



**Corporate Policy and Resources
Committee**

10th May 2018

**Subject: Budget and Treasury Management Monitoring – Period 4 2017/18
including Treasury Mid-Year Report.**

Report by:	Director of Resources (S151) Ian Knowles
Contact Officer:	Tracey Bircumshaw Finance and Business Support Manager (Deputy S151) 01427 676560 tracey.bircumshaw@west-lindsey.gov.uk
Purpose / Summary:	This report sets out the revenue, capital and treasury management activity from 1 April 2017 to 31 March 2018

RECOMMENDATION(S):

- a) That Members accept the draft out-turn position of a £150k net contribution to reserves as at 31 March 2018. (1.1).
- b) That Members note the Revenue budget carry forwards of £806k approved in year (Appendix A).
- c) Members agree that any further surplus variances be transferred to the Business Rates Volatility Reserve or General Fund Balance.
- d) Members approve the 2017/18 use of Earmarked Reserves of £118.9k. (1.5.1).
- e) Members note the 2017/18 use of Earmarked Reserves during the quarter approved by the Director of Resources using Delegated powers. (1.5.2).
- f) Members note the 2018/19 use of Earmarked Reserves approved by the Director of Resources using Delegated powers. (1.5.3).
- g) Members approve the Capital budget carry forwards of £6,010k (12.3) and they accept the Capital out-turn position of £6,534k.

- h) Members accept the Commercial Income position.
- i) Members approve the amendments to fees and charges detailed within Appendix C.
- j) That Members accept the Treasury Management and Prudential Indicators to 31 March 2018.

IMPLICATIONS

Legal: None arising as a result of this report.

Financial FIN/7/19

The draft revenue out-turn position for 2017/18 is currently reflecting a net contribution to reserves of £150k as at 31 March 2018, this is after approved carry forwards of £806k, and carry forward requests, approved by Management Team, of £70k detailed at Appendix A. The surplus balance to be returned to the General Fund balance.

We have yet to finalise the accounting for Business Rates and it is proposed any variance to budget will be transferred to the Business Rate Volatility Reserve.

The items with significant variances are contained within this report at 1.1.

The revised Capital budget 2017/18 totalled £12,719k and the final out-turn position is £6,534k of which carry forward requests total £5,977k with the remaining balance of £208k being underspends against the schemes.

The Treasury Management activities during the reporting period are disclosed in the body of this report. Average investments for the Year were £20.915k (Quarter 4 £18.137m) which achieved an average rate of interest of 1.215% (1.16% April-December) and actual income of £262.645k

There has been no external borrowing undertaken.

There has been one breach of Treasury and Prudential Indicators.

As reported at the January meeting of this committee a breach in the maximum amount invested in Certificates of Deposit was made on the 23 January 2018. In error an investment of £1m for a period of 1 month has taken the total amount invested to £2.5m, £0.5m above the approved limit of £2m. This investment has now matured and returned with interest to the Council. An investigation has been undertaken, procedures were found to be robust, therefore appropriate actions have been taken.

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

REVENUE BUDGET MONITORING PERIOD 4 (Forecast out turn for 2017/18)

- 1 The Revenue Budget forecast out-turn currently stands at a net contribution to reserves of £150k as detailed in the table below;

Draft Outturn Data by Cluster

	2017/18 up to 31st March 2018 Budget £	2017/18 up to 31st March 2018 Actual £	2017/18 up to 31st March 2018 Variance £
SERVICE CLUSTER			
People	4,891,400	4,608,089	(283,311)
Places	995,700	1,149,071	153,371
Policy and Resources	5,125,799	4,548,087	(577,712)
Controllable Total	11,012,899	10,305,247	(707,652)
Corporate Accounting:			
Interest and Investment Income	(220,200)	(271,568)	(51,368)
Interest Payable	398,300	6,711	(391,589)
Precepts and Levies	2,210,787	2,210,774	(13)
Statutory Accounting:			
Capital Expenditure Charged to General Fund	5,438,000	1,786,355	(3,651,645)
Movement in Reserves:			
To / (From) General Fund	(1,734,400)	(773,040)	961,360
Use of Specific Reserves	(8,104,000)	(4,462,455)	3,641,545
Contribution to Specific Reserves	4,269,700	4,499,248	229,548
Repayment of Borrowing	195,900	95,872	(100,028)
Net Revenue Expenditure	13,466,986	13,397,145	(69,841)
Funding Total	(13,466,986)	(13,546,931)	(79,945)
NET SUBSIDY FROM / (CONTRIBUTION) TO RESERVES FOR THE YEAR	0	(149,786)	(149,786)

1.1 The significant movements being;

EXPENDITURE	£000	Direction of Travel
BUDGET UNDERSPENDS		
Salary savings.	-£119	↓
Health Insurance premium reduced due to reducing payroll.	-£14	↔
Fuel - forecast saving based on current fuel prices and previous year usage. Approved by Management Team as a contribution towards Depot Health & Safety works.	-£21	↓
Planning project budget - contract costs less than expected.	-£45	↑
LCC Audit fees - reduced charge due to less days delivered.	-£14	new
Leisure Procurement project drawing to a close-budget not required.	-£20	↔
Board budget savings - return to General Fund balances.	-£88	new
Base budget review after actual outturn savings.	-£49	↔
Insurance renewal contract saving.	-£32	↔
PRESSURES		
Market Rasen Depot construction work - Health, Safety & Welfare issues - to be funded from savings on fuel.	£50	↔
Various forecast outturn variances <£10k	£104	↓
	-£248	

INCOME	£000	Direction of Travel
BUDGETED INCOME EXCEEDED		
Business Improvements - provision of services to other Authorities.	-£21	↔
Housing Benefits - DWP grants for extra work carried out in year.	-£79	↑
Elections - Grants from Cabinet Office to support elections work which has been carried out within existing budget provision.	-£15	↔
Estimated share of Legal Services surplus - payable by LCC at year end.	-£16	↔
Interest and Investment Income/Interest Paid - impact of capital programme slippage.	-£67	↑
Sale of new/replacement bins income exceeded.	-£16	↔
Section 106 contributions to offset legal costs - income from LCC.	-£30	↔
Planning Fee income - large application and 20% statutory increase from mid Jan	-£36	↓
Trade Waste income - increased demand for service .	-£37	↓
BUDGETED INCOME NOT ACHIEVED		
Net impact of investment properties acquisitions not yet realised. (Borrowing cost savings, Lease Income pressure)	£193	↑
Market stallage income not expected to meet budgeted target based on current take up - review of market service in progress.	£12	↓
Car Park Income target not realised.	£19	↓
Housing Benefits - forecast net outturn position.	£101	↑
Impact of later acquisition date and potential lease unlikely until new year. Car parking income expected to be generated from February 2018	£60	↓
Corporate Fraud - commercial income not achievable.	£30	↔
	£98	
TOTAL VARIANCE		-£150

