



To: Chair & Members of the Budget  
Scrutiny Committee

The Arc  
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Clowne  
S43 4JY

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Wednesday, 20th November 2019

Dear Councillor

**BUDGET SCRUTINY COMMITTEE**

You are hereby summoned to attend a meeting of the Budget Scrutiny Committee of the Bolsover District Council to be held in the Council Chamber, The Arc, Clowne on Thursday, 28th November, 2019 at 10:00 hours.

Register of Members' Interests - Members are reminded that a Member must within 28 days of becoming aware of any changes to their Disclosable Pecuniary Interests provide written notification to the Authority's Monitoring Officer.

You will find the contents of the agenda itemised from page 2 onwards.

Yours faithfully

A handwritten signature in black ink that reads "Sarah Steenberg".

Joint Head of Corporate Governance & Monitoring Officer



**We speak your language**  
Polish **Mówimy Twoim językiem**  
Slovak **Rozprávame Vaším jazykom**  
Chinese **我们会说你的语言**

**If you require this agenda in large print  
or another format please call us on 01246 217753**

If you require an adjustment to enable you to participate in or access the meeting please contact the Governance Team at least 72 hours before the meeting starts.

**BUDGET SCRUTINY COMMITTEE  
AGENDA**

***Thursday, 28th November, 2019 at 10:00 hours in the Council Chamber, The Arc, Clowne***

<b>Item No.</b>	<b>PART 1 – OPEN ITEMS</b>	<b>Page No.(s)</b>
<b>1.</b>	<b>Apologies For Absence</b>	
<b>2.</b>	<b>Urgent Items of Business</b>  To note any urgent items of business which the Chairman has consented to being considered under the provisions of Section 100(B) 4(b) of the Local Government Act 1972.	
<b>3.</b>	<b>Declarations of Interest</b>  Members should declare the existence and nature of any Disclosable Pecuniary Interest and Non Statutory Interest as defined by the Members' Code of Conduct in respect of:  a) any business on the agenda b) any urgent additional items to be considered c) any matters arising out of those items and if appropriate, withdraw from the meeting at the relevant time.	
<b>4.</b>	<b>Minutes</b>  To consider the minutes of the last meeting held on 1 <sup>st</sup> August 2019.	<b>3 - 7</b>
<b>5.</b>	<b>Treasury Management Briefing by Arlingclose</b>	<b>8 - 50</b>
<b>6.</b>	<b>Budget Monitoring Report - Quarter 2 - July to September 2019</b>	<b>51 - 72</b>
<b>7.</b>	<b>Revised Budgets 2019/20 Presentation</b>	<b>73 - 83</b>
<b>8.</b>	<b>Setting of Council Tax 2020/21 Presentation</b>	<b>84 - 92</b>
<b>9.</b>	<b>Budget Scrutiny Committee Work Programme 2019/20</b>	<b>93 - 97</b>
<b>10.</b>	<b>Update from Scrutiny Chairs</b>	<b>Verbal Report</b>

# Agenda Item 4

## BUDGET SCRUTINY COMMITTEE

Minutes of a meeting of the Budget Scrutiny Committee of the Bolsover District Council held in the Council Chamber, the Arc, Clowne, on Thursday 1<sup>st</sup> August 2019 at 1000 hours.

### **PRESENT:-**

Members:-

Councillor Rose Bowler (Vice Chair) in the Chair to Minute No 205.

Councillor Jen Wilson in the Chair from Minute No 206.

Councillors Jane Bryson, Tracey Cannon, Anne Clarke, Jim Clifton, Tricia Clough, David Downes, Ray Heffer, Andrew Joesbury, Chris Kane, Tom Munro, Evonne Parkin, Graham Parkin, Janet Tait and Rita Turner.

Officers:- Lee Hickin (Joint Strategic Director – People), T. Fletcher (Chief Accountant and Section 151 Officer), Joanne Wilson (Scrutiny & Elections Officer) and Donna Cairns (Senior Governance Officer).

### **0201. APOLOGIES**

Apologies for absence were received on behalf of Councillors Derek Adams, Paul Cooper, Pat Cooper, David Dixon, Maxine Dixon, Natalie Hoy and James Watson.

### **0202. URGENT ITEMS OF BUSINESS**

There were no urgent items of business to consider.

### **0203. DECLARATIONS OF INTEREST**

Members were requested to declare the existence and nature of any disclosable pecuniary interests and/or other interests, not already on their register of interests, in any item on the agenda and withdraw from the meeting at the appropriate time.

There were no declarations of interest made.

### **0204. MINUTES – 6<sup>TH</sup> JUNE 2019**

Moved by Councillor Tom Munro and seconded by Councillor Chris Kane

**RESOLVED** that the Minutes of a Budget Scrutiny Committee held on 6<sup>th</sup> June 2019 be approved as a correct record.

## **BUDGET SCRUTINY COMMITTEE**

### **0205. BUDGET MONITORING REPORT – QUARTER 1 APRIL – JUNE 2019**

Committee considered a report of the Chief Accountant and Section 151 Officer which provided an update on the financial position of the Council following the first quarter's budget monitoring exercise for the General Fund, the Housing Revenue Account (HRA), Capital Programme and Treasury Management activity.

#### General Fund

The overall position on the General Fund at the end of Quarter 1 showed that there was a favourable variance of £0.365m. This was mainly due to receiving income in advance of spend for the year. There were no real budget pressures identified in Quarter 1, however officers were to continue to monitor the position during the next quarter.

The savings target for 2019/20 in the Medium Term Financial Plan had been met, however there was still a need for on-going savings. The shortfall in future years was to be addressed through the Transformation Programme which included a combination of income maximisation, business redesign and business cost reduction options.

The Strategic Director – People gave Members an update on the Transformation Programme and outlined some of the projects which were proposed or were underway. This included the Combined Heat and Power project and the proposal to review the Joint Head of Finance and Resources post which was vacant. Reviews of service areas and base line budget reviews were also to take place as part of the Programme and this was anticipated to generate around £100k of savings. The Council was not looking to make redundancies or reduce service standards as part of the Transformation Programme, but rather to identify savings by improving efficiencies.

It was noted that the Business Rates Reset and Fair Funding Review were expected to be postponed for a further year.

#### Housing Revenue Account (HRA)

At the end of Quarter 1, the HRA was showing a net deficit of £0.361m. There were no significant issues to report in respect of this period.

#### Capital Programme

In headline terms, the Capital Programme profiled budget for Quarter 1 was £3.913m and the actual spend and known commitments totalled £2.830m, which was £1.083m behind the planned spend position.

There were no significant financial issues to report regarding capital expenditure, however it was noted that the delivery of the approved Capital Programme was slightly behind the profiled position as at Quarter 1.

#### Treasury Management

The Treasury Management activity undertaken in the first quarter of 2019/20 was in line with the plans agreed as part of the Treasury Management Strategy 2019-2023. The

## BUDGET SCRUTINY COMMITTEE

income received from investments was higher than budgeted, however, interest rates were variable and therefore it was too early in the financial year to predict if this trend would continue. A full assessment of this was to be carried out during the next quarter with a view to amend budgets accordingly.

Moved by Councillor Tom Munro and seconded by Councillor Ray Heffer

**RESOLVED** that Budget Scrutiny Committee note the monitoring position at the end of the first quarter of 2019/20 in respect of the General Fund, the Housing Revenue Account, the Capital Programme and Treasury Management activity, and the key issues highlighted within the report.

*Councillor Jen Wilson entered the meeting at this point and assumed the Chair.*

### **0206.           REDUCTION IN DEBT CHARGES THROUGH USE OF RESERVES**

Committee considered a report of the Chief Accountant and Section 151 Officer which provided Members with a report due to be submitted to Executive on a proposal to reduce the cost of debt charges that the Council pays, by using reserves to financial the Capital Programme.

The proposal was to swap the financing of the General Fund Capital Programme to the use of reserves rather than borrowing in order to make substantial savings through reduced debt charges.

As at 31<sup>st</sup> March 2019, the Council's Transformation Reserve had a balance of £8.354m, of which £5.998 was uncommitted. This reserve was available to support investment in cost reduction or income growth, reflecting the Council's proactive approach to addressing the financial challenges it faced.

It was proposed that part of the Transformation Reserve could be used to fund the Capital Programme which would lead to a reduction in the debt charges.

The General Fund Capital Programme expenditure to be funded from borrowing was £6.573m for the whole three years of the programme. The debt charges associated with this level of borrowing were already included in the General Fund budget at £1.441m.

As the Council did not have enough reserves to be able to avoid the need for all of this borrowing, an assessment was carried out to calculate the largest savings on the highest value assets with the shortest lives. Vehicles was an example of this.

The report at Table 2 showed the proposal to use £2.732m of reserves in 2019/20 which would save £0.191m in that year. With further use of reserves in 2020/21 and 2021/22 as outlined in Table 2 of the report, a total of £0.841m would be saved over the three year period.

Committee were advised that there was no financial risk associated with using reserves in this way. There was however always the opportunity to spend/invest the money on other things before the reserve is replenished. It was considered that if a scheme in excess of £3m of capital spend were to be required, subject to a business case, the money would be borrowed and debt charges would be incurred at that time.

## BUDGET SCRUTINY COMMITTEE

As a comparison, officers had consider the investment of a neighbouring authority in a number of commercial properties over the last five years. The return on the individual investments ranged from 4.98% to 8.78%

It was anticipated that the use of reserves to fund the capital programme expenditure in place of borrowing was a return rate between 7% and 17%.

Moved by Councillor Ray Heffer and seconded by Councillor Tom Munro

**RESOLVED** that Budget Scrutiny Committee note the report concerning reducing the Council's cost of debt charges by using reserves to finance the capital programme.

### 0207. BUDGET SCRUTINY COMMITTEE WORK PROGRAMME 2019/20

Committee considered their Work Programme for 2019/20.

The Scrutiny & Elections Officer advised Members that further work would be carried out on the Corporate Debt Monitoring Reports that would be brought to Committee to ensure that the information is laid out in a meaningful way for Members to consider. This would include comparisons with the same period in previous years. Quarter 1 and Quarter 2 information would be brought in the same report at the next meeting.

Members were requested to contact the Scrutiny & Elections Officer should they have any queries regarding future meetings.

Moved by Councillor Ray Heffer and seconded by Councillor Tom Munro

**RESOLVED** that Members note the report and the Programme attached at Appendix 1 to the report.

### 0208. UPDATE FROM SCRUTINY CHAIRS

#### Growth Scrutiny

Councillor Jen Wilson, Chair of the Growth Scrutiny Committee, advised the meeting that the Committee had identified one topic for review which was still to be formally approved, looking at Current and Future External Funding. The review was to understand the Council's approach to identifying funding, how projects are developed and bidding processes.

#### Customer Service & Transformation Scrutiny

Councillor Rose Bowler, Chair of the Customer Service & Transformation Scrutiny Committee, advised the meeting that the Committee had agreed to look at two review topics for this year:

- The Re-letting of Council Properties
- The customer experience and our approach with New Bolsover Model Village redevelopment

## **BUDGET SCRUTINY COMMITTEE**

Dates had been agreed for updates from the Transformation Governance Group and the Chair would provide further updates on this area of service delivery.

### **Healthy, Safe, Clean & Green Communities Scrutiny**

Councillor David Downes, Chair of the Healthy, Safe, Clean & Green Communities Scrutiny Committee, advised the meeting that the Committee had agreed to look at two review topics for this year:

- The Council's approach to mitigation of air pollution
- The Council's role in relation to children and care leavers.

The meeting concluded at 1020 hours.



Arlingclose Ltd:  
Independent treasury management services

# Treasury Management Workshop

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## Bolsover District Council

Stephen Kitching & Paul Roberts

28<sup>th</sup> November 2019



# Treasury Management - a quick re-cap

## CIPFA definition

“The management of the organisation’s investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”

## Management of the Council’s

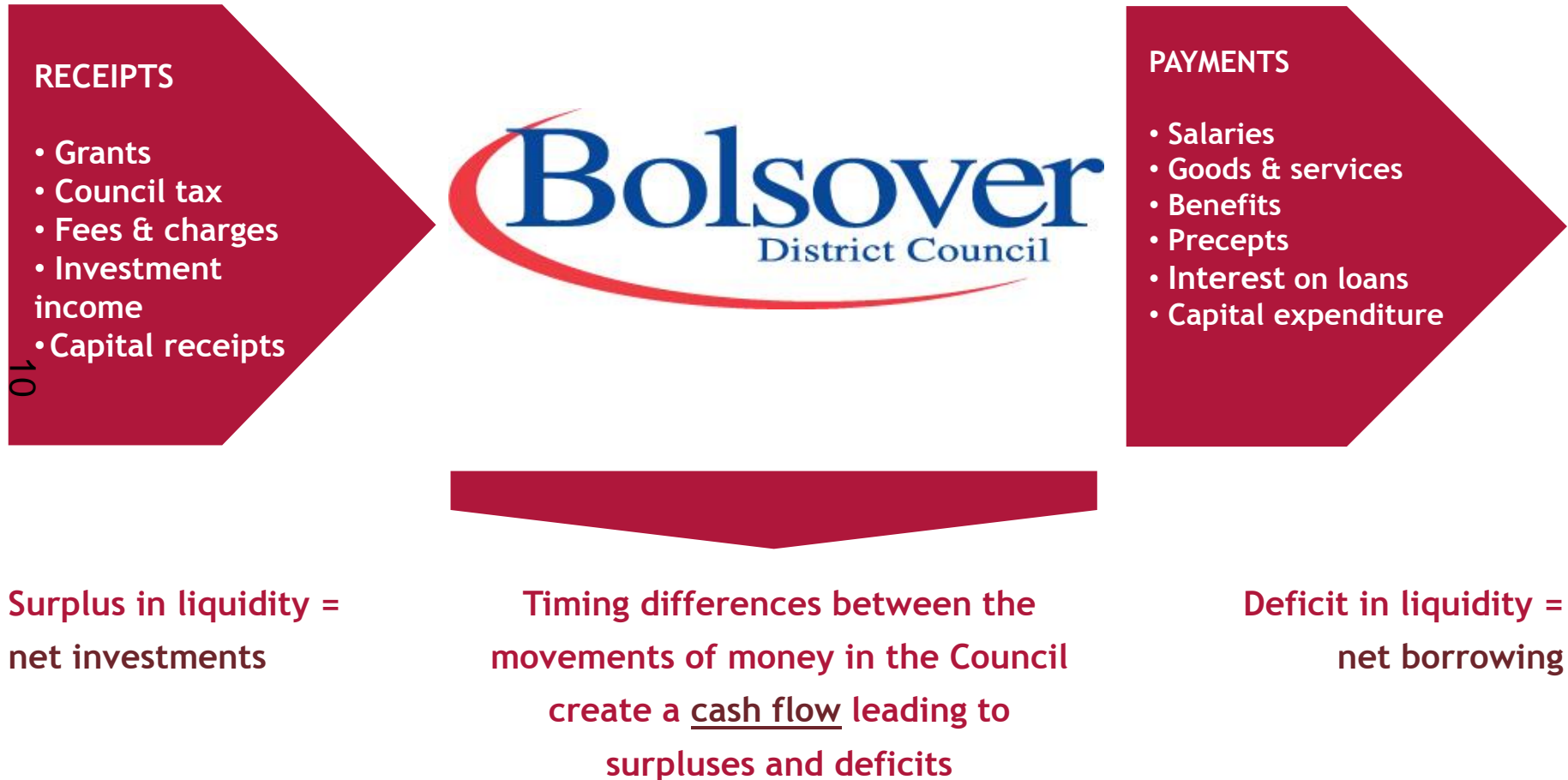
- Investments
- Cash flows
- Banking arrangements
- Money market transactions (short term)
- Capital market transactions (long term)

## Effective control of the associated risks

## Pursuit of optimum performance

- Within the context of effective risk management

# Treasury Management



# Legislation

## Local Authorities MAY:

- invest money or borrow money for:
  - relevant purposes
  - prudent management
- do anything individuals do

## Local Authorities MUST:

- ⇒ Set affordable borrowing limits
- Have regard to guidance published by MHCLG and CIPFA
- supply MHCLG with information requested

## MHCLG Department MAY:

- set borrowing limits
- issue regulations, guidance or directions

## Local Authorities MUST NOT:

- exceed their affordable borrowing limit
- borrow in foreign currency
- mortgage property
- delegate the approval of an annual strategy to any committee or person

# Treasury Management

## Capital Expenditure Plans should be:

- **Prudent** in meeting service needs and providing value for money
  - **Affordable** in terms of acceptable Council Tax levels
  - **Sustainable** over the long-term - requiring asset management plans
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- Value for Money
  - Stewardship of Assets

*The guiding principles of the Prudential Code*



## Investments give priority to:

- **Security** - minimising risk of loss of invested monies
- **Liquidity** - ensuring money is available when needed
- **Yield** - earning a return consistent with the above

## Published Codes and Guidance

- CIPFA Treasury Management Code (2017)
- CIPFA Prudential Code for Capital Finance (2017)
- Communities and Local Government (CLG) Investment Guidance (revision expected 2018)

# Members' Responsibilities

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# What is your role as Elected Members?

## Role of the Council

- Set the **budget** and **capital programme**
- Receive a **capital strategy**
- Approve the **Treasury Management Strategy**
- Approve the **Investment Strategy**
- Approve the **Prudential Indicators** including
  - — Capital Financing Requirement
  - the Authorised Limit
- Approve **Treasury Management Indicators**
- Receive mid-year and annual reports (minimum)

## Role of Elected Members

- Decide the Council's appetite for **risk and return**
- Review policies, strategies and budgets
- Approve division of responsibilities
- Receive and review reports
  - Performance reports
  - Audit reports, acting on recommendations
- **Challenge, where appropriate**

# What are you determining?

## Capital Strategy and Prudential Indicators

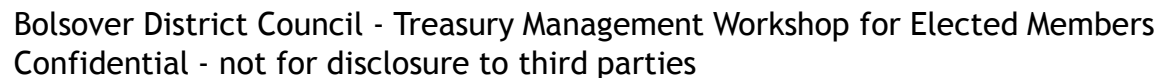
- **Projected capital expenditure** and how it will be financed or funded
- The **Capital Financing Requirement (CFR)** ~ the underlying need to borrow
- **Affordability**
  - Ongoing impact of the capital programme
  - **Authorised Limit** (overall limit for indebtedness)
  - Estimates, limits of future debt levels
- Now a requirement for a **Capital Strategy** to be taken to full Council

## The Treasury Strategy highlights:

- External influences: the current and anticipated economic and interest rate environment
- Local Context: Issues specific to the Council
- Projected levels of debt and investment
- Strategy for borrowing and investment
- Criteria and limits
- Inherent and potential risks to the strategy and their management

**You have ownership of your Budget, Capital Programme and Treasury Strategy**

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# Bolsover's Plans

17 *Factors within your control*

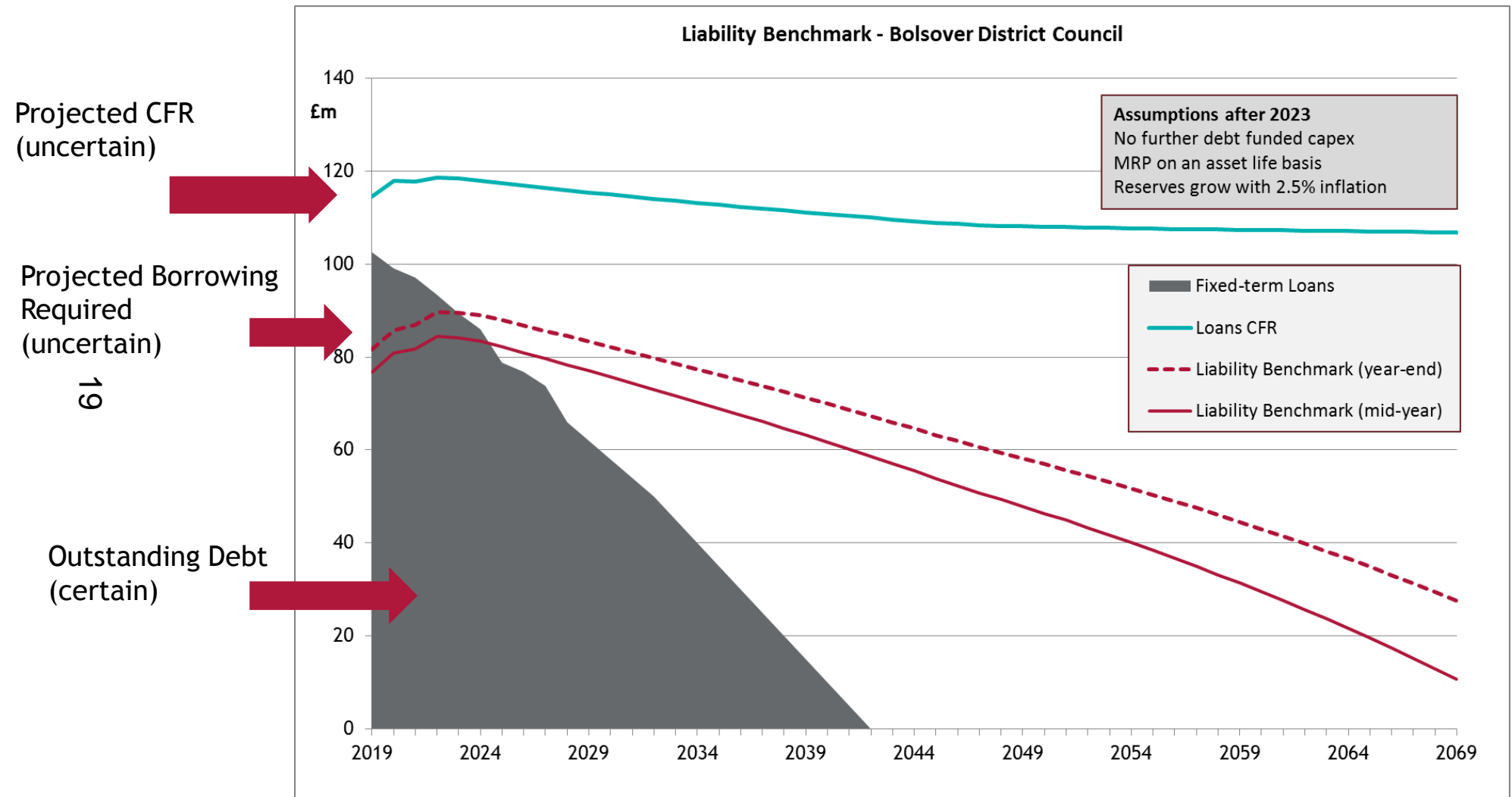
# Does Bolsover DC need to borrow?

