

19 January 2015**Agenda Item: 4****REPORT OF THE SERVICE DIRECTOR – FINANCE AND PROCUREMENT
FINANCIAL MONITORING REPORT: PERIOD 8 2014/2015****Purpose of the Report**

1. To provide a summary of the revenue position of the County Council for the year to date with year-end forecasts.
2. To inform Members of progress against savings.
3. To provide a summary of Capital Programme expenditure to date and year-end forecasts.
4. To inform Members of the Council's Balance Sheet transactions.

Information and Advice**Background**

5. The Council approved the 2014/15 budget at its meeting on 27 February 2014. As with previous financial years, progress updates will be closely monitored and reported to both management and Committee on a monthly basis.

Summary Revenue Position

6. Table 1 below summarises the revenue budgets and forecast outturn for each Committee. An underspend of £3.1m is currently predicted. In light of the Council's continuing financial challenges, the key message to effectively manage budgets and wherever possible deliver in-year savings is being reinforced.

Table 1 – Revenue Expenditure and Forecasts as at Period 8

Forecast Variance as at Period 7 £'000	Committee	Annual Budget £'000	Actual to Period 8 £'000	Year-End Forecast £'000	Latest Forecast Variance £'000
(197)	Children & Young People	148,427	81,785	148,598	171
(2,748)	Adult Social Care & Health	216,299	139,513	213,389	(2,910)
(1,093)	Transport & Highways	61,143	35,933	60,126	(1,017)
(19)	Environment & Sustainability	31,065	18,589	30,972	(93)
120	Community Safety	3,021	1,462	3,073	52
143	Culture	13,206	9,467	13,339	133
(1,918)	Policy	27,064	17,715	24,675	(2,389)
(852)	Finance & Property	33,543	31,305	32,851	(692)
(135)	Personnel	3,037	1,687	2,854	(183)
-	- Economic Development	1,377	866	1,377	-
(1,252)	Public Health	1,688	(5,532)	265	(1,423)
(7,951)	Net Committee (under)/overspend	539,870	332,790	531,519	(8,351)
(7)	Central items	(10,678)	(35,447)	(10,569)	109
-	- Schools Expenditure	251	251	251	-
-	- Contribution to/(from) Traders	(314)	783	(263)	51
(7,958)	Forecast prior to use of reserves	529,129	298,377	520,938	(8,191)
2,874	Transfer to / (from) Corporate Reserves	(10,332)	(2,093)	(5,929)	4,403
2,711	Transfer to / (from) Departmental Reserves	(9,350)	-	(8,678)	672
-	- Transfer to / (from) General Fund	(5,184)	-	(5,184)	-
(2,373)	Net County Council Budget Requirement	504,263	296,284	501,147	(3,116)

Committee and Central Items

7. The main variations that have been identified are explained in the following section.

Adult Social Care & Health (forecast £2.9m underspend)

8. The reported forecast may be subject to change as it is based on system information. Uncertainties exist within this data which cannot currently be quantified and are being investigated further.
9. The Deputy Director division is currently reporting a net underspend of £3.0m which is comprised of the following:
- Deputy Director is forecasting an underspend of £0.2m. This relates to the unallocated budget offset by the recharge income of £0.1m from Public Health. As no usage has been identified, both are now forecast as unspent / unachieved.
 - Strategic Commissioning are forecasting an underspend of £0.5m which is an increase of £0.3m. This is due to the continued reduction in contracts throughout Early Intervention and Prevention services of £0.6m and an underspend on Assistive Technology equipment of £0.1m which is partly offset by unbudgeted contract payments against the Emergency Night Service of £0.2m.

- Day Services and Employment are forecasting an underspend of £1.1m of which £1.0m relates to underspends across staffing lines within day services. County Enterprise Foods are still showing a £0.3m underspend due partly to staffing vacancies, but also to additional unbudgeted income from Nottingham City Council and Sweden. This is mitigated by the £0.6m known transport overspend.
 - Residential Services are forecasting an underspend of £1.4m. This primarily relates to staffing vacancies and under-utilisation of absence cover within the Care & Support Centres of £0.9m, plus additional Health Income of £0.1m. Additional budget for 1:1 care has resulted in the Short Breaks Units now forecasting an underspend of £0.4m.
 - Use of reserves across the service is £0.6m less than budget due to the reduced contract spend throughout Strategic Commissioning.
10. The Access & Public Protection Division is currently forecasting a net overspend of £0.5m against the base budget. This is an increase of £0.9m due to a further reduction in Client Income and is comprised of the following:
- There remains an overspend of £0.1m on salaries within the Safeguarding Adults Team.
 - Client Contribution income is forecasting a shortfall of £1.4m. This compares with a forecast shortfall of £0.4m in period 7. This is due to a reduction in Pension contributions. Previously, this reduction was expected to be met by a comparable increase in residential invoices. This has not materialised and a deficit is now expected. Current indications are that the overall decrease is due to a bulk deregistration of partnership care homes. This has significantly reduced the income we receive from around 100 Service Users.
 - There are underspends on software within the Framework Team of £0.1m and the Market Development Team of £0.1m.
 - There also remains an underspend across the Business Support function of £0.7m, the majority of which relates to an underspend on salaries.
 - Use of reserves across the service is £0.1m less than budget due to vacant posts.
11. The North and South Nottinghamshire Divisions are currently forecasting a combined underspend of £0.9m which is a reduction of £1.1m since period 7. The major variances are as follows:
- Older Adults across the County are currently reporting an underspend of £0.6m; this is a reduction of £0.3m since period 7.
 - Younger Adults across the County are now reporting an underspend of £0.8m; this is an reduction of £1.8m since period 7 and is due to a reduction in transitional and predicted needs and additional CHC Income.
 - Expenditure under the remit of Service Directors, Principal Social Worker and the Care Act Team costs are reporting an overspend of £1.7m primarily due to an additional expenditure on S256 agreements. This is partially offset by an increase in use of reserves of £1.2m.

