

**COMMITTEE:**           **AUDIT & GOVERNANCE**                   **REF NO: AG/15/23**  
**DATE:**                   **1 MARCH 2016**  
**SUBJECT:**               **FINANCIAL MANAGEMENT AND CONTROL**  
**CORPORATE BUDGET MONITORING – THIRD**  
**QUARTER 2015/16**  
**PORTFOLIO HOLDER:**   **COUNCILLOR M COOK**  
**HEAD OF SERVICE:**     **DAVID FIELD**

This report provides the projected financial variance analysis of the General Fund, and Housing Revenue Account, based upon Head of Services anticipated year-end position together with their comments and explanations. Where necessary budget amendments are requested, with supporting analysis and values provided.

This report also provides details of the Council's Treasury Management activities during 2015/16.

This report also provides the current position of the 2015/16 and future years Capital Programme and the resources available to fund it.

***Ward(s) affected:***

*All*

***List of Appendices included in this report:***

*Appendix A – General Fund Service Group Financial Performance*

*Appendix B – HRA Service Group Financial Performance*

*Appendix C – Shared Revenue Partnership Financial Performance*

*Appendix D – Capital Programme for 2015/16 and future years*

*Appendix E – Funding of HRA/GF capital programme*

*Appendix F – External loans outstanding*

*Appendix G – Fixed term investments outstanding*

*Appendix H – Instant access accounts analysis*

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*This report was prepared after consultation with:*

*Corporate Management Team*

*The following policies form a context to this report:*

*Building a Better Ipswich*

## **LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW**

*None*

## **OTHER HELPFUL PAPERS**

*(papers which the report author considers might be helpful – this might include published material)*

1. 2014/15 Financial Out-turn Report (Cttee Ref E/15/07)
2. Executive Terms of Reference
3. Overview and Scrutiny Terms of Reference
4. Review of Constitution (Cttee Ref E/13/86)
5. Financial Strategies & Medium Term Financial Plan 2015/16 onwards (including Budget 2015/16) (Cttee Ref E/14/79)
6. Financial Management & Control Corporate Budget Monitoring – Quarter 1 2015/16 (Cttee Ref E/15/21)
7. Financial Management & Control Corporate Budget Monitoring – Quarter 2 2015/16 (Cttee Ref E/15/40)

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## **1. Introduction**

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- 1.1 This report is produced quarterly to ensure that Executive can participate fully in the financial management of the Council's budgets. This includes the General Fund and Housing Revenue Accounts in addition to the Capital Programme.
- 1.2 The report is primarily produced by collating the outcome of the relevant Monthly (budget) Monitoring Reports, completed by Heads of Service assisted by Financial Services staff.
- 1.3 It reports the projected year-end position for General Fund and Housing Revenue Account Services on a group-by-group basis, together with significant budget variations, on an exception basis, for the Capital Programme. In addition there are sections focusing on forecast capital receipts, the corporate savings programme and financial performance indicators.
- 1.4 The report also contains an update on the level of service group reserves, in year transfers to reserves and their usage during the year.

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## **2. Background**

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- 2.1 Heads of Service are required by Financial Standing Orders to undertake a proper review of their Service Group's financial position in order to complete a Monthly Monitoring Return, which includes a certification that each Head of Service has reviewed their service group bottom-line revenue budget and capital projects and have identified any variances. These reports contribute to the Council's primary evidence of proper financial control. This committee report has been based upon analysis of the month nine monthly monitoring reports, completed by Heads of Service, in conjunction with Operational/Project Managers, advised by their Business Support/Capital Accountant. There is a separate monitoring report from the Head of Shared Revenue Partnership.
- 2.2 As part of its terms of reference, Executive is responsible for the management of the Council's resources. Audit Committee assists with the process by also giving consideration to budget monitoring reports and identifying appropriate action.
- 2.3 The Local Government Act 2003 places duties on the Chief Financial Officer and the Council to carry out robust budget monitoring.
- 2.4 This report is presented to facilitate the discharge of these responsibilities.

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## **3. Relevant Policies**

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- 3.1 Robust budgetary control by Councillors and the Corporate Management Team supports the achievement of the Council's Corporate Plan "Building a Better Ipswich".
- 3.2 This report has been written having regard to the Finance and Capital Strategies. Section 5 of the Finance Strategy covers the importance of financial management and robust budgetary control.

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#### **4. Performance Monitoring**

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- 4.1 The robust monthly budget monitoring process for both revenue and capital budgets is based upon service groups. Each Head of Service receives monthly budget monitoring reports from Financial Services and is required to return a “Monthly Monitoring Return” (MMR).
- 4.2 As part of their MMR, Heads of Service report –
- a. significant potential year end variances
  - b. the corrective action they intend to take
  - c. progress on achieving savings targets
  - d. movements in service reserves
  - e. progress on capital projects
  - f. certify that the budget bottom-line will be achieved for their Service Group.
- 4.3 The Corporate Management Team receives a monthly financial update and Executive receives a quarterly budget monitoring report.
- 4.4 Transfers to and from service reserves are an important element of the budget monitoring process. Heads of Service are only allowed to transfer to reserves, once all savings related to their group have been found.
- 4.5 The Council’s approved budget is amended for significant variances on a quarterly basis as part of the quarterly reports to Executive. This report deals with significant variances from the latest approved budget.
- 4.6 The budget monitoring process enables Heads of Service to highlight any significant areas of variance compared to expected budget (performance) and to take appropriate action on a monthly basis. This report facilitates the monitoring and control of financial performance.
- 4.7 Audit & Governance Committee will be asked to consider this report at a future meeting.

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#### **5. Service Group Financial Performance – General Fund**

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- 5.1 The financial performance of the General Fund Service Groups, are shown in **Appendix A**.
- 5.2 This shows the bottom line budget for each Service Group and whether any budget realignments or amendments are required in order to meet bottom line budget allocations.
- 5.3 It was not anticipated that any individual Supplementary Estimate requests for below £25,000 would be submitted, since each Head of Service has a service reserve to cover such eventualities. However, where this reserve is insufficient, lower requests may materialise.

