

<b>REPORT REFERENCE NO.</b>	<b>RC/19/2</b>
<b>MEETING</b>	<b>RESOURCES COMMITTEE (Budget)</b>
<b>DATE OF MEETING</b>	<b>7 FEBRUARY 2019</b>
<b>SUBJECT OF REPORT</b>	<b>FINANCIAL PERFORMANCE REPORT 2018-19 – QUARTER 3</b>
<b>LEAD OFFICER</b>	<b>Director of Finance (Treasurer)</b>
<b>RECOMMENDATIONS</b>	<p><i>(a) That the budget transfers below £0.150m, shown in Table 3a of this report, be approved;</i></p> <p><i>(b) That the budget transfers in excess of £0.150m, shown in Table 3b of this report, be recommended to the Full Authority for approval;</i></p> <p><i>(c) That the monitoring position in relation to projected spending against the 2018-19 revenue and capital budgets be noted;</i></p> <p><i>(d) That the performance against the 2018-19 financial targets be noted.</i></p>
<b>EXECUTIVE SUMMARY</b>	<p>This report provides the Committee with the third quarter performance against agreed financial targets for the current financial year. In particular, it provides a forecast of spending against the 2018-19 revenue budget with explanations of the major variations. At this stage in the financial year the report includes recommendations on utilising the savings made year to date, and therefore it is forecast that spending will be £0.007m less than budget, a saving of 0.01% of total budget.</p>
<b>RESOURCE IMPLICATIONS</b>	As indicated in the report.
<b>EQUALITY IMPACT ASSESSMENT</b>	An initial assessment has not identified any equality issues emanating from this report.
<b>APPENDICES</b>	A. Summary of Prudential Indicators 2018-19.
<b>LIST OF BACKGROUND PAPERS</b>	None.

**1. INTRODUCTION**

1.1. This report provides the third quarterly financial monitoring report for the current financial year, based upon the position as at the end of December 2018. As well as providing projections of spending against the 2018-19 revenue and capital budget, the report also includes forecast performance against other financial performance indicators, including the prudential and treasury management indicators.

1.2. Table 1 below provides a summary of performance against the key financial targets.

**TABLE 1 –PERFORMANCE AGAINST KEY FINANCIAL TARGETS 2018-19**

	Key Target	Target	Forecast Outturn		Forecast Variance	
			Quarter 3	Previous Quarter	Quarter 3 %	Previous Quarter %
<b>Revenue Targets</b>						
1	Spending within agreed revenue budget	£73.871m	£73.864m	£73.046m	0.01%	1.12%
2	General Reserve Balance as %age of total budget (minimum)	5.00%	7.19%	7.19%	(2.19)bp*	(2.19)bp*
<b>Capital Targets</b>						
4	Spending within agreed capital budget	£6.423m	£3.942m	£4.580m	(38.63%)	(28.69%)
4	External Borrowing within Prudential Indicator limit	£27.029m	£26.747m	£26.747m	(1.04%)	(1.04%)
5	Debt Ratio (debt charges over total revenue budget)	5.00%	3.92%	3.93%	(1.08)bp*	(1.07)bp*

\*bp = base points

1.3. The remainder of the report is split into the three sections of:

- **SECTION A** – Revenue Budget 2018-19.
- **SECTION B** – Capital Budget and Prudential Indicators 2018-19.
- **SECTION C** – Other Financial Indicators.

1.4. Each of these sections provides a more detailed analysis of performance, including commentary relating to the major variances.

**2. SECTION A - REVENUE BUDGET 2018-19**

2.1. Table 2 overleaf provides a summary of the forecast spending against all agreed subjective budget heads, e.g. employee costs, transport costs etc. This table indicates that spending by the year end will be £73.864m, representing a saving against the budget of £0.007m equivalent to 0.001% of the total budget. The forecast incorporates the budget virements requested in Table 3 within this report.