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Bolsover District Council					
Balance Sheet Summary and Projections in £millions - last updated 19 Nov 2019					
31st March:	2019	2020	2021	2022	2023
Loans Capital Financing Req.	114.5	117.9	117.7	118.6	118.4
Less: External Borrowing	-102.6	-99.1	-97.1	-93.4	-89.4
<b>Internal (Over) Borrowing</b>	<b>11.9</b>	<b>18.8</b>	<b>20.6</b>	<b>25.2</b>	<b>29.0</b>
Less: Usable Reserves	-42.5	-41.8	-40.5	-38.6	-38.5
Less: Working Capital Surplus	-0.3	-0.3	-0.3	-0.3	-0.3
<b>Investments / (New Borrowing)</b>	<b>30.9</b>	<b>23.3</b>	<b>20.2</b>	<b>13.7</b>	<b>9.8</b>

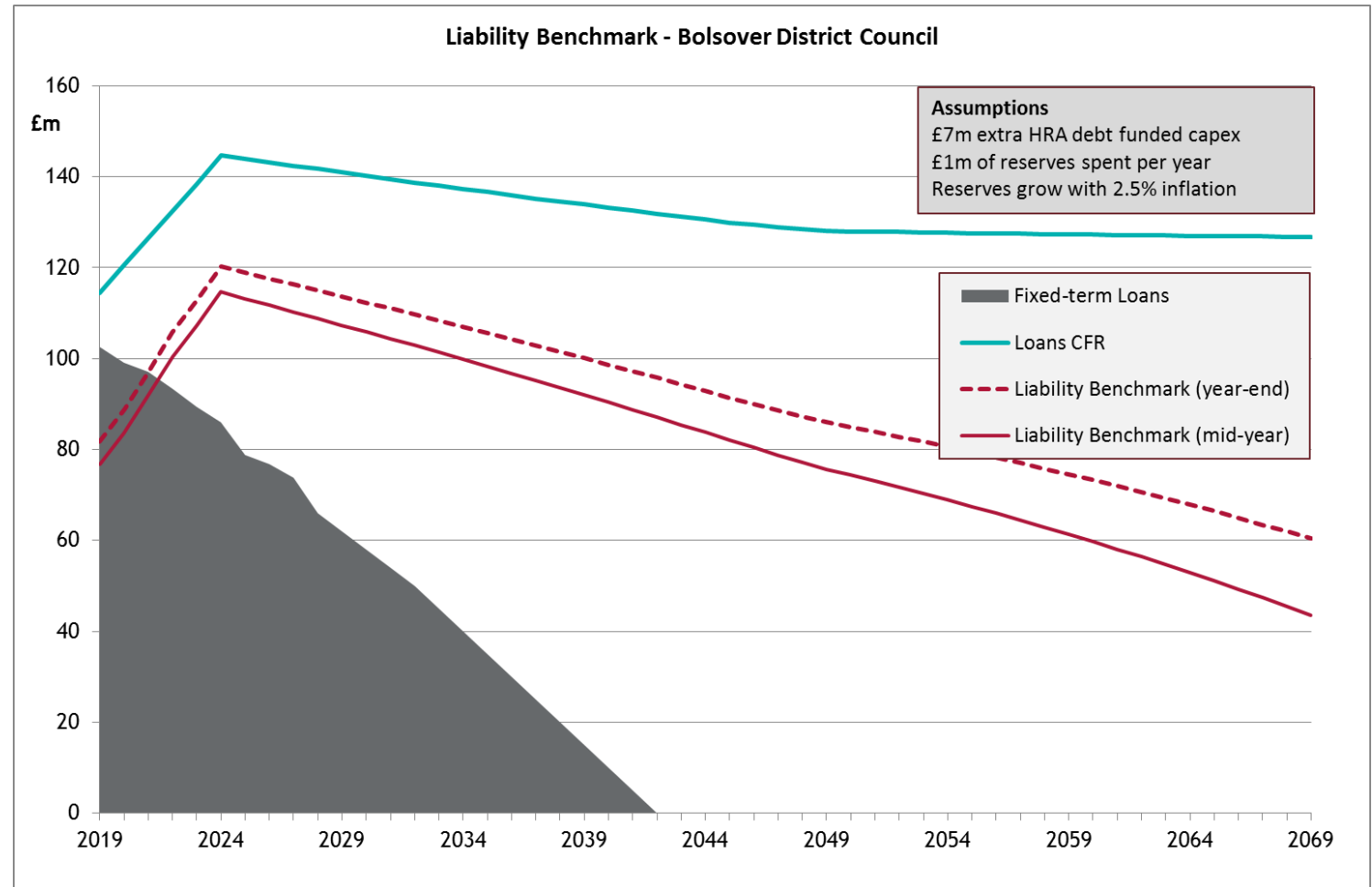
- The majority of Bolsover's debt comes from HRA reform, when the council was required to take out debt to "buy out" the subsidy regime
- Current plans lead to a modest increase in the CFR, and therefore underlying need to borrow
- However, that doesn't necessarily mean that external borrowing is required
- The council has the option to spend cash it has on hand, generated by reserves i.e. "internally borrow"
- If plans remain the same, then the council will be a net investor, but will plans remain the same, especially reserves?

# Does Bolsover need to borrow?



# What if the plans change?

- Reserves drawdown more quickly than expected
- Capital expenditure plans change
- Growing requirement appears sooner



# Economic Outlook

21 *Factors outside your control*

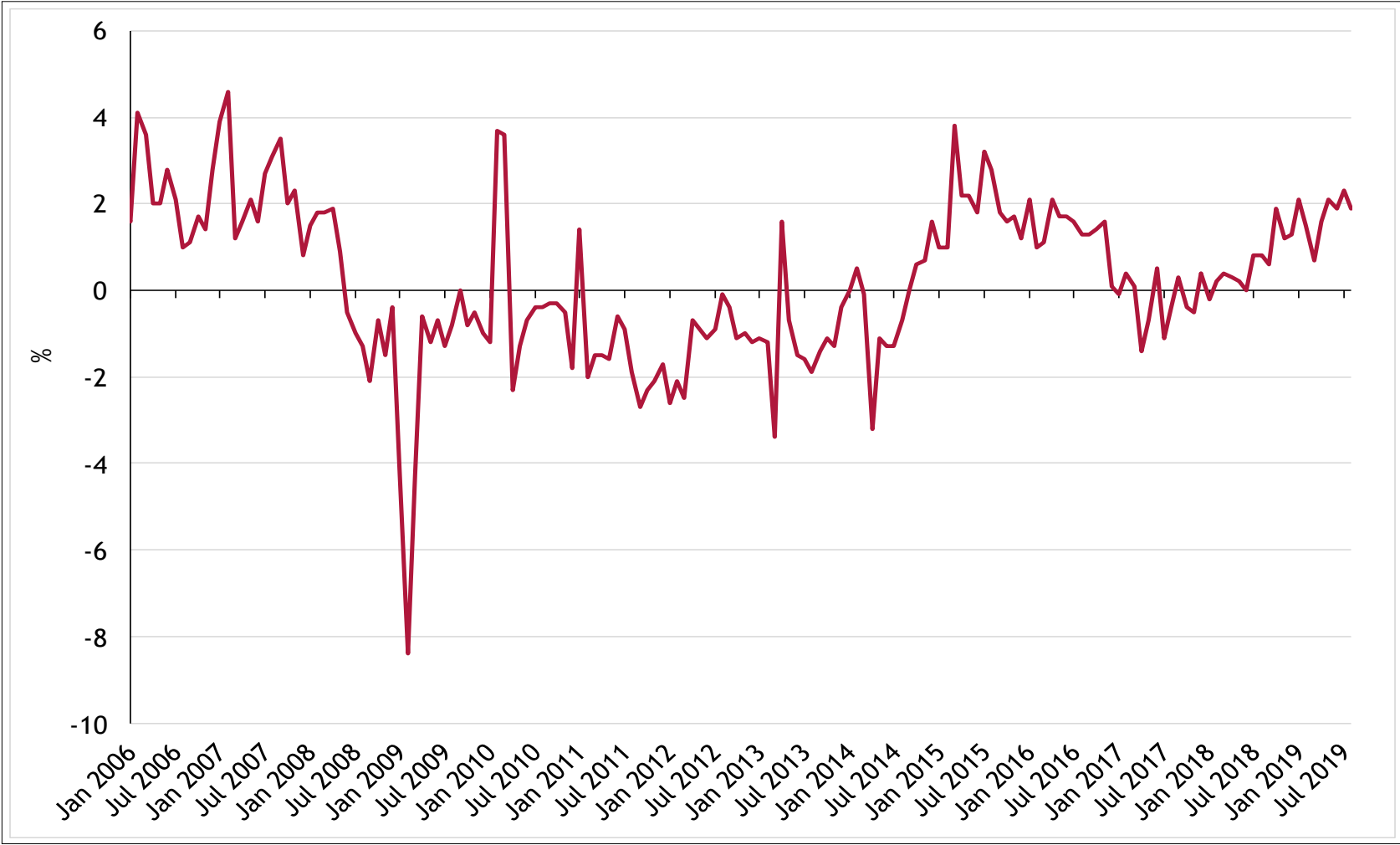
# UK Unemployment: ILO Survey (monthly)

Unemployment: ILO Survey			
Current Value	3.80	Maximum	8.50
Date	30/09/2019	Date	30/11/2011
Average	5.91	Minimum	3.80
Ticker	UKUEILOT Index	Date	31/03/2019



# Real Average Earnings Growth (CPI adjusted, year-on-year, monthly)

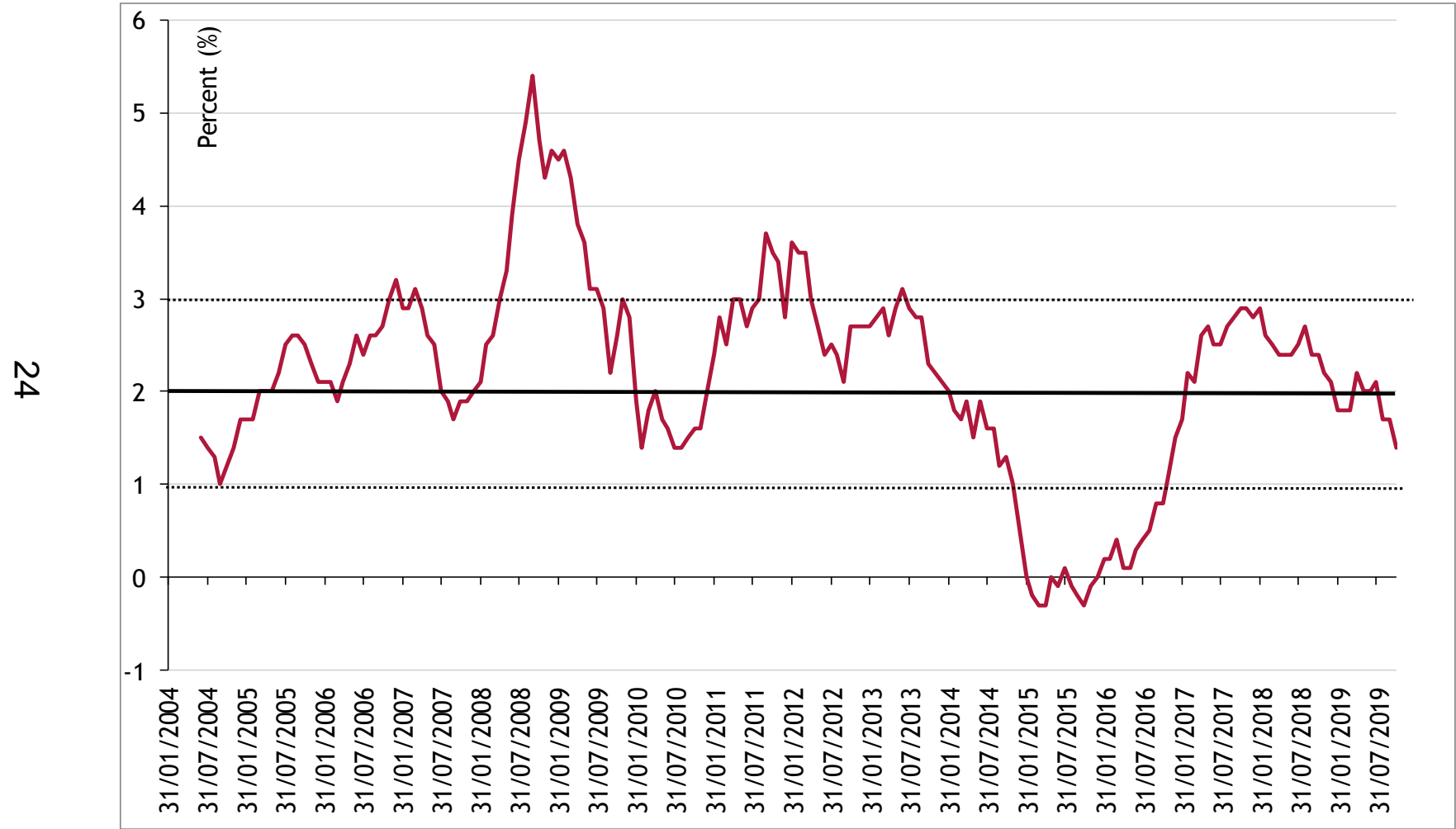
UK Real Average Weekly Earnings YoY			
Current Value	1.90	Maximum	4.60
Date	31/08/2019	Date	28/02/2007
Average	0.56	Minimum	-8.40
Ticker	UKAWA3WV Index	Date	28/02/2009



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# CPI YOY (monthly)

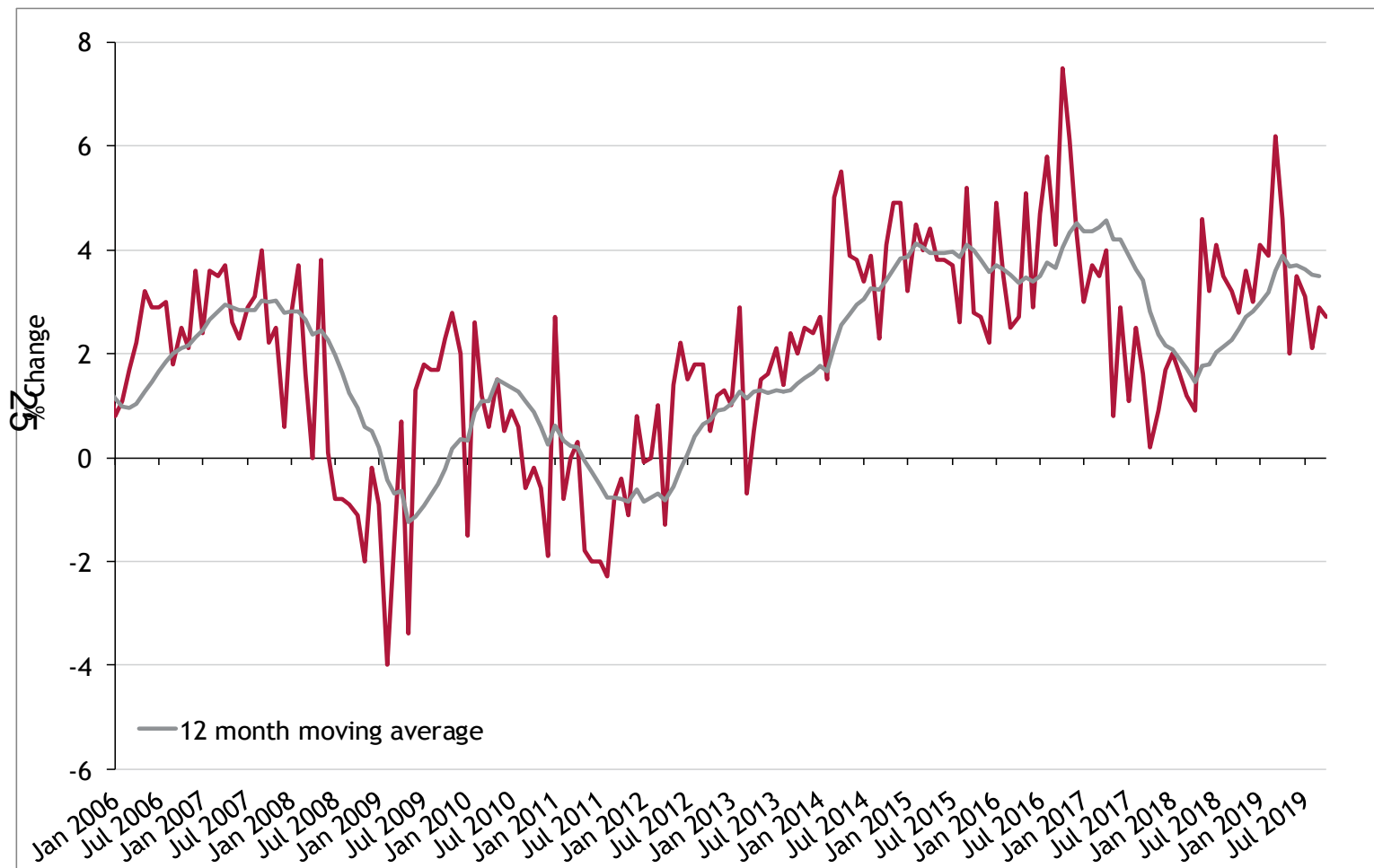
UK CPI YOY			
Current Value	1.50	Maximum	5.20
Date	31/10/2019	Date	30/09/2008
Average	2.27	Minimum	-0.10
Ticker	UKRPCJYR Index	Date	30/04/2015





# Retail Sales Excluding Auto Fuel YOY (monthly)

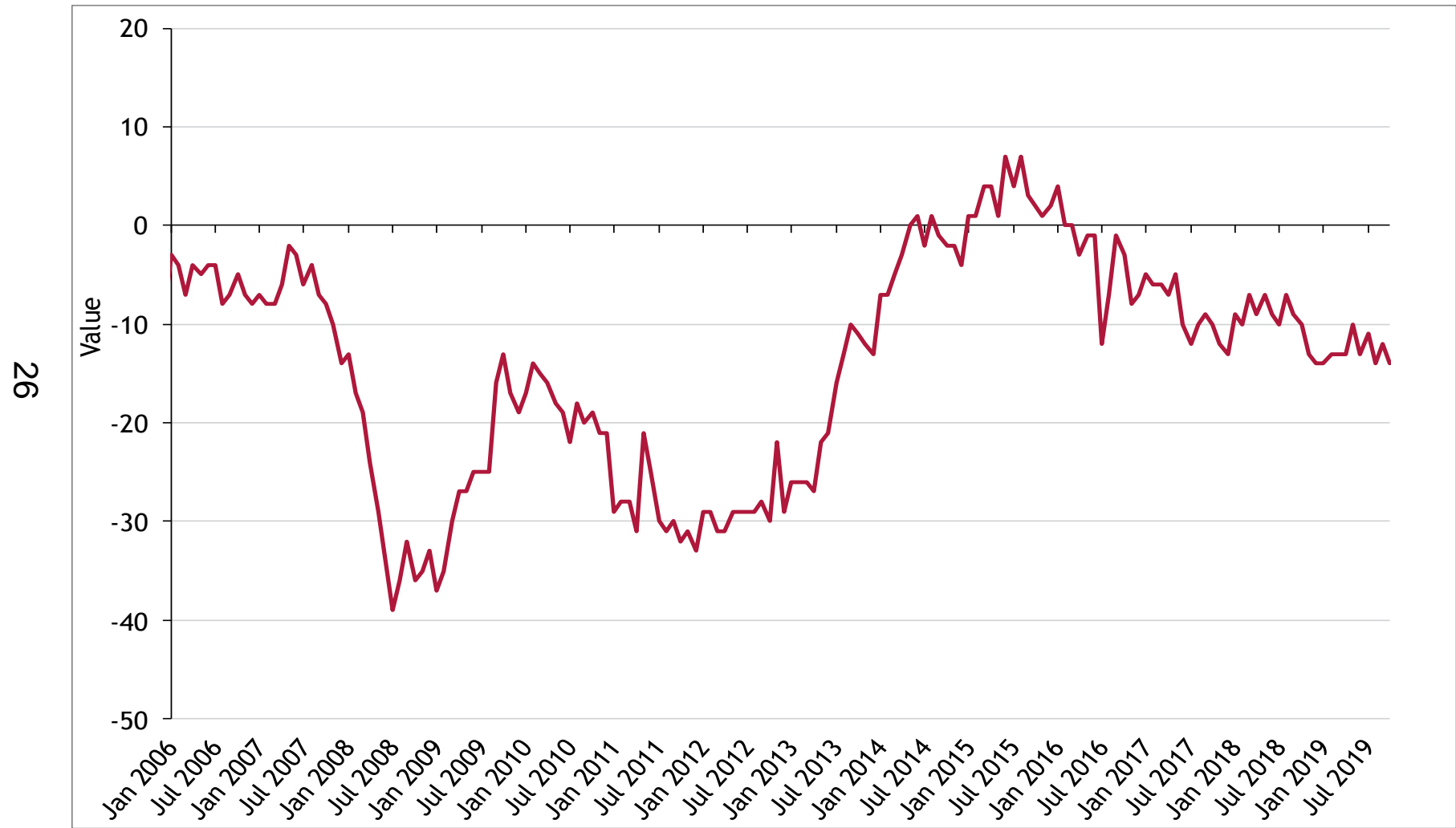
UK Retail Sales Excluding Auto Fuel YoY			
Current Value	2.70	Maximum	7.50
Date	31/10/2019	Date	31/10/2016
Average	2.22	Minimum	-4.00
Ticker	UKRVAYOY Index	Date	28/02/2009



