

<b>REPORT REFERENCE NO.</b>	RC/16/4
<b>MEETING</b>	RESOURCES COMMITTEE
<b>DATE OF MEETING</b>	10 FEBRUARY 2016
<b>SUBJECT OF REPORT</b>	FINANCIAL PERFORMANCE REPORT 2015-2016 – QUARTER 3
<b>LEAD OFFICER</b>	Treasurer to the Authority
<b>RECOMMENDATIONS</b>	<p>(a) <i>That it be recommended to the Authority that a transfer be made to Earmarked Reserves of £1.5m for future funding of Capital Expenditure, as outlined in paragraph 10.3 of this report.</i></p> <p>(b) <i>That subject to (a) above, the monitoring position in relation to projected spending against the 2015-2016 revenue and capital budgets be noted;</i></p> <p>(c) <i>That the performance against the 2015-2016 financial targets be noted.</i></p>
<b>EXECUTIVE SUMMARY</b>	<p>This report provides the Committee with the third quarter performance (to December 2015) against agreed financial targets for the current financial year. In particular, it provides a forecast of spending against the 2015-16 revenue budget with explanations of the major variations. It is forecast that after a transfer to Earmarked Reserves of £1.5m spending will be £0.486m less than budget.</p> <p>This saving is largely attributable to the ongoing crewing changes as a result of the last Corporate Plan together with a strategy to hold vacancies when staff leave the organisation and a commitment to find in-year budget savings wherever possible.</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>	Appendix A – Summary of Prudential Indicators 2015-2016.
<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 2015. As well as providing projections of spending against the 2015-16 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 2015-2016**

	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	£74.710m	£74.225m	£74.163m	(0.65%)	(0.73%)
2	General Reserve Balance as %age of total budget (minimum)	5.00%	7.06%	7.06%	(2.06)bp*	(2.06)bp*
<b>Capital Targets</b>						
3	Spending within agreed capital budget ( <i>revised</i> )	£8.178m	£7.454m	£7.933m	(8.85%)	(3.00%)
4	External Borrowing within Prudential Indicator limit ( <i>revised</i> )	£29.477m	£25.817m	£25.817m	12.42%	12.42%
5	Debt Ratio (debt charges over total revenue budget)	3.76%	3.76%	3.76%	(0.00)bp*	(0.00)bp*

\*bp = base points

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

- **SECTION A** – Revenue Budget 2015-16.
- **SECTION B** – Capital Budget and Prudential Indicators 2015-16.
- **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 2015-2016

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 £74.225m compared with an agreed budget figure of £74.710m, representing a saving of £0.486m, equivalent to 0.65% of the total budget. It should be noted that this forecast is net of a proposed budget virement of £1.5m as outlined in paragraph 10.3 of this report and indicative requests for year-end transfers to Earmarked Reserves of £0.8m as outlined in paragraph 9.4.

