

Published 24 August 2015

Agenda for meeting of the Cabinet to be held at 6.00 pm on Wednesday, 2 September 2015 in the Town Hall, Eastbourne

Members of the public are welcome to attend and listen to the discussion of items in the "open" part of the meeting. Please see notes at end of agenda concerning public rights to speak and ask questions.



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Members of the Cabinet:

Councillor David Tutt (Leader and Chairman of Cabinet): Responsibilities aligned with Chief Executive and including the Community Strategy, Local Strategic Partnership, the Corporate Plan and economic development.

Councillor Gill Mattock (Deputy Leader and Deputy Chairman of Cabinet): Financial services including accountancy, audit, purchasing and payments.

Councillor Margaret Bannister: Tourism, leisure and enterprise.

Councillor Alan Shuttleworth: Direct assistance services including revenues and benefits, housing and community development, bereavement services and the Crime Reduction Partnership.

Councillor Troy Tester: Core support and strategic services.

Councillor Steve Wallis: Place services including cleansing and recycling, parks and downland, engineering, building and development control, planning policy and strategy, environmental health and licensing.

[KD] against an item indicates that the matter involves a Key Decision and that the item has been listed in the Council's Forward Plan for at least 28 clear days.

[BPF] against an item indicates that the matter is part of the Council's Budget and Policy Framework and as such will require the approval of the Full Council.

Publication of this agenda also constitutes notice (or confirmation that such notice has previously been given) to the Chairman of the Scrutiny Committee and members of the public as appropriate:

*(1) Under regulation 10(3) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 in respect of any key decision not included in the Council's Forward Plan of Key Decisions within 28 days of this meeting. Such items (if any) are marked **[KDGE]** and the reasons why compliance with regulation 9 (publicity in connection with key decisions) was impracticable are given.*

(2) Under regulation 5(4) of the above mentioned regulations that certain matters listed on this agenda (if any) may need to be considered in private. (This notice is given further to the earlier notice given under regulation 5(2). The reasons for private consideration are given at the relevant item, together with details of representations received (if any) about why the meeting should be open to the public.

1 Minutes of the meeting held on 8 July 2015 (previously circulated).

2 Apologies for absence.

3 Declarations of interests by members.

Declarations of disclosable pecuniary interests (DPIs) by members as required under Section 31 of the Localism Act and of other interests as required by the Code of Conduct and regulation 12(2)(d) of the 2012 Access to Information Regulations. (Please see note at end of agenda).

4 Questions by members of the public.

On matters not already included on the agenda and for which prior notice has been given (total time allowed 15 minutes).

5 Urgent items of business.

The Chairman to notify the Cabinet of any items of urgent business to be added to the agenda.

6 Right to address the meeting/order of business.

The Chairman to report any requests received to address the Cabinet from a member of the public or from a Councillor in respect of an item listed below and to invite the Cabinet to consider taking such items at the commencement of the meeting.

7 Corporate performance - Quarter 1 2015/16 [KD]. (Pages 1 - 38)

Report of Chief Finance Officer and Senior Head of Corporate Development and Governance.

Cabinet lead members: Councillors Gill Mattock and Troy Tester.

8 Annual treasury management annual report 2014/15 [BPF]. (Pages 39 - 48)

Report of Chief Finance Officer.

Cabinet lead member: Councillor Gill Mattock.

9 Exclusion of the public.

The Chief Executive considers that discussion of the following item is likely to disclose exempt information as defined in Schedule 12A of the Local Government Act 1972 and may therefore need to take place in private session. The exempt information reason is shown beneath the item listed below. Furthermore, in relation to paragraph 10 of Schedule 12A, it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. (*The requisite notices having been given under regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.*)

(Note: Exempt papers are printed on pink paper).

10 Redundancy and redeployment policy - update. (Pages 49 - 52)

Report of Senior Head of Corporate Development and Governance.

Cabinet lead member: Councillor Troy Tester.

Inspection of background papers – Please see contact details listed in each report.

Public right of address – Requests by members of the public to speak on a matter which is listed in this agenda must be **received** in writing by no later than 12 Noon, 2 working days before the meeting (e.g. if the meeting is on a Wednesday, received by 12 Noon on the Monday before). The request should be made to Local Democracy at the address listed below. The request may be made by, letter, fax, or electronic mail. For further details on the rules about speaking at meetings or for asking a question on a matter not listed on the agenda please contact Local Democracy.

Public questions – Members of the public may ask a question on a matter which is not on the agenda. Questions should be made in writing and by the same

deadline as for the right of address above. There are rules on the matters on which questions can be asked. Please ask Local Democracy for further information

Councillor right of address - Councillors wishing to address the meeting who are not members of the Cabinet must notify the Chairman in advance (and no later than the immediately prior to the start of the meeting).

Disclosure of interests - Members should declare their interest in a matter at the beginning of the meeting, and again, at the point at which that agenda item is introduced.

Members must declare the existence and nature of any interest.

In the case of a disclosable pecuniary interest (DPI), if the interest is not registered (nor the subject of a pending notification) details of the nature of the interest must be reported to the meeting by the member and subsequently notified in writing to the Monitoring Officer within 28 days.

If a member has a DPI or other prejudicial interest he/she must leave the room when the matter is being considered (unless he/she has obtained a dispensation).

Implementation of decisions - Implementation of any key decision will take place after 5 working days from the date notice is given of the Cabinet's decision (normally on the day following the meeting) unless subject to "call-in". Exceptions to this requirement are allowed when the decision is urgent.

Further information – The Forward Plan of Key Decisions, Councillor contact details, committee membership lists and other related information are available from Local Democracy. To receive regular e-mails alerting you to the publication of Cabinet agendas (or other meeting agendas) please send an e-mail to: localdemocracy@eastbourne.gov.uk

You can view the Forward Plan of Key Decisions at <http://www.eastbourne.gov.uk/council/meetings/>

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Agenda Item 7

- BODY:** CABINET
- DATE:** 2nd September 2015
- SUBJECT:** Corporate Performance - Quarter 1 2015/16
- REPORT OF:** Chief Finance Officer and Head of Corporate Development
- Ward(s):** All
- Purpose:** To update Members on the Council's performance against Corporate Plan priority actions, performance indicators and targets for Quarter 1 2015/16.
- To inform Cabinet of the Council's provision financial outturn for Quarter 1 2015/16.
- Contact:** William Tompsett, Senior Corporate Development Officer
Tel 01323 415418 or internally on ext 5418
- Pauline Adams, Financial Services Manager
Tel 01323 415979 or internally on ext 5979.
- Recommendations:** Members are asked to:
- i) Agree the performance against national and local Performance Indicators and Actions from the 2010/15 Corporate Plan (2014 refresh).
 - ii) Agree the General Fund, HRA and Collection Fund financial performance for the quarter ended June 2015, as set out in sections 3 & 4
 - iii) Approve the amended capital programme as set out in Appendix 3.
 - iv) Approve an exemption to the Council's contract procurement rules in relation to the appointment of agents and architect for the Seahouses Square project funded from Coastal Communities Grant and managed by EHL.
 - v) Agree the Treasury Management performance as set out in section 7.

1.0 Introduction

- 1.1 The 2010/15 Corporate Plan was refreshed in 2014 and sets out a number of key actions and indicators to deliver and measure progress against key priorities. Throughout the year, performance against these key indicators and milestones is reported to Cabinet and Scrutiny committees on a quarterly basis and to Scrutiny monthly.

- 1.2 The information in these performance reports is collected and managed using the Covalent performance management system. Further detail behind the report and evidence providing a full and robust audit trail for the performance information presented is available to view within the online system. Members are invited to contact the Corporate Development Team at any time to arrange individual training support on using the system if required.
- 1.3 In the absence of a National Performance Framework it is important that the authority continues to strengthen its own performance management procedures particularly in relation to the use of robust local indicators and meaningful reporting against actions and activities. The actions, milestones and performance indicators in the Corporate Plan refresh 2014 have been chosen to reflect this year's priority activities and objectives with a view to realising the longer term vision set out in the Corporate Plan.
- 1.4 Due to operational improvements made to our activity reporting procedures in Quarter 3 2014/15, we made a change to one of the reported performance indicators. CS_012 "Calls Handled at First Point of Contact" has now been replaced with CS_012a "Telephone Calls handled at first point of contact." This new version of the indicator focuses solely on phone scripts.
- 1.5 Following changes to crime reporting procedures, it was decided to change the crime related PIs from targeted to data only as the previous targets are no longer relevant to the data being reported. These PIs will be reviewed and revised for the next iteration of the Corporate Plan.

2.0 Performance Overview

- 2.1 **Appendix 1** is a detailed report on the activities and outturns of the performance indicators listed within the current Corporate Plan. This report shows the latest available outturns for the local performance indicators featured in the 2010/15 Corporate Plan broken down into themed areas.
- 2.2 Each project has been allocated a number of in-year actions and milestones to be completed in order to progress the project efficiently. Some projects may be fully completed within the year whereas larger scale priorities will be delivered over a longer period. **The first section of Appendix 1 lists all the Corporate Plan priority actions whose in-year milestones have already been fully completed this year.** Full details of the specific milestones and commentary for these actions is available on request or directly via the Covalent Performance Management System.
- 2.3 The second section of Appendix 1 lists the ongoing actions showing all milestones that were scheduled for completion within this period and any outstanding milestones along with commentary to explain the context behind them.
- 2.4 Chapter summary text has been supplied by the relevant Heads of Service to provide added context for the performance reported in each section. This commentary highlights important achievements and challenges for the reporting period and can be found at the start of each chapter.