- 5.4 The General Service Reserve has been created to provide potential funding for budget pressures that arise outside the service group's control and this is intended to reduce the pressure on the Additional Commitments Contingency. The available balance at quarter 3 is £883,510.
- 5.5 There have been no budget shortfalls that have required a supplementary estimate request in quarter 3.
- 5.6 At this stage Heads of Service have identified some items on watch arising from the third quarter budget monitoring, which are being closely monitored;
- Potential loss of Housing Benefits subsidy due to current level of Local Authority (LA) error. This was originally reported in the Quarter 2 budget monitoring report. LA Error is to do with delays in administering a reduction in benefit and incorrect calculations. SRP have already acted to reduce this by increasing the level of quality control checks. This has already resulted in a reduction in the LA error rate and is in the threshold of achieving 40% subsidy on all Local Authority Error payments, but the subsidy claim is subject to external audit. The maximum estimated risk if the Error rate is not brought below the Government's acceptable level is in the region of £250,000. It should be noted that a percentage of this sum will be recovered. However every effort is being taken to minimise this risk and progress is being closely monitored. Allowance for this has been made within the Medium Term Financial Plan which was approved by Council on 24 February 2016.
  - Market income – in Quarter 2 the income target was down on projections although this was partially off-set by increased projection levels in relation to other uses of the Town Hall forecourt. The projected shortfall continues into Quarter 3 as work is ongoing to address the issue, with any shortfall to be off-set against service reserves.
  - Car Parks - Quarter 2 budget monitoring report identified a projected shortfall against the income target. Reviewing year end projections it is now expected that the income target will be met.
  - Building Regulations – income projections show an expected shortfall against target, this will be covered by services reserves/underspends.
- 5.7 The current position on service reserves is shown in Section 9.

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## **6. Service Group Financial Performance – Housing Revenue Account**

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- 6.1 The financial performance of the Housing Revenue Account is shown in **Appendix B**. This shows that, at this stage, the Head of Service anticipates delivering the bottom line.

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## 7. Service Group Financial Performance – Shared Revenue Partnership

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7.1 The financial performance of the Shared Revenue Partnership is shown in **Appendix C**. This shows that, at this stage, the Head of Service anticipates delivering the bottom line.

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## 8. 2015/16 General Fund Savings Programme

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8.1 It is projected that the corporate saving programme will deliver savings of £161k this year. This has all been allocated to specific budget heads and is being monitored as part of the service group bottom line.

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## 9. General Fund Service Reserves Monitoring

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9.1 The table below shows the opening balance for each service group reserve, together with the transfers to/from those reserves in the third quarter.

	2015/16 Opening Balance £'000	Net transfers to/from(-) Quarter 1 £'000	Net transfers to/from(-) Quarter 2 £'000	Net transfers to/from(-) Quarter 3 £'000	Cumulative Balance at Quarter 3 £'000
Resource Management	157	58	-42	34	207
Housing and Community (G/F)	136	-8	87	52	267
*Culture & Environment	276	13	-36	-140	113
Development Services	88	0	0	180	268
Executive Corporate Management Team	93	-13	38	69	187
<b>Total</b>	<b>750</b>	<b>50</b>	<b>47</b>	<b>195</b>	<b>1,042</b>
General Service Reserve	957	0	0	-73	884
<b>Overall Total</b>	<b>1,707</b>	<b>50</b>	<b>47</b>	<b>122</b>	<b>1,926</b>

*\*Bereavement Services transferred to Culture  
& Environment in quarter 2*

9.2 The service reserves are important in “bottom-line” budgeting, since they allow Heads of Service to accommodate relatively minor budget variations and also cyclical expenditure, without any call on corporate funds.

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## 10. Approved 2015/16 and future years Capital Programme

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- 10.1 The Capital Programme for 2015/16 and future years forms part of the Medium Term Financial Plan which was approved by Council on 24<sup>th</sup> February 2016 and this programme is detailed in Appendix D. A summary of the 2015/16 position follows:

	£000's
HRA Programme	18,290
GF Programme	10,074
Contingency	531
<b>Total</b>	<b>28,895</b>

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## 11. Capital Receipts and Resources

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- 11.1 A summary of the capital resources used to fund the capital programme is shown in Appendix E. The Council wherever possible uses capital receipts 'in hand' to fund the General Fund element of the programme (e.g. the receipts received in 2015/16 are usually used the following year 2016/17). However, this is not possible from 2015/16 onwards and it should also be noted that there are current forecast deficits on the General Fund for each year from 2016/17 onwards. These figures are all reflected in Appendix E.

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## 12. Treasury Management

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- 12.1 The Council has continued with the risk reduction strategy it has had in place since the beginning of 2009, by repaying borrowing and thereby reducing investments. However, the opportunity to repay has been diminished by the changes in PWLB rules over the past few years.
- 12.2 The Council has repaid £2.249M of borrowing to 31 December 2015. The Council did not borrow any money during the period. An analysis of the Council debt movements between 1 April 2015 and 31 December 2015 is shown at **Appendix F**.
- 12.3 The introduction of the Government's "Funding for Lending" during the autumn of 2012 led to a significant fall in the interest rates offered by financial institutions, as they took advantage of the low rates on offer from the Government for borrowing money. Fixed term investments are offering good value, with the prospect of a rate rise not likely to happen until towards the end of 2016 and during the period the

Council undertook further fixed rate investments. An analysis of investments held during 2015/16 is shown at **Appendix G**.

- 12.4 The Council is looking to spread the risk over a greater number of counterparties and it has signed up at no cost to the services provided by King and Shaxson, who have access to counterparties who are on the Council's counterparty list, but not normally in the market. They also provide custodial facilities at no cost.
- 12.5 The Council still continues to use its instant access accounts, which require no notice to access funds. However, the interest rates on these accounts continue to fall, so there has been a move to take out fixed term investments.
- 12.6 The Council opened a Money Market Fund (MMF) with Standard Life during the last quarter and has invested £5m in the fund. The interest payable changes on a daily basis, but the returns have been higher than any of our Instant Access Accounts. The Council has opened a further Money Market Fund with BlackRock, since the end of the quarter, to reduce its risk, by spreading investments over a number of counterparties. An analysis of the Council's Instant Access Account and Money Market Fund transactions during 2015/16 is shown at **Appendix H**.
- 12.7 The date when the bank base rate will rise from 0.5% is causing a lot of speculation amongst economists. The most common consensus is that the next rate rise will be towards the end of 2016. The Council will be looking to ensure we maximise our investment returns, without taking any undue risks. Full risk analysis will be considered before any investments are undertaken.
- 12.8 In terms of budgetary provision it is expected that the Council will come in within budget in terms of the Capital Financing costs and achieve the Investment Income target.

