

Subject: Budget and Treasury Management Monitoring – Period 4 2016/17

Report by:	Director of Resources (S151) Ian Knowles
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Purpose / Summary:	This report sets out the revenue, capital and treasury management activity from 1 April 2016 to 31 March 2017

RECOMMENDATION(S):

- a) That Members accept the draft out-turn position of a £1,059k surplus as at 31 March 2017. (1.1).
- b) That Members note the Revenue budget carry forwards of £524k approved in year (Appendix D).
- c) That Members approve £450k of the surplus to be carried forward to support the development of business cases for Invest to Save, Invest to Earn and Invest to Grow projects
- d) Members agree that any further surplus variances be transferred to the Business Rates Volatility Reserve.
- e) Members note the use of Earmarked Reserves during the quarter approved by the Director of Resources using Delegated powers (2.1).
- f) Members approve the Capital budget carry forwards of £6,919k (12.3) and they accept the Capital out turn position of £2,579k.
- g) Members accept the Commercial Income position.
- h) Members approve the amendments to Licensing and Planning fees and charges detailed within Appendix C.
- i) That Members accept the Treasury position to 31 March 2017.

IMPLICATIONS

Legal: None arising as a result of this report.

Financial FIN/7/18

The draft revenue forecast out-turn position for 2016/17 is currently reflecting a surplus of £1,059k as at 31 March 2017, this is net of previously approved carry forwards of £524k detailed at Appendix D. We have yet to finalise the accounting for Business Rates and it is proposed any variance to budget will be transferred to the Business Rates Volatility Reserve.

The items with significant variances are contained within this report at 1.2.

It is proposed that from this surplus the following Earmarked Reserves are increased;
Invest to Earn Commercial Returns £150k
Invest to Save £150k
Investment for Growth £150k

The remaining surplus balance of £609k be returned to the General Fund balance.

The capital out-turn position for 2016/17 is £2,579k with outturn surplus variance against the capital programme revised budget of £7,040k. Of this balance £6,919k has been requested as capital budget carry forwards into next year, and £100k has been requested as capital clawbacks. The remaining £221k has been identified as in year savings.

The Treasury Management activities during the reporting period are disclosed in the body of this report. We achieved investment in come interest of £263k against a budget of £210k at an average rate of 1.16%.

There have been no breaches of Treasury or Prudential Indicators to report and we again out-perform our benchmark in relation to investment yields.

Staffing: None arising as a result of this report.

Equality and Diversity including Human Rights: None arising as a result of this report.

Risk Assessment: This is a monitoring report only.

Climate Related Risks and Opportunities: This is a monitoring report only.

Title and Location of any Background Papers used in the preparation of this report:

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

Executive Summary

1. REVENUE BUDGET MONITORING – Forecast out turn for 2016/17

- 1.1 The draft Revenue Budget out-turn for the 2016/17 financial year is a surplus position of £1,059k this is after taking account of approved carry forwards of £524k (detailed at Appendix D), this surplus is comparable to the Period 3 of £798k with significant movements since that period being
- Increased Planning Fee Income – £84k
 - Refund of Legal Shared Service surplus 2016/17 £71k
 - Year-end accounting adjustments of £131k
 - Additional Government Grant income £106k
 - Net of Employee costs £96k

The overall gross surplus is currently £1,583k.

Note: We have yet to finalise the Collection Fund accounting for Business Rates (NNDR), which will result in a change to the figures provided. Any budget variance at final out turn will be transferred to the Business Rates Volatility Reserve. The final position will be provided at the meeting.

Draft Outturn Data by Cluster

CLUSTER	2016/17 up to 31st March 2017 Budget £	2016/17 up to 31st March 2017 Actual £	2016/17 up to 31st March 2017 Variance £
Corporate Management	587,300	605,129	17,829
Commercial Development	2,534,900	2,527,249	(7,651)
Customer First	1,662,700	1,531,766	(130,934)
Democratic and Business Support	2,947,700	2,550,667	(397,033)
Economic Development and Neighbourhoods	2,254,771	1,849,108	(405,663)
Housing and Regeneration	1,284,100	1,121,657	(162,443)
Organisational Transformation	1,250,000	1,041,182	(208,818)
Controllable Total	12,521,471	11,226,758	(1,294,713)
Corporate Accounting Total	2,211,050	1,892,481	(318,569)
Statutory Accounting Total	4,806,300	1,398,305	(3,407,995)
Movement in Reserves Total	(4,622,786)	(544,236)	4,078,550
Net Revenue Expenditure	14,916,035	13,973,308	(942,727)
Funding Total	(15,331,035)	(15,446,829)	(115,794)
(SURPLUS)/DEFICIT FOR THE YEAR	(415,000)	(1,473,521)	(1,058,521)

1.2 The significant variances are detailed below;

EXPENDITURE	£000	Direction of Travel
BUDGET UNDERSPENDS		
Salary savings.	-£61	↓
Corporate Training postponed in year.	-£26	new
Reduction in Pension Deficit payable to Pension fund due to overpayment during 2015/16.	-£171	↔
Fuel - Waste Collection vehicles.	-£44	new
Vehicle Repairs and Maintenance.	-£17	new
Housing Strategy - no further payments to other agencies due.	-£15	↔
Base budget review after actual outturn savings.	-£53	↔
Car Parks - NNDR estimate identified through Car Parking Strategy higher than actuals, plus reduction on maintenance costs due to capital works.	-£13	new
Leisure Centre - unplanned maintenance budget underspent.	-£16	new
Tree work - less tree work required in year than budgeted for.	-£12	new
Land Charges - Accrual for legal case invoice not realised.	-£33	new
Corporate Governance - reduced cost of renewal contracts.	-£19	↑
Corporate Governance - software support & maintenance saving.	-£31	↑
PRESSURES		
HMRC underpayment relating to 2013/2014	£34	↔
Chair Replacement project-approved spend from in year savings.	£36	new
Trade Waste - tipping charges.	£42	new
Windfarm appeal costs - offset by costs recovered to date.	£63	↑
Various forecast outturn variances <£10k	-£86	↑
	-£422	

INCOME	£000	Direction of Travel
BUDGETED INCOME EXCEEDED		
Planning Application fees exceeded budget for year - to offset increased staffing costs to meet demand. Plus S106 legal fee refund from LCC.	-£294	↑
Guildhall commercial - One off in 16/17 - receipt of backdated rent owed (£37k). Increased service charge and NNDR contributions (£81k).	-£118	↑
Corporate/Financial Services - write offs and accounting adjustments.	-£56	new
Waste Collection - sale of obsolete vehicles and other income.	-£19	new
Land charge personal searches provision back to service as cases all settled.	-£74	new
Government and Non-Specific Grant income received above budget.	-£106	new
County refund for legal services.	-£71	new
Safeguarding officer recharge to LCC (one off in 16/17).	-£18	new
Bulky Waste collections - income target exceeded.	-£14	new
Housing Renewal Activity - enforcement costs reclaimed.	-£12	↓
Trade Waste income increased demand for service.	-£45	↑
Investment Interest receivable.	-£59	↑
BUDGETED INCOME NOT ACHIEVED		
Licence income reduced due to anticipated reduction in applications (Hackney Carriage licences £8k).	£10	↔
Housing Strategy - S106 fees income not achieved.	£15	↔
Housing Benefits - pressure attributable to rent allowance recovery offset by DHP Discretionary Payments Grant and FERIS Grant.	£30	↑
Local Land Charges - Law Society change - no longer charge for CON290.	£20	↑
Corporate Fraud - no definite external work confirmed at this point.	£30	↔
Projected rental income from purchase of investment properties not yet realised.	£75	↔
Car Park income pressure due to loss of income from Market Rasen, offset by increased income in Gainsborough.	£56	↑
Market stallage income has not met budgeted target based on current take up-review of market service in progress.	£13	↑
	-£637	
TOTAL VARIANCE		-£1,059

- 1.3 Included within the draft surplus of £1,059k is £170.8k which relates to overpaid employer contributions during 2015/16 which have been treated as an early payment of the Pension Deficit due in 2016/17, as agreed with the Lincolnshire Pension Fund. This committee agreed to this one-off surplus being returned to the General Fund balance at its meeting on 28 July 2016.
- 1.4 Also included within the forecast surplus are Base Budget Review savings of £52.7k the ongoing impact is £147.5k across all services and has been built into the Medium Term Financial Plan 2017-18, thus reducing the Council's saving target.

2. Use and Contribution to Reserves

£323.5k of Community Grants have been awarded and a further £156.7k has been transferred from the Community Grant Scheme reserve. The balance of the reserve now stands at £361k to be issued as grants over the remaining 2 years of the scheme.

2.1 2016/17 Use of Reserves

The Director of Resources has used delegated powers to approve the use of earmarked reserves under £50k, new delegated decisions totalled £130.8k;

- £17.2k from Members Initiative Fund reserve. To match the final outturn position. £14.2k already moved during mid-year review - £108k approved over 3 years from 16/17 to 18/19. Approved by CP&R 12.05.16 FIN/12/17. The remaining balance on the reserve is £76.6k.
- £8.4k from Elections reserve. To cover the cost of the by-election at Cherry Willingham.
- £25.9k from Neighbourhood Planning Grant reserve. To meet costs of consultation, examination and other project costs.
- £29.3k from Invest to Earn Reserve. To meet revenue costs of Invest to Earn projects and business case development.
- £50k from Invest to Earn Reserve. To meet the salary budget shortfall for the Interim Strategic Lead Commercial post during 2016/17.

2.2 2017/18 Use of Reserves

The Director of Resources has used delegated powers to approve the use of earmarked reserves under £50k, new delegated decisions totalled £45.5k;

- £7.4k from the Community Grant Scheme Reserve. To cover the cost of installation of 7 defibrillators at the locations on the reserves list. Approved by Prosperous Communities Committee 21/03/17 (FIN/143/17).
- £38.1k from the Invest to Earn Reserve. Budget to fund Fixed Term Senior Programme Officer for 2 years from 18/04/17. Total use of EMR £77.4k, £39.3k

in 18/19 will be built into the MTFP. Approved by GCLT 20/12/16 (FIN/VAC/38/17).

3. Grants

As at 1st April 2016 we had an amount of £420k relating to grants received which had yet to be expended. Budget provision has been created throughout the financial year as required to deliver projects in accordance with grant terms. The balance of unapplied grants as at 31st March 2017 is £435k, these monies will be expended in future years.

3.1 Successful Grant Bids and new Grant determinations

3.1a 2016/17

- £0.1k – DCLG funding to enforce the letting agents' redress and transparency requirements determination.
- £9.9k – Home Office Prevent Duty implementation grant.
- £155k – HCA grant towards delivering large sites and Housing Zones capacity funding
- £15k – DCLG Self and Customer Build Housing

3.1b 2017/18

- £40k – DCLG Social Impact Bond – Joint project with LCC. WLDC will create a project manager post (temp 1 year).
- £41k – DWP New Burdens funding and Universal Credit funding.
- £43k – DCLG Flexible Homeless support grant which is ring-fenced for prevention services for homelessness. The grant will also continue into 18/19 at £46k.
- £14.7k – DCLG New Brownfield register
- £30k – DCLG Self and Custom Build Housing
- £4m – Greater Lincolnshire Enterprise Partnership – Gainsborough Growth Programme
- £1.5m – Greater Lincolnshire Enterprise Partnership - Food Enterprise Zone

4. Other Items for information

4.1 Planning Appeals

In period 4 2016/17 there were 12 appeals determined, as follows;
January 2017: 6 appeals – 1 withdrawn, 4 dismissed, 1 allowed

February 2017: 3 appeals – 2 dismissed, 1 allowed
March 2017: 3 appeals – 3 dismissed

No costs have been awarded this quarter.

5. Fees and Charges

Members were presented with the 2016/17 Fees and Charges report on 17 December 2015. It was agreed that in future, budget monitoring would incorporate monitoring income reporting on volume and price variances.

The data for Period 4 is included in this report at Appendix B.

5.1 Adjustment to Fees and Charges for Licensing

As a result of a European Court of Justice ruling in November 2016, we now need to change the way in which we set our fees for licensing functions which are within scope of the EU Services Directive 2006/123/EC which is given effect by the Provision of Service Regulations (SI 2009/2999). Transport (Taxis & Private Hire) & Gambling are specifically out of scope and all of the alcohol licence fees are currently set by statute.

Full details of the adjustment is contained within the report at Appendix C.

For the avoidance of doubt the total fees in this area to be charged is not increased, it is just split to separate the administration and compliance elements, broadly speaking.

5.2 Adjustment to Fees and Charges for Planning Applications

We have been made aware that some of the Planning fees and charges set by Government are different to those originally brought before CP&R in the fees and charge report on 15th December 2016.

The amended fees are highlighted in the updated table at Appendix C.

6. CAPITAL BUDGET MONITORING - The final out turn for 2016/17

- 6.1 The capital programme spend for the year is £2,579k, which is a surplus variance against revised budget of £7,040k.

Of this £7,040k, £6,920k is requested to be carried forward and represents slippage and multi-year spend on approved schemes. £101k is capital clawback requests. The details of the capital carry forward and capital clawback requests are detailed at (12.3). The remaining £221k has been identified as in year savings.