Throughout the North and South, the significant variances across the service types are as follows:

- The outturn forecast currently includes £1.1m for anticipated Transitions and Predicted needs. This is a £0.6m reduction on what was reported at period 7, and is expected to reduce month on month until year end.
- Direct Payment recovery is increasing each month and currently stands at £1.6m.

- In addition the forecast includes additional Continuing Health Care income across the County amounting to £1.0m more than budget.

12. This forecast includes the anticipated net use of £6.4m of earmarked reserves, which is £0.5m more than budget due to additional spend on S256 agreements which is partly offset by underspends on other specific projects and contracts.

Transport & Highways (forecast £1.0m underspend)

13. This forecast underspend is due mainly to:

- A forecast net underspend on Highways of £0.3m due to underspends on salaries (£0.5m), additional S38 / S278 Income (£0.1m) and Street Lighting Energy (£0.2m). These more than offset overspends in relation to Trees & Hedges (£0.2m); Verges (£0.2m) and Road Studs & Markings (£0.1m). It is proposed to use underspends from revenue budgets to offset demand led overspends rather than using reserves.
- An underspend of £0.4m on Concessionary Fares due to a delay in the introduction of new tram lines and agreements with Operators, showing a saving due to a slight downturn in passenger trips and tight control of scheme management costs.
- A £0.2m saving on Local Bus Services due to a part year effect of August re-tendering. Some members' requests have been received for re-installation of services for areas with little / reduced coverage, which will come into operation from January 2015.
- There is an underspend on Salaries and Service Development of £0.1m due to the OBC savings being achieved in 2014/15, rather than over two years, and through reduced consultancy fees.

Policy (forecast £2.4m underspend)

14. This underspending is mainly due to a reduction in the use of external agencies in legal services and staff vacancies across the division, together with savings in Members and Civic Services relating to hospitality, running costs and income.

15. A further £0.8m of this net underspending is due to slippage on the Ways of Working Programme, particularly in the area of ICT which has reportedly slipped further in period 8, together with an underspending against the Transformation Programme which will be offset by a reduced use of the Corporate Reserve in 2014/15.

Finance & Property (forecast £0.7m underspend)

16. This forecast underspend is due to:

- The net underspending within Finance and Procurement of £0.2m relates to staff vacancies partially offset by the cost of agency staff and a reduction in purchasing rebates.
- Property is forecasting an underspend of £0.1m due to achievement of savings and over-recovery of Estates income, partially offset by a declared overspend on works at Sir John Robinson Way charged to Planned Maintenance.
- A County Offices and Facilities Management underspend of £0.2m is due to early achievement of 2015/16 savings from the closure of buildings and efficiency savings.

- There is a forecast underspending of £0.2m within ICT Services and Business Support relating to staff savings and reduced running costs.

Public Health (forecast £1.4m underspend)

17. This forecast underspend is due mainly to:

- There is an overall underspend of £0.4m in Obesity and Physical activity due to the retendering exercise not proceeding in October, with the consequent extensions of current contracts until the end of the financial year. Previous forecasts had included an expectation that this area would overspend by £0.5m.
- £0.2m of the underspend relates to low activity to date within the health check programmes.
- The Smoking & Tobacco programme is forecasting an underspend of £0.7m due to savings relating to GP & Pharmacy providers for Stop Smoking Services, together with an overstated adjustment in the current year's accounts for expenditure relating to Prescribing in 2013/14. Previous forecasts had assumed expenditure would be in line with budget.
- The Public Health Directorate is forecast to underspend by £0.1m due to vacancy savings.
- The Children 5-19 Public Health Programme had previously reported an overspend of £0.7m due to assumptions that the rebased County Health Partnership contract would not take effect within the financial year. This assumption has been revised as it is now expected that the contract will be backdated to April 2014 and therefore expenditure will be in line with budget.

18. The overall County Council forecast assumes that this net underspend will be transferred to the Public Health reserve.

19. Members will recall that a net transfer of £1,085,330 is required from the Public Health grant to CCGs to cover the budget setting anomalies for 2014/15. The anticipated change to the Public Health grant as a result of these funding miscalculations is likely to affect the planned delivery of budget reductions for Public Health. Discussions are being held with the Public Health Committee on all aspects of the Public Health Outcomes programme.

20. The Department of Health is undertaking a data collection to identify all funding transfers in response to baseline errors in the PH grant. This review will confirm the current position and agree a long-term solution that avoids the need for recurrent transfers between partners. This may result in the recalculation of the local Public Health grant to exclude the excess funding.

Central Items

21. Central Items primarily consists of interest on cash balances and borrowing, together with various grants, contingency and movements on reserves. These budgets have been reviewed as part of the provisional outturn exercise. Interest payments fluctuate depending on expectations of future interest rates and anticipated slippage rates on the capital programme. Current forecasts suggest a net overspend on interest of £0.5m.

