reduction Scheme - Hardship Fund	8	0	-8	Favourable		This favourable variance is as a result of the low level of hardship awards being made to claimants under the council tax reduction scheme during 2015/16. It is proposed that the remaining budget be slipped into 2016/17 to provide some budget provision for potential claimants during the new year. Slippage requested of £8K.
Electoral Registration	Electoral Registration Expenditure	93	55	-38	Favourable		These variances arise due to timing differences in the receipt of a specific grant directed towards Individual Elector Registration for the May 2016 elections and the carrying out of those activities across two financial years. It is proposed that the majority of these balances are transferred into 2016/17 when the remaining instalment of grant will be received and the corresponding activities will take place. A slippage request has been made in this regard of £38k.
	Individual Electoral Registration	-41	-3	38	Adverse		
Miscellaneous Properties	Other Rent	-110	-123	-13	Favourable		Income from property rental and from concessions is in excess of the budget causing this favourable variance. The income budget will be reviewed as part of the budget right-sizing exercise later in the year.
<b>Sub total</b>		<b>-379</b>	<b>-322</b>	<b>57</b>	<b>Adverse</b>		
<b>Other minor variances</b>				<b>-15</b>	<b>Favourable</b>		
<b>Total Variances - Net Budget Requirement</b>				<b>-376</b>	<b>Favourable</b>		



**Revenue Slippage 2015/16**  
**Requests to transfer 2015/16 Budget to 2016/17**

**Appendix C**

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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**FINANCE & DEMOCRACY COMMITTEE**

Revs & Bens Central Costs	Council Tax reduction Scheme - Hardship Fund	8	There have been few hardship awards to claimants during 2015/16. It is proposed that the remaining £7,951 available in this budget is slipped into 2016/17 to provide some budget provision for potential claimants during the new year.	A legal obligation exists to provide a hardship fund for CTRS recipients. This funding represents the resource to meet that obligation and there is no other financial resource available to meet that requirement.
Electoral Registration	Individual Elector Registration (IER)	38	IER Funding from Cabinet Office to cover the implementation costs of individual elector registration.	The slippage is required to enable the delivery of forms to householders. If this is not carried out the grant funding would be returned to the Cabinet Office.
		-38	Government Grant funding for above	Grant funding would be returned to central government.
	Sub-total	8		

**OPERATIONAL MANAGEMENT COMMITTEE**

Corporate Improvement	Computer - Program Licence Charges	5	It was anticipated that this resource would be spent on IDOX EGRMS document imaging developments. This would include data migration, system integration, staff end user training, and corporate rollout. Unfortunately there has been several delays in key milestones being delivered for this ICT project and consequently completion dates have been pushed back by six months into the 2016/17 financial year.	If the slippage were not to be approved software development and staff improvement opportunities would be lost, the full potential of the document imaging product would not be maximised and its roll-out into further areas within the Council to achieve efficiency gains would not be possible.
Computer Services	Various	65	The slippage is linked to the accommodation project. The remaining funds will be spent on the integration of the network and Wi-Fi with the existing infrastructure in the Town Hall, as well as hardware and software for the new offices that were only occupied in the new financial year.	A significant amount of the slippage has already been allocated throughout April with the next phase of the project coming to completion – this was several weeks behind schedule. If the slippage is not permitted the 2016/17 budget will not be sufficient to integrate the network and Wi-Fi or provide the necessary hardware and software for the Chaseley, Reception and One Stop phases of the accommodation project.
Computer Services	ICT improvement Projects	29	The funds were specifically allocated for three projects, one has been completed (Public Sector Network Investment - to ensure the Council remains compliant with the protocols on data sharing between central and local government) and the other two (Investment in Mobile Working Solutions & Investment in Website / Forms Integration) have made significant progress but were always going to extend beyond April 1st 2016, though it was not possible to forecast to what degree. The two remaining projects will be completed in the first half of 2016/17 financial year.	If the slippage were not to be approved the two remaining projects would not be able to be completed and the benefits of the improvement projects would not be realised.
		-29	Financing element for projects as described above.	Financing element - as above.