6.2 Capital Programme 2016/17 - Update

Cash flow loans to support subsidiary companies, WLDC Staffing Services and Sure Staff Lincs Ltd of £15k each have been advanced to support the cash flows

due to the transfer of staff between the two companies upon WLDC Staffing Services becoming operational in February 2017. This Committee previously approved up to £100k for cash flow loan funding. Surestaff Lincs Ltd were initially advanced £5k upon set-up and this was fully repaid within 6 months.

7. TREASURY MANAGEMENT UPDATE 2016/17

There have been no breaches of Prudential Indicators.

Interest received has been in excess of the 7 day libid benchmark (0.24%) with an average yield of 1.16% totalling £263k.

Prudential Borrowing of £30k has been undertaken during the financial year in funding capital expenditure.

No external borrowing was required.

The Annual Treasury Management report is scheduled for this Committee in June.

BUDGET AND TREASURY MONITORING Q4 REPORT

8. REVENUE BUDGET MONITORING - INTRODUCTION

- 8.1 This is the last in a series of reports for the financial year 2016/17 that gives Members information on differences between the approved budgets and forecast outturn income and expenditure for the year ended 31 March 2017. The financial information has been presented in an income and expenditure layout.
- 8.2 The capital programme is presented within the body of the report.
- 8.3 Compared to the approved budget for 2016/17 the Council's draft out turn revenue position as at 31 March 2017 is a surplus of £1,059k, including approved carry forwards of £524k (Appendix D).

9. REVENUE FORECAST OUT-TURN (April 2016 to March 2017)

- 9.1 The forecast revenue out-turn as at 31 March 2017 income and expenditure variances are shown in the table below.
- 9.2 The forecast revenue out-turn as at 31 March 2017 variances by Strategic Clusters of Services are shown in the table AT 1.1. Further analysis by Business Unit is included in this report at Appendix A.

Revenue Budget Monitoring Q4 April 2016 - March 2017

		2016/17 Original Budget £	2016/17 Revised Budget £	2016/17 Actual To 31 March £	2016/17 Variance to Budget £
INCOME					
	Government Grants	0	0	(82,235)	(82,235)
	Service Specific Government Grants	(23,429,100)	(23,979,683)	(23,548,720)	430,963
	Other Grants and Contributions	(622,200)	(48,700)	(93,357)	(44,657)
	Customer and Client Receipts	(2,985,400)	(4,335,020)	(4,783,684)	(448,664)
Total Income		(27,036,700)	(28,363,403)	(28,507,995)	(144,592)
EXPENDITURE					
	Employees	9,666,100	9,903,950	9,765,405	(138,545)
	Premises	1,010,100	1,073,400	766,526	(306,874)
	Transport	919,100	902,600	826,398	(76,202)
	Supplies and Services	1,857,900	3,182,230	3,261,093	78,863
	Third Party Payments	1,595,000	2,196,994	1,786,948	(410,046)
	Transfer Payments	23,213,400	23,625,700	23,328,383	(297,317)
Total Expenditure		38,261,600	40,884,874	39,734,753	(1,150,121)
BUSINESS UNITS TOTAL (Surplus)/Deficit		11,224,900	12,521,471	11,226,758	(1,294,713)
CORPORATE ACCOUNTING					
	Interest and Investment Income	(214,500)	(228,500)	(291,809)	(63,309)
	Interest Payable	192,500	192,500	17,493	(175,007)
	Parish Precepts	1,610,050	1,610,050	1,610,050	(0)
	Drainage Board Precept	338,300	338,300	338,902	602
	Statutory MRP	298,700	298,700	217,845	(80,855)
STATUTORY ACCOUNTING					
	Capital Expenditure Charged to General Fund	2,888,700	4,806,300	1,398,305	(3,407,995)
MOVEMENT IN RESERVES					
	Transfer To / (From) General Fund	(408,315)	(536,492)	65,008	601,500
	Transfer To / (From) Specific Reserves	(706,100)	(4,086,294)	(609,244)	3,477,050
NET REVENUE EXPENDITURE		15,224,235	14,916,035	13,973,308	(942,727)
FUNDED BY					
	Revenue Support Grant	(1,387,300)	(1,387,300)	(1,387,345)	(45)
	Capital Grants and Contributions	0	(106,800)	(126,587)	(19,787)
	Other Government Grants	(565,900)	(565,900)	(651,892)	(85,992)
	Business Rate Retention Scheme	(3,309,700)	(3,309,700)	(3,313,342)	(3,642)
	New Homes Bonus	(2,480,600)	(2,480,600)	(2,486,928)	(6,328)
	Council Tax	(5,668,602)	(5,668,602)	(5,668,602)	0
	Parish Council Tax Requirement	(1,610,050)	(1,610,050)	(1,610,050)	0
	Collection Fund Surplus-Council Tax	(202,083)	(202,083)	(202,083)	0
TOTAL FUNDED BY		(15,224,235)	(15,331,035)	(15,446,829)	(115,794)
		0			0
(SURPLUS) / DEFICIT FOR THE YEAR		0	(415,000)	(1,473,521)	(1,058,521)

9.3 The major variances of note are detailed below.

- a) Purchase of Investment Properties – completion of purchase of investment properties was estimated at July 2016/17, compared to budgeted forecast this results in a net pressure of £75k during 2016/17. Work continues to identify appropriate investment opportunities with an acceptable level of return.
- b) Commercial projects – budgeted income and expenditure built into the MTFP have not been utilised during 2016/17 as the Commercial Investment Strategy was being developed. The forecast shortfall was to be met from reserves, therefore this has resulted in an increase in forecast reserves balance of £228k, with no impact on the overall budget position of the Council.
- c) Included within the forecast surplus are Base Budget Review savings of £53k, across several budget lines.

INCOME

Government Grants - £82k surplus

Surplus of £82k attributable to DHP Discretionary Payments grant offset by rent allowance recovery deficit. Overall, taking account of housing benefits paid and grants received there is a deficit of £30k.

Service Specific Government Grants - £431k deficit

Pressure of £321k attributable to rent allowance recovery has been offset by DHP Discretionary Payments grant. Net deficit of £30k across Housing Benefits as detailed above.

The cessation of the Health Initiative schemes has resulted in a pressure of grant income receivable of £135k, which is offset by savings on expenditure lines within these business areas. The net impact on the Council is a surplus of £9k.

The remaining £25k surplus balance consists of small variances across multiple service areas.

Other Grants and Contributions - £45k surplus

£25k received by Planning as refunds or reimbursements.

£15k received by LCC as NNDR contributions for Guildhall tenancy, which was agreed mid-year and therefore had not been budgeted for.

The remaining £5k surplus balance consists of small variances across multiple service areas.

Customer and Client Receipts – £448k surplus

Planning Application fees – exceeded budget for year by £269k due to a rise in the number of major applications.

Surplus of £23k attributable to overpayments and rent allowances recovered (overall net deficit of £30k across Housing Benefits).

Guildhall commercial income – rental income is £101k above budget, due to renegotiated rent backdated (£30k) plus increased service charges.

Trade Waste – increased income of £45k, due to increased demand for the service, offset by LCC tipping fees and other costs – net position £3k surplus.

Land Charges – a provision of £72k has been returned to the service due to a year end accounting adjustment. After the review of the provision for the Land Charges Personal Searches Claims as all claims have now all be settled the remaining provision has been written back to revenue.

Council Property Dwellings - £32k income above budget offset by premises costs. Net position £4k surplus.

Waste Collection have achieved unbudgeted income of £19k for the sale of obsolete vehicles.

Lincolnshire County Council (LCC) have repaid our share of the Shared Service surpluses totalling £71k for legal services, this will be allocated across services as a year-end adjustment.

Income of £18k has been received from LCC, as a one off contribution towards the Safeguarding Officer.

Bulky waste collection income has exceeded budget by £14k.

In year balance write offs and accounting adjustments has resulted in a surplus of £56k.

Housing Renewal – surplus of £38k on the recovery of enforcement costs incurred is offset by increased costs within the premises expenditure line. Net position of £12k surplus for the year.

Taxi Licence Income – a reduction in the number of applications, partly due to recent policy changes, and the impact of a change in Government policy to issue licences for 3 years rather than annually has resulted in a reduction in income of £10k. The profiled budget implications of the policy changes will be built into the MTFP for future years.

Market Stallage Fees – cancelled markets and lower stall numbers has resulted in a forecast reduction in income of £13k. A review of the market service is in progress.

Housing Strategy – pressure of £15k against S106 admin fee income.

Car Park Income – deficit of £56k of which £36k is due to the decision to support the local businesses over the festive season by delaying the charging at Market Rasen, £20k relates to a number of factors, Beaumont Street remaining open, delay in implementing new charges and free after 3 impact, this is offset also by

increased income from sale of season tickets (£12k). It must be noted that the budget was modelled on estimates and assumptions as no data was available at the time.

Corporate Fraud – pressure of £30k against commercial income budgets. The intention to “sell” a corporate fraud service to other Local Authorities is being developed, some work has been commissioned via the Corporate Fraud Partnership. The Services such as Housing Benefits, Housing, Human Resources etc, have saved costs by us retaining a corporate fraud function.

Local Land Charges – due to a Law Society change there is no longer a charge for CON290 work, resulting in a £20k pressure.

Investment Properties – deficit of £209k for projected rental income not realised – see note 9.3a above for net impact on budget position.

Commercial Projects – deficit of £176k for projected rental income not realised – see note 9.3b above for net impact on budget position.

Selective Licencing have approval to carry forward £49k of their income to resource this scheme.

The remaining £170k surplus balance consists of small variances across multiple service areas.

EXPENDITURE

Employees – £139k surplus

Salary costs are £61k less than revised budget, due to vacancies across the structure.

£26k surplus relates to corporate training postponed in year.

£34k has been paid to HMRC in year relating to an underpayment in 2013/14.

£78k of the remaining surplus balance are carry forward requests for temporary resources.

The remaining £8k surplus balance consists of small variances across multiple service areas.

Premises – £307k surplus

Leisure Centre – surplus of £16k unplanned maintenance budget.

£12k surplus due to less tree work required in year than budgeted for.

Car parks NNDR charges are £15k less than budget – this is due to an estimate built in from the car parking strategy but the costs have not been realised in 16/17.

Housing Renewal – additional premises costs of £33k are offset by an increase in the recovery of enforcement costs of £38k. Net position of £12k surplus forecast for the year.

Investment Properties – surplus of £3k premises costs – see note 9.3a above for net impact on budget position.

Commercial Projects – surplus of £277k premises costs – see note 9.3b above for net impact on budget position.

£10k of the remaining surplus balance are carry forward requests.

The remaining £7k surplus balance consists of small variances across multiple service areas.

Transport - £76k surplus

Waste Collection – there is a surplus of £44k on fuel due to a reduction in the price of fuel during the year, compared to the forecast estimate on which the budget provision was based.

Waste Collection – there is a surplus of £17k against vehicle repairs and maintenance budgets, due to the replacement of aging fleet.

The remaining £15k surplus balance consists of small variances across multiple service areas.

Supplies and Services – £79k deficit

Corporate Governance – savings of £19k have been identified for software support and maintenance as there are no major updates anticipated for the remainder of the financial year. A further £31k saving has been achieved on contract renewal negotiations.

Trade Waste –LCC tipping fees and other costs of £42k offset by increased income of £45k – net position £3k surplus.

Health and Safety - Chair replacement project – deficit of £36k. This is approved spend against in year savings.

£87k of the remaining surplus balance are carry forward requests.

The remaining £107k deficit balance consists of small variances across multiple service areas.

Third Party Payments – £410k surplus

The in-year savings of £53k identified through the Base Budget Review process.

Housing Strategy – no further payments to other agencies are due this financial year, resulting in a saving of £15k.

A surplus of £33k has resulted from a legal case invoice which has been accrued for but is no longer required.

Windfarm appeal costs have resulted in a deficit of £63k, this has been offset within the business unit by increased planning fee income.

The cessation of the Health Initiative schemes has resulted in a surplus of £83k, which is offset by pressures on income lines within these business areas. The net impact on the Council is a surplus of £9k.

£300k of the remaining surplus balance are carry forward requests, this includes £146k for approved project slippage, £84k balance of business case development for, invest to grow and business transformation.

The remaining £11k deficit balance consists of small variances across multiple service areas.

Transfer Payments – £297k surplus

Surplus of £317k attributable to rent allowance recovery has been offset by DHP Discretionary Payments grant. Net deficit of £30k across Housing Benefits.

The remaining £20k deficit balance consists of small variances across multiple service areas.

Interest and Investment Income – £63k surplus

Investment interest receivable for the year is £63k above budget, reflective of our investment choices and higher than anticipated cash, due to capital programme slippage.

Interest Payable – £175k surplus

Investment Properties – surplus of £79k – see note 9.3a above for net impact on budget position.

Commercial Projects – surplus of £100k borrowing costs – see note 9.3b above for net impact on budget position.