22. At the time of setting the 2014/15 budget, several funding allocations had not been announced and therefore assumptions about certain grants were made, based on the best

information available at the time. Throughout the year confirmations are received, and current forecasts suggest a net increase of £0.4m will be received in 2014/15.

23. The Council's budget includes a contingency of £4.1m to cover redundancy costs, slippage of savings and unforeseen events. Several schemes have been approved in the year to date and there is currently £2.3m remaining in the contingency budget. Table 1 assumes that this will be used before year end as further new requests are likely to emerge.

Transfer to / (from) reserves

24. As previously reported work is ongoing to identify surplus departmental reserves that may be released to support the budget. There is still a possibility that the levels assumed when the budget was set may not be achieved and this position is reflected in table 1 above.
25. As reported under Policy Committee, there is slippage in the transformation programme and Ways of Working which are funded by Corporate Reserves. To match the slippage there is an corresponding reduction in the use of reserves.

Progress with savings (Forecast shortfall £1.0m)

26. Since 2010/11 the Council has delivered savings in excess of £110m. Given the continued financial challenge that the Council is facing, further savings proposals of £36m were approved at Council 27 February 2014 for delivery in 2014/15 (£81m in total over the medium term).
27. As at period 8 slippage amounting to £0.6m in 2014/15 has been identified across 3 of the high governance savings projects. A number of actions are being taken to address this and officers will continue to monitor the deliverability of individual targets as part of the budget monitoring process. Achievability will be reflected in the forecast outturn. A full list of savings with current status is provided at Appendix A.
28. Amongst the savings identified there have been some schemes which, in total or in part, will not be achieved. This includes £0.4m in 2014/15. The reduction in the savings for future years will need to be addressed in the Medium Term Financial Strategy.

Capital Programme

29. Table 2 summarises changes in the gross Capital Programme for 2014/15 since approval of the original programme in the Budget Report (Council 27/02/14):

Table 2 – Revised Capital Programme for 2014/15

	2014/15	
	£'000	£'000
Approved per Council (Budget Report 2014/15)		112,593
Variations funded from County Council Allocations :		
Net slippage from 2013/14 and financing adjustments	17,761	
Approved variations to December F&P Committee	(7,511)	10,250
Variations funded from other sources :		
Net slippage from 2013/14 and financing adjustments	6,800	
Approved variations to December F&P Committee	914	7,714
Revised Gross Capital Programme		130,557

30. Table 3 shows actual capital expenditure to date against the forecast outturn at Period 8.

Table 3 – Capital Expenditure and Forecasts as at Period 8

Committee	Revised Capital Programme £'000	Actual Expenditure to Period 8 £'000	Forecast Outturn £'000	Expected Variance £'000
Children & Young People	54,103	23,345	41,129	(12,974)
Adult Social Care & Health	2,225	18	2,087	(138)
Transport & Highways	43,051	20,008	36,359	(6,692)
Environment & Sustainability	2,499	858	2,419	(80)
Community Safety	4	(1)	4	-
Culture	4,602	2,530	4,214	(388)
Policy	4,591	1,479	2,994	(1,597)
Finance & Property	10,799	4,856	10,556	(243)
Personnel	1,973	1,631	1,903	(70)
Economic Development	5,320	1,809	5,336	16
Contingency	1,390	-	-	(1,390)
Total	130,557	56,533	107,001	(23,556)

31. In the Children and Young People's Committee, there is a total forecast underspend of £13.0m. This is mainly as a result of slippage against the following schemes:

32. Forecast slippage totalling £10.1m has been identified against the School Capital Refurbishment Programme (SCRPs). This is as a result of a number of projects being placed

on hold as the Council awaits the outcome of the Priority School Building Programme 2 bidding process (£3.9m), a number of Academy projects slipping hence delays in the Council's contributions to these schemes (£0.6m), savings made against completed SCRP projects (£1.7m), access and other issues that have delayed elements of the SCRP4 programme (£3.9m).

33. Forecast slippage totalling £2.9m has also been identified against the School Places programme. This is mainly as a result of savings made against completed projects (£1.1m) and delayed contributions to Academy projects (£0.5m). Any remaining slippage relates to the 2015 School Places programme where associated expenditure will be incurred in 2015/16.
34. It is proposed that the Children and Young People's Capital Programme is adjusted as part of the 2015/16 Budget Report to Full Council to reflect that identified slippage will be fully utilised to fund future, recognised priority school capital projects.
35. Forecast slippage totalling £0.2m has been identified against the Beardall Street project. It is expected that this funding will be used in 2016/17 to finance phase 2 of the project.

It is proposed that the Children and Young People's Committee Capital Programme is varied to reflect slippage identified against the Beardall Street capital project.

36. Also, in the Children and Young People's Committee, a forecast overspend of £0.4m has been identified against the Clayfields House capital projects. This is as a result of higher than anticipated target costs submitted by the main contractor. The increased costs will be fully funded from the Clayfields House reserve.

It is proposed that the Children and Young People's Committee Capital Programme is varied to reflect the increased costs against the Clayfields House capital projects, fully funded from reserves.

37. In the Adult Social Care and Health Committee, a forecast underspend of £0.1m has been identified as a result of minor slippage on the Living at Home programme.