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### **13. Adequacy of Reserves and Working Balance**

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- 13.1 The level of working balances to be maintained is dictated by the relative likelihood and impact of events occurring which would cause there to be a call upon such balances, examples of such events could be unexpected expenditure or anticipated grant income failing to materialise.
- 13.2 The current minimum level of Reserves and Balances is consistent with the Reserves & Provisions Policy, approved by Executive in the Financial Strategies and Medium Term Financial Plan 2015/16 onwards report (E/14/79), on 10<sup>th</sup> February 2015, and is considered adequate to address any potential risks that may occur in the remainder of 2015/16.



## 14. Risk Management

<b>Risk Description</b>	<b>Consequence of risk</b>	<b>Risk Controls</b>	<b>Probability of risk occurring taking account of controls (scale 1-6) 1 – almost impossible 6 – very high</b>	<b>Impact of risk, if it occurred taking account of actions (scale 1 – negligible; 4 – catastrophic)</b>	<b>Actions to mitigate risk</b>
1. Variances not reported	Lack of budgetary control	Monthly Monitoring Returns	2	3	Duty of Heads of Service to ensure that all budgets are monitored and variances reported promptly
2. Areas of concern not identified	Lack of budgetary control	Monthly Monitoring Returns	2	3	Major Budgets identified
3. Impact of legislative changes not identified	Financial implications unknown		4	2	Updates to legislation distributed quarterly
4. Limited availability of Capital Receipts	Increased borrowing requirement	Updated forecast from Property	3	2	As far as possible using only capital receipts in hand to fund the capital programme
5. Changes in availability of Capital Receipts	Change in borrowing requirement	Updated forecast from Property	3	2	Updated forecast four times a year
6. Capital schemes not being delivered due to lack of funding, planning problems, third party delays etc	Failure to deliver programme	Projects Team/Corporate Dashboard	3	2	Regular monitoring and if necessary rescheduling of the Capital Programme

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## 15. Environmental Impact Assessment

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15.1 These are identified on a scheme-by-scheme basis.

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## 16. Equalities and Diversity Implications

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16.1 The primary objective of this report is to monitor service area performance against allocated budgets and to consider variances to the budget figure set last year in the light of current circumstances. A screening of the proposed recommendations indicates that the recommendations are neutral in terms of their likely impact on people with protected characteristics. Careful budgetary control throughout the year ensures that resources are applied as planned, fulfilling the goals and aims of "Building a Better Ipswich". Budgetary control is applied in a consistent manner across all budget heads, and individual decisions to be taken during the financial year are reviewed for impact on a case by case basis before they are taken, so that any identified impact can be considered and taken into account at the appropriate time.

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## 17. Financial Considerations

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17.1 There are no supplementary estimates to be considered this quarter; however there are items on watch that are being closely monitored.

17.2 Write Offs

Sassan Holdings Ltd

The above have been liable for Empty Business Rates for one assessment at 47 Key Street (main office). The main office is an on-going empty rate. Historically a charging order was applied for and granted to cover outstanding Business Rates at that time; however Law of Property Act Receivers were appointed by the Mortgagee. The charging orders could be enforced if the Council obtain an up to date valuation of the site, but as the secured creditor any money raised from selling the site would go to the mortgagee. Although the company still exists they have no assets except the site. They are based in the Bahamas; the Council could instruct someone in the Bahamas to act on the Council's behalf to liquidate the company, but as an unsecured creditor there is a very high risk that there would be insufficient funds to pay the Business Rates. Although there are two options available the Council will incur up-front costs when there is very little chance of a return.

The current outstanding debts are: -

47 Key Street	Period	Amount
Main Office	01/04/2013 to 31/03/2016	<b>£70,662.50</b>

## Durban Developments Ltd

The above company have been liable for empty Business Rates for a number of assessments at 16 - 20 Princes Street. All attempts to recover the debts have failed. The registered office for the company is in the Isle of Man. Although liability orders were obtained through the Magistrates Court for non-payment of Business Rates, a liability order is only valid in England and Wales. The property has now been sold. There are no means of recovering the outstanding liability.

16 – 18 Princes Street	Period	Amount
1 <sup>st</sup> Flr Rear	01/07/14 to 20/04/15	£5,039.68
1 <sup>st</sup> Flr Rear	19/02/14 to 19/05/14	£2,270.86
3 <sup>rd</sup> & 4 <sup>th</sup> Flrs	29/09/14 to 20/04/15	£15,108.94
18 Princes Street	01/06/13 to 19/05/14	£11,036.51
1 <sup>st</sup> Flr Front	01/07/14 to 20/04/15	£6,843.81
2 <sup>nd</sup> Flr Rear	01/07/14 to 20/04/15	£4,839.21
5 <sup>th</sup> Flr	01/07/14 to 20/04/15	£1,504.86
20A Princes Street	01/07/14 to 20/04/15	£2,500.52
20B Princes Street	01/07/14 to 20/04/15	£3,302.36
Total		<b>£52,446.75</b>

It is recommended that the above debts are written-off against the Business Rate bad debt provision

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## **18. Conclusion**

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- 18.1 The content of this budget monitoring report is designed to enable Councillors and Senior Officers to see the financial position of the Council as a whole, as required by the Local Government Act 2003.

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## **19. Recommendations**

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**That the Audit & Governance Committee recommend to Executive:**

- 19.1 That Executive notes the service budget performance for the General Fund.**

Reason: to facilitate effective budgetary control.

- 19.2 That Executive notes service budget performance for the Housing Revenue Account.**

Reason: to facilitate effective budgetary control.

**19.3 That Executive notes service budget performance for the Shared Revenues Partnership (SRP).**

Reason: to facilitate effective budgetary control.

**19.4 That Executive notes the position on the 2015/16 and future years Capital Programme and financing resources.**

Reason: to facilitate effective budgetary control.