10. Aged Debt Summary

Aged Debt Summary Period 4 Monitoring Report

At the end of March 2017 there was a total of £317k outstanding debt in the system over 90 days. The majority of this debt was over 150 days old and mainly comprised of:

Property and Assets £157,996
Housing Benefits £72,444
Housing £59,666
Waste £24,555

Month	90 – 119 days	120 – 149 days	150+ days	Total
April	4,746	33,472	219,728	257,946
May	14,558	13,141	240,997	268,697
June	63,058	13,164	234,206	310,428
July	19,957	58,543	237,359	315,859
August	21,777	18,472	283,041	323,290
September	56,795	19,005	287,195	362,996
October	102,889	35,338	188,493	326,720
November	192	(5,426)	453,412	448,178
December	51,902	6,560	276,741	335,203
January	6,247	46,961	189,306	242,514
February	237	(1,463)	328,967	327,741
March	96	(1,766)	318,179	316,509

11. CHANGES TO THE ORGANISATION STRUCTURE

There have been no changes to the establishment made under Corporate Delegation by the Chief Executive and S151 Officer during this period.

12. Capital Programme Forecast Out turn

12.1 The Capital Programme 2016/17 was approved at Council on 3 March 2016 and totalled £15,109k. The actual out turn is £2,579k giving a variance of £7,040k against the revised budget.

12.2 Approval to carry forward £6,919k is now requested, in the main this relates to the Commercial Property Investment budget of £5m. Now a Commercial Investment Strategy has been approved acquisitions will be undertaken in 2017/18 onwards. In addition to capital clawback requests of £101k for schemes commencing earlier than anticipated, this leaves a £221k surplus due to savings on schemes.

12.3 Details of capital carry forward requests and capital clawback requests are included at Appendix E.

12.4 Property Acquisitions to Period 4

There have been no property acquisitions during period 4.

12.5 Capital Receipts to Period 4

There has been a capital receipt of £144k during qtr. 4. Total capital receipts for the year 2016/17 are £322k – including sale of land to the value of £20k.

12.6 The forecast capital out-turn as detailed below assumes that the new carry forward requests are approved by this Committee, the Revised Budget therefore reflects these adjustments. The variances are detailed in the table below;

Capital Investment Programme 2016/17 (page 1 of 2)

Corporate Priority / Scheme	Actuals to 31/10/2016	Original Budget	Revised Budget 2016/17	Forecast Outturn	Over/(Underspend)	Carry Forward & Clawback Requests	Comments
		£	£	£	£	£	
Open for Business							
WLDC Business Loans via crowd funding	0	500,000	0	0	0	0	
Company Purchase	37,900	0	37,500	37,900	400	0	Project completed within budget.
Broadband	0	0	555,000	0	0	(555,000)	Report presented to a PC meeting, scheme delivered 20% saving therefore WLDC negotiating same reduction IK 12.10.2016, full carry forward requested.
People First							
Disabled Facilities Grants	456,117	472,500	468,700	456,117	(12,583)	0	The Council have continued to deliver an efficient and value for money DFG service and have provided assistance to over 90 customers this year using the grant funding available.
Prosperous & Enterprising							
Independent Living	38,142	0	38,100	38,142	42	0	All independent living funding has been allocated and spent in line with the policy. We continue to deliver future proofed schemes via Acis in order to reduce the impact on DFGs in the future.
Strategic Housing - Empty homes	84,238	0	85,100	84,238	0	(862)	This budget has been utilised to finalise the remaining work needed on the Council's empty properties and CPOs as well as provide the final payment for the delivery of the Gainsborough Foyer. Any funding not spend to be c/fwd. into 17/18.
Asset Management							
Capital Enhancements to Council Owned Assets	227,472	655,000	534,200	227,472	0	(306,728)	C/fwd. all underspend - Repairs slippage on the programme due to lack of staff resources, Heapham Road - tenant not found yet and monies to provide infrastructure works as an incentive. Resurfacing car parks works came in overpriced so specification is to be reduced and retendered. £80k saving on Trinity Arts Roof due to successful grant funding.
Carbon Management Plan	0	0	20,000	0	0	(20,000)	Street lighting and carbon management plan investigations are still ongoing regarding suitability of lamps, obtaining quotations (possible framework available) c/fwd. requested. Meeting held with LCC who advised we require a Street Lighting Policy.
Market Place	93,044	150,000	50,000	93,044	0	43,044	Monies already committed (spent) on this project. Contract currently determined subject to structural findings and extended works. This project needs re-tendering.
Hemswell Masterplan	0	250,000	20,000	0	0	(20,000)	Final plans re infrastructure improvements within regeneration programme have been developed in 16/17 but no actual spend. Way forward to be established first quarter 17/18 associated work to then follow, carry forward requested for balance.
Commercial Investment - Property Portfolio	0	5,000,000	5,000,000	0	0	(5,000,000)	Committee agreed on the 13th April to spend the full £20m asap, IK to decide case by case, on borrowings versus reserves to cash flow. Full carry forward requested.
Commercial Investment - Other	30,000	2,165,000	420,000	30,000	0	(390,000)	Loan advance to Surestaff/WLDC Staffing Services for cash flow purposes repayable in 6 months. Carry forward requested for balance.

Capital Investment Programme 2016/17 (page 2 of 2)

Corporate Priority / Scheme	Actuals to 31/10/2016	Original Budget	Revised Budget 2016/17	Forecast Outturn	Over/(Underspend)	Carry Forward & Clawback Requests	Comments
Central Lincolnshire Local Plan							
Gainsborough Growth	0	3,225,000	400,000	0	0	(400,000)	Significant regeneration programme, schemes under development.
Acquisitions	0	1,200,000	155,000	0	(155,000)	0	Approval given for property acquisition.
Gainsborough Growth Fund	238,767	125,000	192,000	238,767	0	46,767	In year 2016/17 the Gainsborough Growth Fund proved quite popular in terms of enquiries and expression of interests.
Food Enterprise Zone infrastructure	85,755	250,000	75,000	85,755	0	10,755	The LDO is currently being developed and in its consultation stage. Whilst this is progressed a Delivery Strategy is also being produced to look at site development options. Part of this work also includes the production of a detailed cost plan for enabling infrastructure in association to a FEZ Phase 1. This has recently been commissioned. The scheme has secured - together with the other two Enterprise Zones in Holbeach and Grimsby – a total investment of £6.5m as part of the Growth Deal 3 submission. the remaining budget to be carried forward into 17/18.
Excellent, VFM Services							
Replacement Refuse Freighters	988,459	930,000	1,069,100	988,459	0	(80,641)	One more second hand refuse truck to be purchased £23k, a street cleansing vehicle £40k plus new lifts to be fitted to second hand vehicles that have been purchased £7,500 each. Full carry forward requested.
Desktop Refresh/SAN and SQL replacement	10,191	10,000	10,000	10,191	191	0	This was purchased slightly over anticipated costs.
Update Job Evaluation System	0	10,000	0	0	0	0	
Replace IDOX Scanner	0	10,000	0	0	0	0	
Meeting Room management software	0	15,000	15,000	0	(15,000)	0	No longer progressing.
CRM System	0	50,000	10,000	0	0	(10,000)	The CRM project has been subsumed into the Closer to the Customer Programme; and has been delayed in order to define the 'reason for change' and to understand the scope of transformation expected under the programme. This work has identified a number of technology improvements required, and the procurement of such technology will now be co-ordinated to ensure that the right solution is procured for the wider transformation technology needs, including our commercial customer management aspirations. As a result, procurement exercises have been delayed until 2017-18 and hence it is requested that the capital allocation is carried forward into 2017/18.
Refurbishment Interior Trinity Arts Centre	27,554	40,000	40,000	27,554	(12,446)	0	All anticipated work is now complete. An element of this was moved to revenue with the appropriate budget rather than capital, hence the underspend.
Website Replacement	8,310	0	38,300	8,310	(19,240)	(10,750)	Project delivered under budget, two invoices still outstanding therefore request that £10,750 is carried forward .
Replacement Building Control/Land Charges/Planning System	37,611	0	153,000	37,611	0	(115,389)	All anticipated costs are to be carried forward due to delays in starting the project, except for 1st milestone payment which was made in October 2016.
CCTV System upgrade	175,991	0	180,000	175,991	(4,009)	0	The upgrade of our CCTV systems has now been completed. New systems are fully operationally in Gainsborough and Market Rasen. Added value has been achieved with upgraded CCTV at Council premises including Trinity Arts Centre and the North Warren Road Depot in Gainsborough. The new technology is now enabling us to begin securing further expansion and commercial opportunities.
Replacement Financial Ledger suite	10,395	0	10,400	10,395	(5)	0	Scheme completed.
Civic Services Investment	29,200	51,000	42,500	29,200	(2,800)	(10,500)	Webcasting project is now complete. Modern.gov is still progressing and may require £10.5k to be carried forward into 17/18.
Total Capital Programme Gross Expenditure	2,579,146	15,108,500	9,618,900	2,579,146	(220,450)	(6,819,304)	

Treasury Management report Quarter 4 April – March 2017 monitoring

The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that members be updated on treasury management activities regularly (TMSS, annual and midyear reports). This report, therefore, ensures this Council is implementing best practice in accordance with the Code.

13. Annual Investment Strategy

The Treasury Management Strategy Statement (TMSS) for 2016/17, which includes the Annual Investment Strategy, was approved by the Council on 3 March 2016. It sets out the Council's investment priorities as being:

- Security of capital;
- Liquidity; and
- Yield.

Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the year.

The average level of funds available for investment purposes during the quarter was £23.2m, (£23.3m Q3, £23.1m Qtr. 2 and £22.5m P1). These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the Capital Programme. The Council holds £21m core cash balances for investment purposes (i.e. funds available for more than one year).

The annualised investment rate for the year is 1.16% against a benchmark 7 day libid of 0.24%, generating £263k of income for the Council.

As at 31.3.2017 £18.6m of Investments were held.

13.1 New Borrowing

No external borrowing was undertaken during this quarter. However £30k of internal borrowing was undertaken to finance the Capital Programme.

Borrowing in advance of need

This Council has not borrowed in advance of need during the quarter ended 31 March 2017.

13.2 Compliance with Treasury and Prudential Limits

The Annual Treasury Management report will include the final Treasury Management performance against the approved Treasury and Prudential Indicators and will be presented to this Committee at its June meeting.

West Lindsey District Council

Monthly Investment Analysis Review

March 2017



West Lindsey District Council

Monthly Economic Summary

General Economy

The UK's exit from the European Union hogged the headlines in March. Theresa May triggered Article 50 on Wednesday 29th March 2017, meaning Britain should officially leave the EU no later than April 2019. This is the start of a long negotiation process which will impact the economic environment of the United Kingdom and, potentially, further afield. The final deal must be approved by a qualified majority of the EU member states and can be vetoed by the European Parliament.

The month began with the release of Purchasing Managers Indices. The first to be released was for the manufacturing sector, which slipped to 54.6 in February from 55.7. This fall was helped by easing inflation pressures, which had been rising at a record pace. A day later the construction sector survey was released, showing that an improvement in activity across civil engineering firms helped edge the index up to 52.5 from 52.2 in January. Services PMI was the last release and, disappointingly, fell to its lowest level since September having dropped to 53.3 in February from 54.5 previously. Despite the improvement in construction, the falls in manufacturing and services PMI's pushed the composite figure down to 53.7 in February, a five month low. Despite the fall, the level was still above 50, which separates expansion from contraction. Overall, the figures provided further evidence that UK economic growth will ease back from the pace seen in previous quarters.

The Bank of England's Monetary Policy Committee (MPC) met in March and continued with the current monetary policy programme. The MPC voted 8-1 in favour of keeping the Bank Rate at 0.25%. While there was one dissenting vote in favour of a rate rise, overall the result showed that the Bank of England are in no immediate hurry to emulate the Federal Reserve, who raised interest rates again this month. The Quantitative Easing programme was also left unchanged at £435bn, as was the corporate bond buying programme.

UK inflation was the surprise of the month as it soared past all forecasts to an annual rate of 2.3% from 1.8% in January. This is the first time inflation has surpassed the Bank of England's 2% inflation target since late 2013. The month-on-month increase was 0.7% an increase from the -0.5% change in January. The fall in the value of the Sterling, due to the Brexit vote has dramatically pushed up import prices, whilst global oil prices have picked up adding to the squeeze on British households. The final estimate for UK Q4 GDP was one of the concluding releases of the month. The quarterly rate remained unchanged at a growth rate of 0.7%, however the annual rate was revised down slightly to 1.9% from 2.0%.

On a more positive note British unemployment rate was at its lowest level in over 40 years, when it dropped to 4.7% in January. There were 1.584 million people out of work in the three months to January as the total amount of people in employment rose to 31.854 million. Unfortunately however, wage growth could not continue the positive trend. The growth in total pay, including bonuses, fell to 2.2% in January from 2.6% in December, adding further pressure onto British households with inflation on the rise. Elsewhere in the UK consumer credit rose by £1.441bn in February, a fall from the £1.609bn increase in January.

Weaker Sterling had a positive effect on exports, helping narrow the trade balance deficit in January. The deficit in the goods balance fell to £10.833bn in January from £10.915bn in December. There was also an improvement in the trade in goods and services balance as this narrowed to £1.966bn, from a downwardly revised £2.026bn in December.

UK Public Finances could not continue the positive trend seen in January as public sector net borrowing recorded a £1.8bn deficit in February, compared with the £9.4bn surplus in January. This was 60.5% lower than the figure recorded in February 2016. Total Public Sector Net Debt stood at £1.669.7 trillion in February.