1.2 Significant items of note;

- 1.2.1 Approval to spend up to £20m on investment property (with £13m budgeted this financial year) was estimated to provide a net contribution of £270k in 2017/18 raising to £600k by 2020/21. Our first acquisition of £2.4m was made early in October and this will achieve a £80k contribution to the savings target. Whilst we continue to identify suitable properties which meet our Policy criteria our bids have been unsuccessful. The final out-turn impact is a £193k net pressure (includes a saving on borrowing costs and pressure on rental income).
- 1.2.2 The acquisition of the former Lidl building was anticipated to generate a full years lease income and additional car parking income. Due to lengthy negotiations on sale and agreement of vacant possession dates, the property was in our ownership from December. The property is currently being marketed for lease which is unlikely to be formalised this financial year. The Car Park is due to be operational from February 2017, therefore this has resulted in an overall revenue budget pressure of £60k.
- 1.2.3 Current vacancy levels after costs of interim staffing resources has resulted in a £119k budget underspend.
- 1.2.4 The utilisation of fuel savings will be utilised to contribute to the £50k costs of the required health, safety and welfare works at Market Rasen Depot site.

1.3 Commercial Projects and Income Target

- 1.3.1 The Commercial Plan 2015/16 – 2019/20 was intended to be a proactive response in contributing to future financial sustainability. This was to be achieved through charging, trading and investment in order to reduce the net subsidy on services. A target of contribution of £1m was set.
- 1.3.2 Progress against this target has delivered £348k of ongoing savings thus far as detailed below;
- £100k Investment in Commercial Property £77k (2017/18) (Target £600k by 2020/21)
 - £78k Trade Waste Income
 - £ 12k Building Control Complimentary Services
 - £ 29k Pre-Application Planning Advice
 - £ 11k Surestaff Lincs Ltd (Recruitment Agency)
 - £ 29k Commercial Loan income
- 1.3.3 Green Waste Charging will commence in 2018/19 and was forecast to generate a net contribution of £502k. As at 31st March 2018 £709k had been received from subscriptions for the service, however, this income will be treated as receipts in advance and will be reflected in the 2018/19 accounts.

In addition a tendering exercise has been undertaken for the provision of Leisure Management which will save the authority £268k whilst also

contributing to the borrowing costs of funding improved facilities at Gainsborough and a new dry leisure facility at Market Rasen.

1.4 Fees and Charges

1.4.1 £2.144m has been received in Fees and Charges up to the end of the period against a budget of £2.392m. The significant variances are detailed at 1.1 above.

1.4.2 Amendment to Fees and Charges for 2018/19

Amendments are required for the following service areas to those approved by Council in March.

- Operational services – garden waste wheeled bin charges £35 (agreed by CP&R added for completeness)
- Building Control – regularisation charge and building notice/reversion charge (no rounding on pence - various)
- Pre-application advice (vat applicable)
- Car parks – Market Rasen only (no increase on permits previously agreed by CP&R)
- Licensing – Taxi licences (No change from 2017/18 level)

The amended fees and charges are included at Appendix B.

1.5 Use and Contribution to Reserves

£195.8k of Community Grants have been awarded during 2017/18 and a further £154.9k has been transferred from the Community Grant Scheme reserve. £121.6k will be carried forward into 2018/19 and issued as grants are awarded through the final round. This clears the balance of the reserve under the existing scheme. Community Grants are built into the base budget from 2018/19 onwards at £100k pa for 5 years.

1.5.1. 2017/18 Use of Reserves

- £54.9k from Local Development Framework reserve towards our contribution to the Joint Planning Unit (JPU) for 2017/18.
- £64.0k from Maintenance of Facilities reserve. To cover the cost of revenue works carried out in response to condition surveys.

1.5.2 2017/18 Use of Reserves – Delegated Decisions

The Director of Resources has used delegated powers to approve the use of earmarked reserves up to £50k, new delegated decisions totalled £77.8k;

- £6.7k – from Members Initiative Fund reserve (RE22). £108k spend over 3 years from 2016/17 to 2018/19 was approved by CP&R 12.05.16 (FIN/12/17).

- £11.7k – from Business Improvement & Transformation reserve (RE78). To write off ARCUS from Capital to Revenue, and alignment of reserves.
- £7.1k – from Unapplied Grants reserve (RE13). Draw down from High Street Innovation Fund returned grant for events during 2017/18.
- £4.8k – from Investment for Growth reserve (RE83). Hemswell Cliff stabilisation plan provided by the Pioneer Group.
- £47.5k – from Investment for Growth reserve (RE83). To create budget for Gainsborough Marina costs (including feasibility study) which are revenue in nature (CP&R 21.09.17 FIN/60/18/TJB)

1.5.3 2018/19 Use of Reserves – Delegated Decisions

The Director of Resources has used delegated powers to approve the use of earmarked reserves up to £50k, new delegated decisions totalled £33.9k;

- £33.9k – from Members Initiative Fund reserve (RE22). £108k spend over 3 years from 2016/17 to 2018/19 was approved by CP&R 12.05.16 (FIN/12/17). This is the remaining balance to be utilised during 2018/19.

1.6 Grants

As at 1st April 2017 we had an amount of £435k relating to grants received which had yet to be expended. Budget provision will be created throughout the financial year as required to deliver projects in accordance with grant terms.

1.6.1 Successful Grant Bids and New Grant determinations

The following grants have been awarded during this period:

Grant Issued By	Name of Grant	Revenue/ Capital	£
DCLG	New Burdens Funding-Brownfield Register (BLR) & Permission in Principal (PIP)	Revenue	5,485
DCLG	Custom Build	Revenue	30,000
DCLG	Neighbourhood Planning Grant	Revenue	40,000
DCLG	Transparency Code New Burdens	Revenue	8,103
DCLG	Council Tax Discount Family Annexes	Revenue	8,314
		TOTAL:	91,902

Other Items for information

1.7 Planning Appeals

In period 4 2017/18 there were 12 appeals determined, as follows;

January 2018 – 1 appeals – 1 dismissed.

February 2018 – 5 appeals – 2 part allowed part dismissed, 3 dismissed.

March 2018 – 6 appeals – 2 allowed, 4 dismissed.