- 2.5 The PI tables show which indicators related to the priority projects are performing on target (green tick icon), failing to reach target (red octagonal icon) or are near misses (amber triangle icon). Relative performance is based on quarterly targets as set by the managers of each area using past performance, available benchmarking and planned service developments.
- 2.6 The current outturn for each PI is shown on the performance gauges in column 4 – Year to date. The gauges show visually how the level of performance compares to targets (green zones) and near miss levels (amber zones). Amber zones have been reviewed to reflect appropriate levels of performance expectation and any national targets which are lower than our own local aspirations.
- 2.7 The bar charts in column 6 show comparative performance against previous quarters/years as appropriate. This enables an at a glance indication of whether performance is improving or not and will help identify potential trends and seasonality of performance.
- 2.8 Commentary has been included in the action and indicator outturn tables where supplied. This provides some contextual background to the performance and this function and is backed up by the online evidence collation facility of the Covalent system.
- 2.9 Of the 25 Key Performance Indicators reported in the Corporate Plan this quarter, **2 are currently showing as Red, 11 are showing as Green, 6 are showing as Amber and 6 are data only or contextual PIs.** The off target PIs are...
- DE_011 – Number of reported fly-tipping incidents reported
 - CS_010 Calls to 410000 answered within 30 seconds
- 2.10 We have the capability within Covalent to analyse performance data via dashboard reporting. This allows us to look beyond green – amber – red performance reporting and drill down more into the data and what it is telling us. The following PIs are showing as the relatively best performing according to the latest confirmed data available:

...	Code & Title	Gauge	Value	Target
✓	TL_008 Conference delegates		14,775	12,000
✓	CD_155 Number of affordable homes delivered (gr...		70	30
✓	DE_192 Percentage of household waste sent for re...		40.13%	35.00%
✓	CS_011 Telephone call abandonment rate		3.43%	5%
✓	CS_003 Sickness absence - average days lost per ...		1.02 days	1.45 days

**The data in this table is based on the latest reported out-turns including annually reported indicators so may include PIs where data is from the 2014/15 out-turn.*

3.0 Financial Performance – General Fund

3.1 General Fund performance of the quarter is shown in the table below:

Department	Full Year Budget £'000	Profiled Budget £'000	Actual to 30 June 15 £'000	Variance to date £'000
SUMMARY				
Corporate Services	11,648	4,392	4,399	7
Community Services	(2)	40	46	6
Tourism & Leisure Services	3,084	1,072	1,083	11
Total Service Expenditure	14,730	5,504	5,528	24
Contingencies etc	(448)	38	5	(33)
Capital Financing and Interest	1,892	69	69	-
Contributions to/(from) Reserves	(929)	(39)	(39)	-
Net Expenditure	15,245	5,572	5,563	(9)

Service Details are shown at **Appendix 2**.

The departmental split shown above is based on the council's structure pre Future Model 2 implementation. The Finance team are currently working on the budget realignment and allocation of the savings target shown within the contingencies figure. This work will be reflected as from quarter two.

- 3.2 The position at the end of June shows a small variance of £24,000. This relates to several areas of minor under and over spends which are being carefully monitored.
- 3.3 The contingency fund currently stands at £132,250, which is available to fund inflationary increases and any future unforeseen one off areas of expenditure during the year.

4.0 Financial Performance – HRA

4.1 HRA performance for the quarter is as follows:

	Current Budget £'000	Profiled Budget £'000	Actual to 30 June 15 £'000	Variance to date £'000
HRA				
Income	(15,749)	(4,045)	(4,051)	(6)
Expenditure	14,669	2,048	2,004	(44)
Contribution to Reserves	1,080	-	-	-
Total HRA	-	(1,997)	(2,047)	(50)

- 4.2 HRA performance is currently above target by £50k this is mainly as a result of the slow take up of the under occupation scheme (£16k) and the lower provision for bad debts required (£20k). Other small variances are carefully being monitored.

5.0 Financial Performance – Capital Programme

- 5.1 The detailed capital programme is shown at Appendix 3. Actual expenditure is low compared to the budget. There are no significant variances identified and expenditure is in line with traditional patterns of spend as at quarter one. Expenditure is expected to increase as schemes progress throughout the year.
- 5.2 The capital programme has been amended from that approved by Council in February to reflect the final outturn re-profiling of schemes between years.
- 5.3 Cabinet is requested asked to approve an exemption to the Council’s contract procedure rules in relation to the appointment of Pierce Hill as employer’s agent and architect for the Sea Houses Square project funded from Coastal Communities Grant and managed by EHL.

The value of this contract is below the £50,000 limit required for a full tender exercise and could have followed the Request to Quote process.

However a “tender like” process was followed but not strictly adhered to in respect of administrative processes that would normally be applied to a full tender. Therefore whilst a higher level of competitive process was followed than necessary it was not technically compliant with the Councils own rules.

6.0 Financial Performance – Collection Fund

- 6.1 The Collection Fund records all the income from Council Tax and National Non-Domestic Rates and its distribution to the major precepting authorities
- 6.2 The projected Collection fund for the year is as follows:

	Council Tax £'000	Business Rates £'000
Balance B/fwd 1.4.15	(447)	1,789
Deficit recovery	447	(1,295)
Debit due for year	(54,658)	(34,362)
Payments to preceptors	53,953	34,399
Transitional Relief		(24)
Allowance for cost of collection		127
Allowance for appeals		(62)
Write offs and provision for bad debts	615	181
Estimated balance 31.3.16	(90)	753
Allocated to:		
CLG	-	377
East Sussex County Council	(65)	68
Eastbourne Borough Council	(12)	301
Sussex Police	(8)	-
East Sussex Fire & Rescue	(5)	8
	(90)	753

- 6.3 The allocations to preceptors reflect the operation of the Collection Fund for Council Tax and retained Business Rates which are distributed on different bases under regulations. The distributions of the estimated balance calculated at quarter 3 will be made in 2016/17. Any changes after that date will be made in 2017/18.
- 6.4 Council Tax is currently showing a £90,000 surplus a variance of 0.16% of the total debit due for the year.
- 6.5 The Business Rates deficit of £753,000 is as a result of a bigger than anticipated provision made in 14/15 for outstanding appeals, giving rise to a higher than budgeted for balance carried forward as at 1.4.15. There were 112 appeals received since 1.4.15 with a total rateable value of £10,695,000. The total number of properties with appeals outstanding as at 30.6.15 was 236 with a total rateable value of £20,152,010. The uncertainty of the potential value of successful appeals is a major risk to the Collection Fund at this time. The deficit represents 2.19% of the total debit for the year.
- 6.6 Collection performance is as follows:

Cash Collection Rates	Council Tax	Business Rates
Q1 Actual	29.33%	29.07%
Q1 Target	30.68%	29.54%

7.0 Treasury Management

- 7.1 A detailed report on Treasury Management activities for 2014/15 is included elsewhere on the agenda. That report includes the current economic background and interest rate forecasts. Interest rates are expected to remain low for the remainder of 2015/16 and start to increase after quarter two 2016
- 7.2 Annual Investment Strategy

The Treasury Management Strategy Statement (TMSS) for 2015/16, which includes the Annual Investment strategy, was approved by the Council on 4 February 2015. It sets out the Council's investment priorities as being:

- Security of Capital;
- Liquidity;
- Yield.

A full list of short term investments held as at 30 June 2015 is shown in the table below.

Counterparty	Amount £	Interest Rate %	Maturity
Santander	5,000,000	0.80	Call

Nationwide B/Soc	1,000,000	0.66	6.11.15
	6,000,000		

In addition a sum of £1m is invested with Lloyds Bank at a rate of 3.03% maturing on 23.1.19. This investment is held as part of the LAMS scheme and all interest earned will be transferred into a reserve set up to mitigate any financial risks.

No approved limits within the Annual Investment Strategy were breached during the quarter end 30 June 2015.

Investment rates available in the market have continued at historically low levels. Funds are available on temporary basis for investment and arise mainly from the timing of the precept payments, receipts of grants and progress on the capital programme.

7.3 Investment performance

Investment performance for the quarter ending 30 June 2015 is as follows:

Benchmark	Benchmark Return	Council Performance	Interest Earning
7 day	0.36%	0.78%	£13,600

As Illustrated, the authority outperformed the benchmark by 0.42%. The Council's budgeted investment return for 15/16 is £50,000 and performance for the year is in line with this budget.

7.4 Borrowing

No borrowing or debt re-scheduling was undertaken during the quarter.

Cash flow predictions indicated that further borrowing will be required towards the end of the year, depending on the timing of capital expenditure. The exact timing and nature of this borrowing will be consider at that time, however to maintain a sustainable maturity profile it is anticipated that new borrowing will be at maturity dates in excess of 25 years.

7.5 **Compliance with Treasury and Prudential Limits**

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

During the quarter to 30 June 2015 the Council has operated within all the other treasury limits and Prudential Indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices.

8.0 Consultation

8.1 Not applicable

9.0 Implications

9.1 There are no significant implications of this report.

10.0 Conclusions

- 10.1 This report provides an overview of performance against the authority's priority actions and indicators as at Quarter 1 2015/16. Progress against the key projects and indicators is updated on the online Covalent system on a regular basis and provides a "live" view of the Council's performance accessible at any time.
- 10.2 Both the General Fund and HRA budgets are on target, capital expenditure is low but this is to be expected as some of the major schemes are yet to commence.
- 10.3 The Collection Fund forecast for Council Tax is indicating a surplus of £90,000 and a deficit for Business Rates of £753,000. This will be allocated to or collected from preceptors during 2015/16 and 2016/17.
- 10.4 Treasury Management performance is on target and all activities were within the approved Treasury and Prudential Limits

William Tompsett
Senior Corporate Development Officer

Pauline Adams
Financial Services Manager

Background Papers:

The Background Papers used in compiling this report were as follows:

Corporate Plan 2010/15 (2014 refresh)








Covalent performance management system

Budget Monitoring working papers 2015/16 June 2015

Council Tax and Business Rates Collection Fund monitoring working papers 2015/16

To inspect or obtain copies of background papers please refer to the contact officer listed above.