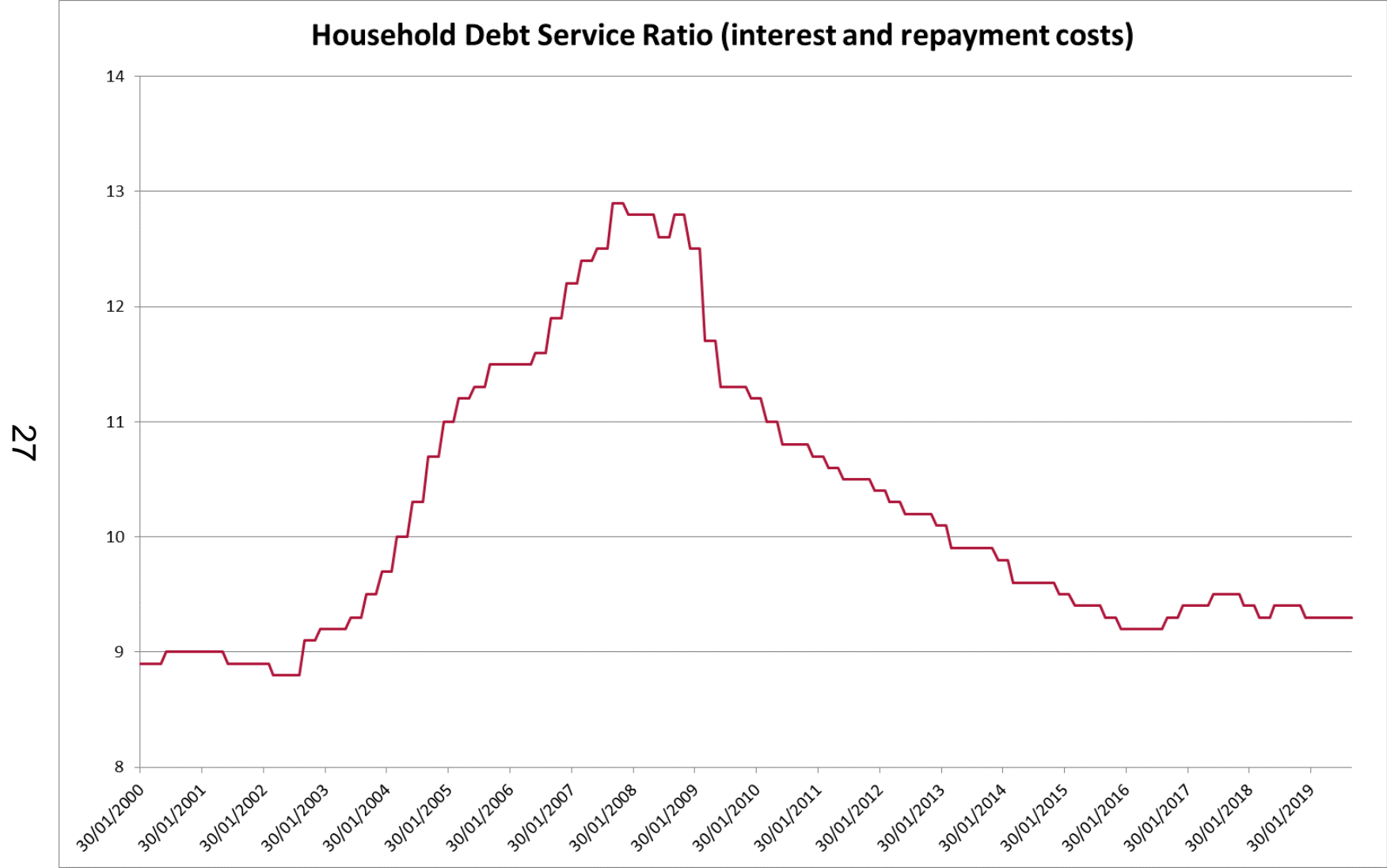
Retail Sales Monthly	
07/2018	1.0%
08/2018	0.4%
09/2018	-0.4%
10/2018	-0.5%
11/2018	1.2%
12/2018	-1.2%
01/2019	1.1%
02/2019	0.2%
03/2019	1.4%
04/2019	-0.4%
05/2019	-0.3%
06/2019	0.8%
07/2019	0.4%
08/2019	-0.3%
09/2019	0.2%

# GFK UK Consumer Confidence (monthly)

GFK UK Consumer Confidence			
Current Value	-14.00	Maximum	7.00
Date	31/10/2019	Date	30/06/2015
Average	-12.56	Minimum	-39.00
Ticker	UKCCI Index	Date	31/07/2008

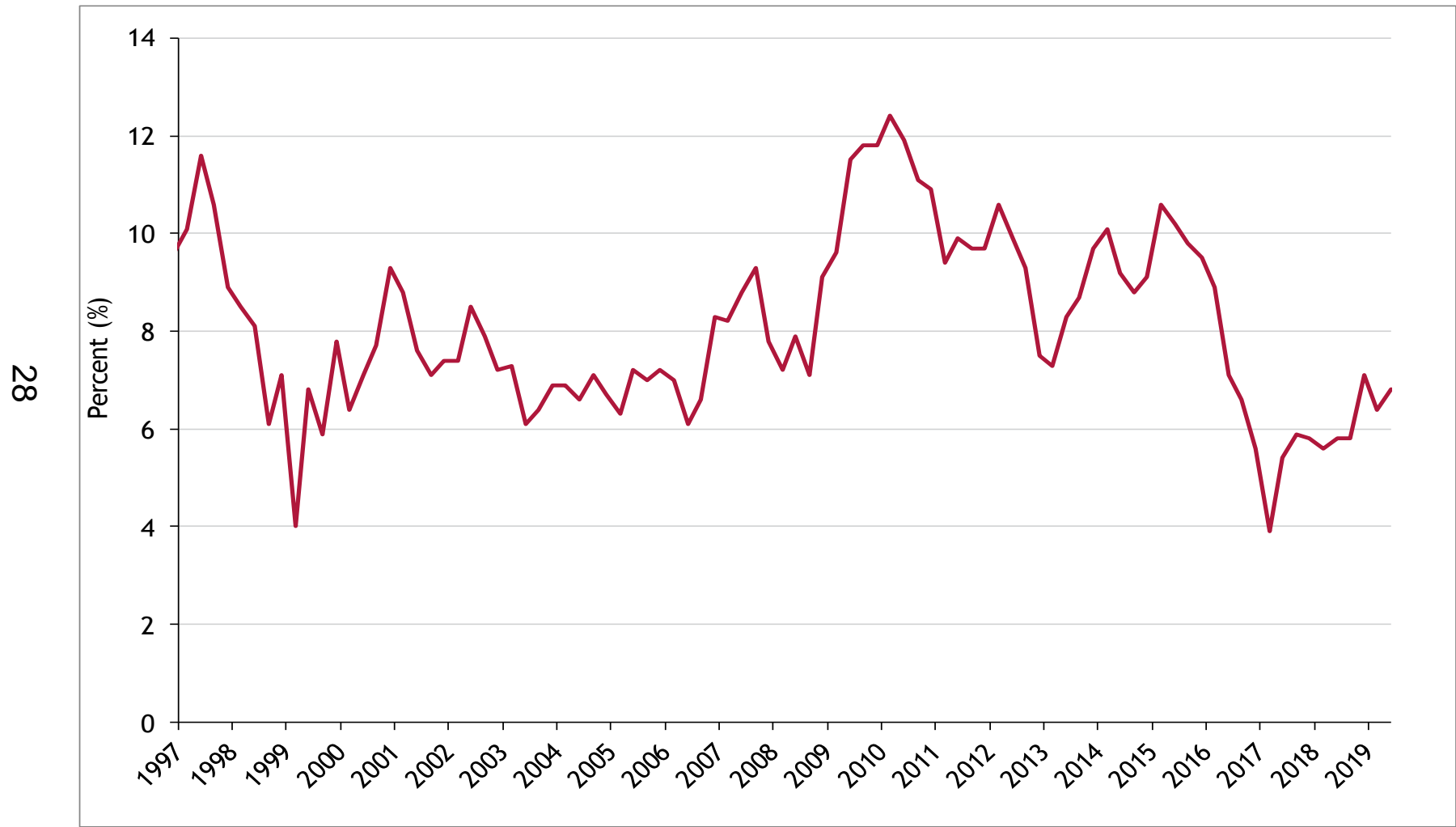


# UK Household Debt Service Ratio



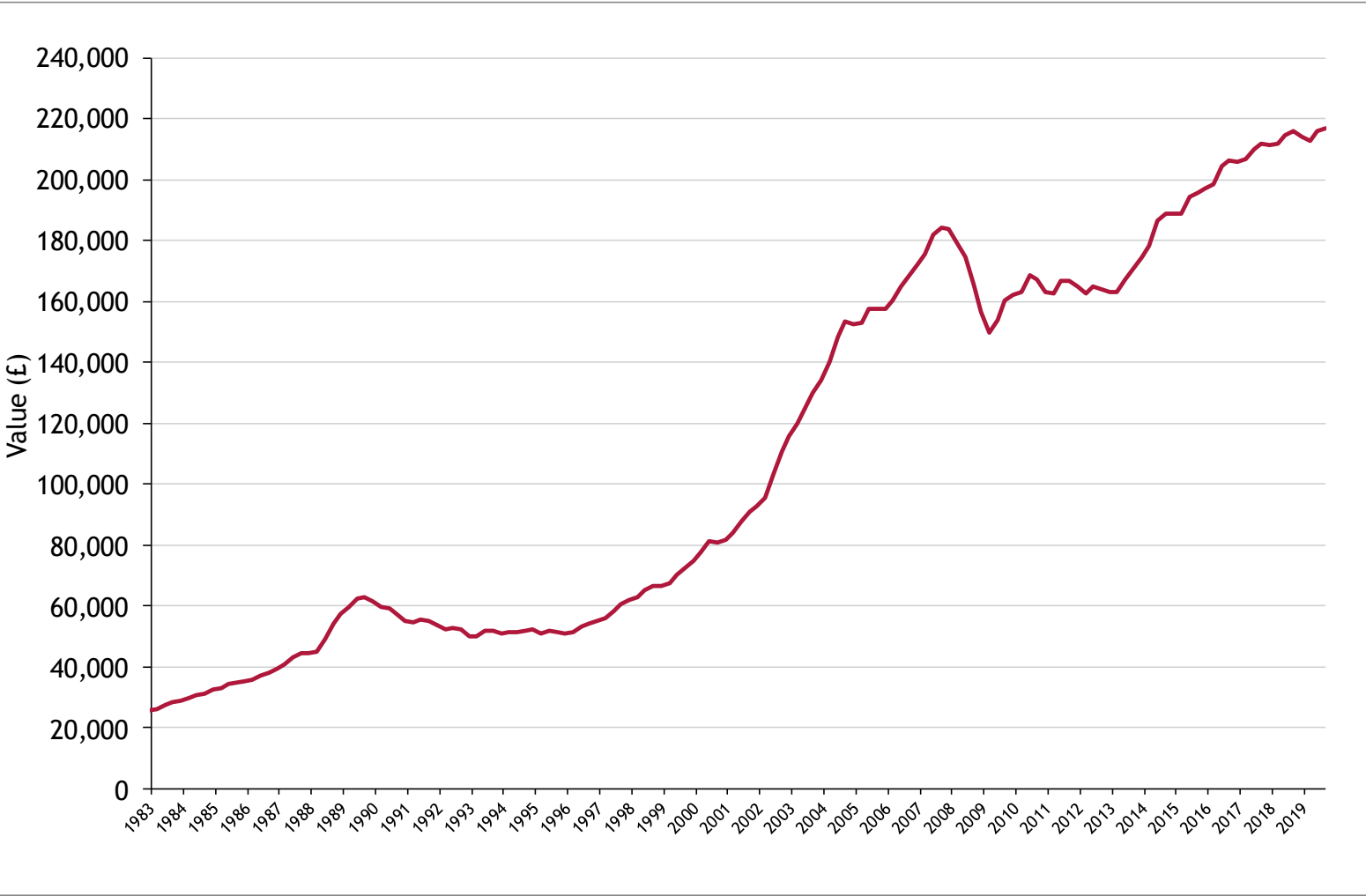
# UK Savings Ratio (quarterly)

UK Savings Ratio			
Current Value	6.80	Maximum	13.40
Date	28/06/2019	Date	31/03/1995
Average	8.43	Minimum	3.90
Ticker	UKSVRATI Index	Date	31/03/2017



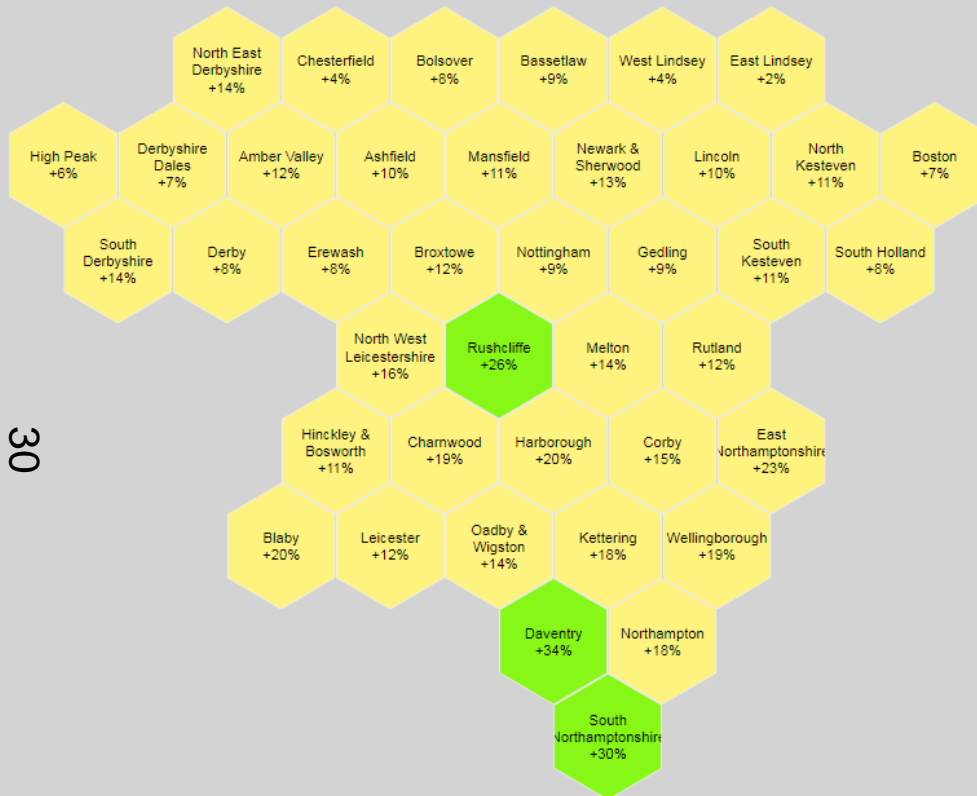
# UK Nationwide Average House Price (monthly)

UK Nationwide Average House Prices			
Current Value	216,805	Maximum	216,805
Date	30/09/2019	Date	30/09/2019
Average	104,127	Minimum	22,677
Ticker	UKNAUKP Index	Date	31/01/1983



# Local House Price Changes (%)

Median house price % change (2007 to 2016) in East Midlands

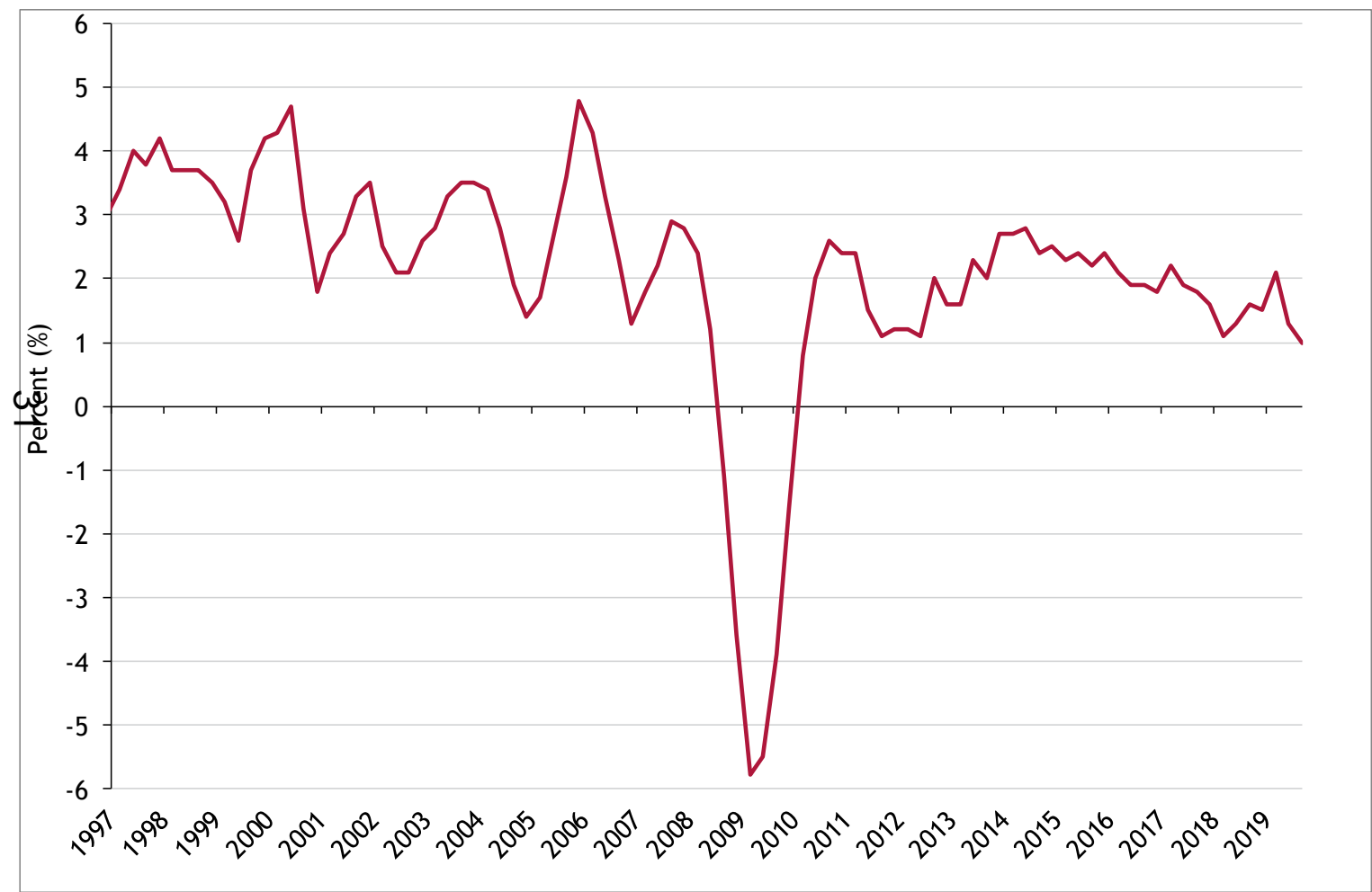


Median house price % change (2007 to 2016) in Bolsover



# UK GDP YOY (quarterly)

UK GDP YOY			
Current Value	1.00	Maximum	4.80
Date	30/09/2019	Date	30/12/2005
Average	2.13	Minimum	-5.80
Ticker	UKGRABIY Index	Date	31/03/2009