1.8 Aged Debt Summary – Sundry Debtors

Aged Debt Summary Period 3 Monitoring Report

At the end of March 2018 there was a total of £213k 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 £131k
Housing Benefits £76k
Housing £70k
Environmental Protection & Licensing £20k
Trade Waste £18k

Month	90 – 119 days	120 – 149 days	150+ days	Total
April	23,860	1,933	217,685	243,477
May	8,164	918	312,972	322,054
June	19,899	18,498	238,043	276,440
July	3,757	12,416	185,453	201,627
August	7,844	3,746	195,946	207,536
September	9,307	7,664	181,812	198,784
October	5,217	9,125	182,904	197,246
November	40,685	3,638	185,425	229,747
December	8,100	4,573	182,889	195,562
January	9,523	7,958	177,617	195,097
February	21,636	8,647	172,987	203,270
March	9,273	24,772	179,398	213,443

1.9 CHANGES TO THE ORGANISATION STRUCTURE

Changes to the Employee Structure include;

- Building Control restructure – saving of £44.6k.
- Chief Executive/Director restructure – saving of £91.9k. Delete Chief Executive post and create 3 Executive Directors.
- Environmental Protection, Food Safety and Community Safety Restructure – saving of £18k. Delete 1 post and increase SCP on 4 posts.
- Tourism post deleted and a 2 year fixed term post created – saving £16.5k.

REVENUE CARRY FORWARDS – BASE BUDGET ALREADY APPROVED

Budget underspends to be carried forward into 2018/19 which have been approved during the year are provided below for information only.

BASE BUDGET C/FWDS APPROVED IN YEAR			17/18 Outturn	
Committee	Cluster	Business Unit	£ 000	Purpose of Carry Forward
PC	People	Town Centre Markets	18	Markets - promotional and marketing spend in 18/19 to be met from 17/18 surplus (PC 20.03.18 FIN/158/18).
PC	People	Housing Strategy	42	Selective Licensing - to fund post in 17/18 and up to 31.08.18 in 18/19. Approved by GCLT 07.02.17.
PC	People	Community Action & Community Safety	3	Body Worn Cameras - £10k budget approved 17/18 £7,500 spent to date (CP&R 26.10.17 FIN/97/18).
CP&R	Places	Admin Buildings	54	£60k budget approved 17/18 for depot works, and works outstanding to be c/fwd.
PC	Places	Economic Development	9	Economic Regeneration - Delay in project spend - Employment & Skills.
PC	Places	Economic Development	11	Economic Regeneration - Delay in project spend - Place Board.
PC	Places	Economic Development	7	Economic Regeneration - Delay in project spend - Gainsborough Marina.
PC	Places	Economic Development	12	Economic Regeneration - Delay in project spend - Town Centre Remedial Work.
CP&R	Policy and Resources	Corporate Management-Finance	298	Any Board Budget savings will be carried forward. Original funding from Earmarked Reserves.
CP&R	Policy and Resources	Democratic Representation	7	Members training budget - any balance c/fwd. at each year end.
		TOTAL	461	

REVENUE CARRY FORWARDS – USE OF EARMARKED RESERVES ALREADY APPROVED

Budget underspends to be carried forward into 2018/19 which have been approved during the year are provided below for information only.

USE OF EARMARKED RESERVES			17/18 Outturn		
Committee	Cluster	Business Unit	£ 000	Purpose of Carry Forward	Name of Reserve
PC	People	Community Action & Community Safety	7	Community Payback Scheme. Approved £10k pa 16/17 & 17/18.	Supporting Vulnerable Communities
PC	Places	Culture, Heritage & Leisure	31	Delay in start of MAYFLOWER 400 project (CP&R 13.04.17 fin/137/17).	General Fund Balance
PC	Places	General Grants etc.	45	Defibrillator equipment treated as a stock item in balance sheet - budget c/fwd. until all equipment issued.	Community Grant Scheme
PC	Places	General Grants etc.	122	Balance on Community Grants scheme at year end 17/18 to be issued through final round of bids under current regime early 2018/19.	Community Grant Scheme
PC	Places	Car Parks	6	Delay in spending car park strategy funding for repairs and maintenance-slipped planned maintenance work.	General Fund Balance
PC	Places	General Grants etc.	21	Community Transport scheme - final outturn underspend 17/18 (CP&R 04.05.17 FIN/13/18).	Connectivity Fund
PC	Places	Economic Development	45	Economic Regeneration - Delay in project spend - Development Partner.	Investment for Growth Fund
PC	Places	Economic Development	2	Economic Regeneration - Delay in project spend - Economic Impact Assessment (EIA).	Outcomes & Outputs of Gainsborough Masterplan
PC	Places	Economic Development	40	Delay in project spend - capacity funding - HCA funding.	Unapplied Grants (Local Development Order)
PC	Places	Neighbourhood Planning & Local Plans	25	Neighbourhood Planning 'Top Up' funding (£25k allocated per annum) - not used in 17/18 so needs rolling in to 18/19.	Neighbourhood Planning Grant
TOTAL			344		

REVENUE CARRY FORWARDS – APPROVED BY MANAGEMENT TEAM

Bids for budget underspends to be carried forward into 2018/19 which required Management Team approval are as follows;

BASE BUDGET C/FWDS PENDING APPROVAL BY MT			17/18 Outturn	
Committee	Cluster	Business Unit	£ 000	Purpose of Carry Forward
PC	People	Building Control	5	Promotional and marketing budget. Awaiting Trading Company to be set up.
CP&R	Policy and Resources	Business Improvement & Commercial Development	7	Request to roll forward to 18-19 for project works performance management and project software.
PC	People	Environmental Initiatives	7	Replace telephone box near Market Rasen £3k (order placed). Remaining budget for Ashcroft Road pocket park refurbishment work (slipped due to procurement exercise Autumn 17).
PC	People	Cemeteries & Churchyards	10	Dry stone walling project. Project delayed until 2018/19.
PC	Places	Economic Development	13	Economic Regeneration - Delay in project spend - Consultancy Support
PC	Places	Economic Development	3	delay in project spend - Foxby Lane - income originally received 16/17 and cfwd yr end 16/17.
PC	People	Homelessness/ Housing Advice	6	Software support underspend - new system has been procured to commence April 18.
PC	People	Private Sector Housing Renewal	2	Approved training budget - course now due to commence 2018/19.
PC	People	Parish Lighting	17	Several work requests have been put to LCC but not yet completed. Additional parish lighting repairs work anticipated in 18/19 as lights are upgraded to LED. (£10k was cfwd from 16/17 to 17/18).
TOTAL			70	