It is proposed that the Adult Social Care and Health Committee Capital Programme is varied to reflect the slippage identified against the Living Home Programme.

38. In the Transport and Highways Committee, there is a total forecast underspend of £6.7m. This is mainly as a result of slippage on a number of projects as described below:

39. The Hucknall Rolls Royce Development is forecast to incur only minimal preparatory costs in 2014/15. Slippage totalling £3.0m has been identified as the project will now be on site during 2015/16.

40. Work is on-going to secure the Department for Transport funding in support of the Hucknall Town Centre Improvement Scheme. Although progress is being made, only minimal expenditure is forecast to be incurred in this financial resulting in slippage of £3.3m into 2015/16.

41. Forecast slippage of £0.6m has been identified against the Worksop Bus Station project as the project is on site and will complete during 2015/16.

It is proposed that the Transport and Highways capital project is varied to reflect the slippage identified against the Worksop Bus Station project.

42. In April 2014 a six year flood alleviation programme was approved by the Transport and Highways Committee. As part of this, three flood studies are being undertaken in 2014/15 with associated works commencing in 2015/16. Funding will also be used to lever in DEFRA investment in 2015/16. As a result, £0.5m of flood alleviation will slip into the 2015/16 financial year.

It is proposed that the Transport and Highways capital project is varied to reflect the slippage identified against the Flood Alleviation programme.

43. The slippage identified in the Transport and Highways Committee is offset by over-programming of £1.1m in the Local Transport Plan and Road Maintenance and Renewal programmes. Work is on-going to drive these forecast overspends down and to manage within approved budgets.

44. Also in the Transport and Highways Committee, £0.165m external Growth Point funding has been levered in to the Council to part fund capital expenditure incurred as part of the Local Transport Plan programme.

It is proposed that the Transport and Highways capital project is varied to reflect the additional external funding secured to part fund the Local Transport Plan programme.

45. In the Culture Committee, a forecast underspend totalling £0.4m has been identified which mainly relates to minor slippage on a small number of library projects as well as a forecast underspend (£0.1m) against the Nottinghamshire Archives Extension project.

46. In the Policy Committee, a forecast underspend totalling £1.6m has been identified against the Ways of Working programme as a result of extensive asbestos being discovered on Floor 2 of County Hall.

It is proposed that the Policy Committee capital programme is varied to reflect the slippage identified against the Ways of Working capital programme.

47. In the Finance and Property Committee, a forecast underspend totalling £0.2m has been identified which mainly relates to a forecast underspend against the Business Management System programme (£0.2m).

48. It is also forecast that the capital contingency (£1.4m) will slip into 2015/16 to help fund future capital projects.

It is proposed that the County Council's Capital Programme is varied to reflect that the capital contingency will be used to fund future capital projects

Financing the Approved Capital Programme

49. Table 4 summarises the financing of the overall approved Capital Programme for 2014/15.

Table 4 – Financing of the Approved Capital Programme for 2014/15

Committee	Capital Allocations £'000	Grants & Contributions £'000	Revenue £'000	Reserves £'000	Gross Programme £'000
Children & Young People	19,271	21,344	-	13,488	54,103
Adult Social Care & Health	2,167	13	45	-	2,225
Transport & Highways	14,527	25,727	-	2,797	43,051
Environment & Sustainability	1,236	763	500	-	2,499
Community Safety	4	-	-	-	4
Culture	3,129	530	-	943	4,602
Policy	3,091	-	-	1,500	4,591
Finance & Property	8,337	50	1,900	512	10,799
Personnel	-	1,801	-	172	1,973
Economic Development	527	4,793	-	-	5,320
Contingency	1,390	-	-	-	1,390
Total	53,679	55,021	2,445	19,412	130,557

50. It is anticipated that borrowing in 2014/15 will decrease by £9.4m from the forecast in the Budget Report 2014/15 (Council 27/02/2014). This decrease is primarily as a consequence of:

- £17.8m of net slippage from 2013/14 to 2014/15 and financing adjustments funded by capital allocations.
- Variations to the 2014/15 capital programme funded from capital allocations totalling £7.5m as approved to the September Finance and Property Committee.
- Net slippage in 2014/15 of £19.7 of capital expenditure funded by capital allocation identified as part of the departmental capital monitoring exercise.