**TABLE 2 – REVENUE MONITORING STATEMENT 2015-16**

DEVON & SOMERSET FIRE AND RESCUE AUTHORITY Revenue Budget Monitoring Report 2015/16		2015/16 Budget	Year To Date Budget	Spending to Month 9	Projected Outturn	Projected Variance over/ (under) £000 (5)
		£000 (1)	£000 (2)	£000 (3)	£000 (4)	
<b>Line No</b>	<b>SPENDING</b>					
	<b>EMPLOYEE COSTS</b>					
1	Wholetime uniform staff	27,965	21,217	20,846	27,869	(96)
2	Retained firefighters	11,938	8,788	8,398	11,816	(122)
3	Control room staff	1,647	1,227	1,206	1,615	(32)
4	Non uniformed staff	9,625	7,472	7,274	9,560	(65)
5	Training expenses	1,112	774	676	1,055	(58)
6	Fire Service Pensions recharge	2,787	2,398	2,445	2,752	(35)
		<b>55,074</b>	<b>41,877</b>	<b>40,845</b>	<b>54,666</b>	<b>(407)</b>
	<b>PREMISES RELATED COSTS</b>					
7	Repair and maintenance	1,308	981	1,012	1,295	(13)
8	Energy costs	630	425	424	581	(49)
9	Cleaning costs	445	334	372	462	17
10	Rent and rates	1,661	1,454	1,462	1,667	6
		<b>4,044</b>	<b>3,193</b>	<b>3,270</b>	<b>4,005</b>	<b>(39)</b>
	<b>TRANSPORT RELATED COSTS</b>					
11	Repair and maintenance	607	455	338	525	(82)
12	Running costs and insurances	1,344	1,075	1,304	1,311	(33)
13	Travel and subsistence	1,435	1,058	875	1,430	(5)
		<b>3,386</b>	<b>2,588</b>	<b>2,517</b>	<b>3,266</b>	<b>(120)</b>
	<b>SUPPLIES AND SERVICES</b>					
14	Equipment and furniture	2,465	2,050	1,336	2,388	(77)
16	Hydrants-installation and maintenance	128	96	143	180	52
17	Communications	2,114	1,586	1,694	1,939	(175)
18	Uniforms	610	458	307	546	(64)
19	Catering	220	165	122	173	(47)
20	External Fees and Services	115	86	72	87	(28)
21	Partnerships & regional collaborative projects	187	140	75	155	(32)
		<b>5,840</b>	<b>4,581</b>	<b>3,749</b>	<b>5,469</b>	<b>(371)</b>
	<b>ESTABLISHMENT COSTS</b>					
22	Printing, stationery and office expenses	380	300	229	350	(30)
23	Advertising	35	26	11	30	(5)
24	Insurances	341	331	427	314	(27)
		<b>756</b>	<b>657</b>	<b>666</b>	<b>694</b>	<b>(62)</b>
	<b>PAYMENTS TO OTHER AUTHORITIES</b>					
25	Support service contracts	568	405	516	637	69
		<b>568</b>	<b>405</b>	<b>516</b>	<b>637</b>	<b>69</b>
	<b>CAPITAL FINANCING COSTS</b>					
26	Capital charges	3,723	1,360	1,144	3,723	0
27	Revenue Contribution to Capital spending	2,133	-	-	1,901	(232)
		<b>5,856</b>	<b>1,360</b>	<b>1,144</b>	<b>5,624</b>	<b>(232)</b>
28	<b>TOTAL SPENDING</b>	<b>75,523</b>	<b>54,662</b>	<b>52,708</b>	<b>74,360</b>	<b>(1,162)</b>
	<b>INCOME</b>					
29	Treasury management investment income	(117)	(88)	(91)	(184)	(67)
30	Grants and Reimbursements	(3,219)	(2,441)	(2,313)	(3,147)	72
31	Other income	(998)	(749)	(633)	(1,172)	(174)
32	Internal Recharges	(30)	(23)	(14)	(24)	6
33	<b>TOTAL INCOME</b>	<b>(4,363)</b>	<b>(3,299)</b>	<b>(3,051)</b>	<b>(4,526)</b>	<b>(163)</b>
34	<b>NET SPENDING</b>	<b>71,160</b>	<b>51,363</b>	<b>49,657</b>	<b>69,834</b>	<b>(1,325)</b>
	<b>TRANSFERS TO EARMARKED RESERVES</b>					
35	Transfer to Earmarked Reserve	3,551	1,212	2,051	4,390	840
		<b>3,551</b>	<b>1,212</b>	<b>2,051</b>	<b>4,390</b>	<b>840</b>
38	<b>NET SPENDING</b>	<b>74,710</b>	<b>52,575</b>	<b>51,708</b>	<b>74,225</b>	<b>(486)</b>

- 2.2 These forecasts are based upon the spending position at the end of December 2015, 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 This projection for an underspend of £0.486m, net of a proposed £1.5m transfer to reserves, is largely attributable to savings on staffing costs primarily as a result of in year leavers and retirees not being replaced per the Corporate Plan implementation. Members will recall that when fully implemented these proposals will deliver on-going savings of £6.8m, whilst recognising that this full saving would take a number of years dependent on the natural turnover of staff.
- 2.4 In addition all budget managers have been tasked by the Chief Fire Officer and Executive Board to reduce spending 'in year' and managers are responding accordingly. Elsewhere on the committee agenda is the Revenue budget report 2016-17 where managers have identified a number of permanent savings to non-pay budgets.
- 2.5 Explanations of the more significant variations from budget (over £50k variance) are explained below in paragraphs 3 to 8.