Amended Fees and Charges Schedules 2018/2019

Prosperous Communities Committee		Operational Services							
		2017/18		Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	£	
Garden Waste Wheeled Bin (Annual charge)	Collection of 1st bin	£0.00		£35.00	£35.00	£0.00	£35.00	OS	
Garden Waste Wheeled Bin (Annual charge)	Collection of 2nd and subsequent bins	£30.00		£5.00	£35.00	£0.00	£35.00	OS	

Prosperous Communities Committee		Car Parks & Bus Station							
		2017/18		Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	£	
Car Parks									
Annual Season Tickets									
Market Rasen Only	Mon-Sat	£88.68			£88.68	£17.74	£106.42	S	
	Mon-Sat (If paid by monthly DD)	£76.68			£76.68	£15.34	£92.02	S	
	Mon-Fri	£75.43			£75.43	£15.09	£90.52	S	
	Mon-Fri (If paid by monthly DD)	£62.18			£62.18	£12.44	£74.62	S	

Amended Fees and Charges Schedules 2018/2019

Prosperous Communities Committee		Licensing						
		2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	%	Type	or £	£	£	£
Taxi Licensing (Including Horse Drawn Omnibus)								
Vehicle License	New	£249.00						
Vehicle License	Renewal	£249.00						

Prosperous Communities Committee		Pre Application Advice						
		2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	%	Type	or £	£	£	£
Development								
Householder development including alterations, extensions and outbuildings (this fee would also include establishing whether an application is required and any listed building consent enquiry if applicable)		£72.00	3.50%					

Amended Fees and Charges Schedules 2018/2019

Prosperous Communities Committee		Building Control - Table B							
		2017/18		Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate
		£	% Type	or £	£	£	£	£	
Domestic Small Buildings, Extensions and Alterations Etc.									
Erection or extension of a non exempt detached domestic garage or carport or both having an internal floor area not exceeding 100m².*	Plan Charge	£223.00				£223.00	£44.60	£267.60	S
	Building Notice / Reversion Charge	£223.00				£223.00	£44.60	£267.60	S
	Regularisation Charge	£268.00		-£0.40		£267.60	£0.00	£267.60	OS
Conversion of a garage to a dwelling to a habitable room(s).*	Plan Charge	£223.00				£223.00	£44.60	£267.60	S
	Building Notice / Reversion Charge	£223.00				£223.00	£44.60	£267.60	S
	Regularisation Charge	£268.00		-£0.40		£267.60	£0.00	£267.60	OS
Installation of 1 - 5 domestic replacement window/s and door/s.	Plan Charge	£96.00				£96.00	£19.20	£115.20	S
	Building Notice / Reversion Charge	£96.00				£96.00	£19.20	£115.20	S
	Regularisation Charge	£115.00		£0.20		£115.20	£0.00	£115.20	OS
Installation of 6 -10 domestic replacement window/s and door/s	Plan Charge	£149.00				£149.00	£29.80	£178.80	S
	Building Notice / Reversion Charge	£149.00				£149.00	£29.80	£178.80	S
	Regularisation Charge	£179.00		-£0.20		£178.80	£0.00	£178.80	OS
Controlled domestic electrical work.	Plan Charge	£398.00				£398.00	£79.60	£477.60	S
	Building Notice / Reversion Charge	£398.00				£398.00	£79.60	£477.60	S
	Regularisation Charge	£477.00		£0.60		£477.60	£0.00	£477.60	OS
Any other domestic alterations, installation of fitting or work not covered in the above categories where the estimated cost of the work does not exceed £2,000.*	Plan Charge	£149.00				£149.00	£29.80	£178.80	S
	Building Notice / Reversion Charge	£149.00				£149.00	£29.80	£178.80	S
	Regularisation Charge	£179.00		-£0.20		£178.80	£0.00	£178.80	OS

Amended Fees and Charges Schedules 2018/2019

Prosperous Communities Committee		Building Control - Table C						
	2017/18	Proposed Increase		2018/19	VAT Amount	2018/19 Charge Inc. VAT	VAT Rate	
		£	% Type or £					£
Fees for Non-Domestic New Buildings, Extensions, Alterations Etc.								
Extension of a non domestic building both having an internal floor area not exceeding 10m ² .	Plan Charge	£131.00		£131.00	£26.20	£157.20	S	
	Inspection Charge	£305.00		£305.00	£61.00	£366.00	S	
	Building Notice / Reversion Charge	£435.00	£1.00	£436.00	£87.20	£523.20	S	
	Regularisation Charge	£522.00	£1.20	£523.20	£0.00	£523.20	OS	
Extension of a non domestic building both having an internal floor area exceeding 10m ² but not exceeding 40m ² .	Plan Charge	£169.00		£169.00	£33.80	£202.80	S	
	Inspection Charge	£394.00		£394.00	£78.80	£472.80	S	
	Building Notice / Reversion Charge	£562.00	£1.00	£563.00	£112.60	£675.60	S	
	Regularisation Charge	£675.00	£0.60	£675.60	£0.00	£675.60	OS	
Installation of 1 - 5 non domestic replacement window(s) and door(s).	Plan Charge	£117.00		£117.00	£23.40	£140.40	S	
	Building Notice / Reversion Charge	£117.00		£117.00	£23.40	£140.40	S	
	Regularisation Charge	£140.00	£0.40	£140.40	£0.00	£140.40	OS	
Installation of 6 - 20 non domestic replacement window(s) and door(s).	Plan Charge	£223.00		£223.00	£44.60	£267.60	S	
	Building Notice / Reversion Charge	£223.00		£223.00	£44.60	£267.60	S	
	Regularisation Charge	£268.00	-£0.40	£267.60	£0.00	£267.60	OS	

2. CAPITAL BUDGET MONITORING – Quarter 4

- 2.1 The Capital Budget 2017/18 was revised at September 2017 and reduced to £12.719m with approved carry forwards of £4.756m which related to schemes where profiling of budget needed to be realigned over projected spending over the medium term.
- 2.2 The actual position for 2017/18 has resulted in total capital expenditure of £6.534m and therefore there is a further a requirement to approve additional carry forwards totalling £5.979m, a significant element of this request relates to Commercial Investment Portfolio £3.059m.
- 2.3 A detailed out-turn position and carry forwards requested are detailed below;
- 2.4 The Capital Programme is categorised as follows;

APPROVED TO INVEST

- Business As Usual – replacement and renewal programmes (e.g. IT and Vehicles)
- Stage 3 – Approved to spend and funding secured

PIPELINE PROJECTS

- Stage 2 – Business case approved in principle or awaiting funding
 - Stage 1 – Budget approved requires full business case
 - Pre Stage 1 – Business Case in preparation
- 2.5 Whilst every effort is made to encourage reasonable profiling of Capital Budgets over the period of the project life, this remains difficult to profile especially on significant programmes of work.
- 2.6 If we consider those schemes which are classified as approved to invest (Stage 3/Business as Usual) the variances are provided below
- 2.7 Bids submitted are only be for schemes where there is a change in the timing of the spending over the life of the project, but there is no change in the total cost or funding.