**TABLE 2 – REVENUE MONITORING STATEMENT 2018-19**

<b>DEVON &amp; SOMERSET FIRE AND RESCUE AUTHORITY</b>						
<b>Revenue Budget Monitoring Report 2018/19</b>						
<b>Line No</b>		<b>2018/19 Budget</b>	<b>Year To Date Budget</b>	<b>Spending to Month 9</b>	<b>Projected Outturn</b>	<b>Projected Variance over/ (under) £000</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
	<b>SPENDING</b>					
	<b>EMPLOYEE COSTS</b>					
1	Wholetime uniform staff	28,551	21,459	21,373	28,436	(115)
2	On-call firefighters	12,596	9,330	8,445	12,413	(183)
3	Control room staff	1,447	1,192	1,059	1,421	(26)
4	Non uniformed staff	10,678	8,152	7,897	10,669	(10)
5	Training expenses	726	769	743	675	(50)
6	Fire Service Pensions recharge	2,703	2,239	1,504	2,698	(5)
		<b>56,701</b>	<b>43,142</b>	<b>41,021</b>	<b>56,312</b>	<b>(390)</b>
	<b>PREMISES RELATED COSTS</b>					
7	Repair and maintenance	1,136	852	794	1,179	43
8	Energy costs	573	384	224	541	(32)
9	Cleaning costs	458	343	430	507	49
10	Rent and rates	1,747	1,540	1,577	1,772	25
		<b>3,914</b>	<b>3,119</b>	<b>3,025</b>	<b>3,999</b>	<b>85</b>
	<b>TRANSPORT RELATED COSTS</b>					
11	Repair and maintenance	651	451	571	805	154
12	Running costs and insurances	1,204	959	1,316	1,297	93
13	Travel and subsistence	1,455	1,004	1,327	1,481	26
		<b>3,310</b>	<b>2,413</b>	<b>3,214</b>	<b>3,583</b>	<b>273</b>
	<b>SUPPLIES AND SERVICES</b>					
14	Equipment and furniture	3,037	2,277	1,981	2,991	(46)
16	Hydrants-installation and maintenance	190	142	78	127	(63)
17	Communications	2,310	1,564	1,826	2,290	(20)
18	Uniforms	644	483	471	653	9
19	Catering	65	49	44	72	7
20	External Fees and Services	144	108	97	162	18
21	Partnerships & regional collaborative projects	237	178	140	255	18
		<b>6,625</b>	<b>4,801</b>	<b>4,636</b>	<b>6,548</b>	<b>(77)</b>
	<b>ESTABLISHMENT COSTS</b>					
22	Printing, stationery and office expenses	306	242	171	295	(11)
23	Advertising	20	15	33	36	16
24	Insurances	356	346	527	374	18
		<b>682</b>	<b>603</b>	<b>732</b>	<b>705</b>	<b>23</b>
	<b>PAYMENTS TO OTHER AUTHORITIES</b>					
25	Support service contracts	669	464	493	782	113
		<b>669</b>	<b>464</b>	<b>493</b>	<b>782</b>	<b>113</b>
	<b>CAPITAL FINANCING COSTS</b>					
26	Capital charges	3,502	609	723	3,469	(33)
27	Revenue Contribution to Capital spending	2,384	-	-	2,031	(353)
		<b>5,886</b>	<b>609</b>	<b>723</b>	<b>5,500</b>	<b>(386)</b>
	<b>PROVISIONS</b>					
28	Provision for Doubtful Debts	600	-	50	600	-
		<b>600</b>	<b>-</b>	<b>50</b>	<b>600</b>	<b>-</b>
29	<b>TOTAL SPENDING</b>	<b>78,387</b>	<b>55,151</b>	<b>53,894</b>	<b>78,028</b>	<b>(359)</b>
	<b>INCOME</b>					
30	Investment income	(201)	(151)	(395)	(272)	(71)
31	Grants and Reimbursements	(2,600)	(1,725)	(1,723)	(2,602)	(2)
32	Other income	(777)	(537)	(521)	(704)	73
33	Internal Recharges	(18)	(14)	(20)	(19)	(1)
34	<b>TOTAL INCOME</b>	<b>(3,596)</b>	<b>(2,426)</b>	<b>(2,658)</b>	<b>(3,597)</b>	<b>(1)</b>
35	<b>NET SPENDING</b>	<b>74,791</b>	<b>52,725</b>	<b>51,236</b>	<b>74,431</b>	<b>(360)</b>
	<b>TRANSFERS TO EARMARKED RESERVES</b>					
36	Transfer to (from) Earmarked Reserve	(920)	(56)	(1,020)	(920)	-
37	Capital Funding	-	-	-	353	353
		<b>(920)</b>	<b>(56)</b>	<b>(1,020)</b>	<b>(567)</b>	<b>353</b>
38	<b>NET SPENDING</b>	<b>73,871</b>	<b>52,669</b>	<b>50,216</b>	<b>73,864</b>	<b>(7)</b>

2.2. These forecasts are based upon the spending position at the end of December 2018, historical trends, and information from budget managers on known commitments. It should be noted that whilst every effort is made for projections to be as accurate as possible, some budget lines are susceptible to volatility in spending patterns during the year e.g. retained pay costs which are linked to activity levels, and it is inevitable therefore that final spending figures for the financial year will differ than those projected in this report.