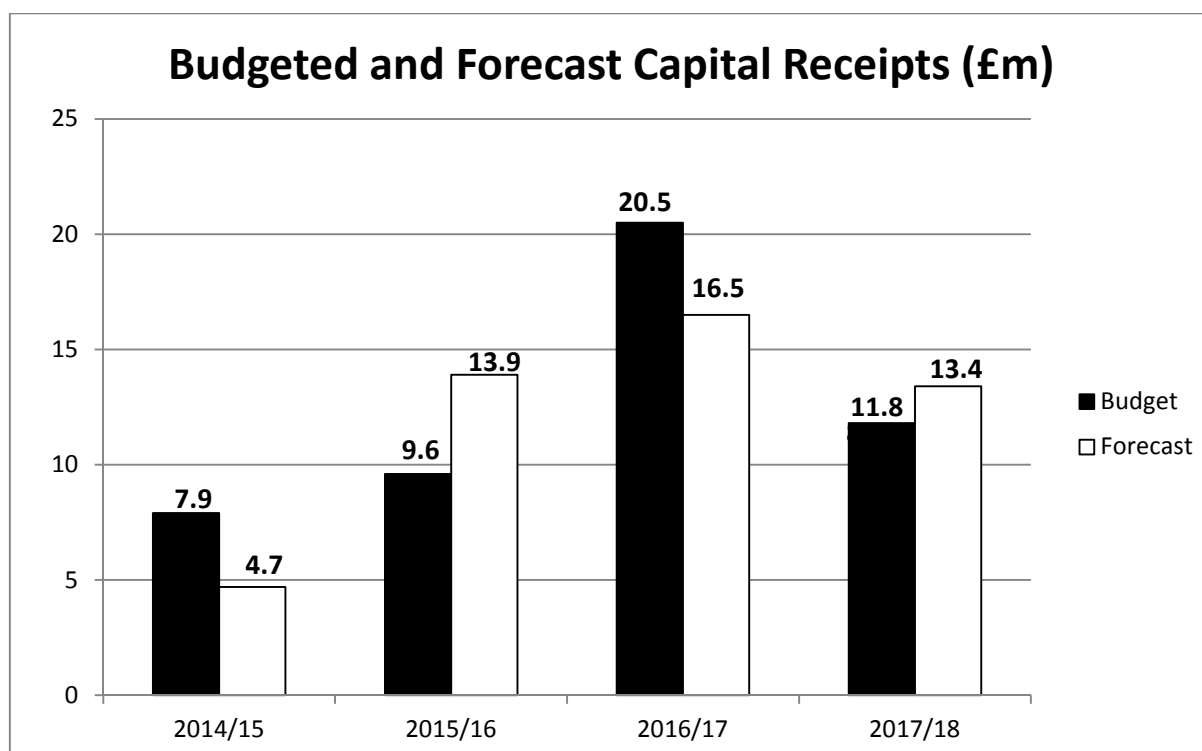
Prudential Indicator Monitoring

51. Performance against the Council's Prudential Indicators is regularly monitored to ensure that external debt remains within both the Operational Boundary and the Authorised Limit.

Capital Receipts Monitoring

52. Anticipated capital receipts are regularly reviewed. Forecasts are currently based on estimated sales values of identified properties and prudently assume a slippage factor based upon a review of risk associated with each property. They also include an estimated £50,000 of vehicle receipts.

53. The chart below shows the budgeted and forecast capital receipts for the four years to 2017/18.



54. The dark bars in the chart show the budgeted capital receipts included in the Budget Report 2014/15 (Council 27/02/2014). These capital receipts budgets prudently incorporated slippage, giving a degree of “protection” from the risk of non-delivery.

55. The capital receipt forecast for 2014/15 is £4.7m which is £3.2m less than the budgeted capital receipts as a result of slippage. To date in 2014/15, capital receipts totalling £1.9m have been received.

56. The number and size of large anticipated receipts increase the risk that income from property sales will be below the revised forecasts over the next three years. Although the revised forecasts incorporate an element of slippage, a delay in receiving just two or three large receipts could result in sales being lower than the forecast.

Current Council policy (Budget Report 2014/15) is to set capital receipts against the principal of previous years’ borrowing. This reduces the amount of Minimum Revenue Provision (MRP) to be set aside each year. It is important to regularly monitor capital receipt forecasts and their effect on the overall revenue impact of the Capital Programme.