### **3. EMPLOYEE COSTS**

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

- 3.1 At this stage it is projected that spending on wholetime pay costs will be £96k less than budget largely as a result of more staff retirements and leavers during the year than had been budgeted, thereby reducing staffing levels towards those required post Corporate Plan crewing changes. This projection includes the impact of the agreed 1% pay award from July 2015.

#### ***Retained Pay Costs***

- 3.2 At this stage in the financial year spending is forecast to be under budget by £0.122m. In making this projection an assumption has been made that activity levels in the remainder of the financial year are consistent with the average for the same period for the last three financial years. However, it should be emphasised that, by its very nature, retained pay costs can be subject to significant variations e.g. volatility to spending caused from spate weather conditions.

#### ***Non Uniformed Pay***

- 3.3 It is forecast that savings of £65k will be achieved against non-uniformed pay costs primarily as a result of staffing vacancies and management action to challenge as to whether vacancies are to be filled.

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

- 3.4 Assessment and Development courses for middle managers have been suspended whilst organisational development is reviewed, resulting in a saving to training expenses of £58k.

#### **4. TRANSPORT RELATED COSTS**

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

- 4.1 There are forecast savings of £82k on Transport Repair and Maintenance due to a significant reduction to repairs for both fire appliances and light vehicles.

#### **5. SUPPLIES AND SERVICES**

##### ***Equipment & Furniture***

- 5.1 On this budget line, a saving of £77k is anticipated. This is largely because fewer items of operational equipment are required because the Service is employing fewer staff.

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

- 5.2 Hydrants Installation and Maintenance is forecast to be £52k overspent for the year. This variance is due to a backlog of maintenance work with South West Water, slipped from previous years, which has now been committed to in this financial year.

##### ***Communications***

- 5.3 On this budget line, £70k of the forecast saving is on ICT equipment: the Airwave contract for Emergency Services communications and navigation equipment in vehicles. A further £105k in year underspend is attributable to the externally funded National Procurement Project which will be subject to an Earmarked reserve request at year end.

##### ***Uniforms***

- 5.4 In year savings of £64k against a budget of £610k are expected, due to fewer staff.

#### **6. PAYMENTS TO OTHER AUTHORITIES**

##### ***Support Services Contracts***

- 6.1 Forecast expenditure of £0.637m against budget of £0.568m, an overspend of £69k, is due to an increase in payments to the third party Occupational Health Service and additional costs to the Pensions Administrators associated with updating their systems to accommodate the introduction of the Modified Firefighters Pension Scheme.

#### **7. CAPITAL FINANCING COSTS**

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

- 7.1 Due to forecast slippage on the Capital programme, not all funds allocated as revenue contribution to Capital will be utilised in year, the forecast underspend of £232k will be subject to an Earmarked Reserve request at year end.

#### **8. INCOME**

##### ***Treasury Management Income***

- 8.1 Due to better than forecast cash balances resulting from revenue underspend and capital slippage and stronger investments yields, treasury management income is forecast to be £67k better than budgeted.

##### ***Grants & Reimbursements***

- 8.2 It is anticipated that there will be a £72k shortfall against a budget of £3.219m due to a £40k grant reduction (partially offset by lower contract expenditure) from the Department for Communities and Local Government associated with the Airwave communications contract, and fewer courses being run for Job Centre Plus (again offset by savings from expenditure lines such as non-uniformed advocate pay).

### **Other Income**

- 8.3 A forecast surplus of £174k on the Other Income line is due to £101k income above budget from Red1 contribution (will be transferred to Capital reserve, subject to member approval) along with additional funding for cadets courses and reimbursement for use of our sites by the Police.