Approval to Invest - Stage	Stage	Actuals	Original Budget	Revised Budget 2017/18	Over / (Underspend)	Carry Forward Requests
Stage 3 Projects		5,131,631	12,548,000	9,456,250	53,758	(4,378,377)
Business As Usual Projects		1,385,928	1,311,400	1,992,624	(261,789)	(344,907)
Approved to Invest		6,517,559	13,859,400	11,448,874	(208,031)	(4,723,284)
Pre-Stage 1		-	1,559,000	223,700	0	(223,700)
Stage 1		-	2,435,000	406,300	0	(406,300)
Stage 2		16,487	2,276,800	640,200	0	(623,713)
Total Pipeline Investment		16,487	6,270,800	1,270,200	0	(1,253,713)
Total Capital Programme Gross Expenditure		6,534,046	20,130,200	12,719,074	(208,031)	(5,976,997)

Detailed analysis is provided below;

Capital Investment Programme 2017/18

Corporate Priority / Scheme	Stage	Actuals	Original Budget	Revised Budget 2017/18	Over/ (Underspend)	Carry Forward Requests	Comments
			£	£	£	£	
Open for Business							
Telephony	Stage 2	0	150,000	40,200	0	(40,200)	Project carried forward into 2018/17
Broadband	BAU	344,313	0	555,000	(210,687)	0	Project completed and saving achieved.
People First							
Disabled Facilities Grants	BAU	553,766	601,400	577,574	0	(23,808)	remaining balance to be carried forward to 18/19
Independent Living	BAU	43,336	0	50,000	0	(6,664)	remaining balance to be carried forward to 18/19
Customer Management	Stage 1	0	180,000	1,300	0	(1,300)	Project carried forward into 2018/19
Asset Management							
Capital Enhancements to Council Owned Assets	BAU	175,598	270,000	306,700	(51,102)	(80,000)	Heapham road (30k) and other low capital value works - request carry forward £80k
Carbon Efficiency Project	Stage 3	0	27,000	45,000	0	(45,000)	Carry forward to 2018/19
5-7 Market Place	Stage 1	0	100,000	0	0	0	Project did not progress
Development Loan	Stage 3	375,974	0	400,000	0	(24,026)	Carry forward to 2018/19
Riverside Gateway - Lea Road School	Pre-Stage 1	0	300,000	0	0	0	Project closed
Hemswell Masterplan - Public Realm Improvements	Stage 2	0	70,000	0	0	0	Project carried forward into 2018/19
Commercial Investment	Stage 3	285,643	1,270,000	250,000	35,643	0	Design progressed to RIBA stage 4 which is due for completion end May 2018 - clawback 35643
Caistor - South Dale Redevelopment	Stage 2	0	100,000	0	0	0	Project carried forward into 2018/19
Bridge Street Extension	Stage 3	61,313	0	61,300	13	0	Project completed
Car Park Strategy Investment	Stage 3	0	130,000	0	0	0	Project carried forward into 2018/19

Leisure Facilities	Stage 2	0	800,000	500,000	0	(500,000)	Delay in site acquisition - carry forward to 2018/19
Commercial Investment - Property Portfolio	Stage 3	2,490,355	8,000,000	6,000,000	0	(3,509,645)	Carry forward to 2018/19
Central Lincolnshire Local Plan							
Gainsborough Growth Fund	Stage 3	21,446	175,000	78,200	0	(56,754)	Residual budget to be carried forward in to 18/19
Gainsborough Shop Front Improvement Scheme	Stage 3	15,000	0	80,000	0	(65,000)	The front shop in 27 Market Street is now complete and grant will be paid out in this FY. Residual budget to be carried forward in new FY
WLDC Wider Heritage Scheme	Stage 2	0	60,000	0	0	0	Project carried forward into 2018/19
Gainsborough Heritage Regeneration - THI	Stage 2	0	91,500	0	0	0	Project carried forward into 2018/19
Unlocking Housing - Albion Works	Stage 2	0	0	0	0	0	Project carried forward into 2018/19, no expected spend until 14-16 months
Unlocking Housing - Living over the Shop	Stage 3	65,000	0	130,000	0	(65,000)	A pilot grant scheme for supporting the development of the upper floors of commercial premises into residential dwellings, the remaining balance needs to be carried forward and will be drawn down upon successful completion of 4 residential dwellings.
Riverside Gateway - Marina/Transformational Change	Stage 1	0	100,000	100,000	0	(100,000)	Project carried forward into 2018/19
Riverside North - Housing Zone	Pre-Stage 1	0	600,000	0	0	0	Project removed per the Unlocking Housing Programme
Gainsborough Regeneration - Dev Partnership	Stage 1	0	2,000,000	250,000	0	(250,000)	Project carried forward into 2018/20
Market Street - Joint Venture	Stage 3	375,000	0	375,000	0	0	A joint venture company with Dransfiled Properties Ltd to regenerate empty properties in the town centre
Acquisitions	Stage 3	837,770	995,000	800,000	37,770	0	Project completed
Viability Funding - Capital Grant	Stage 3	294,048	1,400,000	700,000	0	(405,952)	Carry forward to 2018/19
Market Rasen 3 year vision	Pre-Stage 1	0	150,000	0	0	0	
Wilson Street/Japan Road	Stage 3	159,857	0	158,000	1,857	0	Project completed
Rural Transport	Stage 3	23,250	0	63,250	0	(40,000)	£23,250 paid to LCC for new Call Connect vehicle in Jan 18. Remaining capital forms part of Access to Transport Fund available to support local transport projects above £10k in capital.
Private Sector Renewal	Pre-Stage 1	0	339,000	100,000	0	(100,000)	Request carry forward of remaining £100k to 18/19. to be spent in line with policy which is due for approval in May 18.