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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**OPERATIONAL MANAGEMENT COMMITTEE (Cont.)**

Capital Expenditure funded from the Capital Investment Reserve (Revenue)	Vehicle Purchases	60	An operational vehicle, which was being fitted to a bespoke specification, was not delivered to the Council by the year-end. Slippage is requested in this regard and the vehicle is now expected to be received in the early part of the financial year 2016/17.	If the slippage is not granted the £60k expenditure would have to be funded from the 2016/17 budget for vehicle replacements which would impact on the future years of the vehicle replacement schedule.
		-60	Financing element - as above.	Financing element - as above.
Sub-total		70		

**TOURISM & LEISURE COMMITTEE**

Management of the Arts	Arts Council 'REACH' Project 2016/17	4	Slippage of the balance of the project funding is requested to allow for the project to continue into 2016/17.	If the slippage were not approved the project would cease and the funding would have to be returned to the Arts Council.
		-4	Arts Council grant funding for above	Funding would be returned to Arts Council.
Capital Expenditure funded from the Capital Investment Reserve (Revenue)	Sand Dunes Re-modelling	2	Surveys were completed in October 2015 and the design works have been commissioned. The scheme requires stakeholder engagement and the necessary approvals prior to commencement. A detailed proposal is currently being worked-up in consultation with councillors and residents. Minor slippage in the sum of £2k is now requested for 2016/17.	If the slippage is not granted the £2k of approved works would have to be funded from the 2016/17 budget for this purpose, impacting on the scheme that could be achieved within the constrained budget.
Capital Expenditure funded from the Capital Investment Reserve (Revenue)	Lowther Roof	3	This funding represents the resource required to undertake the preparatory works for the substantive scheme programmed for 2016/17. Surveys are underway to inform a design and specification for partial re-roof. Dialogue is also taking place with the Lowther Trust over their refurbishment requirements and further development ambitions. Minor slippage in the sum of £3k is now requested for 2016/17.	If the slippage is not granted the outstanding works would have to be funded from the 2016/17 budget for this purpose, impacting on the scheme that could be achieved within the constrained budget.
Capital Expenditure funded from the Capital Investment Reserve (Revenue)	Fairhaven / Promenade Footways	7	The works in relation to this scheme have been designed and tendered. A report was presented to the Tourism and Leisure Committee in September 2015 seeking approval to the commencement of the scheme. The majority of the works have been completed. Slippage in the sum of £7k is requested for 2016/17 in relation to residual promenade footways works that will be completed early in the financial year 2016/17.	If the slippage is not granted the £7k of approved works would have to be funded from the 2016/17 budget for this purpose and would impact on the extent of future years promenade footway improvements that can be carried out.
Capital Investment Reserve	Direct Revenue Financing	-12	Financing element for the three schemes as described above.	Financing element - as above.
<b>Sub-total</b>		<b>0</b>		

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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## ENVIRONMENT, HEALTH &amp; HOUSING COMMITTEE

Community Grants	MOD Grants	1	Unspent MOD grant in 2015/16 to be transferred to 2016/17 to provide for the project to be delivered in that year.	If the slippage were not to be approved the project could not be delivered and the funding would need to be returned to the MOD.
		-1	MOD grant funding for above.	Grant funding would be returned to MOD.
Community Safety Initiatives	Community Safety Initiatives	31	Community Safety funding is now significantly diminished due to the fact that external grants are no longer being received, other than for smaller amounts of funding, for example, from the Police and Crime Commissioner. As a result the Community Safety Partnership uses the legacy funding that was passed to it by the former Local Strategic Partnership, sparingly. During 2015/16 a relatively small amount of funding has been granted to support a number of partnership projects. The intention is to utilise resources sparingly and when such usage is most effective. Consequently a slippage request has been made to transfer the remaining resource into 2016/17. It is possible that not all of this will be used in 2016/17 and a future request to transfer funding beyond 2016/17 may be made.	If the slippage were not to be approved future Community Safety Projects could not be delivered.
		-31	Legacy funding from former LSP for above.	At the cessation of the LSP an undertaking was given to utilise the funding for the agreed purposes. It is unclear what would be the consequence if that undertaking were not honoured.
Local Strategic Partnership	LSP Residual Monies	4	The former LSP allocated funding to allow the Community Projects Fund, which gives community grants for amounts from £500 to £2,000, to support qualifying projects. It also allocated further discretionary funding for smaller grants of up to £500. As is the case for Community Safety initiatives the intention is to utilise resources as and when such usage is most effective. Consequently a slippage request has been made to transfer the remaining resource into 2016/17.	Approval of the slippage would allow the continuation of the Community Projects Fund in 2016/17.
		-4	Legacy funding from former LSP for above.	At the cessation of the LSP an undertaking was given to utilise the funding for the agreed purposes. It is unclear what would be the consequence if that undertaken were not honoured.
Homelessness	Single Homelessness Initiatives	36	Funding for a wider initiative across Lancashire to pilot approaches to resolve issues to access housing for single homeless households. Support includes tenancy training, shared accommodation pilot, and an accommodation finding service. Additional Funding has been received to purchase 10 hours per week floating support for homeless single people with complex needs that require extra short term support to access housing, health and employment. All projects are due to end by Dec 2016.	If the slippage request were not to be approved the project would be unable to continue.
		-36	Funding for project as described above,	This is grant funding that can only be used for the projects specified.