**19.5 That Executive notes the position in respect of the Council's Treasury Management activities during 2015/16.**

Reason: to facilitate effective treasury management activity

**19.6 That Executive are asked to authorise the write offs totalling £123,109, relating to business rates payable by Sassan Holdings Ltd and Durban Developments Ltd, against the business rates bad debt provision.**

Reason: to recognise that the debt is irrecoverable and allow the necessary accounting entries to be made to the collection fund.

Service Group Financial Performance - 3rd Quarter 2015/16

General Fund	Bottom Line Budget £'000	RAG	Potential Changes ***	Request for Supp Est	Future Year Effects			
				2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	
Resource Management	6,849	Amber	Potential loss of subsidy due to current level of Local Authority (LA) error.	0	0	0	0	
Housing and Community (G/F)	4,060	Green	No changes this quarter.	0	0	0	0	
Culture and Environment	8,328	Green	No changes this quarter.	0	0	0	0	
Development Services	262	Amber	Current projections indicate that there will be a shortfall against the Building Regulations income target. This is to be met by service reserves.	0	0	0	0	
Executive Corporate Management Team	1,868	Amber	Current projections indicate that there will be a shortfall against the Market income target. This is to be met by service reserves.	0	0	0	0	
Totals	<b>21,367</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

\*\*\* Note 1: This column reports potential changes reported by Heads of Service that may impact on the achievement of their year end bottom line budget.

Note 2: The net impact of each potential change after remedial action, is shown to the right of the column. These changes could either result in a transfer to/from service reserves, or a request for a supplementary estimate, in the event that there were insufficient funds in the reserve.

Note 3: Transfers to service reserves should arise from predicted budget variations not related to the savings programme.

RAG:

**Red** - Significant potential changes - cannot meet bottom line

**Amber** - Significant potential changes - current bottom line unaffected, on watch

**Green** - No/minor changes

Service Group Financial Performance - 3rd Quarter 2015/16

Housing Revenue Account	Bottom Line Budget £'000	RAG	Potential Changes ***	Request for Supp Est	Future Year Effects			
				2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	
Housing and Community (HRA)	-23,120	Green	No changes this quarter	0	0	0	0	
Development Services	105	Green	No changes this quarter	0	0	0	0	
Totals	-23,015			0	0	0	0	

\*\*\* Note 1: This column reports potential changes reported by Heads of Service that may impact on the achievement of their year end bottom line budget.

Note 2: The net impact of each potential change after remedial action, is shown to the right of the column. These changes could either result in a transfer to/from service reserves, or a request for a supplementary estimate, in the event that there were insufficient funds in the reserve.

Note 3: Transfers to service reserves should arise from predicted budget variations not related to the savings programme.

RAG:

**Red** - Significant potential changes - cannot meet bottom line

**Amber** - Significant potential changes - current bottom line unaffected, on watch

**Green** - No/minor changes

Service Group Financial Performance - 3rd Quarter 2015/16

Shared Revenue Partnership	Bottom Line Budget £'000	RAG	Potential Changes ***	Request for Supp Est	Future Year Effects			
				2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	
Shared Revenue Partnership	0	Green	No changes this quarter	0	0	0	0	
Totals	0			0	0	0	0	

\*\*\* Note 1: This column reports potential changes reported by Heads of Service that may impact on the achievement of their year end bottom line budget.

Note 2: The net impact of each potential change after remedial action, is shown to the right of the column. These changes could either result in a transfer to/from service reserves, or a request for a supplementary estimate, in the event that there were insufficient funds in the reserve.

Note 3: Transfers to service reserves should arise from predicted budget variations not related to the savings programme.

RAG:

**Red** - Significant potential changes - cannot meet bottom line

**Amber** - Significant potential changes - current bottom line unaffected, on watch

**Green** - No/minor changes

**APPENDIX D**

**CAPITAL PROGRAMME FOR 2015/16 AND FUTURE YEARS**

Head of Service	Scheme	2015/16 Budget	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget
	<b>HOUSING REVENUE ACCOUNT</b>					
DEVELOPMENT SERVICE	Increased Housing Provision (indicative - subject to HRA resources)	9,975,558	23,066,201	17,445,925	15,870,000	12,600,000
HOUSING AND COMMUNITY SERVICES	HRA shops	7,937				
HOUSING AND COMMUNITY SERVICES	West Villa Site Clearance	175,326				
HOUSING AND COMMUNITY SERVICES	Ipswich Standard	7,853,590	12,497,270	8,362,100	8,080,960	7,958,330
HOUSING AND COMMUNITY SERVICES	Disabled Facilities Grant - HRA Disabled Adaptations	200,000	100,000			
HOUSING AND COMMUNITY SERVICES	Leases Funded by Loan	77,870				
	<b>HRA TOTAL</b>	<b>18,290,281</b>	<b>35,663,471</b>	<b>25,808,025</b>	<b>23,950,960</b>	<b>20,558,330</b>
	<b>GENERAL FUND</b>					
EXECUTIVE CORPORATE MANAGEMENT TEAM	Bus Shelter/Bus Stops	20,000	13,577			
EXECUTIVE CORPORATE MANAGEMENT TEAM	Cap. IT Dev. - Development of website/integration of back office to CRM	9,624				
EXECUTIVE CORPORATE MANAGEMENT TEAM	Crown Street Multi Storey Car Park	45,000	2,355,000			
EXECUTIVE CORPORATE MANAGEMENT TEAM	Economic Development Fund		1,076,000			
EXECUTIVE CORPORATE MANAGEMENT TEAM	Ipswich Flood Defence	4,000,000	2,600,000			
EXECUTIVE CORPORATE MANAGEMENT TEAM	Ipswich Flood Defence Payback		1,000,000	1,000,000	1,000,000	1,000,000
EXECUTIVE CORPORATE MANAGEMENT TEAM	Queen St electrical works for market extension		30,000			
EXECUTIVE CORPORATE MANAGEMENT TEAM	Street Lighting Upgrades	40,000				
EXECUTIVE CORPORATE MANAGEMENT TEAM	Variable Message Signing	99,243				
CULTURAL & ENVIRONMENT SERVICES	Cemetery - Phase 2a and West Chapel refurb.		403,642			
CULTURAL & ENVIRONMENT SERVICES	Christchurch Mansion security and CCTV	15,611				
CULTURAL & ENVIRONMENT SERVICES	IAFDP	11,218				
CULTURAL & ENVIRONMENT SERVICES	Christchurch Mansion Consolidation project 2015/16	77,794	349,284			
CULTURAL & ENVIRONMENT SERVICES	M&E Installations Regent Theatre heating and cooling	98,564				
CULTURAL & ENVIRONMENT SERVICES	Murray Road Scheme	183,000				
CULTURAL & ENVIRONMENT SERVICES	Museum Project		1,665,000	383,750	383,750	383,750
CULTURAL & ENVIRONMENT SERVICES	Old Mortuary Depot refurb. And remove portacabin	13,012				
CULTURAL & ENVIRONMENT SERVICES	Operational Bases for GM Staff	56,585				
CULTURAL & ENVIRONMENT SERVICES	Play Equipment		200,000	200,000	200,000	200,000
CULTURAL & ENVIRONMENT SERVICES	Profiles on the Water Front Gym	19,141				
CULTURAL & ENVIRONMENT SERVICES	Ransomes Sports Centre	734,308	206,051			
CULTURAL & ENVIRONMENT SERVICES	Regent front of house, ticket office etc	60,000	380,000	10,000		
DEVELOPMENT SERVICE	Burton Warehouse & Dock Roller Mill Purchase	212,402				
DEVELOPMENT SERVICE	Carbon Management Programme Invest to Save		231,491	29,320	18,530	18,530
DEVELOPMENT SERVICE	Elm Street Car Park (former Police Station)		500,000			
DEVELOPMENT SERVICE	Grafton House Unit re-fit to meeting room	80,000				
DEVELOPMENT SERVICE	Kick Start- Princes Street	1,080				
DEVELOPMENT SERVICE	IP City works to subdivide	8,707				
DEVELOPMENT SERVICE	IP8 Scrivener Drive Access Road	218,613				
DEVELOPMENT SERVICE	Ipswich Court	43,772				
DEVELOPMENT SERVICE	Malt House Car Park temp. ext. of Ips. Village CP	5,000	20,000			
DEVELOPMENT SERVICE	Malt House external works	100,000				
DEVELOPMENT SERVICE	Malt House/Zest purchase	412,522				
DEVELOPMENT SERVICE	Norwich Rd/South St Purchase	29,894				
DEVELOPMENT SERVICE	Norwich Rd/South St conversion to Car Park	28,600	100,000			
DEVELOPMENT SERVICE	Opportunity Purchases/Infrastructure Imps	212,270	1,000,000	1,000,000	1,000,000	1,000,000
DEVELOPMENT SERVICE	Police Station	525,377				



<b>CAPITAL PROGRAMME FOR 2015/16 AND FUTURE YEARS</b>					<b>APPENDIX D</b>	
<b>Head of Service</b>	<b>Scheme</b>	<b>2015/16 Budget</b>	<b>2016/17 Budget</b>	<b>2017/18 Budget</b>	<b>2018/19 Budget</b>	<b>2019/20 Budget</b>
DEVELOPMENT SERVICE	Pond Hall Farm		32,800			
DEVELOPMENT SERVICE	Resurfacing Car Parks	100,000	100,000	100,000	100,000	100,000
DEVELOPMENT SERVICE	Sproughton Road Site	660,280	973,711	2,396,836	944,180	2,311,935
DEVELOPMENT SERVICE	Gipping house relocation	2,080	497,920	200,000		
DEVELOPMENT SERVICE	Waterfront and St Peters Dock acquisitions		300,000			
HOUSING AND COMMUNITY SERVICES	Cross Borough CCTV provision & upgrade	49,015				
HOUSING AND COMMUNITY SERVICES	Whitton S C Emergency Planning	42,018				
HOUSING AND COMMUNITY SERVICES	Disabled Facilities Grant	270,265	767,005	504,577	504,577	504,577
HOUSING AND COMMUNITY SERVICES	Improvement Grant	73,753	200,000	200,000		
RESOURCE MANAGEMENT	Cap. IT Dev. - GIS project Grant Funded	1,744				
RESOURCE MANAGEMENT	Cap. IT Dev. - Increased use of Electronic Document Storage	26,000				
RESOURCE MANAGEMENT	Cap. IT Dev. - Equipment	117,932	100,000	100,000	100,000	100,000
RESOURCE MANAGEMENT	Cap. IT Dev. - Uniform IT System	18,100				
RESOURCE MANAGEMENT	Integrated HR and Finance System		500,000			
RESOURCE MANAGEMENT	Leases funded by loan	253,399				
RESOURCE MANAGEMENT	LSP Performance Reward Grant	735				
RESOURCE MANAGEMENT	NW Forum Contrib. Whitton Rec Ground Skate Park Cont	198,978				
RESOURCE MANAGEMENT	The Triangle Project (PRG)	21,681				
SHARED REVENUES PARTNERSHIP	SRP New IT Platform	5,305	90,000			
VARIOUS	Capitalised Repairs	690,384	500,000	500,000	500,000	500,000
VARIOUS	Photo Voltaic programme	180,768				
	<b>GF TOTAL</b>	<b>10,073,774</b>	<b>16,191,481</b>	<b>6,624,483</b>	<b>4,751,037</b>	<b>6,118,792</b>
	<b>CONTINGENCY</b>					
DEVELOPMENT SERVICE	Cornhill Regeneration (IBC Contribution)		410,000	410,000		
CULTURAL & ENVIRONMENT SERVICES	Broomhill Pool		500,000	500,000		
HOUSING AND COMMUNITY SERVICES	Empty Homes	250,000	851,353	100,000		
RESOURCE MANAGEMENT	Contingency - additional commitments	281,298	500,000	500,000	500,000	500,000
	<b>CONTINGENCY TOTAL</b>	<b>531,298</b>	<b>2,261,353</b>	<b>1,510,000</b>	<b>500,000</b>	<b>500,000</b>
	<b>TOTAL SCHEMES APPROVED</b>	<b>28,895,353</b>	<b>54,116,305</b>	<b>33,942,508</b>	<b>29,201,997</b>	<b>27,177,122</b>