Food Enterprise Zone infrastructure	Stage 2	16,487	1,005,300	100,000	0	(83,513)	Carry forward to 2018/19
Excellent, VFM Services							
Vehicle Replacement Programme	BAU	258,165	255,000	307,600	0	(49,435)	Balance to be carried forward - analysis to be done on demand of new green waste charges, 2 vehicles to be resprayed and 2 x bin lifts still to be fitted
Replacement Planning/Building Control/Land Charges System	Pre-Stage 1	0	20,000	123,700	0	(123,700)	Carry forward to 2018/19
Desktop Refresh	BAU	0	185,000	185,000	0	(185,000)	Project to commence May 18 therefore full carry forward requested
Commercial Loans	Stage 3	33,000	500,000	200,000	0	(167,000)	remaining balance to be carried forward to 18/19
Replace IDOX Scanner	Stage 1	0	10,000	10,000	0	(10,000)	Planned for May 2018, full carry forward required
Civic Enhancements	Stage 3	34,474	51,000	40,500	(6,026)	0	Project completed
Website Replacement	BAU	10,750	0	10,750	0	0	Project completed
Email Upgrade	Stage 1	0	30,000	30,000	0	(30,000)	Planned for May 2018, full carry forward required
Financial Management System	Pre-Stage 1	0	150,000	0	0	0	Project carried forward into 2018/19
Replacement Housing Register & Homelessness IT System	Stage 3	59,500	0	75,000	(15,500)	0	Saving
Public Sector Hub	Stage 1	0	15,000	15,000	0	(15,000)	Full carry forward requested
Total Capital Programme Gross Expenditure		6,534,046	20,130,200	12,719,074	(208,031)	(5,976,997)	

2.2 Capital Programme Update 2017/18

- 2.2.1 The Better Care Grant Funding of £602k has now been confirmed. This grant is used to support Disable Facilities Grants, however for 2017/18 up to 18.5% can be utilised to support strategy and policy development. Monies have now been moved to revenue to cover these salaries.
- 2.2.2 Investment in commercial property has resulted in one acquisition within the year, as previously reported, a number of opportunities have been evaluated and we have had some unsuccessful bids, work is ongoing. There is a full report on the investment portfolio elsewhere on this agenda.
- 2.2.3 In December the old Lidl building in Gainsborough was acquired at a cost of £800k + costs as part of the Gainsborough Growth Programme. .

2.3 Acquisitions, Disposals and Capital Receipts

- 2.3.1 There have been no asset disposals during quarter 4.
- 2.3.3 The total value of capital receipts received during the year totalled £484k mainly due to the settlement of the Quickline Loan (£271k), Disabled Facility Grant Repayments (13k) and income of £155k from the Housing Stock Transfer Agreement share of Right to Buy receipts. The balance of the Capital Receipts Reserve is £3.015m

3. TREASURY MONITORING – QUARTER 4 (April-March)

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.

- 4.1 There has been 1 breach of Prudential Indicators as detailed at 4.5 below.
- 4.2 Interest received has been in excess of the 7 day average libid benchmark (0.17%) with an average yield of 1.215% (including CCLA) and 0.526% (excluding CCLA).

4.3 Investment in Local Authority Property Fund (CCLA)

The total the Council has invested now stands at £3m. Interest received for the year totals £165k.

4.4 New External Borrowing

No borrowing was undertaken during this period.

4.5 Borrowing in advance of need

This Council has not borrowed in advance of need during the period ended 31 December 2017.

4.6 Compliance with Treasury and Prudential Limits

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators (affordability limits) are included in the approved TMSS.

During the financial year to date the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices.

However, as previously reported a breach in the maximum amount invested in Certificates of Deposit was made on the 23 January 2018. In error an investment of £1m for a period of 1 month has taken the total amount invested to £2.5m, £0.5m above the approved limit of £2m. An investigation including a review of procedures has been undertaken and these were found to be robust. Appropriate actions have therefore been taken.

The prudential and treasury Indicators are shown below.

Treasury Indicator Forecasts	Original £'000	P1 £'000	Q2 £'000	Q3 £'000	Q4 £'000
Treasury Indicators					
Authorised limit for external debt	31,680	31,680	31,680	31,680	31,680
Operational boundary for external debt	17,667	17,667	9,000	9,000	9,000
External Debt	14,527	14,527	6,250	6,250	0
Long term Leases	122	122	122	122	32
Investments	(9,533)	(18,250)	(22,800)	(19,100)	(15,200)
Net Borrowing	5,116	(3,601)	(16,428)	(12,728)	(15,168)
Prudential Indicators					
Capital Expenditure	20,130	26,017	13,253	10,851	6,534
Capital Financing Requirement (CFR)*	18,632	18,632	8,978	8,961	4,716
Annual change in CFR*	11,870	11,870	7,760	7,742	3,497
In year borrowing requirement	17,540	17,735	7,793	7,775	3,610
Under/(over)borrowing	4,105	4,105	2,729	2,711	
Ratio of financing costs to net revenue stream*	5.99%	2.93%	0.31%	0.21%	0.06%
Incremental impact of capital investment decisions:					
Increase/Reduction (-) in Council Tax (band change per annum)	(£10.62)	(£1.80)	(£0.61)	(£1.07)	£1.96

4.7 The Monthly Investment Review report for March is attached below;



West Lindsey District Council

Monthly Investment Analysis Review

March 2018

Monthly Economic Summary

General Economy

The first key economic release of the month was the February Manufacturing Purchasing Managers' Index (PMI) survey. This dropped to an eight-month low of 55.2 from 55.3 in January, despite a marked upturn in new orders. The headline figure did, however, beat the average forecast of 55.0. Furthermore, underlying data within the survey showed that factory order growth is the strongest it has been since November and that 56% of manufacturers expect to raise production over the coming year. Meanwhile, construction PMI picked up slightly in February – but uncertainty continues to weigh on order books. The figure rose to 51.4 from 50.2 in January, ahead of even the most optimistic of forecasts. Services PMI also perked up, jumping to a four-month high of 54.5 from 53.0; with new orders rising at their fastest rate since May last year. The combination of the three surveys reinforced market expectations that the Bank of England (BoE) will raise interest rates again in their May meeting.

Elsewhere, trade balance data led to the suggestion that Britain's economy remains on a slow trajectory ahead of Brexit. Britain went from being the fastest-growing G7 economy in 2016 to the weakest last year as the Brexit vote weighed on household spending and corporate investment. Manufacturing output inched up 0.1% in January after a 0.3% rise in December – weaker than a poll forecasting 0.2%. This latest reading left the three month rate at 0.9%, the weakest pace since mid-2017.

Painting a slightly more cheerful picture, British inflation was weaker than expected in February as the impact of the Brexit vote finally faded from the figures, easing some of the squeeze on consumers who have seen their rising pay flag behind rising prices. The annual Consumer Price Index (CPI) rate rose by 2.7% in February, down from 3.0% previously and the weakest increase since July of last year. This provided further evidence that Britain's inflation peaked after hitting its highest level in five years of 3.1% in November 2017. Many of the early 2017 price increases due to the previous depreciation of the pound have started to work through the system, with petrol prices falling on the month and food prices rising more slowly than in February 2017 – all contributing to a lower inflation figure.