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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## ENVIRONMENT, HEALTH &amp; HOUSING COMMITTEE (contd.)





Mortgage Repossessions	Mortgage Repossessions - Grants & Loans	37	In 2009/10 DCLG allocated £23.5k to Fylde Council to assist in preventing homelessness as a result of mortgage repossession or landlord repossession and in 2012 provided a further £30k for the same purpose. A policy is in place such that the unspent balance of funding is carried forward to be used the following year, subject to general budget pressures permitting.	If the slippage were not to be approved the mortgage repossession prevention work would not continue. As this is grant funding that can only be used for mortgage repossession prevention work the funding would need to be returned to DCLG if the slippage were not approved.
		-37	Funding for project as described above,	This is grant funding that can only be used for the projects specified.
Sub-total		0		





## DEVELOPMENT MANAGEMENT COMMITTEE




Planning Appeals	Planning Appeal Hearing Costs	177	A number of significant planning appeals received during 2015/16 will be determined at inquiries that will now be held during 2016/17 due to amended timetables issued by the Planning Inspectorate. It is also proposed that part of this slippage request would fund any further action to secure compliance with the enforcement notice relating to land at Fairfield Road, Hardhorn.	If the slippage were not approved there would not be sufficient provision for the Council to mount a robust defence of the anticipated appeals and the costs relating to the land at Fairfield Road, Hardhorn.
Development Management Team	Salaries - Basic, N.I. and Pension	19	This underspend is a result of a staff vacancy that was funded from a specific grant received from DCLG to secure the implementation of large scale planning applications. An appointment has now been made to this temporary position, commencing mid-May 2016. In order to maximise the impact of this funding, it is requested that savings resulting from the period of vacancy be used to extend the term of the appointment.	The aim of this post is specifically to bring forward stalled development sites. In so doing there will be an improvement in the Council's 5 year housing supply position, an expected increase in New Homes Bonus received and additional income in the form of Council Tax paid on the new dwellings. The slippage would permit the continuation of this work.
Planning Policy	Neighbourhood Planning Costs	8	Grant has been received from DCLG late in the financial year to assist in the preparation of Neighbourhood Development Plans. As a result, the work on the Bryning-with-Warton and St Annes Neighbourhood Development Plans which this grant funding will support, will take place in 2016/17.	If the slippage were not approved the Council would not be able to fulfil its statutory duty to support communities in the preparation of their Neighbourhood Development Plans.
Capital Expenditure funded from the Capital Investment Reserve (Revenue)	Woodlands Road Regeneration Scheme - Town Centre Phase 3	19	The scheme is almost complete as it was started within the previous financial year. The scheme remains 'on site' but the final account has not yet been settled with the contractor with a final payment due that will utilise the residual amount. This will be settled early in the financial year 2016/17.	The regeneration scheme was approved by the Council's Development Management Committee up to the full cost of £89,000. The final account payment will allow for the completion of the scheme and fulfilling the agreed contract. If the slippage were not to be approved the costs would need to be found from elsewhere.
		-19	Financing element - as above.	Financing element - as above.
Sub-total		204		
Total Revenue Slippage		282		








## CAPITAL OUTTURN 2015/16




<b>KEY:</b>		SCHEME DELIVERED TO BUDGET DURING THE YEAR
		SCHEME UNDERSPENT AGAINST BUDGET
		SCHEME OVERSPENT AGAINST BUDGET