Retail sales received a positive boost in February as household spending increased. The annual rate rose to 3.7% from 1.0% previously, whilst the monthly rate was recorded at +1.4%, up from -0.5% in January. However, inflation is starting to take its toll on spending. The positive figures this month were not enough to drag up the poor demand seen in the previous few months. Retail sales suffered the largest three monthly drops since 2010 as the growth rate in this period fell to -1.4%, from -0.5% previously. GFK also released their consumer confidence studies, which showed that morale was unchanged at -6 in March. However, this was below the average seen through the second half of 2016.

The European Central Bank also met this month and like the Bank of England maintained the policy status quo. The main refinancing rate and deposit rate remained at 0% and -0.40% respectively. The central bank will also continue to make purchases under its asset programme at the monthly pace of €80bn until the end of March before decreasing the level to €60bn a month until the end of December 2017. Final Q4 GDP growth figures were also released for the Eurozone this month. The quarterly rate remained unchanged from the previous period at 0.4% whilst the annual rate fell slightly to 1.7% in Q4 from 1.8% in Q3. Lithuania recorded the highest quarterly growth rate at 1.4%, whilst at 4.8% Romania had the highest annual growth rate. Elsewhere, unemployment in the Euro Area remained at the lowest level since May 2009, at 9.6% in January. The EU28 had an unemployment rate of 8.1% in January down from 8.2% in the previous month. The Czech Republic had the lowest unemployment rate at 3.4%, whilst Spain had one of the highest at 18.2%.

America under Trump showed positive signs in terms of employment as non-farm payrolls increased by 235,000 with the construction sector recording its largest gain in nearly 10 years. In tandem with this rise the unemployment rate fell to 4.7% from 4.8%. Average hourly earnings increased by 6 cents, but remained at the 0.2% growth rate seen in January. The Federal Reserve met in March, where they decided that the time was right to increase official interest rates again, due to improving labour market conditions and economic activity continuing to expand at a moderate pace. The target rate was increased to 0.75%-1.0%, from the previous range of 0.50%-0.75%. There were positive revisions for US Q4 GDP as the final estimates recorded an annual growth rate of 2.1%, up from previous estimates of 1.9%. However this is still a fall from the 3.5% growth rate recorded in Q3, whilst 2016 as a whole grew at a pace of 1.6%, its worst performance since 2011.

Housing

On the domestic housing front Halifax annual house price growth cooled to 5.1% in February, its weakest rate since 2013. British Bankers' Association data followed suit as mortgage approvals hit a three month low in February. The number of new mortgage approvals fell to 42,613, from a downwardly revised 44,142 in January. The number of re-mortgages fell to 25,414 in February, from 28,088 previously. Nationwide house prices echoed the previous two releases as they fell for the first time in almost two years. The monthly rate was recorded at -0.3% whilst the annual rate was 3.5%, the weakest increase since 2015.

Forecast

Neither Capita Asset Services (CAS) nor Capital Economics (CE) altered their forecasts this month. It is forecasted by CAS that a rate hike to 0.50% will occur in Q2 2019 followed by a further hike to 0.75% in Q4 2019. CE expects a rate hike to 0.50% to occur in Q4 2018 with further hikes forecasted in Q2 2019 to 0.75%, Q4 2019 to 1.00% and in Q2 2020 to 1.25%.

Bank Rate	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Capita Asset Services	0.25%	0.25%	0.25%	0.25%	0.25%
Capital Economics	0.25%	0.25%	0.25%	0.25%	0.25%

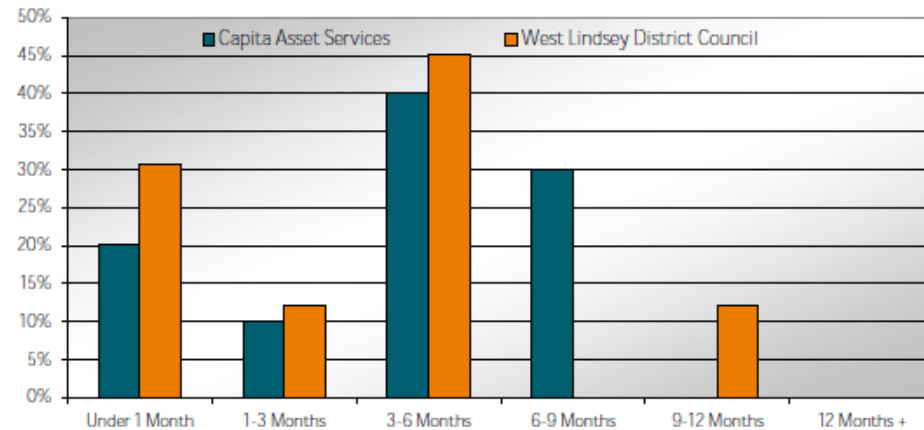
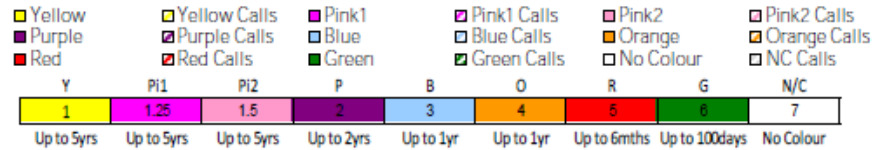
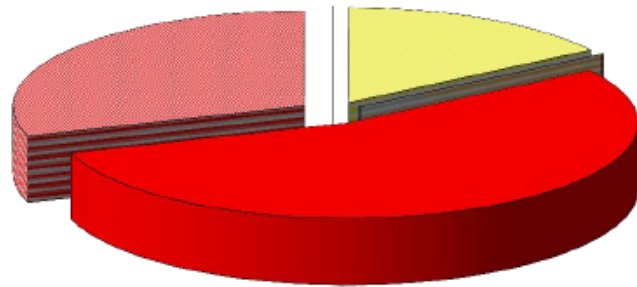
West Lindsey District Council

Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
MMF LGIM	2,600,000	0.24%		MMF	AAA	0.000%
Goldman Sachs International Bank	1,000,000	0.46%	05/12/2016	05/04/2017	A	0.001%
Goldman Sachs International Bank	1,500,000	0.46%	17/01/2017	18/04/2017	A	0.003%
Lloyds Bank Plc	500,000	0.45%	08/02/2017	08/05/2017	A	0.007%
Goldman Sachs International Bank	1,500,000	0.51%	16/03/2017	16/06/2017	A	0.014%
Lloyds Bank Plc	1,000,000	1.25%	15/07/2016	14/07/2017	A	0.019%
Lloyds Bank Plc	500,000	0.80%	17/10/2016	17/07/2017	A	0.020%
Santander UK Plc	2,000,000	0.80%		Call120	A	0.022%
Lloyds Bank Plc	1,000,000	1.05%	03/08/2016	02/08/2017	A	0.023%
Lloyds Bank Plc	500,000	0.60%	08/02/2017	08/08/2017	A	0.024%
Lloyds Bank Plc	1,000,000	1.00%	19/08/2016	18/08/2017	A	0.026%
Lloyds Bank Plc	500,000	1.00%	12/09/2016	11/09/2017	A	0.030%
Santander UK Plc	1,000,000	0.90%		Call180	A	0.033%
Santander UK Plc	2,000,000	1.05%		Call365	A	0.067%
Borrower - Funds	Principal (£)	Interest Rate	Start Date	Maturity Date		
LAPF - CCLA	2,000,000					
Total Investments	£18,600,000	0.64%				
Total Investments - excluding Funds	£16,600,000	0.72%				0.021%
Total Investments - Funds Only	£2,000,000	0.00%				

West Lindsey District Council

Portfolio Composition by Capita Asset Services' Suggested Lending Criteria



Portfolios weighted average risk number = 4.37

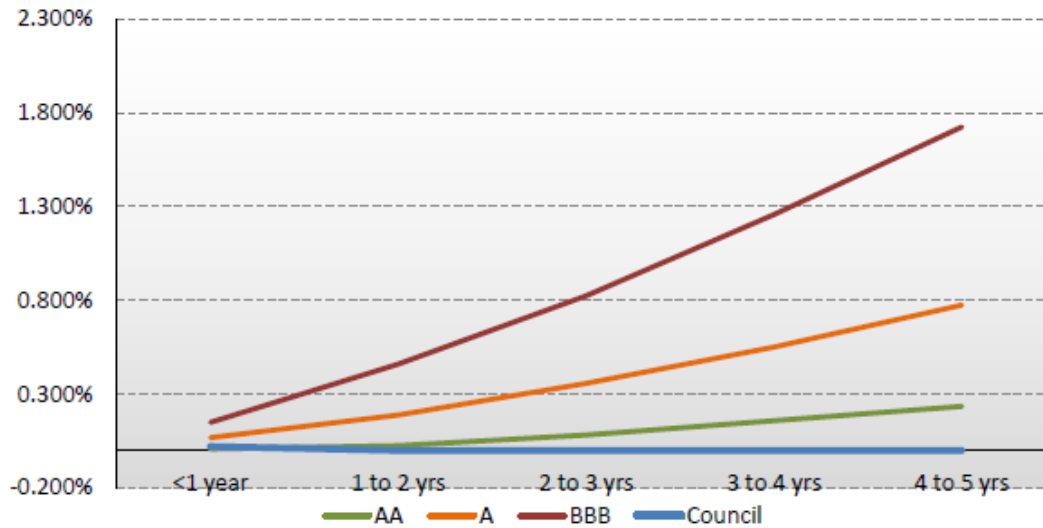
WARoR = Weighted Average Rate of Return
WAM = Weighted Average Time to Maturity

	% of Portfolio	Amount	% of Colour in Calls	Amount of Colour in Calls	% of Call in Portfolio	WARoR	WAM	WAM at Execution	Excluding Calls/MMFs/USDBFs	
									WAM	WAM at Execution
Yellow	15.66%	£2,600,000	100.00%	£2,600,000	15.66%	0.24%	0	0	0	0
Pink1	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Pink2	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Purple	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Blue	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Orange	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Red	84.34%	£14,000,000	35.71%	£5,000,000	30.12%	0.80%	135	221	82	216
Green	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
No Colour	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Total	100.00%	£16,600,000	45.78%	£7,600,000	45.78%	0.72%	114	186	82	216

West Lindsey District Council

Investment Risk and Rating Exposure

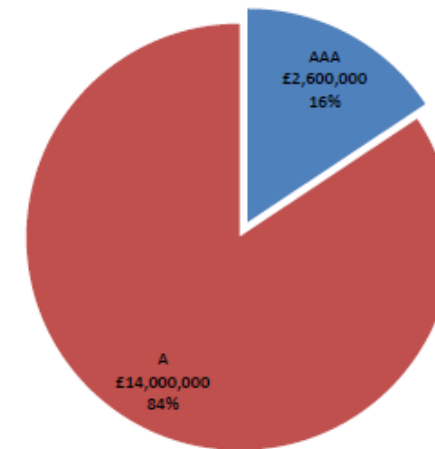
Investment Risk Vs. Rating Categories



Historic Risk of Default

Rating/Years	<1 year	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs
AA	0.007%	0.024%	0.081%	0.158%	0.234%
A	0.067%	0.189%	0.356%	0.551%	0.775%
BBB	0.150%	0.460%	0.824%	1.257%	1.726%
Council	0.021%	0.000%	0.000%	0.000%	0.000%

Rating Exposure



Historic Risk of Default

This is a proxy for the average % risk for each investment based on over 30 years of data provided by Fitch, Moody's and S&P. It simply provides a calculation of the possibility of average default against the historical default rates, adjusted for the time period within each year according to the maturity of the investment.

Chart Relative Risk

This is the authority's risk weightings compared to the average % risk of default for "AA", "A" and "BBB" rated investments.

Rating Exposures

This pie chart provides a clear view of your investment exposures to particular ratings.

West Lindsey District Council

Monthly Credit Rating Changes

FITCH

Date	Update Number	Institution	Country	Rating Action
06/03/2017	1506	Nordea Bank AB	Sweden	Fitch Ratings downgraded the support rating to '5' from '2'.
06/03/2017	1506	Skandinaviska Enskilda Banken AB	Sweden	Fitch Ratings downgraded the support rating to '5' from '2'.
06/03/2017	1506	Swedbank AB	Sweden	Fitch Ratings downgraded the support rating to '5' from '2'.
06/03/2017	1506	Svenska Handelsbanken AB	Sweden	Fitch Ratings downgraded the support rating to '5' from '2'.
13/03/2017	1509	Deutsche Bank AG	Germany	Affirmed Long Term Rating 'A-' and removed from 'Negative Watch' and placed on 'Negative Outlook'. Short Term Rating affirmed at 'F1' and removed from 'Negative Watch'. Viability Rating affirmed at 'a-' and removed from 'Negative Watch'.
21/03/2017	1511	KBC Bank NV	Belgium	Long Term Rating upgraded to 'A' from 'A-'. Outlook changed to 'Stable' from 'Positive'. Viability Rating upgraded to 'a' from 'a-'. Short Term Rating affirmed at 'F1'.
28/03/2017	1512	Norddeutsche Landesbank Girozentrale	Germany	Outlook changed to 'Negative' from 'Stable'. Viability Rating downgraded to 'bb' from 'bb+'. All other ratings were affirmed.