Completed Corporate Plan Actions

Priority Theme	Project	Status
Priority Theme 1 Prosperous Economy	CP14_1_01 Tourism Marketing and Brand Development	
Priority Theme 2 Quality Environment	CP14_2_01 Managing Waste Responsibly	
Priority Theme 2 Quality Environment	CP14_2_02 Improving the Cleanliness of the Street and Public Areas	
Priority Theme 2 Quality Environment	CP14_2_03 Allotment Provision	
Priority Theme 3 Thriving Communities	CP14_3_01 Develop Youth Services and Activities	
Priority Theme 3 Thriving Communities	CP14_3_05(a) Enable the transfer of Towner to independent governance	
Priority Theme 3 Thriving Communities	CP14_3_05(b) Progress work with English Heritage to secure funding for the development of the Redoubt as an accessible, living museum	
Priority Theme 3 Thriving Communities	CP14_3_06 Tennis Development	
Priority Theme 4 Sustainable Performance	CP14_4_02 Sustainable Service Delivery Strategy (SSDS)	

Corporate Plan Milestones

Parent Action	Action	Description	Due Date	Note	Completed
CP14_1_03 Business Support Scheme	CP14_1_03a Use of technology to promote local services including procurement	Complete marketing plan for Partnership to market the service to traders and public.	31-Mar-2015	This project is now part of the £2m Pier Fire Grant from DCLG. The grant was approved in February and the timetable is that this project will be delivered within 18 months.	No
CP14_2_05 Transport - Cycling Provision	CP14_2_05a Implement Cycle Strategy	Obtain approval from DCLG to amend seafront byelaw	30-Jun-2015	Provisional approval was granted by DCLG in March.	Yes
CP14_2_06 Eastbourne Park	CP14_2_06b Carry out feasibility work for the new flood mitigation measures	Commission Consultants to assess the need for additional flood storage capacity and provide options for delivery	31-Mar-2015	Following the introduction of CIL, it was necessary to seek professional advice on whether the pooled S.106 contributions could be used to provide additional flood storage. The advice received confirmed that we can and work is currently underway to provide a brief for consultants to review the Eastbourne Park flood storage scheme.	No
		Prepare tender documents	30-Jun-2015	We are currently working with the Environment Agency to prepare a comprehensive technical brief and tender documents for this work.	No
CP14_3_02 Improving Neighbourhood Delivery	CP14_3_02d Monitoring and Analysis of Ward Walks	First Ward Walk event held	30-Sep-2014	Two ward walks locations have now been agreed for Langney and Upperton. Planning is underway for delivery by 30 December 2014.	No
		Second Ward Walk event held	30-Sep-2014	Two ward walks locations have now been agreed for Langney and Upperton. Planning is underway for delivery by 30 December 2014.	No
		Feedback collated and analysed	30-Nov-2014	Formal events deferred to Spring. Informal arrangements continue for both wards to ensure regular resident engagement.	No
CP14_3_02 Improving Neighbourhood Delivery	CP14_3_02e ECSP Programme Delivery Plan	Quarter 1 update	30-Jun-2015	The ECSP has been refreshed and updated for 2014/2017 with additional focus on domestic violence, road safety and street community. Of the 41 actions contained in the plan 32 are currently on track, green, with none showing red. It is contended that effective implementation of the plan over the next three years will assist partners continue to drive community safety improvements, as documented in previous years.	Yes

Parent Action	Action	Description	Due Date	Note	Completed
CP14_3_03 Best Use of Housing Resources	CP14_3_03a Housing Futures - Agree new approach to housing management of municipal housing stock	Complete management agreement	31-May-2015	waiting for info from EHL but has been completed (SL)	Yes
		Secretary of State approval	31-May-2015	I am pleased to confirm that following approval from the Secretary of State under Section 27(6)(a) Housing Act 1985; the 20-year Management Agreement has now been signed by EBC and EHL with effect from the 1st June 2015.	Yes
		New management agreement to commence	30-Jun-2015	waiting for info from EHL but has been completed (SL)	Yes
CP14_3_03 Best Use of Housing Resources	CP14_3_03c Housing and Economic Development	Commence delivery of CCF Projects including eg: Princes Park, Seahouses Square,	31-May-2015	Capital works; Employer's Agent appointed. Separate tenders for public realm (Seahouses Square and Princes Park) and cafe; works are currently out. Works on site targeted for commencement October 2015. Refurbishment works have started on the upper facades of Elms Buildings, Seaside Road. Work will start on 2 x commercial units in August. Revenue projects; All revenue partners (Towner, TechResort and Building Partnerships) have commenced delivery. Jointly they have delivered: 3 direct and 12 indirect jobs, 1 x apprentice, supported 57 businesses and delivered training/skills to 47 people.	Yes
		Delivery of 20 traditional beach huts	30-Jun-2015	Huts procured and currently in manufacture. Alternative location and layout currently being progressed along with services connection arrangements. Anticipated installation commencement August 2015	Yes
CP14_3_03 Best Use of Housing Resources	CP14_3_03d Development of new homes	Coventry Court frame completion schedule	31-May-2015	Coventry Court frames all complete and finished well advanced. Target o/all completion October 2015	Yes
		Longstone frame completions scheduled	30-Jun-2015	Longstone Rd frames all complete and finished well advanced. Target o/all completion October 2015	Yes
CP14_3_03 Best Use of Housing Resources	CP14_3_03f Supporting Housing and Economic Progress (SHEP)	Occupation of all 20 properties	01-Jun-2015	Extended to 24 properties. 14 completed, 6 will be occupied by 24/08/15 and remaining 4 will be occupied by end of September 15	Yes
CP14_3_04 Support to Vulnerable Households	CP14_3_04c Tackle rough sleeping	Commence additional DWP Service for complex/Single Homeless/Rough Sleeper	30-Jun-2015	Quarter 1 2015 completed. Staff recruited and positive outcomes reported back to DWP in terms of clients supported through the project	Yes
CP14_3_07 Active Eastbourne	CP14_3_07a Complete and implement the first priorities of the Active Eastbourne	Forum to develop and action Plan and prioritise	31-Aug-2014	Following discussions with internal stakeholders and the CEO of Active Sussex it has been agreed that the Sport & Physical Activity Strategy needs to be	No

Parent Action	Action	Description	Due Date	Note	Completed
	strategy			refreshed prior to the development of an action plan and setting of priorities. The draft strategy was written back in 2012 and presented to CMT at that time. A refreshed document will be finalised by 31st Dec 2014 and an action plan in place for April 2015.	
		Commence work on action plan	30-Sep-2014	The action plan requires further development and this milestone will be carried forward to 2015/16	No
		Monitor progress on actions through quarterly forum meetings	31-Dec-2014	The action plan requires further development and this milestone will be carried forward to 2015/16. It should be noted though that we are co-ordinating significant activity which goes towards achieving the priorities set within the strategy.	No
		Quarterly Forum Meeting	31-Mar-2015	This action will carry forward to 2015/16	No
CP14_4_01 Asset Management	CP14_4_01a Restructure service to create a Corporate Landlord Team	Complete work to deliver the new Corporate Landlord model	31-Mar-2015	Detailed development of the scope and specification for the CL procurement continues with Iese engaged at both EBC and LDC. Roll out of components within CL to achieve full CL model ongoing. Cabinet authorisation on programme including outsourcing of some components and phasing to accommodate changes in scope expected in autumn 2015.	No

Overarching commentary : Prosperous Economy



Significant progress has been made on the main corporate regeneration projects during the first quarter of this year. Following the making of the CPO on 26th February, Legal and General have continued to purchase properties in Terminus Road and have to date acquired 13 of the 19 freeholds.

A number of objections to the CPO were made and Legal and General will continue to negotiate and agree terms with the objectors. However, if this is not possible, then the objections will be heard at a Public Inquiry, the date of which is still to be confirmed.

Works to replace the canopies and shopfronts in Terminus Road and to provide a new fully glazed (west) entrance to the Arndale commenced on 15th July and will be finished before Christmas. The design of the development will mirror that of the proposed extension and will therefore provide a seamless elevation treatment along Terminus Road.

The Town Centre Improvement Scheme that will see a £3.2m investment in the public realm in Terminus Road and Cornfield Road will commence in January 2016. This will ensure there is no negative impact on traders in the run up to Christmas. The scheme will be delivered in phases in order to minimise disruption and to ensure works are delivered alongside the extension to the Arndale.

The construction of Pacific House at the Sovereign Harbour Innovation Park is complete and fitting out works are to be finished by the end of July. There has been a considerable amount of interest in the business space from both local businesses and other companies considering relocating to Eastbourne.


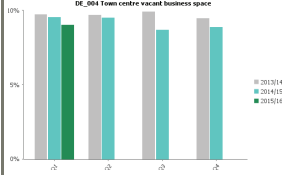


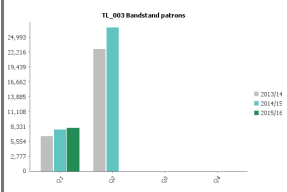
The Council has worked closely with the Pier project sponsors as agreed by DCLG to establish agreed milestones which have been incorporated into grant agreements. Monitoring systems are being developed using Covalent including a risk matrix which will form the basis of ongoing project monitoring by EBC and reported to DCLG.