**APPENDIX E**

**FUNDING OF GENERAL FUND CAPITAL PROGRAMME FOR 2015/16 AND FUTURE YEARS**

	<b>CAPITAL RECEIPTS</b>	<b>EXTERNAL FUNDING</b>	<b>PRUDENTIAL BORROWING</b>	<b>BORROWING</b>	<b>REVENUE CONTRIBS TO CAPITAL OUTLAY</b>	<b>TOTAL</b>
<b>2015/16</b>						
Resources at 31.03.2015	6,964,780	0	0	0	87,578	7,052,358
Capital Receipts forecast to be received during 2015/16	1,580,073	0	0	0	0	1,580,073
Resources in the year	0	4,646,109	253,399	1,977,018	121,118	6,997,644
Use of Resources	3,519,850	4,646,109	253,399	1,977,018	208,696	10,605,072
Balance at year end	5,025,003	0	0	0	0	5,025,003
<b>2016/17</b>						
Resources at 31.03.2016	5,025,003	0	0	0	0	5,025,003
Capital Receipts forecast to be received during 2016/17	212,573	0	0	0	0	212,573
Resources in the year	0	3,410,582	0	9,617,935	47,610	13,076,127
Use of Resources	5,376,707	3,410,582	0	9,617,935	47,610	18,452,834
Balance at year end	-139,131	0	0	0	0	-139,131
<b>2017/18</b>						
Resources at 31.03.2017	-139,131	0	0	0	0	-139,131
Capital Receipts forecast to be received during 2017/18	52,573	0	0	0	0	52,573
Resources in the year	0	864,577	0	5,627,500	29,320	6,521,397
Use of Resources	1,613,086	864,577	0	5,627,500	29,320	8,134,483
Balance at year end	-1,699,644	0	0	0	0	-1,699,644
<b>2018/19</b>						
Resources at 31.03.2018	-1,699,644	0	0	0	0	-1,699,644
Capital Receipts forecast to be received during 2018/19	52,573	0	0	0	0	52,573
Resources in the year	0	1,184,577	0	2,907,500	18,530	4,110,607
Use of Resources	1,140,430	1,184,577	0	2,907,500	18,530	5,251,037
Balance at year end	-2,787,500	0	0	0	0	-2,787,500
<b>2019/20</b>						
Resources at 31.03.2019	-2,787,500	0	0	0	0	-2,787,500
Capital Receipts forecast to be received during 2019/20	52,573	0	0	0	0	52,573
Resources in the year	0	1,614,577	0	3,852,500	18,530	5,485,607
Use of Resources	1,133,185	1,614,577	0	3,852,500	18,530	6,618,792
Balance at year end	-3,868,112	0	0	0	0	-3,868,112
Actual Resources	8,915,146	11,720,422	253,399	23,982,453	322,686	45,194,106
Use of Resources	12,783,258	11,720,422	253,399	23,982,453	322,686	49,062,218
Deficit(-)/ Surplus of Resources	-3,868,112	0	0	0	-0	-3,868,112

**APPENDIX E**

**FUNDING OF HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME FOR 2015/16 AND FUTURE YEARS**

	USABLE CAPITAL RECEIPTS	RESTRICTED CAPITAL RECEIPTS NEW BUILD ONLY	RESTRICTED CAPITAL RECEIPTS ALLOWABLE DEBT	TOTAL CAPITAL RECEIPTS	EXTERNAL FUNDING	PRUDENTIAL BORROWING	BORROWING	MAJOR REPAIRS ALLOWANCE	REVENUE CONTRIBS TO CAPITAL OUTLAY	TOTAL
<b>2015/16</b>										
Resources at 31.03.2015	3,453,027	1,600,184	3,452,727	8,505,937	0	0	0	71,140	7,385,958	15,963,035
Capital Receipts forecast to be received during 2015/16	1,115,183	1,341,484	1,232,533	3,689,200	0	0	0	0	0	3,689,200
Resources in the year	0	0	0	0	200,000	77,870	0	8,672,000	7,140,000	16,089,870
Use of Resources	183,263	2,941,668	-0	3,124,931	200,000	77,870	0	7,853,590	7,033,890	18,290,281
Balance at year end	4,384,947	0	4,685,260	9,070,207	0	0	0	889,550	7,492,068	17,451,824
<b>2016/17</b>										
Resources at 31.03.2016	4,384,947	0	4,685,260	9,070,207	0	0	0	889,550	7,492,068	17,451,824
Capital Receipts forecast to be received during 2016/17	265,183	1,341,484	1,232,533	2,839,200	0	0	0	0	0	2,839,200
Resources in the year	0	0	0	0	100,000	0	0	8,960,000	8,752,680	17,812,680
Use of Resources	2,647,720	1,341,484	5,479,969	9,469,174	100,000	0	0	9,849,550	16,244,748	35,663,471
Balance at year end	2,002,410	0	437,823	2,440,233	0	0	0	0	-0	2,440,233
<b>2017/18</b>										
Resources at 31.03.2017	2,002,410	0	437,823	2,440,233	0	0	0	0	-0	2,440,233
Capital Receipts forecast to be received during 2017/18	265,183	1,341,484	1,232,533	2,839,200	0	0	0	0	0	2,839,200
Resources in the year	0	0	0	0	0	0	5,799,241	9,529,460	6,367,250	21,695,951
Use of Resources	2,267,593	1,341,484	1,670,356	5,279,434	0	0	5,799,241	8,362,100	6,367,250	25,808,025
Balance at year end	0	0	0	0	0	0	0	1,167,360	-0	1,167,360
<b>2018/19</b>										
Resources at 31.03.2018	0	0	0	0	0	0	0	1,167,360	-0	1,167,360
Capital Receipts forecast to be received during 2018/19	265,183	1,341,484	1,232,533	2,839,200	0	0	0	0	0	2,839,200
Resources in the year	0	0	0	0	0	0	6,273,880	9,608,080	6,756,920	22,638,880
Use of Resources	265,183	1,341,484	1,232,533	2,839,200	0	0	6,273,880	8,080,960	6,756,920	23,950,960
Balance at year end	0	0	0	0	0	0	0	2,694,480	-0	2,694,480
<b>2019/20</b>										
Resources at 31.03.2019	0	0	0	0	0	0	0	2,694,480	-0	2,694,480
Capital Receipts forecast to be received during 2019/20	265,183	1,341,484	1,232,533	2,839,200	0	0	0	0	0	2,839,200
Resources in the year	0	0	0	0	0	0	5,166,090	9,687,350	4,594,710	19,448,150
Use of Resources	265,183	1,341,484	1,232,533	2,839,200	0	0	5,166,090	7,958,330	4,594,710	20,558,330
Balance at year end	0	0	0	0	0	0	0	4,423,500	-0	4,423,500
Actual Resources	5,628,943	8,307,605	9,615,390	23,551,938	300,000	77,870	17,239,211	46,528,030	40,997,518	128,694,567
Use of Resources	5,628,943	8,307,605	9,615,390	23,551,938	300,000	77,870	17,239,211	42,104,530	40,997,518	124,271,067
Deficit(-)/ Surplus of Resources	0	0	0	0	0	0	0	4,423,500	-0	4,423,500