West Lindsey District Council

Monthly Credit Rating Changes

MOODY'S

Date	Update Number	Institution	Country	Rating Action
20/03/2017	1510	ING Bank NV	Netherlands	Outlook changed to 'Positive' from 'Stable'. All other ratings were affirmed.

West Lindsey District Council

Monthly Credit Rating Changes

S&P

Date	Update Number	Institution	Country	Rating Action
06/03/2017	1507	Qatar Sovereign Rating	Qatar	Affirmed the Sovereign Rating at 'AA'. Outlook changed to 'Negative' from 'Stable'
06/03/2017	1508	Qatar National Bank	Qatar	Affirmed the Long Term Rating at 'A+'. Affirmed the Short Term Rating at 'A-1'. Outlook changed to 'Negative' from 'Stable'.
29/03/2017	1513	Commerzbank AG	Germany	Long Term Rating upgraded to 'A-' from 'BBB+', removed from 'Positive Watch' and placed on 'Negative Outlook'. Short Term Rating affirmed at 'A-2' and removed from 'Positive Watch'.
29/03/2017	1513	Deutsche Bank AG	Germany	Long Term Rating upgraded to 'A-' from 'BBB+', removed from 'Positive Watch' and placed on 'Negative Outlook'. Short Term Rating affirmed at 'A-2'.
30/03/2017	1514	Svenska Handelsbanken AB	Sweden	Outlook changed to 'Stable' from 'Negative'. All other ratings were affirmed.

Draft Outturn Data by Cluster and Business Unit

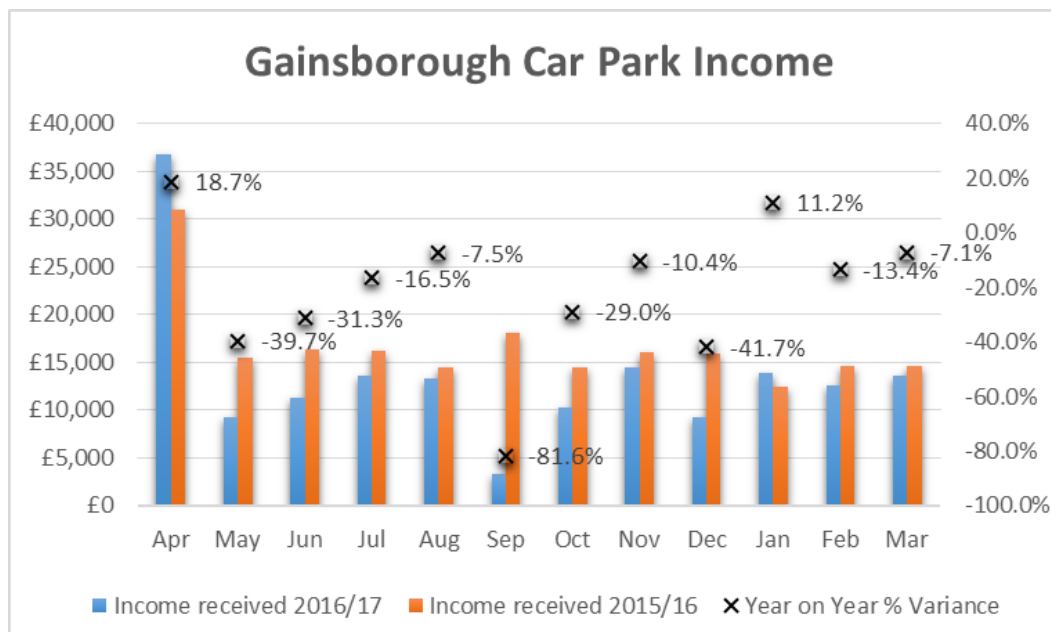
Cluster	Business Unit	2016/17 up to 31st March 2017 Budget £	2016/17 up to 31st March 2017 Actual £	2016/17 up to 31st March 2017 Variance £
Commercial	Commercial Trading	93,800	93,058	(742)
	Public Conveniences	72,500	67,318	(5,182)
	Street Cleansing	509,200	411,129	(98,071)
	Town Centre Markets	72,000	49,774	(22,226)
	Trade Waste	6,100	(24,710)	(30,810)
	Waste Management	1,781,300	1,930,681	149,381
Commercial Total		2,534,900	2,527,249	(7,651)
Corporate Management	Chief Executive	160,000	157,065	(2,935)
	Chief Operating Officer	109,300	110,262	962
	Commercial Director	207,400	225,235	17,835
	Director of Resources	110,600	112,567	1,967
Corporate Management Total		587,300	605,129	17,829
Customer First	Building Control	156,300	143,516	(12,784)
	Customer Services	537,800	484,914	(52,886)
	Debtors	27,200	21,214	(5,986)
	Food Safety	134,500	132,008	(2,492)
	Fraud	15,750	43,291	27,541
	Health and Safety	71,700	69,553	(2,147)
	Housing Benefits Admin	289,750	189,588	(100,162)
	Housing Benefits Payments	(195,300)	(128,348)	66,952
	Housing Benefits Projects	75,800	140,195	64,395
	Land Charges	50,800	(65,084)	(115,884)
	Licences - Community	(23,800)	(19,731)	4,069
	Local Tax Collection	297,700	285,969	(11,731)
	Parish Lighting	56,700	44,792	(11,908)
	Pest and Dog Control	23,700	26,170	2,470
	Pollution Control	115,300	122,712	7,412
	Support Services - Admin	28,800	41,007	12,207
Customer First Total		1,662,700	1,531,766	(130,934)
Democratic and Member Support	Civic Support	0	(709)	(709)
	Communications	122,200	91,810	(30,390)
	Corporate Management - Apprentices	59,800	45,638	(14,162)
	Corporate Management - Finance	856,400	695,800	(160,600)
	Democratic Representation	529,900	499,860	(30,040)
	Elections	8,400	8,396	(4)
	Financial Services	610,200	614,820	4,620
	Human Resources	252,400	241,537	(10,863)
	Legal Services	(200)	(93,554)	(93,354)
	Precepts	177,000	178,107	1,107
	Register of Electors	142,000	109,964	(32,036)
	Support Services - Corporate	189,600	158,998	(30,602)
Democratic & Member Support Total		2,947,700	2,550,667	(397,033)
Economic Development and Neighbourhoods	Community Action & Community Safety	345,800	314,697	(31,103)
	Development Management	(100,800)	(274,227)	(173,427)
	Economic Development	872,271	697,464	(174,807)
	Environmental Initiatives	78,800	75,785	(3,015)
	General Grants etc	675,000	647,428	(27,572)
	Neighbourhood Planning & Local Plans	312,000	311,023	(977)
	Planning Policy - Forward Planning	71,700	76,939	5,239
Economic Development and Neighbourhoods Total		2,254,771	1,849,108	(405,663)
Housing & Regeneration	Admin Buildings	283,100	274,151	(8,949)
	Car Parks	(132,700)	(92,885)	39,815
	Commercial Properties	(324,400)	(362,038)	(37,638)
	Community Action & Community Safety	125,100	143,084	17,984
	Culture, Heritage & Leisure	659,400	591,941	(67,459)
	Emergency Planning	16,000	13,486	(2,514)
	Environmental Initiatives	44,000	44,049	49
	Homelessness/ Housing Advice	330,500	326,233	(4,267)
	Housing Strategy	161,800	79,815	(81,985)
	Other Council Properties	(10,900)	(22,618)	(11,718)
	Private Sector Housing Renewal	(174,300)	(148,070)	26,230
	Property Services	260,800	230,315	(30,485)
	Tourism	45,700	44,195	(1,505)
Housing & Regeneration Total		1,284,100	1,121,657	(162,443)
Organisational Transformation	Business Improvement & Commercial Development	492,300	382,547	(109,753)
	Cemeteries and Churchyards	62,800	58,643	(4,157)
	ICT Services	236,200	242,428	6,228
	Parks & Open Spaces	56,000	26,973	(29,027)
	Systems Development	402,700	330,591	(72,109)
Organisational Transformation Total		1,250,000	1,041,182	(208,818)
BUSINESS UNIT CONTROLLABLE GRAND TOTAL		12,521,471	11,226,758	(1,294,713)

Corporate Accounting Total	2,211,050	1,892,481	(318,569)
Statutory Accounting Total	4,806,300	1,398,305	(3,407,995)
Movement in Reserves Total	(4,622,786)	(544,236)	4,078,550
Net Revenue Expenditure	14,916,035	13,973,308	(942,727)

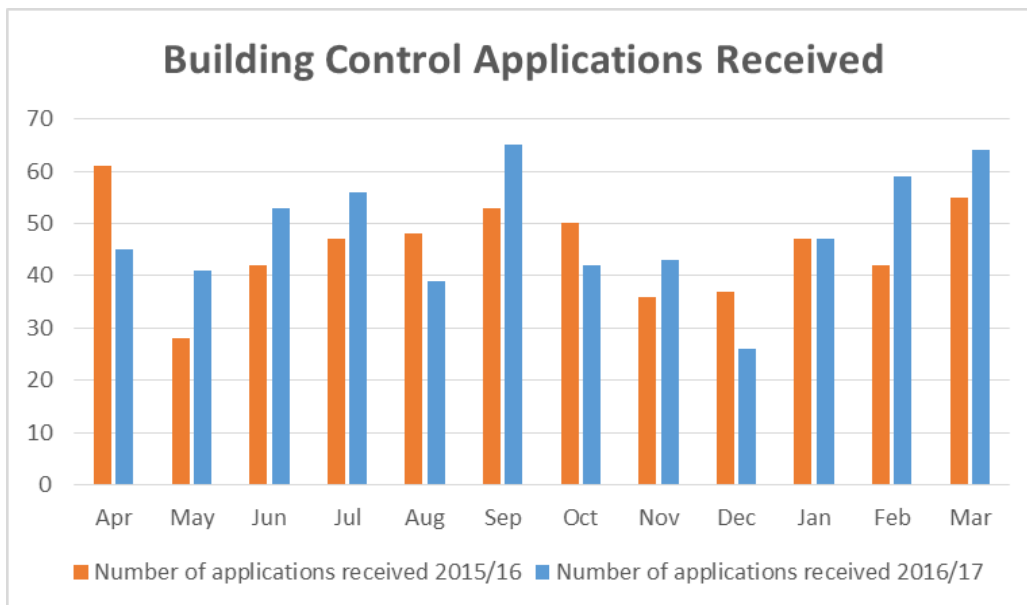
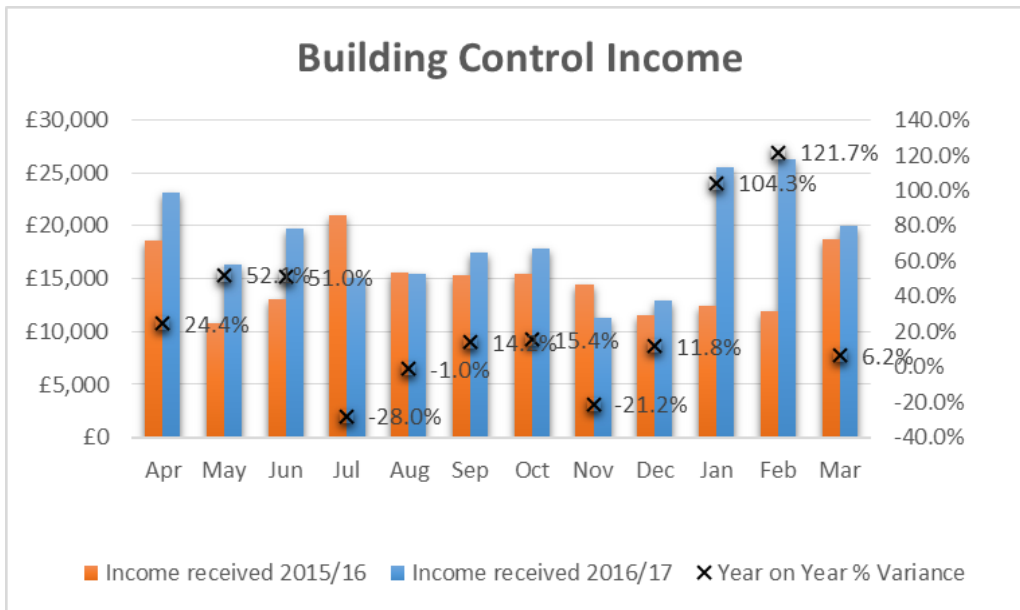
Funding Total	(15,331,035)	(15,446,829)	(115,794)
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(SURPLUS)/DEFICIT FOR THE YEAR	(415,000)	(1,473,521)	(1,058,521)
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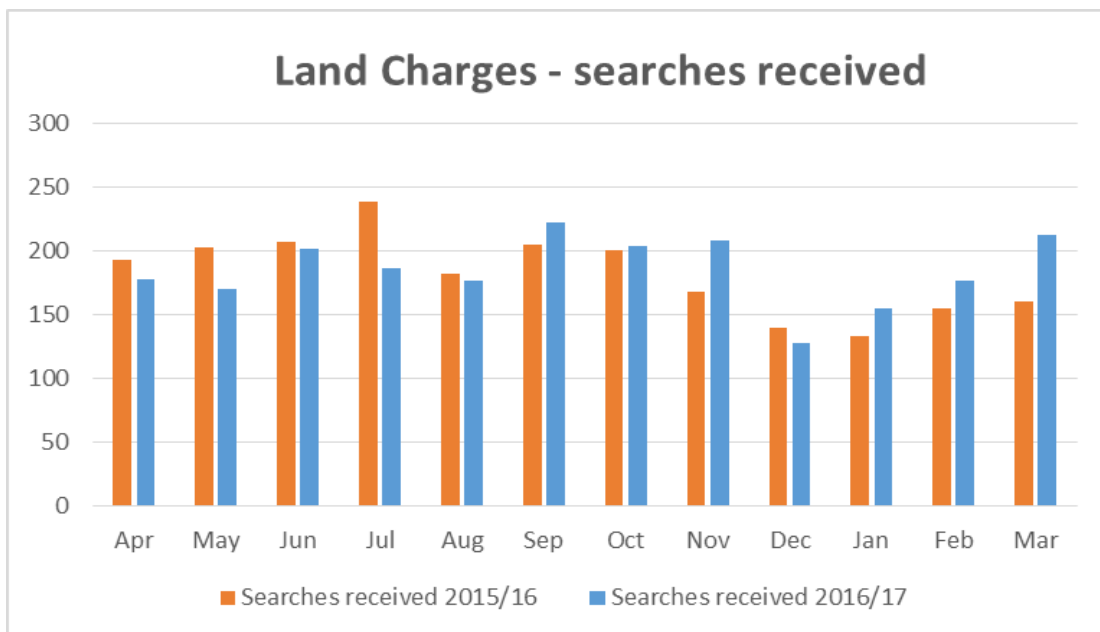
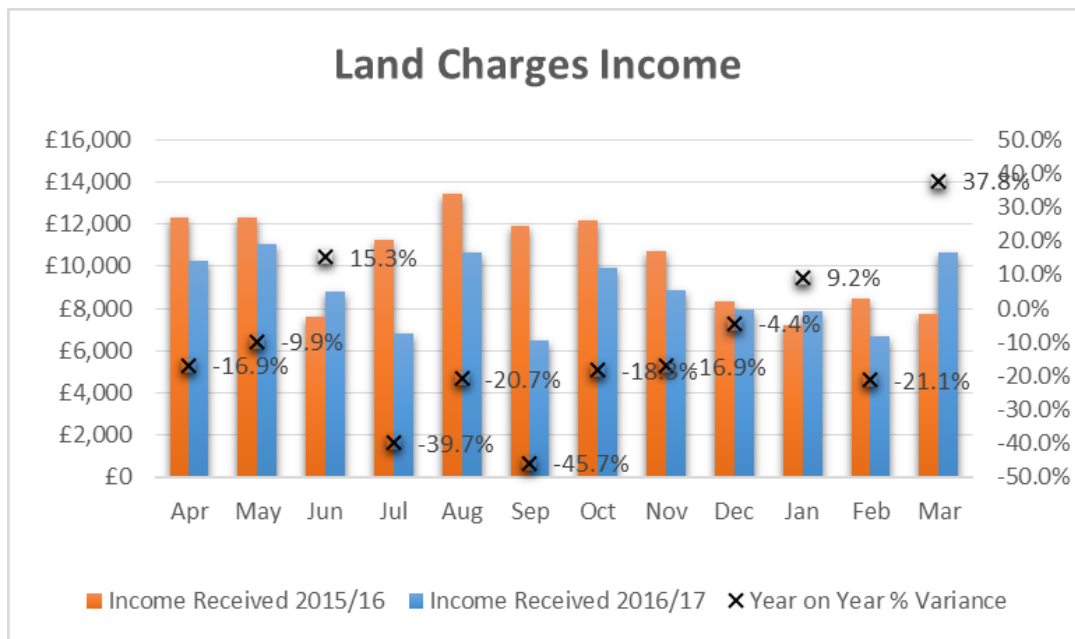
FEEES AND CHARGES ANALYSIS – BY INCOME & VOLUME PER MONTH