Finally, planning permission was granted on 7th July for the detailed design of the Community Centre at Sovereign Harbour. Wave Leisure have been commissioned to work with the Community Association to provide advice on the management of the facility, negotiate Heads of Terms with the landowner and to explore opportunities for securing funding.

Prosperous Economy PIs 2015 Q1

Rows are sorted by Code

Traffic Light	
Amber	1
Data Only	1

Traffic Light Icon	Code & Short Name	Year to date	Q1 2015/16	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	DE_004 Town centre vacant business space	Latest result for 2015/16 as of June 2015 8.98%	8.98%		The town centre vacancy rate compares favourably with a national vacancy rate of 14%.	Ian Fitzpatrick
	TL_003 Bandstand patrons	Cumulative result for 2015/16 as of Q1 2015/16 	7,954		Compared to the first quarter of 2014/15. The Bandstand patrons has shown a 20% increase in patrons. The excellent weather has contributed to this, with a rise in mid week concerts. We have made some changes to the tribute nights and this has also impacted on higher patron numbers.	Rob Cottrill; Philip Evans

Overarching commentary : Quality Environment





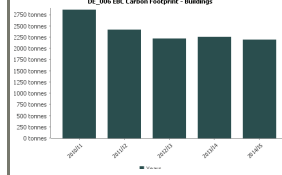

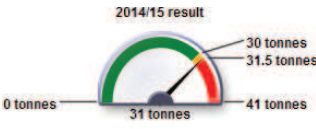
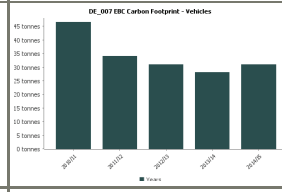

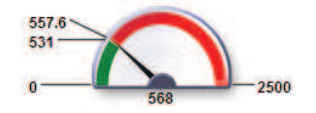
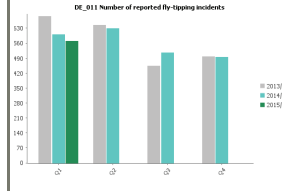
Two cycle routes have been completed. One of these routes links the University sites in Meads to the Town Centre and Seafront and the other provides a link between the Town Centre and Seafront. Phase 1 of the Horsey Way is to be installed in stages, the first stage is being constructed as part of the Town Centre Improvement Scheme (outside the station), the other stages are being installed between September 2015 and summer 2016. When completed this route will link the railway station all the way through to Langney roundabout.



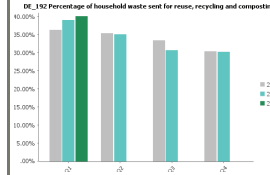


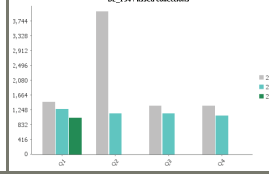
Council approved the amendment to the existing byelaw that will allow cycling to take place on the promenade between the Wish Tower and Fisherman's Green. A decision from DCLG to confirm the amendment is awaited.

Quality Environment PIs 2015 Q1

Rows are sorted by Code

Traffic Light	
Red	1
Amber	1
Green	3

Traffic Light Icon	Code & Short Name	Year to date	Q1 2015/16	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	DE_006 EBC Carbon Footprint - Buildings		Not measured for Quarters		Actual emissions continue to be within carbon reduction targets and investments in low carbon measures such as LED lighting will help to ensure future years have continued reductions.	Henry Branson; Ian Fitzpatrick
	DE_007 EBC Carbon Footprint - Vehicles		Not measured for Quarters		Actual emissions continue to be within carbon reduction targets.	Henry Branson; Ian Fitzpatrick
	DE_011 Number of reported fly-tipping incidents	<p>Cumulative result for 2015/16 as of June 2015</p> 	568		Reports for Fly tip on EHL land are now included within these figures, as a result of the Activity moving into the team. Previously Fly tips on EHL land were reported directly to them for clearance by their team. With the new investigation process and work we are doing in Zone 1 we would expect to see a further reduction in Q2.	Henry Branson; Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Year to date	Q1 2015/16	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	DE_192 Percentage of household waste sent for reuse, recycling and composting	<p>Cumulative result for 2015/16 as of June 2015</p> 	40.13%		The recycling rates for May and June were some of the best we have seen at 41.89% and 40.28%.	Henry Branson; Ian Fitzpatrick
	DE_194 Missed collections	<p>Cumulative result for 2015/16 as of June 2015</p> 	1,010		The number of missed bins for Q1 is below the target threshold of 1150 at just 1010 missed bins. This is a positive outcome and officers will continue to work with Kier staff to keep the number of missed bins low.	Henry Branson; Ian Fitzpatrick



Overarching commentary : Thriving Communities

The Design Team, led by Levitt Bernstein is on schedule to submit a planning/listed building consent application in August 2015. Three public exhibitions have taken place to show the emerging designs and project aspirations. Heritage England has been consulted on the design of the new Welcome Building and are supportive. A Design Review Panel are supportive of the Council's vision for the site.

In anticipation of tendering for the main contractor, a detailed procurement strategy is under development which will set out the different procurement packages and timings.

In anticipation of a successful planning application, a detailed phasing work plan has been drafted which takes into consideration the requirement to maintain, as far as possible, business as usual for theatres, conferences, catering and of course the main tennis tournament.

The facade restoration work at the Congress has been completed and the final snagging and internal redecoration and re-carpeting work will be completed in August 2015. The next phase of restoration work has commenced at the Devonshire Park Theatre which involves restoration of the external elevations and roof.

The Driving Devonshire Forward steering group have agreed a programme of Year 2 projects to incorporate Coastal Communities Fund grant for capital and revenue funded projects. This also includes the provision of new traditional beach huts, a competition to design and deliver iconic beach huts, a range of public realm and streetscape improvements and a programme of vocational training for local residents. The bid for £1.8M was successful and will fund capital improvements to Princess Park, Seahouses Square and Seaside Road. Three supporting revenue projects will help increase visitor numbers to the town and deliver training and job outcomes in priority sectors. Delivery of the revenue projects is underway and the capital works started in June 2015 and will continue through to spring 2016.

Refurbishment works have started on the upper facades of Elms buildings in Seaside Road; work will start on the two commercial units in August. Other projects have so far delivered three direct and twelve indirect jobs, one apprentice, supported five businesses and delivered training and skills to 47 people.

Coventry Court and Longstone Road are set to be completed in October 2015 which is ahead of schedule.

Cabinet approved set up of new Eastbourne owned company (to develop new homes for sale, shared ownership and rent) in October 2014. Work to set up the company has now been completed. The new company will be called Eastbourne Housing and Investment Company.

Eastbourne Community Safety Partnership (ECSP) Delivery Plan – ECSP has been refreshed and updated for 2014/2017 with additional focus on domestic violence, road safety and street community. Of all the 41 actions contained in the plan 32 are currently on track, with none showing as red. Effective implementation of the plan over the next three years will assist partners continue to drive community safety improvements as documented in previous years.

Expressions of interest were invited through a wide range of national and regional contacts for suitably experienced community development organisations to partner with the council on support to Voluntary Community Service organisations running community buildings. Two full submissions have been received. An initial assessment of governance, financial, policy

documents and outline proposals has been carried out and a second stage is being organised to include presentations to a panel and visits to building which potential partners currently manage.

Digital inclusion work through the Go Eastbourne project has delivered training to a number of individual residents and community mentors. A bid for funding to cover the period from October 2015 to the end of March 2016 is currently being considered by the Department of Work and Pensions (DWP). The potential for funding beyond March 2016 is likely to be known in August 2015.

In relation to agreeing a new approach to housing management of the Council's housing stock the Secretary of State has given approval under section 27(6) (a) Housing Act 1985 for the 20 year management agreement between EBC and EHL with effect from 1 June 2015.

Various models of possible Council Tax Reduction have been put forward for consultation which is running for eight weeks between July 2015 and September 2015.


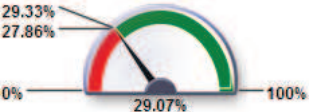
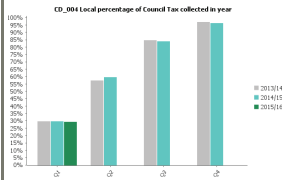

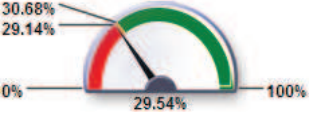
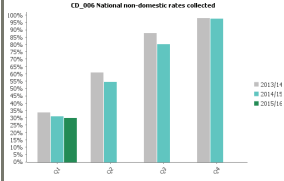
Universal Credit is now live in Eastbourne. Training was given to staff following from implementation meetings with the DWP. A Delivery partnership has been agreed.


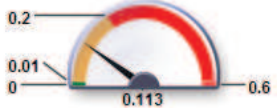
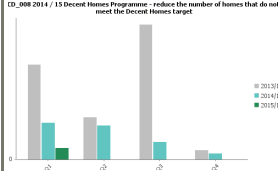

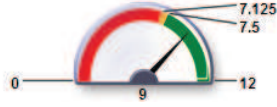
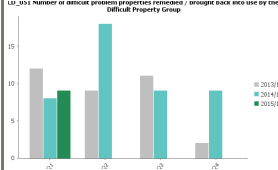


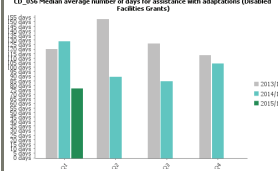

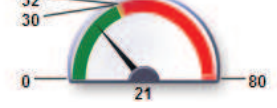
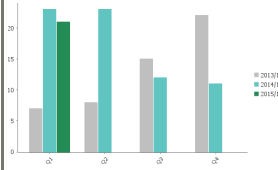


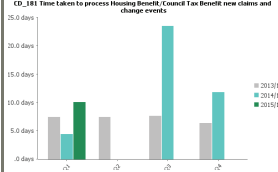
Agreement has been reached on funding arrangements for voluntary sector in relation to tackling rough sleeping using government monies - three projects will be funded through the programme across Sussex. Projects will focus on services for complex, single homeless rough sleepers.