APPROVED SCHEMES	Financing Source	Latest Budget 2015/16 £000	Actual Outturn £000	Variance £000	Variance	See key	Slippage Requested £000	Comments
<b>FINANCE &amp; DEMOCRACY COMMITTEE CAPITAL SCHEMES</b>								
Accommodation Project - Phase 3 - East Wing Inc. Lift	Proceeds from the sale of surplus Council Assets, and the Accommodation Project Reserve	547	513	34	Underspent		34	The commencement of Phase 3 of the Accommodation Project was approved by the Finance and Democracy Committee in August 2015 and has mostly been completed in 2015/16. These works relate to the remodelling of the east wing of the Town Hall and the provision of a lift to all floors. The Finance and Democracy Committee in February 2016 approved the award of the contract to deliver Phases 4 and 5 of the project relating to the provision of a link bridge between the Town Hall and the Chasely building and the remodelling of part of the ground floor of the Town Hall to create a 'One Stop Shop' for customers/residents. These two phases will mostly be delivered in 2016/17 though there are some minor initial costs for preparatory works, amounting to £15k, that fall in 2015/16. Slippage is requested in respect of residual costs relating to Phase 3 of the project, along with a re-phasing of those costs for Phase 4 of the scheme which fall in 2015/16.
Accommodation Project - Phase 4 - Chasely Link Bridge		0	15	-15	Overspent		-15	
Accommodation Project - Phase 5 - One Stop Shop		0	0	0	On target		0	
Compliance with INSPIRE Directive	Specific Government Grant (INSPIRE)	7	7	0	On target		0	The INSPIRE directive places a legal obligation on public authorities which hold geographical data regarding the environment within their locality. The scheme was completed within the approved budget in 2015/16.
<b>Sub total</b>		<b>554</b>	<b>535</b>	<b>19</b>			<b>19</b>	




<b>OPERATIONAL MANAGEMENT COMMITTEE CAPITAL SCHEMES</b>								
Replacement Vehicles	Capital Investment Reserve / Borrowing	548	488	60	Underspent		60	An operational vehicle, which was being fitted to a bespoke specification, was not delivered to the Council by the year-end. Slippage is requested in this regard and the vehicle is now expected to be received in the early part of the financial year 2016/17.
Car Park Improvements	No external finance - funded by borrowing/general asset disposal receipts	30	30	0	On target		0	Eight new Pay & Display meters have been purchased and installed. The scheme has been completed within the approved budget in 2015/16.
Fylde Headlands Preliminary Work	Specific Government Grant (Environment Agency)	86	48	38	Underspent		38	The Project Appraisal Report has been submitted for approval by the Environment Agency Large Projects Review Group on 6th August 2015. Further work will be required during 2016/17 to continue to meet Environment Agency requirements for schemes of this scale and nature. Slippage in the sum of £38k is now requested for 2016/17.
Repair & Renewal - Flood Defences	Specific Government Grant (Environment Agency)	50	17	33	Underspent		33	The Repair & Renew Flood Resilience scheme has been extended with 4 claims been approved. Further claims may follow. Slippage is requested for any further flood claims for storms Desmond and Eva for which funding was made available from the government.
<b>Sub total</b>		<b>714</b>	<b>583</b>	<b>131</b>			<b>131</b>	