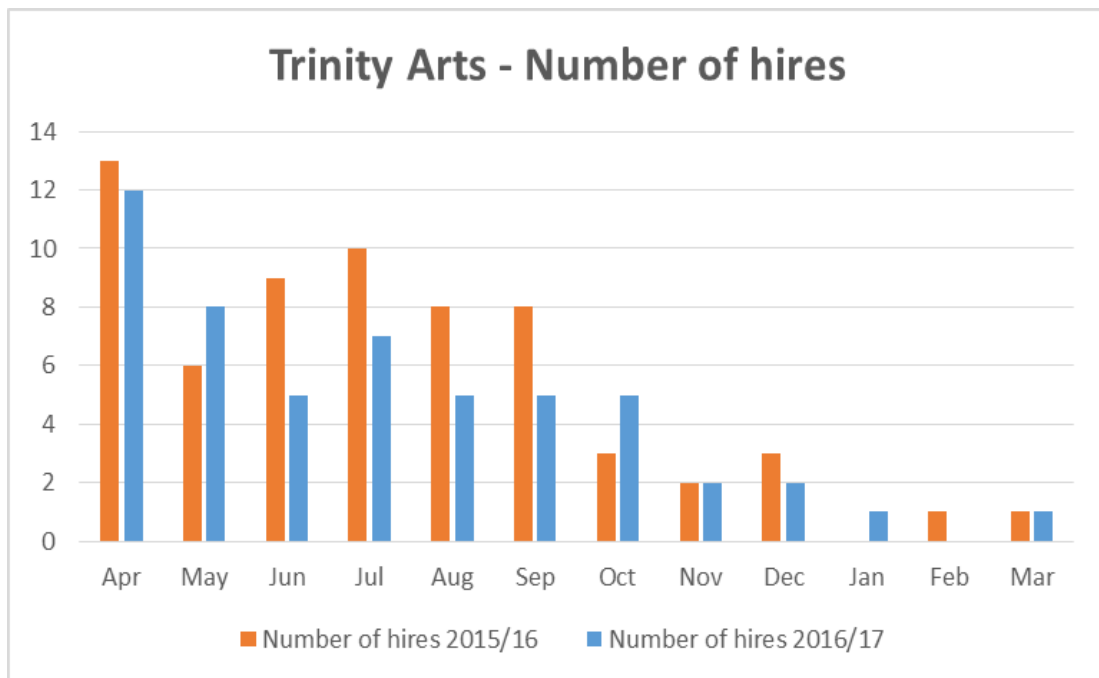
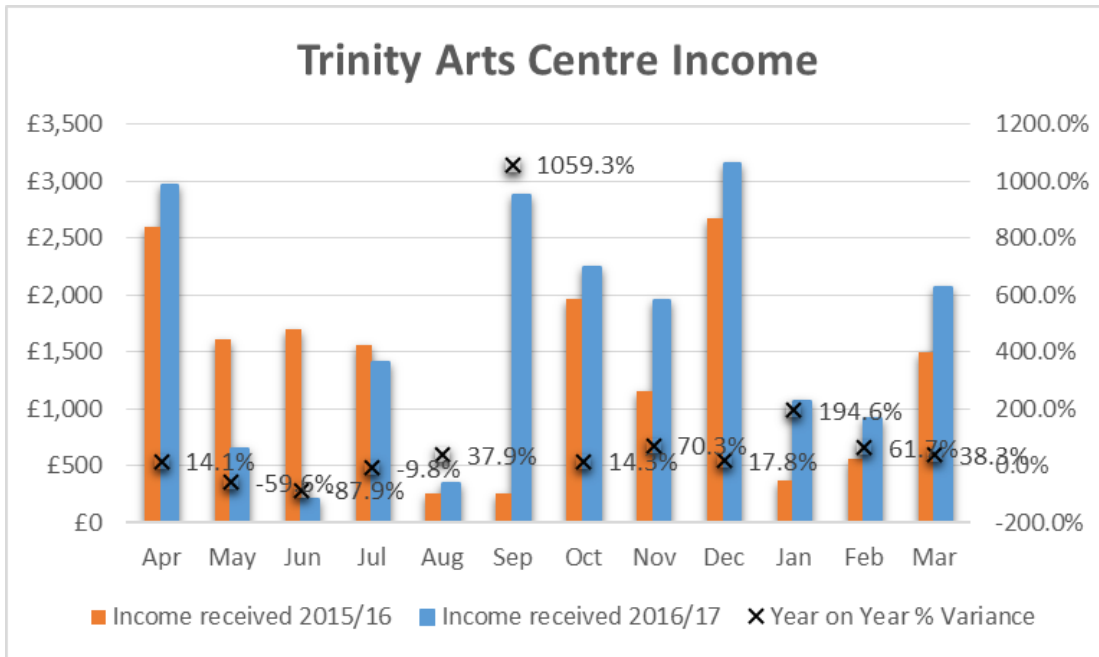
The figures at the start of each year are typically affected by when we receive the first payments for permits, particularly those paid for on a quarterly basis. This drives much of the variance. Overall we would expect the income to be less than 2015/16 as up to July we still had the multi storey car park. Whilst income has reduced across the two years it is actually exceeding the budget indicating that we retained more of the customers than we expected. Further reductions are reflected due to our charging policy change in August this year.



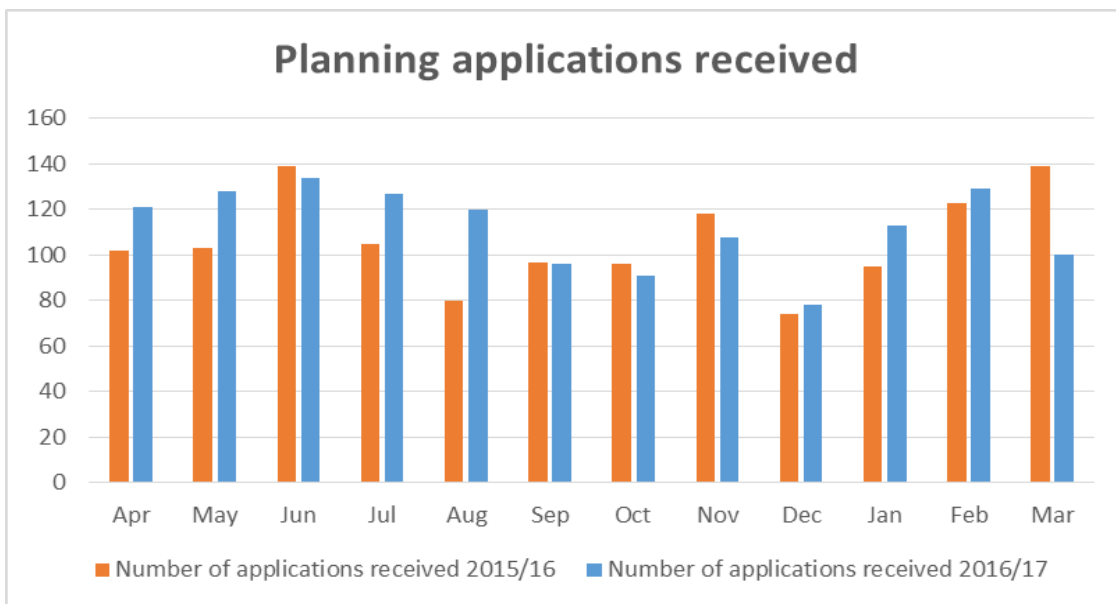
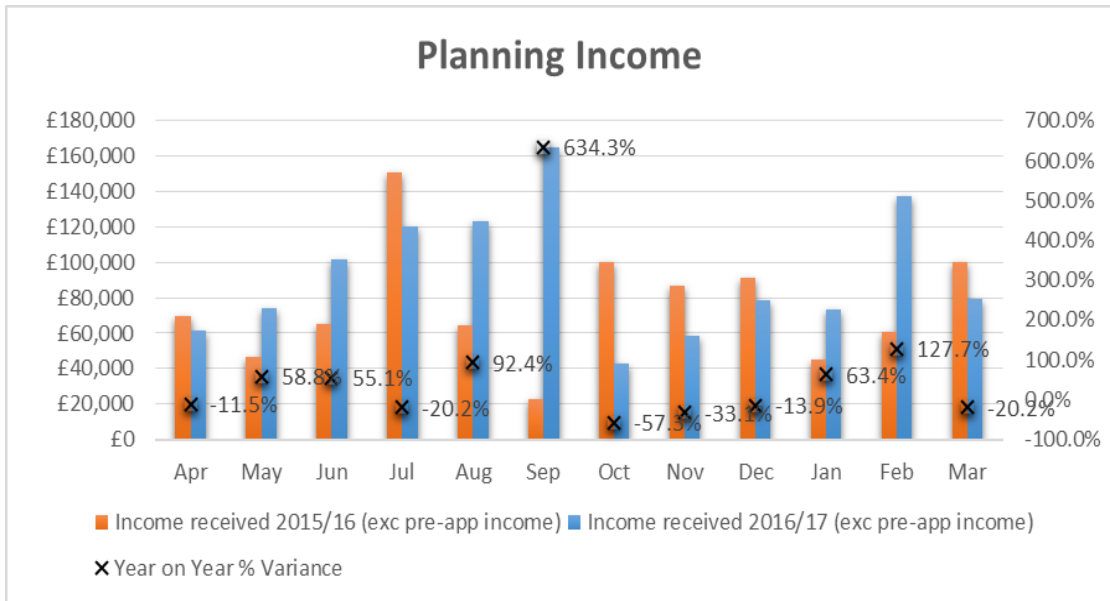
The Council is continuing to make significant investment in the Building Control service to equip the team so it may compete effectively in the wider market over the next 5 years, whereas for the past 3 years West Lindsey Building Control have been focusing on improving & developing its services, through building relationships, improving reputation & raising the profile of the team.