Thriving Communities PIs 2015 Q1

Rows are sorted by Code


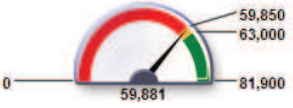
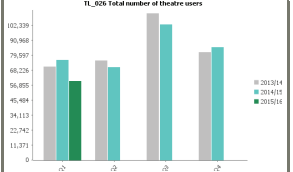
Traffic Light	
Red	1
Amber	4
Green	5
Data Only	4

Traffic Light Icon	Code & Short Name	Year to date	Q1 2015/16	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	CD_004 Local percentage of Council Tax collected in year	<p>Latest result for 2015/16 as of June 2015</p> 	29.07%		Although the 1st quarter outturn is below target the service has collected nearly £270,000 more than at the same point last year, albeit against a higher net collectable debt. The first summons court was held on the 22 June so we would expect that to produce an upturn in payments.	Ian Fitzpatrick
	CD_006 National non-domestic rates collected	<p>Latest result for 2015/16 as of June 2015</p> 	29.54%		The outturn of 29.54% being below a target of 30.68% is due to a number of factors. More businesses are taking advantage of the move from 10 to 12 instalments leading to less being collected in the early part of the year. Whilst we have not looked at every account that has moved to 12 instalments, nine businesses that have made up a reduction of £137,000. The NHS are now paying monthly whereas in the past they have paid half-yearly, with the first payment having been made in April. This alone accounts for	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Year to date	Q1 2015/16	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
					a reduction of over £100,000.	
	CD_008 2014 / 15 Decent Homes Programme - reduce the number of homes that do not meet the Decent Homes target	<p>Latest result for 2015/16 as of Q1 2015/16</p> 	0.113		The Council continues to maintain decency levels for the housing stock at almost 100%. At the end of June the number of non decent general needs properties was four.	Ian Fitzpatrick
	CD_051 Number of difficult problem properties remedied / brought back into use by the Difficult Property Group	<p>Cumulative result for 2015/16 as of June 2015</p> 	9		9 properties were successfully dealt with through the proactive enforcement carried out by the DPG group.	Ian Fitzpatrick
	CD_056 Median average number of days for assistance with adaptations (Disabled Facilities Grants)	<p>Latest result for 2015/16 as of Q1 2015/16</p> 	76 days		The average median times to deliver a DFG from receipt of OT recommendations to formal sign off is at an all time low of 76 days representing the effective partnership working between agencies including ESCC, ASC, contractors and surveyors	Ian Fitzpatrick
	CD_156 Number of households living in temporary accommodation	<p>Latest result for 2015/16 as of Q1 2015/16</p> 	21		The number of households in living in temporary accommodation has shown a slight increase over the last quarter. This reflects the national trend of residents seeking assistance with hosting issues. The team are working proactively with internal and external partners to ensure that alternative options to temporary accommodation are explored at every opportunity.	Ian Fitzpatrick
	CD_181 Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	<p>Latest result for 2015/16 as of June 2015</p> 	10.0 days		Performance continues to show an upward direction of travel, with the first quarter showing an outturn of 10 days compared to an outturn of 11.8 days for the final quarter of 2014/15.	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Year to date	Q1 2015/16	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	ECSP_002 Shoplifting rate compared to 2014/15	Latest result for 2015/16 as of June 2015 3.4%	3.4%		Sussex Police has recently introduced a new computerised operational and crime recording system, based on a national model which has seen categories of crime increase throughout the force area. Eastbourne has been no exception and has seen recorded crime increase in a number of areas. The new process has highlighted an increase in this category, which should trend lower over the time period of a performance year.	Ian Fitzpatrick
	ECSP_004 Violent Crime in a Public Place rate compared to 2014/15	Latest result for 2015/16 as of June 2015 50.16%	50.16%		Sussex Police has recently introduced a new computerised operational and crime recording system, based on a national model which has seen categories of crime increase throughout the force area. Eastbourne has been no exception and has seen recorded crime increase in a number of areas. The new process has particularly impacted performance in this category, though it is important to contextualise against major reductions over previous years.	Ian Fitzpatrick
	ECSP_015 Ranking in our Most Similar Group (MSG) in relation to all crime	Latest result for 2015/16 as of June 2015 3	3		The introduction of a new computerised operational and crime recording system has shown increases of crime and it is therefore worthy of note that Eastbourne is third lowest in overall crime when compared with our Most Similar Group (MSG). From September 2014, Eastbourne has been moved to a lower crime MSG.	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Year to date	Q1 2015/16	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	ECSP_016 Serious Acquisitive Crime (robbery, car crime and burglary dwelling) rate compared to 2014/15	Latest result for 2015/16 as of June 2015 5.42%	5.42%		<p>Sussex Police has recently introduced a new computerised operational and crime recording system, based on a national model which has seen categories of crime increase throughout the force area. Eastbourne has been no exception and has seen recorded crime increase in a number of areas. The new process has highlighted an increase in this category which should trend lower over the time period of a performance year.</p> <p>Eastbourne within its new Most Similar Group (MSG) remains the lowest in terms of Burglary Dwelling and 3rd lowest for Overall Crime.</p>	Ian Fitzpatrick
	TL_017a Redoubt visitors - paying visitors	Cumulative result for 2015/16 as of June 2015 	3,638		July figures are looking better partly due to the opening of Pirate School in the last 8 days of the month and also the addition of around 500 visits from foreign language students	Rob Cottrill; Philip Evans
	TL_022 Junior (age <=16) participation in sport (number)	Cumulative result for 2015/16 as of June 2015 	82,571		The first quarter of the year shows an increase (2500) on the previous year and is slightly up on the target. The junior programme within the 4 community sports centres remains varied and changeable which will always leads to minor fluctuations in participation numbers. Numbers at the Sovereign Centre remain very good although there were less juniors attending during May partially due to where the school holidays fell this year compared to last year. It is encouraging that we continue to see small increases in the number of junior	Rob Cottrill; Philip Evans

Traffic Light Icon	Code & Short Name	Year to date	Q1 2015/16	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
					participants across the 6 sites.	
	TL_026 Total number of theatre users	<p>Cumulative result for 2015/16 as of June 2015</p> 	59,881		Slightly below target, but strong Summer will allow us to catch up for Q2	Rob Cottrill; Philip Evans

Overarching commentary : Sustainable Performance



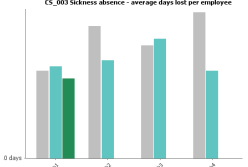


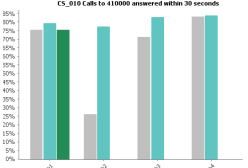


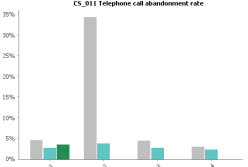



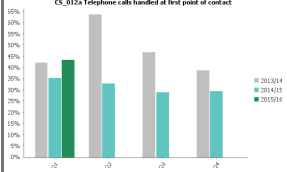
The main project for the Estates Service over the past year, other than the Devonshire Park project, is moving the service to a Corporate Landlord Team. The most recent work has been looking at the most effective way to procure the services of the team and put in place the policies for ensuring a sustainable asset base. That work is close to completion and a Cabinet paper is expected in the summer on the way forward. The intention is to be ready for full implementation of the Corporate Landlord Model in April 2016.

Sustainable Performance PIs 2015 Q1

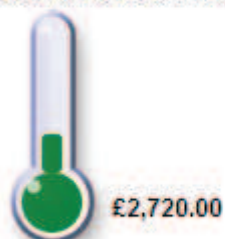
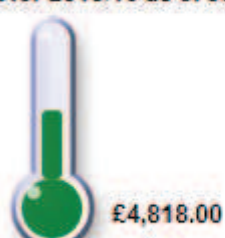
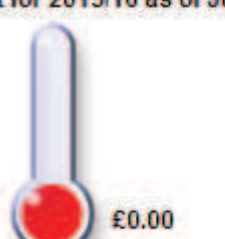
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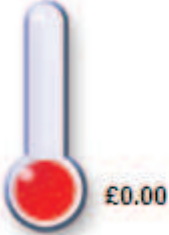
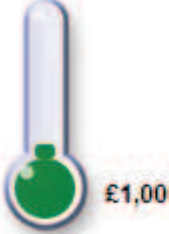
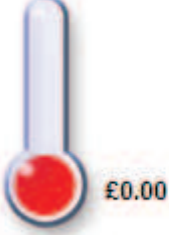
Traffic Light	
Red	1
Green	2
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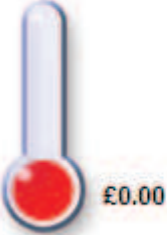
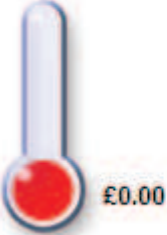