**EXTERNAL LOANS OUTSTANDING AS AT 31/12/2015**

Loan No.	Interest Rate	Date Loan Taken Out	Date Loan Matures	Principal Outstanding as at 31/3/15	Loans Raised During Period	Loans Repaid During Period	Principal Outstanding as at 31/12/15
<b><u>PWLB Maturity</u></b>							
479528	7.375%	28/05/1997	28/05/2057	3,000,000	0	0	3,000,000
488921	4.950%	05/08/2004	30/09/2029	2,000,000	0	0	2,000,000
489703	4.700%	25/02/2005	31/03/2030	3,000,000	0	0	3,000,000
491461	4.350%	27/04/2006	31/03/2053	3,000,000	0	0	3,000,000
491462	4.350%	27/04/2006	31/03/2055	3,230,527	0	0	3,230,527
500168	3.500%	28/03/2012	01/04/2058	1,660,000	0	0	1,660,000
500158	3.500%	28/03/2012	01/08/2058	1,660,000	0	0	1,660,000
500163	3.500%	28/03/2012	01/12/2058	1,660,000	0	0	1,660,000
500149	3.500%	28/03/2012	01/05/2059	1,660,000	0	0	1,660,000
500167	3.500%	28/03/2012	01/09/2059	1,660,000	0	0	1,660,000
500148	3.490%	28/03/2012	01/01/2060	1,660,000	0	0	1,660,000
500151	3.490%	28/03/2012	01/06/2060	1,660,000	0	0	1,660,000
500159	3.490%	28/03/2012	01/10/2060	1,660,000	0	0	1,660,000
500146	3.490%	28/03/2012	01/02/2061	1,660,000	0	0	1,660,000
500133	3.480%	28/03/2012	01/07/2061	1,660,000	0	0	1,660,000
500152	3.480%	28/03/2012	01/11/2061	1,660,000	0	0	1,660,000
500128	3.480%	28/03/2012	01/03/2062	1,660,000	0	0	1,660,000
503548	2.070%	15/12/2014	15/12/2019	1,400,000	0	0	1,400,000
503549	2.230%	15/12/2014	15/12/2020	2,000,000	0	0	2,000,000
503550	2.490%	15/12/2014	15/12/2022	2,000,000	0	0	2,000,000
503551	2.590%	15/12/2014	15/12/2023	2,000,000	0	0	2,000,000
503552	2.690%	15/12/2014	15/12/2024	2,000,000	0	0	2,000,000
503553	2.770%	15/12/2014	15/12/2025	1,000,000	0	0	1,000,000
				44,550,527	0	0	44,550,527

**EXTERNAL LOANS OUTSTANDING AS AT 31/12/2015**

Loan No.	Interest Rate	Date Loan Taken Out	Date Loan Matures	Principal Outstanding as at 31/3/15	Loans Raised During Period	Loans Repaid During Period	Principal Outstanding as at 31/12/15
<b><u>PWLB Annuity</u></b>							
140313	3.000%	19/11/1948	31/12/2027	372	0	24	348
500157	2.520%	28/03/2012	01/04/2031	1,456,038	0	72,165	1,383,873
500144	2.520%	28/03/2012	01/05/2031	1,454,286	0	72,078	1,382,207
500138	2.520%	28/03/2012	01/06/2031	1,454,286	0	72,078	1,382,207
500164	2.520%	28/03/2012	01/07/2031	1,454,286	0	35,813	1,418,472
500112	2.520%	28/03/2012	01/08/2031	1,454,286	0	35,813	1,418,472
500113	2.520%	28/03/2012	01/09/2031	1,454,286	0	35,813	1,418,472
500122	2.570%	28/03/2012	01/10/2031	1,461,697	0	69,549	1,392,148
500126	2.570%	28/03/2012	01/11/2031	1,461,697	0	69,549	1,392,148
500161	2.570%	28/03/2012	01/12/2031	1,461,697	0	69,549	1,392,148
500129	2.570%	28/03/2012	01/01/2032	1,461,697	0	34,553	1,427,145
500142	2.570%	28/03/2012	01/02/2032	1,461,697	0	34,553	1,427,145
500154	2.570%	28/03/2012	01/03/2032	1,461,697	0	34,553	1,427,145
500147	3.320%	28/03/2012	01/04/2046	1,578,482	0	29,012	1,549,470
500131	3.320%	28/03/2012	01/05/2046	1,578,482	0	29,012	1,549,470
500130	3.320%	28/03/2012	01/06/2046	1,578,482	0	29,012	1,549,470
500114	3.320%	28/03/2012	01/07/2046	1,578,482	0	14,386	1,564,096
500127	3.320%	28/03/2012	01/08/2046	1,578,482	0	14,386	1,564,096
500141	3.320%	28/03/2012	01/09/2046	1,578,482	0	14,386	1,564,096
500143	3.340%	28/03/2012	01/10/2046	1,580,729	0	28,223	1,552,506
500169	3.340%	28/03/2012	01/11/2046	1,580,729	0	28,223	1,552,506
500135	3.340%	28/03/2012	01/12/2046	1,580,729	0	28,223	1,552,506
500166	3.340%	28/03/2012	01/01/2047	1,580,729	0	13,995	1,566,734
500156	3.340%	28/03/2012	01/02/2047	1,580,729	0	13,995	1,566,734
500165	3.340%	28/03/2012	01/03/2047	1,580,729	0	13,995	1,566,734
503615	2.270%	08/01/2015	08/01/2030	8,890,000	0	250,403	8,639,597
				45,343,289	0	1,143,343	44,199,946