KEY:		SCHEME DELIVERED TO BUDGET DURING THE YEAR
		SCHEME UNDERSPENT AGAINST BUDGET
		SCHEME OVERSPENT AGAINST BUDGET

APPROVED SCHEMES	Financing Source	Latest Budget 2015/16 £000	Actual Outturn £000	Variance £000	Variance	See key	Slippage Requested £000	Comments
<b>TOURISM &amp; LEISURE COMMITTEE CAPITAL SCHEMES</b>								
Ashton Gardens Depot	Proceeds from the sale of surplus Council Assets	0	0	0	Re-phased		0	The scheme is currently on hold pending the disposal of the Public offices site (the works will need to be completed prior to that disposal). <b>The scheme has been re-phased into 2016/17</b> as the the disposal of that site has now yet taken place.
Snowdon Road Depot	Capital Investment Reserve	320	320	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
Hope Street Pavilion Refurbishment - Phase 2	Capital Investment Reserve/ External Donations	153	151	2	Underspent		0	This scheme has been completed within the approved budget in 2015/16 with a minor underspend.
St Annes Pool	No external finance - funded by borrowing/general asset disposal receipts	0	0	0	Re-phased		0	This represents the balance of the maintenance scheme resource which will be retained and drawn upon when required. <b>The scheme has been re-phased into 2016/17.</b>
St Annes Pool - External Works	Capital Investment Reserve/ Arts Council Grant	0	0	0	Re-phased		0	A scheme has been proposed which will be designed in-house subject to the delivery of other priority projects. Once designed there will need to be consultation with stakeholders and then dialogue with the Arts Council over match funding. <b>This scheme has been re-phased into 2016/17.</b>
Fairhaven Lake & Promenade Gardens - First round	Capital Investment Reserve	0	0	0	Re-phased		0	This scheme represented the match funding for the development of the Heritage Lottery Development Bid. Given that the first round bid was unsuccessful a report was presented in September 2015 to the Tourism & Leisure Committee outlining how the Fairhaven Masterplan can be delivered in the future. <b>This scheme has been re-phased into 2016/17.</b>
Park View Playing Field - Sand & Water Play Facility	Specific Government Grant (Coastal Communities)	272	272	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
Community Parks Improvement Programme - Frobisher Drive Play Equipment	S106 Developer Contributions	34	33	1	Underspent		0	This scheme has been completed within the approved budget in 2015/16 with a minor underspend.
Replacement Boats Fairhaven	Capital Investment Reserve	55	55	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
Promenade Footways	Capital Investment Reserve / General Asset Sale Receipts	0	0	0	On target		0	Funding for this scheme has been amalgamated into the Fairhaven Footways Improvements project below.
Fairhaven Footway Improvements	Capital Investment Reserve / General Asset Sale Receipts	55	48	7	Underspent		7	The works in relation to this scheme have been designed and tendered. A report was presented in September 2015 to the Tourism and Leisure Committee seeking approval to the commencement of the scheme. The majority of the works have been completed. Slippage in the sum of £7k is requested for 2016/17 in relation to residual promenade footways works that will be completed early in the financial year 2016/17.

KEY:  SCHEME DELIVERED TO BUDGET DURING THE YEAR  
 SCHEME UNDERSPENT AGAINST BUDGET  
 SCHEME OVERSPENT AGAINST BUDGET




APPROVED SCHEMES	Financing Source	Latest Budget 2015/16 £000	Actual Outturn £000	Variance £000			Slippage Requested £000	Comments
<b>TOURISM &amp; LEISURE COMMITTEE CAPITAL SCHEMES (CONT)</b>								
Lowther Pavilion Roof	Capital Investment Reserve	8	5	3	Underspent		3	This funding represents the resource required to undertake the preparatory works for the substantive scheme programmed for 2016/17. Surveys are underway to inform a design and specification for partial re-roof. Dialogue is also taking place with the Lowther Trust over their refurbishment requirements and further development ambitions. Minor slippage in the sum of £3k is now requested for 2016/17.
Fairhaven Toddlers Play Area	Capital Investment Reserve	67	67	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
Sand Dunes re-modelling at North Beach Car Park / Summerfields	Capital Investment Reserve	5	3	2	Underspent		2	Surveys were completed in October 2015. The design works have also been commissioned. The scheme will require stakeholder engagement and the necessary approvals prior to commencement. A detailed proposal is currently being worked in consultation with Councillors and Residents. Minor slippage in the sum of £2k is now requested for 2016/17.
Freckleton Memorial Park	Capital Investment Reserve	0	0	0	Re-phased		0	This scheme is phased over two years. In addition to the Council's contribution a further £80k of external funding has been secured. Furthermore the outcome of two more external bid submissions in the total sum of £50k is awaited. The outcome of those bids is anticipated for December 2015. The outcome of those bid submissions will determine the extent of the scheme. <b>The scheme has been re-phased into 2016/17.</b>
Lytham Hall	Specific Government Grant (Coastal Revival Fund)	47	47	0	On target		0	During 2015/16 the Council acted as the accountable body for a refurbishment scheme at Lytham Hall (part of a wider redevelopment initiative for the building) which was funded by a specific central government grant. The grant was passed to the Trustees of Lytham Hall, the Council having satisfied itself that all grant conditions had been met.
<b>Sub total</b>		<b>1,016</b>	<b>1,001</b>	<b>15</b>			<b>12</b>	