2.3. Explanations of the more significant variations from budget (over £50k variance) are explained below.

### **3. NARRATIVE ON VARIANCES AGAINST BUDGET**

#### ***Wholetime Staff***

3.1. At this stage it is projected that spending on Wholetime pay costs will be £0.115m less than budget. The forecast saving is mainly due to the 1% saving against budgeted pay award, there are also a high number of retirements expected during the year, the resulting vacancies will be covered by fixed term contracts with existing on call staff.

#### ***On Call Staff***

3.2. On Call staffing costs are forecast at £12.413m against a budget of £12.596m, an under spend of £0.183m, largely due to savings on pay award. Due to the nature of the On Call service, there is potential for the forecast to fluctuate throughout the year.

#### ***Training Expenses***

3.3. Savings of £0.050m are expected against the budget for Training Expenses. £0.024m of this is from utilising internal instructors better, resulting in a reduction in external trainers. £0.011m stems from Estates where availability of staff and courses has caused a delay. A further £0.011m is from Marauding Terrorist group where training has been delivered by partners without the need to engage with external trainers.

#### ***Transport Repair and Maintenance***

3.4. Repair and Maintenance costs are forecast to be £0.154m higher than budget due to an increase in unscheduled repairs. Coupled with this, the costs for replacement parts is higher than budgeted due to greater failure from an ageing fleet. A new requirement to fit out National Incident Liaison Officer vehicles with additional kit has also impacted. There is an urgent need to replace the outriggers on two of the Aerial Ladder Platforms. £0.050m is anticipated to be spent this year, a further £0.100m is requested to be moved into an Earmarked Reserve to fund the expenditure, per table 3 of this report.

#### ***Running Costs and Insurances***

3.5. An over-spend of £0.093m is forecast due increased fuel costs of £0.028m. The repair costs for damaged vehicles are also greater than budgeted with an anticipated £0.061m overspend forecast.

#### ***Hydrants – Installation and Maintenance***

3.6. Hydrants is forecast to be underspent by £0.063m. There was a large number of planned works scheduled for this year. Some of these are no longer going to be completed before year-end due to the backlog of repairs logged with the water companies.

### ***Support Service Contracts***

- 3.7. There is a forecasted overspend of £0.113m with Support Service Contracts. The costs associated with HR issues coupled with increases in costs of Occupational Health account for £0.086m of this overspend. Greater than anticipated legal costs account for £0.025m.

### ***Revenue Contribution to Capital Spending***

- 3.8. Due to reduced in-year capital expenditure as reported in Section B of this report, it is forecast that £0.353m of the Revenue Contribution to Capital will not be utilised in 2018-19. The final amount of unutilised budget at year end will be transferred to the Capital funding reserve for use in future years.

### ***Provision for Doubtful Debt***

- 3.9. Arising from the increasing amount of long-term overdue sales invoices, a prudent approach is to increase the provision to cover potential non-payment. Any unused provision can be credited back to the Revenue Account in future years upon payment of invoices.

### ***Investment Income***

- 3.10. Interest on the Authority's investments is expected to outperform the budget of £0.201m by £0.071m, this is due to careful investment planning by the Finance Team which enables longer term investments to be made with a stronger yield.

### ***Other Income***

- 3.11. Other Income is forecast to be £0.073m less than budget. Positive variances of £0.084m due to Procurement Framework income, additional mast rental and the Heartstart initiative assisted by Station 60 training and income for Fleet are offset by under recovery in other areas; most notably co-responding income is predicted at £0.114m below budget due to a change in the category of call outs, Red One recharges are expected to be £0.052m less than budget due to forecast turnover.
- 3.12. Savings made against budget this year provide an opportunity to invest in emerging issues throughout the year. The Committee is asked to approve the budget transfers up to £0.150m and to recommend to the Devon & Somerset Fire & Rescue Authority those in excess of £0.150m. Table 3a below details the virements under £0.150m and Table 3b those over £0.150m for approval. The transfers are reflected in Table 2 - budget monitoring statement - and a narrative behind each budget transfer is provided within Tables 3a and 3b overleaf.