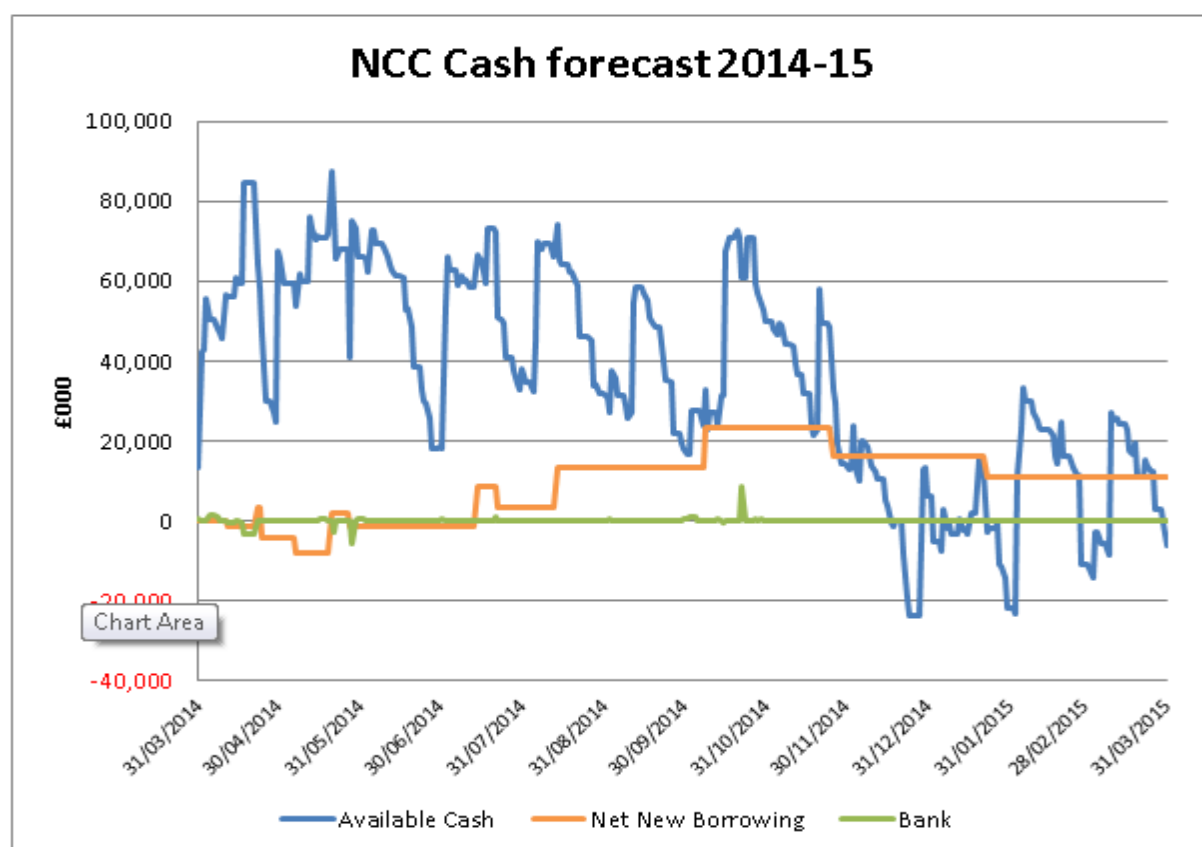
Balance Sheet

General Fund Balance

57. Members approved the 2013/14 closing General Fund Balance of £29.1m at Council 26 June 2014. The 2014/15 budget approves utilisation of £5.2m of balances which will result in a closing balance of £23.9m at the end of the current financial year. This is 4.7% of the budget requirement. Should an underspend result at year end, the required use of reserves will reduce, which will ensure balances are available to fund future years expenditure.

Treasury Management

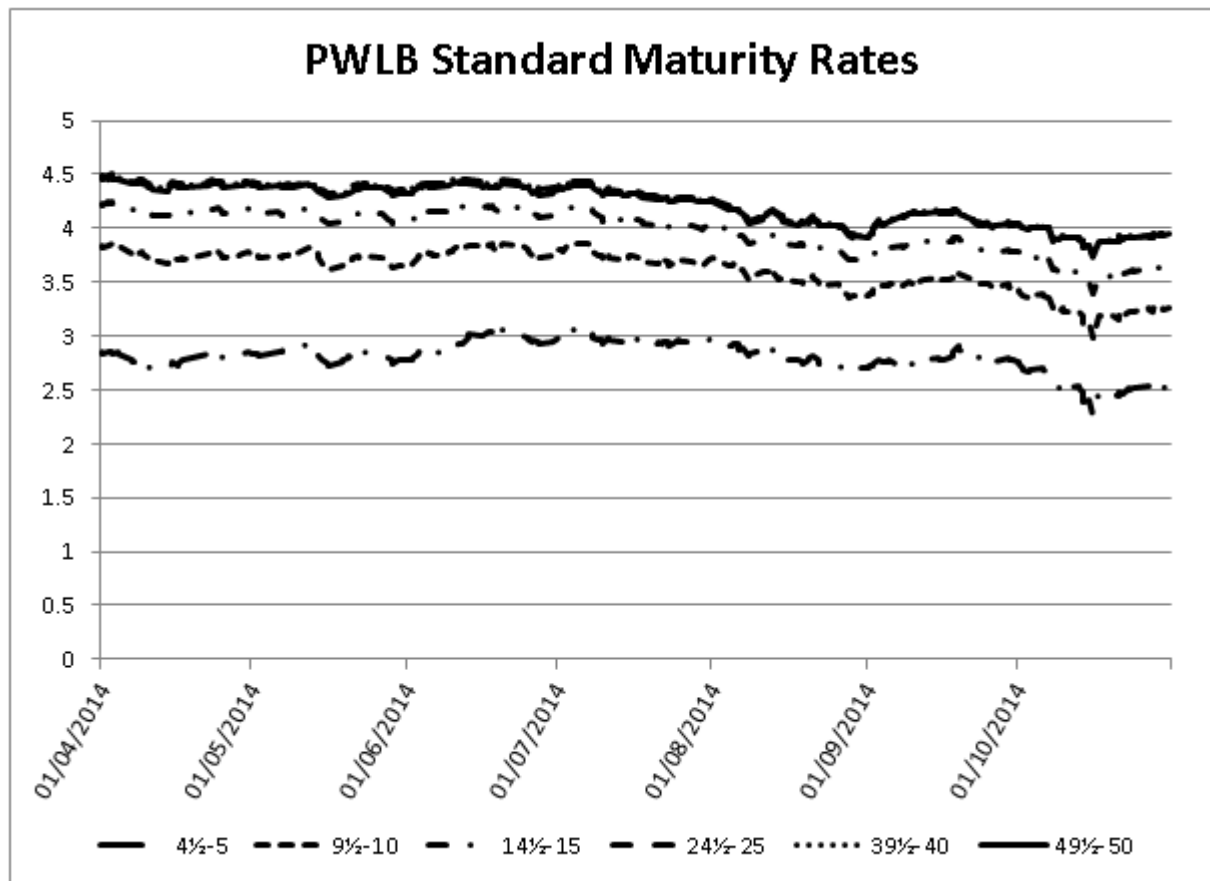
58. Cash flow is monitored by the Senior Accountant (Pensions & Treasury Management) with the overall position reviewed quarterly by the Treasury Management Group. The following chart shows the actual cash flow position to date and forecasts for the remainder of the year. Cash inflows are typically higher at the start of the year due to the front loading receipt of Central Government grants, and the payment profile of precepts. However, cash outflows, in particular capital expenditure, tend to increase later in the year.