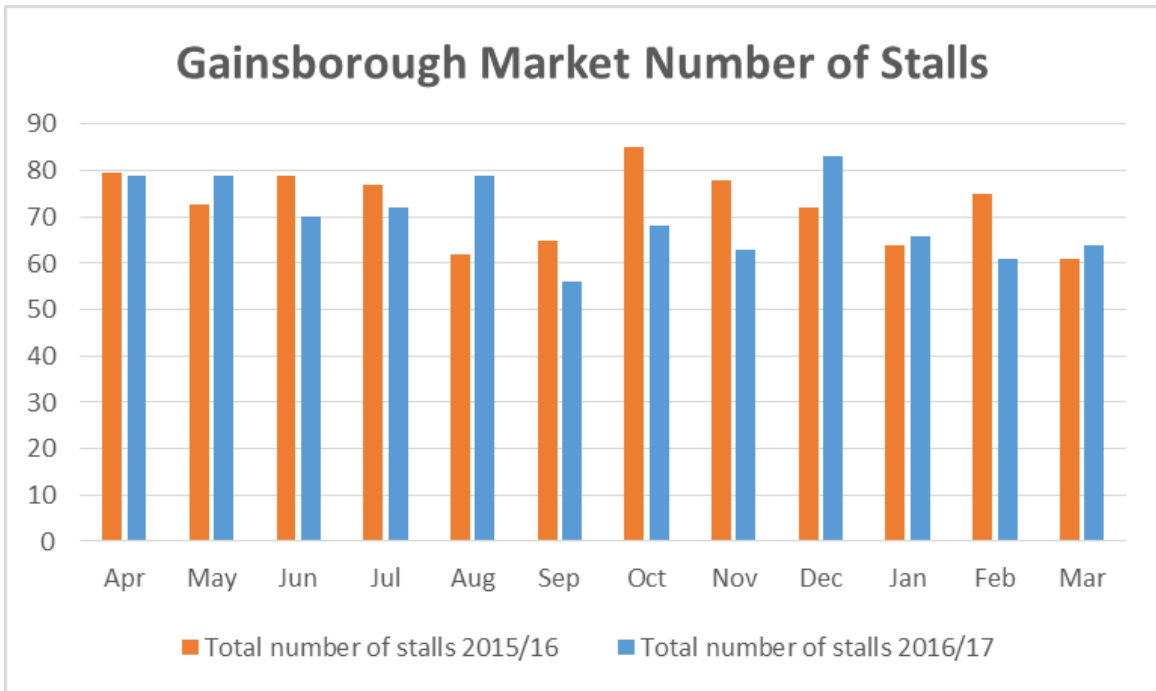
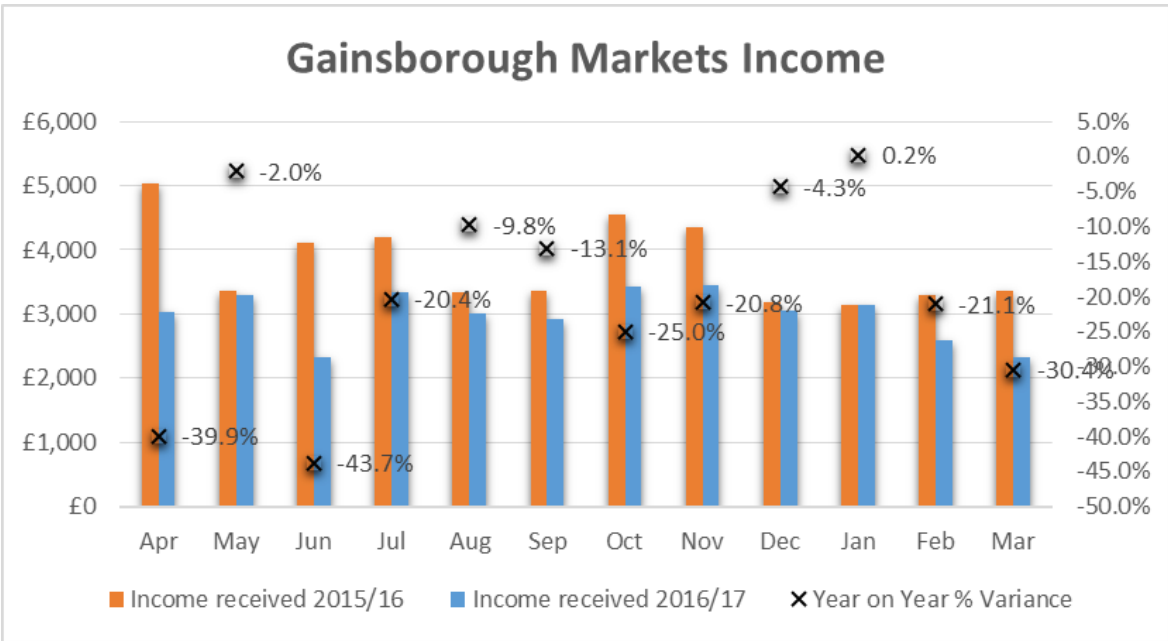
The land charges service is currently going through a major change in the way it delivers the service to customers by implementing an automated system. Transitional arrangements have been made for this process to take place, however whilst the new system is being purchased, the data transferred and the process tested, the time taken to complete searches will take longer due to staff having to focus on both the implementation of the new process whilst simultaneously processing searches on the current system.



This is not a true reflection of the performance of Trinity Arts Centre as the fees and charges element relates to a small percentage of the overall business. Performances are booked on the most advantageous terms possible, sometimes this is on a hire basis and sometimes on a split of income. The programme is put together on the best offer at the time and the important information to collect and monitor is the surplus generated by the performances ensuring a positive effect on the bottom line rather than a loss.



The number of new applications has dipped slightly during quarter 3 but still remains above the longer term average. This is not unexpected as the development industry tends to contract during the winter months and during periods of relative economic uncertainty, such as was experienced in Q3 due to the Autumn Statement. As previously reported the section remains on track to exceed all budget targets and the quantum of new applications received at the start of quarter 4 confirms this trend continues.



Market income down compared with last year in line with trends of recent years. A business case for an in-house improvement plan was approved by Prosperous Communities Committee in September, further work is required before any planned changes made.

Adjustment to Fees and Charges for Licensing

As a result of a European Court of Justice ruling in November 2016, we now need to change the way in which we set our fees for licensing functions which are within scope of the EU Services Directive 2006/123/EC which is given effect by the Provision of Service Regulations (SI 2009/2999). Transport (Taxis & Private Hire) & Gambling are specifically out of scope and all of the alcohol licence fees are currently set by statute.

The court case(s) in relation to this matter is commonly referred to as Hemmings & Others V Westminster City Council, whereby Hemmings challenged the Council on how the fees for sex establishments were levied and what could be justifiably included within the fees? The matter went to the Supreme Court who made their ruling whilst also asking the European Court to clarify how fees should be demanded?

The end result of this case is that basically, we now have to split fees, one payable on application to cover the cost for the administration and formalities of the application, be it grant or renewal. The second fee, is to cover the cost of issuing a licence and the subsequent monitoring to ensure compliance, management and enforcement can be charged and be a condition of grant.

Out of the numerous remaining fees we set, the areas that we consider the split fee system are to be applied to currently, are scrap metal sites and scrap metal collectors.

For the avoidance of doubt the total fees in this area to be charged is not increased, it is just split to separate the administration and compliance elements, broadly speaking.

To retain the current system (and do nothing) would mean that the council would not be complying with the Directive or Regulations.

Please see tables below to show the changes:

Before:

Prosperous Communities Committee		Licensing						
	2016/17 £	Proposed Increase		2017/18 £	VAT Amount £	2017/18 Charge Inc. VAT £	VAT Rate	
		% Type	or £					
Scrap Metal								
New Collectors fee - 3 yr	£199.00	0.00%	£0.00	£199.00	£0.00	£199.00	OS	
Collectors fee renewal - 3 yr	£199.00	0.00%	£0.00	£199.00	£0.00	£199.00	OS	
Change details, name/address	£100.00	0.00%	£0.00	£100.00	£0.00	£100.00	OS	
New Site fee - 3 yr	£1,298.00	0.00%	£0.00	£1,298.00	£0.00	£1,298.00	OS	
Renewal - 3 yr	£1,298.00	0.00%	£0.00	£1,298.00	£0.00	£1,298.00	OS	
Change of site manager	£70.00	0.00%	£0.00	£70.00	£0.00	£70.00	OS	

After:

Prosperous Communities Committee		Licensing									
	2016/17 £	Proposed Increase		2017/18 £	VAT Amount £	2017/18 Charge Inc. VAT £	VAT Rate				
		% Type	or £								
Scrap Metal											
New/Renewal Collectors fee - 3 yr				Admin/processing of application	£199.00	0.00%	£0.00	£94.00	£0.00	£94.00	OS
				Document inspection - year 1	£0.00	0.00%	£0.00	£35.00	£0.00	£35.00	OS
				Document inspection - year 2	£0.00	0.00%	£0.00	£35.00	£0.00	£35.00	OS
				Document inspection - year 3	£0.00	0.00%	£0.00	£35.00	£0.00	£35.00	OS
Change details, name/address	£100.00	0.00%	£0.00	£100.00	£0.00	£100.00	OS				
New/Renewal Site fee - 3 yr				Admin/processing of application + initial	£1,298.00	0.00%	£0.00	£370.00	£0.00	£370.00	OS
				Follow up inspection - year 1	£0.00	0.00%	£0.00	£232.00	£0.00	£232.00	OS
				2 x Annual inspection - year 2	£0.00	0.00%	£0.00	£464.00	£0.00	£464.00	OS
				Annual inspection - year 3	£0.00	0.00%	£0.00	£232.00	£0.00	£232.00	OS
Change of site manager	£70.00	0.00%	£0.00	£70.00	£0.00	£70.00	OS				

APPENDIX C

Amended Fees and Charges for Planning Applications

The highlighted lines in the following table are set by Government and have been amended to reflect the latest Government charging instructions.

Prosperous Communities Committee		Planning Applications						
		Current Net Charge	Proposed Increase		Proposed Net Charge	VAT Amount	Total Charge Incl VAT	VAT rate included
		2016/17 £	%	or £	2017/18 £	£	2017/18 £	
Outline Applications								
All types of building Per 0.1 ha for sites up to and including 2.5 ha		£385.00			£385.00	£0.00	£385.00	OS
All types of building - for each 0.1 in excess of 2.5, £9527 plus for each additional 0.1 ha to a maximum of £125,000		£115.00			£115.00	£0.00	£115.00	OS
Full Applications and Applications for Approval of Reserved Matters following an Outline Permission								
Alterations/extensions to existing Dwellings		£172.00			£172.00	£0.00	£172.00	OS
Erection of dwelling (up to and including 50)		£385.00			£385.00	£0.00	£385.00	OS
Alterations/extensions to two or more dwellings including works within boundaries		£339.00			£339.00	£0.00	£339.00	OS
Other buildings	Less than 40 m ² floor space created	£195.00			£195.00	£0.00	£195.00	OS
	Between 40 and 75 m ² floor space created	£385.00			£385.00	£0.00	£385.00	OS
	Every additional 75 m ² up to 3750 m ²	£385.00			£385.00	£0.00	£385.00	OS
	Over 3750 m ² , £19,049 plus for each additional 75 m ² (Maximum fee £250,000)	£115.00			£115.00	£0.00	£115.00	OS
Plant or machinery where site does not exceed 5 ha; per 0.1 ha		£385.00			£385.00	£0.00	£385.00	OS
	Over 5 ha £19,049 plus for each additional 0.1 ha (Maximum fee £250,000)	£115.00			£115.00	£0.00	£115.00	OS
Agricultural Buildings								
Less than 465 m ² floor space created		£80.00			£80.00	£0.00	£80.00	OS
Between 465 > 540 m ²		£385.00			£385.00	£0.00	£385.00	OS
Between 540 > 4215 m ² , £385 for the first 540 m ² then per additional 75 m ²		£385.00			£385.00	£0.00	£385.00	OS
Over 4215 m ² , £19,049 then per additional 75 m ² (Maximum fee £250,000)		£115.00			£115.00	£0.00	£115.00	OS
Glasshouses								
No more than 465 sq m floor space created		£80.00			£80.00	£0.00	£80.00	OS
More than 465 sq m floor space created		£2,150.00			£2,150.00	£0.00	£2,150.00	OS
Changes of use								
Buildings or land, including caravan sites		£385.00			£385.00	£0.00	£385.00	OS
A building to more than one dwelling where no. of dwellings 50 or less; per dwelling		£385.00			£385.00	£0.00	£385.00	OS
A building to more than one dwelling where no. of dwellings more than 50; £19,049 then for each dwelling in excess of 50 (Maximum fee of £250,000)		£115.00			£115.00	£0.00	£115.00	OS
Refuse or waste disposal where site area less than 15 ha; per 0.1 ha		£195.00			£195.00	£0.00	£195.00	OS
Refuse or waste disposal where site area exceeds 15 ha, £29,112 then for each 0.1 ha in excess of 15 ha (Maximum Fee £65,000)		£115.00			£115.00	£0.00	£115.00	OS
Other material change of use of building or land		£385.00			£385.00	£0.00	£385.00	OS