Traffic Light Icon	Code & Short Name	Year to date	Q1 2015/16	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	CS_003 Sickness absence - average days lost per employee	<p>Cumulative result for 2015/16 as of Q1 2015/16</p> 	1.02 days		Q1 figure of 1.02 days is in line with previous Q1 figures and renders us on target.	Alan Osborne
	CS_010 Calls to 410000 answered within 30 seconds	<p>Cumulative result for 2015/16 as of June 2015</p> 	75.27%		Although this indicator is below target for June we have over the last 4 weeks achieved and exceeded the target which is a positive outcome for the newly recruited team.	Henry Branson
	CS_011 Telephone call abandonment rate	<p>Cumulative result for 2015/16 as of June 2015</p> 	3.43%		Although this PI is slightly higher than it has been it is still within the agreed target.	Henry Branson


Traffic Light Icon	Code & Short Name	Year to date	Q1 2015/16	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	CS_012a Telephone calls handled at first point of contact	Cumulative result for 2015/16 as of June 2015 43.11%	43.11%		Slight increase as new services go live and Customer Advisors grow confidence in new areas	Henry Branson

Devolved Budgets 2015/16

Wards	Gauge	Projects	Project Budget
Devolved Budget Spend - Devonshire	Cumulative result for 2015/16 as of July 2015 	Friends of Seaside Recreation Ground	£300.00
		Run Wednesday	£320.00
		Seedy Sunday	£500.00
		Tables for the Leaf Hall	£600.00
		Trees in Cavendish Place	£1,000.00
Devolved Budget Spend - Hampden Park	Cumulative result for 2015/16 as of July 2015 	Academy Gardening Club	£318.00
		Contribution to Hampden Park in Bloom	£500.00
		Contribution to Willingdon Trees Funday	£600.00
		Provision of a boat for the WRAS	£400.00
		Provision of a MUGA (Multi Use Games Area) at Lindfield School	£3,000.00
Devolved Budget Spend - Langney	Cumulative result for 2015/16 as of July 2015 		

Wards	Gauge	Projects	Project Budget
Devolved Budget Spend - Meads	<p data-bbox="678 247 1189 276">Cumulative result for 2015/16 as of July 2015</p>  <p data-bbox="981 472 1048 501">£0.00</p>		
Devolved Budget Spend - Old Town	<p data-bbox="678 542 1189 571">Cumulative result for 2015/16 as of July 2015</p>  <p data-bbox="981 767 1093 796">£1,000.00</p>	Contribution towards the refurbishment of the Community Wise premises	£1,000.00
Devolved Budget Spend - Ratton	<p data-bbox="678 837 1189 866">Cumulative result for 2015/16 as of July 2015</p>  <p data-bbox="981 1062 1048 1091">£0.00</p>		

Wards	Gauge	Projects	Project Budget
Devolved Budget Spend - St Anthony's	<p data-bbox="676 248 1189 277">Cumulative result for 2015/16 as of July 2015</p> 		
Devolved Budget Spend - Sovereign	<p data-bbox="676 542 1189 571">Cumulative result for 2015/16 as of July 2015</p> 		
Devolved Budget Spend - Upperton	<p data-bbox="676 836 1189 865">Cumulative result for 2015/16 as of July 2015</p> 		

Wards	Gauge	Projects	Project Budget
Devolved Budget Spend - all wards	<p data-bbox="676 248 1189 276">Cumulative result for 2015/16 as of July 2015</p>  <p data-bbox="981 469 1099 496">£8,538.00</p>		

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	Current Budget	Profiled Budget	Actual to 30th June	Variance	Comments
	£'000	£'000	£'000	£'000	
Corporate Management	297	83	67	(16)	
Service Management	58	19	9	(10)	
Performance and Risk Managemet	47	12	9	(3)	
Civil Contingencies	30	3	3	-	
Finance Management and Operational Costs	712	272	268	(4)	
Corporate Finance Costs	326	254	261	7	
Payroll and Information	92	32	33	1	
Pensions	639	113	113	-	
Financial Services	1,904	705	696	(9)	
Service Management	243	48	44	(4)	
Civic Services (including Printing)	460	92	90	(2)	
Elections and Local Land Charges	41	9	16	7	
Strategic Performance	95	14	16	2	
Legal Services	231	231	238	7	
Human Resources	376	135	135	-	
Corporate Development	1,446	529	539	10	
Service Management	90	23	23	-	
IT & E-Government	1,651	1,119	1,126	7	
Facilities Management	200	181	176	(5)	
Customer First	6,596	1,853	1,877	24	
Estates / Asset Management	(536)	(101)	(105)	(4)	
Corporate Infrastructure and Customer First	8,001	3,075	3,097	22	
Total Corporate Services	11,648	4,392	4,399	7	
COMMUNITY SERVICES					
Service Management	(75)	(9)	(8)	1	
Housing Services Management	65	10	(6)	(16)	
Revenues and Benefits	66	32	37	5	
Housing Needs	168	24	39	15	
Homelessness	160	23	12	(11)	
EH Private Sector Housing	197	30	36	6	
Bereavement	(973)	(129)	(134)	(5)	
Direct Assistance	(317)	(10)	(16)	(6)	
Community Development	106	17	18	1	

	Current Budget	Profiled Budget	Actual to 30th June	Variance	Comments
	£'000	£'000	£'000	£'000	
Community Involvement	86	13	14	1	
Community Grants	405	56	61	5	
Community Activity	597	86	93	7	
Housing / Homelessness Strategy	70	11	19	8	
Solarbourne	(277)	(38)	(42)	(4)	
Strategic Partnership	(207)	(27)	(23)	4	
Total Community Services	(2)	40	46	6	
TOURISM AND LEISURE					
Service Management	104	26	25	(1)	
Sport & Leisure	321	198	193	(5)	
Theatres	738	303	313	10	
Devonshire Park Complex	-	15	15	-	
Tourism	647	178	185	7	
Events & Devonshire Park	595	64	64	-	
Towner	679	288	288	-	
Total Tourism & Leisure Services	3,084	1,072	1,083	11	
TOTAL SERVICE EXPENDITURE	14,730	5,504	5,528	24	

Scheme	Total Scheme Approved	Scheme Actual to 31 Mar 2015	Spend to 30 June 2015	Re-profiled Budget 2015-16	Remaining Budget	Funding	Comments
HOUSING REVENUE ACCOUNT							
Major Works (Incl Adaptations)		Ongoing	172,654	4,178,000	-4,005,346	EBC	On target to complete in 2015-16
Environmental Improvements		Ongoing	872	80,000	-79,128	EBC	On target to complete in 2015-16
Managed by Eastbourne Homes	Ongoing	0	173,526	4,258,000	-4,084,474		
Other Schemes							
House Rescue Emergency Fund	200,000	0	0	200,000	-200,000	EBC	Schemes to be identified
Empty Homes Programme Ph1	2,602,473	2,873,403	144,614	16,740	127,874	EBC/Grant	Overall schemes on target within budget.
New Build Phase 1	4,928,255	2,553,450	837,942	2,374,805	-1,536,863	EBC/S106	Some schemes completed others starting
New Build Phase 2	3,359,952	68,613	0	1,750,625	-1,750,625	EBC/Grant	which will complete in 2016-17. New schemes
Empty Homes Programme Ph2	2,137,200	744,272	12,567	1,638,267	-1,625,700	EBC/Grant	being identified
Total HRA		6,239,738	1,168,650	10,238,437	-9,069,787		
COMMUNITY SERVICES							
Memorial Safety Cems	40,000	6,080	0	34,000	-34,000	EBC	Works planned for 2015-16
Digitalise Burial Records	10,000	0	0	10,000	-10,000	EBC	Works planned for 2015-16
Ocklynge Cemetery Chapel	150,000	5,750	0	144,250	-144,250	EBC	Works started on site Aug 15.
Main Chapel Refurb - Phase 2	26,000	4,830	0	21,150	-21,150	EBC	Works planned for 2015-16
Disabled Facilities Grants	Ongoing	Ongoing	74,010	769,450	-695,440	Grant	On target to complete in 2015-16
BEST Grant (housing initiatives)	Ongoing	Ongoing	3,651	60,450	-56,799	Grant	On target to complete in 2015-16
Social Housing Enabling							
Acquisition of Land & Property	10,000,000	0	0	5,000,000	-5,000,000	External	Schemes under investigation
New Beach Huts	235,240	0	33,025	235,250	-202,225	EBC	Works started, but some delays. Completion due 2015-16
Willingdon Trees Multi Gym	20,000	0	0	20,000	-20,000	EBC	Liaising with preferred Architects.
Total Community Services		16,660	110,687	6,294,550	-6,183,863		
CUSTOMER FIRST							
Contaminated Land	185,000	82,966	0	102,000	-102,000	Grant	No works identified todote
Coast Defences Beach Management	Ongoing	Ongoing	145,067	745,850	-600,783	Grant	On target to complete in 2015-16
Cycling Strategy	45,000	0	0	40,600	-40,600	EBC	CLG considering EBC amendment to bye law
Princes Park	210,000	14,425	0	178,600	-178,600	S106	On target to complete in 2015-16
Play Area Sovereign Harbour	27,000	0	0	27,000	-27,000	S106	On target to complete in 2015-16
Allotment Upgrade	114,000	112,893	0	1,100	-1,100	EBC	On target to complete in 2015-16
Hampden Park Skate Park	170,000	169,907	0	1,150	-1,150	EBC/S106	On target to complete in 2015-16
Terminus Road Improvements	500,000	0	0	500,000	-500,000	EBC	On target to complete in 2015-16
CIL - Software	14,000	4,393	0	9,600	-9,600	EBC	On target to complete in 2015-16
Sov Harbour Community Centre	1,600,000	60,107	0	1,539,900	-1,539,900	EBC/S106/Grant	Works planned for 2015-16
Highfield Allotments	25,000	22,855	2,145	2,150	-5	EBC	Complete
Cross Levels Way BMX Track	46,000	1,150	3,500	44,850	-41,350	EBC	On target to complete in 2015-16
Hampden Park Path	25,000	0	0	25,000	-25,000	EBC	On target to complete in 2015-16
Bodiam Cres Play Area Path	20,000	0	0	20,000	-20,000	EBC	On target to complete in 2015-16
Gildredge Park - Toddler Equipment	22,000	0	0	22,000	-22,000	EBC	On target to complete in 2015-16
Princes Park - Bowls Roof	40,000	0	0	40,000	-40,000	EBC/External	Works completed. Awaiting invoices.
Hampden Park - Multi Play Unit	50,000	0	0	50,000	-50,000	EBC	On target to complete in 2015-16
Motcombe Pond	50,000	0	0	50,000	-50,000	EBC	On target to complete in 2015-16
Total Customer First		468,695	150,712	3,399,800	-3,249,088		
TOURISM & LEISURE							
Volleyball Court	25,000	2,000	0	23,000	-23,000	EBC	On target to complete in 2015-16
Signage	40,000	23,917	0	16,100	-16,100	EBC	On target to complete in 2015-16