### **TABLE 3a – BUDGET TRANSFERS LESS THAN £0.150M**

<b>Virements less than £0.150m</b>			
<b>Line Ref</b>	<b>Description</b>	<b>Debit £m</b>	<b>Credit £m</b>
	<i>Transfer budget 2018/19 and an Earmarked Reserve for repairs to be carried out in 2019/20 on the VEMA appliances following defect</i>		
11	Repair and Maintenance	0.050	
35	Transfer to Earmarked Reserves	0.100	
3	Control Room staff		(0.150)
		<b>0.150</b>	<b>(0.150)</b>

### **Table 3b – BUDGET TRANSFER GREATER THAN £0.150m**

<b>Virements greater than £0.150m</b>			
<b>Line Ref</b>	<b>Description</b>	<b>Debit £m</b>	<b>Credit £m</b>
	<i>Transfer of budget for Uniforms following a change in responsibility for the management of the uniforms to Research &amp; Development.</i>		
18	Uniforms	0.425	
18	Uniforms		(0.425)
	<i>Provision for Doubtful debts - increase the total provision available to £0.650m, a prudent approach due to ongoing levels of aged debt - the provision can be released back to the revenue budget upon debt repayment</i>		
28	Provision for Doubtful debts	0.600	
30	Grants and reimbursements		(0.300)
4	Non-uniformed staff		(0.200)
1	Uniformed Pay		(0.100)
	<i>Transfer budget to fund Fireground Radios to improve Firefighters' ability to communicate at operational incidents</i>		
17	Communications	0.224	
2	On-Call firefighters		(0.224)
		<b>1.249</b>	<b>(1.249)</b>

## **4. RESERVES AND PROVISIONS**

- 4.1. As well as the funds available to the Authority by setting an annual budget, the Authority also holds reserve and provision balances.

### ***Reserves***

- 4.2. There two types of Reserves held by the Authority:

*Earmarked Reserves* – these reserves are held to fund a **specific** purpose and can only be used to fund spending associated with that specific purpose. Should it transpire that not all of the agreed funds are required then the agreement of the Authority would be sought to decide how any remaining balance is to be utilised.

*General Reserve* – usage from this Reserve is **non-specific** and is held to fund any unforeseen spending that had not been included in the base budget e.g. excessive operational activity resulting in significant retained pay costs.

### ***Provisions***

- 4.3. In addition to reserves the Authority may also hold provisions which can be defined as:

*Provisions* – a Provision is held to provide funding for a liability or loss that is known with some certainty will occur in the future, but the timing and amount is less certain.

- 4.4. A summary of predicted balances on Reserves and Provisions is shown in Table 4 below. These figures include the changes made to Reserves as a result of the Reserves Strategy which was approved by the Fire Authority on 30 July 2018.

**TABLE 4 – FORECAST RESERVES AND PROVISION BALANCES 31 DECEMBER 2018**

RESERVES AND PROVISIONS						
	Balance as at 1 April 2018	Approved Transfers	Proposed Transfers	Spending to Month 09	Forecast Spend 2018-19	Proposed Balance as at 31 March 2019
	£000	£000	£000	£000	£000	£000
<b>RESERVES</b>						
<b>Earmarked reserves</b>						
Grants unapplied from previous years	(1,376)	-	-	55	1,051	(324)
Invest to Improve	(6,424)	-	-	485	616	(5,807)
Budget Smoothing Reserve	(918)	(900)	-	-	-	(1,818)
Direct Funding to Capital	(16,647)	-	-	-	-	(16,647)
Projects, risks, & budget carry forwards						
PFI Equalisation	(295)	-	-	-	-	(295)
Emergency Services Mobile Communications Programme	(921)	-	-	4	7	(914)
Breathing Apparatus Replacement	(1,650)	-	-	1,635	1,650	0
Mobile Data Terminals Replacement	(800)	-	-	75	479	(321)
PPE & Uniform Refresh	(504)	-	-	16	16	(488)
Pension Liability reserve	(1,525)	900	-	-	593	(32)
National Procurement Project	(215)	-	-	109	126	(89)
Budget Carry Forwards	(598)	-	(100)	248	272	(426)
Commercial Services	(72)	-	-	-	20	(52)
<b>Total earmarked reserves</b>	<b>(31,944)</b>	<b>-</b>	<b>(100)</b>	<b>2,628</b>	<b>4,829</b>	<b>(27,214)</b>
<b>General reserve</b>						
General Fund balance	(5,315)	-	-	-	-	(5,315)
Percentage of general reserve compared to net budget						7.19%
<b>TOTAL RESERVE BALANCES</b>	<b>(37,259)</b>				<b>4,829</b>	<b>(32,529)</b>
<b>PROVISIONS</b>						
Doubtful Debt	(100)	-	(550)	-	-	(650)
Fire fighters pension schemes	(754)	-	-	-	100	(654)