APPENDIX C

Amended Fees and Charges for Planning Applications – continued

No Buildings created							
Ancillary to a dwelling	£172.00			£172.00	£0.00	£172.00	OS
Car parks, service roads, accesses at existing developments	£195.00			£195.00	£0.00	£195.00	OS
Exploratory drilling for oil/gas where site area does not exceed 7.5 ha; per 0.1 ha	£423.00			£423.00	£0.00	£423.00	OS
Exploratory drilling for oil/gas where site area exceeds 7.5 ha, £31,725 then for each 0.1 ha in excess of 7.5 ha (Maximum fee £250,000)	£126.00			£126.00	£0.00	£126.00	OS
Other operations - minerals working - site area does not exceed 15 ha; Per 0.1 ha	£195.00			£195.00	£0.00	£195.00	OS
Other operations - minerals working - site area exceeds 15 ha; £29,112 then for each 0.1 ha in excess of 15 ha (Maximum fee £65,000)	£115.00			£115.00	£0.00	£115.00	OS
Other operations - non-minerals related, per 0.1 ha (Maximum fee £1,690)	£195.00			£195.00	£0.00	£195.00	OS
Advertisements							
Relating to the business on the premises	£110.00			£110.00	£0.00	£110.00	OS
Advance direction signs to a business	£110.00			£110.00	£0.00	£110.00	OS
Other advertisements	£385.00			£385.00	£0.00	£385.00	OS
Prior Notifications and Approvals							
Agriculture, forestry or demolition proposals	£80.00			£80.00	£0.00	£80.00	OS
Telecommunications	£385.00			£385.00	£0.00	£385.00	OS
Proposed change of use to state funded school or registered nursery	£80.00			£80.00	£0.00	£80.00	OS
Proposed change of use of Agricultural building to a flexible use within Shops, Financial and Professional services, Restaurants and Cafes, Business, Storage or Distribution, Hotels or Assembly or Leisure	£80.00			£80.00	£0.00	£80.00	OS
Proposed change of use of a Building from Office use to a dwellinghouse	£80.00			£80.00	£0.00	£80.00	OS
Proposed change of use of Agricultural building to a dwellinghouse where there are no associated building operations	£80.00			£80.00	£0.00	£80.00	OS
Proposed change of use of Agricultural Building to a dwellinghouse and associated building operations	£172.00			£172.00	£0.00	£172.00	OS
Proposed change of use of a building from retail or mixed use retail and residential use to a dwellinghouse where there are no associated building operations	£80.00			£80.00	£0.00	£80.00	OS
Proposed change of use of a building from retail or mixed use retail and residential use to a dwellinghouse and associated building operations	£172.00			£172.00	£0.00	£172.00	OS
Other Applications							
Renewal of temporary permission	£195.00	The equivalent planning application fee					OS
Variation or removal of a condition	£195.00			£195.00	£0.00	£195.00	OS
Lawful Development Certificates - Existing development	The equivalent planning application fee						OS
- Proposed development	Half the equivalent application fee						OS
High Hedges Complaints Application	£307.20			£307.20	£0.00	£307.00	OS

REVENUE CARRY FORWARDS – APPROVED BY GCLT 24.03.17

BASE BUDGET C/FWDS APPROVED BY GCLT 24.03.17			Yr End	
Committee	Cluster	Business Unit	£	Purpose of Bid
PC	Customer First	Building Control	2,700	To assist with new Building Control IT expenditure.
PC	Customer First	Building Control	5,000	Building Control - commercial carried forward to support operations in 17/18.
PC	Customer First	Customer Services	7,200	Project budget not fully spent. Will be needed in 2017/18.
PC	Customer First	Parish Lighting	10,000	To fund additional backfill needed for new IT system as budget allocated as per business plan has been used.
PC	Customer First	Land Charges	22,500	To fund additional backfill needed for new IT system as budget allocated as per business plan has been used.
CP&R	Democratic & Business Support	Democratic Representation	10,000	Further member training expected next financial year.
CP&R	Democratic & Business Support	Democratic Representation	2,500	Civic Responsibilities - c/fwd. request due to Community Awards taking place in April.
PC	Economic Development and Neighbourhoods	Economic Development	8,000	Needed to support regeneration project sin 2017/18.
PC	Housing and Regeneration	Homelessness/ Housing Advice	6,200	Unspent contributions towards LHSG co-ordinator & strategy project
PC	Housing and Regeneration	Homelessness/ Housing Advice	4,400	Delays with system upgrade that was planned for 16/17 - to be implemented 17/18.
PC	Organisational Transformation	Cemeteries and Churchyards	10,000	Dry stone wall project not going to happen in 2016/17 due to surveying delays. Project slipped into 2017/18.
TOTAL			88,500	

CARRY FORWARDS – UNSPENT GRANT FOR SPEND IN 2017/18

GRANTS			Yr End	
Committee	Cluster	Business Unit	£	Purpose of Carry Forward
PC	Economic Development and Neighbourhoods	Economic Development	10,100	DCLG Grant - Hemswell Cliff (FEZ)
TOTAL			10,100	

APPENDIX D

REVENUE CARRY FORWARDS – APPROVED DURING YEAR BY COMMITTEE/BOARDS

BASE BUDGET C/FWDS APPROVED IN YEAR			Yr End	
Committee	Cluster	Business Unit	£	Purpose of Carry Forward
PC	Customer First	Building Control	17,100	Underspend on staffing backfill needed in 17/18 - funded from Board Budgets in 2016/17.
PC	Customer First	Customer Services	2,200	Purchase of vending machines - allocation of Business Plan development budgets small investments approved by GCLT 15.03.16. Purchase to take place 2017/18.
CP&R	Democratic & Member Support	Corporate Management - Finance	83,900	Any Board Budget savings will be carried forward. Original funding from Earmarked Reserves.
CP&R	Democratic & Member Support	Legal Services	10,000	Legal advice for Lincolnshire Wellbeing Service Commissioning District wide scheme - subject to Prosperous Communities Committee approval of scheme.
PC	Economic Development and Neighbourhoods	Economic Development	16,200	Operational budget for Place Board - funded from Growth Fund in 2016/17.
PC	Economic Development and Neighbourhoods	Economic Development	5,900	Operational budget for Place Board - funded from Growth Fund in 2016/17.
PC	Housing and Regeneration	Housing Strategy	49,000	Selective Licensing - to fund post in 17/18 and 6mths in 18/19. Approved by GCLT 07.02.17
PC	Housing and Regeneration	Housing Strategy	25,000	To fund temporary additional staffing in Housing Renewal team. Approved by GCLT 07.02.17
TOTAL			209,300	

APPENDIX D

REVENUE CARRY FORWARDS – UNSPENT USE OF EARMARKED RESERVES APPROVED IN YEAR BY COMMITTEE/BOARDS

USE OF EARMARKED RESERVES			Yr End		
Committee	Cluster	Business Unit	£	Purpose of Carry Forward	EMR
PC	Customer First	Land Charges	7,200	Funding for backfill needed to support IT system implementation, part of the approved spend to be incurred in 2017/18.	Business Improvement & Transformation
PC	Economic Development and Neighbourhoods	General Grants etc.	18,500	Grants - £30k approved over 2 years for X-Church project. Balance at year end to be c/fwd.	Support for vulnerable communities
PC	Economic Development and Neighbourhoods	Economic Development	6,100	Economic & Tourism - to support Equality Impact Assessments (EIA)	Outcomes & Outputs of Gainsborough Masterplan
PC	Economic Development and Neighbourhoods	Economic Development	40,400	Economic & Tourism - use of EMR for legal procurement. Project spans financial years.	Investment for Growth Fund
PC	Economic Development and Neighbourhoods	Economic Development	11,900	Economic & Tourism - to be used to contribute towards Lidl crossing on Beaumont Street.	Outcomes & Outputs of Gainsborough Masterplan
PC	Economic Development and Neighbourhoods	Economic Development	34,000	Housing Zone - Local Development Order (LDO) project.	Unapplied Grants (Local Development Order)
PC	Economic Development and Neighbourhoods	General Grants etc.	0	Community Defibrillator Scheme - required for spend on equipment in 2017/18.	Community Grant Scheme
PC	Economic Development and Neighbourhoods	Community Action & Community Safety	10,100	Enterprising communities - legal costs. Hemswell Cliff Masterplan: Project spans financial years.	Investment for Growth Fund
PC	Housing and Regeneration	Culture, Heritage & Leisure	50,000	Dry leisure facility development - project spend to be incurred in 2017/18.	Invest to Earn Commercial Returns
PC	Housing and Regeneration	Culture, Heritage & Leisure	23,500	Works identified in the Carbon management plan to be actioned in 2017/18.	Carbon Reduction
PC	Housing and Regeneration	Community Action & Community Safety	4,100	Community Payback Scheme (GCLT 11.03.16)	Community Payback Scheme
PC	Housing and Regeneration	Housing Strategy	10,000	Selective Licensing - to fund post in 17/18 and 6mths in 18/19.	Invest to Earn commercial returns
TOTAL			215,800		

CAPITAL CARRY FORWARD REQUESTS

Corporate Priority	Capital Scheme	£	Reason for Request
Prosperous & Enterprising	Strategic Housing - Empty Homes	900	This budget has been utilised to finalise the remaining work needed on the Council's empty properties and CPOs as well as provide the final payment for the delivery of the Gainsborough Foyer. Any funding not spent to be c/fwd. into 17/18.
Excellent VFM Services	Replacement Refuse Freighters	80,600	Carry forward of remaining balance requested to continue vehicle replacement programme.
Excellent VFM Services	Civic Enhancements	10,500	Webcasting project is now complete. Modern.gov is still progressing and will require £10.5k to be carried forward into 17/18.
Excellent VFM Services	Website Replacement (CMS)	10,800	Project delivered under budget, two invoices still outstanding therefore request that £10,800 is carried forward.
Excellent VFM Services	CRM System	10,000	The CRM project has been subsumed into the Closer to the Customer Programme; and has been delayed in order to define the 'reason for change' and to understand the scope of transformation expected under the programme. This work has identified a number of technology improvements required, and the procurement of such technology will now be co-ordinated to ensure that the right solution is procured for the wider transformation technology needs, including our commercial customer management aspirations. As a result, procurement exercises have been delayed until 2017-18 and hence it is requested that the capital allocation is carried forward into 2017/18.
Excellent VFM Services	Replacement Planning/Building Control/Land Charges System	115,400	All anticipated costs are to be carried forward due to delays in starting the project, except for 1st milestone payment which was made in October 2016.
Central Lincolnshire Local Plan	Market Street - Joint Venture	250,000	Significant regeneration programme, schemes under development.
Central Lincolnshire Local Plan	Private Sector Housing Market Renewal - survey	100,000	Scheme being developed to ensure spend of budget. Unlikely that all budget will be allocated in year, therefore a carry forward request will be required to ensure that budget is available in future years.
Central Lincolnshire Local Plan	Infrastructure Delivery Plan	50,000	Significant regeneration programme, schemes under development.
Asset Management	Hemswell Masterplan - Public Realm Improvements	20,000	Final plans re: infrastructure improvements within regeneration programme have been developed in 16/17 but no actual spend. Way forward to be established first quarter 17/18 associated work to then follow, carry forward requested for balance.
Asset Management	Commercial Investment - Property Portfolio	5,000,000	Committee agreed on the 13th April to spend the full £20m ASAP, Director of Resources to decide case by case, on borrowings versus reserves to cash flow. Full carry forward requested.
Asset Management	Loan Advances	390,000	Business case approved, scheme under development but unlikely to commence this financial year capital budget slipped to 2017/18. Loan advance of £30k drawn down.
Asset Management	Carbon Management Plan	20,000	Street lighting and carbon management plan investigations are still ongoing regarding suitability of lamps, obtaining quotations (possible framework available) c/fwd. requested. Meeting held with LCC who advised we require a Street Lighting Policy.
Asset Management	Capital Enhancements to Council Owned Assets	306,700	C/fwd. all underspend - Repairs slippage on the programme due to lack of staff resources, Heapham Road - tenant not found yet and monies to provide infrastructure works as an incentive. Resurfacing car parks works came in overpriced so specification is to be reduced and retendered. £80k saving on Trinity Arts Roof due to successful grant funding.
Open for Business	Rural Broadband (BDUK)	555,000	Currently in negotiations with LCC regarding final contract price.
	TOTAL	6,919,900	

CAPITAL CLAWBACK REQUESTS**CAPITAL CLAWBACK REQUESTS:**

Corporate Priority	Capital Scheme	£
Central Lincolnshire Local Plan	Gainsborough Growth	46,800
Asset Management	5-7 Market Place	43,000
Central Lincolnshire Local Plan	Food Enterprise Zone Infrastructure	10,800
	TOTAL	100,600