Scheme	Total Scheme Approved	Scheme Actual to 31 Mar 2015	Spend to 30 June 2015	Re-profiled Budget 2015-16	Remaining Budget	Funding	Comments
Sports Park Flood Lights	30,000	0	0	30,000	-30,000	EBC/External	Quotes received over £100k. New bid required in 2015-16
Re-surface Tennis Courts	265,000	208,946	0	56,050	-56,050	EBC/Grant	Surfaces completed. Entry system to be installed
Wish Tower - Catering Outlet	40,000	36,000	0	4,000	-4,000	EBC	On target to complete in 2015-16
Serco Contract	Ongoing	Ongoing	0	31,650	-31,650	EBC	On target to complete in 2015-16
ILTC - Air Conditioning	60,000	0	0	60,000	-60,000	EBC	On target to complete in 2015-16
ILTC - Public Address System	40,000	15,000	27,857	25,000	2,857	EBC	Completed
ILTC - Fire Alarm	10,000	0	16,877	10,000	6,877	EBC	Completed
Sports Park Railings	11,000	0	0	11,000	-11,000	EBC/External	Works ordered. Completion due 2015-16
Redoubt - Stair Climber	20,000	0	0	20,000	-20,000	EBC	On target to complete in 2015-16
Colonnade Removal	500,000	0	0	500,000	-500,000	EBC	On target to complete in 2015-16
Redoubt - Asphalt Gun Platform	50,000	0	0	50,000	-50,000	EBC	On target to complete in 2015-16
Devonshire Park - Roller	14,000	0	0	14,000	-14,000	EBC	On target to complete in 2015-16
Devonshire Park - Verti Drain Aerator	14,000	0	0	14,000	-14,000	EBC	On target to complete in 2015-16
Devonshire Park - Hollow Corer	15,000	13,250	0	1,750	-1,750	EBC	On target to complete in 2015-16
Devonshire Park - Grounds Van	7,500	0	7,232	7,500	-268	EBC	Completed
Total Tourism & Leisure		299,113	51,966	874,050	-822,084		
CORPORATE SERVICES							
Carbon Reduction Works	467,500	0	10,624	467,500	-456,876	EBC	Contracts signed. Programme of works to be agreed
Agile phase 2	555,000	485,165	0	70,550	-70,550	EBC	On target to complete in 2015-16
Invest to Save	80,000	0	0	72,500	-72,500	EBC	Available for allocation
Future Model Phase 2	2,990,000	2,459,398	203,658	580,600	-376,942	EBC	On target to complete in 2015-16
Investment Capital	5,750,000	1,150,000	0	2,300,000	-2,300,000	External	Investment due to be made in tranches waiting next draw down
Sovereign Harbour Innovation Mall	1,400,000	0	0	1,400,000	-1,400,000	External	Full payment in July 2015
Solar Panels (2nd Programme)	500,000	303,778	109,294	196,200	-86,906	EBC	Works completed. Awaiting final invoices
IT - Block Allocation	Ongoing	241,726	392	526,250	-525,858	EBC	On target to complete in 2015-16
Total Corporate Services		4,640,067	323,968	5,613,600	-5,289,632		
Asset Management							
Devonshire Park Review Stage 2	950,000	762,164	187,850	187,850	0	EBC	Completed March 2015
Devonshire Park Project Stage 3	1,425,000	0	160,822	1,425,000	-1,264,178	EBC	Planning application will be submitted August 15
Congress Theatre redesign & restoration	1,950,000	1,109,316	389,975	840,700	-450,725	EBC	Practically complete.
Thatched Shelters - re-roofing	23,600	0	23,770	23,600	170	EBC	Completed under original budget of £40k
Brick Shelters	65,000	5,279	0	50,000	-50,000	EBC	Likely to be completed in 2016-17
Royal Hippodrome Theatre (Phase 2)	127,000	0	0	127,000	-127,000	EBC	Awaiting survey works to be completed
Devonshire Park Theatre - rendering	197,000	833	0	197,000	-197,000	EBC	Work has started on site. Additional works identified
Motcombe Dovecot	17,000	0	0	17,000	-17,000	EBC	Works planned to start Sept 15
Town Hall Community Hub	20,000	0	0	20,000	-20,000	EBC	Consultants to be appointed
Downland Pipe replacement	0	0	0	70,000	-70,000	EBC	Works planned for 2015-16
Shinewater Boiler replacement	2015-16	0	0	45,000	-45,000	EBC	Quotes being obtained. Completion due 2015-
Total Asset Management		1,877,592	762,418	3,003,150	-2,240,732		
Pier Grant & Coastal Communities Grant							
Wish Tower Restaurant	1,200,000	0	0	1,200,000	-1,200,000	Grant	On target to complete in 2015-16
Replace staircase to Camera Obscura	65,000	0	0	65,000	-65,000	Grant	On target to complete in 2015-16
Statue Sculpture Installation	22,000	0	0	22,000	-22,000	Grant	On target to complete in 2015-16
Princes Park - Café Refurbishment	394,556	0	0	394,556	-394,556	Grant	On target to complete in 2015-16

Scheme	Total Scheme Approved	Scheme Actual to 31 Mar 2015	Spend to 30 June 2015	Re-profiled Budget 2015-16	Remaining Budget	Funding	Comments
Princes Park - Public Realm Work	512,359	81,872	0	430,487	-430,487	Grant	On target to complete in 2015-16
Sea Houses Sq - Plaza Improvements	169,500	20,677	0	148,823	-148,823	Grant	On target to complete in 2015-16
Sea Houses Sq 1-5 Seaside Refurb	65,543	0	0	65,543	-65,543	Grant	On target to complete in 2015-16
Seaside Rd - Elms Bdg Façade	172,826	5,743	0	167,083	-167,083	Grant	On target to complete in 2015-16
Seaside Rd - 67-69 Seaside refurb	68,687	0	0	68,687	-68,687	Grant	On target to complete in 2015-16
		108,291	0	2,562,180	-2,562,180		
General Fund		7,410,418	1,399,751	21,747,330	-20,347,578		
HRA		6,239,738	1,168,650	10,238,437	-9,069,787		
Total		13,650,156	2,568,401	31,985,767	-29,417,366		

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BODY: CABINET
DATE: 2nd September 2015
SUBJECT: Treasury Management Annual Report 2014-15
REPORT OF: Chief Finance Officer

Ward(s): All

Purpose: To report on the activities and performance of the Treasury Management service during 2014/2015

Decision Type

Contact: Alan Osborne, Chief Finance Officer, Financial Services Telephone Number 01323 415149.

Recommendations: Cabinet is recommended to:

1. Agree the annual treasury management report for 2014/15.
2. Specifically approve the 2014/15 prudential and treasury indicators included.
3. Approve the amendment to the Council's Treasury Management Policy to allow lending to Investment Companies

1.0 Introduction

1.1 This Council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2014/15. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2014/15 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 4 February 2015)
- a mid year (minimum) treasury update report (Council 10 December 2014)
- an annual report following the year describing the activity compared to the strategy (this report)

In addition Treasury Management updates are included in the quarterly performance management reports, considered by both the Cabinet and Scrutiny Committee.

Recent changes in the regulatory environment place a much greater onus on members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Audit & Governance Committee before they were reported to the full Council. Member training on treasury management issues was undertaken on 23 March 2010 in order to support Members' scrutiny role.

1.2 This report summarises:

- Capital activity during the year;
- Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
- Reporting of the required prudential and treasury indicators;
- Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
- Summary of interest rate movements in the year;
- Debt activity and investment activity.

2.0 **The Council's Capital Expenditure and Financing 2014/15**

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

	2013/14 Actual £m	2014/15 Estimate £m	2014/15 Actual £m
Non-HRA capital expenditure	6.04	7.4	9.92
HRA capital expenditure	8.84	11.7	7.66
LAMS	1.00	-	-
Total capital expenditure	15.88	19.1	17.58
Resourced by:			
• Capital receipts	0.14	2.1	1.98
• Capital grants &	1.14	2.0	2.73

Contributions			
• Capital Reserves	6.45	7.1	3.90
• Revenue	0.50	1.4	2.10
Use of internal balances/ borrowing	7.65	6.5	6.87

3.0 The Council's overall borrowing need

3.1 The Capital Financing Requirement (CFR) represents the Council's total underlying need to borrow to finance capital expenditure, i.e. capital expenditure that has not been resourced from capital receipts, capital grants and contributions or the use of reserves. Some of this borrowing is from the internal use of cash balances.

3.2 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board [PWLB] or the money markets), or utilising temporary cash resources within the Council.