## **9. RESERVES AND PROVISIONS**

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

### **Reserves**

- 9.2 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**

- 9.3 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.

- 9.4 A summary of predicted balances on Reserves and Provisions is shown in Table 3 overleaf. These figures include in-year transfers to/from the revenue budget in the current financial year and a forecast for Earmarked Reserve items which are likely to be requested at the end of the financial year, which are summarised for information only below (these will be subject to a formal reserve request at year end):

<b>Item</b>	<b>Earmarked reserve</b>	<b>Anticipated request at year end £'000</b>
Surplus Red 1 Income	Capital reserve	101
National Procurement Grant under spend	Grant carry forwards	307
Revenue Contribution to Capital Underspend	Capital reserve	232
Performance Information Management System	Budget carry forward	200
		840

**TABLE 3 – FORECAST RESERVES AND PROVISION BALANCES 31 MARCH 2016**

<b>RESERVES AND PROVISIONS</b>						
	Balance as	Approved	Proposed	Spending	Projected	Proposed
	at 1 April	Transfers	Transfers	to P9	Spend	Balance as
	2015	£000	£000	£000	2015-16	at 31 March
	£000	£000	£000	£000	£000	2016
						£000
<b>RESERVES</b>						
<b>Earmarked reserves</b>						
Grants unapplied from previous years	1,707	-	307	643	948	1,066
Change & improvement programme	938	-	-	121	554	384
Budget Carry Forwards	727	-	200	46	130	797
Commercial Services	192	-	-	-	-	192
Direct Funding to Capital	7,175	1,500	1,833	-	176	10,332
Comprehensive Spending Review*	4,955	-	-	-	-	4,955
Community Safety Investment	215	-	-	36	36	179
PPE & Uniform Refresh	996	-	-	-	-	996
Pension Liability reserve	1,525	-	-	-	-	1,525
NNDR Smoothing Reserve	62	551	-	-	-	613
<b>Total earmarked reserves</b>	<b>18,492</b>	<b>2,051</b>	<b>2,340</b>	<b>847</b>	<b>1,845</b>	<b>21,038</b>
<b>General reserve</b>						
General fund balance	<u>5,271</u>	-	-	-	-	<u>5,271</u>
Percentage of general reserve compared to net budget						7.06%
<b>TOTAL RESERVE BALANCES</b>	<b><u>23,763</u></b>					<b><u>26,309</u></b>
<b>PROVISIONS</b>						
Fire fighters pension schemes	784	-	-	-	75	709
PFI Equalisation	295	-	-	-	-	295
<b>TOTAL PROVISIONS</b>	<b>1,079</b>	-	-	-	<b>75</b>	<b>1,004</b>

\* The CSR Reserve has been established to provide additional financial contingency during the period of austerity, which is anticipated until at least 2019-20. Given the ongoing need to implement staff reductions arising from the changes within the Corporate Plan, this Reserve will be utilised over the period of austerity measures to fund the necessary changes to staffing models, including voluntary and/or compulsory redundancy costs, where required. It also provides further contingency in the event that government grant reductions are larger than included in the Authority's Medium Term Financial Plan.

## **10. SUMMARY OF REVENUE SPENDING**

- 10.1 At this stage it is forecast that spending will be £0.486m (net of transfers to earmarked reserve) less than the agreed budget figure for 2015-16, which aligns with the strategy adopted to deliver in-year savings in order to enhance Reserve balances and prepare the Authority for future austerity measures.
- 10.2 In line with the published strategy to reduce future debt exposure and the resulting impact on debt charges, Members of the Resources Committee are requested to recommend to the Authority that a further amount of £1.5m be transferred to an Earmarked Reserve to support future Capital Expenditure, with associated budget virements as outlined in paragraph 10.3.