## 5. **SUMMARY OF REVENUE SPENDING**

- 5.1. At this stage in the year, it is forecast that spending will be £0.007m below the budget figure for 2018-19. Several budget virements are recommended within the report to realign the budget with expenditure requirements within year, including the proposal to Earmark funds for safety-critical projects ahead of the financial year end, making use of in year savings.

## 6. **SECTION B – CAPITAL PROGRAMME AND PRUDENTIAL INDICATORS 2018-19**

### ***Monitoring of Capital Spending in 2018-19***

- 6.1. Table 5 below provides a summary of anticipated expenditure for this financial year and demonstrates the funding requirements.
- 6.2. At the end of Quarter 3 there is a forecast timing difference of £2.468m against the capital programme of £6.423m. There are also reported rescheduling/savings of £0.013m.
- 6.3. **Estates** £0.100m of timing differences have arisen at the planning stage of the new Brixham station as a result of sewerage issues with South West Water. Planning approval took an extended time on the Cullompton site which has resulted in a £0.200m timing delay. The refurbishment planned for Camels Head Station which also includes the ship structure, has been delayed at £0.761m. The £0.450m of timing differences on

the maintenance programme, such as storage rationalisation and security, are subject re-scoping in order to reduce costs.

- 6.4. **Fleet & Equipment.** Several projects are subject to timing differences which means they will now be delivered in 2019/20; £0.400m for eight 4x4 vehicles and £0.125m for a water bowser as a new procurement specification is required; the replacement of two Incident Support Units is now awaiting the result of the Change and Improvement plan at £0.210m. There has also been a delay in replacing the water rescue boats at £0.046m and an £0.176m upgrade to the SQL Server environment will now be delivered in 2019/20.

**TABLE 5 – FORECAST CAPITAL EXPENDITURE 2018-19**

Capital Programme 2018/19					
Item	PROJECT	2018/19 £000	2018/19 £000	2018/19 £000	2018/19 £000
		Revised Budget	Forecast Outturn	Timing Differences	Re- scheduling/ Savings
	<b>Estate Development</b>				
1	Site re/new build	200	100	(100)	0
2	Improvements & structural maintenance	3,113	1,702	(1,411)	0
	<b>Estates Sub Total</b>	<b>3,313</b>	<b>1,802</b>	<b>(1,511)</b>	<b>0</b>
	<b>Fleet &amp; Equipment</b>				
3	Appliance replacement	2,129	1,552	(610)	33
5	Specialist Operational Vehicles	125	0	(125)	0
6	Equipment	583	537	0	(46)
7	ICT Department	227	51	(176)	0
8	Water Rescue Boats	46	0	(46)	0
	<b>Fleet &amp; Equipment Sub Total</b>	<b>3,110</b>	<b>2,140</b>	<b>(957)</b>	<b>(13)</b>
	<b>Overall Capital Totals</b>	<b>6,423</b>	<b>3,942</b>	<b>(2,468)</b>	<b>(13)</b>
	<b>Programme funding</b>				
	Earmarked Reserves:				
9	Capital reserve	2,116	0	(2,103)	(13)
10	USAR - Water Rescue Boats	12	0	(12)	0
	Earmarked Reserves:	<b>2,128</b>	<b>0</b>	<b>(2,115)</b>	<b>(13)</b>
	Revenue funds:				
11	Revenue contribution to capital in year	2,084	1,731	(353)	0
12	Red One contribution to capital	300	300	0	0
13	Capital receipt	0	0	0	0
	Revenue funds:	<b>2,384</b>	<b>2,031</b>	<b>(353)</b>	<b>0</b>
14	Application of existing borrowing	1,911	1,911	0	0
	<b>Total Funding</b>	<b>6,423</b>	<b>3,942</b>	<b>(2,468)</b>	<b>(13)</b>



### ***Prudential Indicators (including Treasury Management)***

- 6.5. Total external borrowing with the Public Works Loan Board (PWLB) as at 31 December 2018 stands at £25.584m and is forecast to reduce to £25.537m as at 31 March 2019. This level of borrowing is well within the Authorised Limit for external debt of £27.029m (the absolute maximum the Authority has agreed as affordable). No further external borrowing is planned in this financial year.
- 6.6. Investment returns in the quarter yielded an average return of 0.92% which outperforms the LIBID 3 Month return (industry benchmark) of 0.74%. It is forecast that investment returns from short-term deposits will surpass the budgeted figure by £0.071m at 31 March 2019.
- 6.7. Appendix A provides a summary of performance against all of the agreed Prudential Indicators for 2018-19, which illustrates that there is no anticipated breach of any of these indicators.