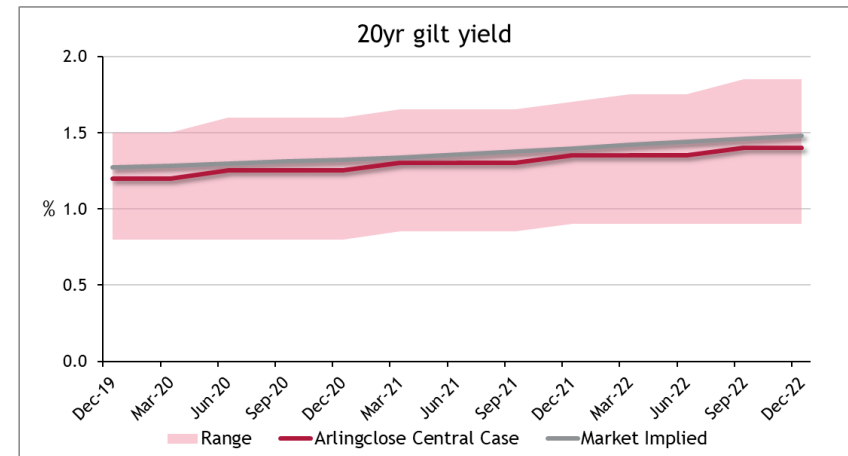
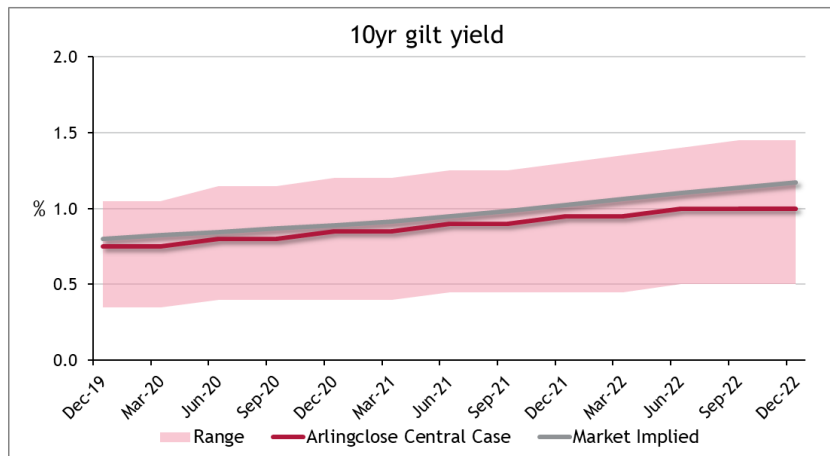
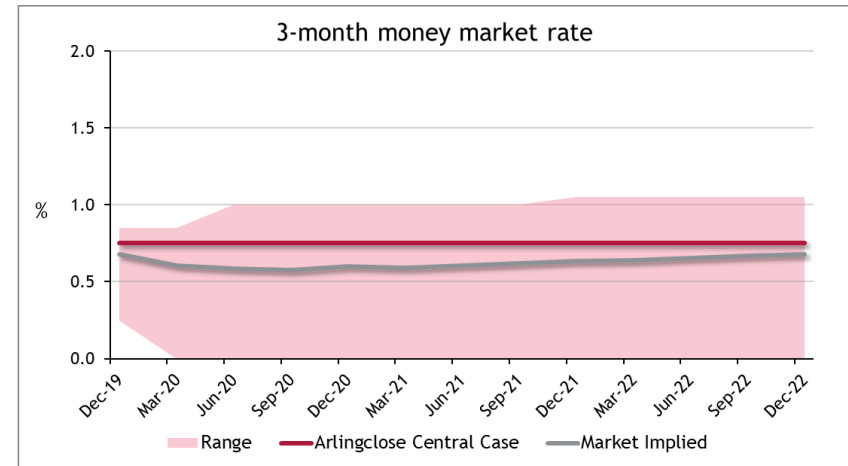
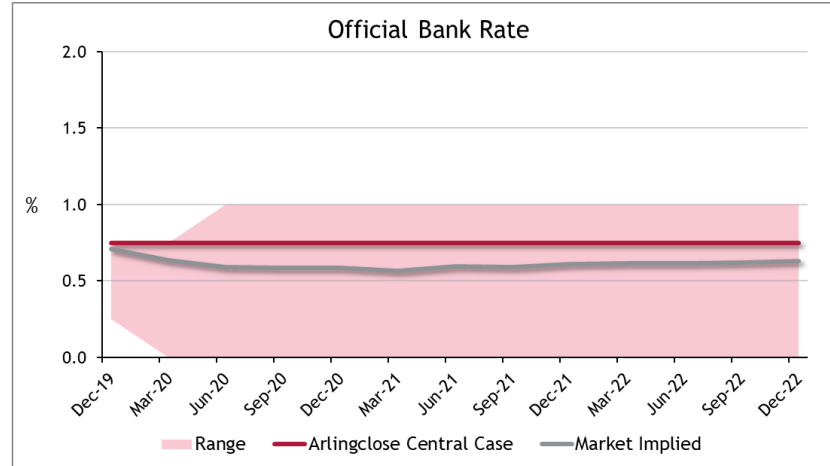
UK GDP QoQ	
Q2 2016	0.2%
Q3 2016	0.5%
Q4 2016	0.7%
Q1 2017	0.4%
Q2 2017	0.2%
Q3 2017	0.4%
Q4 2017	0.4%
Q1 2018	0.1%
Q2 2018	0.4%
Q3 2018	0.7%
Q4 2018	0.2%
Q1 2019	0.5%
Q2 2019	-0.2%
Q2 2019	0.3%

# Arlingclose and Market Projections November 2019

Charts show the Arlingclose central case along with upside and downside risks:

**Arlingclose judges that the risks around the Bank Rate forecast are weighted to the downside**

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PWLB Certainty Rate (Maturity Loans) = Gilt yield + 1.80%

PWLB Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%



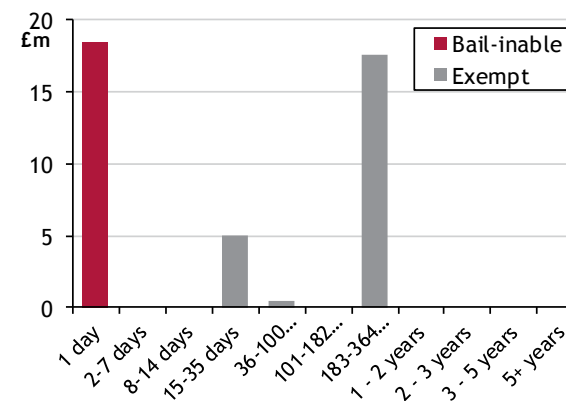
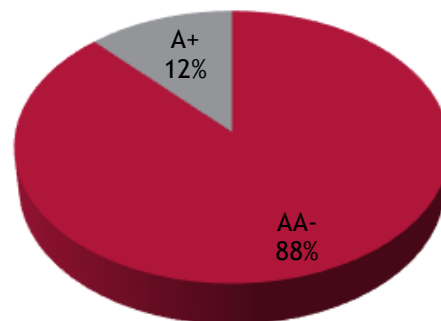
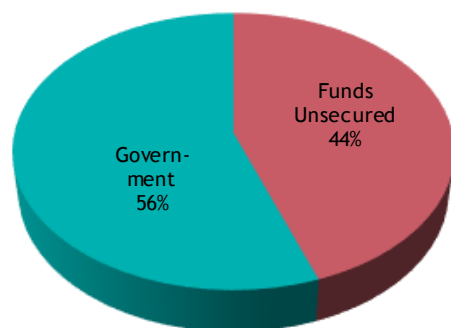
# Current Investments & Future Options

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# Current Investments

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Summary of Investments - 18 November 2019									
Type of Investment	Number	Principal	Total Return	Income Return	Days to Maturity	Days to Next Rate Reset	Average Credit Rating	Average Credit Score	Volatility
Bank Accounts	-	£ -	-	-	-	-	-	-	-
Bank Deposits	-	£ -	-	-	-	-	-	-	-
Money Market Funds	4	£ 18,400,000	0.72%	-	1	50	AA-	4.4	-
Reverse Repo	-	£ -	-	-	-	-	-	-	-
DMO Deposits	-	£ -	-	-	-	-	-	-	-
Local Authorities	6	£ 22,952,055	0.86%	-	183	183	AA-	3.8	-
Government Bonds	-	£ -	-	-	-	-	-	-	-
Covered Bonds	-	£ -	-	-	-	-	-	-	-
Corporate Bonds	-	£ -	-	-	-	-	-	-	-
Company Loans	-	£ -	-	-	-	-	-	-	-
<b>Total Internal Investments</b>	<b>10</b>	<b>£ 41,352,055</b>	<b>0.80%</b>	<b>0.80%</b>	<b>102</b>	<b>124</b>	<b>AA-</b>	<b>4.0</b>	<b>-</b>
Cash Plus and Short Bond Funds	-	£ -	-	-	-	-	-	-	-
Strategic Pooled Funds	-	£ -	-	-	-	-	-	-	-
<b>Total Investment Portfolio</b>	<b>10</b>	<b>£ 41,352,055</b>	<b>0.80%</b>	<b>0.80%</b>					



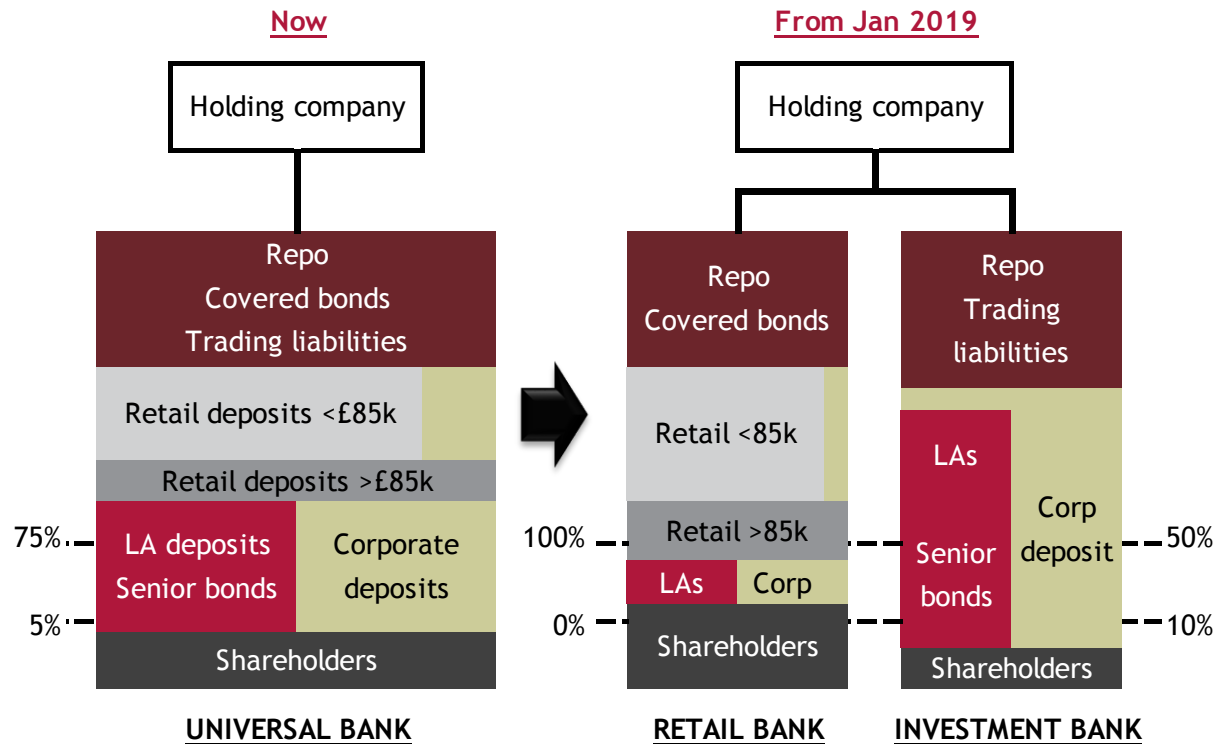
# Bail-in and Ringfencing

## Bail-in

- **Failing** banks will be bailed in, before they fail
- Creditors wiped out from the bottom up
- LA deposits remain near bottom of hierarchy

## Ring-fencing

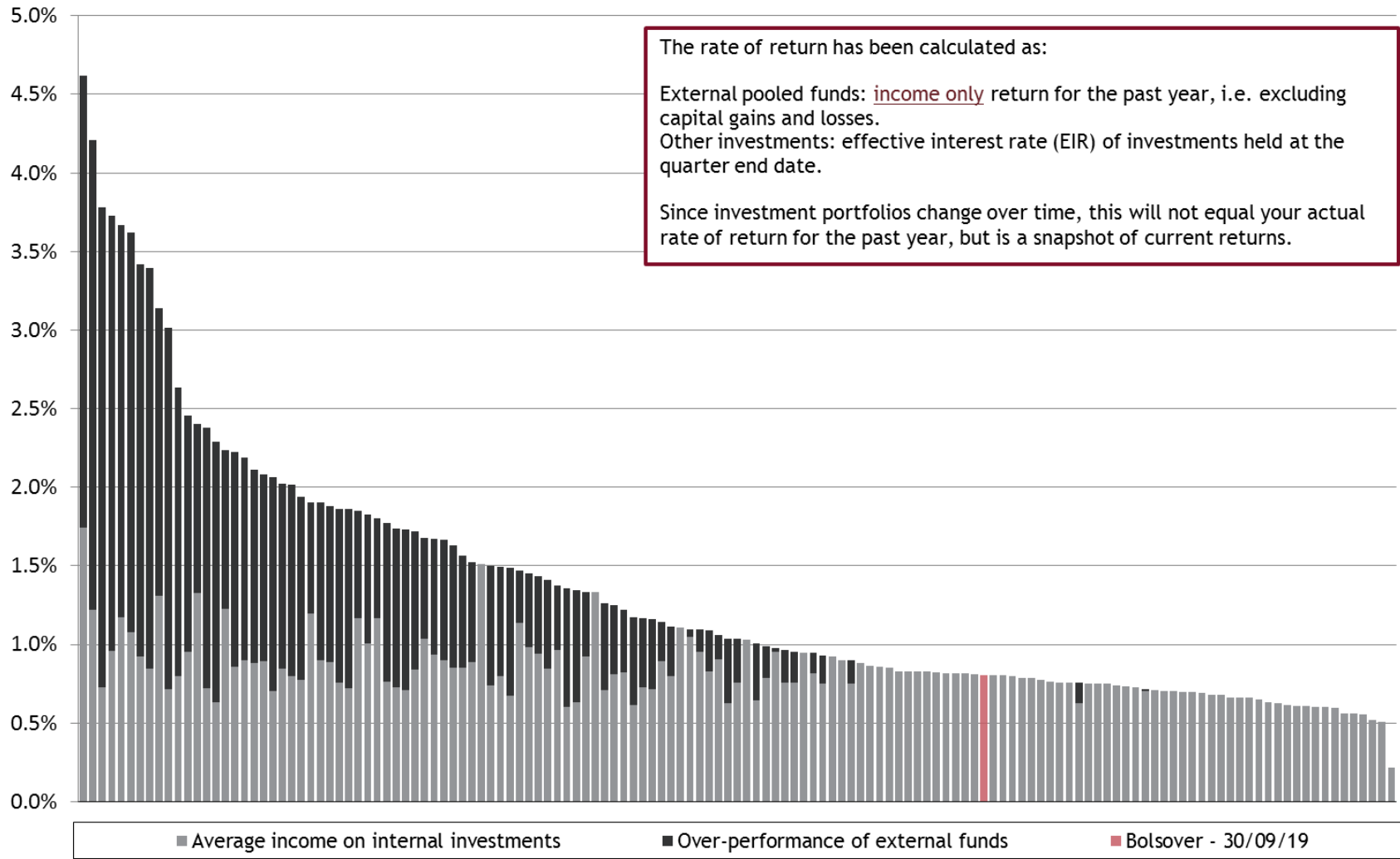
- All UK banks with more than £25bn retail deposits are required to split into two banks by end 2018:
  - A ringfenced "retail" bank, providing basic services to individuals and SMEs
  - A non-ringfenced "investment" bank conducting higher risk activities
- The law permits both banks to accept deposits from local authorities
- We expect bail-ins to be rarer, but larger, at retail banks than investment banks



# Investment Return

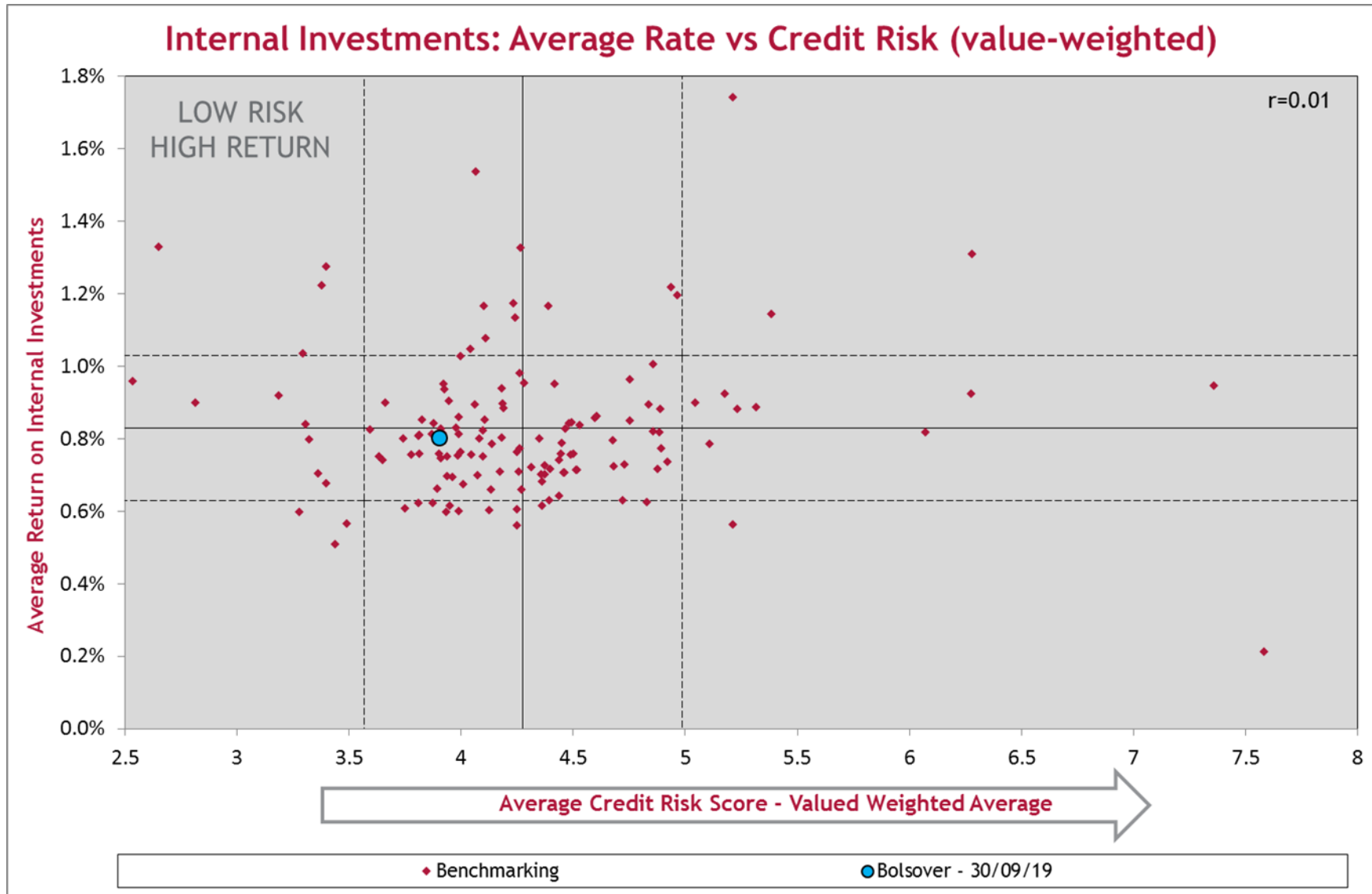
36

## Income Only Return on Total Investments (Internal plus External Funds)

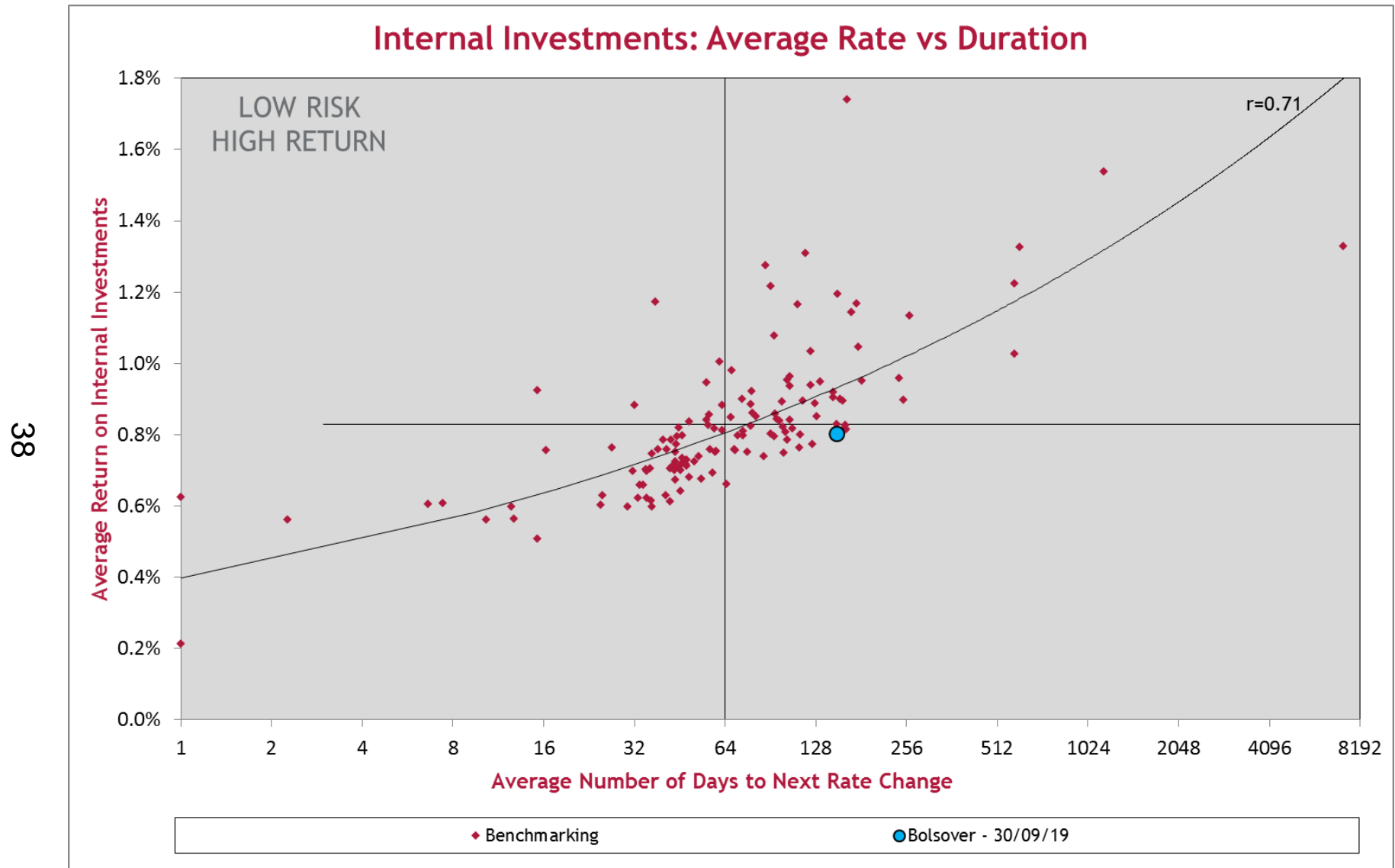


# Risk vs Return

37



# Duration vs Return



# How does Bolsover compare?



## Investment Benchmarking 30 September 2019

Bolsover  
53 English Non-Met Districts Average  
139 LAs Average

Internal Investments	£40.6m	£30.2m	£65.2m
Cash Plus & Short Bond Funds	£0.0m	£1.7m	£1.8m
Strategic Pooled Funds	£0.0m	£10.9m	£11.1m
<b>TOTAL INVESTMENTS</b>	<b>£40.6m</b>	<b>£42.7m</b>	<b>£78.1m</b>