KEY:		SCHEME DELIVERED TO BUDGET DURING THE YEAR
		SCHEME UNDERSPENT AGAINST BUDGET
		SCHEME OVERSPENT AGAINST BUDGET

APPROVED SCHEMES	Financing Source	Updated Budget 2015/16 £000	Actual Outturn £000	Variance £000			Slippage £000	Comments
<b>ENVIRONMENT, HEALTH &amp; HOUSING COMMITTEE</b>								
Disabled Facilities Grants Programme	Specific Grant (Better Care Fund) / External Contributions / Grant repayments	617	571	46	Underspent		46	The budget for this scheme has been adjusted to reflect the slippage as approved by the Finance and Democracy Committee of 22nd June 2015, increased grant allocation, recycled grant repayments and a further contribution of £40k from New Fylde Housing in 2015/16. Slippage is requested in the sum of £46k, largely in respect of Disabled Facilities Grant works that has been approved but not yet completed and therefore cannot be paid for.
93 St Albans Road - Compulsory Purchase Order	S106 Developer Contributions	105	0	105	Underspent		105	The planned Compulsory Purchase Order (CPO) of this property has experienced delays and has not been completed during 2015/16. Slippage is requested to provide funding for the CPO in 2016/17.
Rapid Deployment CCTV Replacement Projects	Specific Grant (LSP Performance Reward Grant)	82	44	38	Underspent		38	In March 2015 the Cabinet approved that the balance of this funding will be used for the repair and replacement of CCTV cameras as and when required and that the monies may not all be required in 2015/16. As this has proven to be the case, slippage is now requested in respect of the unspent balance of £38k.
Infant Memorial Garden - Phase 2	Capital Investment Reserve / NHS & Other donations	15	17	-2	Overspent		0	This scheme has now been completed in 2015/16 with a minor overspend.
Cemetery and Crematorium - Infrastructure Works	Capital Investment Reserve	6	6	0	On target		0	This part of the scheme is for the initial design phase of the of the substantial burial ground extension works programmed for 2017/18. The design work has been undertaken within the approved budget.
Cemetery / Crematorium Pumping Station	Capital Investment Reserve	4	4	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
New memorial garden - Lytham Park Cemetery	Capital Investment Reserve	8	8	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
<b>Sub total</b>		<b>837</b>	<b>650</b>	<b>187</b>			<b>189</b>	



## Appendix D (Continued)

KEY:		SCHEME DELIVERED TO BUDGET DURING THE YEAR
		SCHEME UNDERSPENT AGAINST BUDGET
		SCHEME OVERSPENT AGAINST BUDGET

APPROVED SCHEMES	Financing Source	Updated Budget 2015/16 £000	Actual Outturn £000	Variance £000			Slippage £000	Comments
<b>DEVELOPMENT MANAGEMENT COMMITTEE</b>								
Kirkham Regeneration Scheme - Town Centre Phase 4	Capital Investment Reserve	50	50	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
Woodlands Road Regeneration Scheme - Town Centre Phase 3	Capital Investment Reserve / S106 Developer Contributions	89	70	19	Underspent		19	A report was presented to Development Management Committee in November 2015 approving commencement of the works. The scheme is almost complete. Slippage is requested for £19k in 2016/17 for the remaining works and the final account is expected to be finalised early in the financial year 2016/17 within budget.
Public Realm Regeneration - St Annes	S106 Developer Contributions	80	80	0	On target		0	This scheme has been completed within the approved budget in 2015/16.
St Annes Regeneration Schemes	S106 Developer Contributions	0	0	0	Re-phased		0	This funding is earmarked for the next phase of St Annes Town Centre including St Annes Road South and The Crescent. A draft scheme will be prepared early 2016 for delivery during 2016/17. <b>Consequently this scheme has been re-phased into 2016/17.</b>
Lytham Regeneration Schemes	S106 Developer Contributions	0	0	0	Re-phased		0	Section 106 monies have been received and design on the scheme will commence from April 2016 with implementation later in the financial year. <b>This scheme has been re-phased into 2016/17.</b>
Staining Regeneration Schemes	S106 Developer Contributions	40	0	40	Underspent		40	This project is subject to ongoing discussions with Staining Parish Council. Discussions have continued with the Parish Council and a scheme is being progressed. Slippage is requested to provide the resource for this scheme for 2016/17.
<b>Sub total</b>		<b>259</b>	<b>200</b>	<b>59</b>			<b>59</b>	
<b>Total Expenditure</b>		<b>3,380</b>	<b>2,969</b>	<b>411</b>			<b>410</b>	