10.3 Table 4 below provides details of the proposed transfers between subjective budget headings to fund the proposed transfer of £1.5m to the earmarked reserve to be used to fund future capital spending. Financial Regulations require that in-year virements between subjective budget lines in excess of £50,000 require the approval of the Resources Committee, and the full Authority where the amount exceeds £150,000 (Regulations A19 and A20 refers). The budget figures in Table 2 include the impact of these virements on the basis that Member approval is granted.

**TABLE 4 – PROPOSED BUDGET VIREMENTS**

<b>Line (Table 2)</b>	<b>Budget</b>	<b>Requested Budget Virement  £m</b>
1	Wholetime Uniformed Staff	(0.350)
2	Retained Firefighters	(0.200)
3	Non Uniformed staff	(0.350)
6	Fire Service Pension Recharge	(0.100)
13	Travel & Subsistence	(0.100)
14	Equipment & Furniture	(0.300)
26	Capital Charges	(0.100)
35	Transfer to Earmarked Reserve	1.500

**11. SECTION B – CAPITAL PROGRAMME AND PRUDENTIAL INDICATORS 2015-16**

***Monitoring of Capital Spending in 2015-16***

11.1 Table 5 overleaf provides a summary of forecast spending against the 2015-16 capital programme. Latest projection is for capital spending to be £7.454m (£7.933m in Q2) against a revised programme of £8.178m.

**TABLE 5 – CAPITAL OUTTURN 2015-16**

<b>PROJECT</b>	<b>2015/16 £000 Revised Budget</b>	<b>2015/16 £000 Forecast Outturn</b>	<b>2015/16 £000 Forecast Slippage</b>	<b>2015/16 £000 Over/ (under) spend</b>
<b>Estate Development</b>				
Major Projects - Training Facility at Exeter Airport	421	421	0	0
Minor improvements & structural maintenance	1,620	1,015	(398)	(207)
<b>Estates Sub Total</b>	<b>2,041</b>	<b>1,436</b>	<b>(398)</b>	<b>(207)</b>
<b>Fleet &amp; Equipment</b>				
Appliance replacement	4,502	4,502	0	0
Community Fire Safety	0	0	0	0
Specialist Operational Vehicles	344	219	(125)	0
Equipment	953	953	0	0
ICT Department	245	251	0	6
Water Rescue Boats	93	93	0	0
<b>Fleet &amp; Equipment Sub Total</b>	<b>6,137</b>	<b>6,018</b>	<b>(125)</b>	<b>6</b>
<b>Overall Capital Totals</b>	<b>8,178</b>	<b>7,454</b>	<b>(523)</b>	<b>(201)</b>
<b>Programme funding</b>				
Earmarked Reserves:	1,047	463	(383)	(201)
Revenue funds:	2,134	1,994	(140)	0
Borrowing	4,997	4,997	0	0
<b>Total Funding</b>	<b>8,178</b>	<b>7,454</b>	<b>(523)</b>	<b>(201)</b>

Slippage in 2015-16

- 11.2 As is illustrated in Table 5, it is anticipated that there will be slippage against the 2015-16 programme. At this stage, savings of £201k are being declared against the Capital Programme for projects which are not going ahead in 2015/16. Additionally there is forecast slippage of £398k due to some delays in a number of Estates projects which are on hold pending revisions to the Property Strategy and £125k in the fleet programme for delivery of a specialist vehicle. It is a common feature of capital spending that individual projects included in the programme can be subject to delays, for instance as a consequence of weather delays, or pending planning consents. Under the Prudential Code this does not cause any funding problems as slippage can be carried forward into the following years.

Prudential Indicators (including Treasury Management)

- 11.3 Total external borrowing with the Public Works Loan Board (PWLb) as at 31 December 2015 stands at £25.864m (from £25.880m in Q2), and forecast to reduce to £25.817m as at 31 March 2016. This level of borrowing is well within the Authorised Limit for external debt of £30.953m (the absolute maximum the Authority has agreed as affordable). No further external borrowing is planned in this financial year.