### Security

Average Credit Score	3.90	4.26	4.28
Average Credit Rating	AA-	AA-	AA-
Average Credit Score (time-weighted)	3.75	4.22	4.19
Average Credit Rating (time-weighted)	AA-	AA-	AA-
Number of Counterparties / Funds	10	15	14
Proportion Exposed to Bail-in	31%	61%	62%

### Liquidity

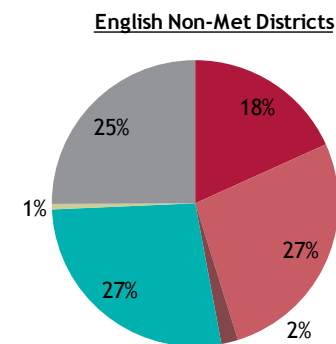
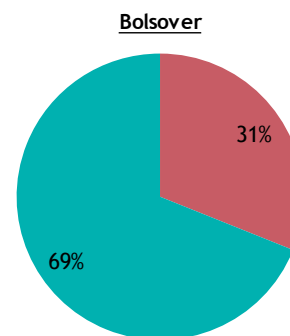
Proportion Available within 7 days	31%	33%	42%
Proportion Available within 100 days	56%	55%	68%
Average Days to Maturity	135	80	28

### Market Risks

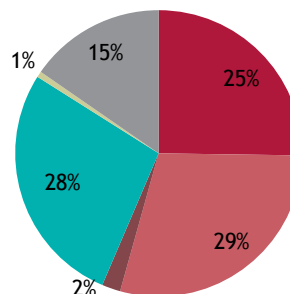
Average Days to Next Rate Reset	150	91	64
Strategic Fund Volatility	-	2.0%	2.8%

### Yield

Internal Investment Return	0.80%	0.86%	0.83%
Cash Plus & Short Bond Fund - Total Return	-	1.32%	1.27%
Strategic Funds - Total Return	-	3.58%	3.32%
<b>Total Investments - Total Return</b>	<b>0.80%</b>	<b>1.58%</b>	<b>1.22%</b>
All External Funds - Income Only Return	-	3.73%	3.69%
All External Funds - Capital Gains/Losses	-	-0.56%	-0.79%
<b>Total Investments - Income Only Return</b>	<b>0.80%</b>	<b>1.68%</b>	<b>1.34%</b>



### All Arlingclose Clients

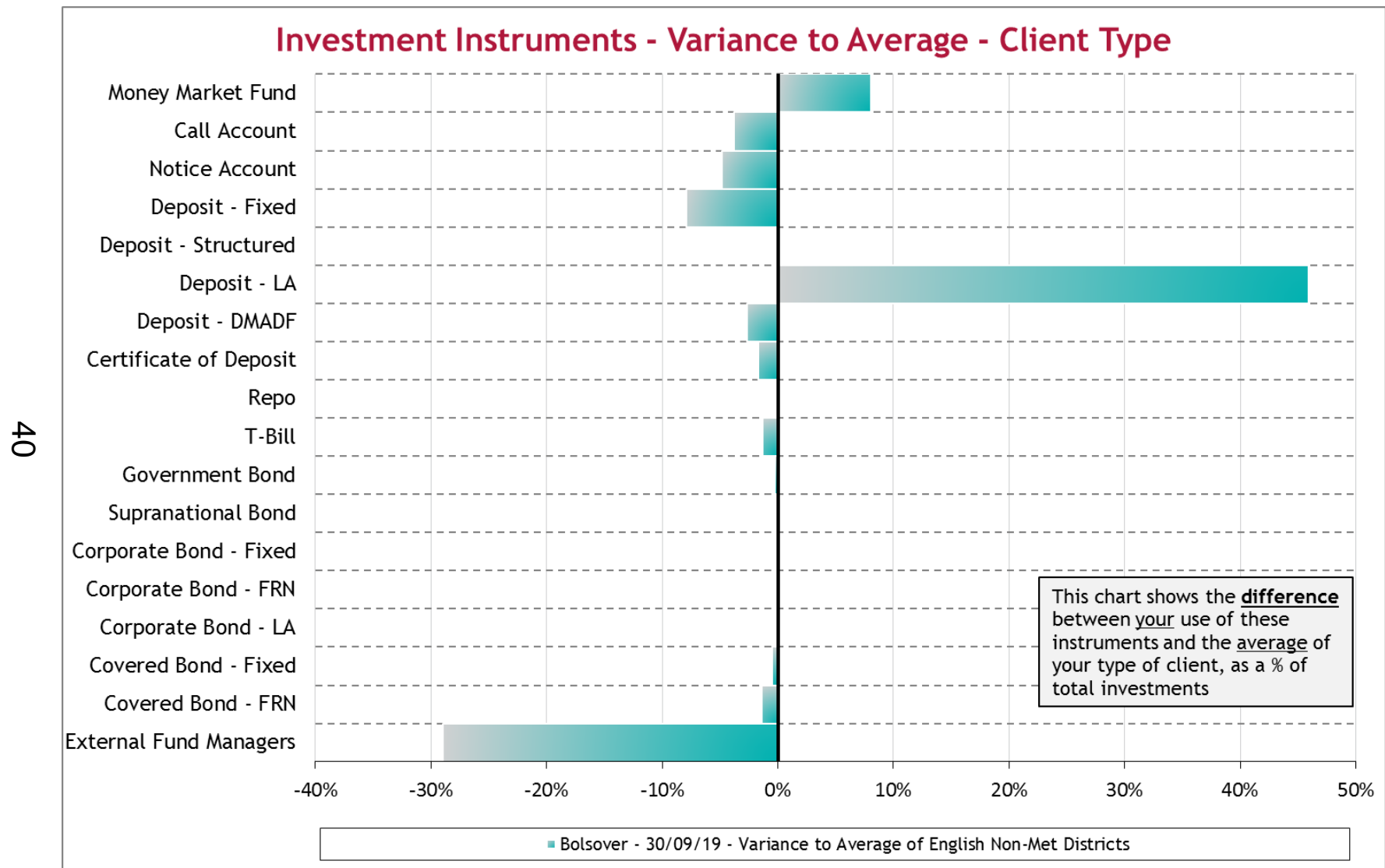


■ Bank Unsecured  
■ Fund Unsecured  
■ Bank Secured  
■ Government  
■ Corporate / RP  
■ Strategic Funds

### Notes

- Unless otherwise stated, all measures relate to internally managed investments only, i.e. excluding external pooled funds.
- Averages within a portfolio are weighted by size of investment, but averages across authorities are not weighted.
- Credit scores are calculated as AAA = 1, AA+ = 2, etc.
- Volatility is the standard deviation of weekly total returns, annualised.

# How does Bolsover compare?





# Arlingclose Investment Advice

Where treasury strategies permit, Arlingclose is comfortable with clients investing with the following:

S E C U R E (D)	Treasury Bills	Repo  Lloyds Bank Lloyds Bank Corporate Markets		Covered Bonds  BoS, Barclays, Clydesdale Coventry BS, HSBC, Leeds BS Lloyds, Nationwide BS, NatWest Santander UK, TSB, Yorkshire BS BMO, BNS, RBC, TD ANZ, CBA, NAB, OCBC, UOB Danske, Swedbank Hypotek		Local Authorities  Incl. TfL	
	DMADF	Other Banks TBA				Supranational  CEDB, EBRD, EIB IADB, IBRD, NIB	
U N S E C U R E D	Cash Plus Funds		Bank Deposits: 6 months  Close Bros, Handelsbanken, HSBC, Lloyds/BoS, San UK, StanChart Coventry BS, Nationwide BS ANZ, CBA, NAB, Westpac BMO, BNS, CIBC, RBC, TD BayernLB, DZ Bank, Helaba LBBW, Nordea, OP Corporate Rabobank		Government Agencies  EDC, FMS, KfW, L-Bank, NRIF 3 x Nordic LG Bond Agencies		
	Bank Deposits: 100 days  Barclays, GSIB, Leeds BS NatWest/RBS/Ulster 12 x unrated BS				Banks: 5 yrs  BNG, NWB, SEK		Corporate  Temasek Wellcome
	Money Market Funds						
	Corporate Bonds  8 x Corporate Bond Issuers		Bank Deposits: 13 months  DBS, OCBC, UOB		Property Funds Equity Funds Bond Funds Multi-asset Funds		
	SHORT-TERM		MEDIUM-TERM		LONG-TERM		

# Covered Bonds

## Long-term secured investment with a bank

- In the form of a market tradable bond
- Secured on the bank's residential mortgages
- Investors have dual recourse to the bank and then the collateral, in the event of default
- Exempt from bail-in

## Collateral

- Prime domestic mortgages or LA/RP loans meeting multiple criteria
- Collateral pool must be over-collateralised
- Non-compliant mortgages are substituted
- Bonds usually rated AAA as a result

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Covered Bond £100m

Mortgages £128m (over-collateral 28%)

Houses £211m (loan-to-value 61%)

Example Bond  
Lloyds Bank plc  
31.03.2022  
1.45%

# Housing Associations/Registered Providers

Lending to Housing Associations can provide substantial pick-up in return over traditional investments

- For investment secured on residential properties, interest rates are around 1.0% over LIBOR
- Spreads are higher for unsecured investment: 1.0% to 1.5% depending on credit quality and term
- Investments arranged by Arlingclose and covered by full investment agreement

## Structure

- Investment is generally structured as a revolving credit facility (RCF)
- Fixed rate term investment also possible at 1.0% to 1.5% above gilt yields

## Recent Investment Opportunity

- London RP
  - Unrated English registered provider
  - Following an in-depth credit assessment, approved by Arlingclose for client investment up to two years
- 2-year unsecured RCF at 1.2% over Bank Rate, non-utilisation fee of 0.4%
  - £10m invested over 2 LAs
- 12-month fixed rate at 1.9%
  - £20m invested over three LAs

# Asset Class Return

Rank by % return	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 (6 months) non-annualised
1	All Gilts 13.05%	UK Equities 26.34%	Property 14.50%	All Gilts 16.92%	Corporate Bonds 13.33%	UK Equities 20.86%	Property 16.40%	Property 12.00%	UK Equities 29.44%	UK Equities 13.10%	Property 7.45%	UK Equities 10.39%
2	Cash 6.30%	Hedge 18.57%	UK Equities 12.31%	Corporate Bonds 7.16%	UK Equities 12.40%	Hedge 9.73%	All Gilts 14.68%	Corporate Bonds 0.72%	All Gilts 10.60%	Property 9.70%	All Gilts 0.53%	Hedge 6.43%
3	Corporate Bonds (3.62%)	Corporate Bonds 11.09%	Hedge 10.95%	Property 6.70%	Hedge 6.67%	Property 9.00%	Corporate Bonds 12.35%	All Gilts 0.47%	Corporate Bonds 10.60%	Hedge 7.11%	Cash 0.51%	Corporate Bonds 6.31%
4	Hedge (19.07%)	Cash 1.62%	Corporate Bonds 8.41%	Cash 0.67%	All Gilts 2.80%	Corporate Bonds 0.76%	Hedge 4.13%	Cash 0.45%	Property 2.30%	Corporates 4.34%	Corporate Bonds (1.57%)	All Gilts 5.03%
5	UK Equities (27.71%)	All Gilts (1.26%)	All Gilts 7.60%	Hedge (2.52%)	Cash 0.84%	Cash 0.39%	UK Equities 1.47%	Hedge (0.71%)	Hedge 1.24%	All Gilts 1.99%	Hedge (3.19%)	Property 1.02%
6	Property (32.00%)	Property (5.40%)	Cash 0.54%	UK Equities (3.07%)	Property 0.20%	All Gilts (4.25%)	Cash 0.42%	UK Equities (2.50%)	Cash 0.44%	Cash 0.23%	UK Equities (12.80%)	Cash 0.40%
Average	(10.51%)	8.49%	9.05%	4.31%	6.04%	6.08%	8.24%	1.74%	9.10%	6.08%	(1.51%)	4.93%
Cash	6.30%	1.62%	0.54%	0.67%	0.84%	0.39%	0.42%	0.45%	0.44%	0.23%	0.51%	0.40%
Relative	(16.81%)	6.87%	8.51%	3.64%	5.20%	5.69%	7.83%	1.29%	8.67%	5.85%	(2.02%)	4.53%

## Cash is not a suitable asset class for long-term investment

— It is the only asset class to offer consistently positive returns, but on average it is the lowest yielding

## Other asset classes are more volatile, but better performing over the long run

— A portfolio diversified over asset classes is likely to be a consistent performer in most circumstances

# Cash Plus and Ultra Short-dated Bond Funds - Performance Analysis

				PERFORMANCE ANALYSIS												Data since
				1 year to 31/03/2019				3 years to 31/03/2019 (annualised)				5 years to 31/03/2019 (annualised)				
				Capital Return % p.a.	Income Return % p.a.	Total Return % p.a.	Volatility	Capital Return % p.a.	Income Return % p.a.	Total Return % p.a.	Volatility	Capital Return % p.a.	Income Return % p.a.	Total Return % p.a.	Volatility	
30/06/2019	Rated	Current duration (yrs)														
Cash Plus																
Aberdeen Standard Short Duration Sterling Fu	£5.2bn	AAAf	0.2	0.87%	--	0.87%	0.10%	0.72%	--	0.72%	0.10%	0.72%	--	0.72%	0.10%	* share class Jun-14
Federated Sterling Cash Plus Fund	£874.3m	AAAf	0.3	0.87%	--	0.87%	0.00%	0.70%	--	0.70%	0.10%	0.73%	--	0.73%	0.10%	
Insight - ILF Liquidity Plus Fund	£5.1bn	AAAf/AA+f	0.2	-0.06%	0.62%	0.57%	0.20%	0.11%	0.49%	0.60%	0.20%	-0.03%	0.63%	0.60%	0.10%	
Royal London Cash Plus Fund	£5.7bn	AAAf	0.3	0.09%	0.80%	0.89%	0.10%	0.07%	0.58%	0.65%	0.10%	0.06%	0.57%	0.63%	0.10%	
Royal London Enhanced Cash Plus Fund	£1.9bn	AAf	0.8	-0.11%	1.64%	1.53%	0.30%	-0.20%	1.32%	1.12%	0.30%	-0.18%	1.20%	1.02%	0.50%	
Short-dated Bond Funds																
Payden & Rygel Sterling Reserve Fund	£283.5m	AAAf	0.7	-0.01%	0.95%	0.94%	0.20%	0.01%	0.79%	0.80%	0.30%	0.09%	0.82%	0.91%	0.30%	
45																
Ratings : AAAf = S&P.    AAAf = Fitch.    AAAbf = Moody's																

# Strategic and Long-dated Funds - Performance Analysis

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			PERFORMANCE ANALYSIS												Data from
30/06/2019	Duration (years)	1 year to 30/06/2019				3 years to 30/06/2019 (annualised)				5 years to 30/06/2019 (annualised)					
		Capital Return % p.a.	Income Return % p.a.	Total Return % p.a.	Volatility	Capital Return % p.a.	Income Return % p.a.	Total Return % p.a.	Volatility	Capital Return % p.a.	Income Return % p.a.	Total Return % p.a.	Volatility		
<u>Absolute Return Bond Funds</u>															
Payden & Rygel Absolute Return Bond Fund	\$2.6bn	1.8	-0.75%	3.35%	2.60%	0.9%	-1.21%	2.34%	1.13%	1.2%	1.63%	--	1.63%	1.3%	Jun-13
<u>Strategic Bond Funds</u>															
ColumbiaThreadneedle Sterling Short-dated Corporate Bond Fund	£1.4bn	2.5	1.12%	1.93%	3.05%	0.9%	0.45%	1.81%	2.26%	1.3%	0.38%	1.91%	2.29%	1.3%	
ColumbiaThreadneedle Strategic Bond Fund	£242m	2.6	1.84%	2.96%	4.80%	1.8%	0.84%	3.37%	4.21%	2.6%	-0.29%	3.52%	3.22%	3.0%	
M&G Optimal Income Fund	£3.6bn	1.6	0.07%	3.29%	3.36%	3.2%	1.51%	3.12%	4.63%	3.1%	0.46%	2.59%	3.06%	3.3%	
M&G Strategic Corporate Bond Fund	£2.7bn	5.2	1.89%	3.76%	5.65%	3.0%	0.67%	3.47%	4.14%	3.6%	0.93%	3.09%	4.02%	3.5%	
Royal London Investment Grade Short-dated Credit Fund	£981.0m	2.4	0.20%	2.69%	2.89%	0.8%	-0.10%	2.45%	2.35%	1.2%					Dec-15
<u>Equity Income Funds - UK</u>															
ColumbiaThreadneedle UK Equity Income Fund	£4.1bn	--	-7.46%	3.88%	-3.59%	10.1%	2.89%	4.29%	7.18%	10.6%	1.81%	4.04%	5.85%	10.6%	
M&G UK Income Distribution Fund	£600.0m	--	-2.99%	4.76%	1.77%	6.5%	2.32%	4.77%	7.09%	7.9%	1.16%	4.37%	5.53%	7.8%	
Schroder Income Maximiser Fund	£1.2bn	--	-10.26%	7.14%	-3.13%	8.8%	1.25%	7.59%	8.83%	8.4%	-2.04%	6.26%	4.23%	9.4%	
<u>Equity Income Funds - Global</u>															
ColumbiaThreadneedle Global Equity Fund	£397.5m	--	5.01%	3.43%	8.45%	10.6%	5.79%	3.76%	9.55%	10.1%	5.73%	3.92%	9.66%	11.4%	
Fidelity Global Enhanced Income Fund	£273.0m	--	10.24%	5.04%	15.27%	9.3%	5.17%	5.65%	10.82%	8.6%	6.84%	5.28%	12.13%	9.8%	
M&G Global Dividend Fund	£2.4bn	--	3.03%	3.17%	6.20%	13.3%	10.37%	3.68%	14.05%	12.3%	6.32%	3.37%	9.69%	14.1%	
UBS Global Income Fund (USD, GBP Hedged)	£764.8m	--	-4.43%	8.75%	4.32%	8.9%	-2.26%	7.32%	5.06%	6.8%	-2.59%	7.11%	4.51%	6.6%	Nov-14
<u>Multi Asset Income Funds</u>															
CCLA Diversified Income Fund*	£156.0m	--	3.04%	3.34%	6.39%	3.2%	0.76%	3.13%	3.89%	3.4%					Mar-17
Investec Diversified Income Fund	£998.9m	--	-0.70%	4.42%	3.72%	2.3%	-0.87%	4.11%	3.24%	2.6%	-0.40%	3.78%	3.37%	3.6%	
Kames Diversified Monthly Income Fund	£705.0m	--	2.78%	4.98%	7.75%	6.1%	2.43%	5.05%	7.48%	5.0%	1.58%	4.78%	6.36%	5.5%	
UBS Multi-Asset Income Fund	£41.0m	--	0.70%	4.36%	5.06%	3.6%	-0.71%	4.02%	3.31%	3.7%	-1.47%	3.59%	2.13%	4.3%	*Jun-13
<u>Property Funds</u>															
Aviva Lime Property Fund	£2.3bn	--	2.76%	3.98%	6.74%	2.6%	3.25%	4.12%	7.37%	1.9%	3.02%	4.26%	7.28%	1.9%	
CCLA Local Authorities' Property Fund	£1.2bn	--	1.10%	4.34%	5.44%	1.8%	2.67%	4.53%	7.19%	1.3%	3.84%	4.89%	8.73%	3.0%	
ColumbiaThreadneedle Property Unit Trust	£1.6bn	--	-0.88%	4.67%	3.79%	2.0%	0.93%	4.59%	5.52%	3.0%	3.50%	5.06%	8.55%	3.3%	
Savills Income and Growth Fund	£130.0m	--	2.04%	4.08%	6.13%	2.0%	3.81%	4.18%	7.99%	1.9%	3.74%	4.43%	8.16%	2.0%	
Volatility scale															
Low Medium High															
0.50%															

# Borrowing Options

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# Debt Management Objectives

## Matching the need for cash

- Do you really need to borrow?