Unemployment edged back down to its four-decade low of 4.3% in February having briefly risen to 4.4% in January. The number of people in work grew by 168,000 in the three months to January – double the rise predicted in a poll of economists. Paired with that, British workers overall pay rose at the fastest pace in nearly two-and-a-half years over the three months to January – also increasing chances that the BoE will raise the cost of borrowing in May. Total earnings, including bonuses, rose annually by 2.8% in the three months to January compared with an upwardly revised 2.7% rise in the three months to December. Excluding bonuses, wages rose by 2.6%, a slight pick-up from the 2.5% seen in the three months to December. An expected steady increase in pay growth was a major reason why the BoE said in February that it expected interest rates to rise faster than they thought a few months previously.

Switching to public finance data, Public Sector Net Borrowing (PSNB) excluding public sector banks increased by £2.5bn to £1.3bn in February 2018, compared to February 2017. Public Sector Net Debt (PSND) excluding public sector banks was £1,762.6bn at the end of February 2018, equivalent to 85.1% of gross domestic product (GDP) – an increase of £68.1bn (+0.9%) on February 2017. In summary, PSNB excluding public sector banks is currently tracking below that of the last financial year with the Office for Budget Responsibility's (OBR) revising their official forecast for the current financial year down to £45.2bn from £49.9bn at the spring statement.

The Monetary Policy Committee (MPC) voted to keep interest rates unchanged, however two of its policy makers (Ian McCafferty and Michael Saunders) voted for an immediate rate rise. Minutes from the meeting said that “ongoing tightening” was likely to be needed to return inflation back to target; adding strength to Mark Carney's comments last month that “rates might need to go up faster than expected”.

Rounding off the month, the final estimate for Q4 GDP was left unrevised at 0.4% on a quarterly basis and 1.4% on an annual basis, matching consensus expectations. Additionally, growth in business investment was revised up to 0.3% from 0%; as a whole, net trade made its first positive contribution to growth since 2012.

In the Eurozone, the final reading of Q4 GDP was left unrevised at 0.6%, slightly lower than Q3's 0.7%. The expansion was driven mainly by net exports. Annual growth was also confirmed at 2.7% for Q4, with growth for the Eurozone economy for 2017 as a whole increasing by 2.5%. Following their March meeting, the European Central Bank's (ECB) only change was the removal of their previous pledge to “increase the Asset Purchase Programme (AAP) in terms of size and/or duration” if needed. Eurozone inflation fell to 1.1% in February, down from the 1.3% seen in January with the highest contribution to inflation coming from services, followed by food. Lastly, Eurozone unemployment held steady in January at 8.6%, the lowest rate recorded in the Eurozone since December 2008.

The US saw a significant 313,000 increase in non-farm payrolls in February (the biggest in 18 months) together with a 54,000 positive revision to gains in the preceding two months. Unemployment, however, remained unchanged at 4.1% as an increase in people actually looking for work (the “participation rate”) offset the actual increase in jobs. Boosted by a surge in clothing prices, inflation posted a 0.2% monthly gain for February and a 2.2% annual rise, from 0.5% and 2.1% respectively the month prior. These strong figures paved the way for the Fed's unanimous decision to raise interest rates by another 25 basis points to 1.50%-1.75%, with comments reiterating the need for “further gradual” hikes. The final estimate for Q4 GDP was revised upwards to a 2.9% annualised rate, from the previously reported 2.5%. The upward revision reflected a lower level of inventory reduction through the quarter.

Sterling opened the month at \$1.377 against the US Dollar and closed the month at \$1.402. Against the Euro, Sterling opened at €1.122 and closed at €1.138.

Housing

Nationwide revealed house prices unexpectedly fell during March, down 0.2% on the month. Annually, house prices rose 2.1% - weaker than forecasts of 2.6% and slowing from February's 2.2% increase. Elsewhere, Halifax reported that at 1.8%, house prices rose at their slowest pace in nearly five years in the three months to February. This was a drop from the 2.2% recorded the month prior, while in monthly terms, prices rose by 0.4%.

Forecast

Neither Link Asset Services (LAS) nor Capital Economics (CE) changed their bank rate forecasts during March. LAS suggest that the next interest rate rise will be to 0.75% in Q2 2018, with further rises of 25 basis points in Q4 2018 and again in Q4 2019. Capital Economics' forecasts continue to suggest further rises of 25 basis points in Q2 2018, Q3 2018, Q4 2018, Q2 2019 and Q4 2019.

Bank Rate	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
Link Asset Services	0.75%	0.75%	1.00%	1.00%	1.00%
Capital Economics	0.75%	1.00%	1.25%	1.25%	1.50%

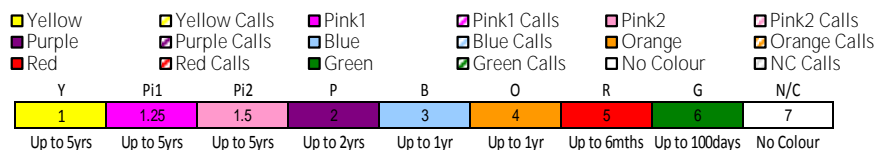
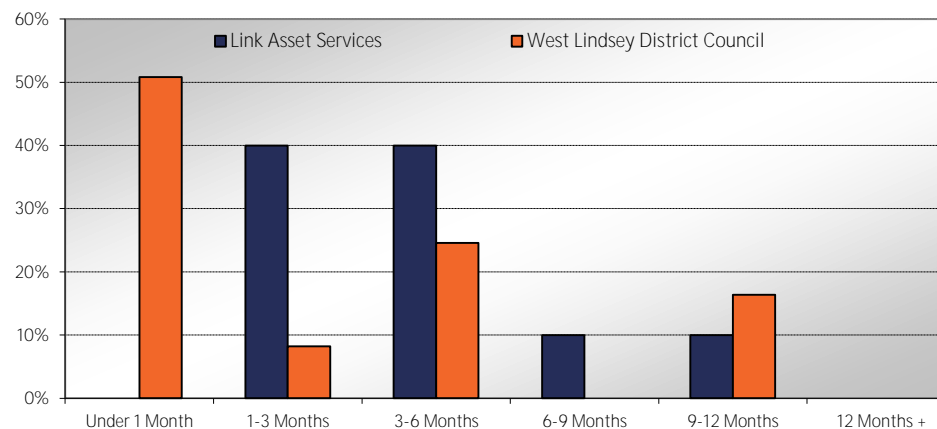
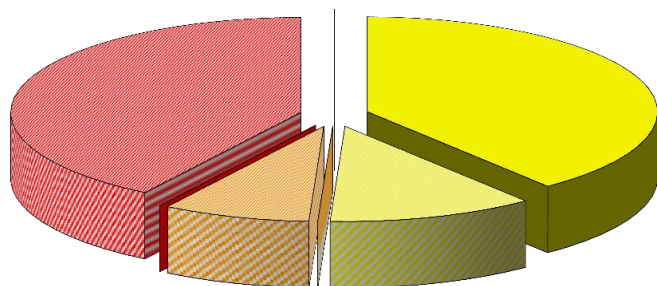
West Lindsey District Council

Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
MMF Insight	1,400,000	0.44%		MMF	AAA	0.000%
Cheltenham Borough Council	2,800,000	0.55%	15/03/2018	03/04/2018	AA	0.000%
Bournemouth Borough Council	1,000,000	0.73%	20/03/2018	06/04/2018	AA	0.000%
Wirral Metropolitan Borough Council	1,000,000	0.52%	12/03/2018	20/04/2018	AA	0.001%
Lloyds Bank Plc	1,000,000	0.57%		Call32	A	0.005%
Santander UK Plc	2,000,000	0.45%		Call120	A	0.019%
Santander UK Plc	1,000,000	0.70%		Call180	A	0.028%
Santander UK Plc	2,000,000	0.85%		Call365	A	0.056%
Borrower - Funds	Principal (£)	Interest Rate	Start Date	Maturity Date		
CCLA - Property Fund	3,000,000					
Total Investments	£15,200,000					
Total Investments - excluding Funds	£12,200,000	0.60%				0.015%
Total Investments - Funds Only	£3,000,000					

West Lindsey District Council

Portfolio Composition by Link Asset Services' Suggested Lending Criteria



Portfolios weighted average risk number = 2.89

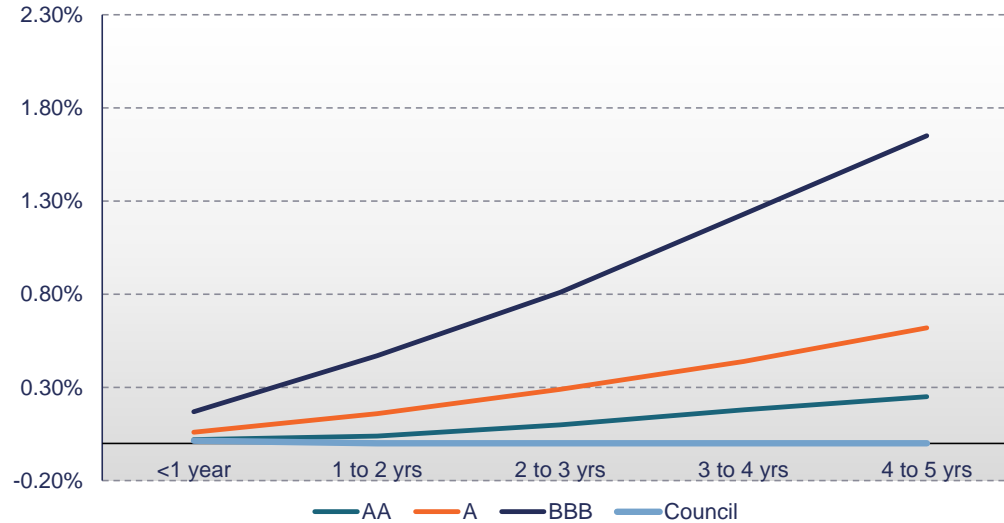
WARoR = Weighted Average Rate of Return
WAM = Weighted Average Time to Maturity

	% 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	50.82%	£6,200,000	22.58%	£1,400,000	11.48%	0.55%	6	18	7	23
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	8.20%	£1,000,000	100.00%	£1,000,000	8.20%	0.57%	32	32	0	0
Red	40.98%	£5,000,000	100.00%	£5,000,000	40.98%	0.66%	230	230	0	0
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%	£12,200,000	60.66%	£7,400,000	60.66%	0.60%	100	106	7	23

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	0.02%	0.04%	0.10%	0.18%	0.25%
A	0.06%	0.16%	0.29%	0.44%	0.62%
BBB	0.17%	0.47%	0.81%	1.23%	1.65%
Council	0.015%	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
01/03/2018	1589	Nationwide Building Society	United Kingdom	Long Term Rating downgraded to 'A' from 'A+', Outlook changed to Stable from Negative. Short Term Rating affirmed.
21/03/2018	1592	Abbey National Treasury Services Plc	United Kingdom	Long Term and Short Term Ratings affirmed, Long Term Rating removed from Positive Watch and placed on Stable Outlook.

West Lindsey District Council

Monthly Credit Rating Changes MOODY'S

Date	Update Number	Institution	Country	Rating Action
08/03/2018	1590	Goldman Sachs International Bank	United Kingdom	Long Term and Short Term Ratings affirmed, Outlook on Long Term Rating changed to Negative from Stable.
28/03/2018	1593	Cooperatieve Rabobank U.A.	Netherlands	Long Term Rating downgraded to 'Aa3' from 'Aa2', Outlook changed to Stable from Negative. Short Term Rating affirmed.

West Lindsey District Council

Monthly Credit Rating Changes S&P

Date	Update Number	Institution	Country	Rating Action
01/03/2018	1588	Nationwide Building Society	United Kingdom	Long Term Rating affirmed at 'A', Outlook changed to Positive from Stable. Short Term Rating affirmed at 'A-1'.
19/03/2018	1591	NRW.BANK	Germany	Long Term and Short Term Ratings affirmed, Outlook on Long Term Rating changed to Positive from Stable.

Whilst Link Asset Services makes every effort to ensure that all the information it provides is accurate and complete, it does not guarantee the correctness or the due receipt of such information and will not be held responsible for any errors therein or omissions arising there from. All information supplied by Link Asset Services should only be used as a factor to assist in the making of a business decision and should not be used as a sole basis for any decision. The Client should not regard the advice or information as a substitute for the exercise by the Client of its own judgement.

Link Asset Services is a trading name of Link Treasury Services Limited (registered in England and Wales No. 2652033). Link Treasury Services Limited is authorised and regulated by the Financial Conduct Authority only for conducting advisory and arranging activities in the UK as part of its Treasury Management Service, FCA register number 150403. Registered office: 6th Floor, 65 Gresham Street, London, EC2V 7NQ. For further information, visit www.linkassetsservices.com/legal-regulatory-status.