**EXTERNAL LOANS OUTSTANDING AS AT 31/12/2015**

Loan No.	Interest Rate	Date Loan Taken Out	Date Loan Matures	Principal Outstanding as at 31/3/15	Loans Raised During Period	Loans Repaid During Period	Principal Outstanding as at 31/12/15
<b>PWLB EIP</b>							
500137	2.760%	28/03/2012	01/04/2036	1,456,735	0	67,755	1,388,980
500153	2.760%	28/03/2012	01/05/2036	1,456,735	0	67,755	1,388,980
500155	2.760%	28/03/2012	01/06/2036	1,456,735	0	67,755	1,388,980
500136	2.760%	28/03/2012	01/07/2036	1,456,735	0	33,878	1,422,857
500120	2.760%	28/03/2012	01/08/2036	1,456,735	0	33,878	1,422,857
500134	2.760%	28/03/2012	01/09/2036	1,456,735	0	33,878	1,422,857
500160	2.790%	28/03/2012	01/10/2036	1,460,800	0	66,400	1,394,400
500123	2.790%	28/03/2012	01/11/2036	1,460,800	0	66,400	1,394,400
500132	2.790%	28/03/2012	01/12/2036	1,460,800	0	66,400	1,394,400
500115	2.790%	28/03/2012	01/01/2037	1,460,800	0	33,200	1,427,600
500145	2.790%	28/03/2012	01/02/2037	1,460,800	0	33,200	1,427,600
500125	2.790%	28/03/2012	01/03/2037	1,460,800	0	33,200	1,427,600
500117	3.010%	28/03/2012	01/04/2041	1,491,186	0	56,271	1,434,915
500119	3.010%	28/03/2012	01/05/2041	1,491,186	0	56,271	1,434,915
500116	3.010%	28/03/2012	01/06/2041	1,491,186	0	56,271	1,434,915
500170	3.010%	28/03/2012	01/07/2041	1,491,186	0	28,136	1,463,051
500121	3.010%	28/03/2012	01/08/2041	1,491,186	0	28,136	1,463,051
500139	3.010%	28/03/2012	01/09/2041	1,491,186	0	28,136	1,463,051
500162	3.030%	28/03/2012	01/10/2041	1,494,000	0	55,333	1,438,667
500150	3.030%	28/03/2012	01/11/2041	1,494,000	0	55,333	1,438,667
500124	3.030%	28/03/2012	01/12/2041	1,494,000	0	55,333	1,438,667
500118	3.030%	28/03/2012	01/01/2042	1,494,000	0	27,667	1,466,333
500111	3.030%	28/03/2012	01/02/2042	1,494,000	0	27,667	1,466,333
500140	3.030%	28/03/2012	01/03/2042	1,494,000	0	27,667	1,466,333
				35,416,327	0	1,105,918	34,310,409
<b>Market Loans</b>							
D26004	4.350%	05/02/2007	05/02/2077	3,700,000	0	0	3,700,000
D26005	4.790%	05/03/2007	05/03/2076	5,300,000	0	0	5,300,000
				9,000,000	0	0	9,000,000
<b>Total Outstanding Debt</b>				134,310,143	0	2,249,262	132,060,882

**APPENDIX G**

**FIXED TERM INVESTMENTS OUTSTANDING AS AT 31/12/15**

<b><u>BORROWER</u></b>	<b>INTEREST RATE</b>	<b>DATE INVESTMENT TAKEN OUT</b>	<b>DATE INVESTMENT MATURES</b>	<b>PRINCIPAL OUTSTANDING AS AT 31/12/15 £</b>
	%			
Goldman Sachs	0.9600	21/04/2015	19/04/2016	2,000,000.00
Goldman Sachs	1.0000	04/06/2015	02/06/2016	2,000,000.00
Nationwide	0.9000	12/06/2015	10/06/2016	2,000,000.00
Goldman Sachs	0.9750	22/10/2015	20/10/2016	2,000,000.00
Standard Chartered	0.9700	23/10/2015	21/10/2016	2,000,000.00
Lloyds Bank PLC	1.0500	04/12/2015	02/12/2016	2,000,000.00
Nationwide	0.9500	19/01/2016	17/01/2017	2,000,000.00
Royal Bank of Scotland	1.0400	13/05/2014	13/05/2016	3,000,000.00
<b>TOTAL OUTSTANDING FIXED TERM INVESTMENTS</b>				<b>17,000,000</b>

**APPENDIX H**

<b><u>INSTANT ACCESS ACCOUNTS AND MONEY MARKET FUNDS - ANALYSIS</u></b>								<b><u>01/04/2015</u></b>	<b>-</b>	<b><u>31/12/2015</u></b>
<b>Financial Institution</b>	<b>Current Interest Rate</b>	<b>Highest Balance</b>	<b>Lowest Balance</b>	<b>Average Balance over period</b>	<b>Principal Outstanding as at 31/3/2015</b>	<b>Amount Invested</b>	<b>Amount Repaid</b>	<b>Principal Outstanding as at 31/12/2015</b>		
	<b>%</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>		
<b><u>INSTANT ACCESS ACCOUNTS</u></b>										
Santander	0.40%	6,000,000	6,000,000	6,000,000	6,000,000	0	0	6,000,000		
Lloyds	0.40%	8,660,000	0	4,937,404	2,200,000	31,628,000	29,408,000	4,420,000		
Barclays	0.10%	10,000,000	6,000,000	7,520,000	8,000,000	2,000,000	4,000,000	6,000,000		
NatWest	0.25%	7,000,000	0	3,774,400	0	61,410,000	61,410,000	0		
				22,231,804	16,200,000	95,038,000	94,818,000	16,420,000		
<b><u>MONEY MARKET FUNDS</u></b>										
Insight Liquidity	Various	5,000,000	0	2,581,818	0	5,000,000	0	5,000,000.00		
Standard Life	Various	5,000,000	0	563,636	0	5,000,000	0	5,000,000.00		
				3,145,455	0	10,000,000	0	10,000,000		
<b>Notes</b>										
1. The Financial Institutions are listed in the order that investments are now made.										
2. We receive a bonus from Barclays if we have a positive balance throughout the year.										