## Low Cost

- Over the whole life of the loan / asset being financed / CFR

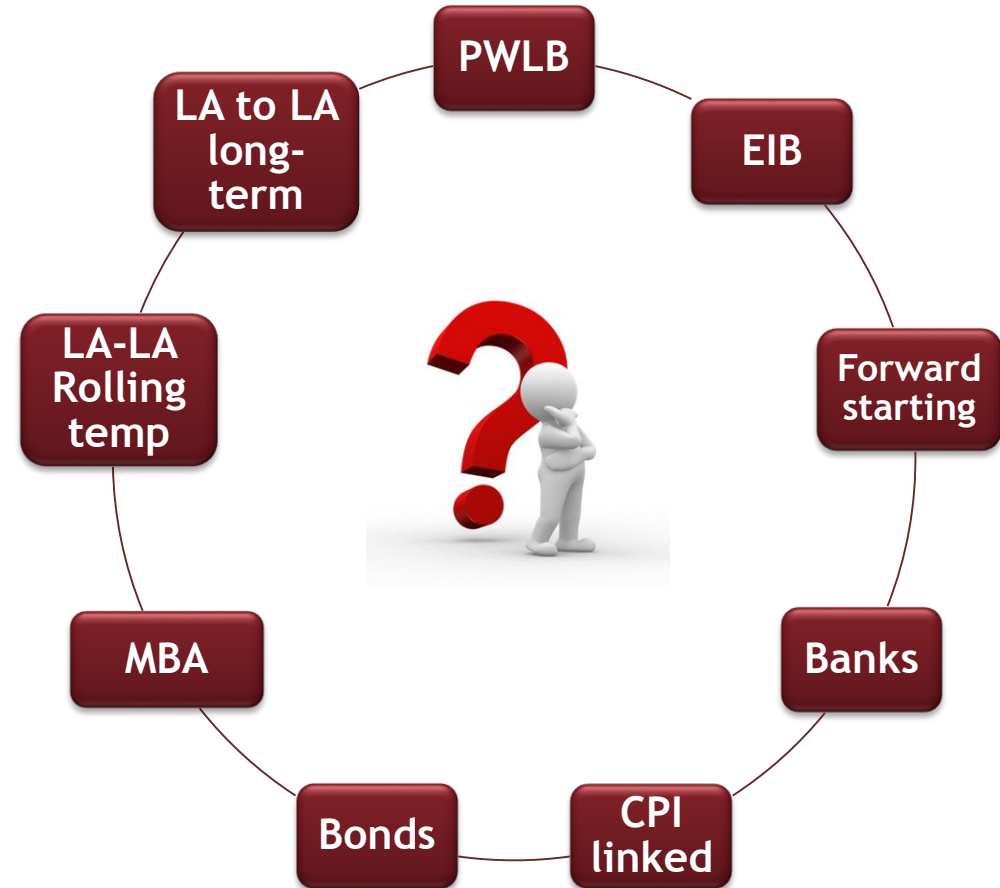
## Certainty of Cost

- In absolute terms
- 48 Relative to income generated by asset
- At what price?

## Administrative ease

## Flexibility

- In case things change
- Early repayment terms



MBA = Municipal Bonds Agency  
EIB = European Investment Bank



# Fixed or Variable Rate Borrowing

	Long-term Fixed	Long-term Variable	Rolling Short-term	Index-linked
Current rates	2.5% to 3.5% (10-50 yrs)	1.30%	0.3% - 0.7%	
Certainty of cost	Certain	Uncertain	Uncertain	Uncertain
Continued availability	Certain	Certain	Highly likely	Certain
Repayment penalty	High	None	None	Moderate
Economic hedge	No	Yes	Yes	Partly
Accounting	Simple	Simple	Simple	Complex

## Key considerations

- How much are you willing to pay for certainty?
- What is your overall exposure to interest rate risk?

All data has been sourced from Bloomberg and other publicly available information.

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## **Bolsover District Council**

### **Budget Scrutiny Committee**

**28<sup>th</sup> November 2019**

<p><b>Budget Monitoring Report</b> <b>Quarter 2 – July to September 2019</b></p>
--

### **Report of the Head of Finance and Resources & S151 Officer**

This report is public

#### **Purpose of the Report**

- To update Budget Scrutiny Committee on the financial position of the Council following the second quarter's budget monitoring exercise for the General Fund, the Housing Revenue Account (HRA), Capital Programme and Treasury Management activity.

#### **1 Report Details**

- 1.1 Officers have continued the integrated approach to budget monitoring in the second quarter with Performance, Risk and Finance being considered together at the combined Directorate meeting held during October 2019. The scope of this report is therefore to report the current financial position following the 2019/20 quarter two monitoring exercise.

#### **General Fund Revenue Account**

- 1.2 The General Fund Revenue Account summary is shown in **Appendix 1**. The original budget for 2019/20 showed a funding deficit of £0.083m. The current budget now shows that this is £0.261m surplus after the Council tax increase and other movements are included. As savings are identified and secured they are moved into the relevant cost centres within the main General Fund Directorates. Savings from vacancies for quarter 2 will be removed from salary budgets as part of the half year review being undertaken now.
- 1.3 Within the Directorates there is the following to report:
- The People Directorate shows a favourable variance of £0.385m. This relates mainly to:
    1. Under spends due to invoices not yet paid, vacancies and extra income received at the end of the quarter (£0.785m) – favourable.
    2. Income received in advance of any expenditure (£0.642m) – favourable.
    3. Annual invoices were paid in quarter 2 which makes the profiled budget look overspent (£0.389m) – adverse.

4. Expenditure has been spent but the income hadn't been received as it is claimed in arrears (£0.652m) – adverse.
  5. Over spends against quarter 2 budget due to less income received, new pressures or where expenditure is seasonal and not profiled over 4 quarters (£0.033m) – adverse.
- The Place Directorate shows a favourable variance of £1.153m. This relates mainly to:
    1. Under spends due to invoices not yet being paid, vacancies and extra income received at the end of the quarter (£0.689m) – favourable.
    2. Income received in advance of any expenditure (£0.707m) – favourable.
    3. Annual invoices were paid in quarter 2 which makes the profiled budget look overspent (£0.132m) – adverse.
    4. Expenditure has been spent but the income hadn't been received as it is claimed in arrears (£0.095m) – adverse.
    5. Over spends against quarter 2 budget due to less income received, new pressures or where expenditure is seasonal and not profiled over 4 quarters (£0.060m) – adverse.
- 1.4 In order to improve the monitoring and control of Section 106 monies received by the Council, the sums due to be utilised in a financial year are now recorded within the General Fund directorate budgets with the expenditure recorded against these sums. The amount budgeted to be spent in 2019/20 is £0.962m.
  - 1.5 The overall position at the end of quarter 2 shows that there is a favourable variance of £1.538m. This is mainly an issue of timing with a combination of receiving income in advance of spend and under spends due to not receiving invoices yet, for the year.
  - 1.6 The table that follows illustrates that even though the budget shortfall for 2019/20 has been met, there is still a need for ongoing savings. The shortfall in future years will be reduced by the 'efficiencies identified not yet realised' line. This includes estimates of growth for business rates and council tax as well as transformation programme projects.
  - 1.7 Officers have begun working with budget managers to compile a revised budget for 2019/20. This will amend the current budgets to capture additional budget savings, unavoidable budget pressures and reduce spending where it is anticipated that there will be a minimal impact upon service delivery. Where possible the budget in future years will be amended to reflect savings identified to assist with projected budget shortfalls. The revised budget position will be presented to Executive in December.

<b><u>Table 1</u></b>	<b>2019/20 Budget £000</b>	<b>2020/21 Budget £000</b>	<b>2021/22 Budget £000</b>	<b>2022/23 Budget £000</b>
Budget Shortfall – MTFP Feb 2019	83	974	1,559	2,204
Efficiencies identified to date (removed from budget)	(344)	(243)	(243)	(243)
<b>Current Budget Shortfall</b>	<b>(261)</b>	<b>731</b>	<b>1,316</b>	<b>1,961</b>
Efficiencies identified <u>not yet realised</u>	(117)	(1,577)	(1,465)	(1,839)
Target Budget Shortfall	(378)	(846)	(149)	122

### **Business Rates Retention**

- 1.8 As reported at quarter 1, the NNDR1 form for 2019/20 showed an increase in predicted income. This will be included in the revised budget figures which are presented to Executive in December.

### **The National Funding Settlement 2020/21**

- 1.9 The Spending Review in September confirmed expectations that the changes scheduled to take place in the 2020/21 finance settlement, would be delayed for at least a year. The finance settlement for 2019/20 has effectively been rolled over for one year, with allowances for inflation etc.

#### Fair Funding Review (FFR)

- 1.10 Latest updates to the estimates of how the Fair Funding Review is likely to affect us in 2021/22 onwards, will be factored in to the MTFP. This will be presented to Members in February.

#### Business Rates Reset

- 1.11 It has still not been announced how the new Business Rates system will look and how it will affect us. However, the most up-to-date information will be included for 2021/22 onwards in the MTFP mentioned above.

### **Housing Revenue Account (HRA)**

- 1.12 The Housing Revenue Account summary for the second quarter of 2019/20 is set out in **Appendix 2** to this report. At the end of quarter 2 the HRA is showing a net surplus of £0.894m.

#### **Income**

- 1.13 The quarter 2 income figures show a favourable variance of £0.332m. This is mainly due to the timing of the rent weeks when compared to the budget weeks falling into the first six months. The annual budget is profiled to receive 24 weeks in the period when actually 25 weeks are billed.

## **Expenditure**

1.14 Expenditure shows an overall favourable variance of £0.562m. The main areas to highlight are listed below:

1. Repairs and Maintenance at £2.312m is £0.394m lower than forecast which is due to a combination of the following:
  - Vacancies are £0.135m under spent. There have been discussions between the portfolio holder and senior managers. Posts will either be advertised or removed as part of the revised budget process.
  - Subcontractor payments are £0.024m under spent due to invoices which have not yet been paid.
  - A revenue contribution to the capital programme is not transferred until year end and is showing as an under spend of £0.250m.
2. Rents, Rates and Taxes expenditure at £0.028m is £0.105m under spent due to the Council Tax Liability on void properties which are yet to be processed. The estimated Council Tax liability currently stands at £0.172m which is within the current approved budget.
3. Special services is £0.072m under spent because expenditure on utility budgets is not evenly spread over the year.

## **HRA – Overall Summary**

1.15 In light of the above and the expenditure patterns to date, there are no significant issues to report regarding the overall position for the HRA at the end of the first six months.

## **Capital Programme**

### **Capital Expenditure**

1.16 The capital programme summary for the second quarter of 2019/20 is provided in **Appendix 3** to this report.

1.17 In headline terms, the capital programme profiled budget for quarter 2 is £7.825m and the actual spend and known commitments total £5.123m, which is £2.702m behind the planned spend position. The main areas to highlight are listed below:

1. The Re-Roofing scheme is £0.257m under spent. The scheme is expected to progress in the second half of the year.
2. The Safe + Warm heating scheme is £0.338m under spent compared to the 6 month budget because the scheme only really started during quarter 2.
3. Disabled Facility Grants are under spent by £0.196m which is in the main due to a backlog of referrals from DCC.
4. Dragonfly loan and acquisition of share capital are showing as £1.031m under spent which is due to the next phase of the scheme not yet commencing.
5. The miscellaneous property scheme B@home is currently £0.906m under spent for the quarter due to the phasing of the individual schemes.

6. New Bolsover Scheme appears over spent by £0.408m however the scheme is not profiled evenly throughout the year.

- 1.18 Whilst there are no significant financial issues to report regarding capital expenditure at the end of the second quarter, it must be noted that the delivery of the approved capital programme is behind the profiled position as at half year. Officers will review the programme as part of the revised budget process and re-profile expenditure on schemes to future years as appropriate where the funding allows. The revised capital programme will be presented to Executive in December.

### **Capital Resources**

- 1.19 HRA – The Council has sufficient capital resources in place to finance the HRA actual expenditure and commitments at the end of the second quarter.

General Fund – The financing of the General Fund part of the capital programme is in line with the approved financing arrangements.

## **Treasury Management**

- 1.20 The treasury management function covers the borrowing and investment of Council money. This includes both the management of the Council's day to day cash balances and the management of its long term debt. All transactions are conducted in accordance with the Council's approved strategy and the CIPFA Code of Practice. Good treasury management plays an important role in the sound financial management of the Council's resources.
- 1.21 The Council approved the 2019/20 Treasury Management Strategy at its meeting in February 2019. **Appendix 4** identifies the Treasury Management activity undertaken during the second quarter of 2019/20 and demonstrates that this is in line with the plans agreed as part of the strategy. The income received from investments is currently higher than budgeted, however interest rates are variable and therefore it is too early in the financial year to predict if this trend will continue. A full assessment of this will be done during the next quarter with a view to amend the budgets accordingly.

## **2 Conclusions and Reasons for Recommendation**

- 2.1 The report summarises the financial position of the Council following the second quarter's budget monitoring exercise for the General Fund, the Housing Revenue Account, Capital Programme and Treasury management activity.

## **3 Consultation and Equality Impact**

- 3.1 There are no equalities issues arising directly out of this report.

## **4 Alternative Options and Reasons for Rejection**

- 4.1 The Budget Monitoring report for 2019/20 is primarily a factual report which details progress against previously approved budgets. Accordingly there are no alternative options to consider.

## 5 **Implications**

### 5.1 **Finance and Risk Implications**

5.1.1 Financial implications are covered throughout this report.

5.1.2 The issue of Financial Risks is covered throughout the report. In addition, however, it should be noted that the risk of not achieving a balanced budget is outlined as a key risk within the Council's Strategic Risk Register. While officers are of the view that these risks are being appropriately managed it needs to be recognised that there may be pressures on all of the Council's main budgets as these have been or are being reduced to minimum levels. These will need to be managed carefully during the course of this financial year if we are to protect the existing levels of financial balances.

### 5.2 **Legal Implications including Data Protection**

There are no legal issues arising directly from this report.

### 5.3 **Human Resources Implications**

There are no human resource issues arising directly out of this report

## 6 **Recommendations**

6.1 That Budget Scrutiny Committee notes the monitoring position of the General Fund at the end of the second quarter as detailed on Appendix 1 (A net favourable variance of £1.538m against the profiled budget) and the key issues highlighted within this report.

6.2 That Budget Scrutiny notes the position on the Housing Revenue Account (HRA), the Capital Programme and Treasury Management at the end of the second quarter (Appendices 2, 3 and 4).

## 7 **Decision Information**

<b>Is the decision a Key Decision?</b> A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC: Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
<b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)	No



<b>Has the relevant Portfolio Holder been informed?</b>	Yes
<b>District Wards Affected</b>	All
<b>Links to Corporate Plan priorities or Policy Framework</b>	Providing Excellent customer focussed services. Continually improving our organisation

## 8 **Document Information**

<b>Appendix No</b>	<b>Title</b>
1	General Fund Summary
2	HRA Summary
3	Capital Programme
4	Treasury Management Update
5	General Fund Detailed Performance
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
<b>Report Author</b>	<b>Contact Number</b>
Head of Finance and Resources and S151 Officer	2458

## GENERAL FUND SUMMARY - 2019/20

## Appendix 1

	Per Exec 18/2/19	Per FMS			
	Original Budget £	Current Budget £	6 months Budget £	6 months Actuals £	6 months Variance £
People (including recharge to HRA)	6,686,102	6,910,095	3,455,048	3,304,098	(150,950)
Place	3,156,636	3,350,100	1,675,050	901,277	(773,773)
<u>S106 due in year</u>					
People	10,013	362,212	181,106	(53,023)	(234,129)
Place	0	600,248	300,124	(79,026)	(379,150)
<b>Net Cost of Services</b>	<b>9,852,751</b>	<b>11,222,655</b>	<b>5,611,328</b>	<b>4,073,326</b>	<b>(1,538,002)</b>
Debt Charges	1,087,636	1,087,636	543,818	543,818	0
Investment Interest	(258,884)	(258,884)	(129,442)	(129,442)	0
Contributions to Reserves	161,625	161,625	80,813	80,813	0
Contributions from Earmarked Reserves	(643,071)	(1,015,069)	(507,535)	(507,535)	0
Contribution (from)/to S106 Holding A/cs, Grant A/cs and Miscellaneous Holding A/cs	(549,573)	(1,779,021)	(889,511)	(889,511)	0
Parish Precepts	2,901,779	2,901,779	1,450,890	1,450,890	0
Parish Council Tax Support Grant	167,933	167,933	83,967	83,967	0
<b>Total Spending Requirement</b>	<b>12,720,196</b>	<b>12,488,654</b>	<b>6,244,327</b>	<b>4,706,325</b>	<b>(1,538,002)</b>
Revenue Support Grant	(1,169,290)	(1,169,290)	(584,645)	(584,645)	0
Business Rate Retention	(4,445,944)	(4,445,944)	(2,222,972)	(2,222,972)	0
NNDR Collection Fund deficit	453,469	453,469	226,735	226,735	0
New Homes Bonus Grant	(811,095)	(811,095)	(405,548)	(405,548)	0
BDC Council Tax Requirement	(3,762,808)	(3,875,302)	(1,937,651)	(1,937,651)	0
Parish Council Council Tax Requirement	(2,901,779)	(2,901,779)	(1,450,890)	(1,450,890)	0
<b>Funding Requirement</b>	<b>(12,637,447)</b>	<b>(12,749,941)</b>	<b>(6,374,971)</b>	<b>(6,374,971)</b>	<b>0</b>
<b>Funding gap/(surplus)</b>	<b>82,749</b>	<b>(261,287)</b>	<b>(130,644)</b>	<b>(1,668,645)</b>	<b>(1,538,002)</b>

## APPENDIX 2

### Housing Revenue Account

Description	Full Years Budget £	6 months Budget £	6 months Actuals £	6 months Variance £
<b>Expenditure</b>				
Repairs and Maintenance	5,412,470	2,706,235	2,312,295	(393,940)
Supervision and Management	5,331,998	2,665,999	2,684,550	18,551
Rents, Rates, Taxes + Other Charges	266,564	133,282	28,282	(105,000)
Debt Management Expenses	8,120	4,060	8,667	4,607
Special Services	549,994	274,997	203,157	(71,840)
Supporting People - Wardens	606,571	303,286	289,277	(14,008)
Supporting People - Central Control	224,968	112,484	123,681	11,197
Tenants Participation	74,379	37,190	38,004	815
New Bolsover Project	32,300	16,150	3,905	(12,245)
<b>Total Expenditure</b>	<b>12,507,364</b>	<b>6,253,682</b>	<b>5,691,820</b>	<b>(561,862)</b>
<b>Income</b>				
Dwelling Rents	(20,025,070)	(10,012,535)	(10,386,026)	(373,491)
Non-dwelling Rents	(144,027)	(72,014)	(94,736)	(22,723)
Repairs and Maintenance	(16,445)	(8,223)	(9,912)	(1,690)
Supervision and Management	(380)	(190)	(150)	40
Special Services	(138,135)	(69,068)	(41,975)	27,093
Supporting People - Wardens	(515,863)	(257,932)	(265,279)	(7,347)
Supporting People - Central Control	(245,522)	(122,761)	(102,546)	20,215
Tenants Participation	0	0	0	0
New Bolsover Project	(32,300)	(16,150)	0	16,150
Leasehold Flats and Shops Income	(26,980)	(13,490)	(4,316)	9,174
Other Income	(1,310)	(655)	(213)	442
<b>Total Income</b>	<b>(21,146,032)</b>	<b>(10,573,016)</b>	<b>(10,905,154)</b>	<b>(332,138)</b>
<b>Net Cost of Services</b>	<b>(8,638,668)</b>	<b>(4,319,334)</b>	<b>(5,213,334)</b>	<b>(894,000)</b>
<b>Appropriations</b>				
Provision for Doubtful Debts	150,000	75,000	75,000	0
Interest Costs	3,513,950	1,756,975	1,756,975	0
Interest Income	(21,750)	(10,875)	(10,875)	0
Depreciation	3,200,000	1,600,000	1,600,000	0
Transfer to Major Repairs Reserve	908,249	454,125	454,125	0
Contribution to HRA Reserves	1,130,000	565,000	565,000	0
Use of HRA Earmarked Reserves	(264,556)	(132,278)	(132,278)	0
<b>Net Operating (Surplus) / Deficit</b>	<b>(22,775)</b>	<b>(11,388)</b>	<b>(905,387)</b>	<b>(894,000)</b>