59. The chart above gives the following information:

Bank balance	Daily cleared balance across the pooled bank accounts.
Available cash	Surplus cash (invested in call accounts or money market funds) or a shortfall of cash indicating a need to borrow.
Net new borrowing	New loans taken during the year net of principal repayments on existing borrowing.

60. Daily cash management aims for a nil balance across the Council's pooled bank accounts with any surplus cash invested in accordance with the approved Treasury Management Policy. The bank balance shows two periods with noticeable overdrawn balances resulting from non-receipt of precept. The net new borrowing shown above includes new loans from PWLB of £10m in May, £10m in July, £10m in August, £10m in October, and £15m in November. These loans were taken as longer term PWLB rates dipped towards, and then below 4%. The chart below shows the movement in standard PWLB maturity rates during 2014/15.

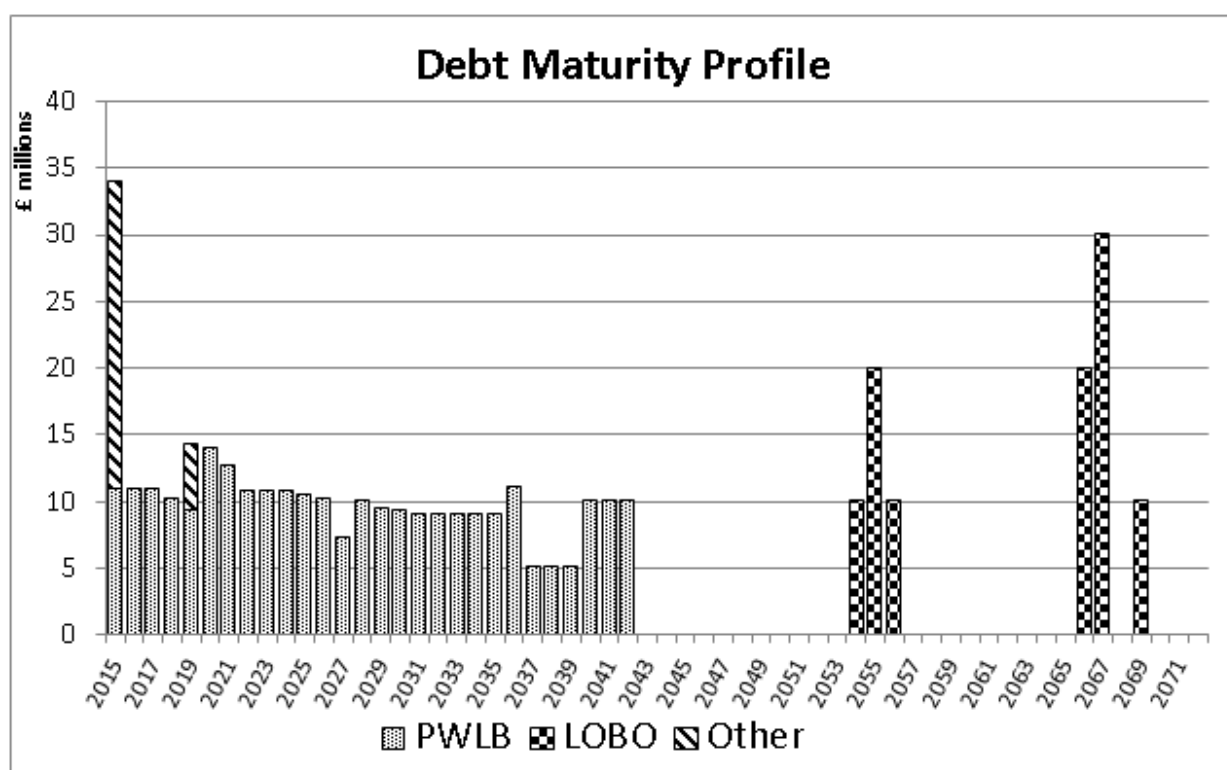


61. The Treasury Management Strategy for 2014/15 identified a need for additional borrowing of £67m to fund the capital programme, to replenish internal balances and to replace maturing debt. Short-term borrowing was used towards the end of 2013/14 to minimise interest costs and so additional long term borrowing of £21m needs to be factored in to the 2014/15 strategy. Additional borrowing is therefore likely to be undertaken before the year end.