**Capital Slippage 2015/16**  
**Requests to transfer 2015/16 Budget to 2016/17**

**Appendix E**

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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**FINANCE & DEMOCRACY COMMITTEE**

Accommodation Project - Phase 3 - East Wing Inc. Lift & Phase 4 - Chaseley Link Bridge	Building Works and Improvements	19	This budget has already been committed as part of the contract. Slippage is requested as result of changes to the timings of minor aspects of the works being carried out. The slippage is in respect of residual costs relating to Phase 3 of the project and a re-phasing of some Phase 4 costs which have fallen in 2015/16, which is earlier than originally intended.	The funds have already been committed as part of the agreed contract for the works. If the slippage is not granted the cost of this would have to be met from other aspects of the works or from other means.
	<b>Sub-total</b>	<b>19</b>		

**OPERATIONAL MANAGEMENT COMMITTEE**

Replacement Vehicles	Purchase of Vehicles	60	An operational vehicle, which was being fitted to a bespoke specification, was not delivered to the Council by the year-end. Slippage is requested in this regard and the vehicle is now expected to be received in the early part of the financial year 2016/17.	If the slippage is not granted the £60k expenditure would have to be funded from the 2016/17 budget for vehicle replacements which would impact on the future years of the vehicle replacement schedule.
Fylde Headlands Preliminary Work	Building Works and Improvements	38	The Project Appraisal Report has been submitted for approval by the Environment Agency Large Projects Review Group on 6th August 2015. Further work will be required during 2016/17 to continue to meet Environment Agency requirements for schemes of this scale and nature. Slippage in the sum of £38k is now requested for 2016/17.	If the slippage is not granted the £38k of approved works would have to be funded from the 2016/17 budget for this purpose, impacting on the range and nature of the remaining preparatory work that can be carried out in that year.
Repair & Renewal - Flood Defences	Grants	33	The Repair & Renew Flood Resilience scheme has been extended with 4 claims having been approved. Further claims may follow. Slippage is requested for any further flood claims for storms Desmond and Eva for which funding was made available from the government.	The grant received from central government is to be used to pay for flood defence and remediation works at affected properties within the borough. If the slippage request was not approved, the grant would need to be repaid and affected properties would not have the works carried out.
	<b>Sub-total</b>	<b>131</b>		

**TOURISM & LEISURE COMMITTEE**

Fairhaven Footway Improvements	Building Works and Improvements	7	The works in relation to this scheme have been designed and tendered. A report was presented to the Tourism and Leisure Committee in September 2015 seeking approval to the commencement of the scheme. The majority of the works have been completed. Slippage in the sum of £7k is requested for 2016/17 in relation to residual promenade footways works that will be completed early in the financial year 2016/17.	If the slippage is not granted the £7k of approved works would have to be funded from the 2016/17 budget for this purpose and would impact on the extent of future years promenade footway improvements that can be carried out.
Lowther Pavilion Roof	Building Works and Improvements	3	This funding represents the resource required to undertake the preparatory works for the substantive scheme programmed for 2016/17. Surveys are underway to inform a design and specification for partial re-roof. Dialogue is also taking place with the Lowther Trust over their refurbishment requirements and further development ambitions. Minor slippage in the sum of £3k is now requested for 2016/17.	If the slippage is not granted the outstanding works would have to be funded from the 2016/17 budget for this purpose, impacting on the scheme that could be achieved within the constrained budget.