## APPENDIX 3

CAPITAL PROGRAMME SUMMARY		Full Years	6 months	6 months	6 months
Description	Budget £	Budget £	Actuals £	Variance £	
<b>General Fund</b>					
<b>Asset Management Plan</b>					
Leisure Buildings	28,864	14,432	20,344	5,912	
Pleasley Vale Business Park	123,505	61,753	108,634	46,881	
Riverside Depot	24,551	12,276	23,043	10,768	
The Arc	41,491	20,746	41,167	20,421	
The Tangent	4,995	2,498	4,995	2,497	
Asset Management Plan not yet allocated to an individual scheme	10,362	5,181	0	(5,181)	
<b>Assets</b>					
Car Parking at Clowne	105,203	52,602	0	(52,602)	
Pleasley Vale Mill - Dam Wall	114,825	57,413	2,405	(55,008)	
Pleasley Vale Fire Compartmentation & Fire Doors	99,150	49,575	23,095	(26,480)	
Pleasley Vale Mansafe System	29,229	14,615	29,197	14,582	
Pleasley Vale Rock Face Stabilisation Work	20,000	10,000	15,870	5,870	
Refurbishment of Oxcroft House	27,500	13,750	0	(13,750)	
Shirebrook Contact Centre	30,114	15,057	4,716	(10,341)	
The Tangent - Phase 2	8,388	4,194	(1,448)	(5,642)	
	<b>668,177</b>	<b>334,089</b>	<b>272,018</b>	<b>(62,071)</b>	
<b>ICT Schemes</b>					
ICT infrastructure	164,077	82,039	53,426	(28,613)	
	<b>164,077</b>	<b>82,039</b>	<b>53,426</b>	<b>(28,613)</b>	
<b>Leisure Schemes</b>					
Pleasley Vale Outdoor Centre	29,770	14,885	0	(14,885)	
Go-Active Leisure Facility	45,211	22,606	(250)	(22,856)	
Go Active Equipment	15,000	7,500	9,081	1,581	
Go-Active Pool Cover	30,000	15,000	23,696	8,696	
	<b>119,981</b>	<b>59,991</b>	<b>32,527</b>	<b>(27,463)</b>	
<b>Private Sector Schemes</b>					
Disabled Facility Grants	999,472	499,736	303,432	(196,304)	
	<b>999,472</b>	<b>499,736</b>	<b>303,432</b>	<b>(196,304)</b>	
<b>Joint Venture</b>					
Dragonfly Joint Venture Shares	1,806,002	903,001	52,800	(850,201)	
Dragonfly Joint Venture Loan	375,750	187,875	6,600	(181,275)	
	<b>2,181,752</b>	<b>1,090,876</b>	<b>59,400</b>	<b>(1,031,476)</b>	

### APPENDIX 3

#### CAPITAL PROGRAMME SUMMARY

Description	Full Years Budget £	6 months Budget £	6 months Actuals £	6 months Variance £
<b>Vehicles and Plant</b>				
Vehicle Replacements	934,000	467,000	378,950	(88,050)
Vehicle Diagnostic Equipment	14,000	7,000	10,701	3,701
Vehicle Wash Area	94,707	47,354	8,781	(38,572)
CAN Rangers Equipment	14,532	7,266	0	(7,266)
	<b>1,057,239</b>	<b>528,620</b>	<b>398,432</b>	<b>(130,187)</b>
<b>Total General Fund</b>	<b>5,190,698</b>	<b>2,595,349</b>	<b>1,119,235</b>	<b>(1,476,114)</b>
<b>Housing Revenue Account</b>				
<b>New Build Properties</b>				
Ash Close Pinxton	1,850	925	1,850	925
Ashbourne Extension	0	0	0	0
Highcliffe Ave Shirebrook	443	222	443	222
Hilltop	7,948	3,974	7,947	3,973
Keepmoat Properties at Bolsover	825,408	412,704	71,970	(340,734)
Recreation Close Clowne	161,648	80,824	145,252	64,428
St Michaels Drive South Normanton	498	249	498	249
The Paddock Bolsover	1,369,381	684,691	49,243	(635,447)
	<b>2,367,176</b>	<b>1,183,588</b>	<b>277,203</b>	<b>(906,385)</b>
<b>Vehicle Replacements</b>	172,500	86,250	0	(86,250)
	<b>172,500</b>	<b>86,250</b>	<b>0</b>	<b>(86,250)</b>
<b>Public Sector Housing</b>				
Electrical Upgrades	200,000	100,000	90,253	(9,747)
Environmental Works	38,900	19,450	0	(19,450)
External Door Replacements	105,519	52,760	18,490	(34,269)
Flat Roofing	50,000	25,000	7,302	(17,698)
Kitchen Replacements	300,000	150,000	113,229	(36,771)
Re Roofing	750,000	375,000	118,432	(256,568)
Property + Estates Fees	69,320	34,660	34,660	0
Safe & Warm	2,947,019	1,473,510	1,135,518	(337,992)
Soffit and Facia	100,000	50,000	45,980	(4,020)
Unforeseen Reactive Capital Works	188,736	94,368	78,164	(16,204)

**APPENDIX 3**

**CAPITAL PROGRAMME  
SUMMARY**

<b>Description</b>	<b>Full Years</b>	<b>6 months</b>	<b>6 months</b>	<b>6 months</b>
	<b>Budget</b>	<b>Budget</b>	<b>Actuals</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Welfare Adaptations	175,000	87,500	171,943	84,443
	<b>4,924,494</b>	<b>2,462,247</b>	<b>1,813,970</b>	<b>(648,277)</b>

### APPENDIX 3

#### CAPITAL PROGRAMME SUMMARY

Description	Full Years Budget £	6 months Budget £	6 months Actuals £	6 months Variance £
<b>ICT Schemes</b>	39,569	19,785	26,994	7,210
	<b>39,569</b>	<b>19,785</b>	<b>26,994</b>	<b>7,210</b>
<b>New Bolsover Scheme (inc HLF)</b>				
New Bolsover-Regeneration Scheme	2,956,101	1,478,051	1,885,811	407,761
	<b>2,956,101</b>	<b>1,478,051</b>	<b>1,885,811</b>	<b>407,761</b>
<b>Total HRA</b>	<b>10,459,840</b>	<b>5,229,920</b>	<b>4,003,979</b>	<b>(1,225,941)</b>

<b>TOTAL CAPITAL EXPENDITURE</b>	<b>15,650,538</b>	<b>7,825,269</b>	<b>5,123,215</b>	<b>(2,702,054)</b>
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#### Capital Financing

##### General Fund

Better Care Fund	999,472	499,736	303,432	(196,304)
Prudential Borrowing	1,059,782	529,891	735,663	205,772
Reserves	3,068,159	1,534,080	75,674	(1,458,406)
Capital Receipts	63,285	31,643	4,466	(27,176)
	<b>5,190,698</b>	<b>2,595,349</b>	<b>1,119,236</b>	<b>(1,476,113)</b>

##### HRA

Major Repairs Allowance	6,562,909	3,281,455	3,469,521	188,067
Prudential Borrowing	2,187,176	1,093,588	240,839	(852,749)
Vehicle Reserve	172,500	86,250	0	(86,250)
HRA Direct Revenue Financing	500,000	250,000	0	(250,000)
Capital Receipts	780,000	390,000	36,364	(353,636)
External Funding	257,255	128,628	257,255	128,628
	<b>10,459,840</b>	<b>5,229,920</b>	<b>4,003,979</b>	<b>(1,225,941)</b>

<b>TOTAL CAPITAL FINANCING</b>	<b>15,650,538</b>	<b>7,825,269</b>	<b>5,123,215</b>	<b>(2,702,054)</b>
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The Council's main current account is held with Lloyds Bank and the current contract is due to expire on 30th April 2022.

### **PWLB Borrowing**

The Council has not taken any new loans from the PWLB during the first six months.

As at 1 April 2019 the Authority's total outstanding PWLB debt amounted to £102,100,000. The profile of the outstanding debt is analysed as follows: -

<b>PWLB Borrowing Term</b>	<b>Maturity Profile 30-Sep-19 £</b>
12 Months	3,000,000
1-2 years	2,000,000
2-5 years	14,900,000
5-10 years	20,200,000
10-15 years	22,000,000
over 15 years	40,000,000
<b>Total PWLB Debt</b>	<b>102,100,000</b>

At 30 September 2019 nothing has been repaid to the PWLB as no repayments were due.

### **PWLB Interest**

The total interest cost to the Council of the PWLB debt for 2019/20 is estimated at £3,587,950. This cost is split between the HRA and General Fund based on the level of debt outstanding. Interest paid to the PWLB in the six months was £1,503,584.

### **Temporary Borrowing**

Cash flow monitoring and management identifies the need for short term borrowing to cover delays in the receipt of income during the year. No interest charges were incurred during the first six months on overdrawn bank balances. At 30 September 2019 the only temporary borrowing undertaken by the Council was £693,896 which is the investment balances held on behalf of Parish Councils.

### **Compliance with Treasury Limits**

During the financial year the Council continued to operate within the treasury limits set out in the Council's Borrowing and Investment Strategy.

	Actual to Date 2019/20	Approved Limits 2019/20
Authorised Limit (Total Council external borrowing limit)	£125,951,276	£131,921,000
Operational Boundary	£120,951,276	£126,921,000



**Temporary Investments****Interest Received**

The performance of the Council's investments is as follows:

	<b>6 months Actual</b>	<b>6 months Budget</b>	<b>6 months Variance</b>
Interest generated	£164,434	£123,812	£40,622
Average rate of interest	0.80%	0.75%	0.05%
Bank of England base rate	0.75%	0.75%	0.00%

The investments have been made in accordance with the Council's Treasury Management Strategy.

The Bank of England base rate is currently 0.75%, the above actual figure is the 6 month average rate.

Interest rates offered by most institutions remain low.

The following tables show the investments and interest earned to 30 September 2019:

**Investments on call**

<b>Counterparty</b>	<b>Balance at 1/4/19</b>	<b>Deposits</b>	<b>Withdrawals</b>	<b>Interest received</b>	<b>Balance at 30/06/19</b>
	£	£	£	£	£
Aberdeen (MMF)	0	10,000,000	(7,413,052)	13,052	2,600,000
Federated (MMF)	2,500,000	2,500,000	(18,008)	18,008	5,000,000
Invesco (MMF)	0	11,000,000	(11,006,045)	6,045	(0)
SSGA (MMF)	0	4,200,000	(4,201,236)	1,236	0
CCLA (MMF)	2,500,000	7,500,000	(5,017,376)	17,376	5,000,000
	<u>5,000,000</u>	<u>35,200,000</u>	<u>(27,655,717)</u>	<u>55,717</u>	<u>12,600,000</u>

## Fixed-term investments

Counterparty	Term of Loan	Balance at 1/4/19	Deposits	Withdrawals	Interest received at half year	No of Days Interest at half year	Balance at 30/09/19
		£	£	£	£		£
<b>Banks / Building Societies</b>							
Close Brothers	6 Months	5,000,000		(5,016,274)	16,274	108	0
<b>Local Authorities</b>							
Lancashire County Council	1 year	5,000,000		(5,002,212)	2,212	17	0
West Dunbartonshire Council	1 year	5,000,000		(5,005,293)	5,293	42	0
Kingston Upon Hull	6 Months	2,000,000		(2,002,811)	2,811	57	0
Shirebrook Town Council	6 Months	450,000	903,248	(901,193)	1,747	183	453,802
Eastleigh Borough Council	4 Months	5,000,000		(5,012,364)	12,364	95	0
Salford City Council	6 Months	2,000,000		(2,009,398)	9,398	175	0
London Borough of Harrow	6 Months	5,000,000		(5,024,247)	24,247	177	0
Thurrock Council (Unitary)	1 year		5,000,000		15,732	116	5,015,732
Surrey County Council	6 Months		5,000,000		11,457	102	5,011,457
Conwy County Borough Council	9 Months		2,500,000		2,359	42	2,502,359
West Dunbartonshire Council	1 year		5,000,000		4,123	35	5,004,123
Kingston Upon Hull	9 Months		5,000,000		109	1	5,000,109
Middlesborough Council	34 days		5,000,000		591	6	5,000,591
		29,450,000	28,403,248	(29,973,792)	108,717		27,988,173

FINANCIAL PERFORMANCE QUARTER 2						
GENERAL FUND COST CENTRES 2019/20		Full Years	6 months	6 months	6 months	
		Budget	Budget	Actuals	Variance	
		£	£	£	£	
G001	Audit Services	120,160	60,080	(10,166)	(70,246)	Miscoding of £56k income which should be on G020.
G002	I.C.T.	778,981	389,491	522,145	132,654	Maintenance contracts paid for the full year.
G003	Communications, Marketing + Design	246,873	123,437	119,605	(3,831)	
G005	Chief Executive Officer - 50% People	40,930	20,465	20,910	445	
G006	Partnership, Strategy & Policy	404,308	202,154	184,448	(17,706)	
G014	Customer Contact Service	773,546	386,773	389,260	2,487	
G015	Customer Service + Improvement	120,203	60,102	58,376	(1,725)	
G024	Street Cleansing	329,323	164,662	123,414	(41,247)	Vacancy savings of £31k for the qtr.
G028	Domestic Waste Collection	899,950	449,975	418,394	(31,581)	Trade waste sundry debtor invoices raised in advance £14k, staff related expenditure under spent £10k.
G032	Grounds Maintenance	657,317	328,659	319,614	(9,045)	
G033	Vehicle Fleet	789,786	394,893	491,337	96,444	Bulk purchase of diesel and petrol made £47k over for qtr. Recharge to NE for Q1+2 o/s £40k.
G038	Concessionary Fares & TV Licenses	(9,460)	(4,730)	(533)	4,197	
G040	Corporate Management	143,962	71,981	50,069	(21,912)	Audit fee for Q1 + 2 not paid or committed £25k.
G041	Non Distributed Costs	697,651	348,826	293,683	(55,142)	Sep superann payment £80k not due until Oct. Added years commitment for Q2 not yet on - £50k, recharge of expenditure to HRA not done £80k o/s.
G044	Financial Services	296,623	148,312	129,214	(19,098)	
G052	Human Resources	218,169	109,085	111,259	2,174	
G054	Electoral Registration	164,318	82,159	71,931	(10,228)	
G055	Democratic Representation & Management	547,978	273,989	265,146	(8,843)	
G056	Land Charges	(3,304)	(1,652)	1,641	3,293	
G057	District Council Elections	40,800	20,400	136,466	116,066	Election held in May, cannot profile spend. A/cs being reconciled + expenditure split.
G058	Democratic Services	183,110	91,555	98,870	7,315	
G060	Legal Services	233,408	116,704	119,672	2,968	
G061	Bolsover Wellness Programme	73,075	36,538	26,421	(10,117)	
G062	Extreme Wheels	(2,235)	(1,118)	(10,308)	(9,191)	
G064	Bolsover Sport	159,370	79,685	83,835	4,150	
G065	Parks, Playgrounds & Open Spaces	68,595	34,298	34,653	356	
G069	Arts Projects	46,227	23,114	18,634	(4,480)	
G070	Outdoor Sports & Recreation Facilities	19,047	9,524	15,226	5,702	
G072	Leisure Services Mgmt & Admin	216,716	108,358	108,299	(59)	

GENERAL FUND COST CENTRES 2019/20		Full Years	6 months	6 months	6 months	
		Budget	Budget	Actuals	Variance	
		£	£	£	£	
G084	Head of Partnerships and Transformation	35,262	17,631	17,014	(617)	
G086	Alliance	7,250	3,625	7,216	3,591	
G094	People Director	52,254	26,127	24,432	(1,695)	
G097	Groundwork & Drainage Operations	62,040	31,020	32,340	1,320	
G100	Benefits	516,230	258,115	141,753	(116,362)	£126k additional grant funding received in first quarter for new burdens etc. Software maintenance paid for the year showing £45k over spent for the qtr. Salaries £28k under spent due to vacancies.
G103	Council Tax / NNDR	330,729	165,365	327,772	162,407	Income not posted until year end, showing £121k down on income for the quarter. Software invoices paid for full year, showing £14k over for the quarter. Enforcement fees, billing production including postage committed for the year, showing £34k over budget for the quarter.
G104	Sundry Debtors	89,283	44,642	20,688	(23,953)	Vacancy saving due to post no longer needed - part of a future staffing report.
G111	Shared Procurement	39,318	19,659	27,063	7,404	
G115	One Public Estate Shirebrook	11,032	5,516	10,231	4,715	
G116	Parish Council Elections	0	0	30,238	30,238	Election expenses incurred in May, expenses will be recovered in due course
G117	Payroll	72,453	36,227	34,802	(1,424)	
G119	European Elections	0	0	54,051	54,051	Election expenses incurred in May, expenses will be recovered in due course
G123	Riverside Depot	183,260	91,630	116,823	25,193	Business rates paid for the full year, showing £23k over spent for the quarter.
G124	Street Servs Mgmt & Admin	73,203	36,602	36,297	(305)	
G125	S106 Percent for Art	56,979	28,490	23,942	(4,548)	Can't be 1/4ly profiled. Earliest deadline 06/02/22 - reported to S106 group 2/10/19.
G126	S106 Formal and Informal Recreation	114,148	57,074	7,395	(49,679)	Can't be 1/4ly profiled. Earliest deadline 06/02/22 - reported to S106 group 2/10/19.
G129	Bolsover Apprenticeship Programme	23,995	11,998	14,906	2,909	
G146	Pleasley Vale Outdoor Activity Centre	44,614	22,307	33,333	11,026	
G148	Commercial Waste	(103,000)	(51,500)	(321,545)	(270,045)	Income over achieved by £175k as sundry debtor invoices have been raised in advance. Waste disposal cost £95k under spent as invoices not received.
G149	Recycling	49,037	24,519	167,488	142,969	Recycling credits not received for Q2 yet £99k, kerbside collection costs not at reduced rate so £33k over spent at Q2.
G155	Customer Services	29,883	14,942	14,933	(8)	
G157	Controlling Migration Fund	615,207	307,604	36,274	(271,330)	Grant income received but expenditure not yet incurred - can't 1/4ly profile.
G161	Rent Rebates	(58,505)	(29,253)	(29,253)	0	Transfer payments
G162	Rent Allowances	39,976	19,988	19,988	0	Transfer payments
G164	Support Recharges	(3,738,619)	(1,869,310)	(1,869,310)	(0)	
G168	Multifunctional Printers	42,776	21,388	29,936	8,548	

GENERAL FUND COST CENTRES 2019/20		Full Years	6 months	6 months	6 months	
		Budget	Budget	Actuals	Variance	
		£	£	£	£	
G170	S106 Outdoor Sports	191,085	95,543	(84,360)	(179,902)	Can't be 1/4ly profiled. Earliest deadline 14/01/21 - reported to S106 group 2/10/19.
G175	Leisure Outdoor Activity Events	0	0	3,223	3,223	
G179	School Sports Programme	(1,385)	(693)	991	1,684	
G180	Special Events	0	0	204	204	
G181	STEP	775	388	1,034	646	
G182	SHIFT	489	245	91	(154)	
G183	Netball	64	32	28	(4)	
G186	PL4S Satellite Programme	0	0	(640)	(640)	
G192	Scrutiny	21,729	10,865	10,825	(39)	
G195	Head of Governance + Monitoring	37,230	18,615	18,688	73	
G197	Head of Finance + Resources	37,163	18,582	35,143	16,562	
G199	Head of Street Scene	37,393	18,697	18,651	(46)	
G205	Innovation	0	0	(1,000)	(1,000)	
G206	Street Games	0	0	(20)	(20)	
G207	Cycling	250	125	606	481	
G216	Raising Aspirations	27,560	13,780	(41,716)	(55,496)	Expenditure not yet incurred. Can't be 1/4ly profiled.
G218	I-Venture/Namibia Bound	(6,393)	(3,197)	(22,101)	(18,905)	
G220	Locality Funding	0	0	(139,847)	(139,847)	Expenditure not yet incurred. Can't be 1/4ly profiled.
G228	Go Active Clowne Leisure Centre	(35,286)	(17,643)	201,161	218,804	Business rates paid in advance £80k, staff related exp. £13k over spent. Utilities £12k under spent. Income for Sep still to post £63k, income can't be profiled 50% due to 365 membership so looks under achieved for the first half year £49k.
G238	HR Health + Safety	68,901	34,451	28,424	(6,026)	
G241	Working Together for Older People	8,712	4,356	5,435	1,079	
G244	Bolsover Business Growth Fund	39,788	19,894	15,933	(3,961)	
	<b>Total for People Directorate</b>	<b>7,272,307</b>	<b>3,636,154</b>	<b>3,251,075</b>	<b>(385,078)</b>	
G004	Chief Executive Officer - 50% Place	40,936	20,468	21,014	546	
G007	Community Safety - Crime Reduction	54,348	27,174	8,013	(19,161)	
G008	Community Safety Grant	0	0	16,943	16,943	
G010	Neighbourhood Management	90,020	45,010	38,252	(6,758)	