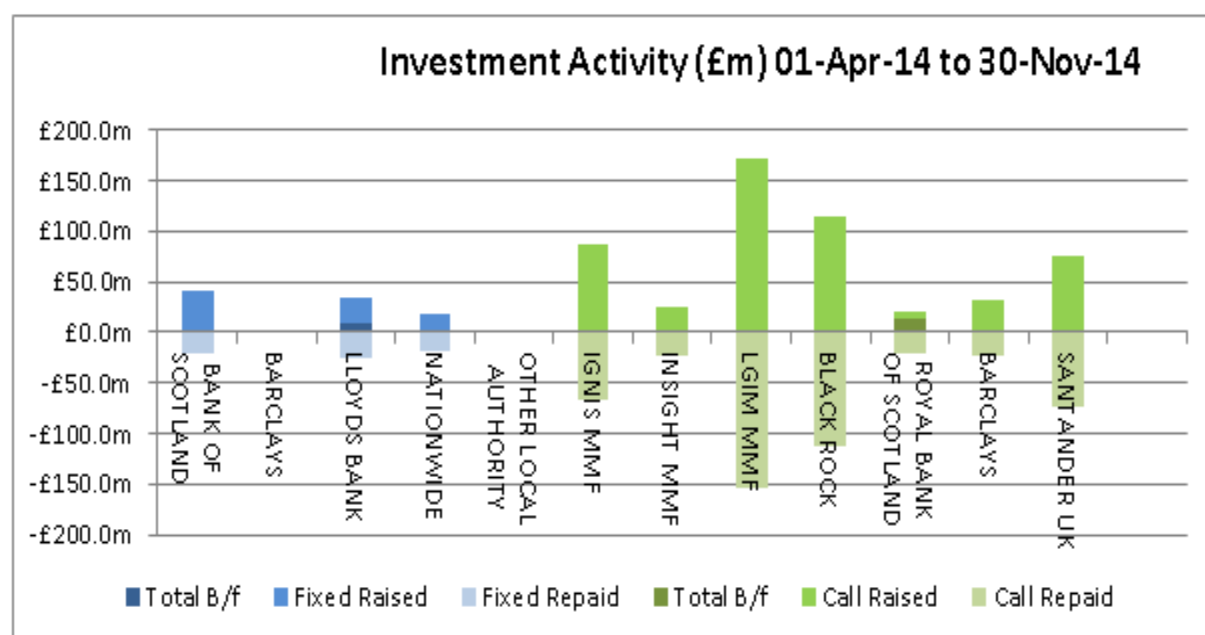
62. Borrowing decisions will take account of a number of factors including:

- the demand for cash as internal balances are reduced
- expected movements in interest rates
- current maturity profile
- the impact on revenue budgets and the medium term financial strategy
- the treasury management prudential indicators

63. The maturity profile of the Council's debt portfolio is shown in the chart below. The PWLB loans are reasonably well distributed and have a maximum duration of 28 years. Longer-term borrowing (maturities up to 55 years) was obtained from the market some years ago in the form of 'Lender's Options, Borrower's Options' loans (LOBOs). The 'other' loans denote more recent borrowing from the money markets where the main objective was to minimise interest costs. Refinancing of these loans has been factored into the Treasury Management Strategy.



64. The investment activity for 2014/15 to the end of November 2014 is summarised in the chart and table below. Outstanding investment balances totalled £23m at the start of the year and £60.9m at the end of the period. This increase reflects the forecast cash flow profile for the year. In light of this forecast, a number of fixed term deals have been placed for periods up to 190 days to take advantage of the higher rates available.



	Total B/F	Total Raised	Total Repaid	Outstanding
	£	£	£	£
BANK OF SCOTLAND	-	50,000,000	-30,000,000	20,000,000
BARCLAYS	-	-	-	-
LLOYDS BANK	8,000,000	25,000,000	-25,000,000	8,000,000
NATIONWIDE	-	19,000,000	-19,000,000	-
OTHER LOCAL AUTHORITY	1,500,000	-	-	1,500,000
IGNIS MMF	-	87,200,000	-67,550,000	19,650,000
INSIGHT MMF	-	25,350,000	-25,350,000	-
LGIM MMF	-	193,350,000	-191,550,000	1,800,000
BLACK ROCK	-	114,810,000	-114,810,000	-
ROYAL BANK OF SCOTLAND	13,500,000	6,500,000	-20,000,000	-
BARCLAYS	-	59,050,000	-49,100,000	9,950,000
SANTANDER UK	-	74,450,000	-74,450,000	-
	23,000,000	654,710,000	-616,810,000	60,900,000

65. The new banking arrangements with Barclays Bank went live on 1 October 2014 as a result of the successful tender following the decision by the Co-operative Bank to withdraw from providing banking services to local authorities. The Co-operative accounts are now being closed in accordance with the schedule agreed as part of the implementation plan.

Debt Recovery Performance and Accounts Payable (AP) Performance

66. The debt recovery and accounts payable performance information will continue to be reviewed at an operational level on a fortnightly basis. The strategic performance information will be compiled for this report to Committee on a quarterly basis with the next update to be included in the period 9 report.

Statutory and Policy Implications

67. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATIONS

- 1) To note the revenue budget expenditure to date and year end forecasts
- 2) To note the progress with savings
- 3) To note the Capital Programme expenditure to date and year end forecasts and approve variances to the Capital Programme
- 4) To note the Council's Balance Sheet transactions

Nigel Stevenson Service Director – Finance & Procurement

For any enquiries about this report please contact:

Pauline Moore - Senior Accountant, Financial Strategy and Accounting

Glen Bicknell - Senior Finance Business Partner, Capital and External Funding

Simon Cunningham - Senior Accountant, Pensions and Treasury Management

Constitutional Comments (KK 07/01/14)

The proposals in this report are within the remit of Finance and Property Committee.

Financial Comments (PM 18/12/14)

The financial implications are stated within the report itself and will be used to inform the Council's Medium Term Financial Strategy and Budget report to Council 26 February 2015.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- 'None'

Electoral Division(s) and Member(s) Affected

- 'All'