3.3 **Reducing the CFR** – the Council's (non HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the non-Housing Revenue Account (HRA) borrowing need (there is no statutory requirement to reduce the HRA CFR). This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

The total CFR can also be reduced by:

- the application of additional capital financing resources (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

- 3.4 The Council's 2014/15 MRP Policy (as required by CLG Guidance) was approved as part of the Treasury Management Strategy Report for 2014/15 on 5 February 2014.

The Council's CFR for the year is shown below, and represents a key prudential indicator. The figures include a credit sales agreement on the balance sheet, which increases the Council's borrowing need, the CFR.

CFR	31 March 2014 Actual £m	31 March 2015 Original Indicator £m	31 March 2015 Actual £m
Opening balance	55.90	62.5	62.49
Add unfinanced capital expenditure (as above)	7.65	6.5	6.87
Less MRP	(1.06)	(0.9)	(1.13)
Closing balance	62.49	68.1	68.23

- 3.5 The borrowing activity is constrained by prudential indicators for net borrowing and the CFR, and by the authorised limit.

Net borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term the Council's external borrowing, net of investments, must only be for a capital purpose. This essentially means that the Council is not borrowing to support revenue expenditure. Net borrowing should not therefore, except in the short term, have exceeded the CFR for 2014/15 plus the expected changes to the CFR over 2015/16 and 2016/17. This indicator allows the Council some flexibility to borrow in advance of its immediate capital need in 2014/15. The table below highlights the Council's net borrowing position against the CFR. The Council has complied with this prudential indicator.

	31 March 2014 Actual £m	31 March 2015 Original Indicator £m	31 March 2015 Actual £m
Net borrowing position	41.49	45.4	45.32
CFR	62.49	68.1	68.23

The authorized limit - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The table below demonstrates that during 2014/15 the Council has maintained gross borrowing within its authorised limit.

The operational boundary - the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual

position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2014/15
Authorized limit	£83.1m
Maximum gross borrowing position	£49.32m
Operational boundary	£68.1m
Average gross borrowing position	
Financing costs as a proportion of net revenue stream: Non HRA HRA	

4.0 Treasury Position as at 31 March 2015

4.1 The Council's debt and investment position is organised by staff within Financial Services in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the beginning and the end of 2014/15 the Council's treasury position was as follows:

TABLE 1	31 March 2014 Principal	Rate/Return	31 March 2015 Principal	Rate/Return
Fixed rate funding:				
-PWLB	£27.19m		£36.53m	
-Market	£14.00m		£11.50m	
- Serco Paisa	£1.25m		£1.29m	
Total debt	£42.44m	4.95%	£49.32m	4.54%
CFR	£62.49m		£68.23m	
Over/ (under) borrowing	(£20.05m)		(£18.91m)	
Total investments	£0.95m	0.69%	£4.0m	0.80%

All investments were held in call accounts where more advantageous rates were available. The Council also held cash balances of £1.4m in a current account on which interest of 0.4% was being earned.

4.2 The maturity structure of the debt portfolio excluding Serco Paisa was as follows:

	31 March 2014 Actual £m	2014/15 Original limits £m	31 March 2015 Actual £m
Under 12 months	5.16		1.98
12 months and within 24 months	5.98		4.00
24 months and within 5 years	7.00		7.00
5 years and within 10 years	12.40		12.40
10 years and above	10.65		22.65

The exposure to fixed and variable rates (including Serco Paisa) was as follows:

	31 March 2014 Actual £m	2014/15 Original Limits £m	31 March 2015 Actual £m
Principal - Debt Fixed rate	42.44	47.40	49.32
Principal - Investments Variable rate	(0.95)	N/a	(4.00)

5.0 The Strategy for 2014/15

5.1 The expectation for interest rates within the strategy for 2014/15 anticipated low Bank Rate until quarter 3 of 2014. Variable or short-term rates were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.

In this scenario, the treasury strategy was to postpone borrowing to avoid the cost of holding higher levels of investments and reduce counterparty risk.

The actual movement in interest rates was lower than expected; rates have continued to remain low and are not expected to rise until quarter 2 of 2016.

During 2014/15 the Council used internal balances and temporary borrowing at historically low interest rates to ensure new borrowing was taken at the most advantageous rates. In quarters 3 and 4 of 2015 long term borrowing rates dropped and the Council took long term borrowing to

lock into historically low rates and thereby reduce the risk of interest rate increases expected in the future.

6.0 Borrowing Outturn for 2014/15

6.1 Treasury Borrowing.

Borrowing – six new loans totaling £12.0m were drawn down between September 2014 and January 2015 to fund the net unfinanced capital expenditure and to replace maturing loans. The loans drawn were all fixed rate as follows:

Lender	Principal	Interest Rate	Maturity
PWLB	£2m	3.85%	24 /9/59
PWLB	£2m	3.70%	24/9/61
PWLB	£2m	3.54%	24/3/56
PWLB	£2m	3.16%	24/9/63
PWLB	£2m	3.05%	24/9/62
PWLB	£2m	2.90%	24/9/60

This compares with a budget assumption of borrowing at an interest rate of 3.80%.

Rescheduling – no debt rescheduling was carried out during the year as there was no financial benefit to the Council.

Repayment – £5.5m of temporary debt was repaid on maturity during the year and £2.66m of long term PWLB debt was repaid at maturity on 25th March 2015.

Summary of debt transactions – the overall position of the debt activity resulted in a fall in the average interest rate by 0.41%, representing a saving to the General Fund.

7.0 Interest Rates in 2014/15

7.1 The tight monetary conditions following the 2008 financial crisis continued through 2014/15 with little material movement in the shorter term deposit rates.

7.2 Bank Rate remained at its historical low of 0.5% throughout the year. Investment rates remained very low. With many financial institutions failing to meet the Council's investment criteria, the opportunities for investment returns was limited. The investment rates at the beginning and end of the year are provided below.

Investment Term	Interest Rate March 2015	Interest rate April 2014
Overnight		0.40%
1 Month		0.40%
3 Months		0.50%
6 Months		0.55%

9 Months		0.70%
12 Months		0.80%

The PWLB rates at the beginning and end of the year are provided below.

Loan Term	Interest Rate March 2015	Interest rate April 2014
1 Year	1.11%	1.44%
5 Years	1.87%	2.99%
10 Years	2.45%	3.94%
20 Years	3.10%	4.42%
50 Years	3.08%	4.47%

8.0 Investment Outturn for 2014/15

8.1 **Investment Policy** – the Council’s investment policy is governed by CLG guidance, which was been implemented in the annual investment strategy approved by the Council on 5 February 2014. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

8.2 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

8.3 **Resources** – the Council’s longer term cash balances comprise, primarily, revenue and capital resources, although these will be influenced by cash flow considerations. The Council’s core cash resources comprised as follows, and met the expectations of the budget:

Balance Sheet Resources	31 March 2014 £m	31 March 2015 £m
Balances	4.69	4.90
Earmarked reserves	5.84	6.35
HRA	2.70	3.15
Major Repairs Reserve	0.31	0
Capital Grants & Contributions	4.20	5.53
Usable capital receipts	5.01	5.49
Total	22.75	25.42

8.4 **Investments held by the Council** - the Council maintained an average balance of £7.2m of internally managed funds. The internally managed funds earned an average rate of return of 0.62%. The comparable performance indicator is the average 7-day LIBID rate, which was 0.36%. This excludes the Council’s investment with Lloyds Bank of £1m for 5 years at 3.03% which supports the Local Authority Mortgages Scheme (LAMS).

9.0 **The Economy and Interest Rates Forecast**

9.1 Economic background:

To Follow

9.2 The Council's treasury advisor, Capita, provides the following forecast:

	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
Bank rate	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%
5yr PWLB rate	2.30%	2.40%	2.50%	2.60%	2.80%	2.90%	3.00%
10yr PWLB rate	2.90%	3.00%	3.20%	3.30%	3.40%	3.50%	3.70%
25yr PWLB rate	3.40%	3.60%	3.80%	3.90%	4.00%	4.10%	4.20%
50yr PWLB rate	3.40%	3.60%	3.80%	3.90%	4.00%	4.10%	4.20%

The Capita central forecast is for the first increase in Bank Rate to be in June 2016.

9.3 **Summary Outlook**

To Follow

10.0 **Executive Summary and Conclusion**

10.1 During 2014/15, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators	2013/14 Actual £m	2014/15 Original £m	2014/15 Actual £m
Actual capital expenditure	15.88	19.1	17.58
Total Capital Financing Requirement:			
• Non-HRA	25.02	27.6	27.95
• HRA	<u>37.47</u>	<u>40.5</u>	<u>40.28</u>
• Total	62.49	68.1	68.23

External debt	42.44		49.32
Investments (all under 1 year)	0.95		4.00

Other prudential and treasury indicators are to be found in the main body of this report. The Chief Finance Officer also confirms that borrowing was only undertaken for a capital purpose and the statutory borrowing limit (the authorised limit), was not breached.

The financial year 2014/15 continued the challenging environment of previous years; low investment returns and continuing counterparty risk continued.

11.0 Amendment to Treasury Management Policy

To follow – amendment to allow the Council to lend money to a limited company on commercial terms.

12.0 Consultation

Not applicable

Background Papers:

The Background Papers used in compiling this report were as follows:

CIPFA Treasury Management in the Public Services code of Practice (the Code)

Cross-sectorial Guidance Notes

CIPFA Prudential Code

Treasury Management Strategy and Treasury Management Practices adopted by the Council on 18 May 2010.

To inspect or obtain copies of background papers please refer to the contact officer listed above.

By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A of the Local Government Act 1972.

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