GENERAL FUND COST CENTRES 2019/20		Full Years	6 months	6 months	6 months	
		Budget	Budget	Actuals	Variance	
		£	£	£	£	
G013	Community Action Network	327,847	163,924	104,253	(59,670)	Staff related expenditure £17k under spent due to maternity, income received in advance for year £14k and expenditure to be funded by reserve not spent £25k.
G017	Private Sector Housing Renewal	60,468	30,234	23,752	(6,482)	
G020	Public Health	(78,000)	(39,000)	57,252	96,252	Miscoding of £56k income to G001 which should be on here. Income not received until year end £39k.
G021	Pollution Reduction	170,009	85,005	(566,201)	(651,205)	£650k of grant funding received from DEFRA to be passed to NE to match service spend.
G022	Env Health - Health & Safety	0	0	(109)	(109)	
G023	Pest Control	36,724	18,362	18,835	473	
G025	Food, Health & Safety	124,110	62,055	52,717	(9,338)	
G026	Animal Welfare	94,088	47,044	55,287	8,243	
G027	Emergency Planning	33,331	16,666	0	(16,666)	
G036	Environmental Health Mgmt & Admin	191,759	95,880	90,287	(5,593)	
G043	Place Director	53,421	26,711	26,640	(71)	
G046	Homelessness	166,997	83,499	40,877	(42,622)	Grant income received in advance.
G048	Town Centre Housing	(10,700)	(5,350)	0	5,350	
G053	Licensing	5,183	2,592	8,443	5,851	
G073	Planning Policy	362,716	181,358	132,882	(48,476)	Reserve expenditure for professional/ consultancy expenditure not yet spent.
G074	Planning Development Control	32,704	16,352	(136,482)	(152,834)	Increased Planning Fee income £157k over against profiled budget.
G076	Planning Enforcement	98,582	49,291	39,941	(9,350)	
G079	Senior Urban Design Officer	21,405	10,703	10,657	(46)	
G080	Engineering Services (ESRM)	95,738	47,869	72,165	24,296	Business rates paid for the year
G082	Tourism Promotion + Development	0	0	5,940	5,940	
G083	Building Control Consortium	55,000	27,500	9,108	(18,392)	
G085	Economic Development	29,425	14,713	25,138	10,426	
G087	HS2 Costs	0	0	2,000	2,000	
G088	Derbyshire Economic Partnership	15,000	7,500	0	(7,500)	
G089	Premises Development	(74,006)	(37,003)	(33,268)	3,735	
G090	Pleasley Vale Mills	(141,879)	(70,940)	(728)	70,212	h+c committed for the full year.
G091	CISWO Duke St Building	14,093	7,047	6,850	(196)	
G092	Pleasley Vale Electricity Trading	(74,976)	(37,488)	(676)	36,812	Electricity showing £13k over for qtr. Income recharges £23k under achieved.
G095	Estates + Property	628,055	314,028	295,649	(18,378)	

GENERAL FUND COST CENTRES 2019/20		Full Years	6 months	6 months	6 months	
		Budget	Budget	Actuals	Variance	
		£	£	£	£	
G096	Building Cleaning (General)	95,227	47,614	49,186	1,572	
G099	Catering	500	250	81	(169)	
G106	Housing Anti Social Behaviour	80,152	40,076	45,944	5,868	
G113	Parenting Practitioner	34,761	17,381	20,072	2,691	
G114	Strategic Investment Fund	0	0	6,815	6,815	
G132	Planning Conservation	45,419	22,710	20,815	(1,895)	
G133	The Tangent Business Hub	(67,033)	(33,517)	25,810	59,326	Hired & Contract budget committed for the year £38k, income £24k under achieved.
G135	Domestic Violence Worker	42,116	21,058	21,308	250	
G138	Bolsover TC Regeneration Scheme	34,163	17,082	0	(17,082)	
G142	Community Safety - CCTV	8,515	4,258	475	(3,783)	
G143	Housing Strategy	40,292	20,146	26,794	6,648	
G144	Enabling (Housing)	38,918	19,459	20,111	652	
G151	Street Lighting	31,000	15,500	17,806	2,306	
G153	Housing Advice	12,933	6,467	6,460	(6)	
G156	The Arc	159,285	79,643	84,917	5,275	
G167	Facilities Management	10,611	5,306	5,625	320	
G169	Closed Churchyards	10,000	5,000	0	(5,000)	
G172	S106 Affordable Housing	1,116	558	1,116	558	
G176	Affordable Warmth	35,808	17,904	15,600	(2,304)	
G188	Cotton Street Contact Centre	20,261	10,131	12,235	2,105	
G193	Economic Development Management + Admin	140,004	70,002	65,697	(4,305)	
G194	Head of Economic Development	37,603	18,802	(8,542)	(27,344)	Accrual from NE not cleared yet.
G196	Head of Planning	37,088	18,544	13,870	(4,674)	
G198	Head of Housing (GF)	134	67	68	1	
G208	Head of Property + Commercial Services	37,641	18,821	18,718	(102)	
G226	S106 - Highways	569,000	284,500	0	(284,500)	Can't be 1/4ly profiled. Deadline for spend is 5 years after completion, not yet completed. Reported to S106 group 2/10/19.
G227	S106 - Public Health	30,132	15,066	(80,142)	(95,208)	Can't be 1/4ly profiled. Earliest deadline 01/08/22 - reported to S106 group 2/10/19.
G229	Housing Standards	0	0	(1,984)	(1,984)	
G237	Joint Venture (LLP)	35,218	17,609	6,304	(11,305)	

GENERAL FUND COST CENTRES 2019/20		Full Years	6 months	6 months	6 months	
		Budget	Budget	Actuals	Variance	
		£	£	£	£	
G239	Housing + Comm Safety Fixed Penalty Acc	7,086	3,543	(290)	(3,833)	
G242	New Bolsover MV - CVP Worker	0	0	1,950	1,950	
	<b>Total for Place Directorate</b>	<b>3,950,348</b>	<b>1,975,174</b>	<b>822,251</b>	<b>(1,152,923)</b>	
	<b>Total Net Cost of Services</b>	<b>11,222,655</b>	<b>5,611,328</b>	<b>4,073,326</b>	<b>(1,538,001)</b>	

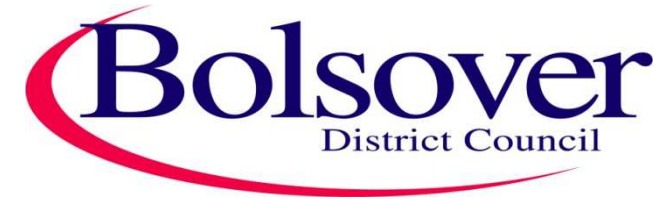


# Budget Scrutiny

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## Revised Budgets 2019/20

# General Fund



This is the 2019/20 part of the table that usually shows the position of general fund for all years.

	19/20 Original Budget £000	19/20 Current Budget £000	19/20 Revised Budget £000
Budget Shortfall – MTFP Feb 2019	83	83	83
Efficiencies identified + removed from budget (includes council tax)	0	(344)	(344)
<b>Current Budget Shortfall/(surplus)</b>	<b>83</b>	<b>(261)</b>	<b>(261)</b>

## From shortfall to surplus – Q1 and Q2

- Savings made between the February 2019 report and the Q2 monitoring report.

	<b>£'000</b>
2019/20 council tax increase	(112)
Q1 vacancies	(93)
Transformation items	(139)
c/f to next slide	(344)

## From shortfall to surplus – Revised Budgets

- Changes to reflect the revised calculations and forecasts.

	£'000
Savings already made b/f	(344)
Debt charges/investment income	(167)
Q2 vacancies + savings from changes to salary budgets	(127)
Extra income from planning fees and new external grants	(153)
Miscellaneous extra costs	29
c/f to next slide	(762)

## From shortfall to surplus – Revised Budgets continued

- Savings we've made help to prepare us for the future.

	£'000
Savings already made b/f	(762)
Net transfer to NNDR growth protection reserve	168
T/f to reserves to finance future capital expenditure	50
T/f to transformation reserve	200
	(344)

## Housing Revenue Account (HRA)

	<b>19/20 Original Budget £000</b>	<b>19/20 Current Budget £000</b>	<b>19/20 Revised Budget £000</b>
Expenditure	15,407	15,671	15,476
Income	(21,168)	(21,167)	(21,163)
Net Cost of Service	(5,761)	(5,496)	(5,687)
Depreciation	3,200	3,200	3,200
Net t/f to reserves	2,538	2,273	2,333
	(0.023)	(0.023)	(0.154)

# HRA main changes for Revised Budgets



79

The main variances on the HRA are:		£'000
Net reduction to salaries		(171)
Reduction in payments to sub contractors		(67)
Reduction to utility budgets linked to Safe + Warm capital scheme		(38)
Increase to income from Travis Perkins profit share		(25)
Reduction in heating charges income from tenants linked to Safe + Warm capital scheme		69
Increase to HRA balance in preparation for pension costs		132
T/f to reserves		76

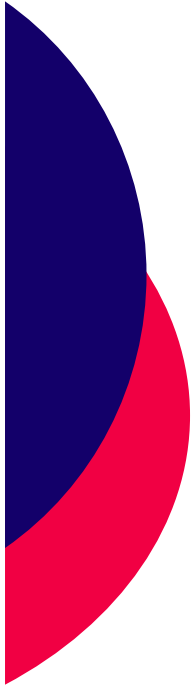
## Extra pension costs

- The Council participates in the Local Government Pension Scheme, administered by DCC.
- Every 3 years the fund is valued and is compared against the current and future pensions it will have to pay to pensioners.
- There is a shortfall in the fund and every year we pay towards this.
- The fund has been valued in 19/20 and we are awaiting the results.
- The extra cost will be payable from 2020/21 onwards.
- After the last valuation costs increased by around 1%, this is roughly £80k for GF and £33k for HRA.
- In preparation for an extra cost it is proposed we put the surplus for GF £261k and HRA £132k into balances to finance future years.



# Capital Programme

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- As part of the revised budget process the capital projects have been reviewed to estimate what level of spend will occur in 2019/20.
  - Where projects are unlikely to spend in 2019/20, the capital expenditure and matching financing will be moved to 2020/21 to avoid large under spends at 31<sup>st</sup> March.
  - The detailed capital programme will be available in January.



## Reserves and Balances

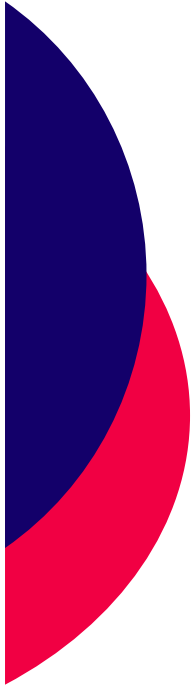
- The opening and closing position on the main useable reserves are:

	<b>Opening Balance £'000</b>	<b>Closing Balance £'000</b>
General Fund balance	(2,000)	(2,261)
Housing Revenue Account balance	(2,000)	(2,132)
Transformation Reserve (uncommitted amount)	(5,998)	(2,178)
NNDR Growth Protection Reserve	(3,317)	(3,485)
HRA New Build Reserve	(1,545)	(1,545)

## Summary

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- For 2019/20 the revised budgets for general fund and housing revenue account, estimate we will achieve a surplus for both.
- The level of reserves is considered to be adequate to fund planned expenditure and potential issues/risks that we face.
- The capital programme for 2019/20 is fully financed and does not include any borrowing where MRP is payable.
- Developments by MHCLG on Business rates and the Fair Funding Review are what we need to watch.



# Council Tax Options for setting of 2020/21 Council Tax

# Financial Position

- The latest table in the quarter 2 budget monitoring report:

	2020/21 £000	2021/22 £000	2022/23 £000
<b>Opening Budget Shortfall</b>	<b>974</b>	<b>1,559</b>	<b>2,204</b>
Council Tax increase 2019/20 on	(112)	(112)	(112)
Efficiencies identified to date (removed from budget)	(131)	(131)	(131)
<b>Current realised budget shortfall</b>	<b>731</b>	<b>1,316</b>	<b>1,961</b>
Efficiencies identified not yet realised *	(1,577)	(1,465)	(1,839)
<b>General Fund (surplus)/Budget Shortfall</b>	<b>(846)</b>	<b>(149)</b>	<b>122</b>

\* includes an estimate of all future council tax increases

# Timescales including reports and meetings

Budget Scrutiny report deadline	14/01/20
Budget Scrutiny meeting	30/01/20
Executive + Council Pre-Agenda	28/1/20 + 04/02/20
Executive meeting	10/02/20
Budget to Council meeting	19/02/20
Council Tax Resolution deadline	18/02/20
Council Tax Resolution - Council	04/03/20

# Council Tax options - History

- Decisions taken for 2018/19 and 2019/20 based on a Band D property

Council Tax year <sup>87</sup>	District part of the Council Tax bill	Percentage Increase	Annual Increase per property	Weekly increase per property	Extra Revenue to the District Council
2018/19	£171.17	2.99%	£4.97	0.10	£106,710
2019/20	£176.29	2.99%	£5.12	0.10	£112,494

The level of increase each year affects the base for that year and for future years. The base for 2020/21 contains the increases of £106,710 and £112,494.

# Council Tax options – New Year

- Options for 2020/21 based on a Band D property

Council Tax year ∞ ∞	District part of the Council Tax bill	Percentage Increase	Annual Increase per property	Weekly increase per property	Extra Revenue to the District Council
2020/21	£178.05	1%	£1.76	0.03	£38,753
2020/21	£179.81	2%	£3.53	0.07	£77,506
2020/21	£181.29	2.84%	£5.00	0.10	£109,914

The extra revenue will benefit 2020/21 and future years if an increase is agreed.

As the taxbase for 20/21 is currently being finalised these figures are indicative at this time.



# Council Tax options – Future Years

- The financial information for 2020/21 – 2022/23 is currently being updated as part of the budget process. Figures are being calculated for 2023/24 for the first time.
- There are some big changes expected to Local Government finances over the next few years.
- Changes to Business Rates Retention, the introduction of the Fair Funding Review and the Business Rates Reset in particular will affect us as a district council, probably detrimentally.

# Council Tax options – Future Years

- Something we are sure of, is that the Government will again assume we have increased our Council Tax by the maximum allowed when they calculate any grants or limits payable to us.
- Therefore by 2021/22 when the changes are now likely to hit us, the Government will assume we've made the following increases:

	2020/21	2021/22
Increase from 2018/19	(106,710)	(106,710)
Increase from 2019/20	(112,494)	(112,494)
<b>Maximum increase allowed for 2020/21 *</b>	<b>(109,914)</b>	<b>(109,914)</b>

\*Referendum details not yet confirmed by MHCLG but we are definitely limited to 2% and it is assumed £5.00 will be the maximum amount.

# Council Tax options – Future Years (cont'd)

- If we increased our Council Tax each year by the maximum allowed as per the Government assumption, the extra council tax raised by the end of the current Medium Term Financial Plan would be as follows:

	2020/21	2021/22	2022/23	2023/24
Maximum increase allowed for 2020/21 * (no increase in tax base)	(109,914)	(109,914)	(109,914)	(109,914)
Maximum increase allowed for 2021/22 * (no increase in tax base)	0	(109,914)	(109,914)	(109,914)
Maximum increase allowed for 2022/23 * (no increase in tax base)	0	0	(109,914)	(109,914)
Maximum increase allowed for 2023/24 * (no increase in tax base)	0	0	0	(109,914)
Total by 2023/24 of cumulative increases				<b>£(439,656)</b>

\* Referendum £5 and taxbase to be confirmed

# Financial Position – updated for Council Tax assumption £5

- If we update the first slide showing the financial position on the assumption that the 2020/21 Council Tax is set at 2.84% which is the maximum allowed for BDC without breaching the referendum limit of £5, the revised position is as follows:

	2020/21 £000	2021/22 £000	2022/23 £000
<b>Current realised Budget Shortfall from slide 1</b>	<b>731</b>	<b>1,316</b>	<b>1,961</b>
Council Tax increase 2020/21	(110)	(110)	(110)
<b>Updated realised Budget Shortfall</b>	<b>621</b>	<b>1,206</b>	<b>1,851</b>
Efficiencies identified not realised*	(1,465)	(1,353)	(1,727)
<b>Updated General Fund (surplus)/Budget Shortfall</b>	<b>(844)</b>	<b>(147)</b>	<b>124</b>

\*now excludes the 20/21 increase but includes future years at the original estimate

## **Bolsover District Council**

### **Budget Scrutiny Committee**

**28<sup>th</sup> November 2019**

<b>Budget Scrutiny Committee Work Programme 2019/20</b>
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### **Report of the Scrutiny & Elections Officer**

This report is public

#### **Purpose of the Report**

- To provide members of the Scrutiny Committee with an overview of the meeting programme of the Committee for 2019/20.

#### **1 Report Details**

- 1.1 The main purpose of the report is to inform members of the meeting programme for the year 2019/20 and planned agenda items (Appendix 1).
- 1.2 This programme may be subject to change should additional reports/presentations be required, or if items need to be re-arranged for alternative dates.
- 1.3 Members may raise queries about the programme at the meeting or at any time with the Head of Finance & Resources or the Scrutiny & Elections Officer should they have any queries regarding future meetings.

#### **2 Conclusions and Reasons for Recommendation**

- 2.1 This report sets the formal Committee Work Programme for 2019/20 and the items identified for review.
- 2.2 The Scrutiny Programme enables challenge to service delivery both internally and externally across all the Corporate Plan Ambitions.
- 2.3 Part 3.6(2) of the Council's Constitution requires each Scrutiny Committee to set an annual work plan.

#### **3 Consultation and Equality Impact**

- 3.1 All Scrutiny Committees are committed to equality and diversity in undertaking their statutory responsibilities and ensure equalities are considered as part of all Reviews. The selection criteria when submitting a topic, specifically asks members to identify where the topic suggested affects particular population groups or geographies.

- 3.2 The Council has a statutory duty under s.149 Equality Act 2010 to have due regard to the need to advance equality of opportunity and to eliminate discrimination.
- 3.3 As part of the scoping of Reviews, consideration is given to any consultation that could support the evidence gathering process.

#### **4 Alternative Options and Reasons for Rejection**

- 4.1 There is no option to reject the report as Part 3.6(2) of the Council's Constitution requires each Scrutiny Committee to set an annual work plan.

#### **5 Implications**

##### **5.1 Finance and Risk Implications**

- 5.1.1 None from this report.

##### **5.2 Legal Implications including Data Protection**

- 5.2.1 In carrying out scrutiny reviews the Council is exercising its scrutiny powers as laid out in s.21 of the Local Government Act 2000 and subsequent legislation which added to/amended these powers e.g. the Local Government and Public Involvement in Health Act 2007.

##### **5.3 Human Resources Implications**

- 5.3.1 None from this report.

#### **6 Recommendations**

- 6.1 That Members note this report and the Programme attached at Appendix 1. All Members are advised to contact the Scrutiny & Elections Officer should they have any queries regarding future meetings.

## 7 Decision Information

<b>Is the decision a Key Decision?</b> A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: <i>Revenue - £75,000</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> NEDDC: <i>Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
<b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)	No
<b>Has the relevant Portfolio Holder been informed</b>	N/A
<b>District Wards Affected</b>	All
<b>Links to Corporate Plan priorities or Policy Framework</b>	All

## 8 Document Information

Appendix No	Title	
1.	Work Programme 2019/20	
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)		
Previous versions of the Committee Work Programme.		
<b>Report Author</b>		<b>Contact Number</b>
Joanne Wilson, Scrutiny & Elections Officer		2385

**Budget Scrutiny Committee**

**Work Programme 2019/20**

**Formal Items – Report Key**

Treasury Management Strategy	Capital Strategy	Borrowing & Investment Strategy	Budget Monitoring Reports	Update from Scrutiny Chairs

Date of Meeting	Items for Agenda	Lead Officer
<b>6<sup>th</sup> June 2019</b>	• Q4 Budget Monitoring/Financial Outturn 2018/19	Chief Accountant/ S151 Officer
	• Q4 Corporate Debt Monitoring – Performance Report	Chief Accountant/ S151 Officer
	• Budget Scrutiny Committee Work Programme 2019/20	Scrutiny & Elections Officer
	• Update from Scrutiny Chairs (Verbal report)	Scrutiny & Elections Officer
<b>1<sup>st</sup> August 2019</b>	• Q1 Budget Monitoring/Outturn	Chief Accountant/ S151 Officer
	• Q1 Corporate Debt Monitoring – Performance Report (Postponed to November meeting)	Chief Accountant/ S151 Officer
	• Reduction in debt charges through use of reserves	Chief Accountant/ S151 Officer
	• Budget Scrutiny Committee Work Programme 2019/20	Scrutiny & Elections Officer
	• Update from Scrutiny Chairs (Verbal report)	Scrutiny & Elections Officer
<b>28<sup>th</sup> November 2019</b>	• Treasury Management Briefing	Head of Finance & Resources/ S151 Officer and Arlingclose
	• Budget Monitoring Report – Quarter 2 – July to September 2019	Head of Finance & Resources/ S151 Officer
	• Revised Budgets 2019/20	Head of Finance & Resources/ S151 Officer
	• Setting of Council Tax 2020/21	Head of Finance & Resources/ S151 Officer
	• Budget Scrutiny Committee Work Programme 2019/20	Scrutiny & Elections Officer



Date of Meeting	Items for Agenda	Lead Officer
	• Update from Scrutiny Chairs (Verbal report)	Scrutiny & Elections Officer
30 <sup>th</sup> January 2020	• Proposed Budget 2020/21	Head of Finance & Resources/ S151 Officer
	• Q3 Corporate Debt Monitoring – Performance Report (TBC)	Head of Finance & Resources/ S151 Officer
	• Treasury Management Strategy	Head of Finance & Resources/ S151 Officer
	• Capital Strategy	Head of Finance & Resources/ S151 Officer
	• Corporate Investment Strategy	Head of Finance & Resources/ S151 Officer
	• Commercial Property Investment Strategy (TBC)	Joint Strategic Director – Place
	• Budget Scrutiny Committee Work Programme 2019/20	Scrutiny & Elections Officer
	• Update from Scrutiny Chairs (Verbal report)	Scrutiny & Elections Officer