Scheme	Detail	Slippage Requested £000	Explanation of Slippage	Effect on service delivery if Slippage is not approved
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**TOURISM & LEISURE COMMITTEE (Continued)**

Sand Dunes re-modelling at North Beach Car Park / Summerfields	Building Works and Improvements	2	Surveys were completed in October 2015 and the design works have been commissioned. The scheme requires stakeholder engagement and the necessary approvals prior to commencement. A detailed proposal is currently being worked-up in consultation with councillors and residents. Minor slippage in the sum of £2k is now requested for 2016/17.	If the slippage is not granted the £2k of approved works would have to be funded from the 2016/17 budget for this purpose, impacting on the scheme that could be achieved within the constrained budget.
<b>Sub-total</b>		<b>12</b>		

**ENVIRONMENT, HEALTH & HOUSING COMMITTEE**

Disabled Facilities Grants Programme	Grants	46	This budget has been supplemented during the year by way of a contribution of £40k from New Fylde Housing which was received late in 2015/16. The slippage of £46k reflects Disabled Facilities Grant works which have been approved but for which the work has not yet been completed.	If the slippage is not granted the £46k of approved works would have to be funded from the 2016/17 budget for this purpose, limiting the number of Disabled Facilities Grants works that could be funded in the year.
93 St Albans Road - Compulsory Purchase Order	Property Purchase	105	The planned Compulsory Purchase Order (CPO) of this property has experienced delays and has not been completed during 2015/16. Slippage is requested to provide funding for the CPO in 2016/17.	The slippage is required to ensure that sufficient funding is available in 2016/17 to complete the necessary compulsory purchase of the property which has blighted the area for some time.
Rapid Deployment CCTV Replacement Projects	Equipment Purchases	38	In March 2015 the Cabinet approved that the balance of this funding will be used for the repair and replacement of CCTV cameras as and when required and that the monies may not all be required in 2015/16. As this has proven to be the case, slippage is now requested in respect of the unspent balance of £38k.	If slippage is not granted it will potentially compromise the existing provision of CCTV coverage in Fylde and subsequently deplete the number of operable cameras as those that reach the end of useful life are not able to be replaced.
<b>Sub-total</b>		<b>189</b>		

**DEVELOPMENT MANAGEMENT COMMITTEE**

Woodlands Road Regeneration Scheme - Town Centre Phase 3	Regeneration Scheme	19	A report was presented to Development Management Committee in November 2015 approving commencement of the works. The scheme is almost complete. Slippage is requested for £19k in 2016/17 for the remaining works and the final account is expected to be finalised early in the financial year 2016/17 within budget.	The slippage is required to provide for the final account payment, marking the completion of the scheme and fulfilment of the agreed contract.
Staining Regeneration Schemes	Regeneration Scheme	40	This project is subject to ongoing discussions with Staining Parish Council. Discussions have continued with the Parish Council and a scheme is being progressed. Slippage is requested to provide the resource for this scheme for 2016/17.	Relevant local Section 106 agreements provided funding for environmental enhancements in Staining and the funding cannot be used in any other location.
<b>Sub-total</b>		<b>59</b>		
<b>Total Capital Slippage</b>		<b>410</b>		

## Appendix F

### Prudential Indicators

Prudential Indicator	Revised Indicator 2015/16 £m	Actual 2015/16 £m	Note
Authorised limit for external debt	8.3	2.3	1
Operational boundary for external debt	2.3	2.3	2
Principal sums invested > 364 days	5.0	0	
Limit on fixed interest rate debt	2.3	2.3	
Limit on variable interest rate debt	1.15	0	
Maturity structure of borrowing (Upper limits):-			
Under 12 months	70%	56.52%	
12 months – 2 years	100%	0%	
2 years – 5 years	100%	43.48%	
5 years – 10 years	100%	0%	
10 years and above	100%	0%	
External Debt – Gross Borrowing	2.3	2.3	
Investments	12.3	15.5	
Capital Expenditure	3.3	2.9	
Capital Financing Requirement	6.1	6.0	
Ratio of Financing Costs to Net Revenue Stream	7.0%	6.9%	
Incremental Impact on Capital Investment Decisions on the Council Tax	3.51	-1.31	3

### Notes

1. The Authorised Limit indicator of £8.3m is set deliberately higher than the actual forecasted borrowing amount as it needs to take into account any unexpected cash movements, and becomes the Authority's statutory limit.
2. The Operational Boundary is the expected borrowing position of the Council during the year. It is not a limit and can be breached.
3. The incremental impact on Council Tax is lower than the Prudential Indicator as the Council has used in-house cash (internal borrowing) to fund capital expenditure rather than external borrowing. This is cheaper than external borrowing and minimises treasury risk (see Section 11.2).