## **SECTION C - OTHER FINANCIAL PERFORMANCE INDICATORS**

### ***Aged Debt Analysis***

- 7.1. Total debtor invoices outstanding as at Quarter 3 were £707,214, table 6 below provides a summary of all debt outstanding as at 31 December 2018.
- 7.2. Of this figure an amount of £516,216 (£558,987 at Quarter 2) was due from debtors relating to invoices that are more than 85 days old, equating to 73.01% (64.57% at Quarter 2) of the total debt outstanding.

**TABLE 6 – OUTSTANDING DEBT AT END OF QUARTER**

	<b>Total Value £</b>	<b>%</b>
Current (allowed 28 days in which to pay invoice)	14,408	2.04%
1 to 28 days overdue	49,652	7.02%
29-56 days overdue	38,651	5.47%
57-84 days overdue	88,151	12.47%
Over 85 days overdue	516,216	73.01%
<b>Total Debt Outstanding as at 31 December 2018</b>	<b>707,214</b>	<b>100.00%</b>

7.3. Table 7 below provides further analysis of those debts in excess of 85 days old.

**TABLE 7 – DEBTS OUTSTANDING FOR MORE THAN 85 DAYS**

	<b>No</b>	<b>Total Value</b>	<b>Action Taken</b>
Gloucestershire Fire and Rescue Service	1	£4,220	The account will be cleared week commencing 21 <sup>st</sup> January 2019
Red One Ltd	41	£507,122	Discussions are ongoing with Red One Ltd regarding settlement of the outstanding balance.
Various	10	£4,874	Invoices with small debtors are being chased using standard procedures and pursued with our debt recovery officer where appropriate.

**AMY WEBB**  
**Director of Finance (Treasurer)**

APPENDIX A TO REPORT RC/19/2

**PRUDENTIAL INDICATORS 2018-19**

Prudential Indicators and Treasury Management Indicators		Forecast Outturn £m	Target £m	Variance (favourable) /adverse £m
Capital Expenditure		3.942	6.423	(2.841)
External Borrowing vs Capital Financing Requirement (CFR) - Total		26.746	26.747	(0.001)
- Borrowing		25.537	25.538	
- Other long term liabilities		1.209	1.209	
External borrowing vs Authorised limit for external debt - Total		26.746	28.367	(1.621)
- Borrowing		25.537	27,007	
- Other long term liabilities		1.209	1.359	
Debt Ratio (debt charges as a %age of total revenue budget)		3.92%	5.00%	(1.08)bp
Cost of Borrowing – Total		1.084	1.084	(0.000)
- Interest on existing debt as at 31-3-18		1.084	1.084	
- Interest on proposed new debt in 2018-19		0.000	0.000	
Investment Income – full year		0.272	0.201	(0.071)
		Actual (30 Dec 2018) %	Target for quarter %	Variance (favourable) /adverse
Investment Return		0.92%	0.74%	(0.18)bp
Prudential Indicators and Treasury Management Indicators	Forecast (30 March 2019) %	Target Upper limit %	Target Lower limit %	Variance (favourable) /adverse %
Limit of fixed interest rates based on net debt	100.00%	100.00%	70.00%	0.00%
Limit of variable interest rates based on net debt	0.00%	30.00%	0.00%	(30.00%)
Maturity structure of borrowing limits				
Under 12 months	0.36%	30.00%	0.00%	(29.64%)
12 months to 2 years	2.31%	30.00%	0.00%	(27.69%)
2 years to 5 years	4.21%	50.00%	0.00%	(45.79%)
5 years to 10 years	14.95%	75.00%	0.00%	(60.05%)
10 years and above	77.80%	100.00%	50.00%	(22.20%)
- 10 years to 20 years	11.24%			
- 20 years to 30 years	15.61%			
- 30 years to 40 years	49.00%			
- 40 years to 50 years	1.95%			