11.4 Investment returns in the quarter yielded an average return of 0.49% which outperforms the LIBID 3 Month return (industry benchmark) of 0.45%. It is forecast that investment returns from short-term deposits is anticipated to exceed the budgeted figure of £0.117m by 31 March 2016.

11.5 Appendix A provides a summary of performance against all of the agreed Prudential Indicators for 2015-2016, which illustrates that there was no breach of any of these indicators.

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

### Aged Debt Analysis

12.1 Total debtor invoices outstanding as at Quarter 3 were £86,306 (previous quarter £288,769). Table 6 below provides a summary of all debt outstanding as at 30 December.

12.2 Of this figure an amount of £14,326 (£10,518 as at 30 September) was due from debtors relating to invoices that are more than 85 days old, equating to 16.60% (3.64% as at 30 December) of the total debt outstanding. Table 7 overleaf provides an analysis of all debt in excess of 85 days.

**TABLE 6 – OUTSTANDING DEBT AS AT 30 DECEMBER 2015**

	<b>Total Value £</b>	<b>%</b>
Current (allowed 28 days in which to pay invoice)	18,126	21.00%
1 to 28 days overdue	152	0.18%
29-56 days overdue	53,580	62.08%
57-84 days overdue	123	0.14%
Over 85 days overdue	14,326	16.60%
<b>Total Debt Outstanding as at 30 December 2015</b>	<b>86,306</b>	<b>100.00%</b>

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

	<b>No</b>	<b>Total Value</b>	<b>Action Taken</b>
Individual Debts less than £1,000	5	£756	Each debt being pursued by the Risk and Insurance Officer.
South West Ambulance Trust	2	£13,570	Monies due in relation to station site sharing costs. Finance Team currently working with SWAST to secure immediate payment.

Payment of Supplier Invoices within 30 days

12.3

There is a statutory requirement for the Authority to pay undisputed invoices within 30 days. Actual performance to the end of December 2015 was 90.49% compared to the previous reported figure of 89.94% as at 30 September 2015. Officers recognise the importance of this measure to ensure that suppliers are being paid promptly. Whilst the drop in performance is, in the main, attributable to significant staffing issues within the Finance Team, measures are being put in place to improve performance including analysis of query resolution times.

**KEVIN WOODWARD**  
**Treasurer to the Authority**

APPENDIX A TO REPORT RC/16/4

**PRUDENTIAL INDICATORS 2015-2016**

Prudential Indicators and Treasury Management Indicators		Forecast Outturn £m	Target £m	Variance (favourable) /adverse
Capital Expenditure		7.454	8.178	(£0.724m)
External Borrowing vs Capital Financing Requirement (CFR) - Total		27.261	27.261m	£0.000m
- Borrowing		25.817	25.817	
- Other long term liabilities		1.444	1.444	
External borrowing vs Authorised limit for external debt - Total		27.261	30.993	(£3.732m)
- Borrowing		25.817	29.477	
- Other long term liabilities		1.444	1.516	
Debt Ratio (debt charges as a %age of total revenue budget)		3.76%	3.76%	(0.0)bp
Cost of Borrowing – Total		1.096	1.096	(£0.000m)
- Interest on existing debt as at 31-3-16		1.096	1.096	
- Interest on proposed new debt in 2015-16		0.000	0.000	
Investment Income – full year		0.184	0.116	(£0.068m)
		Actual (31 Dec 2015) %	Target for quarter %	Variance (favourable) /adverse
Investment Return		0.49%	0.45%	(0.04)bp
Prudential Indicators and Treasury Management Indicators	Forecast (30 March 2016) %	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	0.49%	30.00%	0.00%	(29.51%)
12 months to 2 years	0.36%	30.00%	0.00%	(29.14%)
2 years to 5 years	1.08%	50.00%	0.00%	(48.92%)
5 years to 10 years	8.22%	75.00%	0.00%	(66.78%)
10 years and above	89.86%	100.00%	50.00%	(10.14%)
- 10 years to 20 years	17.55%			
- 20 years to 30 years	14.26%			
- 30 years to 40 years	21.97%			
- 40 years to 50 years	36.07%			